CAXTON&CTP publishers & printers LIMITED

Integrated Annual Report 2018

Caxton and CTP Publishers and Printers Limited is a major publisher, printer and manufacturer of packaging material in South Africa

Caxton and CTP Publishers and Printers Limited is driven by the quest for excellence across all disciplines of publishing and printing, working with a team of committed, well-trained and empowered employees. We aim to provide products of outstanding quality to our clients and superior returns to our shareholders whilst contributing to the growth of a democratic and prosperous South Africa.

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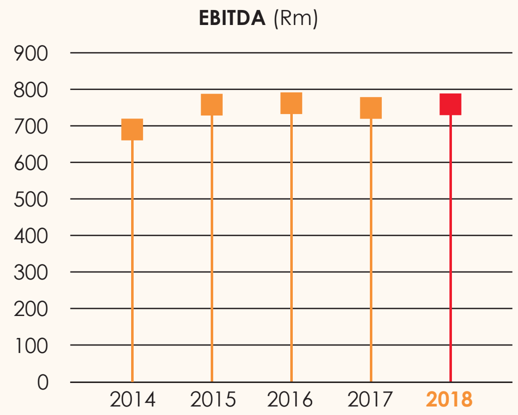
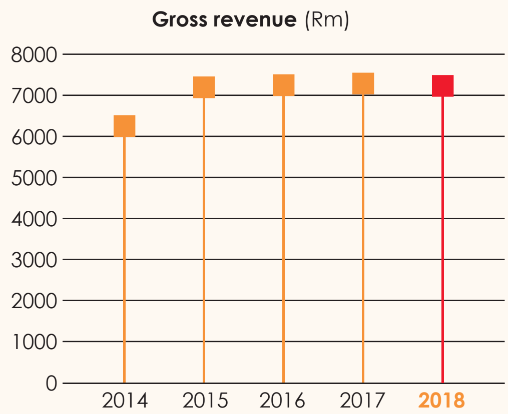
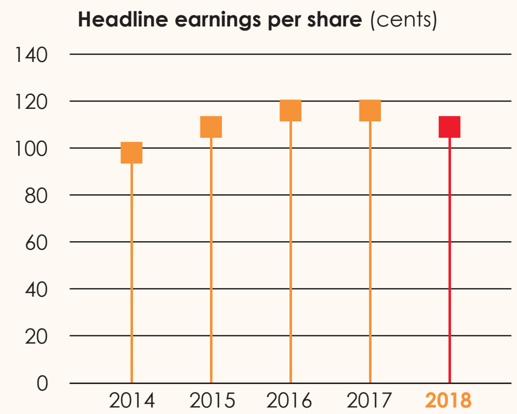
HIGHLIGHTS

- ***Turnover R7 229 million***
- *Profit before tax **R541 million***
- *Cash generated by operations **R740 million***
- *Cash resources **R1 599 million***







HIGHLIGHTS – FIVE YEARS TO 30 JUNE 2018

		2018 Rm	2017 Rm	2016 Rm	2015 Rm	2014 Rm
STATEMENT OF COMPREHENSIVE INCOME AND CASH FLOW						
Gross revenue		**7 229**	7 286	7 246	7 194	6 250
Operating profit before depreciation and amortisation		**759**	749	762	758	690
Finance income		**124**	141	129	117	104
Profit attributable to equity holders of the parent		**386**	445	448	423	427
Headline earnings per share	(cents)	**109**	116	116	109	98
Cash generated by operations		**740**	725	738	767	750
STATEMENTS OF FINANCIAL POSITION						
Shareholders' equity		**5 745**	5 729	5 579	5 297	5 029
Total assets		**7 227**	7 229	7 050	6 690	6 319
Cash and cash equivalents		**1 599**	1 946	2 018	1 989	2 222
OTHER INFORMATION						
Weighted average number of shares in issue	(000's)	**392 427**	396 219	397 982	396 463	406 494
Net asset value per share	(cents)	**1 462**	1 436	1 406	1 337	1 283
Number of employees		**6 030**	6 311	6 310	6 434	6 053

DIRECTORATE

EXECUTIVE

TD Moolman (74) **(Chief Executive Officer)**
Terry is the founder of Caxton and CTP Publishers and Printers Limited.

TJW Holden (54) **(Managing Director)**
(Financial Director) BCom, CA(SA)
Tim joined the group as group general manager: finance in 2003 and was appointed as financial director in 2006. He is a qualified chartered accountant and has had a number of years' experience in the retail and manufacturing industries. Tim has been the financial director of a number of companies. In addition, he has also held a number of senior and executive operational posts within these companies.

PG Greyling (61) **(Deputy Managing Director)**
BCom, Hons BCompt
Piet is a former chartered accountant. He joined the group in 1992 and is currently CEO of the group's newspaper and commercial printing divisions.

NON-EXECUTIVE

PM Jenkins* (59) **(Chairman)**
BCom, LLB
Paul qualified at Randse Afrikaanse Universiteit in 1981 with BCom and LLB degrees and was admitted as an attorney and notary in February 1986. He became a partner of Webber Wentzel in 1988 and left his position as senior commercial legal partner in 1999 to join the Johnnic group full time. In this capacity he served as a director of numerous listed companies and was CEO of Johnnic Entertainment. He is currently self-employed and provides business and legal advisory services to a select group of clients.

ACG Molusi* (56)
BJournalism, MA
Connie has been involved with the media industry for many years and holds a number of directorships.

NA Nemukula* (63)
Albert qualified as a teacher and has a marketing sales diploma. He has taught at various high schools and was responsible for marketing and publishing at Juta & Co.

He has several business interests in publishing and printing, jewellery and retail stores.

J Phalane* (43)
BA, LLB, LLM, MCom, MBA
Jack qualified as a teacher in 1996 and then went on to study at Wits University where he graduated with BA, LLB, LLM and MBA degrees. He also obtained an MCom (Taxation) degree from the North-West University (Potchefstroom) in 2006.

He became a partner at Fluxmans in 2007. He practices as a commercial attorney at Fluxmans, specialising in Mergers and Acquisitions.

T Slabbert*(51)
BA, MBA
Tania is a co-founder and non-executive director of WDB Investment Holdings (Proprietary) Limited and previously served as its CEO for 12 years. She has held numerous past directorships and presently also serves as a non-executive director on the Boards of Bidvest and the WDB Growth Fund and is a trustee of the BPSA Education Foundation.

** Independent non-executive*

MANAGING DIRECTOR'S REPORT

GROUP PERFORMANCE

Earnings

The strength and resilience of the Caxton and CTP Publishers and Printers group is illustrated by the year-end results, achieved against a background of both subdued national economic performance and continued global changes in the advertising, printing and publishing sector.

The group has posted an improved second half to the financial year. This has meant that the half-year results have been somewhat mitigated, with profit from operating activities before depreciation showing growth of 1.4% for the full year as opposed to a decline of 6.1% at the interim reporting period. This is a credible set of results when taken against the backdrop of weak economic growth and declining business confidence. This recovery was assisted by the acquisition of some key printing tenders, recovery in certain markets, the continued focus on costs and rationalisation of operations to adjust to changing market demand.

Revenues recovered from the interim reporting period, ending down by only 1.1%. This is reflective of improved demand in some of the operations and the positive impact of the Media 24 newspaper and magazine work that was gained during the last quarter of the financial year. Newspaper and magazine circulation and advertising revenues continue to decline as the difficult national and local environment persisted throughout the reporting period. This had a knock-on impact on revenues in the commercial printing divisions which have also experienced a decline in throughput. Revenue was positively impacted by the acquisitions made during the period, the most notable being the acquisition of a controlling interest in Private Property, and a number of smaller packaging operations.

A pleasing feature of the results is the success in containing costs, with increases in raw material, staff and other operating expenses being well managed below inflation. The rationalisation of certain operations impacted positively, by reducing costs and this will continue to be a focus area for the forthcoming year. Depreciation increased to R293.6 million as the new investments in plant were commissioned. Notwithstanding the higher depreciation charge, profit from operating activities after depreciation increased by 0.6%.

A number of impairments were recognised by the group during the year:

- Impairment of investments and goodwill (R36.7 million) in Cognition Holdings Limited, Vehicle Trader and other smaller magazine publishers as a result of reduced profitability and an ongoing difficult trading environment that is likely to endure into the future. This is in addition to the impairment of goodwill associated with the acquisition of the labelling operations in the Western Cape that have now been integrated with our operation.
- Impairment of loans (R22.7 million) includes the funding arrangement associated with the sale of 51% of Ramsay Media Proprietary Limited in which the group will fund the business until January 2019, as well as a provision against the loan made to Vehicle Trader.
- During the period, the group disposed of two subsidiaries, being a 51% share of the loss-making magazine business Ramsay Media Proprietary Limited to Highbury Media for a nominal amount, and 100% of its investment in Moneyweb Holdings Limited to African Media Entertainment Limited for an exchange of shares. The profit on disposal of these subsidiaries amounted to R7.8 million.
- Impairment of plant (R18.7 million) is in response to the loss of the Independent Media contract, effective 1 August 2018, at the newspaper plant in Cape Town which necessitated the impairment of one of the presses.

Net finance income declined by R33.1 million to R114.7 million as a result of reduced dividends from our investment in Thebe Convergent Technology Holdings Proprietary Limited and reduced interest due to lower cash balances over the reporting period.

Net income from associates increased to R31.1 million on the back of improved performances from some printing associates, as well as the group's investment in the fibre to the home operator Octotel, as new connections gathered pace.

Profit before tax declined by 11.3% to R541.3 million and income tax absorbed R135.6 million, resulting in profit for the period of R405.7 million.

The weighted number of shares in issue reduced to 392 426 737 resulting in earnings per share of 98.5 cents and headline earnings per share of 109.0 cents, a decline of 12.3% and 5.7% respectively.

Cash Flow

Cash and cash equivalents reduced by R346.6 million over the corresponding prior year to end at R1 599.2 million mainly as a result of increased working capital requirements and an increase in investments and loans.

Operating cash flow before working capital movements was relatively flat at R740.1 million which is reflective of the trading performance. However, an increased working capital requirement of R113.1 million meant the cash generated by operations declined by 19.9%. The group was faced with constrained commercial paper and packaging board supply which increased lead times and also required monthly commitments to access supply. These factors resulted in inventory being increased to manage the potential risk of non-supply. These conditions are expected to continue for the foreseeable future. After taxation paid of R128.4 million, the net cash inflow from operating activities is R498.5 million.

The net investment in property, plant and equipment amounted to R224.9 million, which is below the previous year's level. Capital expenditure is expected to taper off as the most significant investments have taken place.

The group has made three acquisitions during the reporting period, excluding cash acquired, totalling R159.1 million, including a 52.65% investment in Private Property Proprietary Limited for R122.9 million, and smaller packaging acquisition's. The latter comprise the previously reported upon narrow web self-adhesive operation and a corrugated box operation in the Western Cape.

Further investments and loans were made for R228.4 million, which included the following:

- A 5% stake in Novus Holdings Limited.
- An increase in the group's non-controlling share of Shumani Printers.
- An increase in loans to the group's associate Octotel Proprietary Limited to fund the roll-out of the fibre to the home network in the Western Cape. At the time of reporting, the business has passed over 65 000 homes with an ever-increasing connection rate and is generating positive cash flows from operations. The loans have been made at commercial terms with adequate security. Additional third-party funding has been made available to the business to further fund the roll-out of the network.
- Increase in loans to our associate Universal Labelling to replace institutional funding, at commercial rates with adequate security.

The group continues to look at acquiring its own shares and during the period acquired 5 911 086 shares at a cost of R79.6 million.

DIVISIONAL PERFORMANCE

Publishing, printing and distribution

Newspaper Publishing and Printing

The group's local newspapers had another tough year, mainly due to a weak consumer market. This led to a decline in local advertising revenues as core advertisers cut back on spending. These conditions also migrated to national advertising revenues which also experienced a decline for the first time in five years, as national retailers curtailed their spend. A positive feature was that management was successful in attracting a number of new customers who are using our advertising medium for the first time. It is our view that the decline in revenues has probably levelled out and, combined with cost reduction initiatives, should see our local newspaper division remaining an important contributor to the group.

Our local newspapers' digital offerings have shown a 21% increase in unique users, reaching over 45 million unique users per annum, making the group the third largest online publisher in South Africa. All measurement metrics continue to show improvements with increasing site visits, page views and number of sessions being recorded. The reach of these offerings has been successfully packaged in combination with print advertising, leading to a significant increase in digital revenues towards the end of the financial year. Small businesses are encouraged by the fact that we can now offer a multi-platform advertising solution.

As previously reported the group acquired a 52.65% interest in one of South Africa's largest property portals, Private Property Proprietary Limited, along with several high profile estate agents and other industry participants, effective 1 July 2017. Private Property holds a significant market share in the South African property market and has grown revenues in excess of 30% in recent years. In the period under review revenues grew 9% while net income grew 16%. It is envisaged that this acquisition will have significant synergies with the group's local digital assets that will contribute to further growth in the future.

The newspaper printing operations delivered a stable result despite some major challenges that have been successfully navigated. The operations have had a year of flux with the closure of two national dailies belonging to our customers, the loss of the Independent Media printing contract in Gauteng and more recently in the Cape, and the continued decline in print orders and paginations. The loss of this revenue has fortunately been mitigated through the successful tender for all the newspaper titles for Media 24 in Gauteng, from 1 April 2018.

Magazine Publishing and Distribution

Despite the ongoing market pressures on advertising and circulation revenues, the group's magazine division has delivered an improved performance.

The management team continued its focus on ways to mitigate the revenue pressures through implementing cost saving initiatives and seeking new revenue opportunities. This resulted in costs in all areas recording year-on-year declines, while the strong growth in digital revenues, albeit off a small base, went some way in compensating for the decline in traditional revenues.

The division will continue to exploit synergies across the various magazine titles as well as experimenting with new ways of selling advertising to both its general and niche audiences.

As previously reported, the group disposed of 51% of its loss making magazine subsidiary Ramsay Media to Highbury Media for a nominal amount and a commitment to fund the cash requirements until January 2019. The ability of Highbury Media to extract synergies has meant that no funding has been required in the last quarter of the reporting period.

The group's magazine distribution network is faced with declining circulations and revenue whilst the ever-increasing cost base impacts negatively on profitability. The move to diversify the revenue stream continues but cannot compensate for the loss in magazine turnover. It has become critical to consolidate magazine distribution into one network that will create a more sustainable business in the medium term. This is currently being investigated for a possible pilot project to be implemented in the Eastern Cape.

COMMERCIAL PRINTING

Web and Gravure

Trading conditions in the commercial markets suffered due to a subdued retail environment in which volumes were largely flat. However, management was successful in making some inroads into new categories of work which will add to the base load of our operations into the future. It is envisaged that the retail environment will continue to show little, if any, growth and thus the continued focus on tight cost control is imperative to remain competitive.

These operations have also been faced with a constrained supply of paper during the reporting period that and it is expected to continue for the foreseeable future. In response excess stocks have been imported to act as a buffer against the longer lead times experienced and management is confident that the excellent relationships built up with overseas sources will mitigate this risk.

Book & Magazine Printing

This division has grown profitability despite a decline in turnover, which is testament to improved operational efficiencies. The decline in turnover was mainly driven by reduced government spending on educational text books as there was no repeat of the prior year's unexpected spend from the Eastern Cape. This market is key to our operation but there is no consistency in demand from one year to the next. This having been said, the division has enough installed capacity to react should this market recover in the future. A pleasing development was the tender from Media 24, in which the division gained the monthly periodical publications for a period of three years. This has had limited impact on the current year's results but will impact the coming financial year. The division is a significant producer of diaries and this market has been steady over the reporting period.

PACKAGING AND STATIONERY

Packaging

The packaging divisions recovered during the second half of the financial year on the back of improved demand in some key markets , the most notable being the fast food and frozen fish markets. The key cigarette market remains depressed where the illicit trade continues unabated. It is hoped that the positive media reports on a renewed focus on clamping down on this trade will reverse this trend or at worst, stabilise demand.

Another encouraging feature has been the improved performance of the restructured Gauteng operations where the consolidation of sites and capacities started to bear fruit in the last quarter of the financial year. There is still a focus on operational efficiencies and head count reduction that will continue into the new financial year.

The integration of the two narrow web self-adhesive labelling operations that were acquired in the Western Cape has been completed, with all the integration and retrenchment costs having been recognised in the current reporting period.

A small acquisition of a corrugated box plant in the Western Cape was completed with effect from 1 June 2018. This is the group's first venture into the corrugated market and adds to our growing portfolio of packaging products that we can offer our customer base in that region.

The group has come to the end of the investment cycle into these divisions, which are now well equipped and positioned to capitalise on these investments by growing market share with a continued focus on being a low cost manufacturer.

Stationery

This division has performed admirably by increasing market share and profitability. The two acquisitions, being Flip File and Star Paper, have been extremely successful and with this increased product range the management has been able to gain a greater share of some major retailer's requirements.

Other

The group's replication business has experienced a significant decline in volumes of CDs and DVDs, which is indicative of the sunset industry it serves. The division has mitigated the decline through innovative cost saving initiatives and is in continual discussions with major customers to ensure the facility can continue to supply during the migration to digital.

DIVIDENDS

The Board has declared a dividend of 60,0 cents (2017: 70,0 cents) per ordinary share (gross) and a preference dividend of 490,0 cents per share (gross) for the year ending 30 June 2018.

PROSPECTS

It does not appear that the economy is set for any meaningful growth in the new year, but the group is in a strong position to exploit any growth prospects which may emerge. The group will continue to manage the existing businesses tightly and also seek to capitalise on any acquisition opportunities that may present themselves.

TJW Holden
Managing Director

Johannesburg
24 October 2018

TEN YEAR REVIEW – SALIENT FEATURES

		2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Gross turnover	(Rm)	**7 229**	7 286	7 246	7 194	6 250	5 984	5 569	5 056	4 771	4 747
Profit before taxation	(Rm)	**541**	610	590	597	545	686	633	672	510	495
Profit from operating activities after depreciation before impairments	(Rm)	**466**	463	473	477	430	596	520	546	471	410
Weighted average number of shares in issue during the year	(000's)	**392 427**	396 219	397 982	396 463	406 494	422 657	416 999	457 252	465 987	465 995
Earnings per ordinary share	(cents)	**99**	112	113	107	105	116	105	101	76	181
Headline earnings per share	(cents)	**109**	116	116	109	98	123	110	106	76	87
Dividends per ordinary share	(cents)	**70**	70	70	65	60	55	50	40	40	40
Dividend cover	(times)	**1.4**	1.6	1.6	1.6	1.7	2.1	2.1	2.5	1.9	4.9
Ordinary shareholders' equity	(Rm)	**5 696**	5 682	5 523	5 240	4 976	5 347	4 856	5 031	4 917	4 774
Net current assets	(Rm)	**2 542**	2 770	2 887	2 824	2 833	2 075	2 371	2 263	2 268	2 193
Net asset value per share	(cents)	**1 462**	1 436	1 406	1 337	1 283	1 277	1 175	1 107	1 060	1 029
Number of employees		**6 030**	6 311	6 310	6 434	6 053	6 025	5 910	5 850	5 652	5 664

SUSTAINABILITY REPORT

APPROACH TO SUSTAINABILITY

Caxton and CTP Publishers and Printers Limited adheres to the precepts of socially responsible investment and has previously been recognised for its efforts in this regard. Our integrated annual report reflects our progress in making a positive contribution to our shareholders, customers, suppliers, employees and local communities.

In addition to enhancing shareholder value, we use our resources to make a difference by financially assisting educational institutions, promoting health and wellness in our operations and continually training and supporting our employees by offering them access to new opportunities. These issues are only part of a holistic view that also extends to societal and environmental issues.

SCOPE OF REPORT

This report reflects the Company's drive towards facilitating positive transformation in the Company, as well as in South African society and its economy. This journey is one of continued improvement in addressing sustainability issues facing the Company and the Transformation Committee continues to review this progress and also the factors inhibiting such progress towards a more transformed workplace. The major focus areas continue to be around skills development and training to ensure the Company can provide new talent that also contributes to the transformation of the workplace.

Sustainability performance in this report spans the 12 months from July 2017 to June 2018.

STANDARDS AND CERTIFICATION

CTP Printers Johannesburg and CTP Printers Cape Town are FOGRA Process Standard Offset (PSO) certified. The FOGRA PSO certification is achieved with consistent and predictable colour reproduction to ISO 12647-2 standards. This certification provides proof externally of the quality the Company is capable of and internally it ensures smooth production.

FOGRA works with, and is associated to, the German Print Federation ("GPF") and thus the standards that are set are endorsed by the European printing community. In order to attain the certification, 70% is required as a minimum standard from all aspects that are tested. CTP Printers Cape Town became the first print company in Africa to receive this prestigious printing certificate.

CTP Printers Cape Town (FSC-C017578), SA Litho Label Printers (FSC-C084368) , CTP Packaging (FSC-C108896), and CTP Cartons and Labels (FSC-C108896, FSC-C124452) have also attained the Forestry Stewardship Council® (FSC®) Chain of Custody certification. This allows these divisions to produce work carrying the FSC logo and provides assurance that the raw material used as well as the production process conforms to standards of social and environmental awareness.

SA Litho, CTP Cartons & Labels, CTP Flexibles and Boland Printers are all ISO 9001:2015 certified (quality management system).

SA Litho is ISO 22000 certified (secondary food packaging certification) while CTP Cartons & Labels and CTP Flexibles are all ISO FSSC 22000 certified (primary food packaging certification). The FSSC 22000 Food Safety System Certification provides a framework for effectively managing an organisation's food safety responsibilities. FSSC 22000 is fully recognised by the Global Food Safety Initiative (GFSI) and is based on existing ISO Standards. It demonstrates that our divisions have a robust Food Safety Management System in place that meets the requirements of customers and consumers. The FSSC 22000 food safety certification is a prerequisite for suppliers of all major food and beverage brands – major brands will not entertain business with suppliers who do not have this certification as a minimum. In the Packaging arena, this means that our customers can use our packaging for direct food contact applications, and be secure in the knowledge that we have met the necessary food safety requirements, ensuring that our packaging is contaminate free.

EMBEDDING SUSTAINABILITY

Our approach to sustainability has a direct impact on the bottom line and we recognise that failure on our part to manage risks could have an adverse effect on performance, results and our reputation.

Committees

We have a Social and Ethics Committee, chaired by the chairman of the Board, which ensures that the best interests of not only the shareholders, but also the community, employees, customers and suppliers are met. This committee oversees developments with regard to legislative changes (compliance with the Employment Equity Act and B-BBEE Act); good corporate citizenship; health and safety, and other labour and employment issues. In addition, the Transformation Committee which functions as a policy- making body to monitor the various elements of the BEE scorecard meets on a monthly basis.

This forum, chaired by the managing director, comprises senior management who represent the main business sectors in the Company. Progress with regard to transformation is reviewed later in this report.

HEALTH, SAFETY AND ENVIRONMENT

In order to provide and maintain as far as possible a work environment that is safe and without risk to our employees and public that visit our premises, every division is responsible to ensure that the Company's health and safety policy is adhered to.

Equally, we are committed to protecting and conserving the natural resources on which our business depends by continuously improving our environmental performance.

The Company has adopted a preventative and proactive approach to the healthcare of its employees by providing on-site medical facilities.

Employee wellness

Many sites of the Company have a permanent occupational healthcare practitioner, in addition to a medical doctor who is available on site every week for consultation. The wellness programmes include audiometric and eye screening tests and addressing issues pertaining to ill-health, family planning, substance abuse and HIV/Aids educational programmes. Voluntary HIV testing is available on request to employees, with referral assistance to clinics for treatment and counselling.

Employee relations

Each workplace has a workplace committee that focuses on monitoring the implementation of the Employment Equity Plan as well as the Workplace Skills Plan and Annual Training Report. This committee meets at least quarterly.

Environment

As a member of the printing, publishing and packaging industries we are aware of the adverse impact that our printing processes have on the environment and we have therefore taken measures to reduce our carbon footprint.

The Company is cognisant of the environmental conditions under which it operates and the impact it has on its environment. With water shortages set to become a permanent fixture of our operating landscape the Company has taken a number of steps to minimise its impact on the environment. From limiting waste to landfill through low-chemistry processing and recycling water in our platemaking operations to ongoing internal awareness campaigns around the responsible use of water, the Company is committed to enhancing the sustainability of its operations.

The Western Cape operations have sunk boreholes to reduce their dependence on water from local municipalities. Water filtration systems have been assessed to establish which system will provide usable water and implementation is almost complete.

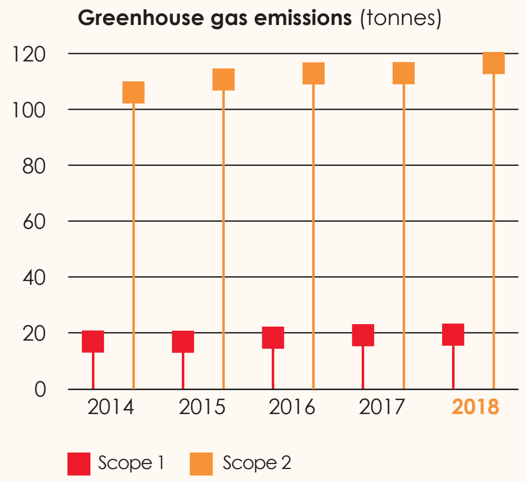
Greenhouse gas emissions

The Company acknowledges that the climate is changing and this change can be attributed in part to human activities. We recognise that our operations contribute to climate change and that we have a responsibility to minimise our own impact and to adapt to the risks of climate change upon our business.

Electricity usage is the biggest contributor to our greenhouse gas emissions. We are constantly striving to reduce our electricity consumption by installing more energy efficient plant and machinery, conducting energy efficiency audits and being more conscious in our usage of energy. This has included installing after-burners and power-saving switches.

In the 2018/2019 year, we are embarking on a group-wide initiative to independently measure and monitor electricity and water consumption, to enable a more pro-active approach to managing these items.

Our greenhouse gas emissions for 2017/2018 were:



Explanation
Scope 1: Direct GHG emissions from sources that the company owns or controls
Scope 2: Indirect GHG emissions from the generation of purchased electricity consumed by the company

These results have been verified by the Company's internal audit department.

Overall emissions increased by 2,9% during the current financial year. This increase is satisfactory when compared to the levels of printing activity and the acquisition of new businesses and is also as a consequence of our emission reduction initiatives.

The group has engaged an energy expert to assess and monitor our largest energy consumption operations. This initiative involves installing monitoring devices and based on the information advising steps to reduce consumption. The capability will eventually be brought in-house once complete.

The Citizen has replaced all its old lighting units with environment friendly LED globes and all of its printers are currently green and energy efficient. It also recycles approximately eight tons of paper quarterly.

CTP Printers Cape Town, through technology, is minimising its levels of greenhouse gas emissions. The Company has decommissioned inefficient web presses and shifted the bulk of its web production to the new Lithoman press, resulting in lower levels of consumption of LPG gas as well significantly reducing the waste paper generated as a result of the process. The programme of replacing lighting in the factory with energy efficient LED lighting is ongoing.

The restructuring of the CTP Cartons and Labels operations led to new buildings being constructed at the Elandsfontein and Industria sites. These new buildings were all fitted with energy saving LED Lighting.

All waste paper, reel cores, plastics, effluent, copper, solvents and chrome waste used in the manufacturing process is collected, segregated and recycled.

Over and above these initiatives, the Company continues to invest in new technology to reduce energy consumption and promote sustainability. Allied with the energy and water measurement programme, green-friendly solutions have become increasingly cost effective and are being considered.

BROAD-BASED BLACK ECONOMIC EMPOWERMENT

Caxton and CTP Publishers and Printers Limited's (CAT) subsidiaries and jointly controlled entities are measured against the Department of Trade and Industry's (DTI) Amended Broad-based Black Economic Empowerment (BEE) Codes and are applied to the Group's transformation strategy for the next few years. The CTP Limited BEE audit, conducted in April 2018 resulted in a Level 4 BEE rating, equating to 100% BEE procurement recognition. Associate companies Capital Media obtained a Level 4, Shumani Mills Communication Level 1, Highway Mail Level 8 and Fusion Digital Level 2.

The Transformation Committee meets on a monthly basis and is headed by the Group Managing Director. The committee monitors progress towards reaching the group's transformation targets and identifies new initiatives. Quarterly feedback is provided to the CAT Audit and Risk Committee.

Ownership and management control
The entities who undergo BEE audits utilise the Black Ownership measurement using the flow-through principle. While Black Ownership decreased slightly from 17.78% to 15.99%, the Black Female shareholding increased from 6.28% to 7.57%.

Driving diversity and inclusion is an integral part of the group's transformation and human resource strategies. As at 30 April 2018, CTP Limited employed 5 396 people in South Africa, of whom 74.0% are black employees and 25% are black women. Improving the representation of specifically African females continues to be a priority target for the group and a roadmap will be developed to ensure that this percentage is increased significantly by 2020.

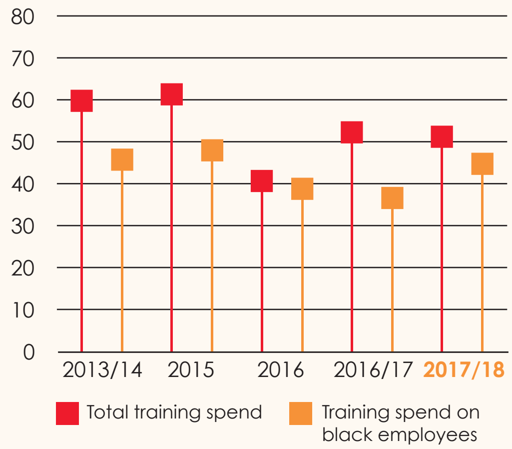
The group reports annually via the Department of Labour's website on progress towards reaching the Employment Equity Plan targets. Reporting is done per workplace and each workplace has an Employment Equity Plan that expires in September 2019. Employment Equity Managers are appointed for each workplace and Employment Equity Committees meet on a quarterly basis. Progress towards reaching Employment Equity targets is measured centrally on a quarterly basis and reported to the Transformation Committee by comparing terminations and new appointments.

Skills development
The identification of skills development and training opportunities for employees as well as unemployed learners is focused on four areas, namely apprenticeships (employed and unemployed learners); learnerships (employed and unemployed learners); bursary programme (employed learners) and the graduate programme (unemployed learners).

Due to the BEE Codes previously recognising overall black training spend, it will take a few years before all initiatives can be targeted according to the Economically Active Population (EAP) percentage requirements as per the Amended DTI Codes.

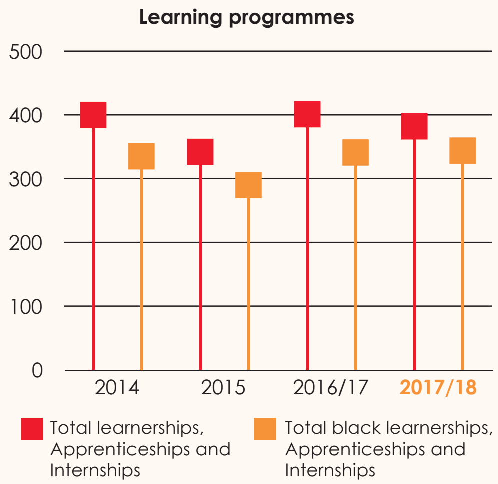
The table below provides the skills training spend for each year since 2014.

Training spend (Rand million)



Learnerships, apprenticeships and internships
CTP Limited had 382 learners in Category B – D learning programmes of the Skills Development Learning Programme Matrix, of which 344 were Black learners. Historically the focus has been on apprenticeships but increasingly the group is looking at training opportunities for employees and the unemployed by way of learnerships that focus on production technology at various NQF levels. In addition, learnerships for supervisors and managers are utilised to further develop the junior and middle management levels.

The table below provides the total number of learnerships, apprentices and internships since 2014.



Bursary programme

The bursary programme focuses on academic courses that provide further development and possible promotion for employees into various managerial levels. A total of 70 new bursaries were awarded in this financial year, of which 56 were awarded to black employees.

Graduate programme

The graduate programme is a 12-month structured programme that provides work experience for recent graduates in various disciplines. The group appointed 30 graduates during the reporting period in journalism, IT, engineering, supply chain/logistics, graphic design and marketing. Each graduate receives mentoring throughout the programme and exposure to different departments within a division before being allocated special projects.

The Youth Employment Service (YES) initiative announced by the South African Government in early 2018 was gazetted and is effective immediately on 28 August 2018. This initiative will allow companies to increase their BEE level by up to two levels if they meet specific requirements to qualify and criteria with regard to employing graduates for a minimum of 12 months' work experience. While the initiative is generally lauded as a step in the right direction for companies to assist with the high unemployment rate amongst graduates, the qualifying criteria that a company must maintain its employment levels throughout the year, excluding the graduates, will be a challenge for many companies which are affected by the economic downturn, especially in manufacturing.

Draft changes to the DTI Amended Codes were also released in March 2018 for comment. The Company did provide a submission to the DTI regarding the impact of the proposed changes. Other than the YES initiative, the final changes have not yet been gazetted. However, should some of the proposed changes to the element of Skills Development (over and above the YES initiative) and the sub-category of Preferential Procurement be implemented, it will require a review of the current planning by the group as the proposed changes can have a material impact on BEE scores and levels.

Enterprise and supplier development

Preferential Procurement

The BEE status of suppliers is monitored on an ongoing basis with changes to supplier's BEE status reported to the Transformation Committee. While the group obtains full points for procuring from all compliant suppliers and from Exempted Micro Enterprises (EMEs) and Qualifying Small Enterprises (QSEs), procurement from at least 30% black female owned suppliers continues to be a challenge within the existing supply chain.

The proposed changes to the DTI Codes, released March 2018, include removing the separate scoring for EMEs and QSEs, changing that to one consolidated sub-element. Points will increase for procurement from at least 51% black- owned suppliers from nine to 11 points and the target increases from 40% to 50%. Therefore, identifying suppliers who are at least 51% black-owned will be even more important than when the Amended DTI Codes were released in 2016.

Enterprise and Supplier Development

The group's Enterprise and Supplier Development initiative focuses on exempted small enterprises who are at least 51% black-owned. Free advertising is provided to enterprise development beneficiaries in Gauteng through the wide Caxton Local Newspaper media coverage. Supplier development focuses on providing qualifying beneficiaries with administrative assistance, insurance, and reliable transport.

Socio-economic development

The group continues to support qualifying entities with support that exceeds the 1% of Net Profit after Tax as required by the Amended DTI Codes. The initiatives prioritise supporting various charities, schools within the geographical areas in which the Company operates, the homeless and HIV/Aids organisations.

A few examples of SED initiatives at individual divisions are:

Caxton group initiative

On a national scale, the Caxton group was the main media partner for the Rotary Family Health Days that were held throughout the country in October 2017. This involved teaming up with Rotary International and the Department of Health to take much needed medical assistance – HIV/Aids, blood pressure, diabetes testing, eye care and much more – over three days to rural areas. The group provided advertising space both in print and digital and encouraged all branches to provide editorial coverage to this event.

Caxton newspapers

Caxton Local Media supports and cares about its diverse communities' well-being and local newspapers were actively involved in numerous CSI projects under the banner "Caxton Cares". Just some of the numerous countrywide initiatives are set out below.

The Khanyisa Soup Kitchen collection drive was initiated by Bedfordview and Edenvale News in Ekurhuleni, and incorporated the support of residents and advertisers with a food and clothing collection drive for the soup kitchen in Edenvale. The Khanyisa Trust also helps people win back their independence by helping them to find employment. Increased awareness via numerous articles has helped Khanyisa grow its support base significantly over the past two years. This newspaper also hosted its ninth annual Christmas party for the children from Pinocchio Educare Centre, managed by Child Welfare SA – Edenvale. This annual event was supported by readers and advertisers with presents and Christmas lunch.

The team from Germiston City News teamed up with Laerskool Die President to ensure that 50 less-privileged learners could join their fellow classmates on the stage when the school showcased its annual concert.

Benoni City Times hosted the 'Shop 'till you drop for people in need', in collaboration with Northmead Square and the Manger Care Centre. The Benoni community was encouraged to donate clothing and shoes to The Street Store. The homeless were invited to visit the "store" on Mandela Day and "shop" free of charge.

The Highway Mail, together with The Robinhood Foundation, transformed Lalelani Primary School, and 700 children had a fun-filled day. Caxton and the Robinhood Foundation's 'Big Fat Greek 13th birthday' fund-raiser held on 24 May 2018 raised R70 000 which, added to the Buy a Brick campaign, has seen new classrooms, ablutions and a sports field built for the school.

Caxton Printers

Caxton Printers supports Homeless Talk by printing and delivering the monthly newspaper at no charge. The newspaper supports more than a 150 street sellers across Johannesburg. For many this is their only income and means to support their families.

Caxton Printers also supports Itshepeng, a skills development and training centre and NPO with a quarterly donation for Grade 10, 11 and 12 children to pay for extra classes and textbooks, as well as a monthly donation for a soup kitchen. The beneficiaries are from Bosmont and surrounding areas close to the factory. Caxton Printers also host two Christmas parties once a year for children and the elderly.

South Coast Herald

The South Coast Herald team provided the Thuthuzela Rape Trauma Crisis Centre at the Port Shepstone Regional Hospital necessities that might ease the horror of the experiences of rape victims on the coast. The South Coast Herald team also travelled to Gcilma to take part in Mandela Day, celebrating with the Provincial Hospital to hand out scores of blankets to the needy. Hospice is also a beneficiary with the Herald staff visiting patients and also raising money through special features.

RNA Distribution

RNA contributes monthly towards a school feeding scheme within the area in which it operates, and funds a Christmas party for children at this school in December. Magazines were also donated to two primary schools to encourage literacy amongst the youth.

CTP Packaging Western Cape Divisions

SA Litho label printers supports the Ubuntu House, a place of safety for new-born babies who have been abandoned, orphaned, neglected or babies who were born as a result of an unplanned or crisis pregnancy. SA Litho label printers supports the Ubuntu House through monthly monetary donations that contributes towards the feeding and caring of the new-born babies.

Peninsula School Feeding Association (PSFA) was established to address the problem of hunger in children while they are at school. PSFA is a registered non-profit organisation (002-878 NPO), established in 1958. PSFA provides meals to hungry children in primary, secondary and special-needs schools in the Western Cape.
CTP Packaging Western Cape proudly sponsors five schools and ensures that 850 learners are fed two wholesome meals a day.

Other

The University of the Witwatersrand Journalism department conducts programmes for aspirant and working journalists. The department, located in Johannesburg, works closely with the industry and working professionals and provides some of the foremost journalist teaching in the country. The Company sponsors the chair of the department annually, and has done so for many years. The Chair is currently occupied by Prof Anton Harber.

CORPORATE GOVERNANCE AND RISK MANAGEMENT

KING CODE

The Board of Directors endorse the philosophies and principles of King IV and recognise their responsibility to conduct the affairs of the Company with integrity and accountability in accordance with generally accepted corporate practices. This includes steering the Company and setting strategic direction, planning and approving policies, overseeing matters of the Company and ensuring accountability.

The directors have accordingly established procedures and policies appropriate to the Company's business in keeping with its commitment to best practices in corporate governance. Governance is not static and the directors are pro-active in assessing their procedures and policies against prevailing circumstances. Accordingly, procedures and policies will be reviewed by the directors from time to time.

Set out below is an explanation of the measures taken by the Company pursuant to the King Code and the Listings Requirements.

A full analysis of the King IV application can be viewed on our website under the "Company Information – Annual Financial Statements" heading at www.caxton.co.za.

The ultimate controlling shareholder of the Company is Mr TD Moolman, who is also the Chief Executive Officer ("CEO") of the Company. The executive directors of the Company advise on, develop and implement the Company's business strategy, in conjunction with the Board. By virtue of Mr Moolman's control of the Company and him being the CEO, Mr Moolman has a significant influence on the strategic direction of the Company.

Whilst the media industry faces significant challenges and threats to traditional revenue models, the Company has achieved stability and consistency in its approach to business, with a prudent investment and growth strategy and trust-based relationships with its internal and external stakeholders.

BOARD OF DIRECTORS

The Board

The Board of Directors meet regularly and disclose the number of meetings held each year in its annual report, together with the attendance at such meetings. A formal record is kept of all conclusions reached by the Board on matters referred to it for discussion. The Memorandum of Incorporation of the Company provides for material decisions taken between meetings to be confirmed by way of directors' written resolutions. Should the Board require independent professional advice, such advice will be sought by the Board at the Company's expense.

Directors are expected to maintain their independence when deciding on matters relating to strategy, performance, resources and standards of conduct. On first appointment, all directors will be expected to undergo appropriate training as to the Company's business, strategic plans and objectives, and other relevant laws and regulations. This will be performed on an ongoing basis to ensure that directors remain abreast of changes in regulations and the commercial environment.

The Board is responsible for relations with stakeholders, as well as being accountable to them for the performance of the Company and reporting thereon in a timely and transparent manner.

Chairman and Chief Executive Officer

The offices of Chairman and Chief Executive Officer are not held by the same person.

Board balance

The Board includes both executive and non-executive directors in order to maintain a balance of power and ensure independent unbiased decisions and that no one individual has unfettered powers of decision-making. The Board of Directors currently comprises eight directors. The majority of these directors are non-executive and, in turn, a majority of the non-executive directors, including the chairman, are independent.

The Board does not consider that a nominations committee is appropriate. If a vacancy arises, the Board will develop the criteria for the required candidate. The Board will ensure that the composition of its members reflects the appropriate mix of skills and experience required by the Company. In filling future vacancies, the Board will apply its gender policy. The Board is appropriately sized for the Company's business.

Attendance at Board meetings

	Oct 17	Feb 18	May 18	Aug 18
PM Jenkins	✓	✓	✓	✓
TD Moolman	✓	✓	✓	✓
PG Greyling	✓	✓	✓	✓
TJW Holden	✓	✓	✓	✓
ACG Molusi	✓	A	✓	✓
NA Nemukula	A	✓	✓	✓
J Phalane	✓	✓	✓	✓
T Slabbert	✓	✓	✓	✓

A: Apology

The Board of Directors has the following sub-committees:

Audit and Risk Committee

The Audit Committee has adopted a written charter based on the Companies Act, 71 of 2008 ("the Companies Act") and the approved Memorandum of Incorporation. The Audit Committee members have considered and are of the opinion that they are adequately independent from the Company and group and management thereof, within the full spirit of the Code of Corporate Practices and Conduct.

The independent auditor has unrestricted access to the committee.

The Audit and Risk Committee comprises independent non-executive directors only, in compliance with King IV. The Audit and Risk Committee is separately nominated for appointment by the shareholders in compliance with the Companies Act.

The Audit and Risk Committee has discharged all of those functions delegated to it in terms of its charter and its terms of reference, and as envisaged in terms of the Companies Act.

During the period under review, the Audit and Risk Committee:

(a) met on three separate occasions to review, *inter alia*, the year-end and interim results of the Company as well as to consider regulatory and accounting standards compliance;

(b) considered and satisfied itself that the external auditors are independent, satisfied itself that the fees payable to the external auditors were appropriate and recommended the external auditors for appointment for the following financial year;

(c) determined the non-audit-related services that the external auditors are permitted to provide to the Company. This included pre-approving all non-audit related service agreements concluded between the Company and the external auditors;

(d) confirmed the 2018 financial year audit plan;

(e) held separate meetings with management and the external auditors to discuss any problems and reservations arising from the year-end audit and any related matters which management and the external auditors wished to discuss;

(f) reviewed the effectiveness of internal controls in the Company with reference to the findings of the internal and external auditors; and

(g) reviewed and evaluated the risks facing the Company and satisfied itself that management has put plans and steps in place for the mitigation of these risks across the Company.

The Audit and Risk Committee has considered and has satisfied itself of the appropriateness of the expertise and experience of the financial director, Mr TJW Holden.

The committee members are Ms T Slabbert (Chairman), Mr ACG Molusi and Mr NA Nemukula.

Attendance at Audit Committee meeting			
	Oct 17	Feb 18	Aug 18
T Slabbert	✓	✓	✓
ACG Molusi	✓	✓	✓
NA Nemukula	A	✓	✓

A: Apology

Remuneration Committee

The Remuneration Committee comprises Mr TD Moolman and Mr PM Jenkins. The Remuneration Committee reviews senior executive management salaries and performance incentives.

Remuneration policy

The Remuneration Committee continues to apply its historic remuneration policy and has not changed the same, on the basis that it has work-place stability and consistency in the current environment is preferred over volatility and change.

It remains the policy of the Company to remunerate its employees fairly, against the background of ensuring that employees have stable and equitable prospects in the Company.

Whilst there is contraction in certain of the Company's businesses, particularly in the declining print market, the importance of job creation in South Africa requires no explanation. The Company seeks to preserve its work force, unless unavoidable downsizing is necessary.

Thus, the Company is committed to the retention of its staff members who serve it well and share the Company's philosophy and commitment to the Company's value systems. The Company accordingly, aims for a stable and satisfied work force and management team.

The Company continues to review its remuneration strategies and is attentive to concerns by shareholders. Innovative retention and alignment strategies of the Company in relation to its staff are in place. This notwithstanding, traditional balanced remuneration packages have served the Company's and its staff's interest well in the past, and consistent future remuneration strategies will be applied.

The traditional media industry continues to contract. At the same time, the digital environment is a growth area but revenues and profitability are difficult to achieve, and where this is not possible, attendant staff reductions are unavoidable. A balance is necessary between the ability to attract and retain top talent and the need to contain the overall cost of employment, without creating a remuneration gap between new and old forms of media and our inherently industrial and manufacturing operations.

At the core of our remuneration philosophy is the training and upskilling of existing staff, wherever possible, and new employment from the market where additional skills are needed. We have managed to maintain the balance of all of the above factors by a careful application of remuneration increases, and the empowering of unit heads with the responsibility for setting reasonable remuneration packages for staff at operating division levels.

In considering remuneration, factors such as the industry benchmarks, the levels of skill, the demand and supply for jobs in the particular sector and employment level, the interests of the employee and the affordability to the Company are all taken into account. The Company's approach to remuneration has not changed. Remuneration must take increases in cost of living into account, but packages remain conservative but competitive.

Attendance at Remuneration Committee meeting		
	Feb 18	Aug 18
TD Moolman	✓	✓
PM Jenkins	✓	✓

The fees of non-executive directors and the Chief Executive Officer's remuneration are increased annually by the average baseline percentage increase in remuneration applicable to the Company, subject to adjustments where duties or responsibilities are increased. Such increases, if any, are industry aligned.

The remuneration of the executive directors is based on applicable industry benchmarking and the financial performance of the Company at operating profit level, and is subject to review by the Remuneration Committee. Short-term bonus schemes based on divisional operating performance are also in place.

Social and Ethics Committee

The committee is set up in accordance with section 72 of the Companies Act. Its main function is to assist the Board in overseeing social and ethical matters and to monitor the company's performance as a responsible corporate citizen. The Board considers that the importance of a strong ethical framework in the context of current South African political and economic issues, cannot be underestimated. The social responsibility and related duties of the Company are equally important. It is incumbent on all directors, management and employees to uphold the Company's value system, on an ongoing basis, and the Board and management are expected to lead by example.

The committee comprises Mr PM Jenkins (Chairman), Mrs J Edwards, Mr TJW Holden and Mr L Witbooi, who replaces Mr N Sooka. The committee met formally once during the year under review. The committee members engaged regularly, outside the structure of the formal meeting, as and when required.

In discharging its duties, the committee reviewed and considered the following:

- the Company's code of ethics and compliance with it;
- the Company's Socio-Economic Development initiatives;
- the Company's on-going commitment to editorial; freedom, against the background of current challenges;
- the settlement of major litigation with other industry players;
- stakeholder relations;
- broad-based black economic empowerment, progress made and new initiatives in this regard;
- health and public safety;
- training, bursaries, and skills development;
- labour relations and working conditions;
- global warming and carbon emission reduction;
- monitoring, managing and improving the company's environmental impact.

The committee also reviewed and approved the report on the application of the King IV principles as published on the Company's website.

A member of the committee also acted in advisory capacity to the CTP Bursary Program which has been in place since 2011 and is primarily aimed at employees from previously disadvantaged communities who are earmarked for further development and promotion and who require academic qualifications to further their career in the company.

The committee recognised Mr N Sooka, who has retired, for his exemplary role.

Attendance at Social and Ethics Committee meeting	
	Oct 17
PM Jenkins	✓
J Edwards	✓
TJW Holden	✓
L Witbooi	✓

Promotion of gender diversity

In terms of paragraph 3.84(i) JSE Listings Requirements service issue 25 of the JSE Listings Requirements, the Board is required to have a policy on the promotion of gender diversity at Board level. Accordingly, the Board approved its Gender Diversity Policy on 31 August 2017. The Company fully supports the inclusion of female members on its Board and has adopted a simple policy that will seek to prefer the appointment of female candidates to its board and, in the event that two candidates of equal competency or experience are identified for appointment, the female candidate will be nominated.

Race diversity policy
The Board will endeavour to seek skilled professionals in order to promote race diversity in line with the Board approved Race diversity policy, as required in terms of section 3.84(j) of the JSE Listings Requirements. Such appointments will be considered as and when a new Board member is required.

Dealing in securities
The Board has established procedures regarding the relevant legislation which regulates insider trading, as well as the closed period from the date of the financial year-end to the earliest publication of the preliminary report, the abridged report or the provisional report in the case of results for a full period and from the date of the interim period-end to the date of the publication of the first and second interim results as the case may be. In accordance with the JSE Listings Requirements, no director or the Company Secretary shall deal in the securities of the Company during a closed or prohibited period as well as whilst the Company is trading under a cautionary.

All directors and the Company Secretary shall obtain clearance to deal from the Chairman of the Company prior to dealing, and the Company Secretary shall keep a register of such clearances in terms of the JSE Listings Requirements.

The Company Secretary or such person as may be nominated by him from time to time shall keep a record of all dealings by directors in the securities of the Company.

EXECUTIVE MANAGEMENT

The executive committees of the subsidiary companies and divisions meet monthly with senior management to consider issues relevant to the entity's performance.

INTERNAL CONTROL AND INTERNAL AUDIT

The Company maintains internal controls and systems designed to provide reasonable assurance as to the integrity and reliability of the financial statements and to adequately safeguard, verify and maintain accountability for the assets of the Company and its stakeholders. These controls are based on established policies and procedures and are implemented by trained personnel with an appropriate segregation of duties.

All employees are expected to maintain the highest ethical standards in a manner which is above reproach.

The Company has an established internal audit department whose primary function is to ensure effectiveness of these controls. The Audit and Risk Committee reviewed and approved the annual internal audit plan and evaluated the independence, effectiveness and performance of the internal audit department. It has also considered the reports of the internal auditors and independent auditor on the Company's systems of internal control including financial controls, business risk management and maintenance of effective internal control systems.

Nothing material has come to the attention of the directors or the external auditors, based on their tests of internal controls, to indicate that any breakdown in the functioning of the abovementioned internal controls and systems has occurred during the year under review.

EMPLOYMENT EQUITY AND SKILLS DEVELOPMENT

Equitable employment policies are in place throughout the group to ensure individuals from all demographic groupings are given the opportunity to be employed and trained by the group. The group places an increased emphasis on maintaining and training those members of staff who can provide excellent service in a small team environment.

GOING CONCERN

The going-concern basis has been adopted in preparing the financial statements. The current strong financial position and the continued tight control on expenditures and cash flows, assure the directors that the business of the group will continue to function as a going concern for the foreseeable future.

COMPANY SECRETARIAL AND PROFESSIONAL ADVICE

A dedicated Company Secretary has been appointed to ensure compliance with the Companies Act and JSE Listings Requirements. She is not a director of the Company. All directors have unlimited access to the advice and services of the Company Secretary, who is responsible to the Board for ensuring that Board procedures are followed. All directors are entitled to seek independent professional advice, at the group's expense, concerning the affairs of the group, after obtaining the approval of the Chairman.

The annual certificate by the Company Secretary is reflected on page 20.

As required by the JSE, the Board has considered the skills, qualifications and performance of the Company Secretary, Mrs Jefferine Edwards. The Board is satisfied with her continuing suitability for the position.

CODE OF CONDUCT

Ethics
A comprehensive ethics policy is in place and is applicable to all employees and directors of the Company. The policy is enforced and requires adherence to the highest standards of ethical conduct.

Whistleblowing
All employees are required to act honestly at all times and are encouraged to report any harmful or illegal activity they may observe or come across. For this purpose a dedicated hotline has been set up and all incidents reported are investigated. The Audit and Risk Committee is informed of all substantive matters reported on the hotline.

Conflict of interest

The Company has appropriate policies in place to avoid conflicts of interest, from Board level down. These include divulging of confidential information, carrying on business for the employee's own account, dealing in the Company's shares and the use of price-sensitive information.

Stakeholder engagement

The Company is an active participant in the various industry bodies which govern or affect the sectors in which it operates.

Where appropriate, the Company engages formally and informally with the investment community.

Shareholders are notified of financial results and of the annual general meeting of the Company.

The Company publishes its financial results in the press. Caxton's website is updated from time to time with relevant information.

Staff members receive regular company and divisional newsletters and communications.

RISK MATRIX AND RISK MITIGATION

As part of the Company's risk management processes, an annual review of the risks facing the Company is undertaken and reviewed by the Audit and Risk Committee.

Risk identification is done by each operating unit, including the potential impact and the actions taken to mitigate such risk. This process is then consolidated and reviewed by the Audit and Risk Committee to ensure that steps are taken to minimise risks or to ensure that compensating steps are implemented. Some of the key risk areas are tabled below:

Key risks	Risk mitigation
• Exchange rate volatility and the impact on cost of imported raw material	The Company hedges some of its exposure. No long-term contracts are in place.
• Loss of key staff including succession planning	Senior management remuneration is reviewed on an ongoing basis and adequate staff retention programmes are in place. Succession planning has been implemented via various schemes of employing graduates and training.
• Power/water outages	Generators have been installed at key sites and borehole filtration water plants are being installed in the Western Cape.
• Information technology failure	Information technology reviews are undertaken regularly and key actions identified to ensure business continuity plans are in place. There is a formal report back at the Audit and Risk Committee meetings.
• Decline in print media volumes and advertising revenue	Continued diversification into other businesses and offering clients innovative advertising solutions to maintain our position.
• Destruction of key production sites	Adequate insurance is in place to mitigate loss. Key major operational sites undergo a third-party review to ensure adequate steps are in place to prevent loss. Contingency production sites have been identified.
• Disruption of supply of raw materials	Strategic stock is in place. Critical suppliers are insured against disruption of supply. The Company has access to import replacement.
• Media regulatory interventions	Continued engagement with government and through various industry organisations.
• Plant breakdowns adversely affecting deliveries to customers	Preventative scheduled maintenance in place which reduces the risk of breakdown. Other production sites are also available.
• B-BBEE and Transformation	Strategies are continuously being developed to address changes to the codes.
• Low economic growth and the impact on profitability	Continued progress made on acquiring new businesses. Focus on cost reduction and improved efficiencies to maintain profitability.

CAXTON&CTP publishers & printers LIMITED

CONTENTS

STATEMENT OF RESPONSIBILITY AND APPROVAL BY THE BOARD OF DIRECTORS

The directors of Caxton and CTP Publishers and Printers Limited are responsible in terms of the Companies Act, 2008 ("the Act"), for the preparation of the annual financial statements in accordance with International Financial Reporting Standards ("IFRS") which fairly present the state of affairs of the Company and the group as at the end of the financial year, and the net income and cash flows for the year. In preparing the accompanying financial statements, suitable accounting policies have been applied and reasonable estimates made.

The directors are required, in terms of the Act, to maintain adequate accounting records and are responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is their responsibility to ensure that the annual financial statements fairly present the state of affairs of the Company and the group as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with IFRS, the Act and the Listings Requirements of the Johannesburg Stock Exchange.

The external auditors are engaged to express an independent opinion on the financial statements.

The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the group and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the Board sets standards for internal control aimed at reducing the risk of error or loss in a cost-effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the group, and all employees are required to maintain the highest ethical standards in ensuring the group's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the group is on identifying, assessing, managing and monitoring all known forms of risk across the group.

While operating risk cannot be fully eliminated, the group endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The directors are of the opinion, based on the information and explanations given by management that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The directors have reviewed the Company and the group's cash flow forecast for the year to 30 June 2018 and, in light of this review and the current financial position, they are satisfied that the group has or has access to adequate resources to continue in operational existence for the foreseeable future.

The external auditors, Grant Thornton Johannesburg Partnership, are responsible for independently auditing and reporting on the group's financial statements. The financial statements have been examined by the group's external auditors and their unqualified report is presented on page 21.

The preparation of the annual financial statements was supervised by the Financial Director, Mr TJW Holden, BCom, CA(SA). The annual financial statements set out on pages 28 to 64, which have been prepared on the going-concern basis, were approved by the Board of Directors and are signed on its behalf by:

TJW Holden
Managing Director

TD Moolman
Chief Executive Officer

Johannesburg
24 October 2018

DECLARATION BY COMPANY SECRETARY

In terms of sections 88 and 89 of the South African Companies Act, 71 of 2008, as amended ("the Act"), I, in my capacity as Company Secretary, hereby certify that the company has lodged with the Registrar of Companies all such returns as are required of a public company in terms of the Act and that all such returns are true and up to date.

J Edwards
Company Secretary

Johannesburg
24 October 2018

INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF CAXTON AND CTP PUBLISHERS AND PRINTERS LIMITED

REPORT ON THE AUDIT OF THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

Opinion

We have audited the consolidated and separate financial statements of Caxton and CTP Publishers and Printers Limited (the group and Company) set out on pages 28 to 64, which comprise the consolidated and separate statements of financial position as at 30 June 2018, and the consolidated and separate statements of profit or loss and other comprehensive income, the consolidated and separate statements of changes in equity and the consolidated and separate statements of cash flows for the year then ended, and notes to the consolidated and separate financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated and separate financial statements present fairly, in all material respects, the consolidated and separate financial position of Caxton and CTP Publishers and Printers Limited as at 30 June 2018, and its consolidated and separate financial performance and consolidated and separate cash flows for the year then ended in accordance with International Financial Reporting Standards and the requirements of the Companies Act of South Africa.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements section of our report. We are independent of the group in accordance with the Independent Regulatory Board for Auditors' Code of Professional Conduct for Registered Auditors (IRBA Code) and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (Parts A and B). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The following key audit matters relate to the consolidated and separate financial statements.

Key audit matter	How our audit addressed the key audit matter
Property, plant and equipment – valuation considerations The group has a significant investment in property, plant and equipment as set out in note 2 to the financial statements. Plant and machinery used in the manufacturing process and freehold land and buildings represent 59% and 38% respectively of the total carrying value. We accordingly focused our audit attention on these two categories. The valuation of assets has been identified as a key audit matter, due to the following elements having a significant impact on the valuation process: • Residual values and useful lives assigned to assets. • Identification of impairment indicators, and where identified, impairment testing.	We performed the following procedures amongst others: • Reviewed management's assessment of asset useful lives and residual values and performed reasonability tests by comparing this to historic profits and losses made on retirement or sale of assets at the end of their useful lives, current average usage periods and current market conditions. Where this comparison resulted in managements assessments of useful lives and/or residual values appearing out of line with expectation, we performed independent assessments on the population to assess the materiality and sensitivity of these inputs; • Recalculated the depreciation charge per asset category and compared this to the amount recorded in the accounting records;
Freehold land and buildings are all owner occupied. In accordance with the group's accounting policy, this category of asset is measured at revaluation less accumulated depreciation. An external valuation is performed where there is an indicator that the fair value is materially different from the carrying value but at least every five years. Directors' assessments are performed in every other year. The last external valuations were performed in the 2016 financial year.	• Using our understanding of events and conditions occurring within group entities, we determined whether any impairment considerations may exist. This took into account items such as known restructurings and obsolescence of product lines. We compared this assessment to those performed by management. Where impairment indications were identified, we reviewed the impairment tests performed by management for reasonability; and • We reviewed the directors' assessment of the fair value of freehold land and buildings at the reporting date.

Key audit matter	How our audit addressed the key audit matter
Impairment considerations – investments in associates	
The group and Company have significant net investments in associates as set out in note 5 to the financial statements. We identified impairment considerations on these balances as a key audit matter as it is reliant on management's estimations and judgements which could have a significant impact on the financial results.	For net investments in associates we performed the following audit procedures amongst others: • Obtained management's cash flow projections supporting the investments' recoverability and assessed the reasonability of key inputs. • Made an assessment of the appropriateness of impairment allowances raised by management.
Valuation of unlisted investments	
As set out in note 6 to the financial statements, the group and Company has a significant investment in an unlisted investment falling in the level 3 fair value hierarchy category in accordance with IFRS 7 Financial Instruments: Disclosure. The basis for the valuation applied by management is a discounted cash flow model. The valuation of this investment is considered a key audit matter as it is reliant on key estimations and judgements which could have a significant impact on the financial results.	We performed the following procedures amongst others: • Assessed the reasonability of key inputs and estimations, such as growth rates, discount rates and the period of forecast cash flows. This assessment took into account a comparison of growth and discount rates to market and industry data as well as applying sensitivity analyses to key inputs. • With the assistance of our valuation experts, we independently recalculated a range for the investment value at year-end and compared this to the amount recorded by management. • Reviewed the appropriateness of the disclosure in the financial statements.
Goodwill arising on consolidation	
Goodwill is required to be reviewed annually for impairment. We identified this area as a key audit matter as significant judgment is required by the directors in determining the recoverable amount of each cash-generating unit which could have a significant impact on the financial results. Goodwill is set out in note 3 to the financial statements.	We performed the following procedures amongst others: • Assessed the Board's determination of the group's cash-generating units. This took into account a review of the group's internal reporting and monitoring and our understanding of the group; • Assessed the reasonability of key inputs and estimations, such as growth rates, discount rates and the period of forecast cash flows. This took into account a review of approved forecasts and the robustness of the budgeting process applied by the Board. It also took into account a comparison of growth and discount rates to market and industry data. • Assessed the reasonability of the impairment recorded. • Reviewed the appropriateness of the disclosure in the financial statements.

Other information

The directors are responsible for the other information. The other information comprises the information included in the Annual Report, which includes the Directors' Report, the Audit and Risk Committee's Report and the Company Secretary's Certificate as required by the Companies Act of South Africa. Other information does not include the consolidated and separate financial statements and our auditor's report thereon.

Our opinion on the consolidated and separate financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the consolidated and separate financial statements

The directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with International Financial Reporting Standards and the requirements of the Companies Act of South Africa, and for such internal control as the directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, the directors are responsible for assessing the group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going-concern basis of accounting unless the directors either intend to liquidate the group and/or the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the consolidated and separate financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going-concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's and the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group and/or the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements
In terms of the IRBA Rule published in Government Gazette Number 39475 dated 4 December 2015, we report that Grant Thornton has been the auditor of Caxton and CTP Publishers and Printers Limited for thirteen years.

Grant Thornton

GRANT THORNTON
Registered Auditors
Practice Number: 903485E

MA da Costa
Partner
Registered Auditor

24 October 2018

@Grant Thornton
Wanderers Office Park
52 Corlett Drive
Illovo, 2196

DIRECTORS' REPORT

NATURE OF BUSINESS

The group is involved in the publishing and printing of newspapers and magazines, manufacturing and distribution of stationery, packaging, labels and stationery. Further information is provided in the Managing Director's report.

REVIEW OF BUSINESS OPERATIONS

Gross turnover for the year decreased by R56.4 million to R7 229 million (2017: R7 286 million). Profit from operating activities before depreciation and impairment increased by R10.78 million to R759.5 million (2017: R748.7 million).
Net finance income received amounted to R114.7 million (2017: R139.2 million) with capital expenditure during the year totalling R258 million (2017: R356 million). Net cash resources amounted to R1 599 million (2017: R1 946 million).

ORDINARY DIVIDEND

An ordinary dividend of 60.00 cents (2017: 70.00 cents) (gross) (net 48.00 cents (2017: net 56.00 cents)) per ordinary share was declared on 29 August 2018, payable to shareholders registered on 16 November 2018.

PREFERENCE DIVIDEND

A preference dividend of 490.00 cents per share (2017: 570.00 cents) (gross) (net 392.00 cents (2017 net 456.00 cents)) per share was declared on 29 August 2018, payable to shareholders registered on 16 November 2018.

SHARE CAPITAL

Particulars of the authorised and issued share capital of the Company are set out in note 13 of the financial statements.

SUBSIDIARY COMPANIES

Particulars of subsidiary companies are set out on page 65. The aggregate attributable interests of the Company in the after tax profits and losses of the subsidiaries were:

	2018 R000	2017 R000
Profits	**433 537**	381 282
Losses	**(3 801)**	(17 940)
	429 736	363 242

DIRECTORATE AND COMPANY SECRETARY

The names of the directors and the Company Secretary are set out on pages 3 and 79 of this report. In terms of the Memorandum of Incorporation of the Company, no less than a third of the non-executive directors retire at the forthcoming annual general meeting. Mr PM Jenkins and Mr ACG Molusi retire as directors and, being eligible, offer themselves for re-election.

DIRECTORS' SHAREHOLDING

At the date of this report, based on the latest shareholders' register, the directors' beneficial shareholding in the company amounted to:

Directors	2018 Direct	2017 Direct	2018 Indirect	2017 Indirect
PG Greyling	**1 317 380**	1 317 380	**4 000 000**	4 000 000
TJW Holden	**–**	–	**4 000 000**	4 000 000
TD Moolman*	**–**	–	**3 912 695**	3 912 695
Total	**1 317 380**	1 317 380	**11 912 695**	11 912 695

**The Moolman Coburn Partnership, through various intermediate companies controlled by it, controls Caxton Holdings Proprietary Limited, which holds 42.58% of the issued ordinary shares of Caxton and CTP Publishers and Printers Limited. The Moolman Coburn Partnership and its intermediate companies control an additional 5.27% and its associates acting in concert hold a further 3,07 % of the issued ordinary shares of Caxton and CTP Publishers and Printers Limited. It therefore controls a total of 50,92% of the issued ordinary shares of the company. The directors do not have any non-beneficial shareholdings in the Company.*

SHAREHOLDER SPREAD

At the date of this report, based on the latest shareholders' register, the beneficial shareholding in the company amounted to:

	Number of shareholders	% of shareholders	Number of shares held	% of shares held
Non-public shareholders				
Directors of the holding and subsidiary companies	6	0,16	14 781 046	3,80
Shareholders holding more than 5% of the issued ordinary shares				
• Caxton Holdings Proprietary Limited	1	0,03	165 652 708	42,58
• Alan Gray Balanced Fund	1	0,03	24 800 199	6,38
	8	0,22	205 233 953	52,76
Public shareholders	3 653	99,78	183 777 814	47,24
Total	3 661	100,00	389 011 767	100,00

According to the records of the Company, other than as indicated above, no shareholder held five per cent or more of the Company's shares at 30 June 2018 or at 30 September 2018.

SUBSEQUENT EVENTS

As announced on SENS on 8 October 2018, the company's subsidiary, CTP Limited ("CTP"), entered into a sale agreement with the company's associate, Cognition Holding Limited ("Cognition") in relation to Private Property South Africa Proprietary Limited ("Private Property"), subject to approval from the Competition Commission and the fulfilment and or waiver of certain suspensive conditions as set out in the announcement. In terms of the sale agreement, CTP Limited will sell 50,01% of its shareholding in Private Property for a total purchase consideration of R127 million, which consideration is to be settled through the issue of 105 833 333 Cognition shares at 120 cents per share ("Consideration Shares"). Pursuant to the proposed transaction, CTP will, together with the company, become the controlling shareholder of Cognition by virtue of the issue of the Consideration Shares.

The directors are not aware of any other matter or circumstance arising since the end of the financial year, not otherwise dealt with in the report or group annual financial statements that would significantly affect the operations of the group or the results of those operations.

APPROVAL OF THE ANNUAL FINANCIAL STATEMENTS

The annual financial statements, which appear on pages 28 to 64, have been approved by the Board and are signed on its behalf by:

TJW Holden	**TD Moolman**
Managing Director	*Chief Executive Officer*

Johannesburg
24 October 2018

AUDIT AND RISK COMMITTEE'S REPORT

The Audit and Risk Committee ("the committee") is pleased to present this report on its activities during the financial year ended 30 June 2018.

BACKGROUND

The committee was established in line with the requirements of the Companies Act, 2008 ("the Act"); it is an independent statutory committee appointed by the Board of Directors and approved by the shareholders.

TERMS OF REFERENCE

The committee has adopted a written charter based on the Act and the Memorandum of Incorporation that has been approved by the Board of Directors.

The committee has conducted its affairs and discharged all its responsibilities during the financial year under review, in compliance therewith.

The charter is available on request from the Company Secretary.

OBJECTIVE AND SCOPE

The purpose of the committee is to assist the Board in carrying out its duties relating to accounting policies, internal controls, financial reporting practises, identification of exposure to significant risks and setting principles for recommending the use of external auditors for non-audit services.

MEMBERSHIP

The committee comprises Ms T Slabbert, (Chairman), Mr ACG Molusi and Mr NA Nemukula. All the members are independent non-executive directors.

The committee members have considered and are of the opinion that they are adequately independent from the Company and group and management thereof, within the full spirit of the Code of Corporate Practices and Conducts.

The external auditors have unrestricted access to the committee, and attend all meetings dealing with the external audit and annual financial statements by standing invitation.

The financial director attends all meetings by standing invitation.

EXTERNAL AUDIT

The committee has evaluated the independence of the external auditors and is satisfied that the external auditor has remained independent as defined in the Act.

Both audit and non-audit services performed by the external auditors were reviewed and approved. There is a formal procedure that governs the process whereby the auditor is considered for non-audit services, and each instruction for such work is reviewed by the committee.

The committee, in consultation with executive management, agreed to an audit fee for the 2018 financial year.

The fee is considered appropriate for the work that was done. Meetings were held with the external auditor and no matters of material concern were raised.

The committee reviewed the performance of the external auditor and nominated and recommend for approval at the annual general meeting, Grant Thornton as the external auditor for the 2018 financial year.

FINANCIAL DIRECTOR

As required in terms of the JSE Listings Requirements, the committee has satisfied itself that the Company's financial director, Mr TJW Holden, has the appropriate expertise and experience to meet the responsibilities of his position and confirmed his suitability for the appointment as financial director in terms of the JSE Listings Requirements.

COMMITTEE ACTIVITIES

During the financial year ended 30 June 2018, the committee performed its duties in terms of its charter and a summary of the main activities is set out below:

- Enquired and satisfied itself regarding the auditor's compliance to section 22.15(h) of the JSE Listings Requirements.
- Nominated the appointment and retention of the external auditors, Grant Thornton with the designated partner Ms MA da Costa after satisfying itself, through enquiry, that Grant Thornton is independent.
- Managed the external audit function, including:
  - nature and scope of the audit engagement;
  - determined the fees for the audit; and
  - determined the nature and extent of any other non-audit services, ensuring they are not material and do not have any impact on their independence.
- Reviewed the going-concern assumptions as prepared by management for the Company and the group.
- Reviewed the accounting practices and internal controls of the Company and the group.
- Reviewed the annual report and annual financial statements taken as a whole to ensure they fairly present a balanced and understandable assessment of the Company's financial position, performance and prospects.
- Reviewed the external auditors' management letters and management's response to these letters.
- Received and dealt appropriately with any concerns or queries.
- Considered and satisfied itself on the appropriateness of the experience and expertise of the financial director as well as the adequacy of the finance function and its resources.
- Considered the JSE proactive monitoring report of 2017/18 and has taken appropriate action.

RECOMMENDATION OF ANNUAL FINANCIAL STATEMENTS

The committee evaluated the annual financial statements for the year ended 30 June 2018 and considered that they comply in all material aspects with the requirements of the Act and International Financial Reporting Standards.

The committee has therefore recommended the approval of the annual financial statements by the Board. The Board has subsequently approved the annual financial statements which will be open for discussion at the forthcoming annual general meeting.

Grant Thornton, the external auditor, has provided the shareholders with an unqualified independent audit opinion on whether the annual financial statements for the year ended 30 June 2018 fairly present, in all material respects, the financial results for the year and the position of the Company and the group as at 30 June 2018.

T Slabbert
Chairman

Audit committee
24 October 2018

STATEMENTS OF FINANCIAL POSITION

at 30 June 2018

COMPANY 2017 R000	COMPANY 2018 R000	Notes		GROUP 2018 R000	GROUP 2017 R000
			ASSETS		
			Non-current assets		
–	**–**	2	Property, plant and equipment	**2 650 717**	2 703 216
–	**–**	3	Goodwill	**174 463**	78 167
1 370 123	**1 356 202**	4	Interest in subsidiaries	**–**	–
126 446	**117 648**	5	Interest in associates	**427 052**	354 926
108 019	**231 517**	6	Investments	**231 517**	108 019
–	**–**	17	Deferred taxation	**17 112**	11 363
80 332	**84 269**	44	Loans to directors	**84 269**	80 332
1 684 920	**1 789 636**			**3 585 130**	3 336 023
			Current assets		
–	**–**	7	Inventories	**951 140**	833 410
14 788	**6 015**	8	Trade and other receivables	**1 089 852**	1 093 663
14 456	**–**	4	Amounts owed by group companies	**–**	–
–	**1 193**		Taxation	**1 989**	1 512
58 056	**55 261**	9	Preference shares – listed	**55 261**	58 056
1 050 000	**800 000**	10	Preference shares – unlisted	**800 000**	1 050 000
183 179	**–**	11	Bank and cash resources	**743 933**	835 725
13 632	**–**	12	Total assets held for sale	**–**	20 358
1 334 111	**862 469**			**3 642 175**	3 892 724
3 019 031	**2 652 105**		**TOTAL ASSETS**	**7 227 305**	7 228 747
			EQUITY AND LIABILITIES		
			Equity		
9 890	**9 725**	13	Ordinary share capital	**9 725**	9 890
361 967	**282 489**		Ordinary share premium	**282 489**	361 967
313 461	**293 960**	14	Non-distributable reserves	**533 689**	553 803
662 667	**515 894**		Retained income	**4 870 411**	4 756 318
1 347 985	**1 102 068**		**Equity attributable to owners of the parent**	**5 696 314**	5 681 978
–	**–**	16	Non-controlling interest	**48 560**	47 045
100	**100**	13	Preference share capital	**100**	100
1 348 085	**1 102 168**		**TOTAL EQUITY**	**5 744 974**	5 729 123
			Non-current liabilities		
17 678	**12 048**	17	Deferred taxation	**381 994**	377 390
17 678	**12 048**			**381 994**	377 390
			Current liabilities		
9 096	**9 480**	18	Trade and other payables	**863 861**	873 461
–	**–**	19	Provisions	**209 781**	219 088
1 565 357	**1 407 266**	20	Amounts owed to group companies	**–**	–
78 159	**121 143**		Bank overdraft	**–**	–
656	**–**		Taxation	**26 697**	24 043
–	**–**	12	Total liabilities held for sale	**–**	5 642
1 653 268	**1 537 889**			**1 100 339**	1 122 234
3 019 031	**2 652 105**		**TOTAL EQUITY AND LIABILITIES**	**7 227 305**	7 228 747

STATEMENTS OF PROFIT AND LOSS AND COMPREHENSIVE INCOME

for the year ended 30 June 2018

COMPANY 2017 R000	COMPANY 2018 R000	Notes		GROUP 2018 R000	GROUP 2017 R000
–	**–**		Gross turnover	**7 229 353**	7 285 785
–	**–**		*Less:* Inter-group	**895 432**	878 613
72 071	**35 714**	23	Revenue	**6 333 921**	6 407 172
–	**–**		Other operating income	**120 288**	127 446
72 071	**35 714**		**Total operating income**	**6 454 209**	6 534 618
–	**–**		Changes in inventories of finished goods and work in progress	**74 293**	58 318
–	**–**		Raw materials and consumables used	**2 676 178**	2 820 487
–	**–**	24	Staff costs	**1 541 741**	1 495 088
1 236	**1 710**	25	Other operating expenses	**1 402 522**	1 412 025
1 236	**1 710**		**Total operating expenses**	**5 694 734**	5 785 918
70 835	**34 004**		**Profit from operating activities before depreciation**	**759 475**	748 700
–	**–**	26	Depreciation and amortisation	**293 669**	285 744
70 835	**34 004**		**Profit from operating activities after depreciation**	**465 806**	462 956
20 000	**2 945**	26	Impairment of investments and goodwill	**36 711**	19 875
–	**–**	26	Impairment of loans	**22 682**	–
–	**(7 170)**		Profit on disposal of subsidiaries	**(7 835)**	–
–	**–**	26	Impairment of plant	**18 701**	5 399
50 835	**38 229**		**Profit from operating activities**	**395 547**	437 682
115 152	**84 457**	28	Finance income	**124 041**	141 077
–	**–**	29	Finance costs	**(9 299)**	(1 875)
–	**–**	30	(Loss)/profit on foreign exchange	**(4 021)**	4 848
3 749	**3 936**	44	Deemed interest in interest-free loan in terms of the Share Purchase Scheme	**3 936**	3 749
–	**–**		Income from associates	**31 111**	24 667
169 736	**126 621**		**Profit before taxation**	**541 315**	610 148
4 581	**(138)**	31	Taxation	**135 565**	155 146
165 155	**126 760**		**Profit for the year**	**405 750**	455 002
19 836	**(19 502)**		**Other comprehensive income**	**(18 935)**	17 259
			Items that will not be reclassified subsequently to profit or loss		
–	**–**		Fair value adjustment – land and buildings	**–**	(1 050)
			Items that will be reclassified subsequently to profit or loss		
19 836	**(19 502)**	15	Fair value adjustment – available for sale investments	**(18 935)**	18 309
184 991	**107 258**		**Total comprehensive income for the year**	**386 815**	472 261
			Profit attributable to:		
–	**–**		Non-controlling interests	**19 303**	10 346
165 155	**126 760**		Equity holders of the parent	**386 447**	444 656
165 155	**126 760**			**405 750**	455 002
			Total comprehensive income attributable to:		
–	**–**		Non-controlling interests	**19 303**	10 346
184 991	**107 258**		Owners of the parent	**367 512**	461 915
184 991	**107 258**			**386 815**	472 261
–	**–**	32	Earnings per share (cents)	**98,5**	112,2
–	**–**	33	Ordinary dividend paid per share (cents) in respect of the previous year	**70,0**	70,0
–	**–**	34	Preference dividend paid per share (cents) in respect of the previous year	**570,0**	570,0

STATEMENTS OF CASH FLOWS

for the year ended 30 June 2018

COMPANY 2017 Restated* R000	COMPANY 2018 R000	Notes		GROUP 2018 R000	GROUP 2017 Restated* R000
68 401	**41 450**		**CASH FLOW FROM OPERATING ACTIVITIES**	**498 530**	688 059
70 835	**34 004**	40.1	Cash generated by operations	**740 064**	724 826
3 199	**9 157**	40.2	Changes in working capital	**(113 105)**	57 466
74 034	**43 161**		Cash generated by operating activities	**626 959**	782 292
(5 633)	**(1 711)**	40.3	Taxation paid	**(128 429)**	(94 233)
68 401	**41 450**		Net cash inflow from operating activities	**498 530**	688 059
115 944	**(20 803)**		**CASH FLOW FROM INVESTING ACTIVITIES**	**(463 558)**	(435 386)
			Property, plant, equipment and intangibles		
–	**–**	2	– additions to maintain operations	**(257 695)**	(255 321)
–	**–**		– additions to expand operations	**–**	(100 645)
–	**–**		– proceeds from disposals	**32 754**	24 459
–	**–**			**(224 941)**	(331 507)
			Investments		
8 534	**13 921**	40.5	– Businesses acquired (net of cash acquired)	**(122 939)**	(157 779)
(7 742)	**(119 181)**	40.6	– Associates, other investments and loans	**(228 363)**	(85 302)
–	**–**	40.9	Disposal of subsidiary	**(2 057)**	–
17 434	**3 490**		Interest received	**54 394**	55 592
–	**–**		Interest paid	**(9 299)**	(1 875)
97 718	**80 967**		Dividends received	**69 647**	85 485
115 944	**(20 803)**			**(238 618)**	(103 879)
(280 044)	**(496 810)**		**CASH FLOW FROM FINANCING ACTIVITIES**	**(378 821)**	(322 531)
–	**–**		Non-controlling interest disposed/(acquired)	**–**	1 527
22 578	**(143 635)**		Increase/(decrease) in amount owing to group companies	**–**	–
(24 466)	**(79 643)**		Own shares acquired	**(79 643)**	(24 466)
(278 156)	**(273 532)**	40.4	Dividends paid	**(299 178)**	(299 592)
(95 699)	**(476 163)**		Net decrease in cash and cash equivalents	**(343 849)**	(69 858)
–	**–**		Cash acquired	**–**	(380)
1 322 885	**1 227 186**		Cash and cash equivalents at beginning of year	**1 959 948**	2 030 186
1 227 186	**751 023**	40.7	Cash and cash equivalents at end of year	**1 616 099**	1 959 948
(14 110)	**(16 905)**		Fair value adjustment of preference shares	**(16 905)**	(14 110)
1 213 076	**734 118**	40.7	Fair value of cash and cash equivalents at end of year	**1 599 194**	1 945 838

** In the interest of better disclosure of the net cash flow from operating activities, the net interest and dividends received were moved to cash flows from investing activities and the dividends paid moved to the cash flows from financing activities.*

STATEMENTS OF CHANGES IN EQUITY
for the year ended 30 June 2018

R000	Notes	Ordinary share capital	Ordinary share premium	Preference share capital	Non-distributable reserves	Marked to market reserves	Distri-butable reserves	Non-controlling interest	Total
Group									
Balance at 1 July 2016		9 942	386 381	100	203 250	334 532	4 588 580	56 608	5 579 393
Total comprehensive income for the year		–	–	–	–	17 259	444 656	10 346	472 261
Non-controlling interest acquired		–	–	–	–	–	–	1 527	1 527
Own shares acquired		(52)	(24 414)	–	–	–	–	–	(24 466)
Ordinary dividends paid	33	–	–	–	–	–	(277 871)	(21 436)	(299 307)
Preference dividends paid	34	–	–	–	–	–	(285)	–	(285)
Realisation of land and buildings revaluation reserve		–	–	–	(1 238)	–	1 238	–	–
Balance at 30 June 2017		**9 890**	**361 967**	**100**	**202 012**	**351 791**	**4 756 318**	**47 045**	**5 729 123**
Total comprehensive income for the year		**–**	**–**	**–**	**–**	**(18 935)**	**386 447**	**19 303**	**386 815**
Non-controlling interest acquired		**–**	**–**	**–**	**–**	**–**	**–**	**18 812**	**18 812**
Non-controlling interest disposed		**–**	**–**	**–**	**–**	**–**	**–**	**(10 956)**	**(10 956)**
Own shares acquired		**(165)**	**(79 478)**	**–**	**–**	**–**	**–**	**–**	**(79 643)**
Ordinary dividends paid	33	**–**	**–**	**–**	**–**		**(273 247)**	**(25 645)**	**(298 893)**
Preference dividends paid	34	**–**	**–**	**–**	**–**	**–**	**(285)**	**–**	**(285)**
Realisation of land and buildings revaluation reserve		**–**	**–**	**–**	**(1 178)**	**–**	**1 178**	**–**	**–**
Balance at 30 June 2018		**9 725**	**282 489**	**100**	**200 834**	**332 855**	**4 870 411**	**48 560**	**5 744 974**
Company									
Balance at 1 July 2016		9 942	386 381	100	4 469	289 156	775 668	–	1 465 716
Total comprehensive income for the year		–	–	–	–	19 836	165 155	–	184 991
Own shares acquired		(52)	(24 414)	–	–	–	–	–	(24 466)
Ordinary dividends paid	33	–	–	–	–	–	(277 871)	–	(277 871)
Preference dividends paid	34	–	–	–	–	–	(285)	–	(285)
Balance at 30 June 2017		**9 890**	**361 967**	**100**	**4 469**	**308 992**	**662 667**	**–**	**1 348 085**
Total comprehensive income for the year		**–**	**–**	**–**	**–**	**(19 502)**	**126 760**	**–**	**107 258**
Own shares acquired		**(165)**	**(79 478)**	**–**	**–**	**–**	**–**	**–**	**(79 643)**
Ordinary dividends paid	33	**–**	**–**	**–**	**–**	**–**	**(273 247)**	**–**	**(273 247)**
Preference dividends paid	34	**–**	**–**	**–**	**–**	**–**	**(285)**	**–**	**(285)**
Balance at 30 June 2018		**9 725**	**282 489**	**100**	**4 469**	**289 490**	**515 894**	**–**	**1 102 168**

1. ACCOUNTING POLICIES

1.1 Basis of preparation

Caxton and CTP Publishers and Printers Limited ("the Company ") is a South African registered company. The consolidated financial statements of the group for the year ended 30 June 2018 comprise the Company and its subsidiaries (together referred to as "the group") and the group's interest in associates and jointly controlled entities.

These annual financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS), SAICA financial reporting guides as issued by the Accounting Practices Committee, the financial reporting pronouncements as issued by the Financial Reporting Standards Council, the Companies Act, No. 71 of 2008 and the Listings Requirements of the Johannesburg Stock Exchange.

The financial statements are prepared under the supervision of the financial director, Mr TJW Holden CA(SA).

The financial statements are prepared in thousands of South African Rands (R000) under the historical cost convention except for investments classified as available-for-sale, derivative instruments, and certain property, plant and equipment which are stated at fair value.

The accounting policies applied are consistent with those of the prior year in all material aspects.

1.2 Basis of consolidation

The group financial statements consolidate those of the parent company and all of the entities over which the group has control. All subsidiaries have a reporting date of 30 June.

The results of subsidiaries acquired or disposed of during the year are included in the consolidated statements of comprehensive income, from the effective date of acquisition or up to the effective date of disposal, as appropriate. The acquisition method of accounting is used to account for the acquisition of subsidiaries by the group. Identifiable assets, liabilities and contingent liabilities acquired or assumed are initially measured at their respective fair values at acquisition date.

1.3 Property, plant and equipment

Plant and equipment is initially recorded at cost. Impairment losses and reversal of impairment losses are recognised in profit or loss for those assets carried at cost, and other comprehensive income for those assets carried at revalued amounts.

The group's properties are all owner-occupied. Land and buildings are stated at acquisition cost and revalued on an open-market value in use basis when there is an indicator that the fair value is materially different from the carrying value but at least every five years. Freehold buildings are depreciated on the straight-line basis to their anticipated residual value over their estimated useful life to the group. Land is not depreciated.

Depreciation is calculated on the straight-line method, to write off the cost of each asset to their residual values over their estimated useful lives. The depreciation rates applicable to each category of property, plant and equipment are as follows:

Land	not depreciated
Buildings	50 years
Plant and machinery	2 – 20 years
Vehicles	5 years
Furniture and equipment	3 – 6 years
Leasehold improvements	shorter of useful life or remaining period of the lease

1.4 Goodwill

Goodwill is measured as the excess of cost (being the consideration transferred, the amount of any Non-Controlling Interest acquired, and the acquisition date fair value of any equity interest already held in the acquiree) over the net acquisition-date fair value of the identifiable assets and liabilities acquired.

Subsequently goodwill is carried at cost less any accumulated impairment. Goodwill is tested at least annually for impairment.

1.5 Publication titles

Newspaper and magazine publication titles arise on acquisition of newspapers and magazines and are considered to have an indefinite life. Active publication titles are initially and subsequently measured at cost less accumulated impairment. The useful lives of publication titles are reviewed on an annual basis to determine whether events and circumstances continue to support the indefinite useful life assessment. Non-active publication titles are written off in the year the newspaper or magazine ceases publication.

Titles that are not considered to have an indefinite life are depreciated over three to eight years.

1.6 Investments in subsidiaries

In the Company's separate financial statements, investments in subsidiaries are carried at cost less accumulated impairment losses.

1.7 Investments in associates

Investments in associates are accounted for using the equity method of accounting in the consolidated financial statements and are recognised at cost, less amounts written off and accumulated impairment losses, in the holding Company's separate financial statements.

1.8 Investments in jointly controlled entities

Investments in jointly controlled entities are accounted for at cost less accumulated impairment in the holding company's separate financial statements and using the equity method in the consolidated financial statements. The accounting policies of the joint ventures are the same as those of the group in all material respects.

1.9 Inventories

Inventories are valued at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less any costs of completion and disposal. Cost is determined on the following bases:

- Raw materials are valued on a first-in, first-out or average cost basis.
- Work in progress and finished goods are valued at raw material cost, direct labour and a proportion of manufacturing overhead expenses, based on normal capacity.

1.10 Share capital

When share capital recognised as equity is repurchased, the amount of the consideration paid and the directly attributable costs, is recognised as a deduction from equity. Repurchased shares held by subsidiaries are classified as treasury shares and presented as a deduction from equity. Preference shares with participation rights which are non-redeemable are classified as equity.

1.11 Deferred taxation

Deferred tax is recognised on the difference between the carrying amounts of assets and liabilities in the financial statements and corresponding tax bases used in the computation of taxable profit or loss, and are accounted for using the comprehensive liability method.

Deferred tax liabilities are generally recognised for all taxable temporary differences, and deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rates (and tax laws) that have been enacted or substantially enacted by the reporting date.

1.12 Provisions

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the reporting date. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the increases specific to the liability. The increase in the provision due to the passage of time is recognised as a finance expense.

1. ACCOUNTING POLICIES continued

1.13 Financial instruments

Financial instruments recognised on the statement of financial position include investments, accounts receivable, cash and cash equivalents, loans receivable and payable to group companies, loans to directors and accounts payable. All financial instruments are recognised at the time the group becomes party to the contractual provisions of the instruments. All financial instruments are initially measured at fair value, excluding those measured other than at fair value through profit and loss, which includes directly attributable transaction costs, being the fair value of the consideration given.

Financial assets, or a portion of financial assets, are derecognised when the group loses control of the contractual rights that comprise the financial assets. Financial liabilities are derecognised when they are extinguished – that is, when the obligation specified in the contract is discharged, cancelled or expires.

Subsequently the financial instruments are measured as follows:

Investments

Listed and unlisted investments and preference shares are subsequently measured at fair value with fair value adjustments recognised as other comprehensive income in respect of available-for-sale investments.

When the available for sale asset is disposed of or is determined to be impaired, the cumulative gain or loss recognised in other comprehensive income is reclassified from the equity reserve to profit or loss.

Accounts and loans receivable

Accounts and loans receivable are subsequently measured on the amortised cost basis using the effective rate of interest. Accounts and loans receivable, which are of long-term nature, are discounted where the time value of money is significant and are classified as receivables.

Appropriate allowances for estimated irrecoverable amounts are recognised in profit or loss when objective evidence exists that the asset is impaired.

Cash and cash equivalents

Cash and cash equivalents consist of cash on hand, cash in banks, short-term deposits, bank overdrafts and preference shares and are measured at amortised cost using effective interest rates.

Accounts and loans payable

Accounts and loans payable are subsequently measured on the amortised cost basis using the effective rate of interest.

1.14 Foreign currency transactions

Foreign currency transactions are recorded on initial recognition in Rand, by applying to the foreign currency amount the exchange rate between the Rand and the foreign currency at the date of the transaction.

At each reporting date:

- foreign currency monetary items are reported using the closing rate;
- non-monetary items, which are carried in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction; and
- non-monetary items, which are carried at fair value denominated in a foreign currency, are reported using the exchange rates that existed when the values were determined.

Exchange differences arising on the settlement of monetary items at rates different from those at which they were initially recorded during the period, or reported in previous financial statements, are recognised as profit or loss in the period in which they arise.

1.15 Non-current assets held for sale

Assets and liabilities are classified as held for sale if their carrying amount will be recovered through a sale transaction rather than continued use. This condition is regarded as met only when a sale is highly probable, it is available for immediate sale in its present condition and management is committed to the sale which is expected to be completed within one year from date of classification. Items in this category are measured at the lower of the carrying amount and fair value less costs to sell.

1.16 Derivative financial instruments

The group has entered into derivative contracts to hedge foreign exchange exposure. Upon initial recognition, these are measured at fair value and subsequent measurement is at fair value through profit or loss with gains or losses on fair value measurements recorded in profit or loss.

1.17 Revenue

Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and value added tax. Revenue is recognised when the significant risks and rewards have been transferred to the buyer, recovery of the consideration is probable and the associated costs and possible return of goods can be estimated reliably.

Dividends are recognised when the group's right to receive the revenue is established. Interest revenue is recognised on a time-apportionment basis that takes into account the effective yield on the investment.

1.18 Other operating income

Other operating income includes income derived from non-core activities, for example rental received from non-group companies and proceeds from waste paper and waste plate sales.

1.19 Employee benefits

The cost of short-term employee benefits, (those payable within 12 months after the service is rendered, such as paid vacation leave and sick leave, bonuses, and non-monetary benefits such as medical care), are recognised in the period in which the service is rendered and are not discounted.

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs. The expected cost of profit sharing and bonus payments is recognised as an expense when there is a legal or constructive obligation to make such payments as a result of past performance.

1.20 Leases

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership to the lessee. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership.

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. The difference between the amounts recognised as an expense and the contractual payments are recognised as an operating lease asset or liability.

1.21 Determination and presentation of operating segments

An operating segment is a component of the group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the group's other components. An operating segment's operating results are reviewed regularly by the Executive members of the Board of Directors to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available. Segment results that are reported to the senior management include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate assets (primarily the group's headquarters and the sub-group's headquarters). Segment capital expenditure is the total cost incurred during the period to acquire property, plant and equipment and intangible assets, other than goodwill. Operating segments' disclosure is based on the information that internally is provided to the executive directors, who are ultimately responsible for the decision-making process.

1.22 Financial risk management

The Company's activities expose it to a variety of financial risks, namely: currency risk, credit risk, liquidity risk and cash flow interest rate risk. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance. Risk management is carried out by local management under policies approved by the Board of Directors.

1. ACCOUNTING POLICIES continued

1.22 Financial risk management continued

(a) Currency risk

Exposure to currency risk arises in the normal course of the group's business. The group incurs currency risk as a result of transactions that are denominated in a currency other than SA Rands. These transactions, mainly for the import of capital equipment and inventory are substantially hedged by utilising forward exchange contracts. Details of forward exchange contracts are given in note 36.

(b) Credit risk

The Company has no significant concentrations of credit risk, due to the diversity of its customers. It has policies in place to ensure that sales are made to customers with appropriate credit history. Transactions are limited to high-credit-quality financial institutions.

(c) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities. Due to the dynamic nature of the business the company aims to maintain flexibility in funding by keeping committed credit lines available.

(d) Cash flow and interest rate risk

The Company has significant interest-bearing assets and interest is earned at competitive market-related rates.

1.23 Impairment of assets

The group assesses at each reporting date whether there is any indication that objective evidence exists that might indicate that a financial asset or group of financial assets is impaired irrespective of whether there is any indication of impairment.

If any such indication exists, the recoverable amount is estimated as the higher of net selling price and value in use. An impairment loss is recognised in the statement of profit and loss and other comprehensive income whenever the carrying amount exceeds the recoverable amount and the assets are written down to their recoverable amount.

1.24 Key management assumptions

The preparation of financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that may affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision only affects that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Key assumption

Allowances for impairment of debtors

Basis for determining value assigned to key assumption

The recoverability of debtors is reviewed by management on an ongoing basis and all amounts considered to be irrecoverable, based on history of default and management's past experience, are provided for.

Key assumption

Impairment of assets

Basis for determining value assigned to key assumption

Where the group has an asset for which there is limited operational use, it is impaired to its recoverable amount. Recoverable amount is determined with reference to the assets value in use taking into account growth rates and discount rates.

Key assumption

Revaluation of property

Basis for determining value assigned to key assumption

The group revalues its properties every five years, using an independent professional valuer. Fair value is reviewed in each other year by the directors to determine any changes in circumstances or significant changes to fair value. The basis applied by the valuer is determined with reference to an open-market value.

Key assumption

Asset lives and residual values

Basis for determining value assigned to key assumption:

Property, plant and equipment is depreciated over its useful life taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In reassessing asset lives, factors such as technological innovation and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

Key assumption

Valuation of unlisted investments

Basis for determining value assigned to key assumption:

The basis used for the valuation of unlisted investments is the present value of future cash flows discounted at an appropriate rate taking into account any risk factors.

Key assumption

Goodwill

Basis for determining value assigned to key assumption:

Goodwill is tested on an annual basis for impairment. Refer to note 3 for more information on specific estimates and assumptions used.

1. ACCOUNTING POLICIES continued

1.25 Statements and interpretations not yet effective and expected to be applicable

<table>
<tr><th colspan="2">Standard</th><th>Details of amendments</th><th>Annual periods beginning on or after</th></tr>
<tr><td>IFRS 9</td><td>Financial Instruments</td><td>• A final version of IFRS 9 has been issued which replaces IAS 39 Financial Instruments: Recognition and Measurement. The completed standard comprises guidance on Classification and Measurement, Impairment Hedge Accounting and Derecognition:
– IFRS 9 introduces a new approach to the classification of financial assets, which is driven by the business model in which the asset is held and their cash flow characteristics. A new business model was introduced which does allow certain financial assets to be categorised as “fair value through other comprehensive income” in certain circumstances. The requirements for financial liabilities are mostly carried forward unchanged from IAS 39. However, some changes were made to the fair value option for financial liabilities to address the issue of own credit risk.
– The new model introduces a single impairment model being applied to all financial instruments, as well as an “expected credit loss” model for the measurement of financial assets.
– IFRS 9 contains a new model for hedge accounting that aligns the accounting treatment with the risk management activities of an entity, in addition enhanced disclosures will provide better information about risk management and the effect of hedge accounting on the financial statements.
– IFRS 9 carries forward the derecognition requirements of financial assets and liabilities from IAS 39.</td><td>1 January 2018</td></tr>
<tr><td>IFRS 15</td><td>Revenue from Contracts with Customers</td><td>• New standard that requires entities to recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. This core principle is achieved through a five step methodology that is required to be applied to all contracts with customers.
• The new standard will also result in enhanced disclosures about revenue, provide guidance for transactions that were not previously addressed comprehensively and improve guidance for multiple-element arrangements.
• The new standard will also result in enhanced disclosures about revenue, provide guidance for transactions that were not previously addressed comprehensively and improve guidance for multiple-element arrangements.
• The new standard supersedes:
– IAS 11 Construction Contracts;
– IAS 18 Revenue;
– IFRIC 13 Customer Loyalty Programmes;
– IFRIC 18 Transfers of Assets from Customers; and
– SIC-31 Revenue – Barter Transactions Involving Advertising Services.</td><td>1 January 2018</td></tr>
</table>

Standard		Details of amendments	Annual periods beginning on or after
IFRS 16	Leases	• New standard that introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. A lessee is required to recognise a right-of-use asset representing its right to use the underlying leased asset and a lease liability representing its obligation to make lease payments. A lessee measures right-of-use assets similarly to other non-financial assets (such as property, plant and equipment) and lease liabilities similarly to other financial liabilities. As a consequence, a lessee recognises depreciation of the right-of-use asset and interest on the lease liability, and also classifies cash repayments of the lease liability into a principal portion and an interest portion and presents them in the statement of cash flows applying IAS 7 Statement of Cash Flows. • IFRS 16 contains expanded disclosure requirements for lessees. Lessees will need to apply judgement in deciding upon the information to disclose to meet the objective of providing a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cash flows of the lessee. • IFRS 16 substantially carries forward the lessor accounting requirements in IAS 17. Accordingly, a lessor continues to classify its leases as operating leases or finance leases, and to account for those two types of leases differently. • IFRS 16 also requires enhanced disclosures to be provided by lessors that will improve information disclosed about a lessor's risk exposure, particularly to residual value risk. • IFRS 16 supersedes the following Standards and Interpretations: – IAS 17 Leases – IFRIC 4 Determining whether an Arrangement contains a Lease – SIC-15 Operating Leases – Incentives – SIC-27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease.	1 January 2019
IFRIC 22	Foreign Currency Transactions and Advance Consideration	This interpretation addresses the exchange rate to use in transactions that involve advance consideration paid or received in a foreign currency.	1 January 2018
IFRIC 23	Uncertainty over Income Tax Treatments	IFRIC 23 addresses uncertainty over how tax treatments should affect the accounting for income taxes.	1 January 2019

The directors anticipate that the adoption of these standards and interpretations in future periods will have no material impact on the financial statements of the group.

– IFRS 9: the group has stringent policies regarding impairments of debtors and believe it will have no financial impact on the impairment of debtors.
– IFRS 15: the impacts will relate to disclosure only and will have no financial impact.
– IFRS 16: the impact will be minimal as most of the property leases are intercompany and the ones that are not are immaterial.

2. PROPERTY, PLANT AND EQUIPMENT (GROUP)

COST OR VALUATION

GROUP R000	Freehold Land and Buildings	Leasehold Improve-ments	Plant and Machinery	Vehicles	Furniture and Equipment	Titles	Total
Year ended 30 June 2018							
Opening net book value	**1 000 369**	**1 015**	**1 605 927**	**18 772**	**55 870**	**21 263**	**2703 216**
Additions	**40 183**	**–**	**193 074**	**8 221**	**16 171**	**46**	**257 695**
Disposals	**(18 788)**	**–**	**(1 431)**	**(487)**	**(8 571)**	**(1 707)**	**(30 984)**
Impairment	**–**	**–**	**(18 701)**	**–**	**–**	**–**	**(18 701)**
Business combination	**–**	**–**	**31 920**	**430**	**811**	**–**	**33 161**
Depreciation	**(8 339)**	**–**	**(251 490)**	**(7 967)**	**(24 726)**	**(1 147)**	**(293 669)**
Closing net book value	**1 013 425**	**1 015**	**1 559 299**	**18 969**	**39 555**	**18 455**	**2 650 717**
Summary							
Cost	**116 284**	**4 477**	**4 119 664**	**91 630**	**286 116**	**48 523**	**4 666 694**
Valuation	**951 684**	**–**	**–**	**–**	**–**	**–**	**951 684**
	1 067 968	**4 477**	**4 119 664**	**91 630**	**286 116**	**48 523**	**5 618 377**
Accumulated depreciation and impairment	**(54 543)**	**(3 462)**	**(2 560 365)**	**(72 660)**	**(246 562)**	**(30 068)**	**(2 967 660)**
Net carrying amount	**1 013 425**	**1 015**	**1 559 299**	**18 969**	**39 554**	**18 455**	**2 650 717**

GROUP R000	Freehold Land and Buildings	Leasehold Improve-ments	Plant and Machinery	Vehicles	Furniture and Equipment	Titles	TOTAL
Year ended 30 June 2017							
Opening net book value	912 823	1 038	1 582 685	16 532	58 111	23 200	2 594 389
Additions	81 155	78	239 827	8 888	26 018	–	355 966
Disposals	(2 259)	–	(2 400)	(309)	(948)	(4 254)	(10 170)
Impairment	–	–	(5 399)	–	–	–	(5 399)
Business combination	17 788	–	32 314	1 227	1 206	3 500	56 035
Depreciation	(7 685)	(101)	(241 100)	(7 566)	(28 109)	(1 183)	(285 744)
Revaluation	(1 453)	–	–	–	–	–	(1 453)
Assets held for sale	–	–	–	–	(408)	–	(408)
Closing net book value	1 000 369	1 015	1 605 927	18 772	55 870	21 263	2 703 216
Summary							
Cost	94 889	4 477	3 909 161	86 749	295 724	48 477	4439 477
Valuation	951 684	–	–	–	–	–	951 684
	1 046 573	4 477	3 909 161	86 749	295 724	48 477	5 391 161
Accumulated depreciation and impairment	(46 204)	(3 462)	(2 303 234)	(67 977)	(239 854)	(27 214)	(2 687 945)
Net carrying amount	1 000 369	1 015	1 605 927	18 772	55 870	21 263	2 703 216

2.1 The register of fixed property is available for inspection at the registered office of the Company.

2.2 The impairment of plant and machinery was as a result of obsolescence, restructuring and the recoverable amounts was exceeded by the carrying amounts. The plant and machinery impaired was printing, replication and ancillary equipment. R13,9 million (2017: Rnil million) was included in the publishing, printing and distribution segment, R4,8 million (2017: R2,0 million) was included in the packaging and stationery segment and Rnil million (2017: R3,4 million) was included in the segment disclosed as "other". The recoverable amount of assets which were obsolete due to restructuring and replacement were considered to be nil and an impairment of R18,7 million (2017: R5,4 million) was recognised. The cash flow used in the value in use calculation was the forecast for five years and the key assumptions were as follows:

- Average growth rates of between – 6.3% and 10%.
- Discount rate of 12,2%.(Weighted average cost of capital).

2.3 Fair value of the group's main property assets were based on appraisals performed by Balme van Wyk and Tugman Proprietary Limited independent valuers, in June 2016. The fair values of the properties were determined on an open market valuation basis. The valuation processes and fair value changes are reviewed by the board of directors and audit committee at each reporting date. These are all measured using a Level 3 approach. The key assumptions used in the valuation were a gross monthly rental income which was adjusted by a cost ratio and using a yield between 10,75% and 12,25%.

2.4 The net carrying value of the properties would have been R761 932 359 (2017: R740 537 359) had the assets been measured using the historical cost model.

COMPANY 2017 R000	COMPANY 2018 R000		GROUP 2018 R000	GROUP 2017 R000
		3. GOODWILL		
–	**–**	Opening net book value	**78 167**	–
–	**–**	Acquisition of subsidiaries	**108 372**	78 167
–	**–**	Impairment	**(12 076)**	–
–	**–**	Closing net book value	**174 463**	78 167
–	**–**	Summary		
–	**–**	Gross carrying amount	**315 473**	207 101
–	**–**	Impairment	**(141 010)**	(128 934)
–	**–**	Net carrying amount	**174 463**	78 167

Goodwill acquired in a business combination is allocated to the cash generating units ("CGU") that are expected to benefit from the business combination. Value in use was used as the basis to determine the recoverable amount of the CGU.

These CGUs are assessed as being operating segments expected to benefit from synergies arising from the business combination. The allocation per CGU is as follows:

– Publishing, printing and distribution	R109,7 million
– Packaging and stationery	R64,7 million

The cash flows used in the value in use calculation was the forecast for five years, followed by an extrapolation of expected cash flows for the remaining life using long term growth rates, and the following key assumptions were applied by management:

- Average growth rate of between 0% to 6%
- Discount rate of between 12% and 18%
- Long term growth rate of between 3% and 6%

The Board believes that this forecast was justified due to the long-term nature of the business. The values assigned to key assumptions represent management's assessment of the business and are based on both external and internal sources of historical data.

Management is not currently aware of any probable changes that would necessitate changes in its key estimates. Impairment testing indicated an impairment of R12 million on the packaging and stationery CGU. The impairment tests did not result in any other impairment losses.

Management applied a sensitivity analysis on the significant CGU on both discount rates and long term growth rates and no additional impairments would have been recognised had these increased or decreased by 3%.

COMPANY 2017 R000	COMPANY 2018 R000		GROUP 2018 R000	GROUP 2017 R000
		4. INTEREST IN SUBSIDIARIES		
1 390 843	**1 356 202**	Shares at cost	**–**	–
(7 088)	**–**	Less accumulated impairment	**–**	–
(13 632)	**–**	Assets held for sale	**–**	–
1 370 123	**1 356 202**		**–**	–
14 456	**–**	Amount owing by subsidiaries	**–**	–
1 384 579	**1 356 202**		**–**	–
1 370 123	**1 356 202**	Shown as non-current assets	**–**	–
14 456	**–**	Shown as current assets	**–**	–

The amounts owing by the subsidiaries are unsecured, bear interest at market-related rates determined from time to time and have various repayment terms. All terms are considered to be short term.

Subsidiary company details are set out on page 65.

COMPANY 2017 R000	COMPANY 2018 R000		GROUP 2018 R000	GROUP 2017 R000
		5. INTEREST IN ASSOCIATES		
		Associated companies		
130 284	**130 284**	Shares at cost	**213 868**	213 868
–	**–**	Acquired in the current year	**20 022**	–
(29 324)	**(32 269)**	Less accumulated impairment	**(58 518)**	(20 000)
–	**–**	Share of post acquisition reserves	**81 914**	68 926
100 960	**98 015**	Total carrying value	**257 286**	262 794
25 486	**19 634**	Loans	**169 767**	92 132
126 446	**117 648**		**427 052**	354 926

Associated company details are set out on page 66.

The recoverable amount of the investment in Cognition Holdings Limited at 30 June 2018 was R47,7 million (2017: R64,4 million) which was based on the share price.

The investment in Cognition Holdings Limited, Vehicle Trader and other smaller magazine publishers was impaired as a result of reduced profitability and an ongoing difficult trading environment that is likely to endure into the future.

The Company's share of losses in certain associates exceeded the interest in those associates with R5.5 million in 2018 (2017: R5 million) and these losses were not recognised. The Company has not incurred legal or constructive obligations on behalf of said associates. The cumulative share of losses not recognised in 2018 amounted to R11.9 million (2017: R6.5 million).

Loans to associated companies
Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the group. The group's exposure to credit risk with regard to loans is the maximum amount reflected in the gross carrying value of the loan.

Interest rate risk refers to the risk that the fair value of future cash flows of the loans will fluctuate because of changes in market interest rates which are charged on the loan accounts.

Management assesses the recoverability of the loans on an ongoing basis. The loans are unsecured, bear interest at market-related rates agreed upon from time to time and have various repayment terms, but are considered to be long term.

At 30 June 2018, if interest rates had been 1% higher with all other variables held constant, group post-tax profit for the year would have increased by approximately R0,9 million (2017: R0,1 million).

If interest rates had been 1% lower, group post-tax profit would have decreased by approximately R0,9 million (2017: R0,1 million).

COMPANY 2017 R000	COMPANY 2018 R000		GROUP 2018 R000	GROUP 2017 R000
		6. INVESTMENTS		
		Listed investments – available for sale		
8 088	**6 121**	Mpact Limited	**6 121**	8 088
	10 931	African Media Entertainment Limited (AME)	**10 931**	–
	74 465	Novus Holdings Limited	**74 465**	–
–	**–**	Old Mutual PLC	**–**	29
8 088	**91 517**		**91 517**	8 117
–	**–**	Assets held for sale	**–**	(29)
8 088	**91 517**		**91 517**	8 088
		Unlisted investments – available for sale		
		Thebe Convergent Technology Holdings (Pty) Ltd		
99 931	**140 000**	– preference shares	**140 000**	99 931
–	**–**	Stanlib Income Fund	**–**	11 715
99 931	**140 000**		**140 000**	111 646
–	**–**	Assets held for sale	**–**	(11 715)
99 931	**140 000**		**140 000**	99 931
108 019	**231 517**	**Total investments**	**231 517**	108 019
108 019	**231 517**	Fair value of investments	**231 517**	108 019

Investments listed – available for sale
Equity price risk refers to the risk that the fair value of the future cash flows of the listed investments will fluctuate because of changes in the market prices.

The group's available for sale financial assets are valued using the fair market value at 30 June 2018.

Fair value estimation
IFRS 13 requires disclosures of fair value measurements by level of the following fair value measurement hierarchy:

Level 1 – Quoted prices available in active markets for identical assets or liabilities.

Level 2 – Inputs used, other than quoted prices, included within Level 1, that are observable for the asset or liability, either directly or indirectly.

Level 3 – Fair value determined by valuation that uses inputs that are not based on observable market data.

The level of each investment is determined as follows:

– Mpact, AME, Novus and Old Mutual are Level 1

– Stanlib is Level 2

– Thebe Convergent Technology is Level 3

For the level 3 valuation of the investment in Thebe Convergent Technology, a discounted cash flow model was applied using cash flows forecast for five years and the following key assumptions were applied by management:

– Average growth rate of 8%

– Discount rate of 14,5%

– Terminal growth rate of 6%

The Board believes that this forecast was justified due to the long-term nature of the business. The values assigned to key assumptions represent management's assessment of the business and are based on both external and internal sources of historical data.

COMPANY 2017 R000	COMPANY 2018 R000		GROUP 2018 R000	GROUP 2017 R000
		7. INVENTORIES		
–	–	Raw materials	**681 508**	579 753
–	–	Work in progress	**86 049**	79 128
–	–	Finished goods	**183 583**	174 529
–	–		**951 140**	833 410
		Comprising:		
–	–	Inventory at cost	**942 020**	828 400
–	–	Inventory at net realisable value	**9 119**	5 010
–	–		**951 140**	833 410
–	–	Write down of inventories to fair value less costs to sell as an expense	**3 063**	2 260
		8. TRADE AND OTHER RECEIVABLES		
–	–	Trade accounts receivable	**1 044 489**	1 061 826
–	–	Allowance for impairments	**(63 012)**	(52 150)
–	–	Prepayment and deferred expenditure	**27 576**	26 258
14 788	**6 015**	Other accounts receivable	**80 799**	63 878
–	–	Assets held for sale	**–**	(6 149)
14 788	**6 015**		**1 089 852**	1 093 663

Trade accounts receivable

Exposure to credit risk

Gross trade receivables represents the maximum credit exposure.

–	–	The maximum exposure to credit risk at the reporting date was	**1 044 489**	1 061 826

The maximum exposure to credit risk for gross trade receivables at the reporting date by type of customer was:

COMPANY 2017	COMPANY 2018		Average debtors terms/(days)	GROUP 2018	GROUP 2017
–	–	Parastatals/government	60	**21 197**	17 533
–	–	Corporates	30 – 60	**891 201**	891 201
–	–	SMMEs	30	**127 148**	113 278
–	–	Individuals	30	**4 943**	10 001
–	–			**1 044 489**	1 061 826

The group has a relatively large diversity of customers and thus has a limited exposure to any one customer.

The maximum exposure to credit risk for gross trade receivables at the reporting date by geographical region was:

COMPANY 2017	COMPANY 2018		Average debtors terms/(days)	GROUP 2018	GROUP 2017
–	–	South Africa	30	**968 800**	986 929
–	–	Rest of Africa	60	**75 689**	74 897
–	–			**1 044 489**	1 061 826

Management views the debtors' days per geographic region as within expectations compared with the group's standard payment terms for that region.

Debtors' days differ in Africa due to local economic and market conditions and risks involved in trading in that geographic region.

COMPANY 2017 R000	COMPANY 2018 R000		GROUP 2018 R000	GROUP 2017 R000
		8. TRADE AND OTHER RECEIVABLES continued		
		Credit risk is minimised through an initial new client acceptance procedure whereby potential customers are individually assessed before an appropriate credit limit is allocated to the new client. The group uses credit vetting agencies who maintain current credit data on most companies in South Africa.		
		Trade receivables		
		Within terms	**1 016 223**	1 071 012
		Current	**385 145**	462 310
		Due 30 days and less	**361 760**	399 551
		Due 30 to 60 days	**179 774**	131 879
		Due 60 to 90 days	**66 771**	56 508
		Due 90 days +	**22 774**	20 764
		Past due	**28 266**	51 329
		Due 60 to 90 days	**3 696**	12 930
		Due 90 days +	**24 570**	38 399
			1 044 489	1 122 341
		Amounts past due and not impaired	**–**	25 184
		Listings of overdue customer balances are reviewed monthly and reviewed against their credit terms/limits. Customers exceeding their credit terms/limits must settle their overdue balances before any further credit is extended.		
		Appropriate action is taken to recover long overdue debts.		
		Allowance for impairment of debtors		
		Opening balance	**52 150**	62 776
		Impairment loss (reversed)/recognised	**(20 335)**	(27 243)
		Additional impairment loss	**31 197**	16 617
			63 012	52 150
		The following impairment losses/(reversal) were recognised:		
		Financial difficulties/bankruptcy	**7 678**	955
		Absconded	**(3)**	80
		Dispute	**3 187**	9 591
			10 862	10 626
		Analysis of impairment of debtors		
		Current trade receivables	**–**	–
		Amounts in 30 days and less	**3 080**	169
		Amounts in 30 to 60 days	**541**	419
		Amounts in 60 to 90 days	**(892)**	314
		Amounts in 90 days +	**28 468**	15 715
			31 197	16 617
		Other receivables		
		The carrying amount of the following financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:		
14 788	**6 015**	Other accounts receivable	**80 799**	63 878
14 788	**6 015**		**80 799**	63 878
		Listings of other receivables are reviewed on a monthly basis and the receivables are only raised when there is a contractual obligation due to the group e.g. rebates receivable, interest receivable or insurance claims due to the company. The credit risk associated with these are considered minimal.		

COMPANY 2017 R000	2018 R000		GROUP 2018 R000	2017 R000
		9. PREFERENCE SHARES LISTED – AVAILABLE FOR SALE		
6 150	**5 455**	Preference shares earning a dividend of 72% of prime	**5 455**	6 150
51 906	**49 806**	Preference shares earning a dividend of between 52,19% and 52,65% of prime.	**49 806**	51 906
58 056	**55 261**		**55 261**	58 056
		10. PREFERENCE SHARES UNLISTED – AVAILABLE FOR SALE		
1 050 000	**800 000**	Preference shares earning a dividend of between 60% and 61% of prime.	**800 000**	1 050 000
1 050 000	**800 000**		**800 000**	1 050 000

With reference to notes 9 and 10

- The listed preference shares are classified as Level 1 per the fair value hierarchy
- The unlisted preference shares are classified as Level 2 per the fair value hierarchy

The group is exposed to interest rate risk as the dividend yield on the preference shares are linked to fixed percentages of the prime rate of interest, which is subject to fluctuations in the fair value of future cash flows.

The group is exposed to equity securities price risk on the listed preference shares as investments are held and classified on the statement of financial position as available for sale.

Management does not consider to have any credit risk associated with these investments in preference shares as the instruments are those of reputable counterparties that have a credit rating of at least A1 by Standard & Poor's.

At 30 June 2018, if interest rates had been 1% higher with all other variables held constant, group post-tax profit for the year would have increased by approximately R8,5 million (2017: R11,1 million).

If interest rates had been 1% lower group post-tax profit would have decreased by approximately R8,5 million (2017: R11,1 million).

Refer to note 28 for the amount of dividends and interest received.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 30 June 2018 continued

COMPANY 2017 R000	COMPANY 2018 R000		GROUP 2018 R000	GROUP 2017 R000
		11. BANK AND CASH RESOURCES		
–	**–**	Cash at bank	**378 193**	548 465
183 179	**–**	Cash on call and deposit	**365 740**	289 317
–	**–**	Assets held for sale	**–**	(2 057)
183 179	**–**		**743 933**	835 725

The group's cash and cash equivalents and short-term deposits are placed with high credit quality financial institutions. As a result the group has insignificant credit risk with respect to cash and cash equivalents on the statement of financial position at year-end. Surplus funds are invested in such a manner as to achieve maximum returns and whilst minimising risk. The group's cash deposits are for short periods ranging from daily to monthly at fluctuating market-related rates and exposure to interest rate risk therefore exists.

At 30 June 2018, if interest rates had been 1% higher with all other variables held constant, group post-tax profit for the year would have increased by approximately R5,6 million (2017: R5,4 million).

If interest rates had been 1% lower group post-tax profit would have decreased by approximately R5,6 million (2017: R5,4 million).

12. TOTAL ASSETS AND LIABILITIES HELD FOR SALE

As announced on SENS on 19 June 2017, the Company accepted the offer made by African Media Entertainment Limited ("AME") to acquire 100% of the issued share capital of Moneyweb Holdings Limited ("Moneyweb") that AME did not already own, resulting in the company disposing of its 50,72% interest in Moneyweb in exchange for 218 627 ordinary shares in AME at an issue price of 7 000 cents per share. At 30 June 2017 the directors classified the Moneyweb investment as held for sale. The disposal occurred as above during the current year and the subsidiary was deconsolidated. Refer to note 40.9.

COMPANY 2017 R000	COMPANY 2018 R000		GROUP 2018 R000	GROUP 2017 R000
		Assets		
–	**–**	Property, plant and equipment	–	**408**
13 632	**–**	Interest in subsidiaries	–	**–**
–	**–**	Investments	–	**11 744**
–	**–**	Accounts receivable	–	**6 149**
–	**–**	Bank and cash resources	–	**2 057**
13 632	**–**		–	**20 358**
		Liabilities		
–	**–**	Deferred taxation	–	**397**
–	**–**	Accounts payable	–	**4 392**
–	**–**	Provisions	–	**843**
–	**–**	Taxation	–	**10**
–	**–**		–	**5 642**

COMPANY 2017 R000	COMPANY 2018 R000			GROUP 2018 R000	GROUP 2017 R000
		13.	**SHARE CAPITAL**		
			AUTHORISED		
			Ordinary shares		
30 000	**30 000**		1 200 000 000 ordinary shares of 2,5 cents each	**30 000**	30 000
397 678 122	**395 597 460**		Opening balance ordinary shares in issue of 2,5 cents each	**395 597 460**	397 678 122
(2 080 662)	**(5 911 086)**		Shares repurchased of 2,5 cents each	**(5 911 086)**	(2 080 662)
395 597 460	**389 686 374**		Closing balance ordinary shares in issue of 2,5 cents each	**389 686 374**	395 597 460
			Preference shares		
200	**200**		100 000 6% cumulative participating preference shares of R2 each	**200**	200
			ISSUED		
			Ordinary shares		
9 890	**9 725**		389 686 374 (2017: 395 597 460) ordinary shares of 2,5 cents each	**9 725**	9 890
			Preference shares		
100	**100**		50 000 6% cumulative participating preference shares of R2 each	**100**	100
			The unissued shares are under the control of the directors until the next annual general meeting.		
		14.	**NON-DISTRIBUTABLE RESERVES**		
			Comprises:		
4 469	**4 469**		Realisation reserve	**32 975**	32 975
–	**–**		Loans acquired at a discount	**16 515**	16 515
–	**–**		Surplus on revaluation of land and buildings (net of tax)	**200 834**	202 012
308 992	**289 491**		Fair value adjustments – investments (net of tax)	**283 365**	302 301
313 461	**293 960**			**533 689**	553 803
		15.	**FAIR VALUE ADJUSTMENT – INVESTMENT AND PREFERENCE SHARES**		
25 563	**(25 092)**		Before taxation fair value adjustment – investment and preference shares	**(24 525)**	24 035
(5 727)	**5 590**		Deferred tax	**5 590**	(5 727)
19 836	**(19 502)**		After taxation fair value adjustment – investment and preference shares	**(18 935)**	18 308
		16.	**NON-CONTROLLING INTEREST**		
–	**–**		Balance at beginning of the year	**47 045**	56 608
–	**–**		Business combinations [refer to note 40.8]	**17 040**	–
–	**–**		Acquired	**1 774**	1 527
–	**–**		Disposed	**(10 956)**	–
–	**–**		Share of earnings	**19 303**	10 346
–	**–**		Dividends	**(25 646)**	(21 436)
–	**–**		Balance at end of year	**48 560**	47 045
			There is no individual subsidiary with a material non-controlling interest.		
			For details of the businesses acquired please refer to note 40.8.		

COMPANY 2017 R000	COMPANY 2018 R000			GROUP 2018 R000	GROUP 2017 R000
		17.	**DEFERRED TAXATION**		
11 952	**17 678**		Balance at beginning of year	**366 027**	335 337
–	**–**		Profit or loss transfer	**4 962**	25 765
5 726	**(5 630)**		Non-distributable reserves transfer – revaluations	**(5 630)**	5 322
–	**–**		Liabilities held for sale	**–**	(397)
–	**–**		Disposal of subsidiary	**(478)**	–
17 678	**12 048**		Balance at end of year	**364 882**	366 027
			Comprising of:		
17 678	**12 048**		Credit balances	**381 994**	377 390
–	**–**		Debit balances	**(17 112)**	(11 363)
			Deferred taxation comprises temporary differences arising on:		
–	**–**		– property, plant and equipment	**433 042**	423 753
17 678	**12 048**		– investments	**12 048**	17 678
–	**–**		– allowance for debtors' impairment	**(9 974)**	(5 394)
–	**–**		– provisions	**(64 906)**	(61 083)
–	**–**		– assessed losses	**(205)**	(3 337)
–	**–**		– other	**(5 124)**	(5 590)
17 678	**12 048**			**364 882**	366 027
		18.	**TRADE AND OTHER PAYABLES**		
–	**–**		Trade accounts payable	**499 850**	420 889
9 096	**9 480**		Sundry accounts payable and accruals	**364 011**	456 964
–	**–**		Liabilities held for sale	**–**	(4 392)
9 096	**9 480**			**863 861**	873 461

Trade payables

Management of liquidity risk

The group has negotiated favourable credit terms with suppliers, which enables the group to utilise its operating cash flow to full effect. The suppliers' age-analysis is reviewed by management on a regular basis to ensure that credit terms are adhered to and suppliers are paid when due.

Currency risk

The group has clearly defined policies for the management of foreign currency risks. Transactions which create foreign currency cash flows are hedged with forward exchange and currency hedge contracts. Hedge accounting is not applied.
There are no further foreign currency risks.

Interest rate risk

The group has no material exposure to interest risk as there are no suppliers that charge interest.

COMPANY 2017 R000	COMPANY 2018 R000			GROUP 2018 R000	GROUP 2017 R000
		19.	**PROVISIONS**		
			Bonus		
			Opening balance	**96 518**	93 770
			Additional provisions	**73 555**	79 271
			Utilised	**(74 199)**	(75 680)
			Liabilities held for sale	**–**	(843)
			Closing balance	**95 874**	96 518
			Leave pay		
			Opening balance	**35 348**	33 017
			Additional provisions	**36 161**	27 444
			Utilised	**(35 568)**	(25 113)
			Closing balance	**35 941**	35 348
			Volume discount allowed		
			Opening balance	**12 436**	8 235
			Additional provisions	**32 991**	34 076
			Utilised	**(26 914)**	(29 875)
			Closing balance	**18 513**	12 436
			Retrenchments		
			Opening balance	**19 143**	34 424
			Additional provisions	**14 002**	9 382
			Utilised	**(21 029)**	(24 663)
			Closing balance	**12 117**	19 143
			Other		
			Opening balance	**55 643**	57 059
			Additional provisions	**68 173**	68 173
			Utilised	**(76 480)**	(69 589)
			Closing balance	**47 336**	55 643
			Total provisions		
			Opening balance	**219 088**	226 505
			Additional provisions	**224 882**	218 346
			Utilised	**(234 189)**	(224 920)
			Liabilities held for sale	**–**	(843)
–	**–**		Closing balance	**209 781**	219 088
			Bonuses are generally paid in December and for management only upon approval of the financial statements by the Board.		
			The timing of the leave pay provision is uncertain as leave pay is only payable when an employee leaves the employment of the group or is utilised when an employee takes leave.		
			Volume discounts are paid after the financial year-end.		
			The retrenchment provision relates to the costs relating to severance of employees' services as a result of restructuring. The payments are made when the employees' services are terminated.		
			The other provisions will be utilised after the financial year-end.		
1 565 357	**1 407 266**	**20.**	**AMOUNTS OWED TO GROUP COMPANIES**	**–**	–
			The amounts owed are unsecured, interest-free and repayable on demand. All terms are considered to be short term.		

21. FINANCIAL ASSETS BY CATEGORY

R000	Loans and receivables	Non-financial instruments	Available for sale	Total
GROUP				
2018				
Property, plant and equipment	**–**	**2 650 717**	**–**	**2 650 717**
Goodwill	**–**	**174 463**	**–**	**174 463**
Interests in associates	**169 767**	**257 286**	**–**	**427 052**
Investments	**–**	**–**	**231 517**	**231 517**
Loans to directors	**84 269**	**–**	**–**	**84 269**
Deferred taxation	**–**	**17 112**	**–**	**17 112**
Inventories	**–**	**951 140**	**–**	**951 140**
Trade and other receivables	**1 062 276**	**27 576**	**–**	**1 089 852**
Taxation	**–**	**1 989**	**–**	**1 989**
Preference shares – listed	**–**	**–**	**55 261**	**55 261**
Preference shares – unlisted	**–**	**–**	**800 000**	**800 000**
Bank and cash resources	**743 933**	**–**	**–**	**743 933**
	2 060 245	**4 080 283**	**1 086 778**	**7 227 305**
2017				
Property, plant and equipment	–	2 703 216	–	2 703 216
Goodwill	–	78 167	–	78 167
Interests in associates	92 132	262 794	–	354 926
Investments	–	–	108 019	108 019
Loans to directors	80 332	–	–	80 332
Deferred taxation	–	11 363	–	11 363
Inventories	–	833 410	–	833 410
Trade and other receivables	1 067 405	26 258	–	1 093 663
Taxation	–	1 512	–	1 512
Preference shares – listed	–	–	58 056	58 056
Preference shares – unlisted	–	–	1 050 000	1 050 000
Bank and cash resources	835 725	–	–	835 725
Total assets held for sale	8 206	408	11 744	20 358
	2 083 800	3 917 128	1 227 819	7 228 747
COMPANY				
2018				
Interest in subsidiaries	**–**	**1 356 202**	**–**	**1 356 202**
Interest in associates	**19 634**	**98 015**	**–**	**117 648**
Investments	**–**	**–**	**231 517**	**231 517**
Loans to directors	**84 269**	**–**	**–**	**84 269**
Trade and other receivables	**6 015**	**–**	**–**	**6 015**
Taxation	**–**	**1 193**	**–**	**1 193**
Preference shares – listed	**–**	**–**	**55 261**	**55 261**
Preference shares – unlisted	**–**	**–**	**800 000**	**800 000**
	109 918	**1 455 410**	**1 086 778**	**2 652 105**
2017				
Interest in subsidiaries	–	1 370 123	–	1 370 123
Interest in associates	25 486	100 960	–	126 446
Investments	–	–	108 019	108 019
Loans to directors	80 332	–	–	80 332
Deferred taxation	14 788	–	–	14 788
Amounts owed by group companies	14 456	–	–	14 456
Preference shares – listed	–	–	58 056	58 056
Preference shares – unlisted	–	–	1 050 000	1 050 000
Bank and cash resources	183 179	–	–	183 179
Total assets held for sale	–	13 632	–	13 632
	318 241	1 484 715	1 216 075	3 019 031

22. FINANCIAL LIABILITIES BY CATEGORY

R000	Non-financial instruments	Amortised cost	Total
GROUP			
2018			
Deferred taxation	**381 994**	**–**	**381 994**
Trade and other payables	**–**	**863 861**	**863 861**
Taxation	**26 695**	**–**	**26 695**
Provisions	**209 781**	**–**	**209 781**
	618 470	**863 861**	**1 482 331**
2017			
Deferred taxation	377 390	–	377 390
Trade and other payables	–	873 461	873 461
Taxation	24 043	–	24 043
Provisions	219 088	–	219 088
Total liabilities held for sale	1 250	4 392	5 642
	621 771	877 853	1 499 624
COMPANY			
2018			
Deferred taxation	**12 048**	**–**	**12 048**
Trade and other payables	**–**	**9 480**	**9 480**
Amounts owed to group companies	**–**	**1 407 266**	**1 407 266**
Bank overdraft	**–**	**121 143**	**121 143**
	12 048	**1 537 889**	**1 549 937**
2017			
Deferred taxation	17 678	–	17 678
Taxation	656	–	656
Trade and other payables	–	9 096	9 096
Amounts owed to group companies	–	1 565 357	1 565 357
Bank overdraft	–	78 159	78 159
	18 334	1 652 612	1 670 946

COMPANY 2017 R000	2018 R000		GROUP 2018 R000	2017 R000
		23. TURNOVER		
		The group's turnover comprises invoiced sales and circulation revenue. The Company's revenue comprises		
72 071	**35 714**	dividends received from subsidiaries	**6 333 921**	6 407 172
		24. STAFF COSTS		
–	**–**	– salaries, wages and bonuses	**1 475 939**	1 426 530
–	**–**	– retirement benefit costs	**65 802**	68 558
–	**–**		**1 541 741**	1 495 088
		25. OTHER OPERATING EXPENSES		
		Includes the following items:		
		Income		
–	**–**	Profit on sale of property, plant and equipment	**3 805**	14 289
		Expenditure		
		Fees for:		
–	**–**	– administrative, managerial and secretarial services	**13 057**	11 730
–	**–**	– royalties	**3 031**	2 343
–	**–**		**16 087**	14 073
		Operating leases:		
–	**–**	– buildings	**17 618**	26 911
–	**–**	– equipment	**1 006**	3 796
		26. DEPRECIATION AND IMPAIRMENT		
		Depreciation and amortisation		
–	**–**	– buildings and leasehold improvements	**8 339**	7 786
–	**–**	– plant and machinery	**251 490**	241 100
–	**–**	– motor vehicles	**7 967**	7 566
–	**–**	– furniture and equipment	**24 726**	28 109
–	**–**	– titles	**1 147**	1 183
–	**–**		**293 669**	285 744
		Impairment		
–	**–**	– plant and machinery	**18 701**	5 399
–	**–**	– loans	**22 682**	–
20 000	**2 945**	– Interest in subsidiaries and associates	**24 635**	19 875
–	**–**	– goodwill	**12 076**	–
20 000	**2 945**		**78 094**	25 274
20 000	**2 945**		**371 763**	311 018

27. DIRECTORS' EMOLUMENTS

R000	Executive Directors TD Moolman	PG Greyling	TJW Holden	Non-executive Directors PM Jenkins	ACG Molusi	NA Nemukula	J Phalane	T Slabbert	Total
Directors' fees				**1 220**	**179**	**179**	**186**	**254**	**2 017**
Fees for services									**–**
Salary	**3 780**	**2 216**	**2 734**						**8 730**
Bonuses		**5 000**	**2 000**						**7 000**
Travel allowance			**28**						**28**
Medical funding		**12**	**16**						**28**
Retirement funding		**161**	**198**						**359**
Total 2018	**3 780**	**7 389**	**4 976**	**1 220**	**179**	**179**	**186**	**254**	**18 162**
2017	3 600	7 458	4 792	1 167	196	171	178	243	17 805

	2018 R000	2017 R000
Paid by subsidiaries	**18 162**	17 805

COMPANY 2017 R000	COMPANY 2018 R000		GROUP 2018 R000	GROUP 2017 R000
		28. FINANCE INCOME		
17 434	**3 490**	– interest	**54 394**	55 592
5 670	**5 593**	– dividends: listed companies	**5 593**	5 670
92 048	**75 375**	– dividends : unlisted companies	**64 054**	79 815
115 152	**84 457**		**124 041**	141 077
		29. FINANCE COSTS		
–	**–**	– interest on bank overdraft	**6**	26
–	**–**	– other interest	**9 293**	1 849
–	**–**		**9 299**	1 875
		30. PROFIT/(LOSS) ON FOREIGN EXCHANGE		
–	**–**	Resulting from the fair value of foreign exchange option contracts outstanding at year-end	**(4 021)**	4 848
		31. TAXATION		
		South African normal tax		
5 585	**750**	– current	**134 760**	135 331
(1 004)	**(888)**	– prior year	**(4 156)**	(5 950)
		Deferred tax		
–	**–**	– current	**8 211**	25 765
–	**–**	– prior year	**(3 249)**	–
4 581	**(138)**	**Total tax**	**135 565**	155 146
47 526	**35 454**	Tax at the standard rate of 28% on income before tax (2017: 28%)	**151 568**	170 841
42 945	**35 592**	Difference	**16 003**	15 695
		Reconciled as follows:		
47 663	**35 984**	– dividend income	**19 501**	23 936
–	**–**	– other non-taxable income	**933**	2 684
(5 722)	**(1 280)**	– disallowable expenses	**(18 787)**	(17 058)
1 004	**888**	– effect of prior year	**7 406**	5 950
–	**–**	– associate	**8 711**	6 907
–	**–**	– tax losses recognised	**(2 024)**	(6 666)
–	**–**	– other	**263**	(58)
42 945	**35 592**		**16 003**	15 695
		Estimated tax losses included in deferred tax:		
–		– at the beginning of year	**3 337**	5 643
–		– incurred during the year	**–**	–
–		– utilised during year	**(3 132)**	(2 306)
–	**–**	– at end of year	**205**	3 337
		The group has estimated tax losses of R55,4 million available for set off against future taxable income which has not been recognised as deferred tax assets.		

32. EARNINGS PER SHARE

Reconciliation between earnings and headline earnings

	2018		2017	
	R000	R000	R000	R000
	Gross	**Net of tax**	Gross	Net of tax
Earnings attributable to owners of the parent		**386 447**		444 656
Adjustments for:				
– impairment of property, plant and equipment	**18 701**	**13 465**	5 399	3 887
– profit on disposal of property, plant and equipment	**(3 805)**	**(2 740)**	(14 289)	(10 288)
– impairment of investments	**24 635**	**24 635**	19 875	19 875
– impairment of goodwill	**12 076**	**12 076**		
– profit on disposal of subsidiary	**(7 835)**	**(6 080)**		
Headline earnings		**427 803**		458 130
Earnings per share (cents)		**98,5**		112,2
Headline earnings per share (cents)		**109,0**		115,6

Reconciliation of weighted average number of shares	2018 Number of shares	2017 Number of shares
Earnings per share based on weighted average number of shares in issue	**392 426 737**	396 219 497

Basic earnings per share is calculated by dividing the earnings attributable to the parent equity holders by the weighted average number of ordinary shares in issue during the year.

Basic headline earnings per share is calculated by dividing headline earnings by the weighted average number of ordinary shares in issue during the year.

COMPANY 2017 R000	COMPANY 2018 R000			GROUP 2018 R000	GROUP 2017 R000
		33.	**ORDINARY DIVIDENDS**		
277 871	**273 247**		Paid	**273 247**	277 871
		34.	**PREFERENCE DIVIDENDS**		
285	**285**		Paid	**285**	285

The preference dividend consists of a fixed cumulative dividend of 6% per annum together with an additional dividend. An additional dividend is payable only if the value of the ordinary dividend declared exceeds 10% of the nominal value of the ordinary share. In such cases the additional dividend is calculated as follows:

- The nominal value of the ordinary share is calculated as a percentage of the amount with which the ordinary dividend declared exceeds 10% of the nominal value of the ordinary share.
- For every completed 5% calculated, a 1/2% is added to the preference share dividend as an additional dividend.

COMPANY 2017 R000	COMPANY 2018 R000			GROUP 2018 R000	GROUP 2017 R000
		35.	**COMMITMENTS**		
			Capital expenditure on plant and machinery		
–	**–**		– approved but not contracted	**50 000**	90 000

The capital expenditure will be financed from existing resources.

Operating lease commitments

COMPANY 2017 R000	COMPANY 2018 R000		GROUP 2018 R000	GROUP 2017 R000
		Future minimum rentals under non-cancellable leases are as follows:		
–	**–**	Within one year	**11 980**	9 090
–	**–**	After one year, but not more than five years	**6 859**	7 367
–	**–**		**18 839**	16 457

The lease commitments relates substantially to land and buildings with escalations clauses that are generally inflation linked. Options to renew the leases are on similar conditions to the current leases.

36. FOREIGN EXCHANGE EXPOSURE

36.1 Currency risk

The group incurs currency risk as a result of transactions which are denominated in a currency other than the group entity's functional currency on purchases and sales.

The currencies giving rise to currency risk, in which the group primarily deals are Pound Sterling, US Dollars and Euros.

The group entities hedge all foreign-denominated trade creditors and trade debtors. The settlement of these transactions takes place within a normal business cycle.

The group has clearly defined policies for the management of foreign currency risks. Transactions which create foreign currency cash flows are hedged with forward exchange and currency hedge contracts. No uncovered foreign exchange commitments exist at the statement of financial position date. Speculative use of financial instruments or derivatives is not permitted and none has occurred during any of the periods presented.

COMPANY 2017 R000	COMPANY 2018 R000		GROUP 2018 R000	GROUP 2017 R000

36. FOREIGN EXCHANGE EXPOSURE (continued)

36.2 Foreign currency contracts

The principal or contract amounts of foreign exchange and currency hedge contracts (in South African Rands) outstanding at reporting date were:

	Ave rate of exchange 2018	Ave rate of exchange 2017	GROUP 2018 R000	GROUP 2017 R000
Euro	**15.7415**	14.6502	**71 426**	81 240
US Dollar	**12.501**	15.1071	**6 436**	9 944
			77 862	91 184

37. BORROWING POWERS

In terms of its Memorandum of Incorporation, the Company's and group's borrowing powers are unlimited.

38. RELATED PARTIES

During the year the Company and its subsidiaries, in the ordinary course of business, entered into various sale and purchase transactions with fellow subsidiaries. These transactions occurred under terms that are no more or less favourable than those arranged with third parties.

Directors

Certain members of senior management are executive directors. Details relating to directors' emoluments and shareholdings in the Company are disclosed in note 27 and the directors' report respectively.

Controlling shareholders

Messrs TD Moolman is a member of The Moolman Coburn Partnership together with a number of other parties. In terms of an agreement concluded in 1985, the Partnership receives a commission on the group's advertising revenue which in 2018 amounted to R47,9 million (2017 : R52,6 million).

The balance owing to the Partnership at the year end amounted to R5,5 million (2017: R5,6 million).

Subsidiaries

Details of investments in subsidiaries and jointly controlled entities are disclosed in the annexure on page 65.

Associates

Details of income from associates are disclosed in the statement of comprehensive income, note 5 and in the annexure on page 66.

Shareholders

The principal shareholders of the Company are detailed in the shareholders' analysis in the Directors' report.

39. RETIREMENT BENEFIT PLANS

The group's main retirement benefit plans, the Hortors Group Pension and Provident Funds, are governed by the Pension Funds Act. The plans are structured as defined contribution plans as opposed to defined benefit plans: 5 098 (2017: 5 702) of the group's employees are covered by the plans.

COMPANY 2017 R000	COMPANY 2018 R000		GROUP 2018 R000	GROUP 2017 R000
		40. NOTES TO THE STATEMENT OF CASH FLOWS		
		40.1 Cash generated by/(utilised in) operations		
169 736	**126 621**	Profit before taxation	**541 315**	610 148
–	**–**	Associate income	**(31 111)**	(24 667)
(17 434)	**(3 490)**	Interest received (net)	**(45 095)**	(53 717)
(97 718)	**(80 967)**	Dividends received	**(69 647)**	(85 485)
		Adjustment for non-cash items:		
–	**–**	– depreciation of property, plant and equipment	**293 669**	285 744
20 000	**–**	– impairment	**78 094**	25 274
–	**–**	– surplus on disposal of property, plant and equipment	**(3 805)**	(14 289)
–	**(4 225)**	– surplus on disposal of subsidiary	**(7 835)**	–
–	**–**	– unrealised foreign currency profit	**(6 299)**	(3 011)
–	**–**	– loss/(profit) on currency derivatives	**4 021**	(4 848)
–	**–**	– movement in provisions	**(9 307)**	(6 574)
(3 749)	**(3 936)**	– Deemed interest on interest-free loan in terms of the Share Purchase Scheme	**(3 936)**	(3 749)
70 835	**34 004**		**740 064**	724 826
		40.2 Changes in working capital		
–	**–**	(Increase)/decrease in inventories	**(117 729)**	(27 181)
2 755	**8 773**	Decrease/(increase) in trade and other receivables	**16 035**	58 655
444	**385**	Decrease/(increase) in trade and other payables	**(5 663)**	2 035
–	**–**	Working capital acquired	**(1 534)**	23 957
–	**–**	Working capital disposed	**(4 214)**	–
3 199	**9 157**		**(113 105)**	57 466
		40.3 Taxation paid		
(1 708)	**(656)**	Opening tax	**(22 531)**	12 607
(4 581)	**138**	Charged in profit or loss	**(130 604)**	(129 381)
656	**(1 193)**	Closing tax payable/(overpaid)	**24 706**	22 531
(5 633)	**(1 711)**		**(128 429)**	(94 233)
		40.4 Dividends paid		
(278 156)	**(273 532)**	Charged to reserves	**(273 532)**	(278 156)
–	**–**	Dividends of non-controlling interests	**(25 645)**	(21 436)
(278 156)	**(273 532)**		**(299 178)**	(299 592)
		40.5 Investments – subsidiary businesses		
–	**–**	Acquisitions (net of cash acquired)	**(122 939)**	(157 779)
8 534	**13 921**	Advances to group companies	**–**	–
8 534	**13 921**		**(122 939)**	(157 779)
		40.6 Investments – associates and other investments		
(8 094)	**(125 030)**	Acquisitions	**(147 782)**	(53 061)
–	**–**	Proceeds from disposal of investments	**30 167**	2 288
352	**5 849**	(Increase)/decrease in loans	**(110 748)**	(34 529)
(7 742)	**(119 181)**		**(228 363)**	(85 302)
		40.7 Cash and cash equivalents		
105 020	**(121 143)**	Bank and bank overdraft	**743 933**	837 782
1 122 166	**872 166**	Preference shares at cost	**872 166**	1 122 166
(14 110)	**(16 905)**	Fair value adjustment	**(16 905)**	(14 110)
1 213 076	**734 118**	Fair value of cash and cash equivalents	**1 599 194**	1 945 838

40. NOTES TO THE STATEMENT OF CASH FLOWS (continued)

40.8 Business combinations

A 52,65% investment in Private Property (Pty) Ltd was acquired with effect from 1 July 2017 for a purchase price of R122,9 million.

The business of Tricolor, a small narrow web self-adhesive labelling business in the Western Cape, was acquired with effect from 1 August 2017 for a purchase price of R11,1 million.

The business of Boxes 4 Africa, a small corrugated box plant in the Western Cape, was acquired with effect from 1 June 2018 for a purchase price of R25 million.

The acquired businesses contributed revenue of R157,5 million and a net profit after tax of R23,2 million. The acquired businesses would have contributed revenue of R206,5 million and net profit after tax of R28,5 million had the group acquired these businesses for the full year.

These amounts have been calculated using the group's accounting policies.

Details of the assets and liabilities acquired and the goodwill are as follows:

	Acquirees fair value R000
Property, plant and equipment	33 161
Inventories	1 360
Trade and other receivables	6 457
Bank and cash resources	36 093
Trade and other payables	(9 351)
Non-controlling interest	(17 040)
Fair value of net assets acquired	50 680
Goodwill to maintain the group's position in the printing and publishing market	108 352
Total purchase consideration paid in cash	159 032
Total purchase consideration	159 032
Less: Cash and cash equivalents acquired	(36 093)
Cash flow on acquisition	122 939

40.9 Disposal of subsidiary

As announced on SENS on 19 June 2017, the Company accepted the offer made by African Media Entertainment Limited ("AME") to acquire 100% of the issued share capital of Moneyweb Holdings Limited ("Moneyweb") that AME did not already own, resulting in the Company disposing of its 50,72% interest in Moneyweb in exchange for 218 627 ordinary shares in AME at an issue price of 7 000 cents per share. The actual issue price was 8 168 cents per share. At 30 June 2017 the directors classified the Moneyweb investment as held for sale. The disposal occurred as above during the current year and the subsidiary was deconsolidated.

The net asset value of the disposal consisted of the following:

Assets	
Property, plant and equipment	408
Investments	11 744
Accounts receivable	6 149
Cash held by Moneyweb as at 1 July 2017	2 057
Liabilities	
Deferred taxation	397
Accounts payable	4 392
Provisions	843
Taxation	10
Net asset value	14 716
Non-controlling interest disposed	11 250
There was no cash proceeds from the disposal.	

41. SEGMENTAL ANALYSIS

	GROUP			
	2018 R000	%	2017 R000	%
Revenue				
Publishing, printing and distribution	**4 654 483**	**73**	4 881 388	76
Packaging and stationery	**2 489 915**	**39**	2 292 601	36
Other	**84 955**	**1**	111 797	2
Inter-group sales – Publishing, printing and distribution	**(649 339)**	**(10)**	(742 127)	(12)
Inter-group sales – Packaging and stationery	**(246 093)**	**(4)**	(136 487)	(2)
	6 333 921	**100**	6 407 172	100
Net profit from operating activities after depreciation				
Publishing, printing and distribution	**276 968**	**59**	280 632	61
Packaging and stationery	**176 131**	**38**	176 705	38
Other	**12 707**	**3**	5 619	1
	465 806	**100**	462 956	100
Other information				
Total assets				
Publishing, printing and distribution	**2 796 258**	**39**	2 856 843	40
Packaging and stationery	**1 771 042**	**25**	1 681 898	23
Other	**2 660 006**	**36**	2 690 006	37
	7 227 305	**100**	7 228 747	100
Total liabilities				
Publishing, printing and distribution	**792 164**	**53**	772 063	52
Packaging and stationery	**437 442**	**30**	456 504	30
Other	**252 725**	**17**	271 057	18
	1 482 331	**100**	1 499 624	100
Capital expenditure				
Publishing, printing and distribution	**87 353**	**30**	100 797	28
Packaging and stationery	**165 683**	**57**	222 274	52
Other	**37 724**	**13**	88 930	20
	290 760	**100**	412 001	100
Depreciation and impairment of plant				
Publishing, printing and distribution	**190 144**	**61**	187 770	64
Packaging and stationery	**104 156**	**33**	81 477	28
Other	**18 071**	**6**	21 901	8
	312 370	**100**	291 148	100

The group operates in South Africa.

42. CAPITAL MANAGEMENT

The primary objective of the Company's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value. The company manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the years ended 30 June 2018 and 30 June 2017. The Company had no debt during the years under review, other than the bank overdraft.

43. SHARE-BASED PAYMENTS – CASH SETTLED

In 2015, the group implemented a staff share incentive scheme whereby share appreciation rights have been allocated to selected employees.

This gave rise to a charge of R21,3 million in 2015. The current year charge is Rnil (2017: Rnil).

This scheme operated as a cash bonus scheme where the bonus would be calculated with reference to the share price based on a unit allocation.

The allocation period was spread over three years, and the bonus would be calculated with reference to the share price based on a unit allocation. The allocation period was spread equally over three years, and the bonuses would be determined over a further four years.

	Date of grant:	Number of share appreciation rights
Grant 1	1 July 2014	5 200 000
Grant 2	30 June 2016	5 200 000
Grant 3	30 June 2017	5 200 000

The total number of share appreciation rights has decreased by 1 350 000 from 16 950 000 rights (2017) to 15 600 000 rights as a result of employees leaving the Company and thereby forfeiting their share of the appreciating rights.

The first grant was issued at R15 a share, in line with the share price around the date of the grant.

The second grant was issued at R13,54 a share, being the 30-day weighted average Caxton share price on the JSE as at the issue date (30 June 2016).

The third grant was issued at R11,44 a share, being the 30-day weighted average Caxton share price on the JSE as at the issue date (30 June 2017).

The share appreciation rights would have vested as follows:

– 25% would have vested on 30 June 2018

– 25% would have vested on 30 June 2019

– 25% would have vested on 30 June 2020

– 25% would have vested on 30 June 2021

In June 2018, the scheme was amended as follows:

A further tranche of share appreciation rights were issued, equal to each participants current allocation, at the current market price of R9,50, reducing the average issue price from R13,33 to R11,42.

The share appreciation rights will vest and be redeemed as follows:

– 33,3% will vest on 30 June 2019

– 33,3% will vest on 30 June 2020

– 33,3% will vest on 30 June 2021

The share appreciation rights will be redeemed at the 30-day weighted average Caxton share price on the JSE at the redemption date subject to a maximum redemption price of R13,33. The bonus awarded therefore equates to the difference between the redemption price of R13,33 and the weighted average issue price of R11,42.

The values of the share appreciation rights were determined using the Black-Scholes Merton Option Valuation Model, for cash-settled instruments. The model inputs were as follows:

2018	Full grant
Share price at reporting date	R10,00
Exercise price	R11,42
Expected volatility	33,58%
Risk free interest rate	8,78%
Dividend yield	7%
Fair value	R0,42
Market to market value	(R1.42)
Intrinsic value (R000)	(R9 107)

44. SHARE-BASED PAYMENTS – EQUITY SETTLED

In 2015 the Company entered into share subscription agreements with the Greyling Family Trust and the Holden Family Trust.

The salient features of these agreements are summarised as follows:

- T Holden and P Greyling (collectively referred to as the directors) will each set up a trust which will subscribe for 4 000 000 Caxton shares at a subscription price of R15 per share.
- The directors will loan each of the respective trusts R3 000 000 while Caxton will loan the trust R57 000 000 to facilitate the above purchase of shares.
- The loan between the trusts and company will be interest-free and is only repayable on the basis that if the trust sells any portion of the Caxton shares, the trust will be required to repay a portion of the loan with the company equivalent to R14,25 per Caxton share sold.
- The loan will be repayable 25 years after advance date, or 10 years after the termination of either of the directors' employment contract, which ever date is the earliest.

The IFRS 2 charge has been calculated as the difference between 95% of the fair value of the shares and the present value of the R57 000 000 loan on the effective date of the transaction, with the present value of the loan being calculated using the assumed repayment period of the loan.

The following assumptions were applied in calculating the IFRS 2 charge:

- Fair value of the shares – R14,79, being the share price at 10 November 2014.
- Repayment term of 10 years.
- Discount rate of 5%, being the opportunity cost of lost interest for the group as a result of the loans advanced to the trusts.

The value of the IFRS 2 charge amounted to R43 187 641 in 2015.

Based on the assumption that the loans unwind over a 10-year period, interest income of R3 936 813 (2017: R3 749 346) has been credited to the statement of comprehensive income during the year under review.

45. SUBSEQUENT EVENTS

As announced on SENS on 8 October 2018, the Company's subsidiary, CTP Limited ("CTP"), entered into a sale agreement with the company's associate, Cognition Holding Limited ("Cognition") in relation to Private Property South Africa Proprietary Limited ("Private Property"), subject to approval from the Competition Commission and the fulfilment and or waiver of certain suspensive conditions as set out in the announcement. In terms of the sale agreement, CTP Limited will sell 50,01% of its shareholding in Private Property for a total purchase consideration of R127 million, which consideration is to be settled through the issue of 105 833 333 Cognition shares at 120 cents per share ("Consideration Shares"). Pursuant to the proposed transaction, CTP will, together with the company, become the controlling shareholder of Cognition by virtue of the issue of the Consideration Shares.

INFORMATION RELATING TO SUBSIDIARIES AND JOINTLY CONTROLLED ENTITIES

Name	Nature of operations	Holding 2018 %	Holding 2017 %	Cost 2018 R'000	Cost 2017 R'000	Owing 2018 R'000	Owing 2017 R'000
Directly held							
Caxton Publishers and Printers	Holding company	**100**	100	**1 351 490**	1 351 490	**–**	12 469
Caxton Share Investments	Investments	**100**	100				
Capricorn Books	Printing	**90**	90	**565**	565		
Darwain Investments	Printing	**60**	60	**494**	494		
Highway Mail	Publishing	**67**	67	**471**	471		
Moneyweb Holdings	Integrated media	**–**	51	**–**	13 632		
Noordwes Koerante	Publishing	**90**	90				
Northwest Web Printers	Printing	**90**	90				
Ramsay Media	Publishing	**–**	100	**–**	13 921		
Ridge Times	Publishing	**67**	67	**512**	512		
Saxton Investments	Investments	**100**	100				
Ukhozi Press	Printing	**86**	86	**173**	173		
Zululand Observer	Publishing	**60**	60	**2 497**	2 497		
Indirectly held							
Bucket Full	Packaging	**100**	100				
CTP Digital Services	CD and DVD replication	**100**	100				
CTP Limited	Publishing and printing	**100**	100				
Deliwise	Printing	**75**	75				
Erfrad 13	Property owning	**100**	100				
Flipfile	Stationery manufacturer	**100**	100				
Habari Media	Publishing	**100**	100				
Health Spa's Guide	Digital publishing	**70**	70				
Highway Printers	Printing	**100**	100				
Hozi Holdings	Publishing	**100**	100				
Impala Stationery Manufacturers	Stationery manufacturer	**100**	100				
Kagiso Publishers	Printing	**100**	100				
Magscene	Magazine distributors	**100**	100				
Mega Digital	Printing	**100**	100				
Perskor News Agency	Magazine distributors	**100**	100				
Private Property	Property portal	**53**	–				
Project Northwards	Property owning	**100**	100				
The Citizen (1978)	Publishing	**100**	100				
The Citizen Limited	Holding company	**100**	100				
Thornbird Trade & Invest 100	Printing	**67**	67				
Tight Lines	Publishing	**100**	100				
Umlingo	Stationery Distributors	**100**	100			**–**	–
				1 356 202	1 383 755	**–**	12 469
Less: Assets held-for-sale – Moneyweb Holdings					(13 632)		
				1 356 202	1 370 123	**–**	12 469
Jointly controlled entities							
Guzzle Media	Digital retail advertising	**50**	50			**–**	–
Levain	Publishing	**50**	50			**–**	–
Mahareng Publishing	Publishing	**50**	50			**–**	1 487
MCS Caxton International Press	Distribution	**50**	50			**–**	–
Remade Publishing	Recycling	**50**	50			**–**	–
Safeway Publishing	Publishing	**50**	50			**–**	500
				–	–	**–**	1 987
				1 356 202	1 370 123	**–**	14 456

All are private companies unless otherwise stated and are incorporated in the Republic of South Africa. There is no individual subsidiary with a material non-controlling interest.

INFORMATION RELATING TO ASSOCIATES

Name	Nature of operations	Holding % 2018 %	Holding % 2017 %	Cost less accumulated impairment 2018 R'000	Cost less accumulated impairment 2017 R'000	Owing 2018 R'000	Owing 2017 R'000
Directly held							
Capital Media (Feb)	Newspaper publisher	**50**	50	**–**	–		
Carpe Diem	Magazine publisher	**30**	30	**–**	4 728		
Cognition Holdings	Digital and telecommunication solutions	**34**	34	**71 143**	88 746		
FBC Properties	Property owning	**50**	50	**–**	1 352		
Fordsburg Mayfair Media	Newspaper publisher	**50**	50	**–**	–		
Heraut Publiseerders	Newspaper publisher	**50**	50	**189**	189	**1 281**	1 871
Hutton Trading	Advert delivery	**50**	50	**250**	250	**2 650**	2 650
Ince Holdings	Printer	**26**	26	**2 181**	2 181		
Leo Kantoor Meubels	Property owning	**50**	50	**–**	–		
Lincroft Books (March)	Newspaper publisher	**49**	49	**8 381**	8 381	**733**	727
Lonehill Trading(March)	Magazine publisher	**50**	50	**–**	1 170		1 910
Mooivaal Media (March)	Newspaper publisher	**50**	50	**1 565**	1 565		
Overdrive Publishing	Magazine publisher	**25**	25	**–**	1 250	**2 050**	3 058
Rising Sun Community Newspapers	Newspaper publisher	**45**	45	**–**	–	**(7 923)**	(12 311)
Ronain Investments	Property owning	**50**	50	**33**	33	**11 919**	13 419
Rowaga Properties	Property owning	**50**	50	**1 175**	1 175		
Sentrale Makelaars	Dormant	**50**	50	**56**	56		
Shumani Print Services	Printer	**–**	49	**–**	3 159		4 486
Tambuti Brits	Property owning	**50**	50	**–**	–		
Tambuti Enterprise	Property owning	**50**	50	**143**	143		
Tambuti Upington	Property owning	**50**	50	**–**	–		
Tambuti Vryburg	Property owning	**50**	50	**–**	–		
Wordsmiths	Newspaper publisher	**50**	50	**3 750**	3 750		
Indirectly held							
BM Management	Consumable supplier	**30**	30				
Capital Newspapers	Newspaper publisher	**45**	45	**–**	–	**2 763**	3 325
Die Pos	Newspaper publisher	**40**	40	**2 400**	2 400		
Kathorus Media	Newspaper publisher	**49**	49	**550**	550		
Octotel (Feb)	Fibre to the home	**23**	23	**–**	–	**92 983**	35 867
RSA Web (Feb)	Internet service provider	**23**	23	**20 090**	20 090	**14 674**	16 812
Tysflo	Television channel development	**34**	17	**2 307**	500	**4 912**	1 160
Universal Labels	Label printing	**30**	30	**40 000**	40 000	**38 855**	15 589
Vehicle Traders Limited Edition	Digital subscription sales	**50**	50	**–**	12 200		3 569
Shumani Mills Communication	Printer	**71**	–	**21 159**	–	**4 870**	–
				175 372	193 868	**169 766**	92 132

All are private companies except Cognition Holdings, and all are incorporated in the South Africa.

The financial year ends are June unless otherwise stated.

Investments of between 25% and 50% are accounted as associates, unless there is some indication that control exists.

Even though 71% is held in Shumani Mills Communication, the Company and its subsidiaries does not have control but only significant influence, and as such it is accounted for as an associate.

The group's proportional share of interest in associated companies and jointly controlled entities is as follows:

	Associated companies		Jointly controlled entities	
	R000		R000	
Statement of Financial Position	**2018**	2017	**2018**	2017
Property , plant and equipment	**131 782**	118 805	**1 809**	667
Investments and long-term receivables	**80 349**	24 532	**–**	–
Current assets	**135 325**	112 299	**10 974**	10 782
Total assets	**347 456**	255 636	**12 783**	11 449
Long-term liabilities	**31 486**	38 730	**2 834**	3 475
Deferred taxation	**12 784**	5 235	**48**	11
Current liabilities	**95 479**	70 790	**5 036**	3 785
Total liabilities	**139 748**	114 755	**7 918**	7 271
Attributable net asset value	**207 708**	140 881	**4 865**	4 178
Statement of Comprehensive Income				
Turnover	**464 291**	309 678	**27 922**	27 386
Income before taxation	**40 193**	36 291	**5 223**	7 033
Taxation	**(9 082)**	(11 624)	**(1 537)**	(1 818)
Net income for the year	**31 111**	24 667	**3 687**	5 215

NOTICE OF ANNUAL GENERAL MEETING

CAXTON AND CTP PUBLISHERS AND PRINTERS LIMITED
(Incorporated in the Republic of South Africa)
(Registration number 1947/026616/06)
Share code: CAT ISIN: ZAE000043345
Preference share code: CATP ISIN: ZAE000043352
("Caxton" or "the Company")

NOTICE OF MEETING

Notice is hereby given that the annual general meeting of shareholders of the Company will be held in the boardroom, Caxton House, 368 Jan Smuts Avenue, Craighall Park, Johannesburg, on Friday, 7 December 2018 at 10:00 ("the meeting").

RECORD DATE, ATTENDANCE AND VOTING

The record date for determining which shareholders are entitled to notice of the meeting is Friday, 26 October 2018 and the record date for determining which shareholders are entitled to participate in and vote at the meeting is Friday, 30 November 2018. The last day to trade in order to be eligible to vote at the meeting is accordingly Tuesday, 27 November 2018.

If you hold dematerialised shares which are registered in your name or if you are the registered holder of certificated shares:

- you may attend the meeting in person;
- alternatively, you may appoint a proxy to represent you at the meeting by completing the enclosed form of proxy in accordance with the instructions it contains and returning it to Computershare Investor Services Proprietary Limited, 70 Marshall Street, Johannesburg, 2001 (PO Box 61051, Marshalltown, 2107) ("transfer secretaries") to be received not later than 48 (forty-eight) hours (excluding Saturdays, Sundays and gazetted South African public holidays) prior to the meeting for administrative purpose or thereafter to the Company by hand no later than 09:30am on Friday, 7 December 2018; alternatively, may be handed to the chairman of the meeting immediately prior the commencement of voting at the meeting.

If you hold dematerialised shares which are not registered in your name:

- and wish to attend the meeting, you must obtain the necessary letter of representation from your Central Securities Depository Participant ("CSDP") or broker;
- and do not wish to attend the meeting but would like your vote to be recorded at the meeting, you should contact your CSDP or broker and furnish them with your voting instructions; and
- you must **not** complete the enclosed form of proxy.

A shareholder who is entitled to attend and vote at the meeting is entitled, by completing the enclosed form of proxy and delivering it to the Company in accordance with the instructions on that form of proxy, to appoint a proxy to attend, participate in and vote at the meeting in that shareholder's place. A proxy need not be a shareholder of the Company.

All meeting participants (including shareholders and proxies) may be required to provide satisfactory identification to the chairman of the meeting. Forms of identification include valid identity documents, passports and driver's licences.

PURPOSE OF MEETING

The purpose of this meeting is to consider and, if deemed fit, to pass, with or without modification, the ordinary and special resolutions set out below.

Ordinary resolutions
To consider, and, if deemed fit, approve the following ordinary resolutions with or without modification.

Voting requirement: In order to be adopted, all ordinary resolutions require the support of a majority of the votes cast by shareholders present or represented by proxy at the meeting. The quorum for the meeting is 25% of the issued share capital of the Company.

1. ORDINARY RESOLUTION NUMBER 1: ADOPTION OF ANNUAL FINANCIAL STATEMENTS

"Resolved that:

The annual financial statements of the Company and the group for the year ended 30 June 2018 be and are hereby approved."

Explanation: The reason for and effect of ordinary resolution number 1 is to receive and approve the annual financial statements for the Company and the group for the year ended 30 June 2018.

2. ORDINARY RESOLUTION NUMBER 2: TO PLACE THE UNISSUED SHARES OF THE COMPANY UNDER THE CONTROL OF THE DIRECTORS

"Resolved that:

All the unissued shares in the capital of the Company be placed under the control of the directors in terms of article 6 of the Memorandum of Incorporation of the Company as a general authority in terms of the Companies Act, No 71 of 2008, as amended ("the Act"), who are hereby authorised to allot and issue shares in the capital of the Company to those persons, upon such terms and conditions, as the directors in their sole discretion deem fit, until the next annual general meeting and subject to the provisions of the Act and the Listings Requirements of the Johannesburg Stock Exchange ("the JSE")."

Explanation: In terms of the general authority to issue shares in terms of the Act, the authority given at the previous annual general meeting needs to be renewed.

3. ORDINARY RESOLUTION NUMBER 3: RE-ELECTION OF DIRECTORS

"Resolved that:

3.1 Mr PM Jenkins, who retires by rotation in terms of the Memorandum of Incorporation of the Company and who is eligible and available for re-election, be and is hereby re-elected as a director of the Company.

3.2 Mr ACG Molusi, who retires by rotation in terms of the Memorandum of Incorporation of the Company and who is eligible and available for re-election, be and is hereby re-elected as a director of the Company."

Explanation: The reason for ordinary resolution number 3 is that the Memorandum of Incorporation requires that a third of the Company's non-executive directors retire at the annual general meeting. A retiring director, if eligible, may be re-elected.

Brief biographies of these directors appear on page 3 of the integrated annual report. The ordinary resolutions number 3.1 and 3.2 will be considered separately.

4. ORDINARY RESOLUTION NUMBER 4: REAPPOINTMENT OF INDEPENDENT AUDITORS

"Resolved that:

Grant Thornton Johannesburg Partnership be and is hereby reappointed as independent auditors of the Company and Mr P Badrick is appointed as the designated auditor, from the conclusion of this annual general meeting until the conclusion of the next annual general meeting of the Company."

Explanation: The reason for ordinary resolution number 4 is that the Company, being a listed public company, must appoint independent auditors and have its annual financial statements audited.

5. ORDINARY RESOLUTION NUMBER 5: RE-ELECTION OF THE AUDIT AND RISK COMMITTEE CHAIRMAN AND MEMBERS

"Resolved that:

5.1 Ms T Slabbert be and is hereby re-elected as a member and chairman of the Audit and Risk Committee until the conclusion of the next annual general meeting.

5.2 Mr ACG Molusi be and is hereby re-elected as a member of the Audit and Risk Committee until the conclusion of the next annual general meeting.

5.3 Mr NA Nemukula be and is hereby re-elected as a member of the Audit and Risk Committee until the conclusion of the next annual general meeting."

Explanation: To elect Ms T Slabbert, Mr ACG Molusi and Mr NA Nemukula who are recommended by the Board and whose appointment automatically terminates on the day of the meeting. The reason for ordinary resolution number 5 is that at each annual general meeting, a public company must elect an Audit and Risk Committee comprising at least three members, all of whom must be independent non-executive directors.

Brief biographies of these directors appear on page 3.

The ordinary resolutions number 5.1, 5.2 and 5.3 will be considered separately.

6. ORDINARY RESOLUTION NUMBER 6: AUTHORITY TO SIGN DOCUMENTATION

"Resolved that:

Any director of the Company or the Company Secretary be and is hereby authorised to take all actions necessary and sign all documentation required to give effect to the ordinary and special resolutions which have been passed at the meeting."

Special resolutions

To consider and, if deemed fit, approve the following special resolutions with or without modification.

Voting requirement: In order to be adopted, all special resolutions require the support of 75% or more of the votes cast by shareholders present or represented by proxy at the meeting. The quorum for the meeting is 25% of the issued share capital of the Company.

7. SPECIAL RESOLUTION NUMBER 1: GENERAL AUTHORITY FOR COMPANY AND/OR SUBSIDIARY TO ACQUIRE THE COMPANY'S OWN SHARES

"Resolved that:

The Company and/or a subsidiary of the Company be and is hereby authorised to repurchase or purchase, as the case may be, ordinary shares issued by the Company on such terms and conditions and in such amounts as the directors of the Company may decide, but subject always to the provisions of section 48 of the Act and the Listings Requirements of the JSE, which currently stipulate that:

- the repurchase of securities must be effected through the order book operated by the JSE trading system and done without any prior understanding or arrangement between the Company and the counterparty (reported trades are prohibited);
- at any point in time the Company may only appoint one agent to effect any repurchases on the Company's behalf;
- the Company or any of its subsidiaries may not repurchase securities during a prohibited period as defined in paragraph 3.67 in the Listings Requirements of the JSE;
- this general authority shall only be valid until the Company's next annual general meeting, provided that it shall not extend beyond 15 (fifteen) months from the date of passing of this special resolution;
- a paid press announcement will be published as soon as the Company has acquired ordinary shares constituting, on a cumulative basis, 3% (three percent) of the number of ordinary shares in issue, at the time of passing of this special resolution, and any 3% (three percent) increments thereafter, which announcements shall contain full details of such acquisitions;
- acquisitions of ordinary shares by the Company in terms of this general authority in the aggregate in any one financial year may not exceed 20% (twenty percent) of the Company's issued ordinary share capital nor may any subsidiary hold more than 10% (ten percent) of the Company's issued share capital at any one time; and
- in determining the price at which ordinary shares issued by the Company are acquired in terms of this general authority, the maximum price at which such ordinary shares may be acquired may not be greater than 10% (ten percent) above the weighted average of the market price at which such ordinary shares traded on the JSE over the 5 (five) business days immediately preceding the date on which the transaction is effected."

The general authority to repurchase the Company's shares will be acted upon within the parameters laid down by the JSE, as and when the directors deem it to be appropriate. After considering the effect of a general repurchase within these parameters, the directors are of the view that, for a period of at least 12 (twelve) months after the date of this notice:

- Caxton and the group will be able in the ordinary course of business to pay its debts;
- the assets of Caxton and the group, fairly valued in accordance with accounting policies used in the latest audited report, will be in excess of the liabilities of the Company and the group for a period of 12 (twelve) months after the date of this notice of annual general meeting; and
- the ordinary capital and reserves of Caxton and the group will be adequate for the purposes of the Company's and the group's businesses, respectively; and the working capital of Caxton and the group will be adequate for their requirements.

Explanation: The reason for and effect of special resolution number 1 is to give a mandate to the directors to repurchase or purchase ordinary shares issued by the Company.

8. SPECIAL RESOLUTION NUMBER 2: APPROVAL OF NON-EXECUTIVE DIRECTORS' FEES

"Resolved that:

The remuneration of the non-executive directors for the year 1 January 2019 to 31 December 2019 to be as follows:

PM Jenkins	R1 337 553
T Slabbert	R278 103
ACG Molusi	R215 000
NA Nemukula	R215 000
J Phalane	R195 694

Explanation: The reason for and effect of special resolution number 2 is to grant the Company the authority to pay fees to its non-executive directors for their services as directors.

9. SPECIAL RESOLUTION NUMBER 3: FINANCIAL ASSISTANCE TO RELATED OR INTER-RELATED ENTITIES TO THE COMPANY

"Resolved that:

The Board of Directors is authorised, in terms of and subject to the provisions of section 45 of the Act, to cause the Company to provide financial assistance to any Company or corporation that is related or inter-related to Caxton."

Explanation: The reason for and effect of special resolution number 3 is to grant the directors of the Company the authority to cause the Company to provide financial assistance to any entity which is related or inter-related to the Company. This special resolution does not authorise the provision of financial assistance to a director or prescribed officer of the Company.

10. SPECIAL RESOLUTION NUMBER 4: FINANCIAL ASSISTANCE FOR SUBSCRIPTION FOR OR PURCHASE OF SECURITIES BY RELATED OR INTER-RELATED ENTITIES TO THE COMPANY

"Resolved that:

The Board of Directors is authorised, in terms of and subject to the provisions of section 44 of the Act, to cause the Company to provide financial assistance to any company or corporation that is related or inter-related to Caxton for the subscription for or purchase of securities in the Company or in any company or corporation that is related or inter- related to the Company."

Explanation: The reason for and effect of special resolution number 4 is to grant the directors of the Company the authority to cause the Company to provide financial assistance for the subscription or purchase of securities to any entity which is related or inter-related to the Company. This special resolution number 4 does not authorise the provision of financial assistance to a director or prescribed officer of the Company.

12. SPECIAL RESOLUTION NUMBER 5: SPECIFIC REPURCHASE OFFER TO ALL SHAREHOLDERS HOLDING MORE THAN 100 BUT LESS THAN 1 000 ORDINARY SHARES IN THE COMPANY

"Resolved that:

The Company be and is hereby authorised by way of a specific authority in terms of section 48 of the Act, its Memorandum of Incorporation and the Listings Requirements, to approve and implement a Specific Repurchase Offer to all shareholders holding more than 100 but less than 1 000 ordinary shares in the Company at a 20% premium to the volume weighted average price at which Caxton & CTP Publishers and Printers Limited ordinary shares traded on the JSE Limited over the five days prior to the date on which the Offer Price is finalised ("the Specific Offer", "the Specific Offer Shareholders" and "the Specific Offer Price").

The votes of the Specific Offer Shareholders and their associates will be excluded from voting on the Specific Offer.

The reason for special resolution number 5 is to grant the Company a specific authority to implement the Specific Offer and to repurchase the Specific Offer Holdings at the Specific Offer Price.

The effect of special resolution number 5 is that the Company will have the necessary specific authority to implement the Specific Offer and to repurchase the Specific Offer Holdings at the Specific Offer Price.

13. SPECIAL RESOLUTION NUMBER 6: AMENDMENT OF THE MEMORANDUM OF INCORPORATION TO AUTHORISE THE COMPANY TO MAKE AN ODD-LOT OFFER

"Resolved that:

The Memorandum of Incorporation of the Company be and is hereby amended by the inclusion of the following new paragraph 22.5:

'22.5 The Company may, at any time and from time to time, make an odd-lot offer to members holding less than such number of shares as the directors may determine, subject to the Listings Requirements of the Johannesburg Stock Exchange, in terms of which the offeree members are given the right to elect to retain their shareholdings or to sell all their shares, and such odd-lot offer may provide that if any offeree member fails to exercise such right of election, his shareholding will be compulsorily sold as if he had elected to sell such shareholding.' "

The reason for special resolution number 6 is to amend the Company's Memorandum of Incorporation to provide a mechanism to reduce in an equitable manner the number of shareholders in the Company by way of an odd-lot offer and to provide for the expropriation of odd-lot shareholdings where no election is made in accordance with an odd-lot offer.

The effect of special resolution number 6 will be to amend the Company's Memorandum of Incorporation accordingly.

14. SPECIAL RESOLUTION NUMBER 7: AUTHORISING THE COMPANY TO REPURCHASE A SPECIFIC PORTION OF THE COMPANY'S ISSUED SHARE CAPITAL IN TERMS OF AN ODD-LOT OFFER

"Resolved that:

Subject to the passing and registration of special resolution number 6 and the passing of ordinary resolution number 7 set out in the notice convening this meeting, the Company be authorised in terms of section 48 of the Companies Act, 2008 (Act 71 of 2008), as amended ("the Act"), to purchase, pursuant to an odd-lot offer to be made by the Company to shareholders holding fewer than 100 ordinary shares in the capital of the company, at a 20% premium to the volume weighted average price of Caxton & CTP Publishers and Printers Limited ordinary shares traded on the JSE Limited over the five days prior to the date on which the Offer Price is finalised ("the Odd-Lot Offer Price") in accordance with and subject to the provisions of such odd-lot offer.

The reason for special resolution number 7 is to obtain the required approval of the Company's shareholders to grant the Company the authority to effect a specific repurchase of a portion of the Company's issued share capital.

The effect of special resolution number 7 will be that the Company will be authorised to repurchase a portion of its issued share capital, which shares when repurchased by the Company will (unless the repurchase is effected by a nominated subsidiary of the Company) be deemed to be cancelled as issued shares and be restored to the status of authorised shares in accordance with section 48 of the Act.

15. ORDINARY RESOLUTION NUMBER 7: TO AUTHORISE THE DEFAULT REPURCHASE OF ODD-LOT OFFER HOLDING OF ODD-LOT HOLDERS WHO DO NOT ELECT TO SELL OR RETAIN THEIR ODD-LOT HOLDINGS

"Resolved that:

Subject to the passing of special resolutions number 6 and 7, the Company implements an offer to shareholders holding less than 100 ordinary shares in the Company ("the Odd-Lot Holdings and "the Odd-Lot Holders"), in terms of which the Odd-Lot Holders will be entitled to elect either:

– to sell their Odd-Lot Holdings at the Odd-Lot Offer Price ("the cash alternative"); or
– to retain their Odd-Lot Holdings;

on the basis that the ordinary shares of Odd-Lot Holders who do not make an election or who elect the cash alternative will be sold to the Company without any further action by such Odd-Lot Holders or any further notice to such Odd-Lot Holders."

The reason for ordinary resolution number 7 is to grant the Company a specific authority to repurchase Odd-Lot Holdings should Odd-Lot Holders not make an election.

The effect of ordinary resolution number 7 will be that the Company will repurchase Odd-Lot Holdings from Odd-Lot Holders who do not make an election in terms of the offer.

16. NON-BINDING ADVISORY RESOLUTION NUMBER 1: APPROVAL OF REMUNERATION POLICY

"Resolved that:

The Company's remuneration policy as set out in the corporate governance report, be and is hereby approved."

Explanation: The policy is tabled to enable shareholders to express their views on the remuneration policies adopted. This ordinary resolution is advisory in nature only, but will be taken into consideration when considering the Company's remuneration policy in the future.

Shareholders are reminded that in terms of King IV, the passing of this advisory resolution is by way of a non-binding vote. Should 25% or more of the votes cast vote against this advisory resolution, the Company undertakes to engage with shareholders as to the reasons therefor.

17. NON-BINDING ADVISORY RESOLUTION NUMBER 2: APPROVAL OF IMPLEMENTATION OF THE REMUNERATION POLICY

"Resolved that:

The implementation of the remuneration policy for the year ended 30 June 2018 be and is hereby approved."

Explanation: The resolution is tabled to enable shareholders to express their views on the implementation of the remuneration policies adopted. This ordinary resolution is advisory in nature only, but will be taken into consideration when considering the Company's remuneration policy in the future.

Shareholders are reminded that in terms of King IV, the passing of this advisory resolution is by way of a non-binding vote. Should 25% or more of the votes cast vote against this advisory resolution, the Company undertakes to engage with shareholders as to the reasons therefor.

ADDITIONAL DISCLOSURE REQUIREMENTS IN TERMS OF THE LISTINGS REQUIREMENTS OF THE JSE

As per section 11.26(b) of the Listings Requirements of the JSE, shareholders are referred to the following sections in the integrated annual report to which this notice of the meeting is attached:

- Details of directors on page 3;
- Directors' interests in securities on page 24 (there are no non-beneficial interests);
- Major shareholders on page 25;
- The share capital note 13 on page 49.

LITIGATION STATEMENT

The directors are not aware of any legal or arbitration proceedings active, pending or threatened against or being brought by the company, which may have a material effect on the group's financial position or which have had a material effect during the 12 months preceding the date of this notice.

DIRECTORS' RESPONSIBILITY STATEMENT

The directors, whose names appear on page 3 of the integrated annual report, collectively and individually, accept full responsibility for the accuracy of the information pertaining to special resolution number 1 and certify that, to the best of their knowledge and belief, there are no facts which 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 resolution contains all information relevant to special resolution number 1.

MATERIAL CHANGES

Other than the facts and developments reported on in the annual financial statements, there have been no material changes in the affairs or financial position of the Company and its subsidiaries since the date of signature of the audit report and up to the date of this notice.

By order of the Board

J Edwards
Company Secretary

24 October 2018

Registered office
28 Wright Street
Industria West
Johannesburg, 2093
PO Box 43587
Industria, 2042

Transfer Secretaries
Computershare Investor Services Proprietary Limited
Rosebank Towers
15 Biermann Avenue
Rosebank, 2196
Johannesburg
PO Box 61051, Marshalltown, 2107

SUMMARY OF RIGHTS ESTABLISHED BY SECTION 58 OF THE COMPANIES ACT, NO 71 OF 2008 ("COMPANIES ACT"), AS REQUIRED IN TERMS OF SUBSECTION 58(8)(b)(i)

1. A shareholder may at any time appoint any individual, including a non-shareholder of the company, as a proxy to participate in, speak and vote at a shareholders' meeting on his or her behalf (section 58(1)(a)), or to give or withhold consent on behalf of the shareholder to a decision in terms of section 60 (shareholders acting other than at a meeting) (section 58(1)(b)).
2. A proxy appointment must be in writing, dated and signed by the shareholder, and remains valid for one year after the date on which it was signed or any longer or shorter period expressly set out in the appointment, unless it is revoked in terms of paragraph 6.3 or expires earlier in terms of paragraph 10.4 below (section 58(2)).
3. 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 (section 58(3)(a)).
4. A proxy may delegate his or her authority to act on behalf of the shareholder to another person, subject to any restriction set out in the instrument appointing the proxy ("proxy instrument") (section 58(3)(b)).
5. A copy of the proxy instrument must be delivered to the company, or to any other person acting on behalf of the company, before the proxy exercises any rights of the shareholder at a shareholders' meeting (section 58(3)(c)) and in terms of the Memorandum of Incorporation ("MOI") of the company at least 48 hours before the meeting commences.
6. Irrespective of the form of instrument used to appoint a proxy:
   - 6.1 the appointment is suspended at any time and to the extent that the shareholder chooses to act directly and in person in the exercise of any rights as a shareholder (section 58)(4)(a));
   - 6.2 the appointment is revocable unless the proxy appointment expressly states otherwise (section 58(4)(b)); and
   - 6.3 if the appointment is revocable, a shareholder may revoke the proxy appointment by cancelling it in writing or by making a later, inconsistent appointment of a proxy, and delivering a copy of the revocation instrument to the proxy and to the company (section 58(4)(c)).
7. 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 the date stated in the revocation instrument, if any, or the date on which the revocation instrument was delivered as contemplated in paragraph 6.3 above (section 58(5)).
8. If the proxy instrument has been delivered to a company, as long as that appointment remains in effect, any notice 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 the shareholder (section 58(6)(a)), or the proxy or proxies, if the shareholder has directed the company to do so in writing and paid any reasonable fee charged by the company for doing so (section 58(6)(b)).
9. A proxy is entitled to exercise, or abstain from exercising, any voting right of the shareholder without direction, except to the extent that the MOI or proxy instrument provides otherwise (section 58(7)).
10. If a company issues an invitation to shareholders to appoint one or more persons named by the company as a proxy, or supplies a form of proxy instrument:
    - 10.1 the invitation must be sent to every shareholder entitled to notice of the meeting at which the proxy is intended to be exercised (section 58(8)(a));
    - 10.2 the invitation or form of proxy instrument supplied by the company must:
      - 10.2.1 bear a reasonably prominent summary of the rights established in section 58 of the Companies Act (section 58(8)(b)(i));
      - 10.2.2 contain adequate blank space, immediately preceding the name(s) of any person(s) named in it, to enable a shareholder to write the name, and if desired, an alternative name of a proxy chosen by the shareholder (section 58(8)(b)(ii)); and
      - 10.2.3 provide adequate space for the shareholder to indicate whether the appointed proxy is to vote in favour of or against any resolution(s) to be put at the meeting, or is to abstain from voting (section 58(8)(b)(iii));
    - 10.3 the company must not require that the proxy appointment be made irrevocable (section 58(8)(c)); and
    - 10.4 the proxy appointment remains valid only until the end of the meeting at which it was intended to be used, subject to paragraph 7 above (section 58(8)(d)).

FORM OF PROXY

CAXTON & CTP publishers & printers LIMITED

(Incorporated in the Republic of South Africa) (Registration number 1947/026616/06)
Share code: CAT ISIN: ZAE000043345
Preference share code: CATP ISIN: ZAE000043352
("Caxton" or "the Company")

For use by certificated shareholders and dematerialised shareholders with own name registration at the annual general meeting of the holders of ordinary shares in the Company ("Caxton shareholders") to be held in the boardroom, Caxton House, 368 Jan Smuts Avenue, Craighall Park, Johannesburg at 10:00 on Friday, 7 December 2018.

I/We (full names)

of (address)

being the registered holder/s of ordinary shares in the capital of the Company, hereby appoint (see note 1):

1. or failing him/her,

2. or failing him/her,

the chairman of the annual general meeting, as my/our proxy to act for me/us at the annual general meeting for the purposes of considering and, if deemed fit, passing, with or without modification, the ordinary and special resolutions to be proposed thereat, and at each adjournment thereof, and to vote for or against such resolutions or abstain from voting in respect of the ordinary shares registered in my/our name/s in accordance with the following instructions (see note 2):

		For	Against	Abstain
	Ordinary resolutions			
1.	To adopt the annual financial statements for the year ended 30 June 2018			
2.	To place unissued ordinary shares of the Company under the control of the directors			
3.1	To re-elect Mr PM Jenkins as director of the Company			
3.2	To re-elect Mr ACG Molusi as director of the Company			
4.	To re-appoint Grant Thornton Johannesburg Partnership as the independent auditors and to register Mr P Badrick as the designated auditor			
5.1	To re-elect Ms T Slabbert as member and chairman of the Audit and Risk Committee			
5.2	To re-elect Mr ACG Molusi as member of the Audit and Risk Committee			
5.3	To re-elect Mr NA Nemukula as member of the Audit and Risk Committee			
6.	To authorise any director or the Company Secretary to sign documentation to effect ordinary and special resolutions passed			
7.	To authorise the default repurchase of Odd-Lot offer holding of Odd-Lot Holders who do not elect to sell or retain their Odd-Lot Holdings.			
	Special resolutions			
1.	To approve the general authority for the Company and/or subsidiary to acquire the Company's own shares			
2.	To approve the remuneration of the non-executive directors			
3.	To approve financial assistance to related or inter-related companies			
4.	To approve financial assistance for subscription for or purchase of securities			
5.	To authorise the specific repurchase offer to all shareholders holding more than 100 but less than 1 000 ordinary shares in the Company			
6.	To amend the Memorandum of Incorporation to authorise the Company to make an odd-lot offer			
7.	To authorise the Company to repurchase a specific portion of the Company's issued share capital in terms of an odd-lot offer			
	Advisory resolution			
1.	To approve the remuneration policy as set out in the corporate governance report			
2.	To approve the implementation of the remuneration policy as set out in the corporate governance report			

Signed at on 2018

Signature

Assisted by (where applicable)

Each Caxton shareholder is entitled to appoint one or more proxy/ies (who need not be a shareholder/s) of the Company to attend, speak and vote in his/her stead at the annual general meeting.

Please read the notes on the reverse hereof.

NOTES

1. A Caxton shareholder may insert the name of a proxy or the names of two alternative proxies of his/her choice in the space/s provided, with or without deleting "the chairman of the annual general meeting", but any such deletion must be initialled by the shareholder concerned. The person whose name appears first on this form of proxy and who is present at the annual general meeting will be entitled to act as proxy to the exclusion of those names that follow.
2. The shareholder's instruction to the proxy must be shown by indicating in the appropriate boxes provided the manner in which that shareholder wishes to vote by inserting an "X" in the relevant box unless a shareholder wishes to split his/her votes. In this case, the relevant number of shares to be so voted must be indicated in the relevant box. Failure to comply with the above will be deemed to authorise the proxy to vote, or abstain from voting, at the annual general meeting as he/she deems fit, in respect of all the shareholder's votes exercisable thereat.
3. A Caxton shareholder or his/her proxy is not obliged to use all the votes exercisable by the member or to cast all these votes exercised in the same way, but the total of the votes cast, and in respect whereof abstention is recorded, may not exceed the total of the votes exercisable by the member. Failure to comply with the above will be deemed to be authority to the chairman of the annual general meeting, if the chairman is the authorised proxy, to vote in favour of any resolution proposed at the annual general meeting or any other proxy to vote or abstain from voting, at the annual general meeting as he/she deems fit, in respect of the shares concerned.
4. Forms of proxy and any power of attorney by virtue of which such proxy is signed (or a notarially certified copy of such power of attorney) must be lodged at or posted to the transfer secretaries of the company, Computershare Investor Services Proprietary Limited (Rosebank Towers,15 Biermann Avenue, Rosebank, Johannesburg, 2196 or PO Box 61051, Marshalltown, 2107), to be received by no later than 10:00 on Wednesday, 5 December 2018 for administrative purpose or thereafter to the company by hand no later than 09:30 on Friday, 7 December 2018; alternatively, may be handed to the chairman of the meeting immediately prior the commencement of voting at the meeting.
5. Any alteration or correction made to this form of proxy must be initialled by the signatory/ies.
6. Documentary evidence establishing the authority of a person signing this form of proxy in a representative capacity must be attached to this form of proxy unless previously recorded by the Company Secretary or waived by the chairman of the annual general meeting.
7. If you are a dematerialised shareholder, other than by own name registration, you must inform your appointed Central Securities Depository Participant ("CSDP") or broker of the manner in which you wish to vote in order for them to notify the Company Secretary by no later than 10:00 on Wednesday, 5 December 2018 for administrative purpose or thereafter to the Company by hand no later than 09:30 on Friday, 7 December 2018; alternatively, may be handed to the chairman of the meeting immediately prior the commencement of voting at the meeting. Only registered certificated shareholders recorded in the main register of members of the Company or under own names in the dematerialised register, may complete a form of proxy or alternatively attend the annual general meeting.
8. Dematerialised shareholders who are not registered under their own names who wish to attend the annual general meeting or vote by proxy must contact their CSDP or broker who will provide them with the necessary authority to do so, or carry out their instructions.
9. The chairman of the annual general meeting may reject or accept any form of proxy which is completed and/or received, other than in compliance with the Memorandum of Incorporation of the Company or these notes.

CORPORATE INFORMATION

Caxton and CTP Publishers and Printers Limited
(Incorporated in the Republic of South Africa)
(Registration number 1947/026616/06)
Share code: CAT ISIN: ZAE000043345
Preference share code: CATP ISIN: ZAE000043352

Registered address
28 Wright Street
Industria West
Johannesburg, 2093

Postal address
PO Box 43587
Industria, 2042

Company Secretary
J Edwards

Auditors
Grant Thornton Johannesburg Partnership
52 Corlett Drive
Wanderers Office Park
Illovo
Johannesburg, 2196

Attorneys
Fluxmans Inc.
30 Jellicoe Avenue
Rosebank
Johannesburg, 2196

Bankers
First National Bank
Bank City, Johannesburg, 2001

Sponsor
Arbor Capital Sponsors Proprietary Limited
Registration number 2006/033725/07
20 Stirrup Lane
Woodmead Office Park
Corner Woodmead Drive and Van Reenens Avenue
Woodmead, 2191
(Suite # 439, Private Bag X29, Gallo Manor, 2052)

Transfer Secretaries
Computershare Investor Services Proprietary Limited
Rosebank Towers
15 Biermann Avenue
Rosebank
Johannesburg, 2196
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CAXTON&CTP publishers & printers LIMITED