



CAXTON&CTP

LIMITED

publishers & printers

CONDENSED CONSOLIDATED STATEMENT OF PROFIT AND LOSS AND COMPREHENSIVE INCOME

R'000	Reviewed for the year ended 30 June 2025	Audited for the year ended 30 June 2024	Percentage change
Revenue	6 709 078	6 647 278	0.9%
Other operating income	91 576	248 561	
Total operating income	6 800 654	6 895 839	
Changes in inventories of finished goods and work in progress	(46 067)	17 490	
Raw materials and consumables used	(3 492 285)	(3 600 569)	
Staff costs	(1 272 818)	(1 257 923)	
Other operating expenses	(1 161 457)	(1 127 612)	
Total operating expenses	(5 972 627)	(5 968 614)	0.1%
Profit from operating activities before depreciation and amortisation	828 027	927 225	
Depreciation and amortisation	(260 321)	(269 322)	
Profit from operating activities after depreciation and amortisation	567 706	657 903	(13.7%)
Impairment of goodwill	–	(18 165)	
Reversal of investment	–	74	
Reversal of impairment of investments in associates	92	21 000	
Loss on disposal of investment	–	(45 292)	
Profit on deemed disposal of associate on gain of control	–	1 801	
Impairment of intangible assets	(5 329)	(330)	
Impairment of plant	(45 470)	(18 078)	
Profit from operating activities	516 999	598 913	(13.7%)
Net finance income	247 414	237 037	
– dividends	108 519	122 379	
– interest income	146 419	110 882	
– interest expense	(2 878)	(5 651)	
– (loss)/profit on foreign exchange	(4 646)	9 427	
Income from associates	6 269	1 905	
Profit before taxation	770 682	837 855	
Taxation	(172 889)	(180 498)	
Profit for the year	597 793	657 357	(9.1%)
Other comprehensive income:	65 764	83 520	
Items that will be not be reclassified subsequently to profit or loss			
Fair value adjustment – investments	(45 219)	83 520	
Fair value adjustment – properties	110 983	–	
Total comprehensive income for the year	663 557	740 877	
Total comprehensive income attributable to			
Non-controlling interests	(1 864)	1 547	
Equity holders of the parent	665 421	739 330	
	663 557	740 877	
Profit attributable to			
Non-controlling interests	(1 864)	1 547	
Equity holders of the parent	599 657	655 810	
	597 793	657 357	
Earnings and diluted earnings per ordinary share (cents)	168.4	182.9	(7.9%)

CONDENSED CONSOLIDATED SEGMENTAL ANALYSIS

	Reviewed for the year ended 30 June 2025	%	Audited for the year ended 30 June 2024	%
Revenue				
Publishing, printing and distribution	2 973 196	44	2 946 620	44
Packaging and stationery	3 735 882	56	3 700 658	56
Other	–	–	–	–
	6 709 078	100	6 647 278	100
Profit from operating activities before depreciation and amortisation				
Publishing, printing and distribution	364 698	44	342 850	37
Packaging and stationery	566 717	68	491 857	53
Other	(103 388)	(12)	92 518	10
	828 027	100	927 225	100
Profit from operating activities after depreciation and amortisation				
Publishing, printing and distribution	270 657	48	242 213	37
Packaging and stationery	421 601	74	356 180	54
Other	(124 552)	(22)	59 510	9
	567 706	100	657 903	100
Total assets				
Publishing, printing and distribution	1 974 644	20	2 237 113	23
Packaging and stationery	2 418 307	24	2 447 441	25
Other	5 549 758	56	4 968 650	51
	9 942 709	100	9 653 204	100
Total liabilities				
Publishing, printing and distribution	572 327	31	679 950	35
Packaging and stationery	564 497	31	577 198	31
Other	702 379	38	675 959	34
	1 839 203	100	1 933 107	100

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

R'000	Reviewed for the year ended 30 June 2025	Audited for the year ended 30 June 2024
CASH FLOW FROM OPERATING ACTIVITIES		
Cash generated by operations	842 853	956 015
Changes in working capital	245 912	87 579
Cash generated by operating activities	1 088 765	1 043 594
Taxation paid	(178 376)	(169 628)
Cash inflow from operating activities	910 389	873 966

CASH FLOW FROM INVESTING ACTIVITIES		
Property, plant, equipment and intangibles		
– additions to maintain operations	(321 059)	(266 632)
– proceeds from disposals	31 692	5 442
	(289 367)	(261 190)

Investments		
Disposal of business	–	11 830
Associate loans and investments	2 845	9 024
Investments	(59 076)	90 291
Interest received	146 419	110 882
Dividends received	108 519	122 379
	198 707	344 406
Cash (outflow)/inflow from investing activities	(90 660)	83 214
CASH FLOW FROM FINANCING ACTIVITIES		
Dividends paid	(222 142)	(243 895)
Additional investment in subsidiary	–	(60 946)
Interest paid	(2 878)	(5 651)
Principal paid on lease liabilities	(17 640)	(16 402)
Own shares acquired	(58 005)	(12 898)
Cash outflow from financing activities	(300 665)	(339 791)
Net increase in cash and cash equivalents	519 064	617 389
Cash and cash equivalents at beginning of year	2 505 765	1 888 376
Cash and cash equivalents at end of year	3 024 829	2 505 765

Executive Directors: TD Moolman, TJW Holden, IR Witbooi
Independent Non-Executive Directors: PM Jenkins, ACG Malusi, NA Nemukula, J Phalane, T Slabbert
Transfer Secretaries: Computershare Investor Services Proprietary Limited
Registered office: 368 Jan Smuts Avenue, Craighall Park, Johannesburg, 2196
Incorporated in the Republic of South Africa
Registration number 1947/026616/06
Share code: CAT ISIN: ZAE000043345
Preference share code: CATP ISIN: ZAE000043352

Sponsor
AcaciaCap Advisors Proprietary Limited



CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

R'000	Reviewed for the year ended 30 June 2025	Audited for the year ended 30 June 2024
ASSETS		
Non-current assets		
Property, plant and equipment	2 664 806	2 530 746
Right-of-use assets	25 068	17 044
Intangible assets	136	5 936
Goodwill	54 622	54 622
Interest in associates	85 698	82 275
Investments	1 413 794	1 412 396
- Listed ordinary shares	1 337 148	1 333 452
- Unlisted ordinary shares	76 646	78 944
Deferred taxation	30 939	30 711
	4 275 063	4 133 731
Current assets		
Inventories	1 445 403	1 537 022
Trade and other receivables	1 197 245	1 476 366
Taxation	169	320
Cash	2 324 829	1 805 765
Cash equivalents	700 000	700 000
	5 667 646	5 519 473
TOTAL ASSETS	9 942 709	9 653 204
EQUITY AND LIABILITIES		
Equity	8 103 506	7 720 096
Equity attributable to owners of the parent	8 151 308	7 746 192
Preference share capital	100	100
Non-controlling interest	(47 902)	(26 196)
Total equity	490 632	480 509
Non-current liabilities		
Lease liabilities	21 261	2 338
Deferred taxation	469 371	478 171
Current liabilities	1 348 571	1 452 598
Trade and other payables	1 107 432	1 232 061
Lease liabilities	4 087	16 353
Provisions	188 860	169 076
Taxation	48 192	35 108
TOTAL EQUITY AND LIABILITIES	9 942 709	9 653 204
Commentary:		
Net asset value per share (cents)	2 306	2 162
Capital expenditure	321 063	266 632
Capital expenditure committed	146 376	106 003

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share capital & preference shares	Revaluation reserves	Distributable reserves	Non-controlling interest	Total
Audited					
June 2024					
Opening balance	9 076	1 120 243	6 134 547	33 090	7 296 956
Own shares acquired	(31)		(12 866)		(12 897)
Non-controlling interest disposed			(28 181)	(32 765)	(60 946)
Total comprehensive income for the year		83 520	655 811	1 547	740 878
Realisation of land and buildings revaluation reserve		(1 373)	1 373		–
Dividends paid			(215 827)	(28 068)	(243 895)
Closing balance	9 045	1 202 390	6 534 857	(26 196)	7 720 096
Reviewed					
June 2025					
Opening balance	9 045	1 202 390	6 534 857	(26 196)	7 720 096
Own shares acquired	(103)		(57 902)		(58 005)
Non-controlling interest disposed			11 678	(11 678)	–
Revaluations		65 764			65 764
Total comprehensive income for the year			599 657	(1 864)	597 793
Realisation of land and buildings revaluation reserve		(1 403)	1 403		–
Dividends paid			(213 978)	(8 164)	(222 142)
Closing balance	8 942	1 266 751	6 875 715	(47 902)	8 103 506

SUMMARISED NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Note: 1		
Earnings and diluted earnings per ordinary share (cents)	168.4	182.9
Headline earnings and diluted headline earnings per ordinary share (cents)	178.9	196.1
Normalised earnings and diluted headline earnings per ordinary share (cents)	168.4	146.4
Normalised headline earnings and diluted headline earnings per ordinary share (cents)	178.9	159.6
Preference dividend paid per share in respect of the previous year (cents)	490	490
Ordinary dividend paid per share in respect of the previous year (cents)	60	60
Shares in issue (weighted average shares in issue)	356 071 051	358 554 601
Note: 2		
Reconciliation between earnings and headline earnings		
Earnings attributable to equity holders of the parent	599 657	655 810
Adjusted for excluded remeasurements	37 449	47 427
Impairment of goodwill	–	18 165
Loss on disposal of investment	–	45 292
Profit on deemed disposal of associate on gain of control	–	(1 801)
Impairment of intangibles	5 329	330
Reversal of impairment of investments in associates	150	(21 000)
Impairment of plant	45 470	18 078
(Profit)/loss on disposal of property, plant and equipment	(1 674)	4 148
Tax effect on above adjustments	(11 826)	(15 785)
Headline earnings	637 106	703 237
Note: 3		
Investments are classified as at fair value through other comprehensive income		
The Group's at fair value through other comprehensive income financial assets are valued using fair market values at 30 June 2025.		
Fair value estimation		
The investments are valued at fair value at the reporting date using the following hierarchy.		
Level 1 – Listed investments – quoted prices available in active markets for identical assets or liabilities.		
Level 3 – Unlisted Investments – Fair value determined by valuation that uses inputs that are not based on observable market data.		
For the Level 3 valuation of the investment is made using a discounted cash flow model will be applied using cash flow forecasts for five years and an extrapolation of expected cash flows using a long-term growth rate, with the following key assumptions applied by management : Long term growth rate of 3.0% (3.9%) and a pre-tax discount rate of 21.71% (21.72%).		

Commentary
Material accounting policy information
Basis of preparation

The condensed consolidated financial statements of Caxton and CTP Publishers and Printers Limited (“Caxton”) and its subsidiaries and associates (“the Group”) for the year ended 30 June 2025 have been prepared in accordance with the framework concepts, the measurement and recognition requirements of IFRS(R) Accounting Standards as issued by the International Accounting Standards Board (IASB), the SA Financial Reporting Requirements and the requirements of the South African Companies Act and the Listings Requirements of the Johannesburg Stock Exchange. The report contains, as a minimum, the information required by IAS 34 *Interim Financial Reporting* and the methods of computation are consistent with those applied in the audited annual financial statements for the year ended 30 June 2024.

The accounting policies applied in preparing these condensed consolidated financial statements are consistent with those applied in the consolidated financial statements in the prior year.

FINANCIAL PERFORMANCE
Earnings

We delivered commendable results in difficult operating circumstances characterised by little to no growth and, subdued consumer spending in a highly competitive environment. These results are testament to Caxton's resilience, focus on our customers, cost consciousness, as well as the benefits of timely and well-judged capital investments.

In the prior year Caxton benefitted from a non-recurring insurance receipt of R173.2 million (R130.9 million after taxation) that was shown as “other” in the segmental report. In order to assist with a like for like comparison, we included the normalised earnings and headline earnings per share to correctly reflect the operating performance. The operating performance excluding the insurance proceeds is a notable achievement as follows:

- Normalised headline earnings per share increased by 12.0 % to 178.9 cents
- Normalised earnings per share increased by 15.0 % to 168.4 cents

Whereas inclusive of the insurance proceeds in the prior year:

- Headline earnings per share decreased by 8.8 % to 178.9 cents
- Earnings per share decreased by 7.9 % to 168.4 cents.

Caxton's solid operating results combined with strong cash generation (cash and cash equivalents amounted to R3.0 billion) resulted in the net asset value per share increasing by 6.7% to R23.06.

Revenues showed signs of recovery in the second half of the year but still reflect the tough economic environment- revenues were marginally up by R61.8 million (0.9%). Packaging revenues declined in the second half, primarily as a result of the loss of tender volumes in our beer label operation, and ended 0.9% up for the year. Publishing and printing revenues finished the year up 0.9% with the second half showing improved newspaper printing turnover on the back of increased commercial volumes.

The increased earnings for the year were determined by the excellent work done on procurement of raw materials, which when combined with excellent staff and operating expense management, led to the pleasing result.

The Group took advantage of pockets of well-priced raw materials as well as sourcing from alternative better priced suppliers which assisted in mitigating the muted revenues.

Staff costs increased by R14.9 million (1.2%) – the result of extracting efficiencies out of operations where new investments in latest equipment have been made, flexible working shifts in some printing operations and restructurings to take account of the reduced level of activity.

Operating expenses increased by R33.8 million (3.0%) – maintenance costs continue to outstrip inflation and although power costs increased this was mitigated by our investment in solar which contributed to save in the region of R24 million per annum. These increases were offset by savings in diesel, distribution and other operating costs as all operational management focused on controlling expenses.

Profit from operating activities before depreciation and amortisation decreased by R99.2 million (10.7%), whilst profit from operating activities after depreciation and amortisation of R260.3 million declined by R90.2 million (13.7%).

However, on a normalised basis, excluding the prior year insurance receipt, before depreciation and amortisation operating profit increased by R74.0 million (9.8%), and after depreciation and amortisation, operating profit increased by R83.0 million (17.1%).

Impairments of plant and intangible assets amounted to R50.8 million (2024: R18.4 million) being R5.3 million as a result of the closure of a digital business and plant of R45.5million – R32.4 million being the impairment of assets at our Durban gravure printing operation which is faced with reduced throughputs and cash generating outlook – this will be reviewed on an ongoing basis. The remainder of the asset impairments relates to equipment that is no longer in use or been replaced with newer technology.

Net finance income increased by R10.4 million from R237.0 million to R247.4 million as increased interest income (R35.5 million more than offset the reduced dividend flow (R13.8 million) – Mpacit Limited and Thebe Convergent Technology Holdings (Kaya FM) both reduced their dividends. Although interest rates declined over the period this was more than offset by the higher average cash balances held.

Income from associates increased by R4.4 million to R6.3 million as our packaging associate posted improved profits. The Group's profit before taxation was R770.7 million and after taxation of R172.9 million, the profit after taxation was R 597.8 million. Based on a lower weighted average number of shares in issue of 356 071 051 this represents:

- Earnings per share of 168.4 cents (2024: 182.9 cents) – a decrease of 7.9%
- Headline earnings per share of 178.8 cents (2024: 196.1 cents) – a decrease of 8.8%
- Normalised earnings per share of 168.4 cents (2024: 146.4 cents – excluding the once off insurance receipt)- an increase of 15.0%
- Normalised headline earnings per share of 178.9 cents (2024: 159.6 cents – excluding the once off insurance receipt) – an increase of 12.0%
- Net asset value per share of R23.06 (2024: R21.62) – an increase of 6.7%

Cash flow

The Group's traditionally strong cash flows were sustained, ending with cash and cash equivalents at R3 025 million – an increase of R519.1 million. Over the last two financial years the Group's cash balances have increased by R1.1 billion and are testament to our cash generating ability. In addition, cash increased by R668.4 million since the interim reporting period, which is a normal trend following the peak trading season.

Cash generated from operations of R842.8 million approximates the profit from operating activities before depreciation and amortisation – a decrease of R113.2 million over the prior year primarily as a result of the once off prior year insurance receipt of R173.2 million. Working capital released R245.9 million as inventory levels were further reduced. This, combined with trade and other receivables which benefitted from enhanced collections towards the end of the financial year resulted in cash generated by operations of R1 088.8 million, a slight increase of R45.2 million (4.3%).

A net investment in property, plant and equipment of R289.4 million includes the following major investments:

- Completion of the solar investment project – over the whole investment period the Group has installed 13MW at a total investment of R180.9 million
- Continued investment in our packaging operations to upgrade machinery or enter new markets

Cash inflow from investing activities of R198.7 million comprising of:

- Interest and dividends received of R254.9 million, partly offset by investments of R59.1 million in Mpacit Limited and Transpaco Limited; bringing our shareholding in Mpacit Limited to 34.9%.

Cash outflow from financing activities amounted to R300.7 million:

- The Group returned a total of R280.1 million to shareholders in the form of a dividend (R222.1 million) and repurchase of shares (R58.0 million)

PERFORMANCE REVIEW
PUBLISHING, PRINTING AND DISTRIBUTION
Newspaper publishing and printing

National advertising revenues continued to decline and ended the year 3% below the prior year. Grocery retailers continue to dominate the profile of our customers and delivered strong growth over the prior year but this was offset by declines in the home improvement, electronics and furniture markets. Most of our publications are published weekly and we have seen the most dramatic drop off in the third week of the month as retailers focus on mid-month and month-end campaigns. We will continue to monitor this trend but we still remain positive that with closer collaboration within the Group we will unlock some growth opportunities.

Local advertising revenues continued to be impacted negatively by consumer pessimism and the stagnant growth environment resulting in a decline of between 7% -9% across the various regions. Even though operational costs have been well managed, ending 3% down, the declines in revenue resulted in a drop in profitability.

Our newspaper business remains key to the Group and the challenge to develop new revenue streams and manage costs as lightly as possible remains. The performance will be monitored closely with appropriate action taken should conditions persist. The Group's daily newspaper, The Citizen, posted a much-improved performance driven by the combination of restructuring initiatives and stable advertising revenues in a challenging market. It was extremely encouraging to see a reversal of the declining print advertising revenue trends, delivering a growth of 3%, as we increased share in the Legal Notice market. The focus remains on revenue growth and working with the national advertising team on areas where we see pockets of opportunities on which to capitalise.

Newspaper tonnages in our printing plants remained stable whereby the continued decline in the daily and weekend papers was offset by increased retailer demand. The newspaper market is of real concern and we have assisted various publications with reduced sizes, which negatively impact tonnage throughput, but is necessary to support the newsrooms. As previously reported various retailers moved their advertising brochure requirements between our newspaper printing plant and our web/gravure operations, depending on the look and feel required for their promotions. We are in a fortunate position to be able to meet these requirements and offer solutions across the country.

With the de-listing of Cognition Holdings Limited in June 2024, this was the first financial year as an operating unit within the wider Group. The successful integration into existing structures yielded significant cost savings. This, combined with strong growth in the incentives division led to a notable increase in profitability. The incentive division remains an important growth opportunity and to support this we have made an investment in an enhanced software platform, which will be launched in the new financial year- we are excited about the potential to further strengthen our market position. The research division underperformed over the year as revenues remained under pressure but, we are nevertheless optimistic about the current momentum in new research assignments for the upcoming period.

Web and gravure printing

The decline in tonnage throughput reported at the half year (14%) was mitigated by an improved second half, as a major retailer moved its requirements back from newspaper printing to our web facility in Johannesburg. Tonnages ended down on the prior year by 6.7%. The brochure demand from the food and liquor retailers remains buoyant, but this was offset by significant declines in the technology and electronic retailers, who in some instances have ceased printing altogether. We firmly believe that retail brochure advertising collateral remains an important part of efficiently getting product range and price to a large proportion of our population, and this is borne out by the experiences of some major European retailers who have experimented with removing print from the advertising mix, only to suffer the consequence, which forced the return to this tried and tested format.

The largest decline in throughput was felt at our Durban gravure facility which, due to the nature of the printing process, has higher fixed costs when compared to our Johannesburg facility. The cash generating ability of this plant has declined and resulted in a reduction in the useful life of the assets and an impairment of R32.0 million. This will be reviewed on an ongoing basis.

It is encouraging to see the ability of the operations and employees to adjust the operating models to compensate for the throughput declines, and to post commendable results.

Book and magazine printing

The difficult trading environment continued into the second half of the financial year as the impact of the loss of the Media 24 magazine volumes took effect. This necessitated a further restructuring which is now complete. It was hoped that this would be compensated by increased education book demand from the proposed Foundation Phase curriculum rewrite, but this was delayed by the Department of Basic Education and is now expected to be in place for the start of the 2026 school year. This shift should help volume throughput in the first half of the new financial year.

The operation managed to increase market share in the general book, commercial and diary markets, but due to excess capacity in the market, this impacted margins negatively and overall profitability declined.

PACKAGING AND STATIONERY