

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")

PROPOSED PROVISION OF FINANCIAL ASSISTANCE TO FAMILY TRUSTS OF DIRECTORS

1. INTRODUCTION

Shareholders are advised that Caxton has entered into loan and subscription agreements in terms of which it will provide financial assistance to family trusts of two executive directors of the company in order for them to subscribe for ordinary shares in the company ("the agreements"). Full details of the agreements and the terms and conditions to which implementation of the proposed loans and subscriptions are subject are set out in this announcement.

2. THE AGREEMENTS

In terms of the agreements, the company will advance R57 million to each of the family trusts of Messrs TJW Holden and PG Greyling, respectively the Managing Director and Deputy Managing Director of the company ("the trusts"). The loans (together with own funds provided by each of the directors) will be utilised to subscribe for 4 000 000 ordinary shares each in the company at an issue price of R15,00 per share. The issue price was determined by reference to the market price of the shares (R14,79 per share) on 10 November 2014, the date on which the proposed transactions were agreed between the company and the directors. As at 8/9 June 2015, the dates on which the agreements between the parties were finalised, the market price per share was R18,35.

The loans will be interest free and repayments of R14,25 per share will be made as and when any shares are sold by the trusts. In addition, the trusts are able to make ad hoc payments at their discretion in reduction of the capital outstanding from time to time.

The entire capital or the balance outstanding, as the case may be, shall become due and payable 25 years from the date on which it is advanced, or 10 years from the date upon which the employment by the company of Greyling or Holden respectively terminates for any reason whatsoever, whichever is the earlier.

3. FINANCIAL ASSISTANCE

At the Annual General Meeting of the company held on 10 December 2014 ("the AGM"), shareholders granted the directors an authority in terms of section 44 of the Companies Act, 2008 ("the Act") to provide financial assistance for the subscription of shares by entities related or inter-related to the company. The grant of the authority specifically excluded the provision of such financial assistance to directors, and shareholder approval in a general meeting for this purpose is therefore required. Approval will be by way of a special resolution in terms of the Act, requiring a quorum at the meeting of 25% of the issued share capital of the company, with a 75% vote in favour of the resolution being achieved.

4. RELATED PARTY TRANSACTION

The transaction is classified as a small related party transaction in terms of the Listings Requirements of the Johannesburg Stock Exchange ("the JSE"), which does not require shareholder approval. The transaction however requires the issue of an opinion by an independent professional expert approved by the JSE to the effect that the terms of the transaction are fair as far as the shareholders of the company are concerned. A copy thereof will be included in the circular to shareholders referred to below.

5. SPECIFIC ISSUE OF SHARES FOR CASH

At the AGM shareholders granted the directors a general authority in terms of the Listings Requirements to issue shares in the company for cash. The authority is however limited to issues to public shareholders as defined in the Listings Requirements and as such precludes an issue to directors as contemplated and shareholder approval in a general meeting for this purpose is therefore required. Approval will be by way of a special resolution in terms of the Act, requiring a quorum at the meeting of 25% of the issued share capital of the company, with a 75% vote in favour of the resolution being achieved. A similar percentage vote in favour of the resolution is required in terms of the Listings Requirements.

6. FINANCIAL EFFECTS OF THE CORPORATE ACTION

The table below sets out the financial effects of the Corporate Action on Caxton's earnings per share, headline earnings per share, net asset value per share and tangible net asset value per share on the most recently published unaudited consolidated interim financial results of the company for the six months ended 31 December 2014. The financial effects are the responsibility of the directors of the company, are prepared for illustrative purposes only and, because of their nature, may not fairly present the financial position of the company, changes in its equity or the results of its operations or cash flows after the disposal. The proceeds of the Specific Issue will be added to the current financial resources of the company.

	Unaudited six months to 31 December				After the Corporate Action	Change %
	2014	Adjustments	Notes			
EPS (cents)	0,74	(0,02)	1		0,73	(2,1)
Diluted EPS (cents)	0,74	(0,02)	1		0,73	(2,1)
HEPS (cents)	0,65	(0,01)	1		0,64	(2,0)
Diluted HEPS (cents)	0,65	(0,01)	1		0,64	(2,0)
NAV per share (cents)	12,89	0,04	2		12,93	0,3
TNAV per share (cents)	12,89	0,04	2		12,93	0,3
Weighted average number of ordinary shares in issue ('000)	391 827,7	8 000	3		399 827,7	2,0
Ordinary shares in issue ('000)	391 827,7	8 000	3		399 827,7	2,0

Notes:

- Adjusted for estimated net interest gain of R105 000, estimated transaction costs of R500 000 and the issue of 8 million additional ordinary shares
- Adjusted for additional cash of R120 million, estimated transaction costs of R500 000 and the issue of 8 million additional ordinary shares
- Adjusted for the issue of 8 million additional ordinary shares

7. CIRCULAR TO SHAREHOLDERS

A circular to shareholders convening a general meeting at which the resolutions required to implement the transaction will be proposed, is being prepared and will, subject to the approval of the JSE, be dispatched to shareholders in due course.

By order of the board

Johannesburg
26 June 2015

Sponsor



Auditors



An instinct for growth™

Attorneys

