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

UNAUDITED PROVISIONAL GROUP RESULTS

FOR THE SIX MONTHS TO 31 DECEMBER 2020

	% Change	**Unaudited six months to 31 December 2020 R'000**	Unaudited six months to 31 December 2019 R'000	Audited year to 30 June 2020 R'000
Revenue	**(19.1)**	**2 702 441**	3 340 208	5 572 359
Profit from operating activities before depreciation and amortisation	**0.9**	**288 706**	286 032	350 301
Profit/(loss) for the period	**136.3**	**414 765**	175 531	(64 067)
Cash, cash equivalents and listed preference shares	**14.3**	**1 850 393**	1 618 292	1 790 460
Earnings/(loss) per ordinary share (cents)	**146.5**	**108,5**	44,0	(14,8)
Headline earnings per ordinary share (cents)	**(18.8)**	**36,8**	45,3	21,2
Net asset value per share (cents)	**1.1**	**1 479**	1 462	1 384
Ordinary dividend paid per share in respect of the previous year (cents)		**–**	60,0	60,0

Commentary

The current reporting period continued to be impacted by the effects of the COVID-19 pandemic and the resultant lockdown levels regulated by government. Even though the levels of lockdown relaxed over the period, the level of operating activity, on the whole, did not return to that of the prior year.

Revenues declined by R637.8 million (19.1%) to R2 702.4 million due to the closure of a number of operations, most significantly, the magazine publishing and distribution business (R250.1 million), whilst the ongoing operations faced reduced demand and saw their turnover being curtailed by R387.7 million (12.5%).

The impact of the revenue decline was mostly offset by the savings made in staff costs of R204.1 million (26.5%) and other costs of R261.6 million (35.0%), which resulted in profit from operating activities before depreciation increasing marginally (0.9%) to R288.7 million.

The group profit after taxation for the period was R414.8 million and included:

- The sale of our investment in associate companies Octotel (Pty) Ltd, our fibre to home operation, and RSAWeb (Pty) Ltd, our internet service provider, resulting in a profit on disposal of R399.3 million;
- Further impairment of plant and equipment (R64.6 million) due to the permanent decline in magazine and newspaper printing markets; and
- A decline in net finance income.

Cash, cash equivalents and listed preference shares increased from the year end by R59.9 million to R1 850.4 million which is a commendable performance taking into account the cash closure costs associated with the discontinued operations and the difficult trading environment.

The group managed to weather the initial impact of the pandemic and the lockdown on the economy and has emerged leaner, and more importantly, managed to conserve cash resources. The group has started to deploy some of its cash resources into investments that should yield a greater return and this is expected to bear fruit into the future.

Statement

This short-form announcement is the responsibility of the directors and is only a summary of the information in the full announcement and does not contain full or complete details. Any investment decisions by investors and/or shareholders should be based on a consideration of the full announcement.

The full announcement can be found on the company's website at:

https://www.caxton.co.za/about/announcements; and also on the following link:
https://senspdf.jse.co.za/documents/2021/JSE/ISSE/CAT/CATIR2021.pdf

and is available at the Company's registered office and the offices of the sponsor during office hours.

By order of the board

19 March 2021

Executive Directors:
TD Moolman, TJW Holden, LR Witbooi

Independent Non-Executive Directors:
PM Jenkins, ACG Molusi, NA Nemukula, J Phalane, T Slabbert

Transfer Secretaries:
Computershare Investor Services Proprietary Limited

Registered Office:
28 Wright Street, Industria West, Johannesburg

Sponsor: AcaciaCap Advisors Proprietary Limited

Company website: www.caxton.co.za

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