

CAXTON AND CTP PUBLISHERS AND PRINTERS LIMITED

Incorporated in the Republic of South Africa

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Preference share code: CATP ISIN: ZAE000043352

("Caxton" or "the Company")

ACQUISITION OF THE OPERATIONS OF AMCOR FLEXIBLES SOUTH AFRICA PROPRIETARY LIMITED

1. INTRODUCTION

The board of directors of Caxton is pleased to inform shareholders that on 31 March 2022, CTP Limited ("CTP"), a wholly owned subsidiary of the Company, concluded an agreement (the Agreement") for the acquisition, as a going concern, of the Amcor Cape Town Bag in Box and Pouching operations and the Amcor Port Elizabeth operations in South Africa of Amcor Flexibles South Africa Proprietary Limited ("Amcor").

2. THE ACQUISITION

In terms of the Agreement, Amcor will sell its operations and properties in Cape Town and Port Elizabeth to CTP for a cash consideration of R90m. The acquisition constitutes a large merger and is subject to approval by the Competition Authorities. The acquisition, however, falls below the threshold for categorisation of transactions in terms of the JSE Listings Requirements. Given that there are no material product overlaps between Amcor's businesses and CTP, there are unlikely to be any competition impediments to the approval of the transaction.

The Amcor operation in Cape Town produces bag-in-a-box bladders and is a complementary, natural fit with the CTP cartons operation in Epping that produces bag-in-a-box cartons for the wine industry, a sector which is showing increasing growth. A further benefit is that the Amcor Cape Town factory is almost adjacent to CTP's flexibles business in Ndabeni.

The Amcor operation in Port Elizabeth extrudes film, slits and embosses liners for the automotive tyre industry and has produced consistent results for the past few years.

3. MOTIVATION FOR THE ACQUISITION AND PROSPECTS

The acquisition continues CTP's strategic intent to entrench its footprint in the South African packaging landscape by expanding on its existing packaging product portfolio.

The CTP packaging portfolio has experienced recent pleasing growth and this acquisition, together with increases in wet-glue beer label demand and other innovations in folding cartons, is expected to contribute a substantial increase in CTP's turnover in the packaging division in the next financial year.

Caxton continues to expand its packaging horizons. It has increased its shareholding in Mpact, the listed packaging group, to 34% as a prelude to an intended merger transaction, for which Caxton is seeking competition approval.

Johannesburg

5 April 2022

Sponsor

AcaciaCap Advisors Proprietary Limited