Taking Brands Beyond Borders

Summarised Consolidated Financial Statements
for the year ended 31 December 2023

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Commentary

Nature of business

CA Sales Holdings Limited ("CA&S", "the group" or "the company") is a collective of fully integrated fast-moving consumer goods businesses operating in Africa. We offer route-to-market solutions for some of the world's most-loved consumer brands.

The group collaborates with clients, taking brands beyond borders and navigating the supply chain to reach stores, shelves, baskets and trollies. We ensure availability and visibility to African shoppers, including promoting the brands. Working closely with clients, we address trade obstacles, enhance shelf presence and safeguard market shares.

CA&S operates in several southern and East African countries. Our service solutions include selling and distributing fast-moving consumer goods as well as services such as retail execution and advisory, retail support, technology and data solutions, and training.

Financial highlights

CA&S is pleased to announce satisfying annual results for the year ended 31 December 2023. This is the result of the deliberate implementation and execution of the group's growth strategy.

Revenue increased by 19.4% to R11.32 billion on the prior year (2022: R9.48 billion). Revenue growth was driven by organic growth, acquisitions, expansion into new regions as well as the on-boarding of new clients to the group's portfolio. As a result, gross profit increased by 21.1% to R1.72 billion (2022: R1.42 billion).

The positive top line growth together with the gain on bargain purchase, contributed to the increase of 40.7% in operating profit for the group to R747.31 million (2022: R531.07 million). Headline earnings increased by 28.0% to R464.82 million (2022: R363.19 million). Headline earnings per share increased by 25.3% to 97.97 South African cents ("cents") per share (2022: 78.21 cents per share). Earnings per share increased by 59.5% to 125.22 cents per share (2022: 78.53 cents per share).

Total assets increased by 26.0% to R5.2 billion due to the increase in fixed and intangible assets as a result of business combinations as well as increased working capital due to increased revenue. The strong cash flow generated from operations contributed to a healthy increase in cash resources from R735.8 million to R1 062.0 million at 31 December 2023.

CA&S acquired 100% of the share capital of T&C Properties Namibia (Pty) Ltd and Taeuber and Corssen (Pty) Ltd for R65.0 million, collectively known as the T&C Group. T&C Group is a distribution and retail execution business based in Namibia. As a result of this acquisition, the group increased its footprint in Namibia. The transaction resulted in a gain on bargain purchase value of R123.6 million.

CA&S also acquired all the operations of MarketMax (Pty) Ltd, a sales and merchandising business, for R11.5 million. Contracts acquired are with clients who retail their brands in the pharmaceutical channel. This acquisition is in line with the group's channel broadening strategy.

The group increased its shareholding in Smithshine Enterprises (Pty) Ltd with 5% to 100%, in exchange for CA&S shares, to the value of R3.8 million.

The dividend declared increased by 27.4% to 19.56 cents per share (2022: 15.35 cents).

Outlook

Despite the challenging global economic landscape, marked by adverse conditions and persistent inflation, CA&S remains steadfast in its resilience and strategic positioning. With a robust balance sheet, a widespread geographical footprint across Africa, as well as a portfolio marked by diversification, the group is poised to deliver favourable results for the year ahead. CA&S' growth strategy of expanding its services to existing and new clients, channel broadening, expansion into new geographies, coupled with value-adding acquisitions, will help ensure the group remains firmly on course to attain its growth aspirations.

Highlights

REVENUE (Rm)

19.4%
INCREASE

'23	11 322
'22	9 485
'21	8 028

OPERATING PROFIT (Rm)

40.7%
INCREASE

'23	747
'22	531
'21	401

EARNINGS PER SHARE (cents)

59.5%
INCREASE

'23	125.22
'22	78.53
'21	58.05

HEADLINE EARNINGS PER SHARE (cents)

25.3%
INCREASE

'23	97.97
'22	78.21
'21	59.61

DIVIDEND DECLARED PER SHARE (cents)

27.4%
INCREASE

'23	19.56
'22	15.35
'21	11.77

Summarised **consolidated statement** of **financial position**

	Notes	Audited at 31 Dec 2023 R'000	Audited at 31 Dec 2022 R'000
Assets			
Non-current assets		**1 360 880**	1 207 317
Property, plant and equipment		**770 727**	636 272
Investment properties	5	**8 999**	–
Intangible assets		**512 197**	500 369
Investments accounted for using the equity method		**28 872**	30 664
Deferred income tax assets		**40 085**	40 012
Current assets		**3 791 682**	2 883 289
Inventories		**990 804**	759 838
Trade and other receivables		**1 712 494**	1 382 839
Income tax receivable		**10 133**	4 763
Cash and cash equivalents		**1 061 982**	735 849
Assets available for sale	6	**16 269**	–
Total assets		**5 152 562**	4 090 606
Equity and liabilities			
Equity		**2 732 885**	2 174 893
Stated capital	7	**955 797**	949 342
Other reserves		**47 553**	23 437
Retained earnings		**1 703 149**	1 178 186
		2 706 499	2 150 965
Non-controlling interest		**26 386**	23 928
Liabilities			
Non-current liabilities		**335 708**	331 161
Borrowings		**310 581**	322 825
Deferred income tax liabilities		**25 127**	8 336
Current liabilities		**2 083 969**	1 584 552
Trade and other payables		**1 313 966**	1 039 767
Employee benefits and other provisions		**172 869**	173 362
Income tax payable		**30 298**	8 900
Borrowings		**566 836**	362 523
Total liabilities		**2 419 677**	1 915 713
Total equity and liabilities		**5 152 562**	4 090 606

Summarised **consolidated statement of comprehensive income**

	Notes	Audited Year ended 31 Dec 2023 R'000	Audited Year ended 31 Dec 2022 R'000
Revenue from contracts with customers		**11 322 024**	9 485 361
Cost of sales		**(9 596 848)**	(8 061 272)
Gross profit		**1 725 176**	1 424 089
Other operating expenses		**(1 139 667)**	(918 570)
Net impairment gains/(losses) on financial assets		**3 593**	(5 276)
Other operating income		**147 854**	17 096
Share of profit of investments accounted for using the equity method		**10 356**	13 732
Operating profit	8	**747 312**	531 071
Finance income		**68 068**	20 644
Finance costs		**(56 531)**	(33 580)
Profit before income tax		**758 849**	518 135
Income tax	9	**(154 361)**	(139 539)
Profit for the year		**604 488**	378 596
Other comprehensive income to be subsequently reclassified to profit or loss:			
Currency exchange differences on translation of foreign operations net of taxation		**25 209**	(17 071)
Total comprehensive income for the year		**629 697**	361 525
Profit attributable to:			
– Owners of the parent		**594 150**	364 677
– Non-controlling interest		**10 338**	13 919
Total profit for the year		**604 488**	378 596
Total comprehensive income attributable to:			
– Owners of the parent		**618 921**	347 524
– Non-controlling interest		**10 776**	14 001
Total comprehensive income for the year		**629 697**	361 525
Earnings per share for profit attributable to the owners of the parent			
Basic earnings per share (cents)		**125.22**	78.53
Diluted earnings per share (cents)		**122.90**	77.78

Summarised **consolidated statement** of **changes in equity**

	Stated capital R'000	Other reserves R'000	Retained earnings R'000	Total attributable to the owners R'000	Non-controlling interest R'000	Total equity R'000
Balance as at 31 December 2021 (Audited)	894 379	41 967	839 030	1 775 376	40 326	1 815 702
Profit for the year	–	–	364 677	364 677	13 919	378 596
Other comprehensive income for the year:						
Currency translation differences net of taxation	–	(17 615)	–	(17 615)	82	(17 533)
Transactions with owners:						
Transactions with non-controlling interest	52 275	462	22 127	74 864	(27 383)	47 481
Share options exercised	2 688	–	–	2 688	–	2 688
Share based payment cost of share options exercised	–	(932)	–	(932)	–	(932)
Share-based payment costs	–	6 218	–	6 218	–	6 218
Transfer remaining cost of share options exercised	–	(5 567)	5 567	–	–	–
Transfer cost of forfeited share options	–	(1 096)	1 096	–	–	–
Acquisition of subsidiary	–	–	–	–	3 400	3 400
Dividends paid	–	–	(54 311)	(54 311)	(6 416)	(60 727)
Balance as at 31 December 2022 (Audited)	**949 342**	**23 437**	**1 178 186**	**2 150 965**	**23 928**	**2 174 893**
Profit for the year	**–**	**–**	**594 150**	**594 150**	**10 338**	**604 488**
Other comprehensive income for the year:						
Currency translation differences net of taxation	**–**	**24 771**	**–**	**24 771**	**438**	**25 209**
Transactions with owners:						
Transactions with non-controlling interest	**3 822**	**–**	**(541)**	**3 281**	**(3 281)**	**–**
Share options exercised	**3 339**	**(7 802)**	**4 011**	**(452)**	**–**	**(452)**
Share-based payment costs	**–**	**6 921**	**–**	**6 921**	**–**	**6 921**
Share buy back	**(706)**	**–**	**–**	**(706)**	**–**	**(706)**
Acquisition of subsidiary	**–**	**–**	**–**	**–**	**1 308**	**1 308**
Foreign currency translation reclassified to comprehensive income	**–**	**226**	**–**	**226**	**–**	**226**
Dividends paid	**–**	**–**	**(72 657)**	**(72 657)**	**(6 345)**	**(79 002)**
Balance as at 31 December 2023 (Audited)	**955 797**	**47 553**	**1 703 149**	**2 706 499**	**26 386**	**2 732 885**

	31 Dec 2023	31 Dec 2022
Dividends paid per share (cents)	**15.35**	**11.77**

Summarised **consolidated statement** of **cash flows**

	Notes	Audited year ended 31 Dec 2023 R'000	Audited Restated* year ended 31 Dec 2022 R'000
Cash flows from operating activities			
Cash generated from operations	10	**533 734**	458 315
Interest paid		**(56 531)**	(33 405)
Income taxes paid		**(134 876)**	(148 405)
Net cash generated from operating activities		**342 327**	276 505
Cash flow from investing activities			
Acquisition of subsidiaries		**(71 351)**	1 642
Additions to property, plant and equipment		**(70 974)**	(50 894)
Additions to intangible assets		**(686)**	(34)
Proceeds from disposal of property, plant and equipment		**21 284**	9 202
Loans repaid by associated companies		**–**	375
Dividends received		**2 358**	2 623
Interest received		**68 057**	20 644
Net cash outflow from investing activities		**(51 312)**	(16 442)
Cash flow from financing activities			
Consideration received from share options exercised		**3 339**	2 688
Share buy back		**(706)**	–
Transactions with non-controlling interest		**–**	(8 245)
Dividends paid		**(72 648)**	(54 311)
Dividends paid to non-controlling interest		**(6 345)**	(6 416)
Repayments of borrowings		**(5 258 098)**	(4 313 065)
Proceeds from borrowings		**5 355 564**	4 241 911
Net cash inflow/(outflow) from financing activities		**21 106**	(137 438)
Net increase in cash and cash equivalents		**312 121**	122 625
Effects of exchange rate changes on cash and cash equivalents		**14 012**	(42 724)
Cash and cash equivalents at beginning of the year		**735 849**	655 948
Cash and cash equivalents at end of the year		**1 061 982**	735 849

** Prior year restated to exclude the overdraft from cash and cash equivalents and include the repayments of, and proceeds from overdrafts under cash flows from financing activities.*

Summarised **segmental results**

The group's chief operating decision makers ("CODM"), consisting of the chief executive officer and the chief financial officer, examine the group's performance from a geographical perspective. The group's reportable segments are operating segments that are differentiated by the country of operation. The segments that individually do not meet the qualitative thresholds indicated in IFRS 8 *Operating Segments*, have been aggregated under the heading "other countries" and include Lesotho, Mauritius, Zambia and Zimbabwe.

The group evaluates the performance of its reportable segments based on revenue and operating profit ("EBIT and adjusted EBITDA"). The intersegment sales and transfers are included in the values per segment and eliminated on the intersegmental transactions line.

The segments derive their revenues from selling and distributing fast-moving consumer goods as well as services such as retail execution and advisory, retail support, training and technology and data solutions.

	Audited year ended 31 Dec 2023 R'000	Audited year ended 31 Dec 2022 R'000
Segmental revenue		
Botswana	**5 707 433**	5 131 061
Eswatini	**1 690 815**	1 451 095
Namibia	**2 124 829**	1 413 194
South Africa	**1 532 141**	1 374 252
Other countries	**266 806**	115 759
	11 322 024	9 485 361
Segmental EBIT		
Botswana	**269 466**	224 081
Eswatini	**145 353**	108 626
Namibia	**181 716**	43 999
South Africa	**150 271**	144 494
Other countries	**252**	9 982
Intersegmental transactions	**254**	(111)
	747 312	531 071
Segmental adjusted EBITDA		
Botswana	**294 392**	246 828
Eswatini	**159 834**	122 643
Namibia	**79 770**	60 146
South Africa	**183 381**	174 141
Other countries	**5 896**	13 229
Intersegmental transactions	**254**	(111)
	723 527	616 876
Reconciliation from adjusted EBITDA to profit after tax:		
Adjusted EBITDA	**723 527**	616 876
Depreciation & amortisation	**(99 787)**	(85 805)
Gain on bargain purchase (relating to the Namibia segment)	**123 572**	–
EBIT	**747 312**	531 071
Net finance income/(cost)	**11 537**	(12 936)
Taxation	**(154 361)**	(139 539)
Profit after tax	**604 488**	378 596

Summarised **segmental results** continued

	Audited at 31 Dec 2023 R'000	Audited at 31 Dec 2022 R'000
Segmental assets		
Botswana	**2 572 708**	2 253 596
Eswatini	**625 643**	467 924
Namibia	**793 207**	407 714
South Africa	**1 222 694**	944 110
Other countries	**197 089**	102 903
Intersegmental transactions	**(258 779)**	(85 641)
	5 152 562	4 090 606
Segmental liabilities		
Botswana	**1 333 238**	1 172 876
Eswatini	**279 498**	149 748
Namibia	**523 131**	301 888
South Africa	**359 386**	298 520
Other countries	**183 203**	78 322
Intersegmental transactions	**(258 779)**	(85 641)
	2 419 677	1 915 713

Reconciliation between **profit after taxation attributable to the owners of the parent** and **headline earnings**

	Audited year ended 31 Dec 2023 R'000	Audited year ended 31 Dec 2022 R'000
Profit after taxation attributable to the owners of the parent	**594 150**	364 677
Gain on bargain purchase	**(123 572)**	–
Profit on sale of property, plant and equipment	**(5 376)**	(3 332)
Fair value gain on assets available for sale	**(544)**	–
Insurance proceeds for stolen computer equipment	**(48)**	–
Fair value (gain)/loss on step-up acquisition	**(149)**	809
Tax effect on above	**290**	918
Non-controlling interest on above	**68**	122
Headline earnings attributable to owners of the parent	**464 819**	363 194
Headline earnings per share (cents)	**97.97**	78.21
Diluted headline earnings per share (cents)	**96.15**	77.46
Issued number of shares	**475 380 961**	473 337 178
Weighted average number of shares	**474 469 254**	464 408 671
Weighted average number of diluted shares	**483 439 768**	468 878 067

Notes to the summarised **consolidated annual financial statements**

1. Basis of preparation and accounting policies

The summarised consolidated annual financial statements for the year ended 31 December 2023, have been prepared and presented in accordance with the framework concepts and the measurement and recognition requirements of International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB"), interpretations issued by the IFRS Interpretations Committee ("IFRIC"), the information as required by International Accounting Standards ("IAS") 34 – *Interim Financial Reporting* and the South African Companies Act, No. 71 of 2008, the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and the Financial Pronouncements as issued by the Financial Reporting Standards Council. The Botswana Stock Exchange ("BSE") and the JSE Limited ("JSE") Listings Requirements were also taken into consideration in the presentation. This financial report is an extract from the consolidated audited annual financial statements.

The accounting policies applied in the preparation of the consolidated annual financial statements are in terms of IFRS and are consistent with those accounting policies applied in the preparation of the previous year's consolidated annual financial statements. The directors take full responsibility for the preparation of the summarised consolidated annual financial statements and that the financial information has been correctly extracted from the underlying consolidated audited annual financial statements.

The financial information is presented in South African Rand (rounded to the nearest thousand), which is considered the reporting currency. The summarised consolidated annual financial statements have been prepared under the supervision of the chief financial officer, Mr Frans Reichert CA(SA). This financial report has not been audited by Deloitte & Touche. These summarised consolidated annual financial statements for the year ended 31 December 2023 were approved for issue by the board on 27 March 2024.

2. New and amended standards adopted by the group

There are no new and amended standards relevant to the group that were implemented for the first time for its annual reporting period commencing 1 January 2023, apart from the below:

- Disclosure of accounting policies – amendments to IAS 1 and IFRS *Practise statement 2*
- Definition of accounting estimates – amendments to IAS 8
- Deferred tax related to assets and liabilities arising from a single transaction – amendments to IAS 12

Certain new accounting standards and interpretations have been published, that are not mandatory for 31 December 2023 reporting periods and have not been early adopted by the group. These standards are not expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

3. Fair value estimation of financial instruments

Financial instruments consist of trade receivables, bank and cash balances, borrowings and other payables resulting from normal business operations. The nominal value less loss allowance of trade receivables and the nominal value of payables are assumed to approximate their fair values.

4. Business combinations

Acquisition of subsidiaries

On 2 January 2023, Wutow Trading (Pty) Ltd, a fully owned subsidiary of CA Sales Holdings Ltd, acquired 100% of the share capital of T&C Properties Namibia (Pty) Ltd and Taeuber and Corssen (Pty) Ltd for R65.0 million, collectively known as the T&C Group. T&C Group is a distribution and retail execution business based in Namibia. As a result of the acquisition, the group increased its footprint in Namibia. The transaction resulted in a gain on bargain purchase value of R123.6 million. Transaction costs relating to the acquisition, in the form of Namibia Competition Commissioner and professional fees, amounted to R4.2 million. These costs were expensed.

The following table summarised the purchase consideration paid for the T&C Group and the fair value of assets acquired and liabilities assumed, at the acquisition date:

Notes to the summarised **consolidated annual financial statements** continued

	2023 R'000
Cash paid	65 000
Total purchase consideration	65 000
Recognised amounts of identifiable assets acquired and liabilities assumed:	
Cash and cash equivalents	3 880
Property, plant and equipment	87 542
Investment properties	24 477
Inventories	52 801
Trade and other receivables	156 580
Income tax receivable	1 361
Trade and other payables	(125 584)
Deferred tax liability	(10 792)
Borrowings	(1 693)
Total identifiable net assets	188 572
Gain on bargain purchase	(123 572)
Net assets acquired	65 000
Cash flow on acquisition	
Purchase consideration – cash paid	65 000
Cash and cash equivalents acquired	(3 880)
Net cash outflow – investing activities	61 120

The gain on purchase arose as a result of the fair value of net assets acquired, exceeding the purchase price. The operations were loss making for the past few years and the seller took a strategic decision to exit the Namibia market. The gain on bargain purchase is included in other operating income in the statement of comprehensive income, but excluded from headline earnings.

Logico Unlimited (Pty) Ltd, a wholly owned subsidiary of CA Sales Holdings Ltd, gained control over Takbro Logistic (Pty) Ltd by acquiring a further 11%, in May 2023, for R0.4 million. The subsidiary was consolidated from June 2023. The net cash inflow from this transaction was R1.3 million.

Acquisition of operations

In June 2023, Brand Support Services (Pty) Ltd, an indirect subsidiary of CA Sales Holdings Ltd, acquired all the operations of MarketMax (Pty) Ltd, a sales and merchandising business, for R11.5 million. Contracts acquired are with clients who retail their brands in the pharmaceutical channel. The acquisition is in line with the group's channel broadening strategy.

Goodwill of R5.6 million arose as a result of the business value, derived from the net present value of expected future cash flows, exceeding the fair value of assets acquired. Goodwill is not expected to be deductible for tax purposes. The intangible assets relate to the fair value of the customer list. This will be amortised over a period of three years.

5. Investment properties

At the acquisition of the T&C Group, investment properties were fair valued based on an unbinding offer to purchase, at that date. The group engaged external experts in July 2023 to value the properties using the income capitalisation method. The properties include a vacant land, warehouse and office buildings in Ongwediwa, Namibia. The properties were valued at R14 million, which is higher than the book value and therefore no depreciation was provided for the financial year.

6. Assets available for sale

Assets classified as available for sale include investment properties and equipment included in the Namibia segment. These assets do not currently align with the group's long-term strategy. There are no businesses classified as available for sale. The disposal of these properties is most likely expected to occur within the next 12 months and, therefore, have been classified as available for sale. The proceeds from disposal are expected to exceed or equal the book value of the assets. Assets that are available for sale are not depreciated.

7. Shares issued

510 904 shares were issued in December 2023 to a minority shareholder of Smithshine Enterprises (Pty) Ltd in exchange for a 5% increase in shareholding of that subsidiary.

During May 2023, share options were exercised by directors of the company and executives of the subsidiaries of the group.

Notes to the summarised **consolidated annual financial statements** continued

The board proposed the implementation of an odd-lot offer to facilitate the reduction in the number of odd-lot holders in a fair manner, which resulted in the repurchase by the company of the odd-lot holdings from the odd-lot holders at the offer price. This reduced the administrative time and costs associated with the large number of odd-lot holders. The repurchase of the shares amounted to R0.7 million and paid to odd-lot holders on 24 July 2023.

The impact is as follows:

	Number	R'000
Balance at beginning of the year	473 337 178	949 342
Share buy back	(100 025)	(706)
Shares issued	510 904	3 822
Share options exercised	1 632 904	3 339
Balance at end of the year	**475 380 961**	**955 797**

8. Operating profit

Profit for the year includes the following item that is unusual because of its nature and size:

	31 Dec 2023 R'000	31 Dec 2022 R'000
Gains		
Gain on bargain purchase	123 572	–

9. Income tax

Income tax expense is recognised based on management's estimate of the weighted average effective annual income tax rate expected for the financial year. The estimated average annual tax rate used for the year to 31 December 2023 is 20.3%, compared to 26.9% for the year ended 31 December 2022.

Below a reconciliation of the effective tax rate:

	31 Dec 2023 R'000	%	31 Dec 2022 R'000	%
Profit before income tax	758 849		518 135	
Normal taxation	204 889	27.0%	145 078	28.0%
Gain on bargain purchase	(39 543)	(5.2%)	–	–
Utilisation of assessed tax losses	(8 852)	(1.2%)	–	–
Non-taxable learnerships and employment tax incentives	(21 260)	(2.8%)	(7 327)	(1.4%)
Other tax adjustments	3 742	0.5%	(5 706)	(1.1%)
	138 976	18.3%	132 045	25.5%
Withholding tax	15 385		7 494	
	154 361	20.3%	139 539	26.9%

Notes to the summarised **consolidated annual financial statements** continued

10. Cash generated from operations

	31 Dec 2023 R'000	31 Dec 2022 R'000
Profit before income tax	**758 849**	518 135
Adjustments for:		
Depreciation	**95 722**	83 246
Amortisation	**4 065**	2 559
Net profit on disposal of property, plant and equipment	**(5 376)**	(3 332)
Finance income	**(68 068)**	(20 644)
Finance costs	**56 531**	33 580
Fair value adjustments on contingent consideration	**6 000**	–
Fair value (gain)/loss on step-up acquisition	**(149)**	809
Fair value gain on assets available for sale	**(544)**	–
Impairment (gains)/losses on financial assets	**(3 593)**	5 276
Gain on bargain purchase	**(123 572)**	–
Share of profits from associated companies	**(10 356)**	(13 732)
Share-based payments	**6 921**	6 218
Net loss/(profit) on termination of lease agreements	**73**	(340)
Unrealised foreign exchange losses	**10 552**	347
Write off of balances during unwinding of operation	**–**	(2 899)
Other	**289**	(78)
Payment on share options exercised	**(3 791)**	(932)
	723 553	608 213
Inventories	**(160 638)**	(181 487)
Trade and other receivables	**(159 991)**	(123 689)
Trade and other payables	**137 660**	82 086
(Decrease)/increase in employee benefits and other provisions	**(6 850)**	73 192
Changes in working capital	**(189 819)**	(149 898)
Cash generated from operations	**533 734**	458 315

11. Events after balance sheet date

On 22 March 2024, CA Sales Investments (Pty) Ltd, a wholly owned subsidiary of CA Sales Holdings Ltd, purchased 49% of the share capital of Roots Sales (Pty) Ltd ("Roots") for R70 million. Roots is domiciled in South Africa and service the informal market in the country, which is a channel broadening acquisition for the CA&S Group.

12. Restatement of statement of cash flows

The group reassessed the classification principles regarding bank overdrafts in the statement of cash flows to comply with IAS 7 par. 8. The overdraft was disclosed as cash and cash equivalents in the prior year. The overdraft has now been disclosed as part of cash from financing activities as it is part of the capital structure of the group. This resulted in a restatement of the comparative statement of cash flows and related notes for the year ended 31 December 2022.

This restatement does not impact the statement of financial position, the statement of profit or loss or the statement of changes in equity.

Notes to the summarised **consolidated annual financial statements** continued

Included below is the impact of the restatement as discussed above on the statement of cash flows:

	As previously presented Audited 2022 R'000	Adjusted R'000	Restated Audited 2022 R'000
Repayments of borrowings	(83 247)	(4 229 818)	(4 313 065)
Proceeds from borrowings	32	4 241 879	4 241 911
Net cash outflow from financing activities	(149 499)	12 061	(137 438)
Net increase in cash and cash equivalents	110 564	12 061	122 625
Effects of exchange rate changes on cash and cash equivalents	(3 499)	(39 225)	(42 724)
Cash and cash equivalents at the beginning of the year	344 072	311 876	655 948
Cash and cash equivalents at the end of the year	451 137	284 712	735 849

13. Dividend declaration

Notice is hereby given that the final gross ordinary share cash dividend of 19.56 (2022: 15.35) South African cents ("cents") (or Botswana thebe equivalent) per share in respect of the year ended 31 December 2023 was declared by the board, from income reserves, on Wednesday, 27 March 2024. In line with the group's dividend policy, the dividend was maintained at 20% of the headline earnings. The dividend declaration salient dates are as follows:

Declaration date	Wednesday, 27 March 2024
Last day to trade cum dividend	Tuesday, 16 April 2024
Trading ex-dividend commences	Wednesday, 17 April 2024
Record date	Friday, 19 April 2024
Payment date	Monday, 22 April 2024

The South African register will be closed for the purposes of dematerialisation, re-materialisation from Wednesday, 17 April 2024 to Friday, 19 April 2024, both dates inclusive, and for transfers between the South African and Botswana registers between Wednesday, 17 April 2024 and Friday, 19 April 2024, both dates inclusive.

For shares held on the South African register, the cash consideration in itself will be exempt from income tax as it constitutes a dividend. The cash consideration will generally give rise to a liability for dividends tax at the rate of 20% in accordance with the Income Tax Act, No. 58 of 1962, as amended. A shareholder who does not qualify for an exemption from the dividends tax will receive a net dividend of 15.648 cents per share.

The exchange rate applicable for the conversion of South African rand to Botswana pula, tax implications and other information on the payment to shareholders on the Botswana register will be confirmed in a separate announcement to be released on BSE X-news and the JSE SENS on Wednesday, 3 April 2024, being the finalisation date.

The number of issued shares at the declaration date is 475 380 961. The tax registration number of the group is 9390266170.

Shareholders must take individual advice as to applicable taxes.

The dividend is paid from South Africa.

14. Audit opinion

The annual financial statements were audited by the group's auditors, Deloitte & Touche, who expressed an unqualified audit opinion thereon. The full audit opinion, including any key audit matters, is available on the group's website at https://casholdings.co.za/investor-relations/ together with the group annual financial statements.

Any reference to future financial performance included in this announcement has not been reviewed or reported on by the group's external auditors.

For and on behalf of the board

Chairperson: JA Holtzhausen

Chief executive officer: DS Lewis

Centurion
27 March 2024

Corporate **information**

Incorporated in the Republic of South Africa
Company registration number: 2011/143100/06
Registered as an external company in the Republic of Botswana
Botswana registration number: BW00001085331
JSE share code: CAA
BSE share code: CAS-EQO
ISIN: ZAE400000036

Directors

Executive: DS Lewis, FJ Reichert

Independent non-executive: FW Britz, LR Cronje, JA Holtzhausen, B Marole, E Masilela, B Mathews, JS Moakofi, B Patel

Alternate non-executive: J Craven

Registered office

1st Floor Building C, Westend Office Park, 254 Hall Street, Centurion, South Africa, 0154

BSE Sponsoring broker

Imara Capital Securities (Pty) Ltd, Office 3A, 3rd Floor, Masa Centre, Plot 54353, New CBD, Gaborone, Botswana

JSE Sponsor

PSG Capital (Pty) Ltd, 1st Floor, Ou Kollege Building, 35 Kerk Street, Stellenbosch, South Africa and at Suite 1105, 11th Floor, Sandton Eye Building, 126 West Street, Sandton, South Africa