Taking Brands Beyond Borders

Integrated report 2023 **for the year ended 31 December**

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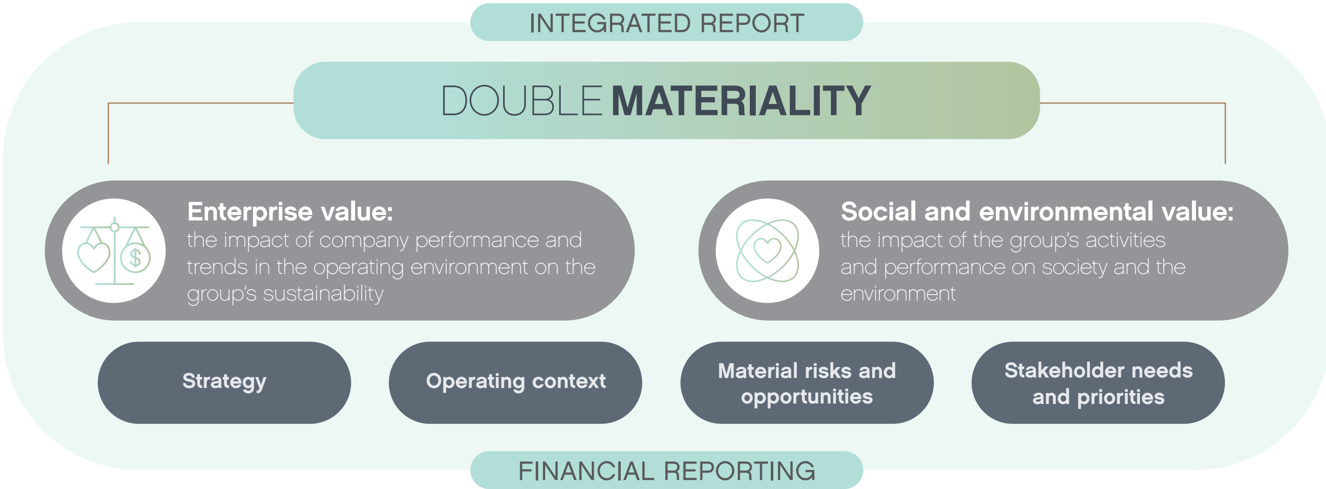
About this **report**

INTRODUCTION

The CA&S Group is a collective of fast-moving consumer goods (FMCG) businesses operating in Africa. The group offers 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. The group listed on the Botswana Stock Exchange (BSE) in 2017 and has held a dual primary listing on the JSE Limited (JSE), since June 2022.



OBJECTIVE OF THE REPORT

The aim of the CA&S 2023 Integrated Report (IR) is to offer a comprehensive assessment of our ability to create and preserve value in the short, medium, and long term. The report provides insights into the group's strategic direction, business model, operating environment, significant risks, governance structure, financial performance and sustainability initiatives for the period spanning from 1 January to 31 December 2023.

INTEGRATED THINKING AND MATERIALITY

We acknowledge the intricate interplay of different internal and external factors and recognise their influence on our capacity to generate sustainable value. Integrated thinking therefore serves as the foundation for our cohesive decision-making and the measures we undertake to guarantee sustainable value creation, permeating every aspect of our operations. Aligned with this is our approach to materiality, a concept that lays the foundation for our reporting. The concept of "materiality" serves as the basis for our reporting strategy, which focuses on issues that are important to both the group and our key stakeholders.

REPORTING FRAMEWORKS

In preparing this report, we have adhered to the guidelines set out in the International Sustainability Standards Board's International <IR> Framework while also incorporating the principles and practices outlined in the King IV Report on Corporate Governance for South Africa, 2016 (King IV™). Furthermore, our consolidated annual financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS), the South African Companies Act, and the Listings Requirements of the JSE and BSE.

REPORTING SCOPE AND BOUNDARY

As the integrated and sustainability reporting landscape evolves, we remain committed to enhancing our disclosures. This report covers the primary operations of the CA&S Group's subsidiaries and associates located in Africa. The report encompasses both financial and non-financial disclosures. While it caters primarily to investors, it presents pertinent information to other key stakeholders, such as our employees, clients, regulators and society. Financial information is reported in South African Rand, unless otherwise stated.

Navigation icons

SIX CAPITALS

- Financial capital
- Intellectual capital
- Manufactured capital
- Natural capital
- Social capital
- Human capital

OUR SERVICE OFFERING

- Warehousing and distribution
- Retail execution and advisory services
- Retail support services
- Technology and data solutions
- Training

About this **report** continued

COMBINED ASSURANCE

We aim to provide our stakeholders with disclosures that are not only meaningful but also accurate, comprehensive, transparent and balanced. The process of determining and approving these disclosures involves the active participation of the board, its committees and the executive team. Deloitte & Touche independently assured our 2023 annual financial statements.

Nature **of information**

- Auditing of our annual financial statements
- Material sustainability information
- Financial, operating, compliance and risk management controls

Assurance **providers**

- External auditors: Deloitte & Touche
- Internally approved by the board as recommended by the Social and Ethics Committee
- Internal control functions, overseen by the Audit and Risk Committee

FORWARD-LOOKING STATEMENTS

This report includes forward-looking statements pertaining to the group's operating environment, outlook, and operations. These statements are subject to risks and uncertainties, and various factors could lead to significantly different outcomes than initially anticipated. The forward-looking statements in this report have not been audited by our external auditors.

RESPONSIBILITY AND APPROVAL

The board recognises its responsibility for upholding the integrity of this report. Following extensive discussions with the executive team, the board is satisfied that this report encompasses all material issues pertinent to the group's capacity to sustain and create value. The report also presents a fair and comprehensive account of the integrated performance of the group. The board formally approved this report on 30 April 2024.

Johan Holtzhausen
Independent non-executive Chairperson

Duncan Lewis
Chief executive officer

Frans Reichert
Chief financial officer

Badal Patel
Independent non-executive

Blackie Marole
Independent non-executive

Bridgitte Mathews
Independent non-executive

Elias Masilela
Lead Independent non-executive

Frans Britz
Independent non-executive

Leon Cronje
Independent non-executive

Shiellah Moakofi
Independent non-executive

Our financial and **non-financial milestones**

	OPERATING PROFIT (Rm)	REVENUE (Rm)	HEADLINE EARNINGS PER SHARE (cents)	EARNINGS PER SHARE (cents)	DIVIDEND DECLARED PER SHARE (cents)
	40.7% INCREASE	19.4% INCREASE	25.3% INCREASE	59.5% INCREASE	27.4% INCREASE
'23	747	11 322	97.97	125.22	19.56
'22	531	9 485	78.21	78.53	15.35
'21	401	8 028	59.61	58.05	11.77

EMPLOYEES

R1.539 billion
paid in wages and salaries
(2022: R1.336 billion)

15 268
employment opportunities in Southern Africa
(2022: 13 506)

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CLIENTS, CUSTOMERS AND CONSUMERS

Route-to-market solutions delivered in more than

19 840
outlets and stores
(2022: 11 600)

1 500
consumer goods brands represented

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COMMUNITY

R5.4 million
CSI spent in 2023
(2022: R4.3 million)

51
charitable organisations/ initiatives supported
(2022: 42)

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Introducing **CA&S** Group

Who we are and **what we do**

The CA&S Group is a collective of fully integrated FMCG businesses operating in Africa. We provide route-to-market solutions for some of the world's most-loved consumer brands.

The group collaborates with clients, delivering brands across borders and navigating the supply chain to reach stores, shelves, baskets and trollies. We ensure availability for and visibility to African shoppers, including promoting the brands.

Working closely with clients, we address trade obstacles, enhance shelf presence and safeguard market shares.

OUR SERVICE SOLUTIONS

The CA&S Group 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, training and technology and data solutions.

We provide specialist services in **five key areas:**

01 WAREHOUSING AND DISTRIBUTION

The group possesses an unmatched distribution network in the region, with our operations working closely together to extend the reach of brands across borders. Our effective storage solutions, coupled with the efficiency of our distribution network, ensure a reliable and consistent delivery process for our clients, with the assurance that their products are securely stored and readily available for distribution.

02 RETAIL EXECUTION AND ADVISORY SERVICES

We collaborate with leading brand owners to enhance their brand growth, expanding market share and volume from formalised trade to the informal market. Our focus includes increasing on-shelf visibility, optimising brand positioning, and implementing effective category flows to ensure sufficient and readily available stock, especially during fluctuating demand.

CA&S actively contributes to maintaining retailer systems, influencing sales where possible, and leveraging deep local channel knowledge with established and respectful retailer relationships at all levels.

The CA&S team, comprising industry experts with extensive experience in retail and manufacturing, assists clients in developing comprehensive route-to-market strategies to unlock brand and business potential. Our services extend to key account management, category plans, data analytics, specialist retail recruitment, and support for regional and global expansion.

03 RETAIL SUPPORT SERVICES

The CA&S Group offers retail support by running shopper marketing campaigns and brand activation at the point of purchase. Our sales-oriented staff members engage acutely with clients' brands to effectively educate and promote their benefits and advantages.

Additionally, our point-of-sale (POS) specialist teams execute POS strategies, ranging from constructing cardboard bins and ad hoc displays to creating permanent, customised stands in steel, glass or wood.

04 TECHNOLOGY AND DATA SOLUTIONS

With over 20 years of expertise in the sales force automation space, CA&S offers purpose-built, adaptable, and end-to-end cloud-based FMCG value chain software solutions and platforms to leading brands across 16 countries. Our mobile solutions encompass everything from sales and invoice generation to stock management, consumer loyalty and rewards and integrated mobile payments.

05 TRAINING

We specialise in training, empowering and motivating work forces to improve productivity. Practical tailored modules include retail execution and a selection of business, IT, wellness and personal development topics.

Revenue from services (%)

	WAREHOUSING AND DISTRIBUTION	RETAIL EXECUTION AND ADVISORY SERVICES	OTHER SERVICES
'23	85	13	2
'22	84	14	2

The CA&S **story**

The CA&S Group was founded in 2012 with the acquisition of CA Sales and Distribution in Botswana, a company with a 40-year history at the time of purchase.

Our vision was to establish a group capable of offering multinational brand owners similar or complementary route-to-market solutions across borders, facilitating the distribution of their products to more shoppers in different countries. This vision led to subsequent acquisitions of founder-run businesses across African markets, known for their deep in-country roots, longstanding trading relationships and proven track record of delivering value-adding solutions to clients.

COLLABORATION

Collaboration is how our shared experience, expertise and knowledge in our territories and our fields make a meaningful impact for our clients and their brands.

ACTIVATION

We take a brand's true potential and put it into action. We execute and operationalise, order, store, deliver, and activate channels, opening market access and brand success.

THE POWER OF "&"

We believe in the exponential power of mutualistic partnerships to unlock potential for our clients, our people and their communities, as well as our business and shareholders.

SALES

When we do collaboration, activation and the Power of "&" correctly, improved sales are the result. Sharing the success of our clients' brands and growing together exponentially through every in-store and on-shelf opportunity, creates true brand affinity for our shoppers.

Our **vision**

To be the most effective group at seamlessly executing and driving clients' brand strategies on the ground, for the best possible sales return on their investment.

Our **mission**

To leverage the potency of our collective reach, scale, market insights and experience to ensure we repeatedly deliver against our clients' expectations, building real partnerships in the process.

Our guiding values

Distinguished delivery

We consistently strive to exceed expectations by creating and delivering remarkable customer experiences through a performance-based culture built on accountability and collaboration.

We rely on each other

Being able to rely on each other through every opportunity makes us stronger together. It helps us deliver consistently high service levels and value-added results that build complete client confidence.

A multi-focal approach

Our multi-focal approach and broad understanding of our markets help us develop unique and relevant insights needed to identify and act on opportunities today that will build longer-term sustainability.

People partnerships

We create and sustain meaningful relationships through collaboration, transparency, mutual respect, and a passionate focus on client partnerships and our people.

Entrepreneurial hearts

We're able to respond and act on opportunities by adapting and engaging ourselves with speed, energy, tenacity and agility.

Pathfinders in solution seeking

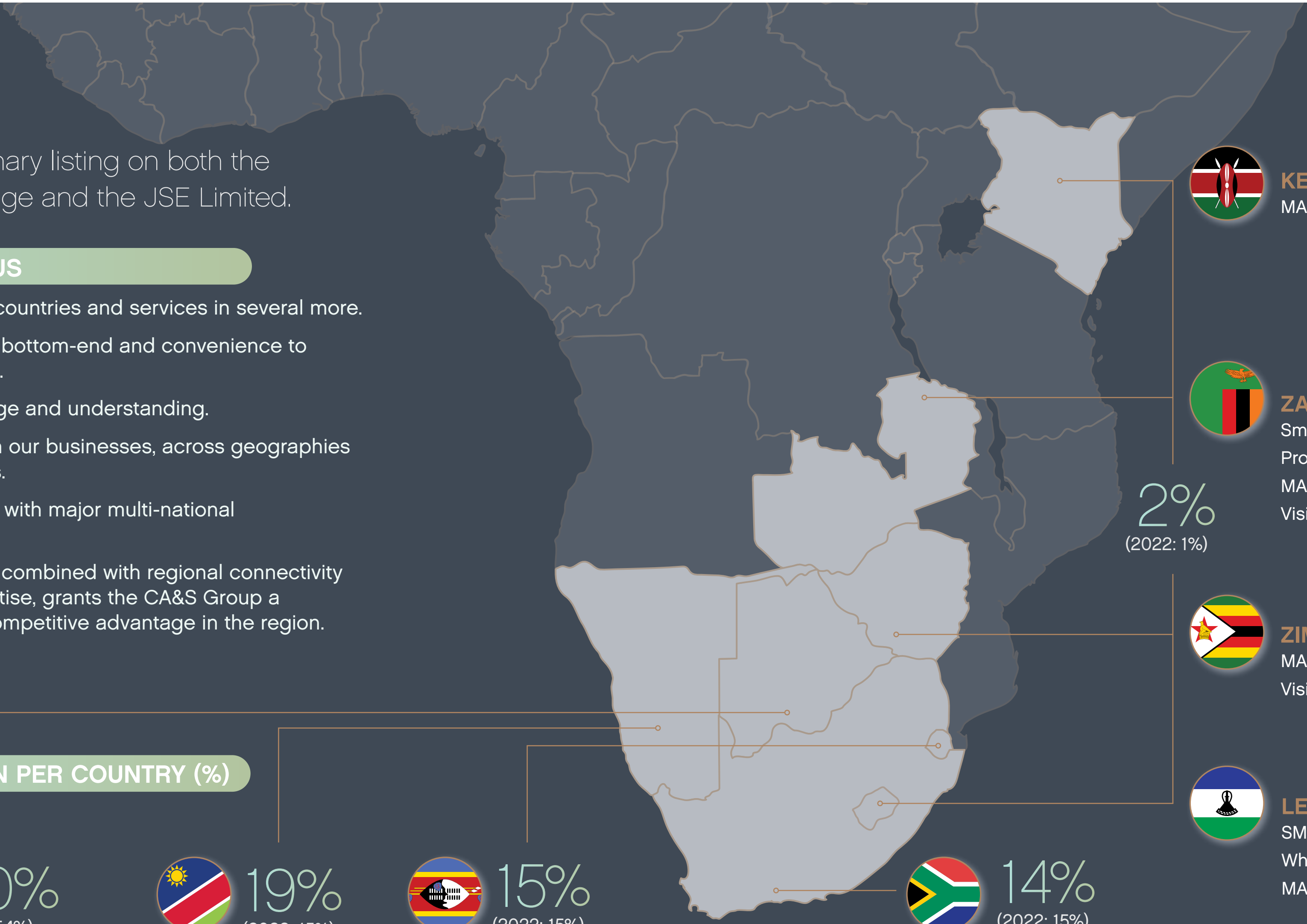
Our entrepreneurial vision and passion for innovation help to drive us further every day, constantly seeking improvement and the advancement of our people and businesses.

Our **footprint**

We maintain a dual primary listing on both the Botswana Stock Exchange and the JSE Limited.

WHAT DIFFERENTIATES US

- Operations in eight African countries and services in several more.
- Broad trade coverage, from bottom-end and convenience to formal and corporate stores.
- Deep local market knowledge and understanding.
- Shared experience between our businesses, across geographies and specialised focus areas.
- Long-standing relationships with major multi-national manufacturers.
- Our customer relationships, combined with regional connectivity and shared collective expertise, grants the CA&S Group a powerful and unmatched competitive advantage in the region.



KENYA
MACmobile

ZAMBIA
Smithshine Distributors
Promexs
MACmobile
Visible Worx

2%
(2022: 1%)

ZIMBABWE
MACmobile
Visible Worx

LESOTHO
SMC Brands
Whitakers
MACmobile

REVENUE CONTRIBUTION PER COUNTRY (%)

50%
(2022:54%)

BOTSWANA
CA Sales & Distribution
Smithshine Enterprises
Kalahari Training Institute
PEO Promotions
SMC Brands
MACmobile
Visible Worx

19%
(2022: 15%)

NAMIBIA
SMC Brands
Wutow
MACmobile
Visible Worx
T&C Group

15%
(2022: 15%)

ESWATINI
Logico
SMC Brands
MACmobile
Visible Worx

14%
(2022: 15%)

SOUTH AFRICA
The PnS Group
Effective Sales & Merchandising
MACmobile
Visible Worx
MarketMax

Group **companies overview**

Shareholding	Name	Service offering	Description	Operations and service delivery
100%	CA Sales and Distribution	Warehousing and distribution; Retail Execution	CA Sales and Distribution provides sales, merchandising, warehousing, distribution and debtor services for FMCG brand owners.	
100%	SMC Brands	Warehousing and distribution; Retail Execution	SMC Brands is a wholesale liquor and FMCG distributor, specialising in warehousing, distribution and marketing services, and representing a diverse portfolio of both international and South African brands.	
94%	The PnS Group	Retail Execution	PnS Group is a leading national South African retail execution business, delivering maximum in-store impact for clients.	
100%	Logico	Warehousing and distribution; Retail Execution	Logico is a leading FMCG business specialising in sales, merchandising and distribution solutions for the Eswatini market. Serving diverse market sectors, from wholesale and bottom-end stores to top-end retail and government tenders, Logico delivers a range of products through multi-temperature solutions.	
100%	Wutow Trading	Warehousing and distribution; Retail Execution	Wutow Trading offers comprehensive warehousing, distribution, sales and merchandising services to various channels, recently expanded its operations through the acquisition of Namibian FMCG service provider Taeuber & Corssen (T&C Group).	
100%	T&C Group Namibia	Warehousing and distribution; Retail Execution	Taeuber & Corssen (T&C Group) provided consumer goods to a wide variety of retail businesses since 1920. T&C Group represents major international and local product brands and has a countrywide footprint coupled with distribution, sales, marketing and merchandising services.	
100%	Smithshine	Warehousing and distribution	Smithshine provides frozen and ambient goods to the formal retail and wholesale market, including forecourts, hotels and restaurants.	
70%	PEO Promotions	Retail support services	PEO Promotions offers brand building, promotions, media services and bottom-end brand seeding.	

KEY

Warehousing and distribution | Retail Execution | Retail support services | Technology and data | Training

Group **companies overview** continued

	Shareholding	Name	Service offering	Description	Operations and service delivery
promexs	100%	**Promexs**	Retail Execution; Retail support services	Promexs is a specialised sales, merchandising, and promotions business that services international and local FMCG brands in Zambia. The company offers comprehensive in-store solutions, including audits, campaign management and technology-driven services to ensure compliance and effective reporting.	Zambia
Effective Sales	100%	**Effective Sales and Merchandising**	Retail Execution	Effective Sales and Merchandising is a retail execution business in the wholesale sector.	South Africa
Visible Worx	51%	**Visible Worx**	Warehousing and distribution; Retail Execution	Visible Worx operates as a retail display and point-of-sale execution partner, specialising in delivering visible results for brands. The company ensures superior business outcomes by managing the storage, delivery, installation and maintenance of brand assets to the highest standards.	Botswana, Namibia, Eswatini, South Africa, Mozambique, Zambia
Whitakers	45%	**Whitakers**	Retail Execution	Whitakers is an established sales and merchandising company.	South Africa, Lesotho
MACmobile	47%	**MACmobile**	Technology and data	MACmobile specialises in sales force automation, providing comprehensive solutions for major global brands, particularly excelling in challenging regions. With over 15 years of experience, the company offers adaptable and versatile technologies, covering everything from sales and invoicing to supply chain automation, customer engagement and integrated mobile payments.	Angola, Botswana, Rwanda, Lesotho, South Africa, Ghana, Namibia, Tanzania
Kalahari	83%	**Kalahari Training Institute**	Training	Kalahari Training Institute (KTI) is Botswana's premier accredited vocational training provider. KTI provides a vast library of online courses, offering the choice between self-paced and tutor-led formats.	Botswana
TAKBRO	49%	**Takbro**	Warehousing and distribution	Takbro Logistics offers clearing and customs services in Eswatini.	Eswatini
MarketMax	100%	**MarketMax**	Retail Execution	MarketMax is a sales and merchandising company whose clients retail their brands in the pharmaceutical sector.	South Africa

KEY: Warehousing and distribution | Retail Execution | Retail support services | Technology and data | Training

Our value creation **business model**

Our business model and strategy are designed to ensure we deliver on our purpose and strategic imperatives. They serve as guiding principles for our decisions and dictate our conduct as a business. The effectiveness of our interaction with the capitals on which our business depends impacts our ability to create, sustain and potentially erode value over time. Value creation is influenced by various factors, some within our control and others beyond, that present us with both risks and opportunities that can have positive or negative effects.

OUR CAPITALS

FINANCIAL CAPITAL

Our financial capital consists of the financial resources available to the group and funding received from providers of capital that we use to sustain and grow our business.

INTELLECTUAL CAPITAL

Our intellectual capital comprises the intellectual property and industry knowledge that sets us apart from competitors, along with our brand, reputation, organisational culture, governance structures, and innovative thinking.

MANUFACTURED CAPITAL

Our manufactured capital is made up of our physical infrastructure, including our warehouses, fleet, and equipment. Additionally, this capital comprises our IT systems, such as websites and handheld devices used by merchandisers.

NATURAL CAPITAL

Our natural capital comprises the skills and resources we have developed to minimise the group's and our customers' environmental impact. This involves enhancing recycling efforts, reducing landfill waste, optimising water use, implementing climate change mitigation and adaptation measures and promoting sustainable sourcing practices.

SOCIAL AND RELATIONSHIP CAPITAL

Our social and relationship capital encompasses the collaborative relationships we have cultivated through extensive engagement with key stakeholders. This also involves our corporate social investments and various contributions aimed at enhancing the welfare of the communities in which we operate.

HUMAN CAPITAL

Our employees form the core of our business, serving as our most valuable asset. Our human capital comprises the skills, experience, loyalty, and engagement demonstrated by our workforce.

INPUTS

Our resource capitals

Wealth created in 2023: R2.7 billion

Net cash: R184.6 million

PnS received the Top Employer Award for the fourth year in a row.

CA Sales & Distribution was awarded Master Distributor of the Year by a major FMCG brand owner.

Training spend: R56.8 million

Warehouse space: 137 930 m²

Delivery vehicles: 307

Handheld devices for merchandisers: 2 953

Fuel consumption: 5 065 540 litres

Grid electricity consumed: 5 642 MWh

Renewable energy produced: 1 214 MWh

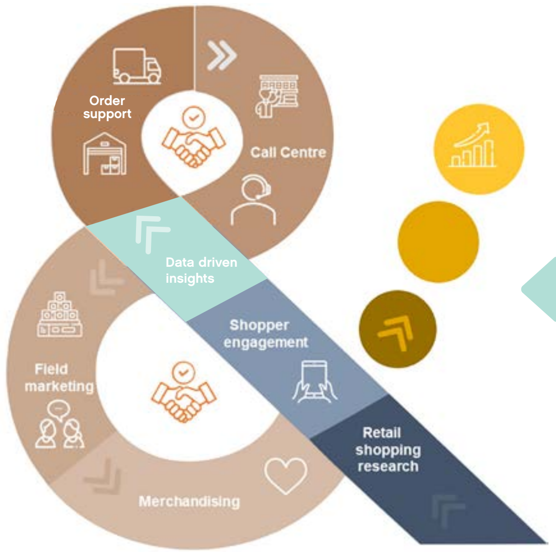
CSI spend: R5.4 million

Total clients: 290

Number of employees: 15 268

OUR CORE ACTIVITIES

Providing route to market solutions



We deliver meaningful value outcomes to our stakeholders through our strategic outcomes and focus areas

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We proactively respond to trends within our operating environment that impact how we create, preserve and erode value

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Effective corporate governance forms the foundation of our capacity to realise our strategic objectives and create sustainable value

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Our most material matters are those factors that have the greatest potential impact on our ability to create value

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We continue to evaluate the likelihood and impact of our top risks

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Outputs

Our service offerings

Warehousing and distribution:
Number of brands distributed: 900
Number of clients represented: 154
Number of stores delivered to: 4 380

Retail execution services:
Number of outlets serviced: 19 840
Number of brands represented: 1 500
Number of clients serviced: 290

Retail support services:
Brand activations
Number of promotional activities : 8 550

Technology and data:
Integration of systems
Deployment of technology

Training:
Number of employees trained: 7 292
Number of learnerships passed: 153

Our value creation **business model** continued

OUTCOMES

Value created for stakeholders

SHAREHOLDERS

A low-risk business with growing market share in southern and East Africa

- Number of ordinary shares: 475 380 961
- Headline earnings per ordinary share: 97.97 cents
- Return on equity: 22%
- Dividends per ordinary share: 19.56 cents declared
- Share price at year end: R10.30
- Gearing ratio: -7%

EMPLOYEES

A preferred employer fostering a high-performance culture that recognises and rewards exceptional performance

- Employees trained: 7 292
- Employees promoted: 225
- Employees retrenched: 80
- Employee retention: 83.8%

GOVERNMENT

A responsible business that contributes to the economy and to sustainable development

- Contribution through taxes and levies: R482 million
- Fines and penalties: R0.1 million

CUSTOMERS AND CLIENTS

Increased market share through speed of distribution and reduced cost-to-market

- Revenue growth: 19.4%
- Products delivered to more than 4 380 outlets
- Retail execution services in more than 19 840 outlets
- Brands represented: 1 500

COMMUNITY

Contribution to sustainable development through job creation, support for local SMEs and environmental stewardship

- Number of CSI initiatives supported: 51

MANAGING TRADE-OFFS TO DELIVER STRATEGIC GROWTH AND LONG-TERM VALUE

Our primary purpose and business model focus is on efficiently converting resources into value across all six capitals. As we allocate resources in accordance with our strategy and governance framework, trade-offs become crucial. This involves balancing resources and outcomes over time. These decisions can be challenging, especially when dealing with competing stakeholder interests.

Our current key trade-offs are outlined below:

STANDARDISATION VS LOCAL ADAPTATION

The group recognises the ongoing dilemma between regional standardisation and local adaptation. This trade-off involves deciding whether to enforce uniform standards regionally for operational efficiency or allow local adaptations to cater to diverse market preferences. Striking a balanced approach becomes crucial, acknowledging the benefits of standardisation while recognising the importance of tailoring strategies to local nuances.

Capitals impacted:

SHORT-TERM PROFITABILITY VS LONG-TERM SUSTAINABILITY

The group faces the challenge of deciding whether to pursue immediate profits through aggressive strategies or prioritise long-term sustainability. Opting for a sustainable approach may involve sacrificing short-term gains in favour of ensuring long-term stability.

Capitals impacted:

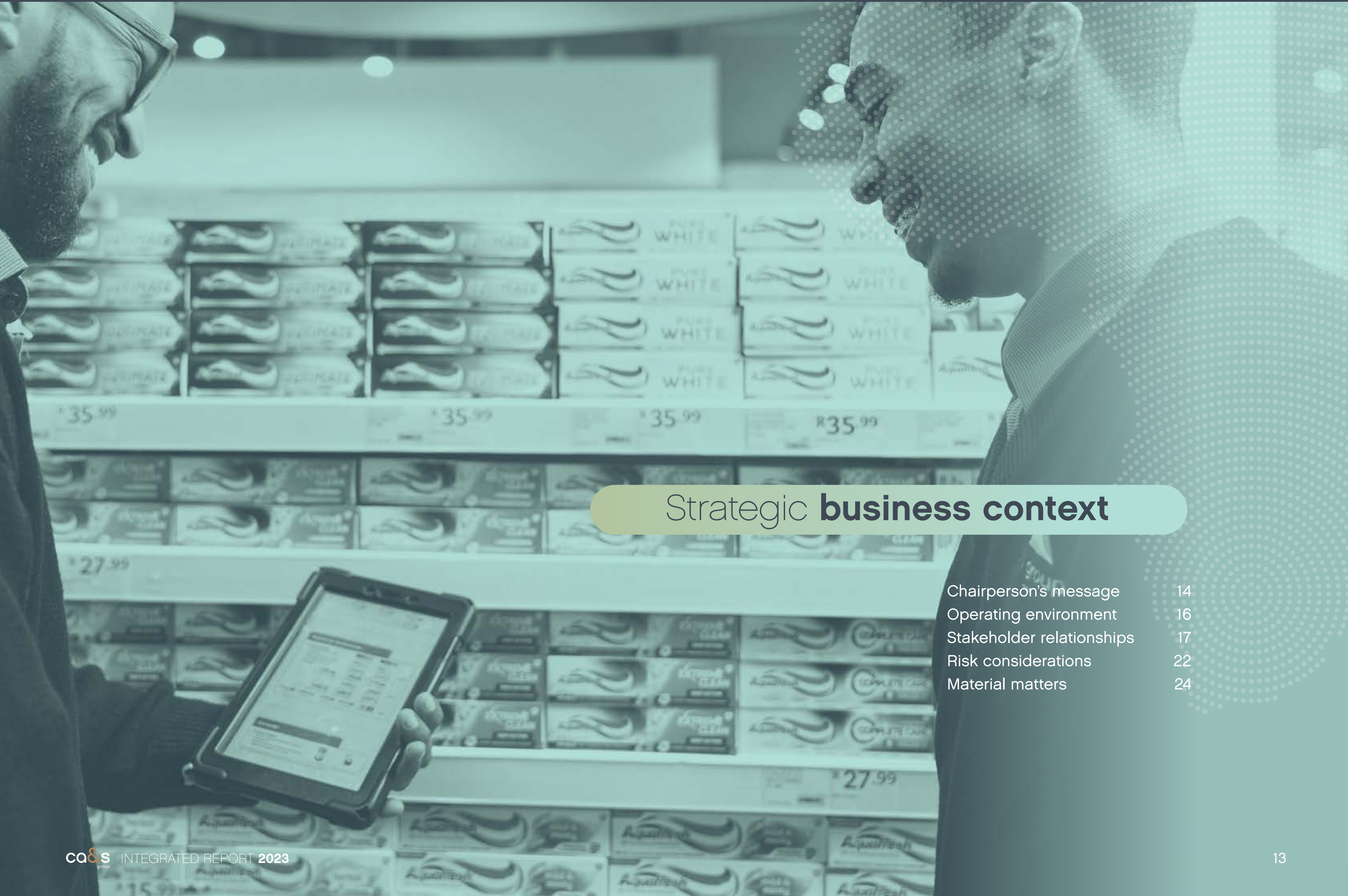
IN-HOUSE DEVELOPMENT VS OUTSOURCING

This trade-off involves deciding whether to develop capabilities in-house for greater control or to outsource certain functions to leverage external expertise and reduce costs. Finding the right balance is key, keeping core functions in-house for control while outsourcing non-core activities where external expertise can enhance efficiency.

Capitals impacted:

SIX CAPITALS: Financial | Manufactured | Social and relationship | Human | Intellectual | Natural

Value created | Value preserved | Value eroded



Strategic **business context**

It gives me great pleasure to present to you the 2023 CA&S Group Integrated Report (IR), which provides a comprehensive account of the company's activities and performance over the reporting period. 2023 has truly been a good year for the company and its stakeholders. Highlights included the company's Namibian and South African footprint expansion through strategic acquisitions, CA&S Group crossing the R5 billion market capitalisation for the first time, and the company being awarded the prestigious Master Distributor of the Year award by a leading FMCG brand owner.

Chairperson's message

Provide
EXCEPTIONAL SERVICE

Responsible
CORPORATE CITIZEN

Integral to the success achieved has been our astute management teams and dedicated employees who, under the leadership of Duncan Lewis (CEO) and Frans Reichert (CFO), have diligently executed on strategy to deliver sustainable value for CA&S Group stakeholders. I applaud your unwavering commitment.

OPERATING ENVIRONMENT AND POINT OF VIEW

In the global and local economic landscape, 2023 brought forth various headwinds, including, *inter alia*, ongoing geopolitical tension, prolonged delays at key ports, rising raw material costs and interest rates, and persistent electricity supply constraints in key markets.

Notwithstanding these challenges, our highly skilled and experienced teams in various jurisdictions were able to navigate the complexities and uncertainties ("Challenges") to deliver a robust performance. Central to the team's ability to manage such Challenges were (i) the CA&S Group's strategic approach, which demonstrated its effectiveness, resilience and flexibility during the challenging period; and (ii) its positive (glass half full) outlook. The team embodies legendary businessman, Jannie Mouton's outlook that a negative person seldom starts or creates anything worthwhile. The company prides itself on its entrepreneurial spirit, looking through the cloud of negativity to find and capitalise on opportunities.

As a society, we also need to remain positive. South Africa, Botswana and the rest of Africa as a whole, which is home to the world's fastest growing and youngest population, has boundless potential. We need to seek pockets of excellence and provide exceptional service at affordable rates. We have a trusted brand/s that multinationals can rely on.

FINANCIAL PERFORMANCE

The CA&S Group is at its core a results-driven business. For this reason, I am particularly pleased to report that the company continued to deliver strong financial results in the past year. Revenue and operating profit grew by 19.4% and 40.7%, whilst HEPS and EPS increased by 25.3% and 59.5%, respectively.

The positive growth alluded to above enabled the company to increase its dividend by 27.4% to 19.56 cents per share and also contributed to the CA&S Group share price growth of 55.79% in 2023.

Chairperson's **message** continued

ESG INTEGRATION

As a large, dual-listed business operating in multiple jurisdictions across the African continent, we acknowledge and understand the role that we need to play as a responsible corporate citizen. The CA&S Group took active steps to (i) formalise and align our ESG strategy with our overarching corporate goals; and (ii) prioritise the integration of ESG into the company's governance oversight and risk structures.

During the reporting period, we, *inter alia*, contributed R5.4 million towards various Corporate Social Investment (CSI) projects, focusing on key areas such as education, food security, poverty alleviation and income generation. Our CSI efforts underscore our recognition of the pivotal role communities play in granting us a social licence to operate and supporting the long-term prospects of the business.

OUTLOOK

Looking ahead, we remain optimistic about the future of the CA&S Group and the value that it can continue to add to stakeholders across the African continent. Our resilient business model, characterised by excellent execution, prudent cash management and capital allocation coupled with stable, sustainable cash generation, positions the company to traverse challenges and seize opportunities to grow the business. In this context, the company remains focussed on achieving our goal of reaching circa R20 billion in revenue by 2026.

APPRECIATION

Running a successful, multi-national business is truly a team sport. I am therefore immensely grateful to our board members, the CEO and CFO, management teams, staff and partners who have all contributed in one form or another to our performance as well as to assist the company to position itself for future growth.

To our clients, customers and shareholders – thank you for your ongoing support and confidence in our business. It is a privilege to serve you.

Our proudly African company looks forward to meeting and exceeding our stakeholders' varied needs and expectations in 2024!

JA Holtzhausen
Chairperson

Operating **environment**

The CA&S Group operates within a dynamic environment in which both risks and opportunities influence strategy execution. The group consistently adapts to changes, aligning its activities with the evolving landscape to enhance value creation.

MACRO-ECONOMIC ENVIRONMENT

In 2023, several countries in the southern African region experienced political and socio-economic unrest leading to a decline in business confidence. On the other hand, Botswana and Namibia remained relatively stable. The broader sub-Saharan African region encountered economic challenges, with the GDP growth rate slowing to 2.5% in 2023 according to the African Development Bank. This decline is attributed to factors such as fragility, conflict, climate change impacts and global economic uncertainty.

South Africa, a key economic driver in the region, experienced marginal economic growth in 2023, fuelled by trade, tourism, mining and manufacturing. However, challenges such as high unemployment and increasing interest rates persisted, exerting pressure on disposable incomes and eroding customers' purchasing power. In addition, ongoing electricity shortages impeded economic growth, with loadshedding implemented for 335 days in 2023.

In addition, South Africa's ports faced a myriad of operational challenges, including outdated port infrastructure and equipment, inadequate storage facilities and congestion caused by loadshedding. These logistical challenges have impacted FMCG businesses in the region, creating an imperative for businesses in the sector to navigate complexity by innovating and remaining agile.

Related **Risks**	Related **Material Matters**
R1 Economic decline	1 Managing macro-economic challenges
R4 Inability to trade due to political unrest/sanctions/grey listing/global pandemic	
R6 Fraud, stock theft, crime and corruption	
R7 Failure to attract or retain critical skills	

TRENDS IN THE RETAIL SECTOR

The southern African retail market is poised for substantial growth, with South Africa anticipating a compound annual growth rate of 6.5% from 2022 to 2030, according to a report by Research and Markets. This positive outlook is driven by factors such as the emergence of new stores, acquisitions, and the expanding realm of e-commerce. However, the proliferation of e-commerce distribution channels, while attracting new entrants to the market, may face challenges such as heightened competition and the costs associated with advanced technologies like artificial intelligence (AI).

Technological advancements continue to play a pivotal role in the evolution of the retail landscape. AI is poised to disrupt various aspects of retail, impacting store design with virtual assistance, augmented reality, and "smart" elements throughout the shopping experience. Additionally, technologies such as blockchain will contribute to intelligent supply chains, enhancing traceability, tracking, transparency and authentication.

Private labels are gaining prominence as retailers produce high-quality products to compete with established brands.

Digitalisation remains pervasive, influencing both e-commerce and supply chains. E-commerce is experiencing rapid growth, even as consumers maintain a preference for traditional stores.

Local retail chains are incorporating e-commerce options, and online sales are on the rise. Similarly, digital payments, including e-wallet transactions, are becoming commonplace, prompting increased concerns about data security among consumers.

Health and wellness remain paramount considerations for consumers, driving preferences for products perceived as healthy, organic, and produced in an ethical and sustainable manner. Sustainability is also a growing focus, with consumers increasingly mindful of the environmental impact of their purchases.

These trends collectively shape the dynamic landscape of the Southern African retail sector, presenting both challenges and opportunities for industry players.

Related **Risks**	Related **Material Matters**
R1 Economic decline	1 Leveraging strategic partnerships for new market opportunities and competitive advantage
R8 Data and information security	Adopting disruptive technologies and pursuing innovation to drive solutions
R9 Business continuity	

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Stakeholder **relationships**

Our capacity to create value is inextricably linked to the value we create for our stakeholders, society, and the environment.

The group's priority stakeholders encompass the people and organisations that enable us to deliver on our purpose. These include our employees, clients, consumers, communities, government, investors and shareholders. We determine what is material to our stakeholders through regular assessments of our direct and indirect interactions with them. The insights gained from this process shape our reporting and engagement strategies.

The following table provides an overview of our key stakeholder groups, our interdependencies in terms of value creation, the material expectations of each group, and how we engage with them to identify and address these expectations. We recognise that there may be diversity within each group, with individual stakeholders often having differentiated interests.

Our **stakeholders**

The value we aim to create **for each of our stakeholders**

Employees

- Fair remuneration and benefits
- A harmonious and inclusive work environment
- Health, safety and well-being
- Training and development

Consumers

- Affordable products and services
- Availability of leading brands and access to a range of products they can trust
- Healthy and nutritious food choices
- Rewarding shopping experiences

Investors and shareholders

- Performance against strategy, including ESG matters
- Effective risk management
- Business continuity

Clients

- Being a solution-orientated service provider
- Timeous communication
- Valuable insights to enhance efficiencies and ensure increased distribution of brands across geographies and channels

Communities

- Sustainable jobs
- Access to quality education
- Food security
- Access to economic opportunities

Customers

- Excellent service to ensure a rewarding customer experience
- Reliable stock forecasting to optimise inventory management and meet customer demands
- Valuable insight to enhance efficiencies and help customers grow their market share and revenue

Government

- Contribution to economic growth
- Regulatory compliance
- Participation in public policy

Stakeholder **relationships** continued

Employees

Contribution to value creation	**Our 15 268 employees provide the skills, experience and productivity needed to fulfil our purpose.**
Priority interests and concerns in 2023	• Employment security • Competitive remuneration and rewards • Work-life balance • Career development and growth opportunities • Sound Health, Safety and Environment (HSE) practices
Our response	• Learning and development opportunities • Reward and recognition programmes • Employee engagement surveys • Flexible working arrangements, where possible • Opportunities for career progression. 225 employees were promoted during 2023
Communication channels	• Daily interaction via face-to-face engagements • Staff meetings • Operational software platforms including email, newsletters and a proprietary employee-only mobile application • Regular performance review • Social media including WhatsApp groups, LinkedIn and Facebook
Areas of future focus	• Succession planning • Transformation at senior management level

Clients (Brand owners)

Contribution to value creation	**Our clients are the centre of our business. Their needs and strategies inform our strategic intent, operations and outputs.**
Priority interests and concerns in 2023	• Growth in brand presence, visibility and market share across geographies and market share • Consistent on-shelf product availability • Client focus on best value for money in constrained operating environment
Our response	• Efficient storage, distribution, sales, replenishment, display and promotions • Ensuring brands are available, visible and promoted • Securing product listings with retailers • Regular communication on product availability • Providing clients with key insights and brand opportunities • Being a solution-oriented service provider
Communication channels	• Performance reports and dashboards • Regular meetings and feedback sessions • Regular strategic planning sessions • Supplier in-country visits • Trade visits in market • Event and promotional proof of performance reports • Social media updates
Areas of future focus	• Innovation and adaptability to meet evolving market trends • Data analytics

Stakeholder **relationships** continued

Customers

Contribution to value creation	**Our customers contribute to value creation through their diverse engagement in wholesale, retail, independent channels, specialist outlet and the hospitality trade, fostering a dynamic and mutually beneficial business relationship.**
Priority interests and concerns in 2023	• Growing market share and increasing revenue • Making manufacturers' and brand owners' products readily available • Maintaining service levels above 95% • Streamlined communication channels for efficiency • Proactively managing stock levels to address supply chain disruptions
Our response	• Implementing ordering and replenishment mechanisms to maintain continuous on-shelf availability • Ensuring the delivery of desired brands to shelves • Supporting sales through the creation of promotional displays and activating brands with sampling and education • Maintaining high inbound service levels in logistics and warehousing • In-store activations
Communication channels	• Continuous sales, in-store system and shelf replenishment services • Providing proof of performance to showcase the effectiveness of our efforts • Regular touch-base calls and emails with top customers on a weekly basis • Monthly performance meetings • Timely delivery and assembly of promotional materials
Areas of future focus	• Innovate customer engagement strategies using technology • Optimise the supply chain for efficiency and resilience • Implement sustainable practices and enhance ESG initiatives

Consumers

Contribution to value creation	**Our consumers contribute to value creation by driving demand for our clients' brands, making purchases through our distribution network. Their preferences and choices directly influence the success of these brands, leading to increased sales and revenue. Additionally, their feedback and loyalty play a crucial role in shaping the overall reputation and sustained success of the products within the market.**
Priority interests and concerns in 2023	• Inflation and the increasing cost of living • Environmentally friendly and socially responsible products aligning with ESG values • An enhanced shopping experience for convenience and satisfaction • Access to leading brands and a diverse product range across categories
Our response	• Ensuring the availability of sought-after products and brands in diverse regions • Empowering consumers with a range of choices
Communication channels	• In-store promotions • Product communication • Social media
Areas of future focus	• Strengthen commitment to sustainable business practices • Leverage data analytics to understand and meet evolving customer preferences

Stakeholder **relationships** continued

Communities

Contribution to value creation	**Our communities are the source of our talent pool and customer base. Supporting them is an integral part of our identity. They provide our social license to operate.**
Priority interests and concerns in 2023	• Support for local businesses and communities • Sustainable job creation • Meaningful social investments that address poverty, food insecurity and unemployment
Our response	• Prioritising local recruitment to contribute positively to communities we operate in • Supporting education and skills development in the communities in which we operate • Contributing to communities through our CSI initiatives
Communication channels	• Donations and social spend focused on education • Social media • Events and special days
Areas of future focus	• Continued investments in education, food security and job creation • Amplifying efforts through key partnerships and synergies

Government

Contribution to value creation	**We recognise and respect the jurisdiction of government authorities in every country where we conduct operations. These authorities play a crucial role in supporting our industry and maintaining the national infrastructure essential for delivering services.**
Priority interests and concerns in 2023	• Promotion of local manufacturers with support from established brand owners • Collaboration with authorities to combat syndicated theft and illegal trade • Paying taxes, contributing to the country's growth and enhancing living standards
Our response	• Upholding integrity and ethics • Fulfilling tax obligations • Contributing to the country's economic growth and sustainable development • Contributing to the well-being of the communities in which we operate
Communication channels	• Formal risk-based compliance process oversees regulation and compliance • Active participation in industry forums, striving for regulatory compliance, and contributing to policy development • Monitoring official government communication channels • Engaging with regulatory bodies
Areas of future focus	• Increased engagement in policy development • Adapting to evolving regulatory landscapes • Contributing to community development projects in alignment with government priorities

Stakeholder **relationships** continued

Investors and Shareholders

Contribution to value creation	**Our investors and shareholders contribute to our business, facilitating our commitment to sustainable growth.**
Priority interests and concerns in 2023	• Return on investment, dividends and sustainable business practices • Commitment to good governance and environmental and social responsibility • Effective risk management • Sustainability
Our response	• Value creation through the appreciation of share prices and the equitable distribution of dividends • Sustainable growth through increased revenue, earnings and assets over time • Strategies for cost optimisation and effective cash flow management • Integration and synergies across diverse business operations contributing to overall efficiency • A remuneration philosophy that aligns with business performance and is effectively implemented • Management and board structures that are characterised by strength, experience, and efficiency • Transparent and timely reporting • A robust governance framework to ensure sound business practices
Communication channels	• Annual and bi-annual financial reporting • Annual general meeting • Investor roadshows • Stock exchange news portal announcements • Social media
Areas of future focus	• Addressing underperforming subsidiaries • Continued focus on capital allocation and enhancing returns • Providing transparent and accurate strategic, financial and sustainability reports

Risk **considerations**

The CA&S Group's board is responsible for overseeing the group's risk management processes, with support from the Audit and Risk Committee. The committee ensures that the group's risk management process aligns with relevant standards and governance requirements. At an operational level, senior management in each operation is accountable for managing risks in their respective areas, while the oversight of risk management rests with the relevant executive teams.

The group's risk registers undergo bi-annual updates and reviews. Each risk undergoes an evaluation based on its likelihood and impact, both on an inherent (actual impact) and residual (after mitigating action) basis. The following heat map illustrates the group's top risks, determined through a comprehensive enterprise risk management process.

- R1 Economic decline
- R2 Credit risk
- R3 Loss of major client
- R4 Inability to trade due to political unrest/sanctions/grey listing/global pandemic
- R5 Compliance risk
- R6 Fraud, stock theft, crime and corruption
- R7 Failure to attract or retain skills
- R8 Data and information security
- R9 Business continuity

No	Category	Residual risk Rating	YoY change	Risk	Description	Mitigating actions	Material matters
R1	Operational	51%	↑	Economic decline	Weakened consumer demand, driven by sluggish economic growth, negatively impacts volumes. At the same time, client cost bases could rise at higher-than-inflation rates, squeezing profit margins.	• Continuously engage with clients to improve processes, costs and service levels • Expand and diversify our client base • Diversify our geographic footprint to reduce reliance on any one region • Diversify the products and services on offer to maintain relevance despite shifts in demand	Managing macro-economic challenges
R2	Financial	39%	↑	Credit risk	Any major customer that defaults on its payments would result in a significant financial loss and lost sales in the medium term.	• Maintain healthy relationships and two-way dialogue with customers • Know and understand our in-country customers • Manage customer credit limits and monitor buying and payment patterns	Managing macro-economic challenges
R3	Operational	34%	–	Loss of a major client	Our biggest clients control brands that are household names in our countries of operation. Loss of these clients will have a major impact on our results.	• Deliver results and exceed client expectations in terms of growing their sales volumes • Maintain high service quality to both the trade and suppliers • Expand our client base to reduce overreliance on any one client	Managing macro-economic challenges Adopting disruptive technologies and pursuing innovation to drive solutions Partnering towards increasingly sustainable and resilient supply chains

Risk **considerations** continued

No	Category	Residual risk: Rating	Residual risk: YoY change	Risk	Description	Mitigating actions	Material matters
R4	Strategic	43%	↑	Inability to trade due to political unrest/sanctions/grey listing/global pandemic	Political unrest in our markets have interfered with our operations in the past.	• Maintain remote working options for our employees where possible • Diversify our offering to ensure ongoing delivery of products and services	Managing macro-economic challenges
R5	Operational	24%	↑	Compliance risk	Failure to maintain the highest standards of compliance with regulatory requirements and best practice may result in penalties and/or the loss of reputation.	• Management evaluates and continually improves internal controls • Internal auditor evaluates compliance and the effectiveness of controls • Maintain a fraud and ethics hotline, managed by an independent third-party service provider	Operating as a responsible corporate citizen to drive ESG impact
R6	Operational	22%	↑	Fraud, stock theft, crime and corruption	Instances of fraud, theft, crime and corruption can result in loss of life, financial loss, reduced profit margin and negative impact on reputation.	• Maintain optimal security controls and checks at all warehouses • Maintain strong internal audit function to ensure compliance to policies and best practice • Maintain a fraud and ethics hotline, managed by an independent third-party service provider	Managing macro-economic challenges Operating as a responsible corporate citizen to drive ESG impact
R7	Strategic	18%	↓	Failure to attract or retain critical skills	A loss of critical skills would hamper our ability to deliver our strategy and maintain business viability and profitability, through loss of skill, knowledge, and client rapport.	• Maintain continuity and succession planning by management and the board • Maintain attractive incentive schemes and remuneration packages • Create a safe and pleasant work environment • Be a workplace of choice	Attracting, empowering and retaining workforces for optimised performance
R8	Operational	19%	↑	Data and information security	Loss of data and connectivity impact on product and service delivery, as well as reputation and client trust.	• Maintain daily backups, and regular system upgrades and maintenance • Maintain dedicated server rooms and cloud-based backups managed by reputable external service providers • Maintain access controls to manage physical and virtual access to the servers • Update antivirus software and firewalls regularly • Test disaster recovery plans and make them easily available in time of need	Adopting disruptive technologies and pursuing innovation to drive solutions
R9	Operational	10%	↓	Business continuity – safekeeping of assets	Disruption at our facilities due to floods, fire, or a significant technical breakdown may lead to: • interruptions in deliveries, resulting in lost sales and reduced market share for our clients • damage to stock and equipment	• Maintain good security controls and ensure disaster prevention measures are in place • Ensure that stock and other content is adequately insured • Maintain adequate fire systems	Adopting disruptive technologies and pursuing innovation to drive solutions

Material **matters**

Our material matters are those that hold the utmost significance for our stakeholders. They influence our ability to generate value over the short, medium and long term. Our material matters are inherently linked to our key risks and opportunities.

Our material matters underwent a comprehensive reassessment for the preparation of the 2023 integrated report. This involved a refinement and consolidation process, where some matters were repositioned in terms of priority, and others underwent changes in wording to enhance clarity and relevance.

The refinement of material matters was executed through comprehensive desktop research and benchmarking against industry peers. This process allowed us to stay abreast of evolving industry trends, regulatory developments, and stakeholder expectations.

We maintain an ongoing dialogue with our stakeholders, actively seeking their input, and remain vigilant in monitoring our operating environment for any shifts in material matters. The following material matter themes are currently at the forefront of our considerations.

Engage **stakeholders**

Desktop research provided insight into our potential material matters. These were evaluated for their potential impact on the group's stakeholders, strategy, performance, prospects, and risks.

Identify and define **material topics**

A selection of internal stakeholders were surveyed to prioritise each potential material matter.

Prioritise **material topics**

Research and survey outcomes were reviewed by the executive team before being consolidated into seven materiality themes, as outlined below.

MATERIAL **THEMES**	WHY THIS IS **IMPORTANT TO CA&S**	STRATEGIC **CONSIDERATIONS**

1. Managing-economic challenges

EXTERNAL FACTORS

- Widespread inflation accompanied by rising interest rates resulted in sluggish economic growth and threatened to tip some of our markets into recession
- Volatile interest rates
- Continuing geopolitical instability that could spread globally
- Fluctuating commodity prices
- Foreign exchange unpredictability and bank failures

INTERNAL RESPONSES

- Cost containment
- Disciplined strategic execution to safeguard long-term growth ambitions

The group operates in southern Africa and plans further expansion into East Africa. Each region poses challenges, which are cautiously addressed with local partnerships. The group's geographical diversity enhances resilience amid instability. CA&S benefits from a diverse portfolio with over 1 500 consumer brands, ensuring revenue stability. Amid geopolitical uncertainties, disruptions in global supply chains, and climate change, macro-economic considerations remain a top materiality theme, requiring proactive navigation in the challenging socio-economic environment and amid emerging challenges.

OUR OPPORTUNITIES

- Expand our basket of goods
- Enter new geographies
- Organic and acquisitive growth

ASSOCIATED RISKS

- Losing a major client
- Credit risk
- Market risk: economic decline
- Fraud, stock theft, crime and corruption
- Inability to trade due to political unrest

Material **matters** continued

MATERIAL THEMES	WHY THIS IS IMPORTANT TO CA&S	STRATEGIC CONSIDERATIONS

2. Leveraging strategic partnerships for new market opportunities and competitive advantage

EXTERNAL FACTORS

- E-commerce
- Cyber threats and data privacy
- Social media platforms
- Regulatory environment
- Economic conditions
- Technological advancements

INTERNAL RESPONSES

- Continuous assessment and adaptation to changing market dynamics
- Talent development and strategic partnership skill-building
- Regular monitoring of market trends and competitor activities for proactive adjustments
- Implementing innovative solutions to support strategy delivery
- Enhancing operational efficiency through systems and technologies
- Leveraging data for insight-led decision making

Leveraging strategic partnerships for new market opportunities and competitive advantage is crucial for CA&S. These partnerships not only open new markets, but also foster growth within them, allowing for value creation. This material matter also incorporates "The Power of &," a value that is central to the group's identity.

OUR OPPORTUNITIES

- Increase digitisation
- Converge with another industry
- Improve awareness about our group

ASSOCIATED RISKS

- Failure to attract or retain critical skills
- Data and information
- Business continuity

3. Adopting disruptive technologies and pursuing innovation to drive solutions

EXTERNAL FACTORS

- Consumer demand dynamics and changing behaviour

INTERNAL RESPONSES

- Operating in multiple geographical regions
- Leveraging local industry knowledge to provide solutions
- Responding to consumer lifestyle trends
- Increasing the group's market share

This material matter emphasises our commitment to staying ahead of consumer trends, fostering innovation, and leveraging local insights to address market-specific challenges and opportunities. The solutions-driven business approach aligns with our strategic focus, positioning CA&S Group for sustained growth and market leadership.

OUR OPPORTUNITIES

- Expand our service offering
- Broaden our channel portfolio
- Establish new businesses
- Ongoing learning and development

ASSOCIATED RISKS

- Failure to attract or retain critical skills
- Compliance risk
- Data and information security
- Business continuity

Material **matters** continued

MATERIAL **THEMES**	WHY THIS IS **IMPORTANT TO CA&S**	STRATEGIC **CONSIDERATIONS**

4. Partnering towards increasingly sustainable and resilient supply chains

EXTERNAL FACTORS

- Geopolitical tensions and uncertainty
- Competitive landscape changes

INTERNAL RESPONSES

- Supply chain stewardship, responsible sourcing, and ethical procurement
- Acquisitions that unlock synergies
- Expanding into new geographies
- Service portfolio diversification
- Customer and client relationships retention and growth
- Continuous stakeholder engagement
- Retaining market leadership
- Effective capital allocation and management

CA&S is proactively engaging external challenges, such as shifts in the competitive landscape, through strategic partnerships aimed at cultivating increasingly sustainable and resilient supply chains. Internally, the group responds with strategic acquisitions, geographical expansion, service portfolio diversification and a strong focus on customer relationships. This commitment extends to continuous stakeholder engagement, retaining market leadership and effective capital management. Opportunities arising from this approach include expanding the product range and venturing into new geographies, demonstrating CA&S's commitment to sustainable and resilient supply chain practices.

OUR OPPORTUNITIES

- Expand our basket of goods
- Enhance our service offering
- Enter new channels and geographies

ASSOCIATED RISKS

- Economic decline
- Fraud, stock theft, crime and corruption
- Failure to attract or retain critical skills
- Business continuity

5. Operating as a responsible corporate citizen to drive ESG impact

EXTERNAL FACTORS

- Growing social consciousness around environmental and social responsibility
- Climate change
- Growing expectations for environmental, social and governance (ESG) integration by society and governments
- Growing legislative compliance requirements

INTERNAL RESPONSES

- Engaging responsible marketing and advertising, and product safety
- Integrating our corporate purpose into everyday business activities
- Operational efficiency and cost saving through effective resource management: energy, water, waste and carbon emissions
- Prioritising investment in operating communities
- Integrating a governance framework and responsible business ethics
- Legal compliance

CA&S is committed to operating as a responsible corporate citizen, recognising the growing social consciousness around environmental and social responsibility. External factors such as climate change drive the group's internal responses, which include supply chain stewardship, responsible sourcing, and ethical procurement. Additionally, there is a rising expectation for ESG integration by society and governments, accompanied by growing legislative compliance requirements.

OUR OPPORTUNITIES

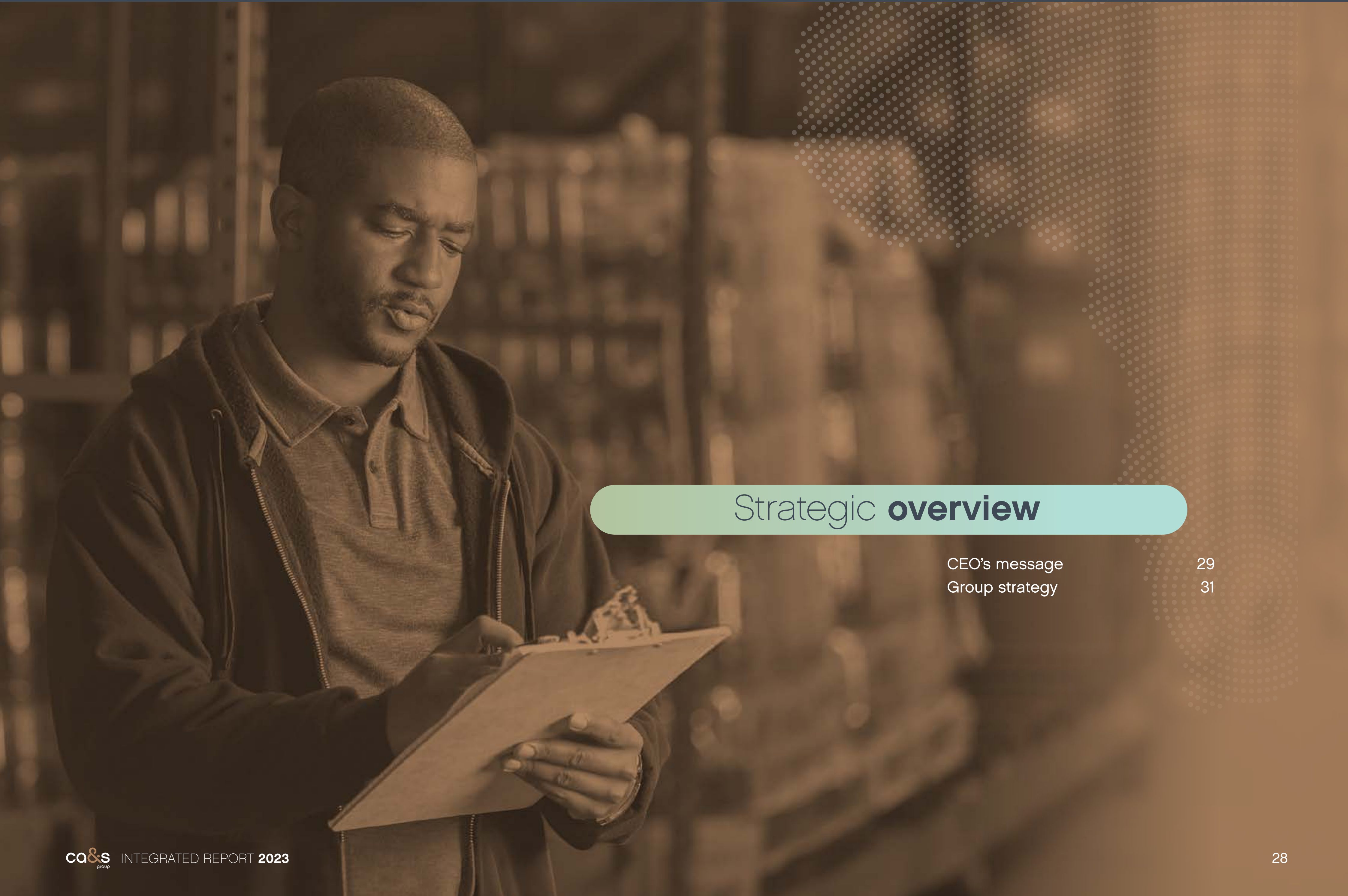
- Partner with stakeholders through CSI initiatives

ASSOCIATED RISKS

- Economic decline
- Compliance risk

Material **matters** continued

MATERIAL **THEMES**	WHY THIS IS **IMPORTANT TO CA&S**	STRATEGIC **CONSIDERATIONS**
6. Attracting, empowering and retaining workforces for optimised performance		
EXTERNAL FACTORS • Evolving world of work conditions, especially remote work • A competitive global job market **INTERNAL RESPONSES** • Attracting, retaining and managing talented employees • Skills development and career growth opportunities • Employee engagement	CA&S recognises the importance of attracting, empowering and retaining a high-quality workforce for optimised performance in the evolving world of work. External factors such as remote work conditions and a competitive global job market influence the group's internal responses. The emphasis on retention demonstrates CA&S's commitment to the well-being of our workforce, especially during challenging events such as political unrest. This material matter also aligns with CA&S's training service offering.	**OUR OPPORTUNITIES** • Be awarded as a top employer • Exceptional service delivery attracting new clients **ASSOCIATED RISKS** • Failure to attract or retain critical skills • Business continuity



Strategic **overview**

In 2023, the group experienced positive growth, with revenue increasing by 19.4% to R11.3 billion, operating profit up 40.7% to R747.3 million, and headline earnings rising by 28% to R464.8 million. This performance is commendable considering the challenging trading environment, including, *inter alia*, subdued consumer disposable income, high inflation, ongoing geopolitical uncertainty, prolonged delays at key ports, rising raw material costs and persistent electricity supply constraints in key markets.

CEO's message

> "You are not here merely to make a living. You are here in order to enable the world to live more amply, with greater vision, with a finer spirit of hope and achievement. You are here to enrich the world, and you impoverish yourself if you forget the errand."
>
> Woodrow Wilson

STRATEGIC PERFORMANCE AND MILESTONES

Our focus remains steadfast on achieving our objective of reaching a R20 billion revenue target by 2026, in line with our overarching theme of "One team, One dream". Our ongoing projects and initiatives are geared towards realising this vision, and our numbers demonstrate a compound annual growth rate (CAGR) of 20%.

While we acknowledge that we may not have fully capitalised on every opportunity in 2023, we are pleased to report that our revenue targets remain on track.

Our strategy continues to emphasise growth with existing clients through the introduction of new services and expansion into new geographical markets, which we consider our primary avenue for growth. Additionally, channel broadening remains a key area of focus.

We are pleased to note double-digit growth in most geographical regions. However, it's important to highlight that while the Namibian operation experienced a significant 50% growth attributed to the strategic acquisition of T&C Properties Namibia and Taeuber and Corssen, the bottom-line growth in this market was impacted by the complexities associated with the transaction. We are confident that the groundwork has been laid and we anticipate long-term performance improvements as a result.

We are particularly encouraged by the performance in our new geographical markets and are seeing positive outcomes from our expansion efforts in East Africa with Zambia growing by 300% and a doubling of revenue growth in Lesotho.

We continue to enhance our operational efficiency by deploying data-driven tools throughout the organisation. Our focus on technology integration is evidenced by the successful implementation of a uniform Enterprise Resource Planning (ERP) system across the group and we have made significant investments in standardised warehousing, transportation and inventory management systems. These efforts have resulted in improved efficiencies and reduced costs, all while maintaining healthy margins.

ESG INTEGRATION AND ENVIRONMENTAL SUSTAINABILITY

Embedded within our business practices is a commitment to environmental and social responsibility and CA&S places significant emphasis on good corporate citizenship. Following the enhanced focus on our ESG journey in 2022, we revisited and refined our ESG strategy in 2023. Our ESG initiatives, detailed on pages 45 - 55 of this integrated report, reflect our dedication to sustainable value creation. Key initiatives include improved reporting on Scope 1 and Scope 2 carbon emissions, installing renewable energy solutions and ongoing training for drivers on fuel-efficient driving.

CEO's message continued

DEVELOPING A STRONG WORKFORCE TO MEET THE FUTURE NEEDS OF THE BUSINESS

With a workforce of 15 268 employees, we recognise our role as a force for positive change, supporting both communities and individual livelihoods.

Furthermore, our strategic approach to efficient resource deployment using improved technology has yielded additional efficiency gains. This not only optimises our operations, but also benefits our employees by minimising their travel time and expenses.

Our reputation as an attractive employer is paramount and we achieve this by attracting and retaining the best local talent across our diverse geographical locations. We are particularly proud of our South African business unit for achieving B-BBEE level 1 status and being recognised as a top employer for the fourth consecutive year.

Further information on our human capital strategy and initiatives implemented in 2023 is provided on page 50 of this integrated report.

REGIONAL UPDATE

Botswana

In 2023, Botswana's economic growth slowed to 3.8%, attributed to a decline in diamond production and volatile Pula/Rand exchange rates. Despite this, strategic initiatives such as a new 10-year sales agreement with De Beers and considerations for the Trans-Kalahari Railway project align with efforts to enhance economic resilience. Our businesses in this market are well established and our revenue grew by 11.2% with our business CA Sales and Distribution being awarded Master Distributor for 2023 by a global FMCG giant. Further highlights from this territory include the addition of new retail and wholesale customers, ongoing investment in growing total distribution points and the expansion of our convenience channel offering.

Eswatini

Eswatini's economy grew by 3.2% in 2023, driven by strong performance in agriculture and manufacturing. The business in Eswatini demonstrated remarkable resilience, achieving growth, and increasing market share through strategic additions of market leading brands and operational enhancements with a new warehouse. Our investments in capability building, people, processes and technology proving insights, have been catalysts for growth. Revenue increased by 16.5% and our Eswatini-based business, Logico, celebrated its 20 years of operation.

Namibia

Namibia faced economic challenges despite the potential of oil discoveries, grappling with inflation and a rising cost of living. However, the group showcased resilience and strategic acumen with pleasing advancements in the spirits sector, resulting in a 50% revenue increase and strengthened market position through strategic acquisitions and account wins. Notably the group increased its footprint in Namibia with the 100% acquisition of distribution and retail execution business, T&C Group. In addition, we have invested in our Walvis Bay and Oshakati facilities, giving us increased capacity and improved efficiencies in a market that is difficult and expensive to serve.

South Africa

South Africa experienced a notable static decline in economic growth to 1.9% in 2023, emphasising the need for structural reforms. However, the group's decent performance in this market, with an increase in revenue of 11.5%, is marked by diversification into the pharmacy channel with the acquisition of MarketMax, and showcases adaptability, resilience and commitment to sustained growth. We are particularly pleased to note the awarding of B-BBEE level 1 status to PnS and their attainment of Top Employer status for the fourth consecutive year. The investment in people development is continuing, with over 7 000 members receiving formal training in 2023. Additionally, PnS was awarded a contract by a major brand owner of global liquor brands for South Africa.

Other geographies

Lesotho doubled revenue through strategic acquisitions, being awarded new business and a new warehouse, reflecting a positive trajectory. Our expansion into Zambia aligns with the group's growth ambitions, while distribution business in Zimbabwe achieved sales growth, demonstrating the group's agility and resilience in diverse and challenging environments.

Overall, we remain committed to extending our service delivery footprint across Lesotho, Zambia and Zimbabwe.

OUTLOOK

We remain southern and East Africa optimists and possess a deep understanding of these markets. With a steady economic growth rate averaging at least 3% across most markets, these regions boast fast-growing economies. Investments in infrastructure, economic diversification and a favourable business environment further contribute to their allure. Additionally, the presence of both rural and urban populations underscores the demand for access to convenience brands, highlighting the region's potential for sustained growth and development.

We are mindful of the challenges related to cost management and the critical importance of strategic investments. By exercising prudent financial management, we are well-positioned to take advantage of opportunities that contribute to the enduring success of the CA&S Group.

While we acknowledge the fragility of the global economy and persistent disruptions in supply chains, we are confident we will continue to deliver on our objectives. Our confidence stems from the synergy of our diverse service offerings, being asset light with a robust balance sheet and the dedication of our leadership team and workforce. I firmly believe that, with these strengths, we are well-positioned to attain our objectives.

ACKNOWLEDGMENTS

I extend my sincere appreciation to our frontline teams for their steadfast commitment in delivering on our objectives and showcasing resilience in embodying our purpose. I also extend gratitude to our clients, brand owners and retailers for their collaboration, inspiring us to enhance our offering and effectiveness. To our shareholders, thank you for your ongoing partnership. I am confident that your trust in the CA&S strategy will continue to yield sustainable rewards. And lastly, a special thanks to the board and management teams for their unwavering support towards our collective objectives.

DS Lewis
Chief executive officer

Group **strategy**

Purpose

We believe in the exponential power of true partnership to unlock potential for our clients, for our people, for our businesses and for shareholders.

Vision

To be the most effective group in the region at seamlessly executing and driving clients' brand strategies on the ground, for the best possible sales return on their investments.

Aspiration

To reach R20 billion in revenue by 2026. We will achieve this through both organic and acquisitive growth.

STRATEGIC OUTCOMES

For our shareholders

- A de-risked, sustainable business with increased emerging market coverage outside Southern Africa
- Return on investment of more than 20%

For our clients and their customers

- Increased market share through speed of distribution and reduced cost to market
- Ability to exponentially increase sales by leveraging unique technologies, data and insights

For our people

- Being an employer of choice in our industry
- High performance culture that rewards exceptional performance
- Mentorship and personal development opportunities

For the communities we operate in

- Prioritised investment in education to create employment
- Deliver essential services

WHAT WE PRIORITISE

Build new businesses
Complementary and value adding purpose-built and adaptable end-to-end cloud-based solutions and platforms.

Enter new geographies
Strategic and targeted expansion alongside brand owners.

Expand along the value chain
Expand services for existing and new clients.

Address new customer segments
Tailored sales, merchandising and distribution solutions across sectors.

Grow new products and services
Tailormade solutions and exclusive offerings.

Channel broadening
Channel broadening across existing businesses within existing geographies.

Group **strategy** continued

WHAT WE UNLEASH

We enable growth for the Business of Today:

Organic growth

- Expand our geographical coverage in select emerging markets
- Expand our channel reach
- Expand our range of services through value chain integration
- Leverage data and insights to create scalable platform opportunities
- Partner with existing clients in new geographies

We unleash The Power of &:

Leveraging the collective

Leverage our interdependence to extract opportunities within the group:

- Client base – collaborate and share knowledge across the group
- Geographical reach – partnerships beyond borders
- Industry insights
- Technologies
- Specific expertise

We create the Business of Tomorrow:

Acquisitive growth to expand and diversify

- Expand portfolio – drive focused acquisitions and commercialisation of game-changing new businesses
- Winning new clients
- New complementary services and products
- New distribution channels
- New partnerships with clients and retailers
- Bringing new partners on board

CRITICAL SUCCESS FACTORS

Insights-led decision making

A business with a leadership team who understands the future market forces that will create exponential growth opportunities and integrates this into their decision-making.

Agility

A highly agile business, able to respond faster than any other player to changing market conditions and client requirements.

Aligned leadership

A leadership team who lives The Power of & – acting as one, with a shared responsibility to achieve our aspiration and individual accountability for operating company success.

Client centricity

Proven model of partnership and collaboration to unlock opportunities and to grow with our clients.

Grow existing and build new

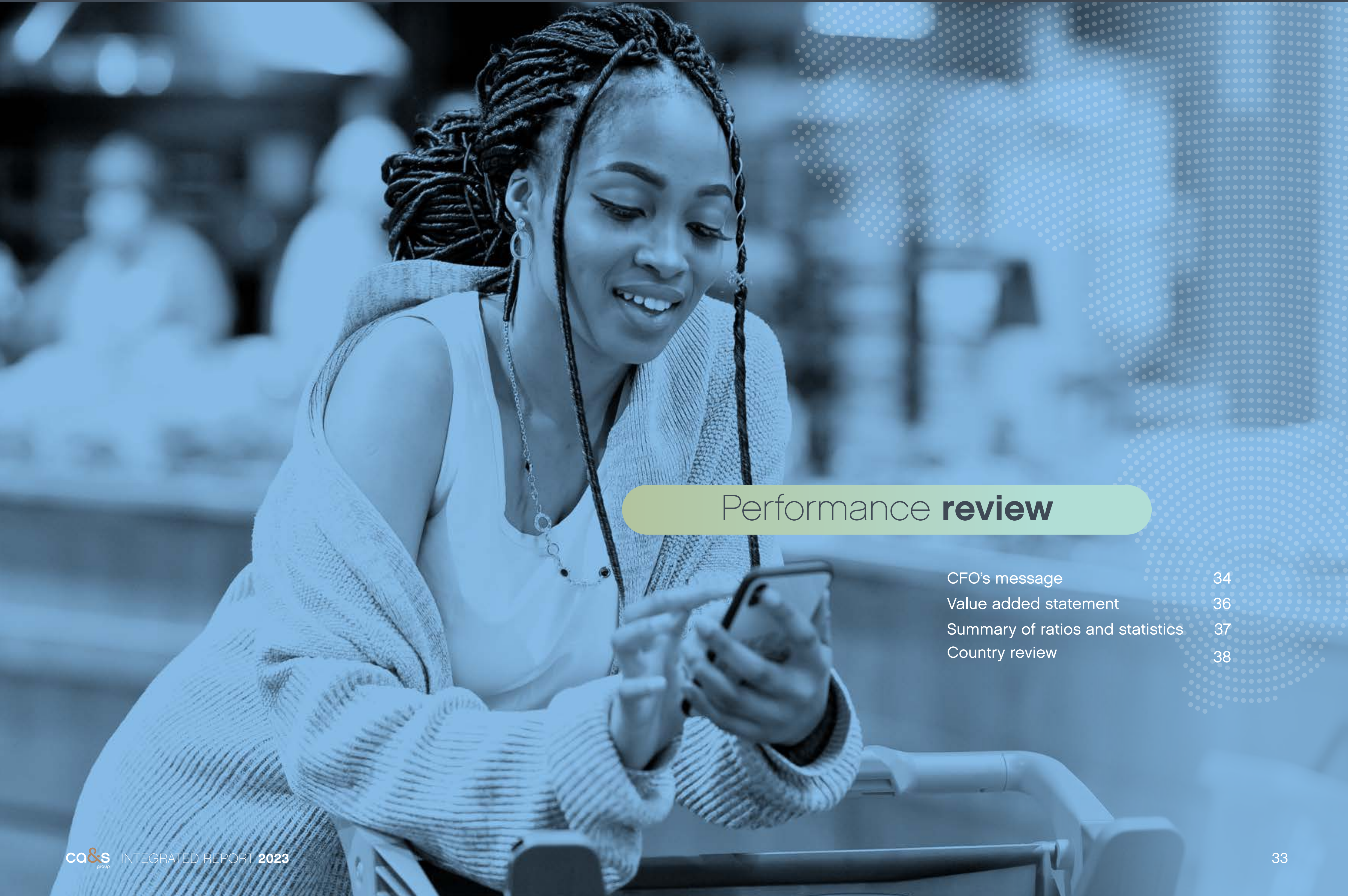
Aggressively grow existing businesses and be ready to invest in disruptive new opportunities that provide diversification from client, scope of service and geography perspectives.

2024 **focus areas**

We are protecting our competitive rights by not disclosing proprietary information related to upcoming ventures. However, we are committed to providing shareholders with a broad overview of our strategic focus for the upcoming year.

CA&S's intentions include:

- Pursuing acquisitions that significantly expand our presence into East Africa, aligning with our growth strategy of expansion alongside existing clients, into new geographies.
- Exploring potential partnerships with private label brands and introducing exclusive new brands within our key geographical regions.
- Continuously enhancing our insights-led sales capabilities through the application of technology and data. This approach aims to identify sales opportunities across the entire group for brand owners.
- Cementing the implementation of a new group-wide ESG framework. This framework guides data collection processes and establishes environmental and social targets across the entire group.
- Channel broadening to support existing and new clients.



Performance **review**

This overview of our 2023 financial performance complements the annual financial statements published on pages 77 to 165 of this report. Throughout the period, our strategic vision demonstrated remarkable resilience within a challenging operating environment, laying a solid foundation for sustained growth. The group's continued success was driven by our robust business model, complemented by organic growth and strategic acquisitions. These enabled us to expand our market presence and enhance our offerings to meet evolving consumer demands. We declared a dividend for the year under review, signalling the group's confidence in its financial performance and outlook, as well as our dedication to delivering value to shareholders.

CFO's message

Evolving
CONSUMER DEMANDS

Delivering value to
SHAREHOLDERS

FINANCIAL PERFORMANCE

The group maintained its financial trajectory in 2023, demonstrated by solid performance across key indicators. Revenue increased by 19.4% to R11.3 billion, a testament to the group's strategy to grow the top-line. Notably, strategic acquisitions played a pivotal role in the group's market presence and operational capabilities. In January 2023, Wutow Trading (Pty) Ltd, a subsidiary of CA Sales Holdings Ltd, acquired the T&C Group, a distribution and retail execution business in Namibia. This transaction expanded the group's footprint in Namibia.

Furthermore, in June 2023, Brand Support Services (Pty) Ltd, another subsidiary, acquired the business of MarketMax. This acquisition aligned with the group's channel broadening strategy, particularly in the pharmaceutical retail sector. Additionally, the group increased its shareholding in Smithshine Enterprises (Pty) Ltd to 100% to further solidify its strategic partnerships. Detailed financial performance is outlined in the attached statements of comprehensive income, financial position, cash flows and changes in equity, along with accompanying notes.

FINANCIAL POSITION

The group and its entities are in a sound financial position and have access to sufficient cash and borrowing facilities to meet foreseeable cash requirements. Total assets increased by 26.0% from R4 090.6 million in 2022 to R5 152.6 million in 2023. Cash and cash equivalents improved significantly, resulting in a positive net cash position of R184.6 million in 2023 compared to R50.5 million in 2022. These financial highlights underscore the group's strong performance and strategic positioning for continued growth in the future.

CASH FLOW

Overdrafts are now excluded from cash and cash equivalents and the prior year cash flow has been restated to this effect. The improvement in cash balances was primarily driven by cash generated from operating activities. This year's investments were predominantly funded with own cash resources.

CFO's **message** continued

DIVIDEND

In accordance with its dividend policy, the CA&S Group declared a final dividend of 19.56 cents per share for the year ended 31 December 2023. This represents a 27.4% increase from the previous year's dividend of 15.35 cents per share. The dividend was declared on 27 March 2024, for payment to ordinary shareholders of the company.

OUTLOOK

Looking ahead, the group remains confident in its ability to sustain operations and drive growth in the foreseeable future. Our aim is to remain resilient in a challenging environment, supported by strategic planning and a commitment to long-term sustainability.

However, we anticipate that the challenging external environment will persist in the near term. Global political instability continues to contribute to ongoing volatility and uncertainty, exacerbating socio-economic inequalities in the region.

In addition, the rising cost of living will likely continue to weigh on the inflation outlook, with pressures on food, transport and fuel costs adversely affecting household spending. In this environment, the potential for social unrest within the region will remain high.

As we navigate these challenges, we will continue to rely on our strong governance, risk management and cost management programmes. We will also retain focus on the implementation of high-impact initiatives that will enable us to establish new partnerships with our clients and retailers, thereby unlocking additional value in our core business. Through strategic initiatives and prudent management, we are confident in our ability to navigate the complexities of the current environment and drive sustainable growth in the future.

FJ Reichert
Chief financial officer

Value-added **statement**

R'000	2023	2022
Turnover	**11 322 024**	9 485 361
Less: Cost of products and services	**8 726 563**	7 387 914
Value added by operations	**2 595 461**	2 097 447
Add: Income from investments and associates	**78 424**	34 376
Wealth created	**2 673 885**	2 131 823
Applied to:		
Employees		
Salaries, wages and other benefits	**1 528 662**	1 328 072
Governments		
Corporate and indirect taxation (note 1)	**409 691**	341 993
Levies (note 2)	**72 304**	60 481
Providers of capital	**135 533**	94 307
Interest on borrowings	**56 531**	33 580
Dividends to non-controlling interests	**6 345**	6 416
Dividends to ordinary shareholders	**72 657**	54 311
Retained in the group	**527 695**	306 970
Wealth distributed	**2 673 885**	2 131 823
Note 1	**409 691**	341 993
Income taxation (excluding deferred tax)	**152 152**	150 438
Customs duties, import surcharges etc.	**257 539**	191 555
Note 2	**72 304**	60 481
Training levies	**9 936**	8 995
Skills development levy	**10 277**	8 396
Alcohol levy	**51 612**	42 641
Tobacco levy	**479**	449
Contribution to governments	**481 995**	402 474
Employee statistics		
Average number of employees	**15 268**	13 506
Turnover per employee	**742**	702
Value added per employee	**170**	155
Wealth created per employee	**175**	158

Summary of ratios **and statistics**

		2023	2022
Ordinary share performance			
Weighted average number of ordinary shares upon which headline earnings per share is based	(000)	**474 469**	464 409
Headline earnings per ordinary share	(cents)	**97.97**	78.21
Dividends paid per ordinary share	(cents)	**15.35**	11.77
Dividend cover	(times)	**8.18**	6.71
Net asset value per ordinary share	(rand)	**5.69**	4.54
Profitability and asset management			
Asset turnover	(times)	**2.20**	2.32
Working capital per R1 000 turnover	(rand)	**122.71**	116.27
Operating margin	(%)	**6.60**	5.60
Effective taxation rate	(%)	**20.34**	26.93
Return on equity	(%)	**22.12**	17.41
Financing			
Current ratio		**2.06**	2.06
Net interest cover	(times)	**10.69**	11.27
Exchange rates			
Key closing exchange rates at 31 December vs ZAR			
– USD		**18.5826**	16.9831
– Botswana Pula (BWP)		**1.3826**	1.3289
– Zambia Kwacha (ZMW)		**0.7221**	0.9393
Stock exchange statistics			
Market price per share - BSE (Botswana thebe)			
– year end		**700**	422
– highest		**700**	422
– lowest		**422**	365
Number of transactions		**133**	234
Number of shares traded	'000	**11 210**	9 449
Value of shares traded	(BWP'000)	**61 934**	35 164
Number of shares traded as a percentage of total issued shares	(%)	**2.36**	2.00
Market price per share – JSE (South African cents) (listed on the JSE on 27 June 2022)			
– year end		**1 030**	640
– highest		**1 037**	1 750
– lowest		**645**	505
Number of transactions		**12 682**	15 592
Number of shares traded	'000	**48 488**	99 021
Value of shares traded	R'000	**367 348**	569 319
Number of shares traded as a percentage of total issued shares	(%)	**10.20**	20.92
Price earnings ratio at year end		**10.51**	8.18
Market capitalisation at year end	(R'000)	**4 896 424**	3 029 358

Country **review**

Botswana

Awarded Master Distributor of the Year for 2023 by major client.

REVENUE

R5 707 million

23'	**5 707**
22'	5 131
21'	4 516

EBIT

R269 million

23'	**269**
22'	224
21'	177

ASSETS

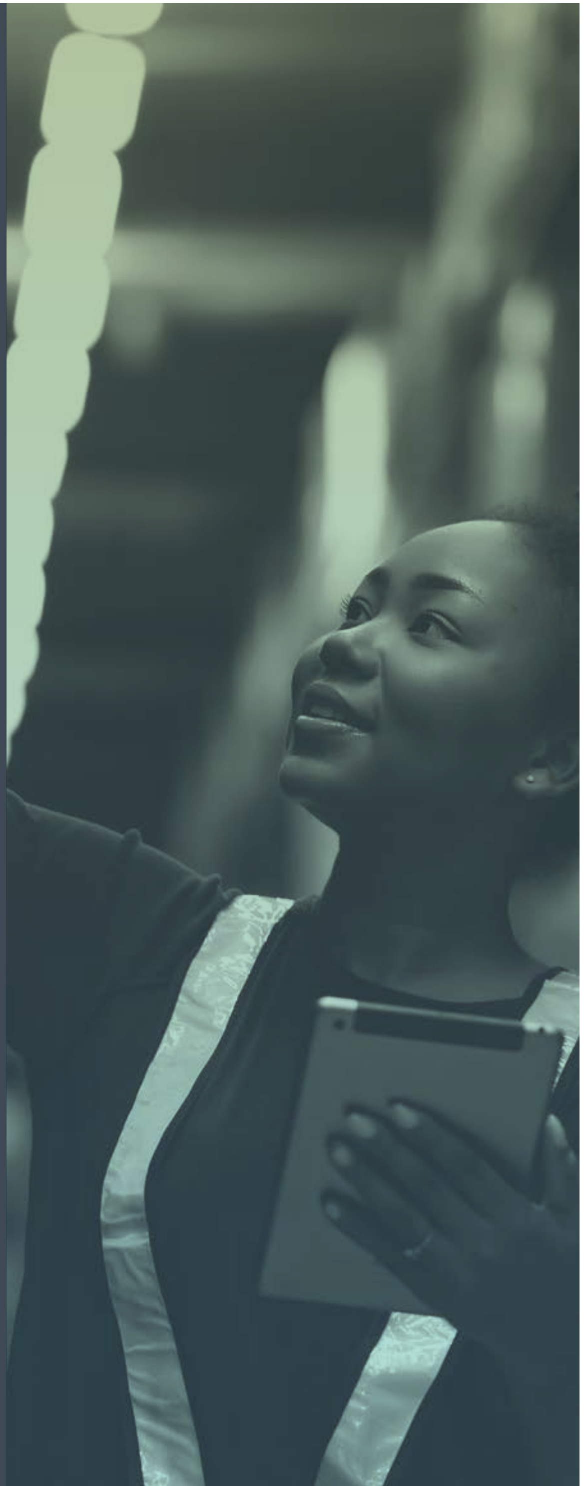
R2 573 million

23'	**2 573**
22'	2 254
21'	2 102

LIABILITIES

R1 333 million

23'	**1 333**
22'	1 173
21'	1 161



MACROECONOMIC OPERATING ENVIRONMENT

According to the International Monetary Fund (IMF), Botswana's economy experienced a growth rate of 3.8% in 2023, which is lower than the previous estimate of 5.8%. This subdued growth is attributed to a decline in diamond production and prices, influenced by weaker global demand. Botswana's economy, heavily reliant on the diamond mining sector, is consequently vulnerable to fluctuations in commodity prices.

Challenges persist, despite positive developments such as the government's new 10-year sales agreement with the De Beers Group and active efforts to diversify Botswana's mining economy. The volatile Pula-Rand exchange rate has negatively impacted businesses, adding complexity to the economic landscape. This volatility can affect costs, revenues, and overall financial stability, necessitating careful management strategies to navigate currency fluctuations.

Additionally, the Botswana government's consideration of bids for the Trans-Kalahari Railway project reflects a commitment to addressing logistical challenges, especially in the context of South Africa's logistics crisis. These strategic initiatives align with broader efforts to enhance connectivity and trade efficiency, contributing to the country's economic resilience.

REGIONAL PERFORMANCE OVERVIEW

The Heineken-Distell transaction represents a redistribution of accounts within the group's entities and can be seen as a strategic realignment, given that SMC in Botswana handed over the Heineken account to CA Sales and Distribution.

CA Sales and Distribution was awarded Master Distributor of the Year for 2023 by a global FMCG giant.

In 2023, the business showcased resilience by fostering growth in alternative portfolios, such as the Halewood brand. The ability to adapt and leverage emerging prospects reflects a positive outlook for the group, demonstrating resilience amid evolving circumstances.

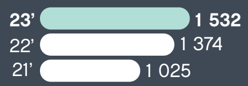
Country **review** continued

South Africa

PnS was awarded B-BBEE level 1 status and attained Top Employer status for the 4th consecutive year.

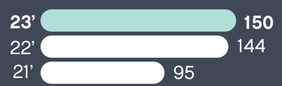
REVENUE

R1 532 million



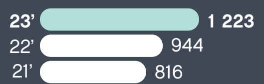
EBIT

R150 million



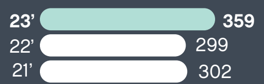
ASSETS

R1 223 million



LIABILITIES

R359 million



MACROECONOMIC OPERATING ENVIRONMENT

According to the IMF, South Africa's economy experienced a growth rate of 1.9% in 2023, a notable decline from the 4.7% recorded in 2022. This deceleration in growth can be attributed to several factors, including the adverse effects of load-shedding, volatile commodity prices, and a challenging external environment. The IMF underscored the imperative need for structural reforms in South Africa to address persistently weak economic growth.

In addition to these challenges, the South African economy grappled with supply chain disruptions and logistical infrastructure failures during the year. International procurement complexities further exacerbated the challenges faced by businesses operating in the region. The need for strategic consolidation within the economy was evident, reflecting the urgency for comprehensive measures to enhance efficiency and resilience.

These developments highlight the multifaceted challenges faced by South Africa and emphasise the importance of implementing structural reforms to strengthen the country's economic foundation and foster sustainable growth.

REGIONAL PERFORMANCE OVERVIEW

In 2023, the group's South African business exhibited outstanding performance across all aspects, with the PnS business consistently delivering strong results. Notably, the strategic addition of the Premier account in 2022 and Diageo in 2023 further strengthened the group's market position and client portfolio. This expansion reflects the group's commitment to diversification and strategic partnerships, enhancing its capabilities in catering to diverse market segments.

In addition, a noteworthy development during the year was the successful diversification into the pharmaceutical channel through the acquisition of the MarketMax operations. This strategic move expands the group's footprint into new sectors, aligning with market trends and offering opportunities for sustained growth and market leadership. The group's ability to adapt, diversify, and forge valuable partnerships underscores its dynamic approach and positions it for continued success in the regional business landscape.

Country **review** continued

Eswatini

Logico celebrated its 20th year of operation in Eswatini.

REVENUE

R1 691 million

23'	1 691
22'	1 451
21'	1 246

EBIT

R145 million

23'	145
22'	109
21'	96

ASSETS

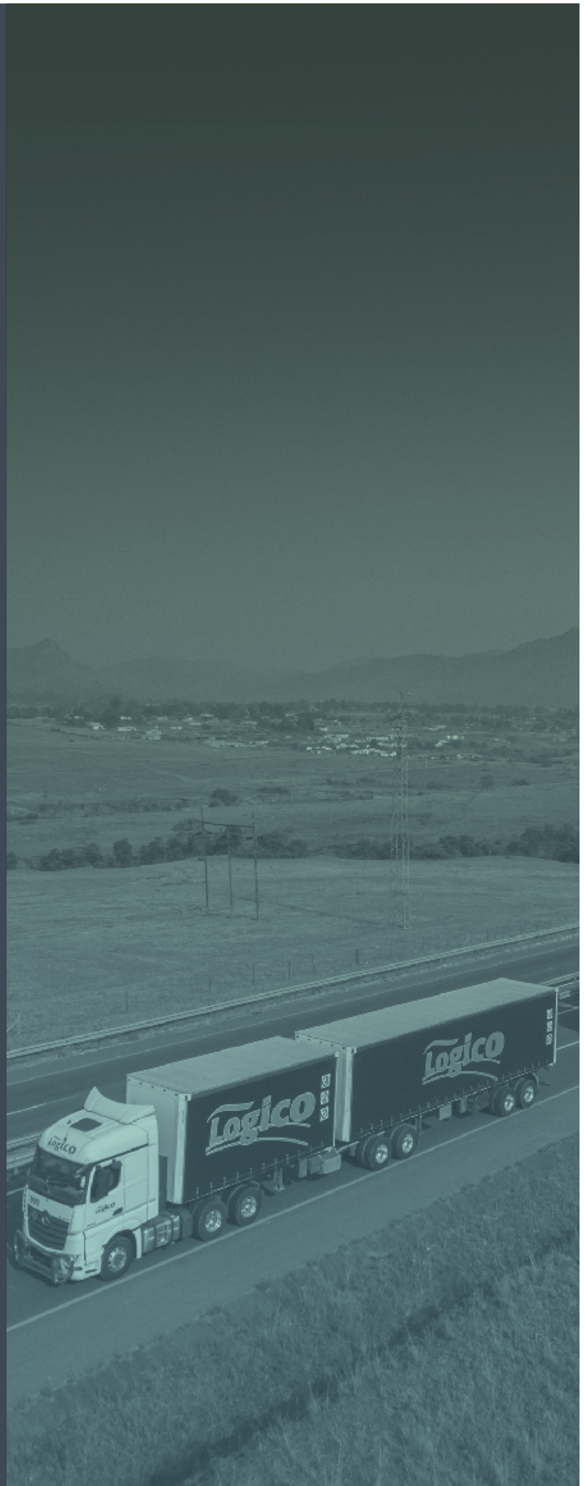
R626 million

23'	626
22'	468
21'	474

LIABILITIES

R279 million

23'	279
22'	150
21'	245



MACROECONOMIC OPERATING ENVIRONMENT

In line with information from the IMF, Eswatini's macroeconomic conditions have shown resilience and growth. The economy expanded by 3.2% in 2023, driven by robust performance in agricultural production and manufacturing, coupled with increased capital investments. This growth signals a diverse and dynamic economic landscape, with multiple sectors contributing to the overall expansion.

Furthermore, the inflation rate in Eswatini has stabilised at approximately 5%. This steady inflation rate indicates a balanced economic environment, where price levels have been relatively controlled. Overall, these macroeconomic indicators suggest a favourable economic climate in Eswatini, characterised by both growth and stability, setting a positive backdrop for businesses operating in the country.

REGIONAL PERFORMANCE OVERVIEW

In Eswatini, the business remains stable. Notably, the recent commissioning of a new SMC warehouse adds to our strategic capabilities, enhancing operational efficiency. Our successful independent distribution model has propelled us toward our aspiration of becoming the leading distributor in the market. Despite the challenges of what has been deemed a reset year for Logico, our business showcased remarkable resilience, achieving strong profit after tax growth in 2023. This growth is further bolstered by the strategic addition of Lucky Star, marking a significant expansion in our client portfolio. The growth directly contributes to the group's strategic outcome of increased market share through speed of distribution and demonstrates the group's ability to grow organically.

Logico celebrated its 20 years of operation in 2023.

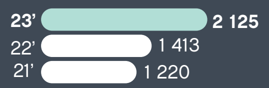
Country **review** continued

Namibia

CA&S Group acquired Taeuber & Corssen Group and added a significant new client.

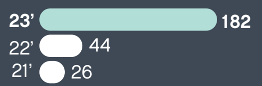
REVENUE

R2 125 million



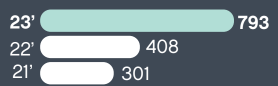
EBIT

R182 million



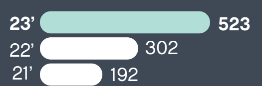
ASSETS

R793 million



LIABILITIES

R523 million



MACROECONOMIC OPERATING ENVIRONMENT

The Namibian economy has faced several challenges, enduring a prolonged period of economic downturn. Despite the anticipated opportunities from the discovery of oil in the sea, these prospects have not materialised as expected. The economy has grappled with the impact of inflation and a rising cost of living, further complicating the economic landscape. Government investments and consumer spending, intended to stimulate job creation and overall wealth, have not yielded the desired results. This challenging economic environment underscores the need for adaptability and strategic resilience in navigating the complexities of the Namibian market.

REGIONAL PERFORMANCE OVERVIEW

The SMC business has witnessed notable advancements in the spirits sector, particularly following the Heineken-Distell merger.
The strategic acquisition of renowned brands like Gordon's by Diageo has played a crucial role in propelling revenue growth over the 12-month period. The proactive expansion of infrastructure and capabilities, especially in ready-to-drink (RTDs), paints a promising outlook for Namibia's market.

In 2023, the group further strengthened its market position through strategic acquisitions, acquiring the T&C Group for R65 million. This strategic move was complemented by securing the Nestle account. These collective developments underscore the group's resilience and strategic acumen in navigating market dynamics, positioning itself for sustained growth and profitability. The combination of successful acquisitions, new clients, and infrastructure investments reflects the group's commitment to adaptability and long-term goals.

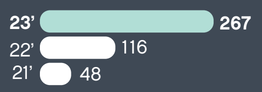
Country **review** continued

Other geographies

Expanded operations into Zambia and new warehouse commissioned in Lesotho.

REVENUE

R267 million

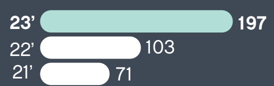


EBIT

R0.3 million

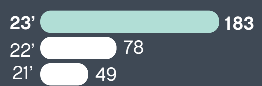
ASSETS

R197 million



LIABILITIES

R183 million



REGIONAL PERFORMANCE OVERVIEW

Lesotho represents a relatively new business venture for the group, involving initial setup costs and ongoing investment. Despite operating at a loss for the past two years, the acquisition of the Distell portfolio through the Heineken-Distell corporate action has provided volume throughput and potential for recovery in the liquor space. This resulted in the overall business in Lesotho doubling revenue on a moving annual basis, with strategic acquisitions like Simba in the FMCG sector and commissioning a new warehouse, contributing to a 150% growth in revenue. While recovery may take time, the business is on an upward trajectory.

Smithshine expanded its operations into Zambia in the prior year, a market the group believes holds promising future growth opportunities. This strategic expansion aligns seamlessly with the group's growth ambitions, showcasing its commitment to exploring and capitalising on emerging markets for sustained business expansion and profitability. This business needs scale to become profitable, which is the expectation, for the near future.

Our associate in Zimbabwe has achieved good sales growth in an environment that has been challenged by its currency devaluation. This aligns with the group's strategy of operating profitably in challenging environments and demonstrates our agility and resilience. These strategic moves position the group for long-term success in diverse geographies.

Sustainability **review**

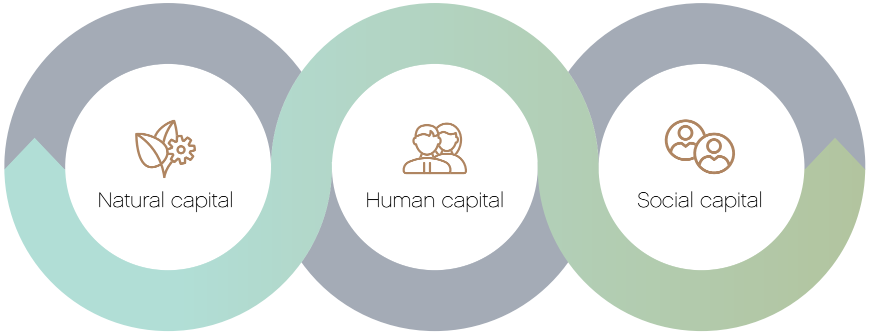
ESG **roadmap**

As part of our ongoing commitment to sustainability, we have formalised sustainability metrics within the group, emphasising environmental and social impacts across our markets. In 2023, we took concrete steps to align all operations with the group's ESG focus areas, while giving our companies the autonomy to address unique contextual factors and stakeholder needs.

This section of the report outlines the outcomes of our sustainability journey to date. It delves into matters with a material impact on long-term success, focusing on the value we contribute to the economy, environment, our people, and the communities in which we operate.

Information provided here covers data from our five largest operations, as our smaller entities are not yet equipped for accurate ESG reporting. As we progress on our ESG journey, our aim is to collect and collate data from all CA&S entities.

We promote environmental stewardship and seek to minimise our GHG emissions.



We contribute to local economies by generating employment, sourcing from local suppliers and supporting community projects.

People are at the heart of our business. We aim to recruit, develop and reward talented people to ensure the success and sustainability of the business.

The CA&S Group prioritises responsible corporate citizenship, encompassing social and environmental responsibility and good corporate governance. This commitment is vital for our social license to operate and ensures long-term sustainability. In 2021, we established a comprehensive ESG framework to guide our group-wide approach to ESG implementation.

Our ESG aspiration

To partner for a better future that unlocks the potential of our people and communities and sustains our environment.

	ENVIRONMENTAL	SOCIAL (INTERNAL)	SOCIAL (EXTERNAL)	GOVERNANCE
Our ESG priorities	Implementing measures to manage environmental dependencies and reduce our impact	Improving livelihoods and employee wellbeing	Positively impacting the communities in which we operate	Committing to good corporate governance internally and across our value chain
Link to relevant report section	PAGE 45	PAGE 50	PAGE 52	PAGE 56

Natural **capital**

OUR ENVIRONMENTAL IMPACTS

CA&S actively addresses sustainability issues in the countries where we operate. We have integrated the protection of the planet into our core operations, emphasising energy efficiency and waste recycling, and enhancing our capabilities to measure and report on ESG metrics. The group has also prioritised environmental education initiatives targeting employees, suppliers, and communities.

Performance against objectives

2023 OBJECTIVE	PROGRESS	COMMENT
Continue monitoring and documenting fuel usage and efficiency, emphasising data accuracy improvement	**Achieved**	Operations submit data monthly which has been used in the Carbon Footprint calculation.
Raise awareness among drivers about the impact of behaviour on fuel consumption through training and incentive programmes	**Ongoing**	Training is on-going.
Implement transport software to enhance truck utilisation and effectiveness	**Ongoing**	Implementation of software at one of the operations has been successful and assists in reducing distances traveled. Further implementations will continue in 2024.
Conclude outstanding negotiations with landlords on solar installations and other electricity-saving initiatives	**Not achieved**	No further solar installations have been made during 2023. The T&C buildings acquired, have solar systems that generated additional renewable energy for the group in 2023.
Consult with experts to measure GHG emissions and establish targets	**Achieved**	Scope 1 and 2 data for the year were used in the CGC calculations.
Explore formal solutions for recycling measurement	**Ongoing**	Recycling is being measured at most of the operations, but further initiatives to increase the ratio of waste recycled, need to be pursued.

Energy and emissions

CA&S Group monitors its environmental impact, with a particular focus on electricity and fuel consumption across our offices and warehouses of our major operations. For 2023, we calculated our Scope 1 and 2 emissions as part of the initial steps towards tracking and reducing our carbon footprint.

ELECTRICITY CONSUMPTION

		2021 (Baseline)	2022	**2023**
Grid electricity consumed	MWh	4 329	4 239	**5 642**
Renewable energy produced	MWh	349	354	**1 214**
Share of renewable energy	%	8.1	8.4	**21.5**

The newly acquired T&C Group buildings contributed to the total grid electricity consumed and renewable energy generated by the group in 2023. In 2023, the group initiated various initiatives to address energy consumption and emissions. Efforts in the South African operation, PnS, included implementing automatic power cuts, using LED light bulbs and exploring solar options. The Namibian operation, Wutow, operating from leased premises, actively explored a grid-tied solar solution set to be implemented in 2024. This effort was accompanied by staff training and energy efficient lights throughout their premises. SMC, recognising challenges in owning renewable energy initiatives due to leased warehouses, focused on environmental conservation. SMC's initiatives included Spekboom planting in Lesotho and a transition to energy-efficient LED light bulbs. Similarly, CA Sales and Distribution, in Botswana, converted to rechargeable energy-saving bulbs, and implemented signage for eco-friendly practices. These collective actions underscored our commitment to sustainability and align with our ongoing efforts to track and reduce our environmental impact.

Natural **capital** continued

FUEL CONSUMPTION

		2021 (Baseline)	2022	2023
Owned fleet				
Litres of fuel consumed	ℓ	3 574 696	3 817 603	**5 065 541**
Fuel efficiency: fuel per distance travelled	ℓ / km	0.36	0.37	**0.35**
Fuel efficiency: fuel per weight moved	ℓ / tonne	6.42	7.67	**6.53**
Other vehicles not included above (Group- and employee-owned)				
Total fuel consumed	ℓ	2 489 467	2 858 694	**3 445 359**
Fuel efficiency	ℓ / km	0.07	0.07	**0.07**

The CA&S Group is dedicated to improving fuel efficiency and minimising carbon emissions. In 2023, Logico concentrated on enhancing vehicle efficiency by monitoring fuel usage, implementing the TMS transport system and renewing its fleet with a particular emphasis on fuel-efficient vehicles. PnS aimed for increased fuel efficiencies, incorporating route management software and introducing initiatives such as an admin-hub in Johannesburg and driver education programmes. In Namibia, Wutow prioritised driver training and vetted third-party operators to optimise fuel efficiency. SMC took a comprehensive approach, replacing its aging fleet with fuel-efficient trucks and planning the transition to electric forklift trucks. CA Sales and Distribution directed efforts towards reducing CO_2 emissions through strategies like reducing air travel, promoting vehicle sharing and transitioning to electric forklifts over the next few years. Entities across the group shared specific targets, including reductions in fuel usage per pallet moved and per kilometre travelled, reflecting a collective commitment to achieving the group's sustainability objectives.

GHG EMISSIONS

Our carbon footprint is determined in line with the GHG Protocol Corporate Accounting and Reporting Standard. The GHG Protocol mandates the inclusion of all direct emissions under Scope 1 and indirect emissions under Scope 2 as compulsory reporting. All emissions are calculated using emission factors and reported as carbon dioxide equivalent (CO2e) gases, as required by the GHG Protocol. Scope 3 emissions, which encompass those from supply chain activities, are reported at the discretion of the group, in line with GHG Protocol guidelines. Guided by GHG Protocol standards, we establish clear boundaries for group emissions, delineating exclusions and assumptions as detailed in this report.

In 2023, we conducted our carbon footprint assessment, focusing on Scopes 1 and 2 emissions, which were calculated by a third-party expert service provider. This assessment serves as the baseline for monitoring our emissions in the future.

Scope 3 emissions remain unassessed at this stage. We intend to expand coverage to Scope 3 emissions and refine methodologies as part of our ongoing sustainability commitments and climate change roadmap.

Total scope 1&2

18 621 tCO2e

Total scope 1

14 388 tCO2e

Total scope 2

4 233 tCO2e

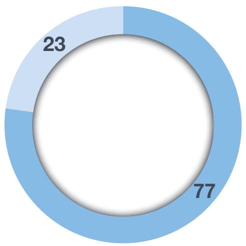
Natural **capital** continued

Scope 1 and Scope 2 emissions

Scope 1 emissions encompass sources owned or controlled by the group, such as generators, refrigeration and air-conditioning units. Our Scope 1 emissions for the year amounted to 14 388 tCO2e.

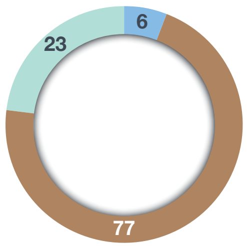
Our Scope 2 emissions for the year amounted to 4 233 tCO2e. These emissions are associated with the consumption of purchased electricity from sources not owned or controlled by the group, such as electricity utilities like Eskom. The total emissions for Scopes 1 and 2 amounted to 18 621 tCO2e.

CA&S Group's emissions in tonnes of CO2e by Scope in FY2023



01. Scope 1	14 388 (77%)
02. Scope 2	4 233 (23%)

CA&S Group's Scope 1 and 2 emissions in tonnes CO2e in FY2023



01. Stationary fuel	71 (0%)
02. Fugitive gas	1 039 (6%)
03. Mobile fuel	13 278 (77%)
04. Purchased electricity	4 233 (23%)

Emissions intensity

Intensity metrics are indicators used to compare CO2e emissions relative to operational factors such as full-time employees, floor area, production volumes or financial measures. These metrics are typically based on Scope 1 and Scope 2 emissions, as Scope 3 emissions are reported at the discretion of the group.

In the year under review, the group emitted 1.338 tCO2e per full-time employee (including non-permanent employees), 0.152 tCO2e per square meter of floor area owned by the company, and 1.712 tCO2e per million Rands in sales revenue.

Intensity metrics

tCO2e / total FTE

1.338

tCO2e / total m^2

0.152

tCO2e / Rm revenue

1.712

Natural **capital** continued

Outside of Scopes emissions

Outside of Scopes emissions refer to GHGs not covered by the Kyoto Protocol. These include GHGs presumed to have been phased out under the Montreal Protocol, such as HCFC22 (Freon or R22), which is still used as gas refills in air-conditioning and refrigeration equipment in South Africa. However, in FY2023, these emissions were not applicable to CA&S as no non-Kyoto Protocol gases were known to be consumed by the company. Therefore, there were no emissions falling outside of Scopes for the group in FY2023.

Boundaries and exclusions

Organisational boundaries are crucial for determining which of our business units, facilities and physical locations are included in the GHG inventory. Exclusions and assumptions are essential to note as they provide transparency regarding the boundaries and limitations of the carbon footprint assessment, ensuring the accuracy and reliability of the reported emissions data. Only the data and facilities of the five significant subsidiaries of the group have been included in this report as the other entities' contribution is regarded not material.

Organisational boundary

Emissions generated by certain facilities and entities are excluded from the reporting boundary as they have either not been in use during the reporting period or vacated before the end of the reporting period. In the latter case, electricity consumption data is reported and included in the metrics, if available.

Operational exclusions and assumptions

Operational exclusions and assumptions for CA&S Group in FY2023 were documented across different emission scopes. In Scope 1, including stationary fuels, mobile fuels, fugitive gas and onsite renewable energy, no exclusions or assumptions were identified, and all relevant data were reported. For Scope 2, specifically purchased grid electricity, exclusions were made due to electricity supply being included in rental agreements, with unavailability of data for certain periods and for certain facilities. The group did not purchase any renewable electricity, rendering purchased renewable electricity not relevant for reporting. Scope 3 categories were not evaluated, and thus, the relevance remains undetermined as the information was not reported.

Water consumption

		2021 (Baseline)	2022	2023
Water consumption	l	14 734 922	14 827 842	**26 067 095**
Water recycled	l	–	–	**–**

The CA&S Group has implemented various initiatives across its entities, showcasing a collective effort to reduce water usage and promote responsible water practices. PnS is actively working to reduce water usage across its operations, using employee awareness campaigns and repurposing greywater, with a specific target of achieving a 10% reduction in water usage. Wutow is focused on water education and training, along with the installation of a water purification plant in 2024, and aims to achieve a 30% reduction in water usage by the end of 2024. SMC is contributing to water conservation through rainwater collection for cleaning its fleet. CA Sales and Distribution, on the other hand, is addressing resource depletion and water usage by utilising borehole water for landscaping.

Natural **capital** continued

Recycling and waste

		2021 (Baseline)	2022	2023
Waste to landfill	Kg	not measured	2 971 047	**4 280 638**
Waste recycled	Kg	N/A	50 908	**135 099**
Ratio of waste recycled	%	N/A	1.7	**3.1**

The CA&S Group has a longstanding commitment to recycling practices, with initiatives addressing plastic, glass and cardboard waste. In 2022, the group initiated digital solutions to reduce paper usage, though the impact of these efforts is yet to be quantified. The effort continued in 2023.

The individual entities within the group, such as Logico, PnS, Wutow, SMC, and CA Sales and Distribution, each contribute to the collective commitment. Logico focuses on achieving a zero-waste-to-landfill goal by 2025. PnS is driving digitisation to minimise paper usage, Wutow is working on waste reduction and recycling targets, SMC has embraced a paperless office, and CA Sales and Distribution actively manages waste with specific recycling goals. Together, these efforts highlight the CA&S Group's dedication to sustainable recycling and waste management practices, aligning with broader environmental objectives.

Looking ahead

In the upcoming year, CA&S will be guided by the following focus areas:

- With a service provider for carbon emission calculations now in place, the emphasis will shift to the implementation of recommendations and more detailed reporting on both Scope 1 and Scope 2 carbon emissions.
- Progressing with the installation of renewable energy solutions, with at least one new CA&S site being suitably re-equipped.
- Expanding driver training programmes on fuel-efficient driving to more operations within the group.
- Identifying and implementing new recycling initiatives.
- Determining metrics for which specific targets can be set, reinforcing our commitment to sustainability and continuous improvement.

Case study

Phakalane Clean-Up

In a demonstration of community and environmental stewardship, SMC organised a clean-up in Phakalane, in Botswana, on 19 August 2023. The activity was conducted at a minimal monetary value, with the local business community coming together to enhance the cleanliness of the area, focusing on streets and drainage areas. SMC provided Twizza cool drinks and refuse bags for effective waste management, showcasing its commitment to environmental protection.

Human **capital**

RESPONSIBILITY TO OUR EMPLOYEES

Several entities joined the CA&S Group over the years. Each of these entities brings with it highly motivated teams and a distinctive leadership style, enriching the overall capabilities and expertise of the group. In 2022, the CA&S executive team launched a comprehensive campaign to rally each division, fostering alignment with the group's vision, objectives, and culture. The response was overwhelmingly positive, with staff members fully embracing the group's organisational culture and ethos. This collective commitment is anticipated to foster increased collaboration and team spirit to, ultimately, contribute significantly to achieving our revenue target of R20 billion by 2026.

Performance against objectives

2023 OBJECTIVE	PROGRESS	COMMENT
Expand training opportunities and investment in operations with a history of informal on-the-job training	Ongoing	Some operations have not yet conducted formal training for all employees.
Conduct formal health and safety training at all sites	Achieved	Majority of the operations have conducted health and safety training during 2023.

Attracting and retaining staff

Number of employees during the year		2021	2022	2023
Appointments (including business acquisitions)	#	1 467	4 589	**2 482**
Retrenchments	#	272	34	**80**
Promotions	#	144	227	**225**
Total employees at year-end	#	10 423	13 506	**15 268**
Staff retention	%	83.1	82.0	**83.8**

The group's operational strength relies on the commitment and teamwork culture exhibited by our employees. We are actively expanding our workforce to support our growth plans. Our preference is to appoint employees from the local talent pool and to promote from within. However, the lure of international companies offering salaries and benefits in strong foreign currencies has led to a diminishing talent pool. To address this challenge, we are implementing strategies to keep our employees engaged and productive. This includes offering attractive incentive schemes, remuneration, and exciting internal growth opportunities.

Wellness, health and safety

Wellness, health and safety		2021	2022	2023
Spend on health and safety training	R'000	1 092	1 381	**3 304**
Work-related injuries	#	176	252	**247**
Work-related fatalities	#	–	–	**–**
Lost time due to work-related injuries	Hours	7 717	128 188	**104 931**

In 2023, entities in the group continued to prioritise the wellness and health and safety of their workforce, recognising the pivotal role these aspects play in fostering a positive and productive work environment. Logico, for instance, actively worked to decrease work-related accidents by implementing comprehensive Health, Safety, and Environment (HSE) policies and wellness programmes. Similarly, PnS adopted a holistic approach to employee well-being, ensuring both current and future fitness through initiatives that focus on mental and physical health, talent development, and community building. These were reinforced by Employee Wellness Days and Employee Connection Events.

Wutow provided ongoing training through in-house Health and Safety (H&S) officers. The company maintained its noteworthy target of zero work-related accidents during the year, reinforcing its dedication to employee safety. SMC, in addition to prioritising safety, went above and beyond to nurture the well-being of its workforce through annual food parcels and acknowledgment of milestone achievements. Similarly, CA Sales and Distribution took a comprehensive approach to health and safety, conducting bi-annual medical tests, offering various training programmes, and organising events like the CA Sales and Distribution Health Week to educate employees on health-related issues. These initiatives collectively reflect the CA&S Group's commitment to creating a workplace culture that prioritises the health, safety, and overall well-being of its diverse and motivated teams.

Human **capital** continued

Diversity and inclusion

	FULL-TIME EMPLOYEES		MANAGERIAL EMPLOYEES	
	#	%	#	%
Gender				
Male	**9 371**	**61**	839	67
Female	**5 897**	**39**	408	33
Race				
African	**13 310**	**87**	736	59
Indian	**220**	**2**	114	9
White	**343**	**2**	211	17
Coloured	**1 363**	**9**	173	14
Other	**32**	**–**	13	1
Age				
<30	**5 612**	**37**	107	9
>30<50	**8 528**	**56**	929	74
>50	**1 128**	**7**	211	17
Other				
Disabled employees	**43**	**0.2**	3	0.2

The CA&S Group is actively driving diversity and inclusion across our subsidiaries, while ensuring that our workforce represents our in-country demographics by placing the focus on talent localisation.

Logico is committed to enhancing gender and racial diversity, with specific goals for increasing female employees and those in management by 2024, ensuring pay parity and fostering inclusivity for disabled employees.

PnS takes a proactive stance with its Inclusion and Diversity Committee (IDC). The IDC, led by senior management, has achieved significant progress, moving from Level 2 to Level 1 in the B-BBEE scorecard. PnS is emphasising gender and disability inclusion through initiatives like the impactful "Speak up, Reach out" campaign that encourages those with disabilities to come forward to receive greater support and help to reduce the stigma around disabilities in the workplace.

Wutow is steadfast in its commitment to fair employment practices, targeting 60% females employed and 55% in management positions. Meanwhile, SMC, operating across multiple markets, stands out with over 50% of its management comprising females and employees of colour, embodying the CA&S Group's dedication to fostering an inclusive environment.

Pay parity and minimum wage

All companies in the group adhere to gender pay parity, ensuring that compensation is fair and equal regardless of gender. Additionally, we surpass the legislated minimum wage requirements in each country where we operate.

Training and skills development

Training and skills development		2021	2022	2023
Investment in employee training (including learnerships and sponsorships)	R'000	43 644	56 024	**56 785**
Employees trained	#	6 446	9 418	**7 292**
Employees who obtained degrees / diplomas paid for by the company	#	2	8	**4**
Internal learnerships passed	#	154	85	**153**
Ratio of workforce trained	%	62	70	**48**

The CA&S Group's dedication to employee growth and organisational sustainability is evident through our robust training and development initiatives across subsidiaries.

In the year under review, Logico actively empowered its workforce by implementing a graduate trainee programme and ensuring all employees receive at least one training instance in 2023.

PnS, focusing on holistic well-being and development, offered a diverse range of capability-building programmes. The company provided training for 7 000 employees across 18 qualification-based programmes, reinforcing its commitment to employee growth and development.

Wutow is actively implementing a roadmap to provide one training instance per employee per year, fostering a continuous learning culture within the organisation. Similarly, SMC continues to prioritise employee well-being through safety training, and empowerment initiatives. In 2023, SMC allocated a training budget of R1.2 million across all countries. CA Sales and Distribution continuously train their 1 400 employees through their in-house training company. Collectively, these efforts underscore the group's commitment to building a knowledgeable, skilled, and empowered workforce, creating a foundation for sustained growth and success.

Looking ahead

The group will continue prioritising the welfare and wellbeing of our employees, with a focus on ongoing learning and development, health and safety and employee engagement. Our aim is to retain a skilled and diverse workforce that is at pace with the evolving needs of the business and with our growth ambitions.

Social **capital**

BUILDING OUR COMMUNITIES

Performance against objectives

2023 OBJECTIVE	PROGRESS	COMMENT
Identify new initiatives to contribute to the improvement of livelihoods in our communities	Ongoing	Logico started a wonderful initiative of supporting the education of vulnerable pre-school children in the community.
Consolidate existing projects to contribute to the improvement of livelihoods in our communities	Not achieved	Some of the operations are still contributing to a large variety of initiatives.
Implement supplier screening across the group	In part	Currently only our operations in South Africa and Eswatini are screening new suppliers according to sustainability criteria.

Developing the local supply chain

Supply chain spend		2021	2022	2023
Percentage local spend	%	30.5	32.3	**47.8**

We consistently strengthen our supply chain resilience by giving preference to local suppliers whenever feasible. Prioritising support for local suppliers enhances our capacity to contribute to local economies. Our suppliers adhere to the group's supplier code of conduct, aligning with our commitment to sustainable and responsible business practices.

Logico aims to develop a local supply chain by investigating opportunities to increase spending on local suppliers, such as corporate wear. The feasibility study on replacing certain South African suppliers with local Eswatini suppliers will be completed by 2024. PnS is committed to supply chain stewardship, supporting and strengthening the local supply chain, prioritising local businesses, and applying robust procurement processes with a focus on broad-based black economic empowerment. Wutow focuses on supply chain development, creating new opportunities for local businesses and maintaining a continued focus on sourcing from local suppliers, with a target of 10% of total spend. SMC fully supports local suppliers, including owner-managed small businesses, emphasising the group's commitment to the local economy. CA Sales and Distribution outsources a significant portion of local distribution to local transporters and all cross border collections are outsourced to a Motswana local distribution business.

Supporting the community

CSI spend		2021	2022	2023
Donations	R'000	1 459	2 473	**4 559**
Enterprise development	R'000	1 481	–	**–**
Other CSI spend	R'000	580	1 804	**878**
Total CSI spend	R'000	3 520	4 277	**5 437**
Total CSI spend as a percentage of NPAT	%	0.9	0.7	**0.9**
Charity organisations supported	#	24	42	**51**
Employee time spent on CSI initiatives	Hours	117	160	**702**
Spend on external learnerships and community upskilling	R'000	26 400	36 403	**33 505**

Across our diverse portfolio of companies, we recognised the transformative potential inherent in genuine partnerships. Through collaborative efforts, we unlocked possibilities for our clients, our people, and the communities they call home, all while contributing to the economies of the countries in which we operate. Group companies generally target a CSI spending of 1% of net profit after tax (NPAT).

Logico stood as a testament to our dedication to community upliftment through robust CSI initiatives. Logico's commitment to pre-school education for vulnerable children, with a goal of supporting 250 children by 2024, reflected our focus on long-term, sustainable change.

PnS partnered again this year with the Potato Foundation, renovated nursery schools and empowered educators and vulnerable children. Wutow exemplified active community engagement through various partnerships, charity initiatives and education programmes. The business actively involved its staff in impactful initiatives such as the Annual Winter Knights campaign and Shoprite Soup Kitchen. By setting clear targets for CSI spending, hours dedicated to initiatives and the number of community members impacted, Wutow demonstrated a commitment to meaningful and measurable social impact.

SMC allocated CSI budgets for Botswana, Eswatini, and Namibia, aligning its efforts with the diverse needs of the communities it served.

CA Sales and Distribution engaged in a range of impactful initiatives in 2023, across Botswana. Through these varied and impactful CSI projects, we reinforced our commitment to the development and well-being of the communities in which we operate.

Social **capital** continued

BOTSWANA

In 2023, the CA&S Group implemented various projects in Botswana, contributing to community well-being and fostering positive change. These initiatives spanned diverse sectors, demonstrating our dedication to making a meaningful impact.

Caring for the elderly and disabled

On 7 December 2023 we donated hampers to the elderly and disabled in the Letlhakeng Village.

CA Sales and Distribution (CA Sales) donated food and toiletry hampers as well as blankets to the elderly and disabled in a town called Madinare.

Total spend: P87 800 **Beneficiaries:** 89 COMMUNITY MEMBERS

Supporting the informal sector

In 2023, CA Sales initiated various projects, with notable instances of support extended to informal traders operating near the company premises. This assistance involved the acquisition of gazebos and chairs, positively impacting six community members.

Total spend: P33 780 **Beneficiaries:** 6 INFORMAL TRADERS

Caring for our children

We donated blankets and mattresses to the Dikgatlho Junior Secondary School hostel in Kudumatse Village on Mandela Day.

CA Sales made contributions towards the annual Mabu Project, which supports families of new born babies in 21 districts in Botswana.

Total spend: P139 775 **Beneficiaries:** 150+ CHILDREN

In the Christmas spirit

CA Sales contributed hampers and food vouchers towards one of the President's initiatives as well as the Lady Khama Charitable Trust's annual Christmas Hamper Drive.

Total spend: P175 000 **Beneficiaries:** 250 COMMUNITY MEMBERS

ESWATINI

Fighting Malaria

The fight against malaria took centre stage in an initiative jointly undertaken by SMC and Logico. The initiative, in collaboration with the End Malaria Fund, aims to eliminate malaria in Eswatini, with a target of mobilising US$5 million. The successful golf tournament, with the support of 18 companies, raised SZL 180 000 for the National Malaria Programme.

Total spend: R11 794

Supporting pre-schools

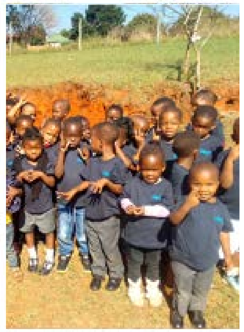
Nyonyane, Kukhanya, and Esitjeni pre-schools are situated in rural and underprivileged communities. Logico adopted the schools to help address a range of needs, from food and stationary to staff salaries and maintaining the buildings.

Total spend: R353 000

Providing for community needs

Logico is committed to supporting the community, especially vulnerable community members. The company's multi-faceted approach included a Food Parcels for the Elderly initiative, carried out throughout the year, involvement with the Nomads Sports Club and the Science in Conservation project, and a donation to the Mbuluzi Mountain Bike fundraiser.

Total spend: R124 222



Social **capital** continued

NAMIBIA

In 2023, Wutow actively engaged in numerous initiatives dedicated to uplifting communities across Namibia.

Jaco Cycling Club

As part of its dedication to promoting healthy lifestyles and community engagement through sports, Wutow sponsored the Jaco Cycling Club's fundraising event, aligning with its support for local sports initiatives.

Partnership with Charitree

Wutow's collaboration with Charitree establishes a vital connection between the company's CSI initiatives and Namibian charities, welfare organisations and schools. Charitree serves as a facilitator, ensuring that Wutow's philanthropic efforts are directed towards projects addressing specific local needs. This partnership reflects Wutow's commitment to social responsibility and making a positive impact on Namibian communities, showcasing a harmonious integration of business success and community development.

Total spend: R489 155

Support for vulnerable members of the community

Ongoing support for the Shoprite Soup Kitchen, underscores Wutow's enduring commitment to meeting the basic needs of vulnerable community members and tackling hunger in diverse regions.

Total spend: R32 609

Social **capital** continued

SOUTH AFRICA

The Potato Foundation – Future-Fit Education

In collaboration with the Potato Foundation, PnS made a significant contribution towards the establishment of the school's computer centre. Our support included the provision of desktop computers and solar equipment, ensuring uninterrupted access to technology-based education for young learners. By emphasising critical digital skills, we are dedicated to enhancing learning environments and promoting equal access to future-fit education. We assist on an ongoing basis with software updates and take an interest in the continued active use of the centre.

The Potato Foundation – Providing Winter Comfort

We understand that we have a role to play in strengthening the social fabric of our country. In line with this ethos, we participated in an annual Winter Warmer collection drive, uniting our employees in contributing essential items to families in need within our communities. Through the donation of necessities such as sanitary towels, toys, and blankets, we aimed to provide comfort and support during the challenging winter season. This initiative underscores our commitment to making a tangible difference in the lives of those facing financial difficulty in the tough economic climate.

The Potato Foundation – Keeping Girls Learning

It's widely recognised that menstruation is a key factor underlying disruption and even discontinuation of schooling for girls in economically disadvantaged communities. In partnership with Kotex, the PnS Group joined hands with the Potato Foundation to provide sanitary towels to girls in schools within these communities. This collaborative program aims to alleviate menstruation-related absenteeism, enabling young girls to concentrate on their studies without disruption.

This initiative is just one facet of our comprehensive approach to supporting children and youth in education, emphasising our commitment to their holistic well-being. Additionally, PnS proudly sponsored the Lily Project at Laerskool Voortrekker Eeufees as part of our Women's Day celebration. This project not only educates young girls on feminine hygiene and health but also provides dignity kits, empowering them with the resources they need for their menstrual hygiene management. Through these efforts, we strive to ensure that all girls can thrive in their academic pursuits.

The Mandela Foundation – Honouring a Great Legacy

A PnS team participated in the Nelson Mandela Foundation's Remembrance Walk on 16 July 2023 in Johannesburg. In the year of the 10th anniversary of Nelson Mandela's passing, it was fitting to commemorate his immense contribution to our country and contribute to upholding his legacy which espoused peace, equality, and empowerment for all. The importance which President Mandela placed on education and supporting our country's youth is acknowledged through our group's placement of this at the core of our social development programme.

The Potato Foundation – School Feeding Scheme

On a cold July morning, a PnS team dedicated their time supporting the Potato Foundation's school meal programme at Laerskool Voortrekker Eeufees, in commemoration of Mandela Day. Recognising the vital role of nutrition in childhood development and learning, we have joined hands with the Potato Foundation to ensure that children from economically disadvantaged backgrounds have access to daily nutritious meals in a number of their sponsored schools. Through the provision of nourishing meals, we strive to empower these children with the foundation they need to thrive.

Woza Moya Hillcrest Aids Centre – Crafting Empowerment

PnS donated material to support Woza Moya, the economic empowerment project of the Hillcrest AIDS Centre Trust. This project targets the empowerment of people affected by HIV/AIDS providing them with the requisite skills and materials needed to generate income through the creation of beautiful arts and crafts.

Kukhula Global Projects – Enabling Sustainable Entrepreneurship

For over two decades, Kukhula Training and Skills Development has been at the forefront of addressing South Africa's most pressing challenge: unemployment. Operating across various sectors, Kukhula implements numerous accredited programs, including learnerships, industry training, and enterprise development initiatives tailored for people living with disabilities.

In a synergistic alliance, the PnS Group and Kukhula have forged a partnership aimed at community transformation through skills development and entrepreneurship. Central to this is the Kukhula 'New Venture Upcycle' initiative. This program empowers beneficiaries with practical skills, mentorship, and technical expertise to launch their own businesses, while also fostering their ability to conceive and craft exquisite products from recyclable materials, thus turning waste into valuable commodities.

PnS extends vital support to this project, offering both skills development opportunities and the provision of recyclable fabric for production purposes. In 2023, we proudly sponsored 50 learners living with disabilities in the New Venture creation learnership, covering their training expenses and providing stipends to support their journey towards economic independence.

Beneficiaries impacted: 5 187

Employee hours committed: 338

Financial investment: R2 934 000

Looking ahead

In the coming year, we will continue supporting initiatives in all regions that support education and poverty alleviation. We will also continue to provide financial assistance to orphanages and pre-schools, including the selection of additional pre-schools in Eswatini. Our commitment will further extend to initiatives aimed at fostering sustainable livelihoods and creating job opportunities.

Corporate **governance**

Board of **directors**

EXECUTIVE

DUNCAN LEWIS, 55

South African

Chief executive officer

Appointed 9 April 2019

Duncan commenced his professional career in industrial marketing prior to joining PnS in 2003. His trajectory within this company led to his appointment as its CEO in 2013. With a profound understanding of the FMCG industry and its competitive dynamics, Duncan has demonstrated expertise in crafting and implementing strategies that foster market distinction, sustainable expansion, and profit generation, consequently enhancing shareholder value. In 2019, he assumed the role of CEO of the CA&S Group.

FRANS REICHERT, 51

CA(SA)

South African

Chief financial officer

Appointed 30 June 2020

Frans has served as the Chief Financial Officer of the CA&S Group since 2018, bringing with him a wealth of financial expertise garnered from his tenure within the group dating back to 2012. In 2020, Frans was appointed as a full-time executive financial director, further solidifying his integral role within the organisation.

INDEPENDENT NON-EXECUTIVE

JOHAN HOLTZHAUSEN, 53

B.Iuris (Cum Laude), LLB, HDip Tax

South African

Independent non-executive chairperson

Appointed 8 December 2011 (Serving as the chairperson of JSE-listed CA&S since 27 June 2022)

Johan has played a pivotal role in a multitude of listings, mergers and acquisitions, cross-border transactions (spanning across most SADC countries), as well as notable BEE and private equity dealings both within South Africa and internationally. He serves as the chairperson of the listed CA&S Group.

R S

FRANS BRITZ, 57

CA(SA)

South African

Independent non-executive director

Appointed 8 December 2011

Frans has served as the financial director of JSE-listed companies and has been actively engaged in FMCG-related businesses for over 19 years. During his tenure at CA&S Group, he held the position of executive director for seven years, culminating in a two-year term as CEO before transitioning to a non-executive director role upon his retirement as an executive director.

A S

LEON CRONJE, 67

CA(SA)

South African

Independent non-executive director

Appointed 2 September 2019

Leon has held managerial financial roles since 1983. Notably, he concluded his tenure as CFO of Pioneer Foods in 2015, a position he held for 16 years. Following his retirement from Pioneer Foods, Leon transitioned into serving as an independent director on several boards.

A

BLACKIE MAROLE, 68

MA (Economics)

Motswana

Independent non-executive director

Appointed 7 November 2017

Blackie brings a wealth of experience garnered over 21 years in the civil service. During his tenure, he ascended to the highest position within the Ministry of Energy, Water, and Minerals Resources of Botswana, serving as its Permanent Secretary. Additionally, he held the role of CEO at Debswana and offered oversight as a director and/or chairperson on numerous national and international boards.

S

A Audit and Risk Committee

S Social and Ethics Committee

R Remuneration and Nominations Committee

Board of **directors** continued

ELIAS MASILELA, 59

BA (Social Sciences), MSc (Economic Policy and Analysis)
South African
Lead independent non-executive director
Appointed 7 November 2017

Elias currently holds various positions including that of executive chairperson and director. Previously he held various senior positions including CEO of the Public Investment Corporation, director of the South African Reserve Bank and deputy director general of the South African National Treasury.

R

BRIDGITTE MATHEWS, 54

CA(SA)
South African
Independent non-executive director
Appointed 1 January 2023

Bridgitte is a qualified chartered accountant and holds a postgraduate certificate in advanced taxation from the University of South Africa. Currently, Bridgitte consults on, *inter alia*, company secretarial and regulatory requirements. She also serves as an independent non-executive director on the boards of other JSE-listed companies.

A S

SHIELLAH MOAKOFI, 42

MSc (Strategic Management)
Motswana
Independent non-executive director
Appointed 30 June 2020

Shiellah has a diverse career in public relations, assuming various roles within the field. Presently, she serves as the corporate communications manager at a company located in Botswana, where her role is dedicated to advancing regional socio-economic development initiatives.

R

BADAL PATEL, 42

CA(UK)
British
Independent non-executive director
Appointed 6 November 2014

Badal has many years of extensive business experience ranging from banking, mergers and acquisitions, investment management, financial analysis, audit and assurance, business and compliance consulting.

A

JEAN CRAVEN, 51

BCom (Accounting)
South African
Alternate director to B Patel
Appointed 17 April 2012

Jean has many years of experience in building and managing commodity trading businesses at leading South African financial institutions.

A Audit and Risk Committee
S Social and Ethics Committee
R Remuneration and Nominations Committee

Board of **directors** continued

HOW OUR BOARD CREATES AND PRESERVES VALUE

Roles and responsibilities of the board

The board's key roles and responsibilities include, *inter alia*, the following:

- Ultimate accountability and responsibility for the performance and affairs of the group.
- Leading ethically, by example, and governing the corporate citizenship of the group.
- Setting the group's strategic objectives with a focus on value creation.
- Ensuring an effective control environment including risk management and compliance with applicable laws, codes and standards.
- Promoting the interests and expectations of stakeholders.

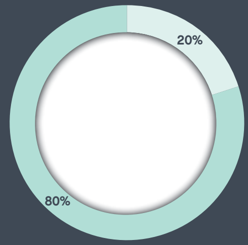
Board composition

As at 31 December 2023, the board had ten directors, comprising eight independent non-executive directors and two executive directors. Board composition is of enormous importance and there are three critical dimensions:

- Creating the right balance of skills and experience.
- Maintaining a strong level of independence and objectivity.
- Ensuring that all directors have sufficient knowledge of the Company and the context in which it operates.

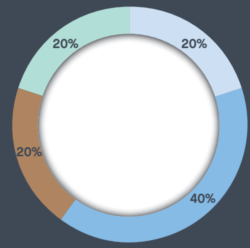
COMPOSITION

Executive	2
Independent non-executive	8



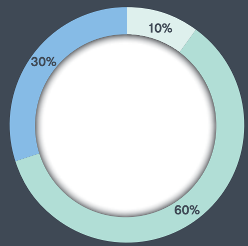
AGE

30 – 45	2
46 – 55	4
56 – 65	2
66+	2



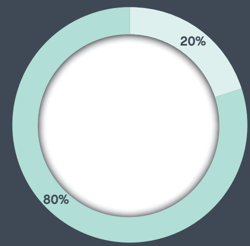
TENURE

0 – 3 years	1
4 – 6 years	6
7+ years	3



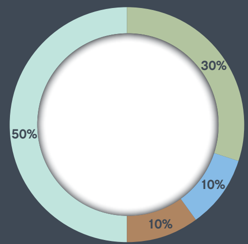
GENDER

Female	2
Male	8



RACE

Black	3
Coloured	1
Indian	1
White	5



SKILLS

Corporate **governance review**

GOVERNANCE PHILOSOPHY

The CA&S Group is committed to upholding the highest standards of corporate governance. The board serves as the focal point and custodian of corporate governance within the group, bearing ultimate accountability for the performance and sustainability of the business. This commitment is aimed at ensuring ethical and sustainable operations and delivering value to shareholders and other stakeholders.

BOARD OF DIRECTORS

The board comprises ten directors, who bring a diverse range of industry knowledge and experience. It formulates strategic objectives, oversees management performance and fosters a culture of ethical leadership within the group. Responsibilities are delegated to three key committees namely, Audit and Risk, Social and Ethics and Remuneration and Nominations. The board aligns with King IV™ principles to ultimately endorse and accept collective responsibility for governance and strategic oversight of the company. The board maintains a clear division of responsibilities to prevent unfettered decision-making authority by any individual and ensures that committee members possess the requisite skills for their mandates.

The board convened four times during the year under review and is satisfied with its current composition.

OUR GOVERNANCE FRAMEWORK

The CA&S Group's governance framework specifies the structure and composition of key committees and roles within the organisation. It delineates the responsibilities and membership of the Audit and Risk Committee, Social and Ethics Committee, and Remuneration and Nominations Committee. Additionally, it states the roles of the Chief executive officer, Chief financial officer, and Group Executive Committee, highlighting aspects such as delegation of authority, terms of reference and combined assurance. The framework also underscores the ethical principles of transparency, integrity, growth and sustainability.

BOARD PERFORMANCE AND EVALUATION

The annual board evaluation process serves as a valuable opportunity to identify efficiencies, leverage strengths and identify areas for further development. This continuous improvement approach aims to enhance both the board's performance and that of the group. The board participated in an annual performance evaluation during the first quarter of 2023. The board is satisfied that the evaluation process is improving its performance and effectiveness. In summary, the results showed that the board is functioning effectively and efficiently as the evaluation found no significant matters or material concerns in respect of the board and board committees' performance, and the board is satisfied with the performance of its members. The performance of all directors standing for re-election at the AGM in June 2024 has been considered by the board, and their re-election is supported.

The board is satisfied with the independence of all the non-executive directors classified as being independent, including Messrs Britz and Holtzhausen, who have served on the board for more than nine years. These individuals have a thorough understanding and valuable knowledge of CA&S Group's business and associated risks, and always act in the best interest of all stakeholders.

BROADER DIVERSITY POLICY

The group has implemented a diversity policy aimed at fostering broader diversity at board level. This policy emphasises attributes such as gender, race, culture, age, field of knowledge, skills and experience. Guided by the Remuneration and Nominations Committee, the board has actively applied the diversity policy in the nomination and appointment of directors, setting specific targets for certain indicators. This ongoing focus underscores our dedication to robust corporate governance practices.

Percentage of directors	Actual as at 31 Dec 2023	Target
Black, Coloured and Indian	50%	35%
Female	20%	25%

Corporate **governance review** continued

DIRECTOR CHANGES

Bridgitte Mathews was, with effect from 1 January 2023, appointed by the board as an independent non-executive director and a member of both the Audit and Risk and the Social and Ethics Committees of the company. Her appointment was confirmed by shareholders at the AGM held on 26 May 2023.

The names of the directors serving at the end of the year under review and their biographical details are set out on pages 57 - 58 of this report.

CEO RESPONSIBILITIES

The group CEO, Duncan Lewis, reports directly to the board and is tasked with implementing board-approved strategic directions and objectives for CA&S. Although not a member of the Audit and Risk or Remuneration and Nominations Committees, the CEO attends these meetings by invitation. The board is satisfied with the CEO's commitment, given his absence of conflicting professional obligations. The CEO's employment and termination terms adhere to standard conditions outlined in his employment contract.

CHAIRPERSON RESPONSIBILITIES

The board is led by the elected chairperson, Johan Holtzhausen. The chairperson's responsibilities include ensuring proper governance, safeguarding stakeholder interests, fostering positive relationships, aligning the brand and group profile with company values and enhancing the industry reputation of CA&S. The roles of chairperson and CEO are distinct.

LEAD INDEPENDENT DIRECTOR RESPONSIBILITIES

Elias Masilela serves as the lead independent director, providing advice to the board in the chairperson's absence or when conflicts of interest may occur. He leads in the chairperson's absence, acts as a sounding board, and facilitates communication between the chairperson and other board members. The lead independent director conducts the chairperson's performance appraisal and chairs meetings addressing the chairperson's succession.

EXECUTIVE TEAM RESPONSIBILITIES

The board delegates the day-to-day affairs of the CA&S Group to the executive team, who are accountable through regular reports and measured against agreed performance criteria. The executive directors – along with management – implement strategies, manage the business, allocate resources and establish best practices.

COMPANY SECRETARY

Bernadien Naude holds the position of company secretary for CA&S Group, serving as the liaison between the board and the group. The company secretary's responsibilities include board administration and communication with the Companies and Intellectual Property Commission. All directors have unrestricted access to the services of the company secretary, which ensures proper administration of board proceedings, compliance with legislation and facilitation of matters related to the company and shareholders. The company secretary also plays a pivotal role in meetings of the board and is responsible for submitting annual compliance certificates to the BSE and JSE.

In compliance with King IV™, the South African Companies Act and the JSE Listings Requirements, through assessment, the board has reviewed the independence, qualifications, experience and competence of the company secretary and was satisfied with the findings. The board has also noted that the company secretary performed all formalities and substantive duties timeously and appropriately.

The certificate that the company secretary is required to issue in terms of section 88(2)(e) of the South African Companies Act is on page 80 of this integrated report.

INTERNAL AUDIT AND COMPLIANCE OFFICER

The internal audit function provides independent assurance on the adequacy and effectiveness of the system of internal controls that maintain significant business risks at an acceptable level. The purpose, authority and responsibility of the internal audit function is consistent with the Institute of Internal Auditors' definition of internal auditing and to the principles of King IV™. The board appointed PricewaterhouseCoopers Inc. as internal auditors at the end of 2023..

EXTERNAL AUDIT

The board sets a policy that governs the level and nature of non-audit services, which requires pre-approval by the Audit and Risk Committee for all non-audit services. In determining the independence of the external auditors, the committee considers the level and types of non-audit services provided, as well as other enquiries and representations. As required by the South African Companies Act, the committee has satisfied itself that the group's external auditor, Deloitte & Touche, was independent of the Company, as set out in sections 90(2)(c) and 94(8) of the South African Companies Act and is thereby able to conduct its audit functions without any undue influence from the Company. The committee has considered the relevant audit quality indicators, including the audit firm's system of quality control. The committee was satisfied with the quality of the audit concluded.

Statement of **compliance**

The directors of CA&S have affirmed that, to the best of their knowledge, CA&S: (i) adhered to the provisions of the South African Companies Act and the JSE and BSE Listings Requirements; and (ii) operated in accordance with its memorandum of incorporation during the year under review.

The Company upholds the highest standards of integrity and ethical leadership, aligning with the principles of good corporate governance as espoused in King IV™. Commitment to fostering an ethical culture, achieving good performance, maintaining an effective control environment, and upholding legitimacy, as endorsed in King IV™, remains a priority for the group.

The table on below sets out the group's adherence to the principles and recommended practices outlined in King IV™.

Principle	Application	Reference	Page
1 The governing body should lead ethically and effectively.	The group is governed by a diverse board of directors, the majority of whom are independent. The board of recognises its individual and collective responsibility for establishing an ethical organisational culture and is committed to upholding the highest standards of governance and ethical practice. Board members possess extensive industry knowledge and expertise and adhere to principles of ethical leadership, stakeholder inclusivity, and the highest standards of corporate governance. All appointments to the board, committees, and executive management are made with the primary objective of leveraging the skills, knowledge, and expertise of directors to effectively meet the needs of the group.	Corporate governance section in the IR	57 - 75
2 The governing body should govern the ethics of the organisation in a way that supports the establishment of an ethical culture.	The group operates in accordance with an approved Code of Ethics, which applies to all employees, including the board of directors. This Code includes provisions related to accountability, ethical practices, and transparency, guiding interactions among employees, the shareholder, investee companies, and other stakeholders. The Social and Ethics Committee ("SEC") is entrusted with monitoring the overall responsible corporate citizenship performance of the group. Both board members and the Executive team bear a legal obligation to avoid conflicts of interest and provide full and timely disclosure of potential conflicts. The group complies with all applicable laws and regulations.	Corporate governance section in the IR	57 - 75
3 The governing body should ensure the organisation is and is seen to be a responsible corporate citizen.	The board, in collaboration with the SEC, plays a pivotal role in providing strategic direction for the group to operate as a responsible corporate citizen and respond appropriately to the economic, social and environmental outcomes of its activities. Annually the board and Executive team evaluate and endorse the short-, medium, and long-term strategy and purpose of the group. This ensures that the business remains aligned with its mandate and responsibilities. Social spend is directed to the communities in which the group operates.	Chairperson's message Corporate social investment section in the IR Corporate governance section in the IR	14 52 - 55 57 - 75
4 The governing body should appreciate that the organisation's core purpose, its risks and opportunities, strategy, business model, performance and sustainable development are all inseparable elements of the value-creation process.	The board takes on the responsibility of aligning the group's strategic objectives, vision, and mission with performance and sustainability considerations. The group adopts a stakeholder-inclusive approach in its decision-making, considering legitimate and reasonable stakeholder needs, interests, and expectations to foster sustainable value creation.	Organisational overview section CEO's report CFO's report Corporate governance section in the IR	5 - 12 29 34 57 - 75

Statement of **compliance** continued

Principle	Application	Reference	Page
5 The governing body should ensure reports issued by the organisation enable stakeholders to make informed assessments of the organisation's performance, and its short-, medium- and long-term prospects.	The board assumes responsibility for guiding a stakeholder-inclusive approach that harmonises the needs of material stakeholders with the imperative of maintaining a sustainable business. Oversight of stakeholder relationships has been delegated to the SEC.	IR in its entirety All other announcements published on the BSE X-News and JSE SENS	1 - 178
6 The governing body should serve as the focal point and custodian of corporate governance in the organisation.	The board serves as the supreme governing body within the group and is dedicated to upholding the utmost standards of accountability, fairness and ethics. These principles are crucial for establishing and preserving trust while facilitating sustainable value creation.	Corporate governance section in the IR	57 - 75
7 The governing body should comprise the appropriate balance of knowledge, skills, experience, diversity and independence for it to discharge its governance role and responsibilities objectively and effectively.	The Board undergoes an annual evaluation of its composition, ensuring a balance of skills, diversity, independence and knowledge to effectively fulfill its roles and responsibilities. Transparent and formal procedures govern the nomination, election and appointment of board members. The majority of board members are independent non-executive directors.	Corporate governance section in the IR	57 - 75
8 The governing body should ensure its arrangements for delegation within its own structures promote independent judgement and assist with balance of power and the effective discharge of its duties.	The board has delegated its authority to various committees, as recommended by King IV™. It maintains a balanced composition of committees and authority, preventing any undue influence or dependency.	Corporate governance section in the IR	57 - 75
9 The governing body should ensure that the evaluation of its own performance and that of its committees, its chair and its individual members, support continued improvement in its performance and effectiveness.	The group's business and affairs are managed under the direction of the board, which derives its authority from the board charter. In discharging its duties, the board has delegated certain functions to the following committees: Audit and Risk Committee, Social and Ethics Committee and the Remuneration and Nominations Committee. There is a clear balance of power within the board and its committees to ensure no individual has undue decision-making powers. Each committee has Terms of Reference, which set out the roles and responsibilities and is approved by the board.	Corporate governance section in the IR	57 - 75
10 The governing body should ensure the appointment of, and delegation to, management contribute to role clarity and the effective exercise of authority and responsibilities.	The group adheres to a well-defined delegation of authority policy and framework, outlining the execution of roles and exercise of authority within both the board structures and the Executive team. The board is satisfied that the group is appropriately resourced and that delegation of certain roles and responsibilities to the Executive team supports effective governance.	Corporate governance section in the IR	57 - 75
11 The governing body should govern risk in a way that supports the organisation in setting and achieving its strategic objectives.	The board is responsible for overseeing risk governance and has designated the ARC to supervise the group's risk management function. The committee, in turn, entrusts management with the ongoing task of identifying, evaluating, mitigating, and overseeing risks within the group's dynamic operating environment. To address these risks, effective control measures are developed, and the board receives regular updates on the progress of the risk management plan.	Chairperson's message CEO's report CFO's report Corporate governance section in the IR	14 29 34 57 - 75
12 The governing body should govern technology and information in a way that supports the organisation setting and achieving its strategic objectives.	The board acknowledges the significance of technology and information in relation to the strategy, performance, and sustainability of the group. The governance of IT is overseen by the board through the Audit and Risk Committee. In addition, IT risk is incorporated into the group's overall risk management processes.	Corporate governance section in the IR	57 - 75

Statement of **compliance** continued

Principle	Application	Reference	Page
13 The governing body should govern compliance with applicable laws and adopted, non-binding rules, codes and standards in a way that supports the organisation being ethical and a good corporate citizen.	The group complies with all applicable legislation and regulations, adopting non-binding standards and frameworks aligned with best practices. The group's regulatory universe has been defined to enable the board to focus on laws and regulations relevant to the organisation. The company secretary is responsible for guiding the board collectively and individual directors on their responsibilities and powers, ensuring awareness of legislation and regulations pertinent to the business and providing board orientation and training as needed. Consistent with their Terms of Reference, the ARC and SEC assist the board in evaluating the effectiveness of the system for monitoring compliance with laws and regulations. They also follow-up on any instances of non-compliance.	IR in its entirety Corporate governance section in the IR	1 - 178 57 - 75
14 The governing body should ensure the organisation remunerates fairly, responsibly and transparently so as to promote the achievement of strategic objectives and positive outcomes in the short-, medium- and long-term.	The Remuneration and Nominations Committee supports the board in approving and overseeing the implementation of the remuneration policy. This policy is designed to articulate and implement the board's position on fair responsible and transparent remuneration. The group's remuneration policy aims to attract and retain top-tier executives, providing motivation for them to develop and execute the group's strategy to enhance long-term shareholder value.	Remuneration report in the IR	69 - 75
15 The governing body should ensure assurance services and functions enable an effective control environment, and that these support the integrity of information for internal decision-making and of the organisation's external reports.	The group adopts a Combined Assurance Framework aims to enhance assurance coverage from management, internal assurance providers and external assurance providers regarding the risk areas impacting the business. The Audit and Risk Committee oversees and manages the group's combined assurance approach. The board is satisfied that the adopted combined assurance model promotes an efficient control environment and upholds the integrity of information utilised by the group for internal decision-making and external reporting.	Corporate governance section in the IR Audit and Risk Committee report in the IR	57 - 75 77 - 78
16 In execution of its governance role and responsibilities, the governing body should adopt a stakeholder-inclusive approach that balances the needs, interests and expectations of material stakeholders in the best interest of the organisation over time.	The group has identified its key stakeholder groups, encompassing entities and individuals potentially impacted by its activities. These include groups and individuals who may be affected by our activities, and whose actions can be reasonably expected to affect the group's ability to successfully implement its strategic objectives. The governance of stakeholder relationships has been delegated to the SEC. A comprehensive stakeholder engagement strategy is in place.	IR in its entirety All other announcements published on the BSE X-News and JSE SENS	1 - 178

Committee **reports**

The board maintains effective control through its governance framework, delegating specific functions to committees with clearly defined mandates and decision-making rights. This allows the board to focus on reserved matters while ensuring thorough attention to delegated issues. Committee chairpersons are responsible for the committees' effective functioning.

For day-to-day business affairs, the board delegates authority to the group chief executive officer, granting full power on behalf of and in the name of the board. The executive team supports the CEO, serving as a sounding board and ensuring overall coordination across the group, legal entities, and stakeholders. Members of the executive team exercise powers within their delegated authority.

Member attendance

	Board	Audit and Risk	Social and ethics	Remuneration and nominations
Number of meetings	4	3	2	2
Frans Britz	4	2	2	
Leon Cronje	4	3		
Johan Holtzhausen	4		0	2
Duncan Lewis	4			
Blackie Marole	4	1	2	
Elias Masilela	4	1		2
Bridgitte Mathews	4	3	2	
Shiellah Moakofi	4			2
Badal Patel	3	3		
Frans Reichert	4			

As Johan Holtzhausen was unable to attend the Social and Ethics committee ("SEC") meetings in 2023, he engaged in comprehensive feedback discussions with the chairperson of the SEC to ensure he remained fully informed about the proceedings of the meetings.

AUDIT AND RISK COMMITTEE

The Audit and Risk Committee ("ARC") oversees financial reporting, assurance, risk management effectiveness, policies and internal controls. Comprising independent non-executive directors, the committee meets bi-annually.

Responsibilities

The ARC executes all statutory duties and responsibilities in terms of section 94 of the South African Companies Act and paragraph 3.84(g) of the JSE Listings Requirements.
This committee's primary responsibilities include:

- Recommending the annual financial statements to the board for approval.
- Ensuring the integrity of the integrated report.
- Ensuring the effectiveness of financial reporting, including the system of internal control and the existence of appropriate financial reporting procedures.
  - Providing an opinion on the effectiveness, expertise and experience of the finance director and the finance function.
  - Monitoring and engaging with the external auditor.
- Appointing and determining the remuneration of the external auditor.
- Overseeing the internal audit function and approving its charter.
- Ensuring the overall risk profile is monitored and reviewed and the responses to address these key risks are appropriately defined and resolved by management.
- Annually reviewing its terms of reference and recommending amendments to the board for approval.

During the 2023 financial year, Blackie Marole and Elias Masilela resigned as members and Bridgitte Mathews and Frans Britz were appointed as members of the ARC.

For the 2023 financial year, the members were:

Badal Patel (chairperson)
Frans Britz
Leon Cronje
Bridgitte Mathews

In addition to the two scheduled meetings for the year, there was a special meeting held in October 2023 to approve the external audit plan.

2023 HIGHLIGHTS

- Ensuring the new external auditor effectively executes on its responsibilities.
- Appointing the replacement internal auditor.

2024 FOCUS AREAS

- Approving the internal audit plan.
- Overseeing the business' control environment and strong financial position, and ensuring they are maintained.
- Enhancing the emphasis on cyber security, data management and IT controls.

Committee **reports** continued

SOCIAL AND ETHICS COMMITTEE

The Social and Ethics Committee plays a crucial role in fostering an ethical culture within the group and overseeing the implementation of ethical practices. This is reinforced by our board-approved Code of Conduct, ensuring compliance with the South African Companies Act and various policies aimed at ingraining ethical values, addressing conflicts of interest, and safeguarding whistle-blowers.

All directors are mandated to disclose any interests, including shareholdings or contracts with the group, as well as personal commercial interests related to board matters. Adhering to principles of good governance, they abstain from relevant discussions and meetings where conflicts may arise.

Employees are aware of their duty to report any suspected breaches of our Code of Conduct through the fraud and ethics hotline.

Responsibilities

This committee was established in line with the South African Companies Act, to promote stakeholders' interests in the company's operations. It deals with matters relating to:

- Environmental management and climate change.
- Ethics management.
- Safety, occupational health and wellness.
- Social labour plans and corporate social investment.
- Human resource development, and employment equity and transformation.
- Stakeholder engagement.
- The protection of company assets.

At the commencement of the 2023 financial year, Bridgitte Mathews was appointed as chairperson of the committee, Blackie Marole was appointed as member and Badal Patel resigned as member.

The Social and Ethics Committee confirms that it has fulfilled its mandate as prescribed by the Companies Regulations, 2011 and that there were no instances of material non-compliance to disclose.

For the 2023 financial year, the members were:

Bridgitte Mathews (chairperson)
Frans Britz
Johan Holtzhausen
Blackie Marole

2023 HIGHLIGHTS

- Obtaining a B-BBEE certificate in compliance with section 13G(2) of the BEE Act and 16.21(g) of the JSE Listings Requirements.
- ESG detailed feedback session from the operations, informing the committee of the progress and ongoing projects.
- Understanding the measurement of the group's carbon footprint and embarking on the project to collate the data for the GHG calculation.
- Formalising the group's social investment strategy.

2024 FOCUS AREAS

- Improving the company's B-BBEE score by implementing learnership initiatives.
- Embedding ESG and setting ESG and GHG targets.
- Integration of IFRS S1 and S2 (Sustainability standards) into the Integrated Report.

Committee **reports** continued

REMUNERATION AND NOMINATIONS COMMITTEE

The Remuneration and Nominations Committee operates as a sub-committee of the board, convening bi-annually to approve remuneration policies and recommend fees for non-executive directors. This committee has been established to provide the board with independent and objective oversight on crucial remuneration matters within the group.

Responsibilities

The committee members ensure the group's reward and remuneration policies are aligned to the recommendations of King IV™, the group's value creation strategy, and the principles of fairness and competitiveness, as far as practical.

The committee, on the board's behalf:

- Approves remuneration strategies and policies designed to attract, motivate and retain employees, senior management and directors.
- Oversees the remuneration and incentives of CA&S Group's executives and other employees at head office to ensure fairness to employees, the company, shareholders as well as other stakeholders.
- Develops and oversees the implementation and annual review of formal succession plans for the executive management.
- Establishes a formal and transparent process for nominating, electing and appointing members to the board.
- Ensures the nomination of directors for re-election by shareholders at the AGM is approved by the board as a whole.
- Ensures that the board consists of a majority of non-executive directors, with a majority of the non-executive directors being independent directors, and pursue racial, cultural, age and gender diversity in line with targets according to the broader diversity policy.
- Reviews the group's non-executive directors' fees and make appropriate recommendations to shareholders for approval thereof.
- Recommends the remuneration policy and implementation reports to shareholders.

There were no changes to the composition of the committee during the financial year under review.

Despite Johan also being the chairperson of the board, the board believes Johan to be the most suitable member to chair the Remuneration and Nominations Committee and help the committee discharge its roles and responsibilities.

For the 2023 financial year, the members were:

Johan Holtzhausen (chairperson)
Elias Masilela
Shiellah Moakofi

2023 HIGHLIGHTS

- Obtaining approval of the broader diversity policy from the board.
- Obtaining approval of the committee charter from the board.
- Conducting board evaluations and self-evaluations.
- Continued review of succession planning.
- Improvement of broader board diversity.

2024 FOCUS AREAS

- Obtaining approval from shareholders of the remuneration policy and the implementation report.
- Continued review of succession planning.
- Retain key staff.

Embedding ESG **across our subsidiaries**

The CA&S Group is committed to integrating ESG principles into its operations, reflecting our dedication to responsible business practices, continuous improvement and positive societal impact.

In 2023, Logico, based in Eswatini, focused on responsible supply chain stewardship by carefully screening new suppliers through ESG criteria. The company is actively working towards developing an Ethical Sourcing Questionnaire by 2024, with a concurrent focus on enhancing ESG governance oversight through the implementation of policies and regular reviews.

PnS, based in South Africa, has successfully integrated ESG considerations into its Exco agenda and KPIs. Wutow, based in Namibia, prioritised ethical conduct, actively encouraging employees to report ethical violations through confidential channels. The company is now in the process of providing formal ESG training to employees. An internal committee has also been appointed to manage, measure and report quarterly on these initiatives.

SMC, operational in various countries, actively collaborated with suppliers to achieve shared sustainability goals, incorporating ESG targets into KPIs. The leadership team also underwent formal ESG training. CA Sales and Distribution, based in Botswana, focused on upholding transparency, accountability, and respect for stakeholders. The company has implemented monthly ESG reporting. This is aimed at ensuring alignment within the broader CA&S Group's objectives.

2023 objective	Progress	Comment
Implement supplier screening across the group	Ongoing	PnS and Logico were the only operations that conducted screening of new suppliers during 2023.
Enhance reporting on ESG targets and initiatives during quarterly Exco meetings	In progress	Sustainability topics are on the agendas for Exco meetings.

ESG governance and oversight		2023
Number of employees with competencies relating to economic, environmental, and social topics	#	74
Frequency of Exco's review of economic, environmental, and social topics and their impacts, risks, and opportunities (times per year)	#	Quarterly
Are ESG targets included in senior executives' incentive calculation criteria/KPIs?	Yes/No	No

Supply chain stewardship		2023
Ratio of new suppliers screened using social criteria	%	76
Ratio of new suppliers screened using environmental criteria	%	0

DIGITISATION

Our commitment to digitisation is evident through specific initiatives within our entities. In 2023, PnS focused on ensuring data privacy and infrastructure resilience, with initiatives such as appointing an IT security administrator and achieving zero security breaches. SMC implemented robust firewalls, penetration tests, and POPIA compliance, aiming for zero IT security breaches.

These initiatives align with our broader ESG goals, showcasing the group's dedication to sustainable practices, employee well-being, diversity and responsible digitisation. Our ongoing efforts and measurable targets reflect our commitment to long-term value creation and responsible business conduct.

Infrastructure resilience		2023
Number of security breaches/incidents of theft at the company facilities	#	5
Number of substantiated complaints received concerning breaches of customer privacy	#	0
Number of identified leaks, thefts, or losses of customer data	#	0

Remuneration **report**

REPORT FROM THE REMUNERATION AND NOMINATIONS COMMITTEE

PART 1: BACKGROUND STATEMENT

REMUNERATION WITHIN A HOLDING COMPANY

CA&S Group ("CA&S" or "the group") is a holding company with almost 70% of its total assets represented by fairly independently managed unlisted investments, each with its own remuneration policy designed specifically for its business and the industry in which it operates. An investment holding company is distinctly different from an operational company. It has limited day-to-day operations, and its primary focus is to make and help grow investments that will produce long-term value creation for shareholders. The remuneration policy for such a holding company therefore needs to be conducive to driving long-term decision-making in order to achieve the company's objectives.

Accordingly, the primary responsibilities of the CA&S Group Remuneration and Nominations Committee ("Remcom" or "Committee") are to:

- Oversee the remuneration and incentives of CA&S Group's executives and other employees at head office to ensure it is fair and responsible toward such individuals as well as the company (i.e. shareholders and other stakeholders).
- Motivate good behaviour, oversight and growth.
- Review CA&S Group's non-executive director fees and make appropriate recommendations to shareholders for approval thereof.
- Provide guidance to the heads of unlisted companies forming part of the broader CA&S Group and to approve the incentives of senior executives, as per the group incentive structure.
- Review and approve salary increases of the group.

The Remcom comprises of, myself as chairperson, Elias Masilela and Shiellah Moakofi. We are independent non-executive directors of CA&S Group. After comprehensive prior consultation with management, the Committee held two formal meetings during the past financial year on 14 March 2023 and 21 November 2023, respectively, and all members were present.

CA&S GROUP'S REMUNERATION PHILOSOPHY

CA&S Group aims to align remuneration practices with its business strategies to deliver on its stated objective of sustainable long-term value creation for shareholders through a combination of share price appreciation and the payment of dividends.

Remuneration practices should always be fair and responsible to both the employee and the company (i.e. shareholders and other stakeholders), while continuously reporting thereon in a transparent manner.

CA&S Group has provided its shareholders with good returns over the past five years since listing its shares in the open market, even in the light of the pandemic during 2020 and 2021.

Sustainable value creation will always depend on, among other, CA&S Group attracting and retaining the services of talented executives and employees. To achieve this, CA&S Group's remuneration practices need to be appropriate and competitive.

VOTING AT THE PREVIOUS ANNUAL GENERAL MEETING

As prescribed by the King IV™ Report on Corporate Governance for South Africa, 2016 (King IV™), and required by the JSE Listings Requirements, CA&S Group presented its remuneration policy and the implementation report thereon to shareholders for non-binding advisory votes at its previous Annual General Meeting (AGM) held on 26 May 2023. Shareholders representing 72% of the total votes exercisable were in attendance, whether in person, by proxy or authorised representative, and the results of their voting were:

Resolution	For	Against
Non-binding endorsement of remuneration policy	80.21%	19.79%
Non-binding endorsement of implementation report on the remuneration policy	97.49%	2.51%

As the requisite majorities passed the non-binding advisory votes, no further engagement with shareholders was required.

CA&S GROUP'S REMUNERATION REPORT AND VOTING AT UPCOMING AGM

Considering the shareholder support obtained for CA&S Group's remuneration policy and implementation report thereon and that it remains conducive to delivering on CA&S Group's stated objective of long-term value creation for shareholders, the Remcom has decided against making any changes to CA&S' existing remuneration policy or implementation report thereon at this time.

Both CA&S Group's remuneration policy and its implementation report thereon will again be presented to shareholders for separate non-binding advisory votes at the group's upcoming AGM to be held on 4 June 2024. In the event that 25% or more of shareholders vote against either the remuneration policy or the implementation report, or both, at the AGM, CA&S Group will engage with such shareholders through dialogue, requesting written submissions or otherwise, in order to address their concerns, always with due regard to meeting CA&S Group's stated business objectives while being fair and responsible toward both the employees and shareholders.

The Committee accordingly requests shareholders to consider CA&S Group's remuneration report in detail and in context, and to support the non-binding advisory votes on its remuneration policy and implementation report thereon at CA&S Group's upcoming AGM, to the extent that they are eligible to attend and vote thereon. The Committee remains committed to ongoing consultation on an individual shareholder level and welcomes any constructive input from shareholders throughout the year.

JA Holtzhausen
Remcom Chairperson

30 April 2024

Remuneration **report** continued

PART 2: REMUNERATION POLICY

The Remcom has introduced an appropriate remuneration policy for CA&S Group's head office employees (including CA&S Group's executive directors) to help drive long-term decision-making in order to ultimately deliver on CA&S Group's stated objective of sustainable long-term value creation for shareholders.

CA&S Group's most significant successes to date have been early-stage investments, the likes of CA Sales & Distribution, SMC Brands, PnS and Logico. As with any start-up business, it may take years to determine its success, and it will be imperative for management to maintain a long-term focus to help achieve this.

It would therefore be irrational to remunerate executives based on meeting short-term operational targets or when making new investments. The policy has consequently been designed to suitably align the interests of employees with those of shareholders – if CA&S Group shareholders do well, the employees will do well, and *vice versa*.

1. PROVIDING CONTEXT TO CA&S GROUP'S OPERATIONS AT HEAD OFFICE LEVEL

1.1. As at 31 December 2023, the total number of employees at head office level comprised of seven individuals. They were the chief executive officer ("CEO"), the chief financial officer ("CFO"), an industrial engineer, two finance support individuals, a data analyst and an admin support staff member.

1.2. Accordingly, the CA&S Group's head office employment costs are limited to that of the aforementioned seven employees. For the year ended 31 December 2023, CA&S Group's head office total employment costs (base salaries and short- and long-term incentives) amounted to approximately 1.35% (2022: 1.48%) of the entire CA&S Group's total salary expense.

1.3. The CA&S Group's head office is supported by members of the group's executive committee (senior executives) and other senior management. The senior executives are CEOs or directors of subsidiaries or associates of the CA&S Group. Their salaries and related expenses are borne by the subsidiaries or associates where they are employed.

2. EXECUTIVES AND EMPLOYEES

2.1. The remuneration of CA&S Group's executives and senior executives (collectively "the executives") are reviewed annually by the Remcom, which seeks to ensure that balance is maintained between the fixed (base salary) and variable (incentives – STI and share options – LTI) elements of remuneration, as well as between short-term (base salary and incentives – STI) and long-term (share options – LTI) financial performance objectives. The Remcom takes cognisance of both local and international best remuneration practices to ensure that remuneration is fair and responsible to both the company (i.e. shareholders and other stakeholders) and the executives.

2.2. The table below provides an overview of the various groups pertaining to executives and their respective remuneration components:

Group	Focus	Strategic review	Remuneration	Longest period of remuneration deferral
CEO and CFO	Formulate, drive and oversee implementation of strategy	Longest term	Base salary, incentives (STI) share options (LTI)	Five years
Executives (excluding CEO and CFO)	Strategy implementation	Long term	Base salary, incentives (STI) share options (LTI)	Five years
Other staff	Support (administration)	Long term	Base salary, discretionary bonus (STI)	One year

3. COMPONENTS OF TOTAL REMUNERATION

3.1. Base salary

Base salary is guaranteed annual pay on a cost-to-company basis. It is subject to annual review and adjustments are effective 1 March of each year, coinciding with the Remcom meeting evaluating the prior year's performance of the group and its executives. Benchmarking is performed with reference to companies comparable in size, industry, business complexity and the level of responsibility that the individual assumes to ensure that remuneration is market related.

The total base salary is paid over a period of 12 months. Benefits, forming part of total cost to company, are limited to:

- Group life cover (providing death, disability and dread disease benefits)
- Membership to a retirement fund

Remuneration **report** continued

3.2. Incentives and discretionary bonuses (STI)

The success of CA&S Group can be attributable to operational and financial performance of the underlying subsidiaries and associates in the group. Although part of the CA&S Group, the day-to-day activities and operations of each business is mostly independent from the rest of the group and as such businesses are managed fairly autonomously by their respective management teams, but are encouraged to assist other jurisdictions and be involved in problem solving and opportunities for the entire group.

It is therefore imperative that executives in each operation are awarded not only on group results, but also on the performance of the respective subsidiary or associate they are responsible for.

The executives therefore qualify for yearly short-term incentives (“STI”) based primarily on the financial performance of the subsidiary or associate they are responsible for, as well as individual key performance measures agreed each year. A component of the STI is, however, based on the financial performance of the CA&S Group, to ensure the executives continue to play a key role in the group.

Individual KPIs are set according to the executive’s position and what may be required. Although there may be overlap, it differs from individual to individual and jurisdiction to jurisdiction.

STI will range between 20% and 150% of total cost to company, depending on seniority and performance of the subsidiary or associate.

STI Performance Measures for Executive Directors in 2024

	KPI	Weighting
Company financial performance	Group HEPS growth (target tiers range from 12.5% to 30%)	80%
Individual performance	Delivery on personal targets linked to key strategic matters (the personal targets carry equal weightings)	20%

Discretionary bonuses are awarded to support staff based on the financial performance of the group as well as individual work targets performance.

3.3. Share options (LTI)

CA&S Group’s shareholders adopted a share incentive scheme at CA Sales Holdings Limited’s AGM held on 25 June 2018. In terms of the scheme, CA Sales Holdings Ltd share options are awarded to executives and other qualifying employees with the primary objectives of retaining their services and aligning their interests with those of shareholders, being sustainable value creation through a combination of share price appreciation and the payment of dividends over the long term.

A key feature of CA&S Group’s share incentive scheme is that participants will only benefit if there is long-term share price appreciation. This should ultimately depend on sustained headline earnings per share growth by CA&S Group, and management’s ability to continuously grow revenue and earnings of all subsidiaries and associates as well as the success of value adding acquisitions for the group.

The share incentive scheme also ensures a rolling long-term focus for participants, considering the annual vesting of share options in 25%-tranches on each of the second, third, fourth and fifth anniversary of the award date and consequent award top-ups as detailed below.

4. MECHANICS OF THE SHARE INCENTIVE SCHEME (LTI)

4.1. Award

Share options are awarded annually at the discretion of the Remcom.

The number of share options to be awarded is calculated using a mathematical formula based on the respective participant’s base salary and a multiple of between 1x and 5.5x applied thereto, depending on the participant’s seniority and accordingly the level of responsibility assumed within the organisation, subject to his/her performance as assessed by the Remcom. In calculating the annual share option awards, the strike value of unvested share options, and where applicable funded investments, are taken into account.

All share options are awarded at a strike price equal to CA&S Group’s 30- or 60-day volume weighted average traded share price immediately preceding such award date (i.e. awarded at the ruling market-value), thereby creating an embedded performance hurdle whereby participants will only benefit from the share incentive scheme if there is long-term share price appreciation and thus value creation for CA&S Group’s shareholders.

4.2. Vesting

The Remcom has introduced additional performance measures such as vesting conditions for share options awarded on or after 14 March 2018. The result being that share options will continue to vest in 25%-tranches on each of the second, third, fourth and fifth anniversary of the award date, but subject to the following condition:

Share options from the share incentive scheme will generally only vest on condition that the participant is in service of CA&S Group on vesting date.

Remuneration **report** continued

4.3. Termination of service

In the case of resignation, dismissal, or early retirement (before attaining the age of 60 years) of a participant (i.e. bad leaver), unvested share options are generally forfeited.

In the case of the death, permanent disability, compulsory retirement (attaining the age of 65 years) or retrenchment of a participant (i.e. good leaver), any share options capable of being exercised within a period of 12 months thereafter, will generally continue to be exercisable provided it is exercised during such 12 months.

In the case of the termination of employment for any reason other than dismissal, the Remcom may in its absolute discretion permit the exercise of any unvested share options upon such additional terms and conditions as it may determine (e.g. as part of non-compete provisions in the case of early retirement of an executive).

4.4. Loan funding (related to LTI)

Loan funding has been made available to participants of the share incentive scheme to assist them in exercising their share options and to remain invested in CA&S Group, on the following terms:

- Maximum loan funding of 90% of the strike value and section 8C income tax payable in respect of the vesting of share options (i.e. a minimum cash deposit of 10% is required from the participant).
- The borrower shall be required to pledge such a number of shares as is equal to 150% of the loan value.
- Interest accrues on the outstanding loans at the South African Revenue Service fringe benefit rate.
- Loans are repayable in full after three years.

Share options could also be settled on a “net-equity basis” (i.e. the participant’s after-tax upside will be settled through the issue of fully paid-up CA&S Group shares to the participant, and CA&S Group will pay over the related section 8C income tax payable in cash on the participant’s behalf).

5. TERMINATION OF EMPLOYMENT BENEFITS

CA&S Group employees (including the executives) are not entitled to any payments upon termination of their service, except for those provided for in law (e.g. accrued annual leave and retrenchment payments).

6. GENDER PAY PARITY

CA&S Group fully subscribes to the equal pay for work of equal value philosophy and consequently there is no pay differentiation on the basis of gender.

7. NON-EXECUTIVE DIRECTORS

The remuneration of non-executive directors is reviewed annually by the Remcom, which seeks to ensure that fees are market-related considering the nature of CA&S Group’s operations, for approval by shareholders. Changes to the fee structure will be effective 1 July, subject to approval by shareholders at CA&S Group’s AGM held in June this year. The annual fees payable to non-executive directors are not subject to the attendance of meetings.

The fees payable to the non-executive directors will be revisited from time to time to ensure fees are market related.

The proposed fee structure for CA&S Group’s financial year ending 31 December 2024, which will be presented to shareholders for approval at CA&S Group’s upcoming AGM on 4 June 2024, is set out in the table below (excluding value-added tax, to the extent applicable):

	Annual fee 2024 R	Annual fee 2023 R	Change %
Board (directors)	**254 400**	240 000	6%
Board (chairperson)	**482 300**	455 000	6%
Board (lead independent)	**397 500**	375 000	6%
Sub-committees (members)	**58 300**	55 000	6%
Sub-committees (chairperson)	**106 000**	100 000	6%

CA&S Group also pays all reasonable travelling and accommodation expenses incurred by non-executive directors to attend board, committee and relevant meetings.

CA&S Group’s non-executive directors do not have any employment contracts, nor receive any benefits associated with permanent employment and do not participate in the CA&S Group’s share incentive scheme.

Remuneration **report** continued

PART 3: IMPLEMENTATION REPORT

The Remcom confirms that CA&S Group complied with its remuneration policy in all respects for the year ended 31 December 2023.

All components of remuneration paid to CA&S Group's executives and non-executive directors in accordance with CA&S Group's remuneration policy are comprehensively disclosed and reported on herein.

1. CEO AND CFO REMUNERATION

1.1. Total (single figure) remuneration

The table below provides information on the total ("single figure" as contemplated in King IV™) remuneration, both long term (LT) and short term (ST), of CA&S Group's executives:

	ST			LT	
	Basic salary	(Accrued) Incentive bonus	Total short-term remuneration	Gains from exercise of share options	Total remuneration
For the year ended 31 December 2023					
DS Lewis	3 941 438	4 966 211	8 907 649	2 603 712	11 511 361
FJ Reichert	2 434 250	3 067 155	5 501 405	946 021	6 447 426
	6 375 688	**8 033 366**	**14 409 054**	**3 549 733**	**17 958 787**
For the year ended 31 December 2022					
DS Lewis	3 753 750	5 675 670	9 429 420	539 001	9 968 421
FJ Reichert	2 311 400	3 505 320	5 816 720	198 032	6 014 752
	6 065 150	**9 180 990**	**15 246 140**	**737 033**	**15 983 173**

BENCHMARKING

Benchmarking is performed with reference to companies comparable in size, industry, business complexity and the level of responsibility that an individual assumes to ensure that remuneration is market related.

For this purpose, PwC's most recent Practices and remuneration trends report: *Executive Directors (15th edition – South Africa, published in September 2023)* containing comprehensive independent market research on the remuneration of executive directors, was consulted.

The table below benchmarks the CA&S Group CEO and CFO's base salary, with no discretionary bonus, for the year ended 31 December 2023, against the total of the median, total guaranteed pay ("TGP") of the CEOs and CFOs of JSE-listed small cap, consumer staples sector companies.

TOTAL GUARANTEED PAY	CA&S Group R'000	Benchmark (September 2023) R'000
CEO	3 941	6 680
CFO	2 434	4 130

1.2. Short term remuneration

CA&S Group's short term remuneration consequently comprises the following:

	Fixed	Variable
Executives	Base salary	Discretionary performance-based bonus
Support staff	Base salary	Discretionary bonus

FIXED SHORT TERM

Base salary is guaranteed annual pay on a cost-to-company basis. It is subject to annual review and adjustments are effective 1 March of each year.

Base salary increases are determined with reference to the South African inflation rate and other generally accepted benchmarks, always with due regard for market-comparable remuneration. The average base salary increases (as approved by the Remcom) for CA&S Group employees for the financial year commencing 1 March 2024 are set out in the table below:

	Increase %
CEO and CFO	10% and 8% respectively
Senior executives	between 5% and 10%
Support staff	between 6.6% and 7.8%

VARIABLE SHORT TERM

Discretionary performance-based bonus (STI)

CA&S Group's CEO and CFO are eligible for discretionary bonuses, subject to meeting financial indicators. Such discretionary bonuses amounted to approximately R8.0 million (2022: R9.2 million) in total for the year ended 31 December 2023.

Remuneration **report** continued

BENCHMARKING STI

Benchmarking is performed with reference to companies comparable in size, industry, business complexity and the level of responsibility that the individual assumes to ensure that remuneration is market related.

For this purpose, PwC's most recent Practices and remuneration trends report: *Executive directors (15th edition – South Africa, published in September 2023)* containing comprehensive independent market research on the remuneration of executive directors was consulted.

The table below benchmarks the CA&S Group CEO's and CFO's discretionary performance-based bonus accrued for the year ended 31 December 2023 against the total of the median short-term incentives of JSE-listed small cap companies (no industry-specific data published) as per PwC's Executive directors: Practices and remuneration trends report:

	CA&S Group R'000	STI as % of TGP	Benchmark (September 2023) R'000	STI as % of TGP
CEO	**4 966**	**125**	**5 500**	**88**
CFO	**3 067**	**125**	**2 470**	**65**

The CA&S Group has achieved the hurdles in the set targets for the year ended 31 December 2023.

The table below sets out the total of the CA&S Group CEO's and CFO's short term remuneration (STR) for each of the past three financial years compared to CA&S Group's headline earnings and market capitalisation (net of treasury shares) as at year-end:

Reporting date	STR* Rm	Headline earnings Rm	Market capitalisation as at year-end Rm	Headline earnings %	Market capitalisation as at year-end %
31 December 2021	9.1	271.6	2 286	3.35	0.40
31 December 2022	15.2	363.2	3 029	4.18	0.50
31 December 2023	**14.4**	**464.8**	**4 896**	**3.10**	**0.29**

* *Includes base salary and discretionary performance-based bonuses earned.*

CA&S Group's support staff remain eligible for discretionary bonuses, subject to meeting company key performance objectives. The total of such discretionary bonuses accrued amounted to R1.7 million (2022: R1.3 million) for the year ended 31 December 2023.

1.3. Long term remuneration

SHARE INCENTIVE SCHEME (LTI)

A key feature of CA&S Group's share incentive scheme is that participants, including the executive directors, will only benefit if there is long-term share price appreciation and thus value creation for all CA&S Group shareholders as share options are awarded at the ruling market price on award date (as detailed in the remuneration policy).
If shareholders do well, employees will do well, and *vice versa*.

CA&S Group's two executives have either served within the broader group or in their respective current capacities since inception of CA&S Group.

EVALUATING EXECUTIVES' LTI

Since the initial listing in 2017, the compound annual growth rate (CAGR) in CA&S Group's share price was 15.1%.

When evaluating CA&S Group's performance over the long term, one should focus on the total return index ("TRI") as a measurement tool. The TRI is the CAGR of an investment and is calculated by taking cognisance of share price appreciation, dividends and other distributions. This is a sound measure of wealth creation and a reliable means of benchmarking different companies. CA&S Group's TRI as at 31 December 2023 was 15.2% per annum since the listing in 2017.

Remuneration **report** continued

1.4. Unvested share option awards (LTI)

The table below provides information on CA&S Group executives' unvested share options as at 31 December 2023.

	Number of share options as at 31 Dec 2022	Number of share options awarded during the year	Number of share options exercised during the year	Strike price per share R	Exercise price per share R	Date granted	Number of share options as at 31 Dec 2023	Value of unvested share options as at 31 Dec 2023* R
D Lewis	342 900		342 900	4.54	7.34	13 Apr 2018	–	–
	31 860		15 930	5.11	7.34	14 Mar 2019	15 930	82 677
	1 295 325		431 775	5.12	7.34	12 Mar 2020	863 550	4 473 189
	1 138 500		284 625	5.07	7.34	13 Mar 2021	853 875	4 465 766
	1 375 800			4.74		15 Mar 2022	1 375 800	7 649 448
		961 200		6.76		24 Mar 2023	961 200	3 402 648
	4 184 385	961 200	1 075 230				4 070 355	20 073 728
F Reichert	87 500		87 500	4.54	7.34	13 Apr 2018	–	–
	238 878		119 439	5.11	7.34	14 Mar 2019	119 439	619 888
	398 400		132 800	5.12	7.34	12 Mar 2020	265 600	1 375 808
	244 900		61 225	5.07	7.34	13 Mar 2021	183 675	960 620
	1 407 700			4.74		15 Mar 2022	1 407 700	7 826 812
		398 600		6.76		24 Mar 2023	398 600	1 411 044
	2 377 378	398 600	400 964				2 375 014	12 194 172
Total	6 561 763	1 359 800	1 476 194				6 445 369	32 267 900

** Based on the closing CA&S Group share price as at 31 December 2023.*

1.5. Extent of the share incentive scheme (LTI)

CA&S Group shareholders approved the amended Share Incentive Trust Deed ("SIT") at the general meeting on 2 June 2022. The SIT states that the maximum number of CA&S Group shares that may be utilised for purposes of the share incentive scheme is 20 000 000 shares. The maximum number of shares that may be acquired by one beneficiary in terms of the share scheme is 5 000 000 shares.

A total of 2 596 877 shares have been issued at 31 December 2023, for share options exercised.

At 31 December 2023, the share incentive scheme had 13 participants, comprising the executives of the group company and senior executives of the subsidiaries.

At 31 December 2023, the total number of share options that had already been awarded but remain unvested amounted to 17 297 633, representing 3.64% of CA&S Group's total number of shares in issue (net of treasury shares). However, assuming that some share options are settled on a net-equity basis, the dilution to CA&S Group shareholders should be less than the aforementioned 3.64%.

1.6. Loan funding (related to LTI)

SHARE INCENTIVE SCHEME FUNDING

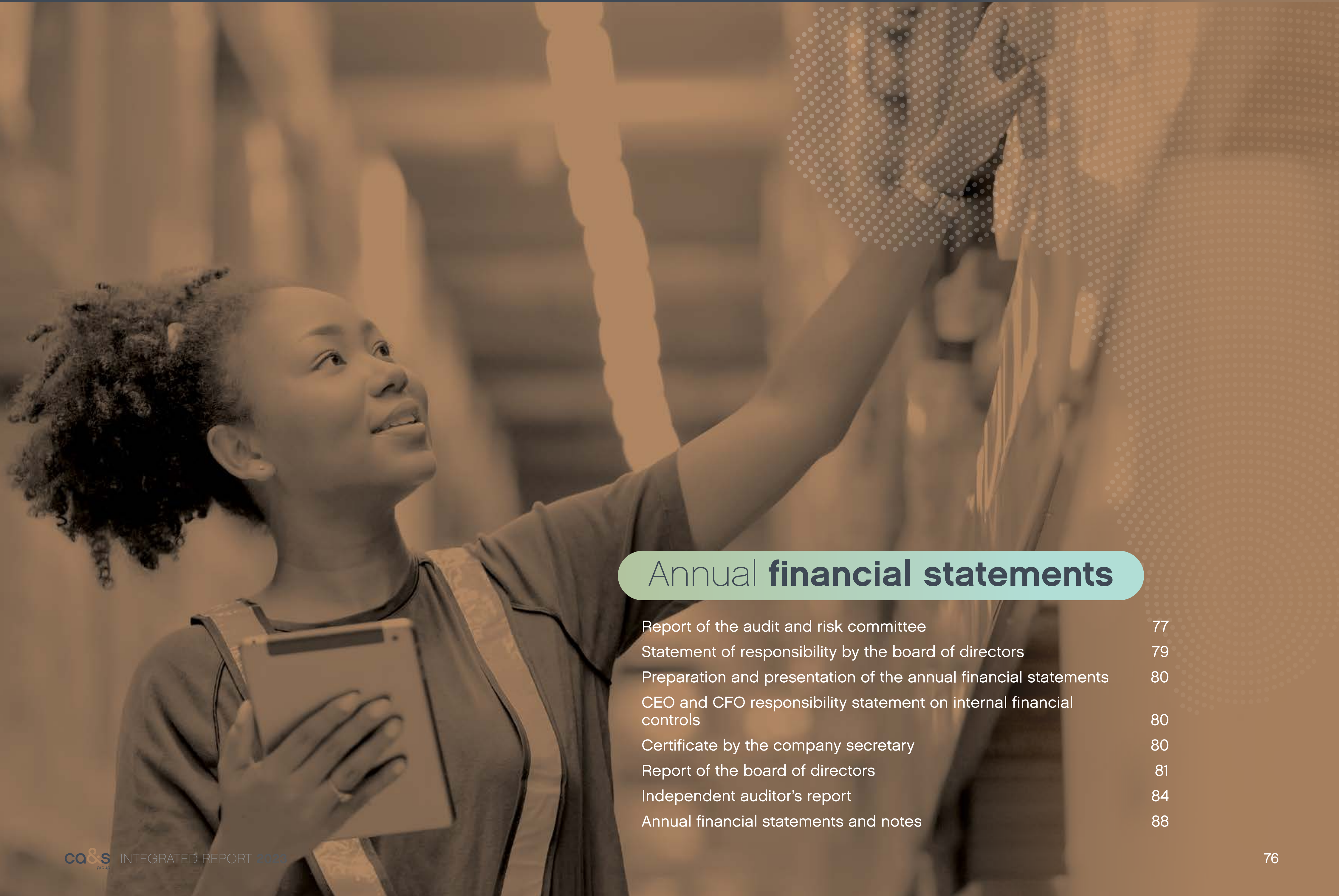
The terms pertaining to such funding are set out in paragraph 4.4 of the remuneration policy.

There has been no funding granted to date and therefore no outstanding loan balances as at 31 December 2023.

2. NON-EXECUTIVE DIRECTORS' REMUNERATION

The table below provides information on the total remuneration paid to CA&S Group's non-executive directors:

	Fees R'000	Total remuneration R'000
For the year ended 31 December 2023		
F Britz	**285**	**285**
L Cronje	**257**	**257**
J Holtzhausen	**430**	**430**
B Marole	**260**	**260**
E Masilela	**327**	**327**
B Mathews	**320**	**320**
S Moakofi	**248**	**248**
B Patel	**281**	**281**
	2 408	**2 408**
For the year ended 31 December 2022		
F Britz	140	140
L Cronje	168	168
N de Waal	168	168
J Holtzhausen	205	205
B Marole	168	168
E Masilela	193	193
S Moakofi	168	168
B Patel	193	193
	1 403	**1 403**



Annual **financial statements**

Report of the **audit and risk committee**

The committee is pleased to present its report for the financial year ended 31 December 2023.

The audit and risk committee is an independent statutory committee appointed by the shareholders. Further duties are delegated to the audit and risk committee by the board of directors of the company. This report includes both sets of duties and responsibilities.

The committee is responsible for ensuring the integrity of integrated reporting and reviewing the effectiveness of the financial reporting process, the system of internal control and management of financial risks, the assurance process, and the company's process for monitoring compliance with laws and regulations and its own code of business conduct. The committee recommends the annual financial statements for approval to the board and is responsible for monitoring, engaging with, and determining the remuneration of the external auditor.

TERMS OF REFERENCE

The audit and risk committee has adopted a formal audit and risk committee charter that has been approved by the board of directors, and the committee has executed its duties during the past financial year in compliance with the terms of reference. The terms of reference, including roles and responsibilities, were aligned with the recommendations of the South African King Code of Governance Principles 2016 (King IV™), the requirements of the South African Companies Act and other regulatory requirements.

COMPOSITION AND MEETING PROCEEDINGS

At 31 December 2023, the audit and risk committee consisted of four non-executive directors who act independently as described in section 94 of the Companies Act.

For the financial year ended 31 December 2023, the members of the audit and risk committee were:

- B Patel (Chairperson)
- F Britz
- L Cronje
- B Mathews

The committee met three times in the financial year under review and had full attendance. B Mathews was appointed on 1 January 2023 and F Britz was appointed in June 2023. B Marole and E Masilela resigned in June 2023.

At the meetings, the members fulfilled all their functions as prescribed by the Companies Act, as well as those additional functions as determined by the board.

In addition, the CEO and the CFO attended all audit and risk committee meetings by invitation. The external auditors, in their capacity as auditor to the company, attended and reported to all meetings of the audit and risk committee.

DUTIES

In execution of its statutory duties during the past financial year, the audit and risk committee has reviewed the interim and year-end financial statements, culminating in a recommendation to the board.

During its review, the committee:

- takes appropriate steps to ensure that the financial statements are prepared in accordance with IFRS;
- reviews the JSE monitoring reports and implementation thereof
- considers and, when appropriate, makes recommendations on internal financial controls;
- deals with concerns or complaints relating to:
  - accounting policies;
  - the auditing or content of annual financial statements; and
  - internal financial controls;
- reviews the external audit report on the annual financial statements;
- reviews the risk management reports and, where relevant, makes recommendations to the board;
- evaluates the effectiveness of risk management, controls, and the governance processes;
- verifies the independence of the external auditor and of any nominee for appointment as the designated individual auditor;
- approves the audit fees and engagement terms of the external auditor; and
- determines the nature and extent of allowable non-audit services and approves the contract terms for the provision of non-audit services by the external auditor.

LEGAL REQUIREMENTS

The audit and risk committee has complied with all applicable legal, regulatory, and other responsibilities for the financial year.

Report of the **audit and risk committee** continued

EXTERNAL AUDITOR

The board sets a policy that governs the level and nature of non-audit services, which requires pre-approval by the audit and risk committee for all non-audit services. In determining the independence of the external auditors, the committee considers the level and types of non-audit services provided as well as other enquiries and representations. As required by the Companies Act, the committee has satisfied itself that CA&S Group's external auditor, Deloitte & Touche, was independent of the company, as set out in sections 90(2)(c) and 94(8) of the Companies Act and is thereby able to conduct its audit functions without any undue influence from the company.

The committee has considered the relevant audit quality indicators, including the audit firm's system of quality control. As required by section 3.84(g)(ii) of the JSE Listings Requirements, the committee was satisfied with the quality of the audit concluded by considering, the information as supplied by Deloitte & Touche pursuant to the above-mentioned section.

FINANCIAL FUNCTION

In terms of the JSE Listings Requirements, the audit and risk committee performs an annual evaluation of the financial reporting function in CA&S Group. The committee was satisfied that the financial reporting function had appropriate resources, skills, expertise, and experience. The committee ensured that the appropriate financial reporting procedures exist and are operating as contemplated in paragraph 3.84(g)(ii) of the JSE Listings Requirements. The committee also satisfied itself in terms of paragraph 3.84(g)(i) of the JSE Listings Requirements that Mr FJ Reichert, the group CFO, possesses the appropriate skills, expertise, and experience to meet the responsibilities required for that position during his service as such.

INTERNAL FINANCIAL CONTROLS

The audit and risk committee evaluated the company's internal financial controls including the combined assurance model and, based on the information and explanations given by management, the committee is satisfied that there was no material breakdown in the internal financial controls during the financial year under review.

The internal auditor was only appointed in January 2024 due to unforeseen delays. During the year, control self-assessments were conducted, and management received monthly internal control check lists from the operations.

GOVERNANCE OF RISK

The board has assigned oversight of the company's risk management function to the audit and risk committee. The audit and risk committee oversees financial reporting risks, internal financial controls, fraud, and IT risks as these relate to financial reporting.

GOING CONCERN

The audit and risk committee reviewed a documented assessment prepared by management, including key assumptions, of the going concern status of the company and made a recommendation to the board in accordance with this assessment. The board's statement on the going concern status appears on page 5 of the annual financial statements.

ANNUAL REPORT

The committee has evaluated the annual financial statements of the group and company for the year ended 31 December 2023, with specific consideration of the following significant financial reporting matters during the year:

- The key judgements used in the impairment assessment of goodwill
- The key judgements used in the purchase price allocation of the Taeuber & Corssen Group acquisition

In assessing the appropriateness of the key judgements used in the valuation of intangible assets, the committee determines whether they are reasonable in terms of the current macroeconomic climate and in line with assumptions utilised by comparable third parties. Refer to notes 1 and 5 of the annual financial statements for further information.

Based on the information provided to the committee, the committee considers that the group complies, in all material respects, with the requirements of the Companies Act and IFRS.

B Patel

Chairperson of Audit and Risk Committee

27 March 2024

Statement of responsibility by the **board of directors**

The directors of CA&S Group are responsible for the preparation, integrity and fair presentation of the group and company financial statements of CA Sales Holdings Limited. The group and company financial statements, comprising the statements of financial position at 31 December 2023, statements of comprehensive income, statements of changes in equity and statements of cash flows for the year then ended, and the notes to the financial statements which include a summary of significant accounting policies and other explanatory notes, have been prepared in accordance with IFRS and the requirements of the Companies Act, and include amounts based on judgements and estimates made by management. In addition, the directors are responsible for preparing the report of the board of directors.

The directors consider that in preparing the annual financial statements they have used the most appropriate accounting policies, consistently applied, and supported by reasonable and prudent judgements. Estimates have been used in the preparation of the annual financial statements and all statements of IFRS that are considered applicable have been followed. The directors are satisfied that the information contained in the annual financial statements fairly presents the results of operations for the year and the financial position of the group and company at year-end. The directors also prepared the report of the board of directors and other information included in the annual report and are responsible for its accuracy and consistency with the annual financial statements.

The directors have the responsibility of ensuring that adequate accounting records are kept. The accounting records should disclose, with reasonable accuracy, the financial position of the companies to enable the directors to ensure that the annual financial statements comply with relevant legislation.

CA&S Group operated in a well-established control environment, which is documented and regularly reviewed. The control environment incorporates risk management and internal control procedures, which are designed to provide reasonable, but not absolute, assurance that assets are safeguarded and that the risks facing the business are being controlled and managed. To the best of their knowledge and belief, the directors are satisfied that no material breakdown in the operation of the systems of internal financial controls and procedures occurred during the year under review.

The going concern basis has been adopted in preparing the annual financial statements. Based on their assessment, the directors have no reason to believe that the group or any company in the group will not be a going concern in the foreseeable future, based on forecasts and available cash resources. These annual financial statements support the viability of the group.

It is the responsibility of the independent auditor to report on the annual financial statements. In order to do so, they were given unrestricted access to all financial records and related data, including minutes of all meetings of shareholders, the board of directors and committees of the board. The group's external auditor, Deloitte & Touche, audited the financial statements and their report is presented on pages 8 to 11.

The annual financial statements, presented on pages 1 to 89, were approved by the board of directors on 27 March 2024 and are signed on its behalf by:

JA Holtzhausen	DS Lewis	FJ Reichert
Chairperson	*Chief executive officer*	*Chief financial officer*

Preparation and presentation of **the annual financial statements**

The annual financial statements for the year ended 31 December 2023 have been prepared under the supervision of the CFO, Mr FJ Reichert, CA(SA).

These annual financial statements have been audited by Deloitte & Touche in accordance with the requirements of the Companies Act.

CEO and CFO responsibility statement on **internal financial controls**

The directors, whose names are stated below, hereby confirm that:

- the annual financial statements, set out on pages 1 to 86, fairly present in all material respects the financial position, financial performance, and cash flows of CA&S Group in terms of IFRS;
- to the best of our knowledge and belief, no facts have been omitted or untrue statements made that would make the annual financial statements false or misleading;
- internal financial controls have been put in place to ensure that material information relating to CA&S Group and its consolidated subsidiaries has been provided to effectively prepare the financial statements of CA&S Group;
- the internal financial controls are adequate and effective and can be relied upon in compiling the annual financial statements, having fulfilled our role and function as executive directors with primary responsibility for implementation and execution of controls.
- Where we are not satisfied, we have disclosed to the audit and risk committee and the auditors the deficiencies in design and operational effectiveness of the internal financial controls and have taken steps to remedy the deficiencies; and
- We are not aware of any fraud involving directors.

DS Lewis
Chief executive officer

27 March 2024

FJ Reichert
Chief financial officer

27 March 2024

Certificate by the **company secretary**

I hereby certify, in terms of section 88(2)(e) of the Companies Act, that to the best of my knowledge, for the year ended 31 December 2023, the company has lodged with the Companies and Intellectual Property Commission all such returns and notices as required of a public company in terms of the Companies Act and that all such returns and notices are true, correct and up to date.

B Naude
Company secretary

27 March 2024

Report of the **board of directors**

NATURE OF BUSINESS

The CA&S Group specialises in the fast-moving consumer goods industry and on-shelf availability of some of the world's most-loved consumer brands. The group's services include warehousing and distribution, retail execution and advisory, retail support, training, and technology and data solutions. The group has a varied geographical presence across southern and East Africa.

OPERATING RESULTS

The following commentary reflects results from continuing operations. Revenue increased by 19.4% to R11.3 billion on the prior year. Gross profit increased with 21.1% on the prior year to R1.7 billion. Net profit after taxation of R604.5 million showed 59.7% growth on the prior year. Headline earnings of R464.8 million (2022: R363.2 million) is 28.0% higher than the prior year.

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 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. See note 25.

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. This 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 net assets acquired. Intangible assets of R9.0 million relate to the fair value of the customer list. The value of amortisation included in the statement of comprehension income, relating to this customer list is R1.5 million. See note 25.

The group increased its shareholding in Smithshine Enterprises (Pty) Ltd. For detail of the transaction with non-controlling interest, see note 6.

The operating results and state of affairs of the company are fully set out in the attached statements of comprehensive income and statements of financial position, statements of cash flows, statements of changes in equity and notes thereto.

SHARE CAPITAL

Details of the authorised and issued share capital appear in note 12 to the financial statements. Additional shares were issued on 8 December 2023 to minority shareholders of Smithshine Enterprises (Pty) Ltd in exchange for a 5% increase in shareholding of that subsidiary. In May 2023, share options were exercised by directors of the company and executives of the subsidiaries of the group.

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. Shareholder approval was obtained in June 2023 at the General Meeting and the repurchase of the shares amounted to R0.7 million paid to odd-lot holders on 24 July 2023. This resulted in a reduction of 4 131 shareholders.

DIVIDENDS

A final dividend of 19.56 (2022: 15.35) cents (or BWP equivalent) per share in respect of the year ended 31 December 2023 was declared on Wednesday, 27 March 2024, for payment to the ordinary shareholders of the company at the close of business on Monday, 22 April 2024. In line with the company's dividend policy, the dividend was maintained at 20% of the headline earnings. The number of issued shares at the declaration date is 475 380 961. The dividend has been declared from income reserves.

As per the double tax agreement between Botswana and South Africa, withholding tax of 15% is deducted from dividends distributed to shareholders registered on the Botswana Stock Exchange. This dividend is treated as a foreign dividend for Botswana shareholders. In respect of shareholders registered on the JSE Limited, the dividend payable is subject to a 20% withholding tax as required under the South African Income Tax Act, resulting in a net dividend of 15.648 cents per share.

The last date to trade is Tuesday, 16 April 2024 and trading ex-dividend commences on Wednesday, 17 April 2024.

CHANGES IN DIRECTORATE

Ms B Mathews has been appointed as an independent non-executive director with effect from 1 January 2023.

GOING-CONCERN

The directors consider that the group entities and company have adequate resources to continue operating for the foreseeable future and that it is therefore appropriate to adopt the going-concern basis in preparing the consolidated and company financial statements. The directors have satisfied themselves that the group entities and company are in a sound financial position and that they have access to sufficient cash and borrowing facilities to meet foreseeable cash requirements.

Report of the **board of directors** continued

SUBSTANTIAL SHAREHOLDERS

Pursuant to the provisions of section 56 of the Companies Act, the following shareholders held directly and indirectly equal to or in excess of 5% of the issued share capital as at 31 December 2023:

	Total Shareholding	%
Botswana Insurance Fund Management	60 259 318	13
Botswana Public Officers Pensions Fund (BPOPF)	58 787 782	12
Export Marketing Investments (Pty) Ltd	42 200 690	9
Coronation Fund Managers	35 857 665	8
Total	197 105 455	41

PUBLIC SHAREHOLDERS

Pursuant to the provisions of paragraph 4.25 to 4.27 of the JSE Listing Requirements, the following shares were held by the public as at 31 December 2023:

	Number of shareholders	%	Number of shares	%
Non-Public Shareholders				
Directors and Associates	23	0.3	**48 679 867**	**10.24**
Public Shareholders	7 539	99.7	**426 701 094**	**89.76**
Total	7 562	100.0	**475 380 961**	**100.00**

DIRECTORS

Detail of the directors are listed in note 27.

The shareholding of directors in the ordinary issued share capital of CA Sales Holdings Ltd as at 31 December 2023 was as follows:

	2023		2022	
	Number	%	Number	%
Direct shareholding				
Executive directors				
DS Lewis	2 845 689	0.60	2 650 588	0.56
FJ Reichert	164 047	0.04	27 084	0.01
Non-Executive directors				
JA Holtzhausen	759 233	0.16	732 996	0.16
Indirect shareholding				
Executive directors				
DS Lewis	11 248 100	2.37	11 248 100	2.38
Non-Executive directors				
FW Britz	1 229 382	0.26	1 229 382	0.26
E Masilela	110 250	0.02	30 850	0.01
L Cronje	9 950	0.00	9 950	–
JA Holtzhausen	627 092	0.13	560 250	0.12
Total	16 993 743	3.58	16 489 200	3.49

There were no changes in directors' shareholdings between 31 December 2023 and the approval of the financial statements.

Report of the **board of directors** continued

BOARD COMMITTEES AND ATTENDANCE

Regular board and subcommittee meetings were held during the reporting year and all meetings were attended by all members apart from where apologies were received.

	Board	Audit and risk	Remunerations and nominations	Social and ethics
Number of meetings	4	3	2	2
F Britz	4	2		2
L Cronje	4	3		
JA Holtzhausen	4		2	0
DS Lewis	4			
B Marole	4	1		2
E Masilela	4	1	2	
B Mathews	4	3		2
S Moakofi	4		2	
B Patel	3	3		
FJ Reichert	4			

* *Changes were made to the membership of the Audit and Risk Committee in June 2023.*

EVENTS AFTER BALANCE SHEET DATE

The significant events that occurred after the reporting date that require disclosure in the consolidated annual financial statements for the year ended 31 December 2023 are the following:

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.

ENVIRONMENT, SOCIAL AND GOVERNANCE RESPONSIBILITIES

The group is committed to address its ESG responsibilities and has defined its ESG aspiration and set its high-level priority areas. It is in the target setting phase which involves identifying the relevant metrics and obtaining prior year data to establish the base line. The operations have identified green projects and started with investigations regarding the implementation. Social investments continued with a stronger focus on the education theme as guided by the group.

AUDITOR

The appointment of Deloitte & Touche as the external auditor of the group, and that Mr J van der Walt be appointed as the designated auditor for this purpose, was approved by shareholders on 26 May 2023 at the annual general meeting in accordance with the Companies Act.

SECRETARY

The secretary of the company is B Naude, whose business address is:

1st Floor, Building C
Westend Office Park
254 Hall Street
Centurion, 0157

Independent **auditor's report**

To the Shareholders of CA Sales Holdings Limited

Report on the Audit of the Consolidated and Separate Annual Financial Statements

Opinion

We have audited the consolidated and separate annual financial statements of CA Sales Holdings Limited (the Group and Company) set out on pages 88 to 165, which comprise the consolidated and separate statements of financial position as at 31 December 2023, and the consolidated and separate statements of comprehensive income, the consolidated and separate statements of changes in equity and the consolidated and separate statements of cash flows for the year then ended, and notes to the consolidated and separate annual financial statements, including a summary of material accounting policy information.

In our opinion, the consolidated and separate annual financial statements present fairly, in all material respects, the consolidated and separate financial position of CA Sales Holdings Limited and its subsidiaries as at 31 December 2023, and its consolidated and separate financial performance and consolidated and separate cash flows for the year then ended in accordance with International Financial Reporting Standards and the requirements of the Companies Act of South Africa.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated and Separate Annual Financial Statements section of our report. We are independent of the Group and Company in accordance with the Independent Regulatory Board for Auditors' Code of Professional Conduct for Registered Auditors (IRBA Code) and other independence requirements applicable to performing audits of annual financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' (IESBA) International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated and separate annual financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate annual financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no key audit matters to communicate in our report in respect of the separate annual financial statements.

Key Audit Matter **Impairment of goodwill (Group)**	**How the matter was addressed in the audit**
Refer to the following notes to the consolidated financial statements for detail: • Note 1: Accounting policies – Intangible assets; • Note 1: Accounting policies – Goodwill; • Note 1: Accounting policies – Critical Accounting Estimates and Judgements; and • Note 5: Intangible assets. On an annual basis, the Group tested whether goodwill has suffered any impairment in accordance with the Group's accounting policy on goodwill.	Our audit addressed this key audit matter as follows: Through discussion with management, we obtained an understanding of their process and procedures applied during their impairment assessment of goodwill. Our audit procedures included, testing of the principles and integrity of management's fair value less cost of disposal calculations. We evaluated the reasonableness of management's calculation by: • We tested the mathematical accuracy of management's calculation, and no material differences were noted. • Gaining an understanding of the process followed in determining cash flow projections, including management's considerations of the current market conditions, being inflation and GDP. • Challenging and testing the reasonability of the key assumptions used by management in the calculations, which included discount rates, long-term growth rates, revenue average annual growth rate over the five-year period and budgeted gross margins. We compared these key assumptions to industry benchmarks, historical performance and future market forecasts. Whilst we noted that our independently determined assumptions varied from those used by management, this had no impact on the outcome of the impairment assessment.

Independent **auditor's report** continued

Key Audit Matter	How the matter was addressed in the audit
At year end, the Group recognised goodwill with a carrying value of R501.7 million. No impairment was recognised in relation to the cash-generating units (CGUs) to which goodwill has been allocated due to the recoverable amounts of respective CGUs exceeding their carrying amounts. The recoverable amounts of the respective CGUs were determined based on the fair value less cost of disposal method for all CGUs. This method involves management having to apply judgement in determining the following key assumptions: • Discount rates; • Long-term growth rates; • Revenue average annual growth rate over a five-year period; and • Budgeted gross margins. We considered the impairment assessment of goodwill to be a matter of most significance to our current year audit due to the level of judgement applied by management in performing the impairment assessments, including determining the key assumptions.	• We compared the process followed by management in determining cash flow forecasts to past practice and found the process to be consistent. • We considered the historical accuracy of forecasts by comparing the 2022 actual results to the forecast for that year. Where variances were noted, we followed up with management and assessed the reasonability of the variances and noted that these do not impact the accuracy of forecasts based on available information at the time they were made. • With the assistance of our valuation specialist, we assessed the appropriateness and reasonability of the discount rate applied by management and management's specialist in their calculation, through performing an independent recalculation, that relied on inputs obtained and are comparable to other companies in the same industry and of similar size. Whilst we noted that our independently determined discount rates differed to those applied by management, it did not result in a material impact on the recoverable amounts of the respective CGUs. • We compared the long-term growth rates used by management to economic and industry forecasts and found the long-term growth rates applied by management to be reasonable. • We evaluated the reasonableness of the valuation methodology applied by management through comparison against industry practice and found the methodology applied by management to be consistent with industry practice. • We independently performed a sensitivity analysis on the recoverable amounts determined by management, to determine the degree by which certain key assumptions (discount rate, long-term growth rate and budgeted gross margin) would need to change in order to result in an impairment. Based on our analysis, we held discussions with management and considered the likelihood of such changes occurring. The assumptions used in the calculation of the fair value less cost to sell were appropriate. Whilst our independently determined key assumptions were different from those applied by management in certain instances, the impact of these differences was found to have an immaterial impact on the recoverable amounts. We considered the goodwill impairment disclosures to be appropriate.
Key Audit Matter Acquisition of T&C group (Group)	**How the matter was addressed in the audit**
Refer to the following notes to the consolidated financial statements for detail: • Note 1: Accounting policies – Consolidation; and • Note 25: Business Combinations. On 2 January 2023, Wutow Trading (Pty) Ltd, a fully owned subsidiary of CA Sales Holdings Ltd, obtained control of T&C Properties Namibia (Pty) Ltd and Taeuber and Corssen (Pty) Ltd, collectively known as the T&C Group, after concluding an agreement to acquire 100% of the shareholding in the T&C Group. The purchase price amounted to R65.0 million. T&C Group is a distribution and retail execution business based in Namibia.	Our audit addressed this key audit matter as follows: Through discussion with management, we obtained an understanding of their process and procedures applied during their purchase price allocation performed. Our audit procedures on the acquisition of the T&C group included: • Verified, based on the purchase agreements as well as the criteria defined in IFRS 10 *Consolidated Financial Statements*, the assessment made by management with regard to the control over the shares taken over and the consolidation in the consolidated financial statements. • Obtaining the purchase price allocation performed by management and the property valuation performed by management's specialists. • Assessed the methodical approach in identifying the assets acquired and liabilities assumed at the acquisition date. • Engaging our valuation specialists to assist, on a sample basis, in the review of the valuation methodologies applied in the models supporting the property valuations, including the significant assumptions used. Whilst our independently determined key assumptions were different from those applied by management in certain instances, the impact of these differences was found to have an immaterial impact on the fair value of the properties.

Independent **auditor's report** continued

Key Audit Matter Acquisition of T&C group (Group)	How the matter was addressed in the audit
The business combination is accounted for in accordance with IFRS 3 *Business Combinations*. The assets and liabilities acquired were stated at their fair values which were determined in the course of the purchase price allocation performed. This resulted in identifiable net assets measured at fair value to the amount of R188.6 million and the recognition of a bargain purchase to the amount of R123.6 million in profit or loss, as disclosed in note 25. The purchase price allocation performed requires management to make discretionary decisions, estimates and assumptions. Changes in these assumptions may have a material impact on the fair values. We considered the business combination of the T&C Group to be a matter of most significance to our current year audit due to the level of estimation uncertainty and judgement applied by management in performing the purchase price allocation, ultimately resulting in the bargain purchase amount recognised.	• We tested the mathematical accuracy of management's purchase price allocation calculation and the effective date of the transaction. No material differences were noted. • We recalculated the bargain purchase amount recognised and no material differences were noted. • We reviewed the disclosures in the consolidated financial statements with respect to the acquisition of T&C Group. The accounting and measurement methods applied are in accordance with IFRSs. We consider the underlying assumptions and measurement parameters to be plausible and reasonable. We consider the business combination disclosures to be appropriate.

Other Matter

The consolidated and separate annual financial statements of the Group and Company for the year ended 31 December 2022 were audited by another auditor who expressed an unmodified opinion on those statements on 21 March 2023.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the document titled "CA Sales Holdings Limited Annual Financial Statements for the year ended 31 December 2023", which includes the Directors' Report, the Audit Committee's Report and the Company Secretary's Certificate as required by the Companies Act of South Africa, which we obtained prior to the date of this report, and the Integrated Report, which is expected to be made available to us after that date. The other information does not include the consolidated and separate annual financial statements and our auditor's report thereon.

Our opinion on the consolidated and separate annual financial statements does not cover the other information and we do not and will not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the consolidated and separate annual financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate annual financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Consolidated and Separate Annual financial statements

The directors are responsible for the preparation and fair presentation of the consolidated and separate annual financial statements in accordance with International Financial Reporting Standards and the requirements of the Companies Act of South Africa, and for such internal control as the directors determine is necessary to enable the preparation of consolidated and separate annual financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate annual financial statements, the directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group and/or the Company or to cease operations, or have no realistic alternative but to do so.

Independent **auditor's report** continued

Auditor's Responsibilities for the Audit of the Consolidated and Separate Annual Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated and separate annual financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate annual financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated and separate annual financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate annual financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and/or the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate annual financial statements, including the disclosures, and whether the consolidated and separate annual financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated annual financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

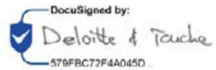
We communicate with the audit committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the audit committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the audit committee, we determine those matters that were of most significance in the audit of the consolidated and separate annual financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In terms of the IRBA Rule published in Government Gazette Number 39475 dated 4 December 2015, we report that Deloitte & Touche has been the auditor of CA Sales Holdings Limited for one year.



Deloitte & Touche
Registered Auditor

Per: **Johan van der Walt**
Partner

27 March 2024

5 Magwa Crescent,
Waterfall City, Waterfall
Johannesburg

Consolidated and **separate statements of financial position**

as at 31 December 2023

	Note	Group 2023 R'000	Group 2022 R'000	Company 2023 R'000	Company 2022 R'000
Assets					
Non-current assets		**1 360 880**	1 207 317	**1 033 686**	973 397
Property, plant and equipment	3	**770 727**	636 272	**–**	–
Investment properties	4	**8 999**	–	**–**	–
Intangible assets	5	**512 197**	500 369	**–**	–
Investment in subsidiaries	6	**–**	–	**942 964**	941 765
Investments accounted for using the equity method	7	**28 872**	30 664	**1 903**	1 903
Deferred income tax assets	15	**40 085**	40 012	**–**	–
Trade and other receivables	9	**–**	–	**88 819**	29 729
Current assets		**3 791 682**	2 883 289	**138 264**	128 874
Inventories	8	**990 804**	759 838	**–**	–
Trade and other receivables	9	**1 712 494**	1 382 839	**2**	–
Income tax receivable		**10 133**	4 763	**–**	–
Cash and cash equivalents	10	**1 061 982**	735 849	**138 262**	128 874
Assets available for sale	11	**16 269**	–	**–**	–
Total assets		**5 152 562**	4 090 606	**1 171 950**	1 102 271
Equity and liabilities					
Stated capital	12	**955 797**	949 342	**955 797**	949 342
Other reserves	13	**47 553**	23 437	**13 772**	14 653
Retained earnings		**1 703 149**	1 178 186	**201 265**	137 075
		2 706 499	2 150 965	**1 170 834**	1 101 070
Non-controlling interest	6	**26 386**	23 928	**–**	–
Total equity		**2 732 885**	2 174 893	**1 170 834**	1 101 070
Non-current liabilities		**335 708**	331 161	**–**	–
Borrowings	14	**310 581**	322 825	**–**	–
Deferred income tax liabilities	15	**25 127**	8 336	**–**	–
Current liabilities		**2 083 969**	1 584 552	**1 116**	1 201
Trade and other payables	16	**1 313 966**	1 039 767	**1 101**	1 196
Employee benefits and other provisions	17	**172 869**	173 362	**–**	–
Income tax payable		**30 298**	8 900	**15**	5
Borrowings	14	**566 836**	362 523	**–**	–
Total liabilities		**2 419 677**	1 915 713	**1 116**	1 201
Total equity and liabilities		**5 152 562**	4 090 606	**1 171 950**	1 102 271

Consolidated and **separate statements of comprehensive income**

for the year ended 31 December 2023

	Note	Group		Company	
		2023 R'000	**2022 R'000**	**2023 R'000**	**2022 R'000**
Revenue from contracts with customers	18	**11 322 024**	9 485 361	**–**	–
Dividend income		**–**	–	**184 227**	88 897
Cost of sales		**(9 596 848)**	(8 061 272)	**–**	–
Gross profit		**1 725 176**	1 424 089	**184 227**	88 897
Other operating expenses	19	**(1 139 667)**	(918 570)	**(3 775)**	(6 199)
Net impairment gains/(losses) on financial assets	9	**3 593**	(5 276)	**(35 950)**	(10 556)
Other operating income	19	**147 854**	17 096	**–**	–
Share of profit of investments accounted for using the equity method	7	**10 356**	13 732	**–**	–
Operating profit		**747 312**	531 071	**144 502**	72 142
Finance income	21	**68 068**	20 644	**1 233**	1 263
Finance costs	21	(56 531)	(33 580)	**–**	–
Profit before income tax		**758 849**	518 135	**145 735**	73 405
Income tax	22	(154 361)	(139 539)	(9 451)	(3 040)
Profit for the year		**604 488**	378 596	**136 284**	70 365
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	**136 284**	70 365
Profit attributable to:					
- Owners of the parent		**594 150**	364 677	**136 284**	70 365
- Non-controlling interest		**10 338**	13 919	**–**	–
Total profit for the year		**604 488**	378 596	**136 284**	70 365
Total comprehensive income attributable to:					
- Owners of the parent		**618 921**	347 524	**136 284**	70 365
- Non-controlling interest		**10 776**	14 001	**–**	–
Total comprehensive income for the year		**629 697**	361 525	**136 284**	70 365
Earnings per share for profit attributable to the owners of the parent					
Basic earnings per share (cents)	23	**125.22**	78.53		
Diluted earnings per share (cents)	23	**122.90**	77.78		

Consolidated and **separate statements of changes in equity**

for the year ended 31 December 2023

	Note	Stated capital R'000	Other reserves R'000	Retained income R'000	Total attributable to the owners R'000	Non-controlling interest R'000	Total equity R'000
GROUP							
Balance at 1 January 2022		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	13	–	(17 615)	–	(17 615)	82	(17 533)
Transactions with owners:							
Transactions with non-controlling interest	6	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	13	–	(932)	–	(932)	–	(932)
Share-based payment costs	13	–	6 218	–	6 218	–	6 218
Transfer remaining cost of share options exercised	13	–	(5 567)	5 567	–	–	–
Transfer cost of forfeited share options	13	–	(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		949 342	23 437	1 178 186	2 150 965	23 928	2 174 893
Balance at 1 January 2023		**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	13	**–**	**24 771**	**–**	**24 771**	**438**	**25 209**
Transactions with owners:							
Transactions with non-controlling interest	6	**3 822**	**–**	**(541)**	**3 281**	**(3 281)**	**–**
Share options exercised	13	**3 339**	**(7 802)**	**4 011**	**(452)**		**(452)**
Share-based payment costs	13	**–**	**6 921**	**–**	**6 921**	**–**	**6 921**
Share buy back	12	**(706)**	**–**	**–**	**(706)**	**–**	**(706)**
Acquisition of subsidiary		**–**	**–**	**–**	**–**	**1 308**	**1 308**
Foreign currency translation reclassified to comprehensive income	13	**–**	**226**	**–**	**226**	**–**	**226**
Dividends paid		**–**	**–**	**(72 657)**	**(72 657)**	**(6 345)**	**(79 002)**
Balance as at 31 December 2023		**955 797**	**47 553**	**1 703 149**	**2 706 499**	**26 386**	**2 732 885**

Consolidated and **separate statements of changes in equity** continued

for the year ended 31 December 2023

	Note	Stated capital R'000	Other reserves R'000	Retained income R'000	Total equity R'000
COMPANY					
Balance at 1 January 2022		894 379	16 030	120 154	1 030 563
Profit for the year		–	–	70 365	70 365
Transactions with owners:					
Share swap	6	52 275	–	–	52 275
Share options exercised	13	2 688	–	–	2 688
Share-based payment cost of share options exercised	13	–	(932)	–	(932)
Share-based payment costs	13	–	6 218	–	6 218
Transfer remaining cost of share options exercised	13	–	(5 567)	867	(4 700)
Transfer cost of forfeited share options	13	–	(1 096)	–	(1 096)
Dividends paid		–	–	(54 311)	(54 311)
Balance as at 31 December 2022		949 342	14 653	137 075	1 101 070
Balance at 1 January 2023		**949 342**	**14 653**	**137 075**	**1 101 070**
Profit for the year		**–**	**–**	**136 284**	**136 284**
Transactions with owners:					
Shares issued	12	**3 822**	**–**	**–**	**3 822**
Share options exercised	13	**3 339**	**(7 802)**	**563**	**(3 900)**
Share-based payment costs	13	**–**	**6 921**	**–**	**6 921**
Share buy back	12	**(706)**	**–**	**–**	**(706)**
Dividends paid		**–**	**–**	**(72 657)**	**(72 657)**
Balance as at 31 December 2023		**955 797**	**13 772**	**201 265**	**1 170 834**

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

Consolidated and **separate statements of cash flows**

for the year ended 31 December 2023

	Note	Group 2023 R'000	Group Restated* 2022 R'000	Company 2023 R'000	Company 2022 R'000
Cash flows from operating activities					
Cash generated from operations	24.1	533 734	458 315	(5 385)	(3 069)
Interest paid	21	(56 531)	(33 405)	–	–
Income taxes paid	24.5	(134 876)	(148 405)	(9 441)	(3 038)
Net cash generated from operating activities		342 327	276 505	(14 826)	(6 107)
Cash flows from investing activities					
Acquisition of subsidiaries	25	(71 351)	1 642	–	–
Additions to property, plant and equipment	3	(70 974)	(50 894)	–	–
Additions to intangible assets	5	(686)	(34)	–	–
Proceeds from disposal of property, plant and equipment	24.2	21 284	9 202	–	–
Loan repaid by associated companies	7	–	375	–	–
Loans granted to related parties		–	–	(91 231)	(6 424)
Dividends received		2 358	2 623	184 227	88 897
Interest received	21	68 057	20 644	1 233	1 263
Net cash (outflow)/inflow from investing activities		(51 312)	(16 442)	94 229	83 736
Cash flows from financing activities					
Consideration received from share options exercised		3 339	2 688	3 339	2 688
Share buy back		(706)	–	(706)	–
Transactions with non-controlling interest	6	–	(8 245)	–	–
Dividends paid		(72 648)	(54 311)	(72 648)	(54 311)
Dividends paid to non-controlling interest		(6 345)	(6 416)	–	–
Repayments of borrowings	24.4	(5 258 098)	(4 313 065)	–	–
Proceeds from borrowings	24.4	5 355 564	4 241 911	–	–
Net cash inflow/(outflow) from financing activities		21 106	(137 438)	(70 015)	(51 623)
Net increase in cash and cash equivalents		312 121	122 625	9 388	26 006
Effects of exchange rate changes on cash and cash equivalents		14 012	(42 724)	–	–
Cash and cash equivalents at the beginning of the year		735 849	655 948	128 874	102 868
Cash and cash equivalents at the end of the year	10	1 061 982	735 849	138 262	128 874

** 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. See note 32.*

Notes to the **consolidated and separate financial statements** continued

1. ACCOUNTING POLICIES

SUMMARY OF MATERIAL ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. The accounting policies of the company are the same as those of the group.

BASIS OF PREPARATION

The consolidated financial statements of CA Sales Holdings Limited have been prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB"), interpretations issued by the IFRS Interpretations Committee ("IFRIC") 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. The consolidated and separate financial statements have been prepared under the historical cost convention.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements, are disclosed in the note on "Critical accounting estimates and judgements".

INTERNATIONAL FINANCIAL REPORTING STANDARDS

(a) 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

(b) The following standards are not yet effective and would not be expected to have a material impact on the group in the current or future reporting periods and on foreseeable future transactions:

- Non-current liabilities with covenants – amendments to IAS 1
- Classification of liabilities as current or non-current - amendments to IAS 1
- Lease liability in a sale and leaseback – amendment to IFRS 16
- Supplier finance arrangements – amendments to IAS 7 and IFRS 7
- Lack of exchangeability – amendments to IAS 21
- General requirements for disclosure of sustainability-related financial information – IFRS S1
- Climate-related Disclosures – IFRS S2

CONSOLIDATION

GROUP FINANCIAL STATEMENTS

The group annual financial statements comprise those of the company, its subsidiaries and the group's interest in associates (together referred to as the group).

SUBSIDIARIES

Subsidiaries are fully consolidated from the date on which control is transferred to the group (acquisition date) and are deconsolidated from the date that control ceases (disposal date).

Subsidiaries are all entities over which the group has control. The group controls an entity when the group is exposed to or has rights to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

The acquisition method of accounting is used to account for business combinations by the group.

A business is defined as an integrated set of activities and assets that is capable of being conducted and managed for the purpose of providing goods or services to customers, generating investment income (such as dividends or interest) or generating other income from ordinary activities.

The consideration transferred for the acquisition of a subsidiary is the fair value of the assets transferred, the liabilities incurred, and the equity interest issued by the group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs are expensed as incurred. Identifiable assets acquired, and liabilities and contingent liabilities assumed in a business combination are measured initially at fair value at the acquisition date. On an acquisition-by-acquisition basis, the group recognises any non-controlling interest in the acquiree at the non-controlling interest's proportionate share of the acquiree's net assets.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date; any gains or losses arising from such remeasurement are recognised in the statement of comprehensive income.

Any contingent consideration to be transferred by the group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in accordance with IFRS 9 either in the statement of

Notes to the **consolidated and separate financial statements** continued

comprehensive income or as a change to other comprehensive income. Contingent consideration that is classified as equity is not remeasured, and its subsequent settlement is accounted for within equity.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recorded as goodwill. If the total of consideration transferred, non-controlling interest recognised and previously held interest measured is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in the statement of comprehensive income.

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated. In addition, unrealised losses are considered to be an indicator of impairment. Accounting policies of subsidiaries have been changed, where necessary, to ensure consistency with the policies adopted by the group.

Investments in subsidiaries in the company's separate financial statements are accounted for at cost less impairment. Cost is adjusted to reflect changes in consideration arising from contingent consideration amendments. Direct attributable costs of investment are capitalised as part of the investment, as incurred.

Investments in subsidiaries are tested annually for impairment, or more frequently if events or changes in circumstances indicate that it might be impaired. An indicator for impairment is when the investment value exceeds the net asset value of the subsidiary.

TRANSACTIONS AND NON-CONTROLLING INTEREST

The group treats transactions with non-controlling interest that do not result in loss of control as transactions with equity owners of the group. Purchases from non-controlling interest are recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

When the group ceases to have control or significant influence, any retained interest in the entity is remeasured at its fair value, with the change in carrying amount recognised in the statement of comprehensive income. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to the statement of comprehensive income.

ASSOCIATED COMPANIES

Associated companies are all entities over which the group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associated companies are accounted for by the equity method of accounting and are initially recognised at cost. Any difference between the cost of the investment and the group's share of the fair values of the identifiable assets and liabilities acquired, is accounted for as notional goodwill which is included in the carrying amount of the investment.

Upon gaining control ("step acquisition"), the group remeasures its previously held equity interest in the associate, at its acquisition- date fair value and recognise the resulting gain or loss, if any, in the statement of comprehensive income. Goodwill is calculated during a step acquisition, as the excess of the consideration paid, any non-controlling interest and the acquisition-date fair value of the group's previously held equity interest, over the acquisition-date fair value of the identifiable net assets of the acquiree.

The results of associated companies are accounted for according to the equity method, based on their most recent published audited financial statements or latest management information. Certain associated companies have year-ends that differ from that of the group. In these instances, the management accounts for the period 1 January to 31 December are used. Equity accounting involves recognising the group's share of its associated companies' post-acquisition profits or losses in the statement of comprehensive income, and its share of post-acquisition movements in other comprehensive income and movements in other reserves, in the statement of comprehensive income. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the group's share of losses in an associated company equals or exceeds its interest in the associated company including any other unsecured receivables, the group does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associated company.

Unrealised gains on transactions between the group and its associated companies are eliminated to the extent of the group's interest in the associated companies. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Crossholdings between the group and its associates are eliminated in accordance with normal consolidation procedure. Associates' accounting policies have been changed, where necessary, to ensure consistency with the policies adopted by the group.

Dilution gains and losses arising in investment in associated companies are recognised in the statement of comprehensive income. If the ownership interest in an associated company is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to the statement of comprehensive income, where appropriate.

After applying the equity method, investments in associated companies are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying value

Notes to the **consolidated and separate financial statements** continued

exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost to sell and value in use.

Loans to associated companies are disclosed as part of the carrying amount of the investment.

The company accounts for investment in associated companies at cost less provision for impairment.

Any contingent consideration to be transferred by the group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in accordance with IAS 27 by following the cost-based approach. According to this approach, subsequent changes in the value of the contingent consideration are recognised as part of the cost or a reduction in the cost of the investment.

FOREIGN CURRENCY TRANSLATION

FUNCTIONAL AND PRESENTATION CURRENCY

Items included in the financial statements of each of the group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in South African rand, which is the company's functional and the group's presentation currency. All financial information presented in South African rand has been rounded to the nearest thousand.

TRANSACTIONS AND BALANCES

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income. Net foreign exchange gains are presented within "Other operating income" and net foreign exchange losses are presented within "Other operating expenses".

SUBSIDIARIES

The results and financial position of all the group entities that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Income and expenses are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions).
- Assets and liabilities are translated at the closing rate at the date of the statement of financial position.
- All resulting exchange differences are recognised in the statement of comprehensive income and as a separate component of equity.

SEGMENT REPORTING

The group has reportable segments that comprise the structure used by the chief operating decision maker ("CODM") to make key operating decisions and assess performance. The group's reportable segments are operating segments that are differentiated by the country in which they operate.

The group evaluates the performance of its reportable segments based on earnings before interest and tax ("EBIT") as well as earnings before interest, tax, depreciation, amortisation and impairments ("adjusted EBITDA"). The group accounts for intersegment sales and transfers as if the sales and transfers were entered into under the same terms and conditions as would have been entered into in a market-related transaction.

The financial information (including revenue, EBIT, adjusted EBITDA, total assets and total liabilities) of the group's reportable segments is reported to the CODM for purposes of making decisions about allocating resources to the segment and assessing its performance.

A number of segments are included in the "Other countries" segment as they individually don't meet the quantitative thresholds indicated in IFRS 8 Operating Segments.

PROPERTY, PLANT AND EQUIPMENT

An item of property, plant and equipment is recognised as an asset when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably.

Property, plant and equipment are stated at historical cost less accumulated depreciation and impairment. Cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of comprehensive income during the financial period in which they are incurred.

Depreciation is calculated on the straight-line method at rates considered appropriate to reduce book values to estimated residual values over the useful lives of the assets, as follows:

Office equipment	3 – 10 years
Computer equipment	3 – 5 years
Vehicles, plant and machinery	4 – 10 years
Buildings	3 – 100 years
Land	indefinite

Notes to the **consolidated and separate financial statements** continued

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Any gain or loss on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the statement of comprehensive income.

INVESTMENT PROPERTIES

Investment properties are initially measured at cost and subsequently measured in accordance with the cost model as set out in IAS 16.

Depreciation is calculated on a straight-line basis to write off the cost of each component of an asset to its residual value over its estimated useful life as follows:

Buildings	100 years
Land	indefinite

When assessing the useful lives, the group uses historical experience and other relevant factors, such as the expected future use of the properties and the expected wear and tear.

To arrive at the residual value of a building in today's values, the usage of the building and its forecast residual value at the end of its useful life needs to be assessed and thereafter present valued. The assumptions and techniques utilised in determining the residual value of investment properties are consistent with those utilised in the impairment of properties.

The group reassesses the estimated useful lives, residual values and depreciation methods of its investment properties annually. Actual useful lives, residual values and depreciation methods can vary from those previously estimated, with the effect of any changes in estimate accounted for on a prospective basis. Based on this assessment, the estimated useful lives, residual values and depreciation methods are reasonable.

ASSETS CLASSIFIED AS AVAILABLE FOR SALE

Assets classified as available for sale include assets that do not currently align with the group's long-term strategies. The disposal of these assets is most likely expected to occur within the next 12 months and, therefore, have been classified as available for sale. Assets that are classified as available for sale are not depreciated.

INTANGIBLE ASSETS

GOODWILL

Goodwill represents the excess of the cost of an acquisition over the fair value of the group's share of the net identifiable assets of the acquired subsidiary/associated company at the date of acquisition. Goodwill is reported in the statement of financial position as an intangible asset. The notional goodwill that arises in the notional purchase price allocation of associates is included in the carrying amount of the associate and not shown as a separate asset. Goodwill is tested annually for impairment, or more frequently if events or changes in circumstances indicate that it might be impaired and is carried at cost less accumulated impairment losses. Impairment losses on goodwill are not reversed. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The groups of cash-generating units are not larger than operating segments.

An excess of the acquirer's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities arises where the net assets of a subsidiary at the date of acquisition, fairly valued, exceed the cost of the acquisition. This excess arising on acquisitions is taken directly to income.

CUSTOMER LISTS

Contractual customer relationships acquired in a business combination are recognised at fair value at the acquisition date. The contractual customer relations have a finite useful life and are carried at cost less accumulated amortisation and impairment. Amortisation is calculated using the straight-line method over the estimated useful lives ranging between two and five years. The carrying amount is reviewed for impairment when an impairment indicator is identified.

COMPUTER SOFTWARE AND OTHER INTERNALLY GENERATED INTANGIBLE ASSETS

Costs associated with maintaining computer software programmes and other internally generated intangible assets are recognised as an expense as incurred.

Development costs that are directly attributable to the design and testing of identifiable and unique items controlled by the group, are recognised as intangible assets when all of the following criteria are met:

- it is technically feasible to complete the item so that it will be available for use;
- management intends to complete the item and use or sell it;
- there is an ability to use or sell the item;
- it can be demonstrated how the item will generate probable future economic benefits;

Notes to the **consolidated and separate financial statements** continued

- adequate technical, financial and other resources to complete the development and to use or sell the item are available; and
- the expenditure attributable to the item during its development can be reliably measured.

Directly attributable costs that are capitalised as part of such items include development employee costs and an appropriate portion of relevant overheads. Other development expenditures that do not meet these criteria are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period. These intangible assets are amortised using the straight-line method over their estimated useful lives, which range between two and five years.

When configuration or customisation of cloud-based application software is identifiable and meets the recognition criteria in IAS 38, the cost is recognised as an intangible asset.

IMPAIRMENT OF NON-FINANCIAL ASSETS

Assets that are subject to amortisation or depreciation are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

FINANCIAL ASSETS

CLASSIFICATION

The group classifies its financial assets in the financial assets at amortised cost category. The classification depends on the objective of the group's business model. Management determines the classification of its financial assets at initial recognition.

FINANCIAL ASSETS AT AMORTISED COST

The group classifies its financial assets as financial assets at amortised cost only if both of the following criteria are met:

- the asset is held within a business model whose objective it is to collect the contractual cash flows ("Business model test"); and
- the contractual terms give rise to cash flows that are solely payments of principal and interest ("SPPI").

The group's financial assets at amortised cost category comprises "trade and other receivables" and "cash and cash equivalents" in the statement of financial position (note 9 and 10 respectively).

The company's financial assets at amortised cost category comprises "loans to related parties" and "cash and cash equivalents" in the statement of financial position (note 9 and 10 respectively). Trade receivables are amounts due from customers for merchandise sold or services delivered in the ordinary course of business. Contractual cash flows will be collected as trade receivables and related parties repay their outstanding balances and the repayments on the outstanding balances represent payments that consist of the principal outstanding amount and related interest amount if applicable. Collection is expected in one year or less and therefore classified as current assets.

RECOGNITION AND MEASUREMENT

Trade receivables and loans to related parties are recognised initially at the amount of consideration that is unconditional. The group has made use of the practical expedient where the group presumes that a receivable does not have a significant financing component as the expected term is less than one year. The group holds the trade receivables and related party loans with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method less expected allowance.

The carrying amounts of the trade receivables and related party loans, are considered to approximate the fair value. Payment terms are agreed as part of the trading or loan agreement and any amounts outstanding beyond the terms are considered overdue.

IMPAIRMENT OF FINANCIAL ASSETS - CARRIED AT AMORTISED COST

The group applies the IFRS 9 simplified approach to measuring expected credit losses (ECL) which uses a lifetime expected loss allowance for all trade receivables. As a practical expedient, the group uses a provision matrix based on the group's historical default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. The historical default rates have been assessed, using a 24-month period. Forward-looking estimates include the economic outlook of the country in which the customer resides. Trade receivables are grouped based on shared risk characteristics and days past due.

For loans to related parties, management applies the three-stage general impairment methodology model which requires the company to measure the expected credit loss at a probability-weighted amount that reflects the possibility that a credit loss occurs and the possibility that no credit loss occurs. See note 9.

The group assesses on a forward-looking basis the expected credit loss associated with its financial assets carried at amortised cost. Forward looking estimates include the economic outlook of the country in which the customer resides. The group has identified GDP, food inflation and levels of consumer confidence in the countries in which it sells its goods and services to be the most relevant factors. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

Notes to the **consolidated and separate financial statements** continued

A loss allowance is recognised at the first reporting date on which the receivable is recognised. After initial recognition, the loss allowance is adjusted, up or down, through profit or loss at each statement of financial position date as the forward-looking estimates change.

Receivables are considered to be in default when the payment terms have been exceeded with more than 60 days without any reason or subsequent arrangement to extend the payment terms.

Receivables are credit impaired if there is no reasonable expectation of recovery. This will be the case with outstanding amounts over 180 days where there has been no communication received from the debtor. Credit-impaired receivables are written off.

Subsequent recoveries of amounts previously written off are credited in the statement of comprehensive income. Refer to note 9, trade and other receivables, for further information.

DERECOGNITION

A financial asset is derecognised when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership, or control of the financial asset, are transferred. Where the group has transferred its rights to receive cash flows from an asset and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the group's continuing involvement in the asset. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the group could be required to pay.

INVENTORIES

Inventories are valued at the lower of cost and net realisable value. Cost is substantially determined on the first-in-first-out basis and includes expenditure in acquiring and transporting the inventory to its present location net of discounts and rebates received.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated selling expenses.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash on hand and other deposits held at call with banks. Bank overdrafts are included within borrowings in current liabilities on the statement of financial position.

Overdrafts are part of financing activities in the cashflow unless the overdrafts:
- are repayable on demand
- form an integral part of the entity's cash management, and
- have balances that often fluctuates between positive to overdrawn.

STATED CAPITAL

Stated capital consists solely of ordinary share capital. Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of equity instruments are shown in equity as a deduction from the proceeds, net of tax.

SHARE-BASED PAYMENT RESERVE

The group transfers amounts from this reserve upon the exercise or lapse of options to retained earnings. Forfeited options are also transferred from this reserve to retained earnings in the year that options are forfeited.

FINANCIAL LIABILITIES

Financial liabilities include borrowings, accrual for other liabilities and charges, contingent considerations and trade and other payables.

BORROWINGS (EXCLUDING LEASES)

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost, using the effective-interest method. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the statement of comprehensive income over the period of the borrowings, using the effective-interest method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs.

LEASES

The group leases various offices, warehouses, equipment and vehicles. Rental agreements are typically entered into for fixed periods of three to five years but may have extension options. The group is not a lessor.

At inception of a contract, the group assesses whether a contract is, or contains a lease based on whether the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Contracts may contain both lease and non-lease components. With regards to vehicles and office equipment, the non-lease components, identified in the contracts, are expensed. For leases of offices and warehouses for which the group is a lessee, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of fixed payments. Lease payments to be made under reasonably certain extension options, are also included in the measurement of the liability. The lease payments are discounted using the lessee's incremental borrowing rate, being the rate that

Notes to the **consolidated and separate financial statements** continued

the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

Extension and termination options are included in a number of property and equipment leases across the group. Most extension options in equipment and vehicle leases have not been included in the lease liability because the group could replace the assets without significant cost or business disruption.

To determine the incremental borrowing rate, the group, where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received.

When there are lease re-assessments, lease modifications or revised in-substance fixed lease payments, the lease liability is re- assessed and adjusted against the right-of-use asset.

Lease payments are allocated between principal and finance cost. The finance cost is charged to the statement of comprehensive income over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the amount of the initial measurement of lease liability.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. The group has chosen not to revalue its right-of-use buildings held by the group.

Properties	3 – 10 years
Vehicles and equipment	3 – 5 years

Payments associated with short-term leases of equipment and vehicles and all leases of low-value assets are recognised on a straight-line basis as an expense in the statement of comprehensive income. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT equipment and small items of office equipment or furniture.

The group companies are intermediate lessors in incidental situations where an insignificant portion of the office space is subleased to third parties. Subleases are classified as operating leases. The intermediate lessor recognises the lease income from operating leases on a straight-line basis over the lease term. The respective leased asset is included in the statement of financial position based on its nature.

TRADE PAYABLES

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective-interest method.

DERECOGNITION

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. The condition is met when the liability is settled by paying the creditor, or when the debtor is released from primary responsibility for the liability either by process of law or by the creditor.

PROVISIONS

Provisions are recognised when:

- the group has a present legal or constructive obligation as a result of past events;
- it is more likely than not that an outflow of resources will be required to settle the obligation; and
- the amount has been reliably estimated.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as an interest expense.

CURRENT AND DEFERRED INCOME TAX

The tax expense for the period comprises current and deferred tax. Tax is recognised in the statement of comprehensive income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case the tax is also recognised in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the statement of financial position date in the countries where the company's subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial

Notes to the **consolidated and separate financial statements** continued

statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the statement of financial position date and are expected to apply when the related deferred income tax asset is realised, or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the group and it is probable that the temporary difference will not reverse in the foreseeable future.

A deferred tax asset is raised on the recognition of a lease liability and a deferred tax liability is raised on the recognition of a right-of-use asset.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

Dividend withholding tax is not levied on the company but on the beneficial owner of the share and accordingly does not require recognition in the statement of comprehensive income.
Dividend tax withheld by the company on dividends paid to its shareholders (who do not qualify for an exemption from dividends tax) and payable at the reporting date to the South African Revenue Service (where applicable) is included in trade and other payables in the statement of financial position.

EMPLOYEE BENEFITS

ANNUAL LEAVE

Employee entitlements to annual leave are recognised when they accrue to employees. An accrual is made for the estimated annual leave as a result of services rendered by employees up to the reporting date.

PROFIT-SHARING AND BONUS PLANS

The group recognises a liability and an expense for bonus plans and profit-sharing, where contractually obliged, or where there is a past practice that has created a constructive obligation.

SEVERANCE BENEFITS

For employees who are citizens of Botswana, the group has implemented the requirements of the Botswana Labour Act relating to a severance benefit scheme. For employees who are non-citizens of Botswana, the group pays gratuity in accordance with the respective contracts of employment.

SHARE-BASED COMPENSATION

CA Sales Holdings Limited operates equity-settled share-based payment schemes.

The fair value of the executive services received in exchange for the grant of the share options, less the amount paid by the executive, is recognised as an expense. The total amount to be expensed over the vesting period, see note 12, is determined by reference to the grant date fair value of the share options granted. Vesting conditions are included in assumptions about the number of share options that are expected to become exercisable. At each reporting date, the entity revises its estimates of the number of share options that are expected to become exercisable. It recognises the impact of the revision of original estimates, if any, in the statement of comprehensive income, and a corresponding adjustment to equity over the remaining vesting period.

If the group cancels or settles a grant of equity instruments during the vesting period, the group accounts for the cancellation or settlement of the grant and recognises immediately the amount that otherwise would have been recognised for services received over the remainder of the vesting period.

The share-based payment costs are recognised in the statement of comprehensive income and a share-based payment reserve is recognised as part of equity and represents the fair value at grant date of the shares/share options that will be delivered on vesting. The grant date fair value will not be subsequently remeasured.

REVENUE RECOGNITION

Revenue is derived either from the sale of fast-moving consumer goods, delivering of transport services, in-store execution services, promotional services or training services. Revenue is recognised to depict the transfer of goods or services to customers at an amount that the group expects to be entitled to in exchange for those goods or services to the extent that it is highly probable that there will be no significant reversal. Revenue is recognised when performance obligations are satisfied upon transferring control of the goods and services.

Revenue is recognised at a point in time for the delivery of goods and training services. A customer obtains control when he signs the proof of delivery document. Revenue from providing services is recognised in the accounting period in which the services are rendered and is recognised over time when transport, promotional and in-store execution services are delivered. These performance obligations are satisfied over time, as the performance obligations are being fulfilled. A customer

Notes to the **consolidated and separate financial statements** continued

obtains control over the services, as performance milestones, depicted in the service delivery contract, are achieved.

The transaction price on the sale of goods might include an element of consideration that is variable on the outcome of future events in the form of settlement discounts. It is considered to be variable consideration because there is uncertainty as to whether the customer will pay the invoice within the discount period. The terms of settlement discounts are stipulated in the trade agreements with customers. The expected settlement value is based on experience with similar customers with similar transactions and doesn't require significant estimation. The group includes some or all of an amount of variable consideration only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not incur when the uncertainty associated with the variable consideration is subsequently resolved.

The group uses the practical expedient to disregard the time value of money as the period between transfer of the goods or services and payment is less than one year.

DIVIDEND INCOME

Dividends are recognised as income, when:

- the group's right to receive payment has been established;
- it is probable that the economic benefits associated with the dividend will flow to the group; and
- the amount of the dividend can be measured reliably.

INTEREST INCOME

Interest income is recognised using the effective-interest method. When a loan and receivable is impaired, the group reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument and continues unwinding the discount as interest income. Interest income on impaired loans and receivables is recognised using the original effective interest rate.

DIVIDEND DISTRIBUTION

Dividend distribution to the company's shareholders is recognised as a liability in the group's financial statements in the period in which the dividends are approved by the company's board of directors.

HEADLINE EARNINGS AND EARNINGS PER SHARE

Headline earnings are earnings as determined by IAS 33, excluding "separately identifiable remeasurements" (as defined in SAICA Circular 01/2023), net of related tax (both current and deferred) and related non-controlling interest, other than remeasurements specifically included in headline earnings "included remeasurements" (as defined in SAICA Circular 01/2023).

Basic earnings per share is expressed in cents and is based on the net profit attributable to ordinary shareholders divided by the weighted average number of shares in issue during the year, excluding ordinary shares purchased by the company (treasury shares).

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares (incentive shares).

CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The group makes estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year. Estimates and judgements are continually evaluated and based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

ESTIMATED IMPAIRMENT OF GOODWILL

The group tests annually whether goodwill has suffered any impairment, in accordance with the accounting policy on goodwill. The recoverable amounts of cash-generating units have been determined based on fair value less cost to sell calculations. These calculations require the use of assumptions (see note 5 for further detail and disclosure of assumptions used).

Notes to the **consolidated and separate financial statements** continued

2 FINANCIAL RISK MANAGEMENT

2.1 Financial risk factors

The group's activities expose it to a variety of financial risks: market risk (including currency risk and fair value interest rate risk), credit risk and liquidity risk. The group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the group's financial performance.

Risk management is carried out by each major entity within the group under policies approved by the respective boards of directors. Each major entity's board of directors provides principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk and investment of excess liquidity.

Financial instruments are grouped into the following classes in order to facilitate effective financial risk management and disclosure in terms of IFRS 7 *Financial Instruments: Disclosures.*

		Group		Company	
	Note	2023 R'000	2022 R'000	2023 R'000	2022 R'000
Classes of financial assets					
Trade receivables		1 535 767	1 298 765	–	–
Loans receivable from related parties		–	–	88 819	29 729
Sundry debtors		50 239	41 680	2	–
Total receivables	9	1 586 006	1 340 445	88 821	29 729
Cash and cash equivalents	10	1 061 982	735 849	138 262	128 874
Total financial assets		2 647 988	2 076 294	227 083	158 603
Classes of financial liabilities					
Bank overdrafts		475 257	284 712	–	–
Borrowings		402 160	400 636	–	–
Total borrowings	14	877 417	685 348	–	–
Trade and other payables		1 249 236	1 009 855	1 072	1 176
Contingent consideration		6 000	–	–	–
Amounts due to related parties		1 089	835	–	–
Payments received in advance		17 000	–	–	–
Total trade and other payables	16	1 273 325	1 010 690	1 072	1 176
Total financial liabilities		2 150 742	1 696 038	1 072	1 176

Notes to the **consolidated and separate financial statements** continued

2 FINANCIAL RISK MANAGEMENT continued

2.1 Financial risk factors continued

Financial instruments by category

Financial assets	Note	Group: Assets measured at amortised cost R'000	Group: Total R'000	Company: Assets measured at amortised cost R'000	Company: Total R'000
2023					
Receivables	9	**1 586 006**	1 586 006	**88 821**	88 821
Cash and cash equivalents	10	**1 061 982**	1 061 982	**138 262**	138 262
		2 647 988	2 647 988	**227 083**	227 083
2022					
Receivables	9	**1 340 445**	1 340 445	**29 729**	29 729
Cash and cash equivalents	10	**735 849**	735 849	**128 874**	128 874
		2 076 294	2 076 294	**158 603**	158 603

Financial liabilities	Note	Group: Liabilities measured at amortised cost R'000	Group: Liabilities measured at fair value R'000	Group: Total R'000	Company: Liabilities measured at amortised cost R'000	Company: Liabilities measured at fair value R'000	Company: Total R'000
2023							
Borrowings	14	877 417	–	877 417	–	–	–
Contingent consideration	16	–	6 000	6 000	–	–	–
Trade and other payables	16	1 267 325	–	1 267 325	1 072	–	1 072
		2 144 742	6 000	2 150 742	1 072	–	1 072
2022							
Borrowings	14	685 348	–	685 348	–	–	–
Trade and other payables	16	1 010 690	–	1 010 690	1 176	–	1 176
		1 696 038	–	1 696 038	1 176	–	1 176

The group's management has assessed which business models apply to the financial assets held by the group and has classified its financial assets into the appropriate IFRS 9 category. All financial assets/liabilities (excluding contingent consideration) are classified as measured at amortised cost as the assets and liabilities are held with the objective to collect or pay the contractual cash flows which are solely payments of principle and interest.

Excluding the non-current borrowings and loans receivable from related parties, carrying values approximate fair values due to the short-term nature of these financial instruments.

Notes to the **consolidated and separate financial statements** continued

2 FINANCIAL RISK MANAGEMENT continued

2.1 Financial risk factors continued

(a) Market risk

The group reviews its foreign currency exposure, including commitments, on an ongoing basis.

(i) **Foreign exchange risk**

The group operates in Southern Africa and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the Botswana Pula and the South African Rand. Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities and net investments in foreign operations as well as translation risk arising from the consolidation of foreign operations into South African Rand.

Management has set up a policy to require group companies to manage their foreign exchange risk against their functional currency. Foreign exchange risk arises when future commercial transactions or recognised assets or liabilities are denominated in a currency that is not the entity's functional currency. Natural hedging is applied as far as possible to minimise the exposure. The forex gain or loss recognised in the group's statement of comprehensive income for the year is disclosed in note 19.

The group's financial assets and liabilities where the balance is denominated in a currency other than the entity's functional currency, are analysed in the following table:

	Note	Pula R'000	Rand R'000	Other R'000	Total R'000
2023					
Financial assets					
Receivables	9	–	381 975	3 425	385 400
Cash and cash equivalents	10	11	533 495	–	533 506
Financial liabilities					
Trade and other payables	16	(20)	(298 746)	(16)	(298 782)
Borrowings	14	–	–	(9 493)	(9 493)
		(9)	616 724	(6 084)	610 631

	Note	Pula R'000	Rand R'000	Other R'000	Total R'000
2022					
Financial assets					
Receivables	9	–	350 206	–	350 206
Cash and cash equivalents	10	4	326 173	1 462	327 639
Financial liabilities					
Trade and other payables	16	(15)	(250 975)	–	(250 990)
Borrowings	14	–	–	–	–
		(11)	425 404	1 462	426 855

The Botswana Pula (BWP) to the Rand was at BWP1/ZAR1.3826 (2022: BWP1/ZAR1.3289) at year end and an average of BWP1/ZAR1.381 (2022: BWP1/ZAR1.3224) for the year.

Other currencies include the Euro, United States Dollar (USD) and Zambian Kwacha (ZMW).

Notes to the **consolidated and separate financial statements** continued

2 FINANCIAL RISK MANAGEMENT continued

2.1 Financial risk factors continued

(a) Market risk continued

(i) **Foreign exchange risk** continued

The percentage change used has been selected according to what could reasonably be expected as a change in exchange rates based on historical movements in exchange rates. The table below shows the sensitivity of the above translated financial assets and liabilities of the group to a 10% movement in the Rand exchange rate (representing the Rand strengthening or weakening against the foreign currencies).

Impact on net financial assets		Pula appreciation R'000	Other appreciation R'000	Total Group appreciation R'000	Total Group depreciation R'000
2023	10%	(71 762)	608	(71 154)	71 154
2022	10%	(45 738)	(42)	(45 780)	45 780

The Namibian Dollar (NAD), Lesotho Loti (LSL) and Emalangeni (SZL) are pegged to the South African Rand, therefore, no sensitivity to these currencies are expected. Other currencies include the Euro, United States Dollar (USD) and Zambian Kwacha (ZMW).

(ii) **Cash flow and fair value interest rate risk**

The group's interest rate risk arises from interest-bearing cash and cash equivalents and long-term and short-term borrowings.

The group's exposure to floating rate and fixed rate interest-bearing financial instruments is as follows:

		Group		Company	
	Note	2023 R'000	2022 R'000	2023 R'000	2022 R'000
Borrowings					
Floating rate		(658 670)	(515 789)	–	–
Fixed rate and non-interest-bearing		(218 747)	(169 559)	–	–
	14	(877 417)	(685 348)	–	–
Cash and cash equivalents					
Floating rate		972 389	684 287	138 251	128 872
Fixed rate and non-interest-bearing		89 593	51 562	11	2
	10	1 061 982	735 849	138 262	128 874
Total					
Floating rate		313 719	168 498	138 251	128 872
Fixed rate and non-interest-bearing		(129 154)	(117 997)	11	2
		184 565	50 501	138 262	128 874

The group companies manage their cash flow interest rate risk by monitoring interest rates on a regular basis and engaging in discussions with financial institutions in the relevant countries to obtain the optimum rate.

The fixed rate borrowings increased in the year due to the increase in building lease agreements.

Notes to the **consolidated and separate financial statements** continued

2 FINANCIAL RISK MANAGEMENT continued

2.1 Financial risk factors continued

(a) Market risk continued

(ii) **Cash flow and fair value interest rate risk** continued

This sensitivity analysis has been prepared using the closing net borrowings or net cash position for the financial year. This analysis assumes that all other variables, in particular foreign currency rates, remain constant. The analysis is performed on the same basis as the prior. A decrease in interest rates would have an equal and opposite effect on profit after taxation as detailed below. The percentage change used has been selected according to what could reasonably be expected as a change in interest rates based on historical movements in interest rates within the countries. Based on simulations performed, the impact on post-tax profit of a 3% movement in interest rates is analysed in the following table:

		Group		Company	
Impact on post-tax profit		Increase R'000	Decrease R'000	Increase R'000	Decrease R'000
2023	3%	8 699	(8 699)	3 028	(3 028)
2022	3%	4 709	(4 709)	2 784	(2 784)

(b) Credit risk

Credit risk is managed on a group basis, except for credit risk relating to accounts receivable balances. Each local entity is responsible for managing and analysing the credit risk for each of their new clients before standard payment and delivery terms and conditions are offered. Credit risk arises from cash and cash equivalents, deposits with banks and financial institutions, as well as credit exposure to wholesale and retail customers. For banks and financial institutions, only independently rated financial institutions with a high credit quality are accepted. If wholesale customers are independently rated, these ratings are used. If there is no independent rating, management responsible for risk control, assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the board.

The utilisation of credit limits is regularly monitored.

Trade receivables of approximately R344.8 million (2022: R315.4 million) are derived from two external customers domiciled in Botswana and are attributed to the Botswana, Lesotho and Namibia segments.

Notes to the **consolidated and separate financial statements** continued

2 FINANCIAL RISK MANAGEMENT continued

2.1 Financial risk factors continued

(b) Credit risk continued

The table below shows the group's maximum exposure to credit risk by class of asset:

	Note	Group Balance R'000	Group Maximum exposure R'000	Company Balance R'000	Company Maximum exposure R'000
2023					
Receivables	9	**1 586 006**	1 586 006	**88 821**	88 821
Cash and cash equivalents	10	**1 061 982**	1 061 982	**138 262**	138 262
		2 647 988	2 647 988	**227 083**	227 083
2022					
Receivables	9	**1 340 445**	1 340 445	**29 729**	29 729
Cash and cash equivalents	10	**735 849**	735 849	**128 874**	128 874
		2 076 294	2 076 294	**158 603**	158 603

The credit quality of financial assets can be assessed by reference to external credit ratings (if available) or to historical information about counterparty default rates:

	Group 2023 R'000	Group 2022 R'000	Company 2023 R'000	Company 2022 R'000
Receivables				
Group 1	**29 455**	10 373	**–**	–
Group 2	**1 552 360**	1 294 942	**–**	–
Group 3	**3 720**	34 555	**–**	–
Non-rated	**471**	575	**88 821**	29 729
Cash and cash equivalents				
B	**990 128**	663 685	**138 262**	128 874
F1	**56 443**	53 181	**–**	–
F3	**4 077**	2 591	**–**	–
Not rated	**11 334**	16 392	**–**	–
	2 647 988	2 076 294	**227 083**	158 603

The above receivables balances are shown net of loss allowances of R14.5 million (2022: R10.9 million). See note 9 for more detail.

Notes to the **consolidated and separate financial statements** continued

2 FINANCIAL RISK MANAGEMENT continued

2.1 Financial risk factors continued

(b) Credit risk continued

Receivables

Group 1 - new customers (less than six months)
Group 2 - existing customers (more than six months) with no defaults in the past.
Group 3 - existing customers (more than six months) with some defaults in the past.
No credit limits were set for loans to related parties.

Cash and cash equivalents

B, F1, F3 = Fitch's rating
These ratings are considered sufficient enough to warrant not providing for a loss allowance.

Net trade receivables of R435.8 million (2022: R349.1 million) were past due. The ageing analysis of past due, net trade receivables, is as follows:

		Group		Company	
	Note	2023 R'000	2022 R'000	2023 R'000	2022 R'000
30 days		**361 514**	292 459	**–**	–
31 to 60 days		**48 691**	31 688	**–**	–
61 to 90 days		**12 318**	6 608	**–**	–
91 to 120 days		**4 576**	11 649	**–**	–
121 days plus		**8 726**	6 690	**–**	–
Total net past due		**435 825**	349 094	**–**	–
Within terms (not past due)		**1 099 942**	949 671	–	–
Total net trade receivables	9	**1 535 767**	1 298 765	**–**	–

(c) Liquidity risk

Liquidity risk arises from the seasonal fluctuations in short-term borrowing positions. A material and sustained shortfall in cash flows could undermine investor confidence and restrict the group's ability to raise funds. The group manages its liquidity risk by monitoring weekly cash flows and ensuring that adequate cash is available or borrowing facilities maintained. The group has no significant concentration of liquidity risk with any one single counterparty.

Prudent liquidity risk management implies maintaining sufficient cash, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. Due to the dynamic nature of the underlying businesses, each entity aims to maintain flexibility in funding by keeping committed credit lines available.

Total undrawn facilities available amount to R154.8 million (2022: R318.7 million). For detail on undrawn facilities available, refer to note 14.

The company has extended a written offer of an unlimited loan facility at 0% interest that is repayable on demand, to its wholly owned subsidiary, CAS Marketing (Pty) Ltd (CAS Marketing). The value of this inter-company loan, gross of the estimated credit loss, is R69.7 million. The company has agreed to assist, by subordinating its claim in favour of and for the benefit of other creditors of CAS Marketing. As at 31 December 2023, CAS Marketing's total liabilities exceeded its total assets by R45.2 million (including this intercompany loan).

Notes to the **consolidated and separate financial statements** continued

2 FINANCIAL RISK MANAGEMENT continued

2.1 Financial risk factors continued

(c) Liquidity risk continued

The table below analyses the group's financial liabilities into relevant maturity groupings based on the remaining period at the statement of financial position date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

	Note	Undiscounted value R'000	Less than 1 year R'000	Between 1 and 2 years R'000	Between 2 and 5 years R'000	Over 5 years R'000
Group						
2023						
Secured and unsecured loans	14	**197 807**	**55 765**	**45 268**	**96 774**	**–**
Lease liabilities	14	**281 971**	**59 865**	**53 159**	**104 117**	**64 830**
Bank overdraft	14	**475 257**	**475 257**	**–**	**–**	**–**
Contingent consideration	16	**6 000**	**6 000**	**–**	**–**	**–**
Trade and other payables	16	**1 267 325**	**1 267 325**	**–**	**–**	**–**
		2 228 360	**1 864 212**	**98 427**	**200 891**	**64 830**
2022						
Secured and unsecured loans	14	234 189	47 899	47 866	117 076	21 348
Lease liabilities	14	253 706	54 024	39 290	80 486	79 906
Bank overdraft	14	284 712	284 712	–	–	–
Trade and other payables	16	1 010 690	1 010 690	–	–	–
		1 783 297	1 397 325	87 156	197 562	101 254
Company						
2023						
Trade and other payables	16	**1 072**	**1 072**	**–**	**–**	**–**
		1 072	**1 072**	**–**	**–**	**–**
2022						
Trade and other payables	16	1 176	1 176	–	–	–
		1 176	1 176	–	–	–

Trade and other payables, including the contingent consideration, to the value of R943.9 million, is due within 90 days of the reporting period.

Notes to the **consolidated and separate financial statements** continued

2 FINANCIAL RISK MANAGEMENT continued

2.2 Capital risk management

The group's objectives when managing capital are to safeguard the group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The group's capital comprises total equity as shown in the consolidated statement of financial position plus net debt. Net debt is calculated as total borrowings less cash and cash equivalents as shown in the consolidated statement of financial position. When funding is required, management will consider the various forms of paper available for issue, taking into account current market conditions, anticipated trends in market indicators and the financial position of the group at the time. Management will accordingly consider issuing ordinary shares by the group's holding company, perpetual preference shares, short, long or medium term borrowings with variable or fixed rates.

The group manages capital by maintaining a low gearing ratio. Increased long-term debt is approved by the board based on the impact on the gearing ratio. This ratio is calculated as net debt divided by the total capital. The group's target is to maintain a gearing ratio of less than 1.

The gearing ratios at 31 December 2023 and 31 December 2022 were as follows:

		Group		Company	
	Note	2023 R'000	2022 R'000	2023 R'000	2022 R'000
Total borrowings	14	**877 417**	685 348	**–**	–
Less: Cash and cash equivalents	10	**(1 061 982)**	(735 849)	**(138 262)**	(128 874)
Net cash		**(184 565)**	(50 501)	**(138 262)**	(128 874)
Total equity		**2 732 885**	2 174 893	**1 170 834**	1 101 070
Total capital		**2 548 320**	2 124 392	**1 032 572**	972 196
Gearing ratio (%)		**(7)**	(2)	**(13)**	(13)

2.3 Fair value estimation of financial instruments

Financial instruments consist of trade receivables, bank and cash balances and trade and other payables resulting from normal business operations. The nominal value less loss allowance of trade receivables and payables are assumed to approximate their fair values. The particular recognition methods adopted are disclosed in the individual policy statements associated with each item.

Fair value hierarchy

When measuring the fair value of an asset or a liability, the group uses market observable data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques categorised as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Notes to the **consolidated and separate financial statements** continued

3 PROPERTY, PLANT AND EQUIPMENT

	Group				
	Vehicles, plant and machinery R'000	Office equipment and other R'000	Computer equipment R'000	Land & buildings R'000	Total R'000
2023					
At the end of the year					
Cost	514 972	49 146	59 136	652 199	1 275 453
Accumulated depreciation	(314 731)	(25 510)	(44 509)	(119 976)	(504 726)
Net book value	200 241	23 636	14 627	532 223	770 727
Reconciliation of net book value:					
Opening net book value 1 January 2023	157 467	19 034	13 280	446 491	636 272
Exchange differences	1 697	138	56	9 959	11 850
Additions - owned assets	52 157	8 192	8 315	2 310	70 974
Additions - right-of-use assets	18 755	554	–	52 084	71 393
Disposals	(11 021)	(3 178)	(471)	(1 238)	(15 908)
Termination of lease agreements	(1 262)	(48)	–	(595)	(1 905)
Business combinations	23 796	3 102	424	62 017	89 339
Lease modifications	5 200	–	–	(128)	5 072
Transfers to intangible assets - software	–	–	(391)	–	(391)
Reclassified as assets available for sale	(238)	(9)	–	–	(247)
Depreciation	(46 310)	(4 149)	(6 586)	(38 677)	(95 722)
Closing net book value 31 December 2023	200 241	23 636	14 627	532 223	770 727
Right-of-use assets included above comprise:					
Cost of right-of-use assets	123 780	1 319	–	214 081	339 180
Accumulated depreciation	(58 785)	(540)	–	(64 232)	(123 557)
Net book value	64 995	779	–	149 849	215 623

Notes to the **consolidated and separate financial statements** continued

3 PROPERTY, PLANT AND EQUIPMENT continued

	Group				
	Vehicles, plant and machinery R'000	Office equipment and other R'000	Computer equipment R'000	Land & buildings R'000	Total R'000
2022					
At the end of the year					
Cost	424 553	37 073	51 087	527 461	1 040 174
Accumulated depreciation	(267 086)	(18 039)	(37 807)	(80 970)	(403 902)
Net book value	157 467	19 034	13 280	446 491	636 272
Reconciliation of net book value:					
Opening net book value 1 January 2022	127 353	17 194	13 814	363 409	521 770
Exchange differences	(1 097)	(140)	(95)	(6 627)	(7 959)
Additions - owned assets	39 925	3 002	6 100	1 867	50 894
Additions - right-of-use assets	33 357	798	–	118 017	152 172
Disposals	(5 465)	(253)	(152)	–	(5 870)
Termination of lease agreements	(135)	–	–	(18)	(153)
Business combinations	2 731	1 332	414	5 856	10 333
Lease modifications	(41)	–	–	(1 628)	(1 669)
Transfers between asset classes	685	488	7	(1 180)	–
Depreciation	(39 846)	(3 387)	(6 808)	(33 205)	(83 246)
Closing net book value 31 December 2022	157 467	19 034	13 280	446 491	636 272
Right-of-use assets included above comprise:					
Cost of right-of-use assets	114 055	1 457	–	171 020	286 532
Accumulated depreciation	(49 949)	(715)	–	(42 131)	(92 795)
Net book value	64 106	742	–	128 889	193 737

Additions to the right-of-use assets during the 2023 financial year were R71.4 million (2022: R152.2 million).

The total cash outflow for leases in 2023 was R69.9 million (2022: R65 million).

Notes to the **consolidated and separate financial statements** continued

3 PROPERTY, PLANT AND EQUIPMENT continued

The statement of comprehensive income includes the following amounts relating to leases:

	Group	
Depreciation charge of right-of-use assets	**2023 R'000**	**2022 R'000**
Buildings	**28 615**	23 855
Plant and machinery	**1 102**	528
Vehicles	**16 119**	21 710
Office equipment	**468**	411
	46 304	46 504

The group companies lease various properties, vehicles and machinery under non-cancellable lease agreements. The lease terms are between three and ten years.

A register with full detail of property, plant and equipment is available at each company's registered office. See note 14 for the bond over properties.

No major change in the nature of property, plant and equipment or change in the policy regarding the use thereof took place during the financial year.

Notes to the **consolidated and separate financial statements** continued

4 INVESTMENT PROPERTIES

	Group 2023 R'000
At the end of the year	
Cost	12 582
Accumulated depreciation	(3 583)
Net book value	**8 999**
Reconciliation of net book value:	
Subsidiaries acquired	24 477
Reclassified as assets available for sale	(15 478)
Closing net book value 31 December 2023	**8 999**

At the acquisition of Taeuber & Corssen, investment properties were fair valued based on an unbinding offer to purchase, at that date. The group engaged external experts, Eaton Property Valuations, 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.

No rental income was received during the financial year and direct costs of R1.3 million were incurred.

Refer to note 11 - Assets available for sale, for further information.

No investment properties have been held as security and there are no capital commitments relating to the investment properties.

Notes to the **consolidated and separate financial statements** continued

5 INTANGIBLE ASSETS

	Group			
	Goodwill R'000	Customer lists R'000	Computer software R'000	Total R'000
2023				
At the end of the year				
Cost	566 184	11 818	7 462	585 464
Accumulated amortisation	–	(3 381)	(5 367)	(8 748)
Accumulated impairment	(64 519)	–	–	(64 519)
Net book value	501 665	8 437	2 095	512 197
Reconciliation of net book value:				
Opening net book value 1 January 2023	495 845	1 881	2 643	500 369
Additions	–	–	686	686
Amortisation (note 19 (ii))	–	(2 440)	(1 625)	(4 065)
Exchange differences	196	–	–	196
Transfers from computer equipment (note 3)	–	–	391	391
Business combinations (note 25)	5 624	8 996	–	14 620
Closing net book value 31 December 2023	501 665	8 437	2 095	512 197
2022				
At the end of the year				
Cost	560 329	2 822	5 240	568 391
Accumulated amortisation	–	(941)	(2 597)	(3 538)
Accumulated impairment	(64 484)	–	–	(64 484)
Net book value	495 845	1 881	2 643	500 369
Reconciliation of net book value:				
Opening net book value 1 January 2022	472 706	–	4 227	476 933
Additions	–	–	34	34
Amortisation	–	(941)	(1 618)	(2 559)
Exchange differences	(103)	–	–	(103)
Business combinations	23 242	2 822	–	26 064
Closing net book value 31 December 2022	495 845	1 881	2 643	500 369

Notes to the **consolidated and separate financial statements** continued

5 INTANGIBLE ASSETS continued

Impairment test for goodwill

Goodwill arising from a business combination is allocated, at acquisition, to the group's cash-generating units (CGUs) that are expected to benefit from the business combination. The CGUs to which the amount of goodwill has been allocated, are presented below.

	Note	2023 R'000	2022 R'000
CA Sales and Distribution (Pty) Ltd and subsidiaries (CA Sales)		262 097	262 097
Pack n Stack Investment Holdings (Pty) Ltd and subsidiaries (PnS)		112 060	112 060
Logico Unlimited (Pty) Ltd and subsidiaries (Logico)		42 858	42 858
SMC Brands Namibia (Pty) Ltd (SMC Namibia)		26 855	26 855
Effective Sales and Merchandising (Pty) Ltd (ESM)		21 774	21 774
SMC Brands Botswana (Pty) Ltd (SMC Botswana)		17 971	17 971
SMC Brands Swaziland (Pty) Ltd (SMC Swaziland)		5 855	5 855
Brand Support Services (Pty) Ltd (MarketMax)	25	5 560	–
Smithshine Enterprises (Pty) Ltd (Smithshine) *		3 726	3 583
Visible Worx (Pty) Ltd (Visible Worx)		1 468	1 468
Kalahari Training Institute (Pty) Ltd (KTI) *		1 142	1 098
Peo Capital (Pty) Ltd (Peo) *		235	226
Takbro Logistics (Pty) Ltd (Takbro)	25	64	–
		501 665	495 845

* Values are impacted by foreign exchange rate movements.

The recoverable amount of a CGU is determined based on the fair value less cost of disposal which requires the use of assumptions. These calculations use post-tax cash flow projections based on financial budgets approved by management, covering a five-year period.

Management has determined the values assigned to each of the below key assumptions as follows:

Assumption	Approach used to determining values	Fair value hierarchy
Revenue average annual growth rate over the five-year period	Based on past performance and management's expectations of market development as well as current industry trends, including long term inflation forecasts for each territory. Management considered the impact of economic uncertainties on the cashflow projections, through adjusting their costs and revenue for the impact of the higher expected inflation in the period before the terminal period.	3
Budgeted gross margin	Based on past performance and management's expectations for the future, including the impact of economic uncertainty and long term inflation forecasts for each territory, on gross margins.	3
Long-term growth rate	This is the growth rate used to extrapolate cash flows beyond the budget period. The rates are consistent with forecasts included in industry reports.	3
Discount rate	Reflect specific risks relating to the relevant segments and the countries in which they operate.	3

Notes to the **consolidated and separate financial statements** continued

5 INTANGIBLE ASSETS continued

Impairment test for goodwill continued

The following table sets out the key assumptions for those CGUs that have significant goodwill allocated to them:

	CA Sales %	PnS %	Logico %	SMC Namibia %	ESM %	SMC Botswana %
2023						
Revenue growth	9.4	7.4	10.4	15.4	7.7	9.3
Gross margin	10.3	28.0	16.8	17.7	29.5	16.6
Long-term growth rate	5.0	5.0	5.0	5.0	5.0	5.0
Discount rate (post tax)	12.3	17.2	16.6	16.6	20.3	14.3
2022						
Revenue growth	7.0	6.0	8.7	8.2	9.7	(2.2)
Gross margin	10.8	28.2	19.3	17.7	26.0	18.0
Long term growth rate	5.0	5.0	5.0	5.0	5.0	5.0
Discount rate (post tax)	13.3	18.2	17.9	15.4	18.8	13.5

The increased revenue growth assumptions of the CGUs, compared to the prior year assumptions, are due to increased inflation as well as new clients and products.

The discount rates fluctuated compared to 2022 due to changes in the corporate debt margin and the assumptions regarding the equity market risk premium and the country related inflation rates.

The results of the group's impairment tests are dependent upon estimates and judgements made by management, particularly in relation to the key assumptions described above. Sensitivity analysis to potential changes in key assumptions has therefore been considered.

Sensitivity analysis of assumptions used in the goodwill impairment tests of CGUs indicating low safety margins:

The table below shows the adjusted assumptions used in isolation in the calculation of the fair value less cost of disposal where the estimated recoverable amount equals the carrying value. Apart from the below, no other CGUs' key assumptions were sensitive.

		CA Sales 2023 R'000	SMC Namibia 2023 R'000	CA Sales 2022 R'000	SMC Namibia 2022 R'000
Recoverable amount based on fair value less cost of disposal using original assumptions		2 216 390	105 716	1 425 320	100 227
Carrying value		1 119 349	91 118	1 025 479	79 345
Headroom		1 097 041	14 598	399 841	20 882
Adjusted assumptions where the carrying value equals the recoverable amount					
Revenue growth rate	%	2.9	12.2	3.8	(3.6)
Gross margin	%	8.6	16.9	10.0	16.3
Long-term growth rate	%	(8.2)	2.3	(0.1)	0.7
Discount rate	%	18.9	18.2	16.3	17.8

CGUs assumptions were considered sensitive when a movement of less than 10% in any one of the assumptions above will result in the fair value equalling the carrying value.

Notes to the **consolidated and separate financial statements** continued

6 INVESTMENTS IN SUBSIDIARIES

	Company 2023 R'000	Company 2022 R'000
Ordinary shares at cost	**930 952**	930 952
Share based payments allocated to subsidiaries	**12 012**	10 813
	942 964	941 765

The group's subsidiaries at 31 December 2023 are set out below. They have share capital consisting solely of ordinary shares that are held directly and indirectly by the company.

The proportion of ownership interests held, equals the voting rights held by the group. The country of incorporation is also their principal place of business.

Direct holding	Indirect holding	Country of incorporation	Effective holding 2023 %	Effective holding 2022 %	Stated capital R'000	Shares at cost 2023 R'000	Shares at cost 2022 R'000
CA Sales & Distribution (Pty) Ltd		Botswana	100	100	798.7	336 422	**336 422**
	Dafin Sales and Distribution (Pty) Ltd	Botswana	100	100			
	Warehousing Services Botswana (Pty) Ltd	Botswana	100	100			
	Kalahari Sales (Pty) Ltd	Botswana	100	100			
Logico Unlimited (Pty) Ltd		Eswatini	100	100	100.0	204 273	**204 273**
	Biotrace Trading 338 (Pty) Ltd	South Africa	100	100			
	Takbro Services (Pty) Ltd	Eswatini	60	49			
	Takbro Logistics (Pty) Ltd	South Africa	60	49			
Pack 'n Stack Investment Holdings (Pty) Ltd		South Africa	94	94	2.0	218 019	**218 019**
	Agility-in-store (Pty) Ltd	South Africa	94	94			
	Array Marketing (Pty) Ltd	South Africa	94	94			
	Brand Support Services (Pty) Ltd	South Africa	94	94			
	Pack 'n Stack (Pty) Ltd	South Africa	71	71			
	Pack 'n Stack IT (Pty) Ltd *	South Africa	32	32			
	PnS Activate (Pty) Ltd	South Africa	94	94			
	PnS Retail Solutions Namibia (Pty) Ltd	Namibia	94	94			
	Surapax (Pty) Ltd	South Africa	94	94			
	Effective Sales and Merchandising (Pty) Ltd	South Africa	71	71			
	Pack 'n Stack Eswatini (Pty) Ltd	Eswatini	94	–			
	Visible Worx (Pty) Ltd *	South Africa	48	48			
SMC Brands SA (Pty) Ltd		South Africa	100	100	100.0	158 017	**158 017**
	SMC Brands Botswana (Pty) Ltd	Botswana	100	100			
	SMC Brands Namibia (Pty) Ltd	Namibia	100	100			
	SMC Brands Swaziland (Pty) Ltd	Eswatini	100	100			
	SMC Brands Lesotho (Pty) Ltd	Lesotho	90	100			

Notes to the **consolidated and separate financial statements** continued

6 INVESTMENTS IN SUBSIDIARIES continued

Direct holding	Indirect holding	Country of incorporation	Effective holding 2023 %	Effective holding 2022 %	Stated capital R'000	Shares at cost 2023 R'000	Shares at cost 2022 R'000
Wutow Trading (Pty) Ltd		Namibia	100	100	0.0	14 221	14 221
	WUTCA Trading (Pty) Ltd	Namibia	100	–			
	T&C Properties Namibia (Pty) Ltd	Namibia	100	–			
	Taeuber and Corssen (Pty) Ltd	Namibia	100	–			
	Smithshine Trading Namibia (Pty) Ltd	Namibia	100	–			
	HBW Trading (Pty) Ltd	Namibia	100	–			
Diverse Distribution (Pty) Ltd		Namibia	100	100	0.1	–	–
Private Label Sales and Merchandising Services (Pty) Ltd		South Africa	100	100	0.1	–	–
CAS Marketing (Pty) Ltd		South Africa	100	100	1.0	–	–
CA Sales Investments (Pty) Ltd		South Africa	100	100	1.0	–	–
	Expo Africa Marketing Ltd	Mauritius	90	90			
	Expo Africa (Pty) Ltd	Botswana	90	90			
	Expo Mozambique Ltd	Mozambique	90	90			
	Expo Africa Marketing and Promotions (Pty) Ltd	Namibia	90	90			
Pamstad (Pty) Ltd		Botswana	100	100	–	–	–
	Smithshine Enterprises (Pty) Ltd	Botswana	100	95			
	Smithshine Distribution (Pty) Ltd	Zambia	95	95			
	Kalahari Training Institute (Pty) Ltd	Botswana	83	83			
	Peo Capital (Pty) Ltd	Botswana	70	70			
	Promexs Ltd	Zambia	100	100			
	Breckwick Holdings (Pty) Ltd	Botswana	100	100			
						930 952	930 952

* *Despite the indirect shareholding of CA Sales Holdings Ltd being below 50%, its direct subsidiary, Pack 'n Stack Investments Holdings (Pty) Ltd has control over those subsidiaries. In the case of Pack 'n Stack IT (Pty) Ltd, 55% of its shares are owned by an employee trust.*

The investments of the holding company increased with the share based payment expense allocation as per IFRS 2. The holding company has an obligation to settle the transaction with the subsidiaries' employees by providing its own equity instruments. The CA Sales Holdings Share Incentive Trust was incorporated by the company and the first trustees. The Trust is setup to facilitate and govern the implementation of the Executive Share Option Scheme 2018, 2019, 2020, 2021, 2022 and 2023. The Trust is consolidated by the company and is seen as an extension of the company and therefore the actions of the Trust are viewed as those of the company. In the current year no funding was provided to the Trust.

Notes to the **consolidated and separate financial statements** continued

6 INVESTMENTS IN SUBSIDIARIES continued

Non-controlling interest (NCI)

Set out below is summarised financial information for each subsidiary that has non-controlling interest that is material to the group. The amounts disclosed are before inter-company eliminations.

	Pack 'n Stack		Visible Worx	
	2023 R'000	2022 R'000	2023 R'000	2022 R'000
Summarised statement of financial position				
Current assets	483 631	449 239	22 110	15 279
Current liabilities	(273 620)	(280 242)	(13 052)	(7 756)
Current net assets	210 011	168 997	9 058	7 523
Non-current assets	123 795	99 501	4 002	2 936
Non-current liabilities	(17 959)	(8 509)	(3 017)	(1 321)
Non-current net assets	105 836	90 992	985	1 615
Net assets	315 847	259 989	10 043	9 138
Accumulated NCI	(18 477)	(15 209)	(4 921)	(4 477)
Summarised statement of comprehensive income				
Revenue	1 465 152	1 307 370	40 955	16 654
Profit for the period	142 015	106 033	1 094	2 901
Total comprehensive income attributable to the owners	142 015	106 033	912	2 198
Profit allocated to NCI	8 309	6 203	447	1 077
Dividends paid to NCI	4 826	2 603	–	–
Summarised cash flows				
Cash flows from operating activities	112 304	91 006	2 950	1 490
Cash flows from investing activities	(10 795)	6 217	(1 764)	2 236
Cash flows from financing activities	(99 770)	(60 847)	(613)	(430)
Net increase in cash and cash equivalents	1 739	36 376	573	3 296

Notes to the **consolidated and separate financial statements** continued

6 INVESTMENTS IN SUBSIDIARIES continued

Transactions with non-controlling interest

On 8 December 2023, Pamstad (Pty) Ltd, a wholly owned subsidiary of CA Sales Holdings Ltd, acquired the remaining 5% of the issued shares of Smithshine Enterprises for equity instruments of CA Sales Holding Ltd, to the value of R3.8 million. Immediately prior to the purchase, the group's carrying amount of the existing 5% non-controlling interest in Smithshine Enterprises was R2.9 million. The group recognised a decrease in non-controlling interest of R2.9 million and a decrease in retained earnings attributable to the owners of the parent of R0.9 million.

In January 2023, SMC Brands Lesotho (Pty) Ltd, a wholly owned subsidiary of CA Sales Holdings Ltd, issued shares to minority shareholders, reducing the group's shareholding by 10% of the issued shares of SMC Brands Lesotho (Pty) Ltd, as part of a business combination. The complete transaction was not yet finalised by the reporting date. Immediately prior to the transaction, the group's carrying amount of 10% of the retained loss of SMC Brands Lesotho (Pty) Ltd was R0.3 million. The group recognised a debit in non-controlling interest of R0.3 million and a decrease in the retained loss attributable to the owners of the parent of R0.3 million.

2023	SMC Lesotho R'000	Smithshine R'000	Total R'000
Carrying amount of non-controlling interest sold/acquired	341	2 940	3 281
Consideration in the form of equity instruments	–	(3 822)	(3 822)
Excess of consideration received/(paid) recognised in the transactions with non-controlling interest reserve within equity	341	(882)	(541)

2022	Logico R'000	Smithshine R'000	Promexs R'000	Total R'000
Carrying amount of non-controlling interest acquired	24 439	414	2 530	27 383
Consideration in the form of equity instruments	(52 275)	–	–	(52 275)
Cash consideration paid to non-controlling interest	–	(793)	(7 452)	(8 245)
Excess of consideration paid recognised in the transactions with non-controlling interest reserve within equity	(27 836)	(379)	(4 922)	(33 137)

Notes to the **consolidated and separate financial statements** continued

7 INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

Set out below are the associates of the group as at 31 December 2023. The entities listed below have share capital consisting solely of ordinary shares, which are held directly by the group. The country of incorporation or registration is also their principal place of business, and the proportion of ownership interest is the same as the proportion of voting rights held.

				Group		Company	
		Percentage of ownership interest		Carrying amount		Carrying amount	
Name of entity	**Place of business**	2023 %	2022 %	2023 R'000	2022 R'000	2023 R'000	2022 R'000
IBP Africa Distribution (Pty) Ltd	South Africa	**30%**	30%	**–**	–	**–**	–
Whitakers Agencies (Pty) Ltd and Whitakers Agencies (Lesotho) (Pty) Ltd	South Africa and Lesotho	**45%**	45%	**3 661**	3 443	**1 903**	1 903
Bullred Farming (Pvt) Ltd	Zimbabwe	**49%**	49%	**6 780**	10 148	**–**	–
Private Label Sales and Merchandising Cape Town (Pty) Ltd	South Africa	**49%**	49%	**–**	–	**–**	–
Mac Investments (Pty) Ltd	South Africa	**46.67%**	46.67%	**6 463**	5 756	**–**	–
Mac Marketing Communications (Mauritius) Ltd	Mauritius	**46%**	46%	**11 968**	10 092	**–**	–
Takbro Logistics (Pty) Ltd	Eswatini	**–**	49%	**–**	1 225	**–**	–
Carrying value of ordinary share investments in unlisted associated companies				**28 872**	30 664	**1 903**	1 903

All the above entities are privately owned companies.

Notes to the **consolidated and separate financial statements** continued

7 INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD continued

The table below provides summarised financial information of the associates that are material to the group. The information disclosed reflects the amounts presented in the financial statements or management accounts of the relevant associates and not the group's share of those amounts.

	Bullred		Mac Investments		Mac Marketing		Total	Total
	2023 R'000	2022 R'000	2023 R'000	2022 R'000	2023 R'000	2022 R'000	2023 R'000	2022 R'000
Summarised statement of financial position								
Current assets	72 361	67 457	13 775	14 192	10 592	6 282	96 728	87 931
Non-current assets	1 747	153	863	273	–	–	2 610	426
Current liabilities	(60 412)	(45 379)	(248)	–	(1 580)	(2 157)	(62 240)	(47 536)
Non-current liabilities	(56)	(17)	(11 910)	(13 484)	–	–	(11 966)	(13 501)
Non-controlling interest	–	–	(59)	–	–	–	(59)	–
Net assets	13 640	22 214	2 421	981	9 012	4 125	25 073	27 320
Reconciliation to carrying amounts:								
Opening net assets	22 214	17 434	981	(876)	4 125	4 384	27 320	20 942
Profit for the period	11 609	17 313	2 999	2 204	6 130	5 710	20 738	25 227
Non-controlling interest	–	–	15	–	–	–	15	–
Dividends paid	–	–	(1 500)	–	(3 693)	(5 702)	(5 193)	(5 702)
Foreign currency translation and other adjustments	(20 183)	(12 533)	(74)	(347)	2 450	(267)	(17 807)	(13 147)
Closing net assets	13 640	22 214	2 421	981	9 012	4 125	25 073	27 320
Group's share %	49%	49%	47%	47%	46%	46%		
Group's share R'000	6 684	10 885	1 130	458	4 146	1 898	11 960	13 241
Goodwill	–	–	5 298	5 298	7 297	7 297	12 595	12 595
Foreign currency translation and other adjustments	96	(737)	35	–	525	897	656	160
Carrying amount	6 780	10 148	6 463	5 756	11 968	10 092	25 211	25 995

Notes to the **consolidated and separate financial statements** continued

7 INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD continued

	Bullred		Mac Investments		Mac Marketing		Total	Total
	2023 R'000	2022 R'000	2023 R'000	2022 R'000	2023 R'000	2022 R'000	2023 R'000	2022 R'000
Summarised statement of comprehensive income								
Revenue	**135 907**	132 050	**25 078**	19 311	**15 545**	13 296	**176 530**	164 657
Profit for the period	**11 609**	17 313	**2 999**	2 204	**6 130**	5 710	**20 738**	25 227
Group's share	**49%**	49%	**47%**	47%	**46%**	46%		
Share of profit of investments accounted for using the equity method	**5 688**	8 486	**1 400**	1 029	**2 820**	2 627	**9 908**	12 142
Immaterial aggregated associates								
Carrying amount							**3 661**	4 668
Profit for the period							**483**	4 185
Share of profit of investments accounted for using the equity method							**448**	1 590

The year-end for Whitakers Agencies South Africa (Pty) Ltd and Whitakers Agencies (Lesotho) (Pty) Ltd is February. The management accounts for the period 1 January to 31 December were used to include the associate's profit after tax in the group's statement of comprehensive income. Whitakers provides clients with merchandisers, field managers & sales representatives to the FMCG trade in Lesotho.

The year-end for MACMobile Group is December. The management accounts for the period 1 January to 31 December were used to include the associates profit after tax in the group's statement of comprehensive income. MACMobile Group provides clients with end-to-end, cloud-based FMCG value-chain information technology solutions.

The year-end for Bullred is December. The management accounts for the period 1 January to 31 December were used to include the associates profit after tax in the group's statement of comprehensive income. Bullred distributes liquor products and FMCG products on behalf of clients in Zimbabwe.

Transfers to subsidiaries

The group obtained control over Takbro Logistics (Pty) Ltd in May 2023 and the subsidiary was consolidated. See note 25.

Notes to the **consolidated and separate financial statements** continued

8 INVENTORIES

	Group	
	2023 R'000	2022 R'000
Finished goods held for re-sale	988 310	756 393
Other consumable stock items	2 494	3 445
	990 804	759 838

Inventories are measured at the lower of cost or net realisable value. Inventories are ceded against trade loans and bank overdraft facilities to the value of R579.3 million (2022: R537.3 million) as disclosed in note 14.

Inventories recognised as an expense during the year ended 31 December 2023 amounted to R8.6 billion (2022: R7.2 billion). These were included in cost of sales.

Amounts written off during the year due to stock losses and damages amounted to R1.3 million (2022: R3.8 million).

Amounts written off are for short dated stock, expired stock, damaged stock and a provision for stock that has been discontinued in the trade.

Notes to the **consolidated and separate financial statements** continued

9 TRADE AND OTHER RECEIVABLES

	Group		Company	
	2023 R'000	2022 R'000	2023 R'000	2022 R'000
Trade receivables	1 550 265	1 309 707	–	–
Loans to related parties (note 26)	–	–	161 270	66 230
Less: Loss allowance	(14 498)	(10 942)	(72 451)	(36 501)
Trade receivables	1 535 767	1 298 765	88 819	29 729
Deposits	16 444	4 784	–	–
Staff loans	1 128	1 344	–	–
Payables with debit balances	22 031	27 453	2	–
Other receivables	10 636	8 099	–	–
Trade and other receivables - financial assets	1 586 006	1 340 445	88 821	29 729
Vat receivable	109 740	37 010	–	–
Prepayments	16 748	5 384	–	–
Trade and other receivables - non-financial assets	126 488	42 394	–	–
Total trade and other receivables	1 712 494	1 382 839	88 821	29 729
Current portion	1 712 494	1 382 839	2	–
Non-current portion	–	–	88 819	29 729

The group's business model is to collect contractual cash flows from its trade receivables. As per IFRS 9, trade receivables therefore qualify as financial assets held at amortised cost.

Trade receivables are amounts due from customers for goods sold or services rendered in the ordinary course of business. They are generally due for settlement between 30 and 90 days as per their credit terms and therefore are all classified as current. Trade receivables are measured at the undiscounted invoice price. As a practical expedient, the group presumes that a trade receivable does not have a significant financing component as the expected term is less than one year. Trade receivables outstanding for more than 60 days past the credit terms are considered to be in default. Unresolved claims included in 60+ days past the credit terms, are not seen as accounts in default. A specific loss is raised for amounts over 180 days where no communication has been received from the debtor. Details about the group's loss allowance policy are provided in note 1.

The net decrease in the loss allowance has been reported separately in the statement of comprehensive income. The criteria for a bad debt write off is explained in the accounting policies (note 1).
The loss allowance has increased with R3.6 million as a result of the Taeuber & Corssen acquisition. A material portion of the acquired provision was utlised to write off bad debts to the value of R9.3 million.

Trade and other receivables of R1.5 billion (2022: R1.3 billion) were fully performing.
Receivables of certain subsidiaries have been pledged as security for trade loans and overdraft facilities to the value of R475.3 million (2022: R294.9 million). See note 14.

Notes to the **consolidated and separate financial statements** continued

9 TRADE AND OTHER RECEIVABLES continued

Loans to related parties

The company has impaired R36.0 million (2022: R7.1 million) of its loan to CAS Marketing (Pty) Ltd during the year, as the related party had no expectation to settle this amount in the foreseeable future. As the recovery strategies indicate that the company will fully recover the remaining loans, the expected credit loss will be limited to the effect of discounting the amount due on the loans (at the loan's effective interest rate, which is 0% as the loan is interest free) over the period until cash is realised. As the effective interest rate is 0%, and all strategies indicate that the company will fully recover the remaining outstanding loans, there is no impairment loss to recognise on the remaining outstanding balances.

Where the related parties have no liquid funds available to repay the loans and there is no realistic expectation of recovering the outstanding loans, or part thereof, an estimated credit loss will be raised for the unrecoverable portion of the loans to the related parties.

Deposits

Deposits consist mostly of deposits made to landlords for leased properties. These are repayable upon cancellation of the lease agreements.

Prepayments

Prepayments consist mostly of payments made on annual software licenses as well as annual insurance premiums.

The carrying amounts of the group's trade and other receivables are denominated in the following currencies:

	Group		Company	
	2023 R'000	2022 R'000	2023 R'000	2022 R'000
South African Rand (ZAR)	732 177	659 750	88 821	29 729
Namibian Dollar (NAD)	247 982	124 086	–	–
Emalangeni (SZL)	282 254	208 760	–	–
Botswana Pula (BWP)	385 624	362 273	–	–
Other	64 457	27 970	–	–
	1 712 494	1 382 839	88 821	29 729

Included in "Other" in the current year are EUR, Lesotho Loti (LSL) and Zambia Kwacha (ZMW).

The Namibian Dollar (NAD), Lesotho Loti (LSL) and Emalangeni (SZL) are currently at ratios of one-to-one to the Rand.

The maximum exposure to credit risk at the reporting date is the carrying value of each class of receivables mentioned above. The group does not hold any collateral as security.

The group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due.

The expected loss rates are based on historical default rates over the expected life. The historical loss rates are adjusted to reflect current and forward looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The historical default rates have been assessed, using a 24-month period. Forward looking estimates include the economic outlook of the country in which the customer resides. The group has identified GDP, food inflation and levels of consumer confidence in the countries in which it sells its goods and services to be the most relevant factors. See the accounting policies (note 1) for more information.

Notes to the **consolidated and separate financial statements** continued

9 TRADE AND OTHER RECEIVABLES continued

The loss allowance as at 31 December was determined as follows:

31 December 2023	Botswana R'000	Eswatini R'000	Namibia R'000	South Africa R'000	Other countries R'000	Group eliminations R'000	Total R'000
Not past due							
Gross carrying amount	456 781	242 818	128 608	238 273	41 804	(5 824)	1 102 460
Expected loss rate	(0.1%)	(0.1%)	(1.1%)	(0.2%)	(0.0%)	–	(0.2%)
Expected loss allowance	(312)	(251)	(1 416)	(524)	(15)	–	(2 518)
0 - 30 days past due							
Gross carrying amount	227 846	8 751	35 640	82 562	9 460	(209)	364 050
Expected loss rate	(0.2%)	(1.6%)	(2.7%)	(1.1%)	(0.5%)	–	(0.7%)
Expected loss allowance	(519)	(142)	(951)	(875)	(49)	–	(2 536)
31 - 60 days past due							
Gross carrying amount	19 583	7 115	9 612	10 939	3 016	(402)	49 863
Expected loss rate	(0.4%)	(1.1%)	(3.7%)	(6.0%)	(0.2%)	–	(2.4%)
Expected loss allowance	(77)	(75)	(359)	(654)	(7)	–	(1 172)
61 - 120 days past due							
Gross carrying amount	13 904	246	4 267	1 630	867	–	20 914
Specific loss allowance	(166)	–	(1 005)	–	(17)	–	(1 188)
	13 738	246	3 262	1 630	850	–	19 726
Expected loss rate	(15.7%)	(6.5%)	(16.3%)	(7.0%)	(1.4%)	–	(14.4%)
Expected loss allowance	(2 157)	(16)	(533)	(114)	(12)	–	(2 832)
>120 days past due							
Gross carrying amount	2 668	215	4 137	5 391	567	–	12 978
Specific loss allowance	(252)	(174)	(1 140)	–	(134)	–	(1 700)
	2 416	41	2 997	5 391	433	–	11 278
Expected loss rate	(25.2%)	(224.4%)	(42.6%)	(9.8%)	(9.9%)	–	(22.6%)
Expected loss allowance	(610)	(92)	(1 276)	(531)	(43)	–	(2 552)
Total gross carrying amount	720 782	259 145	182 264	338 795	55 714	(6 435)	1 550 265
Total specific loss allowance	(418)	(174)	(2 145)	–	(151)	–	(2 888)
	720 364	258 971	180 119	338 795	55 563	(6 435)	1 547 377
Total expected loss rate	(0.5%)	(0.2%)	(2.5%)	(0.8%)	(0.2%)	–	(0.8%)
Total expected loss allowance	(3 675)	(576)	(4 535)	(2 698)	(126)	–	(11 610)
Total loss allowance	(4 093)	(750)	(6 680)	(2 698)	(277)	–	(14 498)

Notes to the **consolidated and separate financial statements** continued

9 TRADE AND OTHER RECEIVABLES continued

31 December 2022	Botswana R'000	Eswatini R'000	Namibia R'000	South Africa R'000	Other countries R'000	Group eliminations R'000	Total R'000
Not past due							
Gross carrying amount	438 719	177 786	90 894	234 414	15 031	(5 835)	951 009
Expected loss rate	(0.0%)	(0.1%)	(0.8%)	(0.1%)	(0.1%)	–	(0.1%)
Loss allowance	(200)	(112)	(738)	(274)	(13)	–	(1 337)
0 - 30 days past due							
Gross carrying amount	205 297	4 937	12 971	66 071	5 614	(1 366)	293 524
Expected loss rate	(0.2%)	(1.0%)	(2.7%)	(0.5%)	(0.5%)	–	(0.4%)
Loss allowance	(335)	(50)	(356)	(299)	(26)	–	(1 066)
31 - 60 days past due							
Gross carrying amount	19 958	4 221	3 830	5 744	913	(1 351)	33 315
Expected loss rate	(0.4%)	(1.1%)	(5.0%)	(21.9%)	(5.7%)	–	(4.9%)
Loss allowance	(80)	(46)	(193)	(1 256)	(52)	–	(1 627)
61 - 120 days past due							
Gross carrying amount	5 174	10 969	597	5 931	780	(1 558)	21 893
Specific loss allowance	(99)	–	(32)	–	–	–	(131)
	5 075	10 969	565	5 931	780	(1 558)	21 762
Expected loss rate	(18.5%)	(3.7%)	(10.1%)	(18.4%)	(1.2%)	–	(11.5%)
Loss allowance	(941)	(405)	(57)	(1 093)	(9)	–	(2 505)
>120 days past due							
Gross carrying amount	8 342	133	741	1 462	128	(840)	9 966
Specific loss allowance	(1 059)	(114)	(54)	–	(11)	–	(1 238)
	7 283	19	687	1 462	117	(840)	8 728
Expected loss rate	(30.0%)	(15.8%)	(38.0%)	(39.2%)	(13.7%)	–	(34.8%)
Loss allowance	(2 185)	(3)	(261)	(573)	(16)	–	(3 038)
Total gross carrying amount	677 490	198 046	109 033	313 622	22 466	(10 950)	1 309 707
Total specific loss allowance	(1 158)	(114)	(86)	–	(11)	–	(1 369)
	676 332	197 932	108 947	313 622	22 455	(10 950)	1 308 338
Total expected loss rate	(0.6%)	(0.3%)	(1.5%)	(1.1%)	(0.5%)	–	(0.7%)
Expected loss allowance	(3 741)	(616)	(1 605)	(3 495)	(116)	–	(9 573)
Total loss allowance	(4 899)	(730)	(1 691)	(3 495)	(127)	–	(10 942)

Notes to the **consolidated and separate financial statements** continued

9 TRADE AND OTHER RECEIVABLES continued

The closing loss allowance for trade receivables as at 31 December reconciles to the opening loss allowance as follows:

	Group		Company	
	2023 R'000	2022 R'000	2023 R'000	2022 R'000
Opening loss allowance as at 1 January	**10 942**	10 266	**36 501**	25 945
Increase in loss allowance recognised in statement of comprehensive income during the year	**2 119**	5 861	**35 950**	10 556
Release of loss allowance recognised in statement of comprehensive income during the year	**(5 712)**	(585)	**–**	–
Receivables written off during the year as uncollectible	**(9 887)**	(4 649)	**–**	–
Business combinations	**16 865**	–	**–**	–
Other movements including foreign exchange translation differences	**171**	49	**–**	–
At 31 December	**14 498**	10 942	**72 451**	36 501

The expected credit loss for other classes of assets within trade and other receivables are not considered to be material.

Notes to the **consolidated and separate financial statements** continued

10 CASH AND CASH EQUIVALENTS

	Group		Company	
	2023 R'000	2022 R'000	2023 R'000	2022 R'000
Cash at bank and in hand	627 406	411 510	138 262	128 874
Short-term bank deposits	434 576	324 339	–	–
	1 061 982	735 849	138 262	128 874

The cash and cash equivalents disclosed above and in the statement of cash flows include R4.7 million (2022: R4.2 million) which are held by Pamstad (Pty) Ltd and CAS Marketing (Pty) Ltd. These deposits are held as guarantees against a supplier credit accounts.

The carrying amounts of the group's cash and cash equivalents are denominated in the following currencies:

	Group 2023 R'000	Group 2022 R'000	Company 2023 R'000	Company 2022 R'000
Rand (ZAR)	845 805	627 996	138 251	128 872
Namibian Dollar (NAD)	43 290	15 618	–	–
Emalangeni (SZL)	67 463	33 859	–	–
Botswana Pula (BWP)	81 392	49 097	11	2
Other (incl.US Dollar, Zambia Kwacha, Lesotho Loti)	24 032	9 279	–	–
	1 061 982	735 849	138 262	128 874

Notes to the **consolidated and separate financial statements** continued

11 ASSETS AVAILABLE FOR SALE

	Group 2023 R'000
Reconciliation of assets available for sale:	
Reclassified from property, plant and equipment	247
Reclassified from investment properties	15 478
Fair value gain	544
Closing net book value 31 December 2023	16 269

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 classified as available for sale are not depreciated, as per the accounting policy in note 1.

A payment received in advance of R17 million for the sale of these assets has been recorded in trade and other payables (note 16). As the legal transfer of the assets was not finalised at the reporting date, the assets have not been disposed of at year-end. The offer to purchase was used to determine the fair value of these assets, less cost to sell, which costs included architect drawings and agent commission.

These assets have not been encumbered.

Notes to the **consolidated and separate financial statements** continued

12 STATED CAPITAL

	2023 Number	2022 Number
Authorised shares		
Ordinary shares with no par value	2 000 000 000	2 000 000 000

Movements in ordinary shares	2023 Number of shares	2022 Number of shares	2023 R'000	2022 R'000
Balance at the beginning of the year	473 337 178	461 432 502	949 342	894 379
Share swap	–	11 028 559	–	52 275
Share buy back	(100 025)	–	(706)	–
Shares issued	510 904	–	3 822	–
Share options exercised	1 632 904	876 117	3 339	2 688
Balance at the end of the year (fully paid)	475 380 961	473 337 178	955 797	949 342

Ordinary shares entitle the holder to participate in dividends, and to share in the proceeds of winding up the company in proportion to the number of shares and amounts paid on the shares held.

510 904 shares were issued in December 2023 to a minority shareholder of a subsidiary in exchange for a 5% increase in shareholding of that subsidiary (see note 6).

Options were exercised in May 2023. R3.8 million relating to the employee tax was debited to the share-based payment reserve. The remaining cost of R4.0 million in the share-based payment reserve relating to the exercised options was transferred and credited to retained earnings.

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. Shareholder approval was obtained in June 2023 at the General Meeting and the repurchase of the shares amounted to R0.7 million paid to odd-lot holders on 24 July 2023. This resulted in a reduction of 4 131 shareholders.

Substantial shareholders above 5%

Pursuant to the provisions of section 56 of the South African Companies Act, the following shareholders held directly and indirectly equal to or in excess of 5% of the issued share capital as at 31 December 2023:

	Total shareholding	%
Botswana Insurance Fund Management	60 259 318	13
Botswana Public Officers Pensions Fund (BPOPF)	58 787 782	12
Export Marketing Investments (Pty) Ltd	42 200 690	9
Coronation Fund Managers	35 857 665	8
Total	197 105 455	41

Notes to the **consolidated and separate financial statements** continued

12 STATED CAPITAL continued

The shareholding of directors in the ordinary issued share capital of CA Sales Holdings Ltd as at 31 December was as follows:

	2023 Number	2023 %	2022 Number	2022 %
Direct shareholding				
Executive directors				
DS Lewis	2 845 689	0.60	2 650 588	0.56
FJ Reichert	164 047	0.04	27 084	0.01
Non-Executive directors				
JA Holtzhausen	759 233	0.16	732 996	0.15
Indirect shareholding				
Executive directors				
DS Lewis	11 248 100	2.37	11 248 100	2.38
Non-Executive directors				
FW Britz	1 229 382	0.26	1 229 382	0.26
E Masilela	110 250	0.02	30 850	0.01
L Cronje	9 950	0.00	9 950	0.00
JA Holtzhausen	627 092	0.13	560 250	0.12
Total	16 993 743	3.58	16 489 200	3.49

Notes to the **consolidated and separate financial statements** continued

12 STATED CAPITAL continued

Share-based payments

Executive Share Option Schemes

CA Sales Holdings Ltd operates five equity-settled share incentive schemes under which the share options were granted to selected executive management of the group's subsidiaries and holding company. The share option schemes were approved by shareholders at the preceding annual general meetings. Participation in the plan is at the board's discretion and no individual has a contractual right to participate in the plan or to receive any guaranteed benefits.

In terms of the aforementioned scheme, share options are allocated to participants on the grant date at fair value. The settlement of the purchase consideration payable by the executive in terms of the shares granted occurs when options are exercised. The options are equity settled and have no performance conditions. The benefit to the employees is the growth potential in the value of the shares to which the options relate.

	Executive share option scheme – 2019	Executive share option scheme – 2020	Executive share option scheme – 2021	Executive share option scheme – 2022	Executive share option scheme – 2023
The equity-settled share-based payment charge recognised in the statement of comprehensive income (R'000)	158	1 624	980	1 408	2 523
The equity-settled share-based payment charge (prior year) (R'000)	311	2 474	1 205	1 135	–
This charge, net of the related tax effect, was debited to the statement of comprehensive income and credited to other reserves (refer note 13).					
Date granted	14 March 2019	12 March 2020	13 March 2021	15 March 2022	24 March 2023
Number granted	1 258 972	7 090 200	3 639 000	7 793 800	4 862 500
Contractual life	5 years	5 years	5 years	5 years	5 years
Number vested	567 507	3 263 275	893 950	–	–
Number forfeited	408 952	579 325	63 200	83 700	–
Number available to vest	282 513	3 247 600	2 681 850	7 710 100	4 862 500
Vesting conditions	25% per year from year 2				
Fair value of each share option granted	R6.86	R6.70	R6.22	R6.33	R8.98
The fair values were calculated by applying the Black-Scholes option pricing model					
Option pricing model input:					
Share price at grant date	R5.11	R5.12	R5.07	R4.74	R6.76
Exercise price	R5.11	R5.12	R5.07	R4.74	R6.76
Expected volatility	44.59%	42.83%	41.97%	47.39%	32.71%
Expected dividend yield	1.37%	1.86%	2.03%	2.48%	2.13%
Contractual life	5 years	5 years	5 years	5 years	5 years
Risk free interest rate	7.20%	6.14%	4.45%	7.21%	12.80%

To allow for the effects of early exercise, it was assumed that the executives would exercise the options after vesting date when the share price was the same as the exercise price. Volatility was calculated using the share average volatility of similar businesses listed on the JSE.

Scheme 2018 fully vested in May 2023. The current year share-based payment charge relating to scheme 2018 was R0.2 million.

Notes to the **consolidated and separate financial statements** continued

12 STATED CAPITAL continued

Below is the reconciliation of the share options for the five schemes relating to the executive directors of the company:

		Number of share options as at 31 December 2022	Number of share options awarded during the year	Number of share options exercised during the year	Strike price per share R	Exercise price per share R	Date granted	Number of share options as at 31 December 2023
D Lewis	Scheme 2018	342 900	–	342 900	4.54	7.34	13 April 2018	–
	Scheme 2019	31 860	–	15 930	5.11	7.34	14 March 2019	15 930
	Scheme 2020	1 295 325	–	431 775	5.12	7.34	12 March 2020	863 550
	Scheme 2021	1 138 500	–	284 625	5.07	7.34	13 March 2021	853 875
	Scheme 2022	1 375 800	–	–	4.74		15 March 2022	1 375 800
	Scheme 2023	–	961 200	–	6.76		24 March 2023	961 200
		4 184 385	961 200	1 075 230				4 070 355
F Reichert	Scheme 2018	87 500	–	87 500	4.54	7.34	13 April 2018	–
	Scheme 2019	238 878	–	119 439	5.11	7.34	14 March 2019	119 439
	Scheme 2020	398 400	–	132 800	5.12	7.34	12 March 2020	265 600
	Scheme 2021	244 900	–	61 225	5.07	7.34	13 March 2021	183 675
	Scheme 2022	1 407 700	–	–	4.74		15 March 2022	1 407 700
	Scheme 2023	–	398 600	–	6.76		24 March 2023	398 600
		2 377 378	398 600	400 964				2 375 014
		6 561 763	1 359 800	1 476 194				6 445 369

There are no vested share options which have not been exercised.

Notes to the **consolidated and separate financial statements** continued

13 OTHER RESERVES

The following table shows a breakdown of the other reserves and the movements in these reserves during the year. A description of the nature and purpose of each reserve is provided below the table:

	Group			Company	
Group	Foreign currency translation R'000	Share-based payment R'000	Total R'000	Share-based payment R'000	Total R'000
2023					
Opening carrying value	8 784	14 653	23 437	14 653	14 653
Currency translation adjustments	24 771	–	24 771	–	–
Foreign currency translation reclassified to comprehensive income	226	–	226	–	–
Share-based payment cost of share options exercised	–	(3 791)	(3 791)	(3 791)	(3 791)
Share-based payment cost – 2018 scheme	–	228	228	228	228
Share-based payment cost – 2019 scheme	–	158	158	158	158
Share-based payment cost – 2020 scheme	–	1 624	1 624	1 624	1 624
Share-based payment cost – 2021 scheme	–	980	980	980	980
Share-based payment cost – 2022 scheme	–	1 408	1 408	1 408	1 408
Share-based payment cost – 2023 scheme	–	2 523	2 523	2 523	2 523
Transfer remaining cost of share options exercised	–	(4 011)	(4 011)	(4 011)	(4 011)
Closing carrying value	33 781	13 772	47 553	13 772	13 772
2022					
Opening carrying value	26 085	15 882	41 967	16 030	16 030
Currency translation adjustments	(17 763)	148	(17 615)	–	–
Share based payment cost of share options exercised	–	(932)	(932)	(932)	(932)
Share-based payment cost – 2018 scheme	–	1 093	1 093	1 093	1 093
Share-based payment cost – 2019 scheme	–	311	311	311	311
Share-based payment cost – 2020 scheme	–	2 474	2 474	2 474	2 474
Share-based payment cost – 2021 scheme	–	1 205	1 205	1 205	1 205
Share-based payment cost – 2022 scheme	–	1 135	1 135	1 135	1 135
Transfer remaining cost of share options exercised	–	(5 567)	(5 567)	(5 567)	(5 567)
Transfer cost of forfeited share options to retained earnings	–	(1 096)	(1 096)	(1 096)	(1 096)
Transactions with non-controlling interest	462	–	462	–	–
Closing carrying value	8 784	14 653	23 437	14 653	14 653

Nature and purpose of other reserves

Share-based payment

The share-based payment reserve is used to recognise the grant date fair value of options issued to employees, but not exercised.

Foreign currency translation

Exchange differences arising on the translation of the foreign controlled entities are recognised in other comprehensive income and accumulated in a separate reserve within equity. The cumulative amount is reclassified to comprehensive income when the net investment is disposed of.

Notes to the **consolidated and separate financial statements** continued

14 BORROWINGS

	Group	
	2023 R'000	2022 R'000
Non-current		
Unsecured loans	263	266
Secured loans	132 063	167 960
Lease liabilities	178 255	154 599
Total non-current borrowings	310 581	322 825
Current		
Bank overdrafts	475 257	284 712
Unsecured loans	11 307	33
Secured loans	38 630	38 002
Lease liabilities	41 642	39 776
Total current borrowings	566 836	362 523
Total borrowings	877 417	685 348

The lease liabilities increased as operations acquired additional warehouse facilities in Lesotho,South Africa and Zambia. The carrying amount of total borrowings is a reasonable approximation of the fair value.

The carrying amounts of the group's borrowings are denominated in the following currencies:

	2023 R'000	2022 R'000
South African Rand (ZAR)	58 979	46 344
Namibian Dollar (NAD)	195 461	165 841
Emalangeni (SZL)	8 129	33 514
Botswanan Pula (BWP)	584 571	433 813
Other (incl. Lesotho Loti (LSL), United States Dollar (USD) and Zambian Kwacha (ZMW))	30 277	5 836
	877 417	685 348

Notes to the **consolidated and separate financial statements** continued

14 BORROWINGS continued

	Group	
	2023 R'000	2022 R'000
The secured loans are secured as follows:		
Loan secured by mortgage bond over fixed property	170 693	195 804
Total secured revolving trade loan facilities	50 000	66 000
Loans secured by cessions of inventories and trade receivables	–	(10 158)
Undrawn facilities	50 000	55 842
Total unsecured revolving trade loan facilities	12 080	–
Unsecure loans	(11 307)	–
Undrawn facilities	773	–
Total bank overdraft facilities	579 259	547 503
Bank overdrafts are secured by cessions of inventories and trade receivables	(475 257)	(284 712)
Undrawn facilities	104 002	262 791

The principal covenant limits of the mortgage bond are net debt to EBITDA of no more than 2.5 times, interest cover of no less than 3 times and a debt service cover ratio of no less than 1.35 times. Compliance with the debt covenants is formally tested annually and have not been breached. The group has complied with these covenants throughout the reporting period. As at 31 December 2023, the ratio of net debt to EBITDA was 0.3 times (2022: 0.4 times), interest cover was 15.7 times (2022: 13.0 times) and the debt service cover ratio was positive as the relevant operation was in a short term net cash position in both 2023 and 2022.

Notes to the **consolidated and separate financial statements** continued

14 BORROWINGS continued

The group leases various offices, warehouses, equipment and vehicles. Rental contracts are typically entered into for fixed periods of three to ten years but may have extension options, described in the accounting policies (note 1).

	Group	
	2023 R'000	2022 R'000
Reconciliation of net book value of lease liabilities:		
Opening net book value	194 375	82 885
Exchange differences	444	(318)
New leases	71 393	152 172
Business combinations	2 879	10 248
Termination of lease agreements	(1 832)	(493)
Capital repayments	(52 429)	(48 935)
Finance cost accrued	17 509	16 025
Finance cost paid	(17 509)	(15 850)
Other movements including lease modifications	5 067	(1 359)
Closing net book value	219 897	194 375

Cost relating to short-term and low-value leases, included in expenses is R25.8 million (2022: R21.6 million) and R2.6 million (2022: R0.9 million) respectively, as per note 19 (ii).

Interest on lease liabilities for the year amounted to R17.5 million (2022: R16.0 million) as per note 21.

The effective interest rates per annum at the reporting date were as follows:	Group	
	2023	2022
Lease liabilities	6.5% - 11.5%	4.75% - 13.5%
Secured loans	6.3%	5.0% - 10.0%
Overdrafts	4.7% - 11.8%	4.7% - 10.25%

Refer to note 2.1(ii) for interest rate risk exposure.

Notes to the **consolidated and separate financial statements** continued

14 BORROWINGS continued

The present value lease liabilities may be analysed as follows:

	Group	
Gross lease liabilities - minimum lease payments	**2023 R'000**	**2022 R'000**
Not later than one year	**59 865**	54 024
Later than one year not later than two years	**53 159**	39 290
Later than two years not later than five years	**104 117**	80 486
Later than five years not later than ten years	**64 830**	79 905
	281 971	253 705
Less: future finance charges on lease liabilities	**(62 074)**	(59 330)
Present value of lease liabilities	**219 897**	194 375
The present value of lease liabilities is as follows:		
Not later than one year	**41 642**	39 776
Later than one year not later than two years	**39 197**	27 838
Later than two years not later than five years	**80 740**	57 880
Later than five years not later than ten years	**58 318**	68 881
	219 897	194 375

Lease liabilities are effectively secured as the rights to the leased assets revert to the lessor in the event of default. Details of right-of-use assets are disclosed in note 3.

In the instances where the extention options, offered in the agreements, were not taken, the potential future cashflow exposure, were those extention options to be taken, is R17.8 million (2022: R35.2 million)

The lease agreements do not contain purchase options. There are no restrictions imposed by the lease arrangements such as those concerning dividends, additional debt and further leasing. Leased assets may not be used as security for borrowing purposes.

Notes to the **consolidated and separate financial statements** continued

15 DEFERRED INCOME TAX

	Asset 2023 R'000	Liability 2023 R'000	Asset 2022 R'000	Liability 2022 R'000
The balance comprises temporary differences attributable to:				
Tax losses	3 996	–	6 552	–
Provisions	35 854	–	35 239	–
Lease liabilities	64 296	–	54 631	–
Other liabilities	631	–	513	–
Unrealised losses	–	–	1 032	–
Property, plant and equipment	–	(26 793)	–	(14 442)
Intangible assets	–	(2 278)	–	(527)
Prepayments	–	(270)	–	(100)
Unrealised profits	–	(1 176)	–	–
Right-of-use assets	–	(59 302)	–	(51 222)
Total deferred tax assets/(liabilities)	104 777	(89 819)	97 967	(66 291)
Set-off of deferred tax liabilities pursuant to set-off provisions	(64 692)	64 692	(57 955)	57 955
Net deferred tax assets/(liabilities)	40 085	(25 127)	40 012	(8 336)

Deferred income taxes are calculated on all temporary differences under the liability method using the principal tax rate of the country of incorporation as applied.

The gross movement on the net deferred income tax assets is as follows:

	Property , plant & equipment R'000	Provisions R'000	Tax losses R'000	Right-of-use assets R'000	Lease liabilities R'000	Intangibles assets and other differences R'000	Total R'000
Group							
2023							
At 1 January	(14 442)	35 239	6 552	(51 222)	54 631	918	31 676
Business combinations	(10 792)	–	–	–	–	(2 429)	(13 221)
Charged to statement of comprehensive income	(1 215)	507	(1 945)	(8 624)	10 223	(1 155)	(2 209)
Other movements (incl. foreign currency translation differences)	(344)	108	(611)	544	(558)	(427)	(1 288)
At 31 December	(26 793)	35 854	3 996	(59 302)	64 296	(3 093)	14 958
2022							
At 1 January	(12 387)	19 147	12 087	(11 808)	12 788	(330)	19 497
Business combinations	–	–	1 751	(1 640)	1 888	(790)	1 209
Charged to statement of comprehensive income	(2 136)	16 111	(7 267)	(37 811)	39 994	2 008	10 899
Other movements (incl. foreign currency translation differences)	81	(19)	(19)	37	(39)	30	71
At 31 December	(14 442)	35 239	6 552	(51 222)	54 631	918	31 676

Notes to the **consolidated and separate financial statements** continued

15 DEFERRED INCOME TAX continued

The group did not recognise deferred income tax assets of R61.6 million (2022: R2.1 million) in respect of losses amounting to R157.9 million (2022: R7.8 million) that can be carried forward against future taxable income.

	2023 R'000	2022 R'000
Unrecognised temporary differences		
Temporary differences relating to investments in subsidiaries for which deferred tax liabilities have not been recognised:		
Foreign currency translation	**33 781**	8 784
Undistributed earnings	**1 916 201**	1 491 929
	1 949 982	1 500 713
Unrecognised deferred tax liabilities relating to the above temporary differences	**526 495**	405 193

Temporary differences of R33.8 million (2022: R8.8 million) have arisen as a result of the translation of the financial statements of the group's subsidiaries outside South Africa. However, a deferred tax liability has not been recognised as the liability will only crystallise in the event of disposal of the subsidiaries, and no such disposal is expected in the foreseeable future.

The subsidiaries of the group have undistributed earnings of R1.9 billion (2022: R1.5 billion) which, if paid out as dividends, would be subject to tax in the hands of the recipient. An assessable temporary difference exists, but no deferred tax liability has been recognised as CA Sales Holdings Ltd is able to control the timing of distributions from these subsidiaries and is not expected to distribute these profits in the foreseeable future.

Notes to the **consolidated and separate financial statements** continued

16 TRADE AND OTHER PAYABLES

	Group		Company	
	2023 R'000	2022 R'000	2023 R'000	2022 R'000
Trade payables	986 957	786 916	20	125
Refund liabilities from contracts with suppliers	12 184	9 293	–	–
Deferred payments	23	23	–	–
Employee benefits	25 699	24 356	–	–
Payroll related accruals	46 691	48 438	–	–
Supplier related accruals	111 515	98 457	–	–
Other accrued expenses	66 167	42 372	1 052	1 051
Payments received in advance	17 000	–	–	–
Amounts due to related parties (note 26)	1 089	835	–	–
Contingent consideration	6 000	–	–	–
Trade and other payables - financial liabilities	1 273 325	1 010 690	1 072	1 176
Dividends payable	29	20	29	20
VAT payable	40 612	29 057	–	–
Trade and other payables - non-financial liabilities	40 641	29 077	29	20
Total trade and other payables	1 313 966	1 039 767	1 101	1 196
Current portion	1 313 966	1 039 767	1 101	1 196
The carrying amounts of the group's trade and other payables are denominated in the following currencies:				
Rand (ZAR)	474 261	415 892	1 081	1 072
Namibian Dollar (NAD)	183 967	98 848	–	109
Emalangeni (SZL)	161 267	97 352	–	–
Botswana Pula (BWP)	479 113	420 253	20	15
Other (incl.US Dollar, Euro, Lesotho Loti, Zambia Kwacha)	15 358	7 422	–	–
	1 313 966	1 039 767	1 101	1 196

The payments received in advance relate to the sale of the assets available for sale. The legal transfer of the assets was not finalised at the reporting date. See note 11.

The contingent consideration relates to the acquisition of Effective Sales and Merchandising in 2022. At that time, indications were that the future profits on which the contingent consideration was determined, would not realise and therefore, the contingent consideration was fair valued at zero. As at the reporting date, indications are that the profit targets are now highly likely to be met, the fair value of the contingent consideration has increased to R6.0 million. See note 19 (ii).

Notes to the **consolidated and separate financial statements** continued

17 EMPLOYEE BENEFITS AND OTHER PROVISIONS

Movements in each class of provision during the financial year are set out below:

2023 Group	**Severance benefit R'000**	**Bonuses R'000**	**Leave pay R'000**	**Other R'000**	**Total R'000**
Opening balance	23 686	119 092	30 584	–	173 362
Charged to statement of comprehensive income	10 610	77 240	5 784	–	93 634
Utilised during the year	(7 643)	(87 083)	(6 097)	–	(100 823)
Business combinations	–	–	5 226	–	5 226
Other (incl. foreign currency translation)	865	382	223	–	1 470
Closing balance	27 518	109 631	35 720	–	172 869

2022 Group	**Severance benefit R'000**	**Bonuses R'000**	**Leave pay R'000**	**Other R'000**	**Total R'000**
Opening balance	20 715	59 284	23 919	1 579	105 497
Charged to statement of comprehensive income	10 307	84 088	10 092	–	104 487
Utilised during the year	(6 955)	(24 170)	(4 958)	(1 579)	(37 662)
Business combinations	–	111	1 625	–	1 736
Other (incl. foreign currency translation)	(381)	(221)	(94)	–	(696)
Closing balance	23 686	119 092	30 584	–	173 362

Severance benefit scheme

For employees who are employed in Botswana, Eswatini and Lesotho, the group has implemented the requirements of the countries' labour acts relating to severance benefit schemes. The benefits are paid out when employees' services are terminated.

Bonus provisions

The group recognises a liability and an expense for bonuses, based on a formula that takes into consideration the profit attributable to the company's shareholders, after certain adjustments. The group recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation. The pay-out of bonuses depend on the achievement of certain criteria by the group and the individuals. These criteria are only calculated after the year end. Bonuses are paid after finalisation of the group results, which occurs usually four months after year end.

Leave pay provision

The leave obligations cover the group's liability for annual leave. The current portion of this liability includes all of the provided annual leave. The leave obligation reduces when employees take leave, which occurs through out the year and is paid out if and when employees resign.

Notes to the **consolidated and separate financial statements** continued

18 REVENUE FROM CONTRACTS WITH CUSTOMERS

Disaggregation of revenue from contracts with customers

The group derives revenue from selling and distributing fast-moving consumer goods as well as services such as retail execution and advisory, retail support and training. The group's reportable segments are operating segments that are differentiated by the country of operation. There were no intersegmental revenue. For services provided over time, the obligations are always fulfilled by month end with monthly settlements and no contract assets or liabilities at month end. The table below shows the segment revenue information as well as the basis on which revenue is recognised:

	Botswana R'000	Eswatini R'000	Namibia R'000	South Africa R'000	Other Countries R'000	Total R'000
2023						
Selling and distribution of products	5 642 332	1 589 471	2 115 865	1 540	239 330	9 588 538
Retail execution and advisory	1 217	30 768	–	1 421 432	19 317	1 472 734
Transport	59 151	70 576	8 964	93 062	–	231 753
Retail support and training	4 732	–	–	16 108	8 159	28 999
Revenue from external customers	5 707 432	1 690 815	2 124 829	1 532 142	266 806	11 322 024
Timing of revenue recognition						
At a point in time	5 644 582	1 589 471	2 115 865	1 540	239 026	9 590 484
Over time	62 850	101 344	8 964	1 530 602	27 780	1 731 540
Revenue from external customers	5 707 432	1 690 815	2 124 829	1 532 142	266 806	11 322 024
2022						
Selling and distribution of products	5 070 088	1 359 553	1 413 194	810	88 407	7 932 052
Retail execution and advisory	2 124	40 454	–	1 290 713	17 260	1 350 551
Transport	54 129	51 088	–	82 729	–	187 946
Retail support and training	4 720	–	–	–	10 092	14 812
Revenue from external customers	5 131 061	1 451 095	1 413 194	1 374 252	115 759	9 485 361
Timing of revenue recognition						
At a point in time	5 073 175	1 359 553	1 413 194	810	90 823	7 937 555
Over time	57 886	91 542	–	1 373 442	24 936	1 547 806
Revenue from external customers	5 131 061	1 451 095	1 413 194	1 374 252	115 759	9 485 361

There were no costs incurred to obtain contracts. Obligations for returns and refunds related to contracts with customers are disclosed under note 16.

Notes to the **consolidated and separate financial statements** continued

19 OPERATING PROFIT

The following items have been credited/charged in arriving at the operating profit:

	Note	Group 2023 R'000	Group 2022 R'000	Company 2023 R'000	Company 2022 R'000
(i) Other operating income					
Fair value gain on step-up acquisition		149	–	–	–
Fair value gain on assets available for sale		544	–	–	–
Gain on bargain purchase	25	123 572	–	–	–
Profit on sale of property, plant and equipment		7 026	3 592	–	–
Profit on termination of lease agreement		87	340	–	–
Rental income		994	1 169	–	–
Botswana training levy refund		13 106	9 605	–	–
Bad debts recovered		234	351	–	–
Sundry income		2 142	2 039	–	–
		147 854	17 096	–	–

Notes to the **consolidated and separate financial statements** continued

19 OPERATING PROFIT continued

		Note	Group 2023 R'000	Group 2022 R'000	Company 2023 R'000	Company 2022 R'000
(ii)	**Expense by nature**					
	Amortisation of intangible assets	5	4 065	2 559	–	–
	Auditor's remuneration - audit fees		10 730	6 780	–	–
	Auditor's remuneration - other services		92	124	–	–
	Bank charges		7 553	6 662	19	18
	Conferences and subscriptions		9 698	9 291	–	–
	Depreciation	3	95 722	83 246	–	–
	Directors remuneration	27	17 964	10 362	–	–
	Donations and enterprise development		4 560	992	–	–
	Employee benefit expenses	20	454 328	386 657	2 278	2 072
	Fair value loss on contingent consideration	16	6 000	–	–	–
	Fair value loss on step-up acquisition		–	809	–	–
	Foreign exchange losses		34 310	3 946	72	3
	Forklift expenses		5 250	4 991	–	–
	Write off of intergroup loan		–	–	–	1 968
	Information technology cost		47 534	37 369	–	–
	Insurance		22 701	17 039	–	–
	Loss on sale of property, plant and equipment		1 650	260	–	–
	Loss on termination of lease agreement		160	–	–	–
	Marketing & advertising		4 362	3 846	–	–
	Short term leases		25 753	21 559	–	–
	Low-value leases		2 567	926	–	–
	Office expenses and staff uniforms		5 793	6 935	–	–
	Pallet hire		12 951	23 383	–	–
	Professional fees		38 429	29 414	1 336	2 138
	Repairs and maintenance		14 266	13 009	–	–
	Security, fumigation & sanitation		12 054	9 154	–	–
	Staff training		19 933	16 707	–	–
	Stationary, printing & office expenses		9 372	7 120	–	–
	Stock write off and provisions for write off		1 307	3 847	–	–
	Telephone and communication		7 874	6 959	–	–
	Third party transport expenses		81 540	39 937	–	–
	Travel and entertainment		21 527	19 418	–	–
	Vehicle expenses - fuel and maintenance		126 638	118 906	–	–
	Water & electricity		18 521	11 681	–	–
	Write off of debt		178	179	–	–
	Other expenses		14 285	14 503	70	–
			1 139 667	918 570	3 775	6 199

Notes to the **consolidated and separate financial statements** continued

20 EMPLOYEE BENEFIT EXPENSES

	Group		Company	
	2023 R'000	2022 R'000	2023 R'000	2022 R'000
Wages and salaries, including restructuring costs and other termination benefits:				
Salaries, wages and allowances	447 407	380 439	–	–
Share based payment expenses	6 921	6 218	2 278	2 072
	454 328	386 657	2 278	2 072
Salaries, wages and allowances included in cost of sales	1 078 991	949 847	–	–
	1 533 319	1 336 504	2 278	2 072

21 FINANCE INCOME AND COSTS

	Group		Company	
	2023 R'000	2022 R'000	2023 R'000	2022 R'000
Finance income				
Bank deposits	68 067	20 343	1 233	1 263
Local tax authority	1	32	–	–
Related party (note 26)	–	269	–	–
	68 068	20 644	1 233	1 263
Finance costs				
Bank overdrafts	25 938	5 182	–	–
Secured loans	12 243	12 321	–	–
Lease liabilities	17 509	16 025	–	–
Other	841	52	–	–
	56 531	33 580	–	–
Net finance (income)/costs	(11 537)	12 936	(1 233)	(1 263)

Notes to the **consolidated and separate financial statements** continued

22 INCOME TAX EXPENSE

	Group		Company	
	2023 R'000	2022 R'000	2023 R'000	2022 R'000
Current tax				
Current tax on profits for the year	135 463	143 497	319	340
Adjustments for current tax of prior periods	1 302	(553)	–	–
Withholding tax	15 385	7 494	9 130	2 700
Securities transfer tax	2	–	2	–
Total current tax expense	152 152	150 438	9 451	3 040
Deferred income tax				
Current year movement	1 420	(10 833)	–	–
Adjustments for deferred tax of prior periods	789	(66)	–	–
Total deferred tax expense/(benefit)	2 209	(10 899)	–	–
Income tax expense	154 361	139 539	9 451	3 040
Numerical reconciliation of income tax expense to prima facie tax payable:				
Profit before income tax expense	758 849	518 135	145 735	73 405
Tax at the South African tax rate of 27% (2022: 28%)	204 889	145 078	39 348	20 553
Tax effect of amounts which are not deductible/(taxable) in calculating taxable income:				
Assessed tax losses	(8 852)	1 984	–	–
Capital gains tax rate differential	178	12	–	–
Interest expense disallowed under Section 41A of the Botswana Tax Act	(335)	(230)	–	–
Foreign tax rate differential *	(5 352)	(12 454)	–	–
Income from associated companies	(2 486)	(3 659)	–	–
Non-deductible charges[1]	11 225	8 604	10 712	4 678
Non-taxable income[2]	(62 657)	(8 155)	(49 741)	(24 891)
Tax adjustments of prior periods	2 091	(619)	–	–
Dividend withholding taxation	12 693	6 550	9 130	2 700
Withholding taxation	2 692	944	–	–
Change in tax rate	–	1 106	–	–
Other	275	378	2	–
Income tax expense	154 361	139 539	9 451	3 040

* The group operates in seven countries across Africa which have statutory corporate tax rates from between 22% to 32%.

Notes to the **consolidated and separate financial statements** continued

22 INCOME TAX EXPENSE continued

	Group		Company	
	2023 R'000	2022 R'000	**2023 R'000**	2022 R'000
[1] Non-deductible charges include the tax impact of:				
Share based payment expenses	**1 095**	1 053	**615**	580
Dividends paid to employees of the Trust	**5 263**	4 189	**–**	–
Apportionment of expenses to non-taxable income	**367**	526	**367**	526
Impairment of intergroup loans	**–**	–	**9 707**	3 507
Fair value losses	**1 620**	226	**–**	–
Donations	**115**	281	**19**	–
Legal and professional fees of capital nature	**2 226**	926	**4**	65
Capital expenditure disallowed under the Botswana Tax Act	**290**	758	**–**	–
Other non-deductible expenses	**249**	645	**–**	–
	11 225	8 604	**10 712**	4 678
[2] Non-taxable income include the tax impact of:				
Learnership rebates	**(10 663)**	(6 936)	**–**	–
Employment tax incentive	**(10 597)**	(391)	**–**	–
Dividends received	**–**	–	**(49 741)**	(24 891)
Fair value gains	**(214)**	–	**–**	–
Gain on bargain purchase	**(39 543)**	–	**–**	–
Profit on sale of fixed assets	**(934)**	(6)	**–**	–
Capital gains	**(478)**	(478)	**–**	–
Other non-taxable income	**(228)**	(344)	**–**	–
	(62 657)	(8 155)	**(49 741)**	(24 891)

Notes to the **consolidated and separate financial statements** continued

23 EARNINGS PER SHARE

	Group	
	2023 cents	2022 cents
Basic earnings per share		
From continuing operations attributable to the ordinary equity holders of the company	125.22	78.53
Diluted earnings per share		
From continuing operations attributable to the ordinary equity holders of the company	122.90	77.78
Headline earnings per share		
Profit attributable to ordinary equity holders of the company, adjusted as required by SAICA Circular 01/2023	97.97	78.21
Diluted headline earnings per share		
Profit attributable to ordinary equity holders of the company, adjusted as required by SAICA Circular 01/2023	96.15	77.46

Reconciliation of earnings used in calculating earnings per share	2023 R'000	2022 R'000
Basic earnings per share		
Profit attributable to the ordinary equity holders of the company used in calculating the basic earnings per share		
From continuing operations	594 150	364 677
Diluted earnings per share		
The company does not have any potentially dilutive transactions		
Profit attributable to the ordinary equity holders of the company used in calculating the diluted earnings per share		
From continuing operations	594 150	364 677

Notes to the **consolidated and separate financial statements** continued

23 EARNINGS PER SHARE continued

Headline earnings	Gross 2023 R'000	Gross 2022 R'000	Net 2023 R'000	Net 2022 R'000
Profit attributable to ordinary equity holders of the company			594 150	364 677
Adjustments as per SAICA Circular 01/2023:				
Profit on sale of property, plant and equipment	(5 376)	(3 332)	(5 031)	(2 245)
Fair value gain on assets available for sale	(544)	–	(544)	–
Insurance proceeds for stolen computer equipment	(48)	–	(35)	–
Fair value (gain)/ loss on step-up acquisition	(149)	809	(149)	762
Gain on bargain purchase	(123 572)	–	(123 572)	–
Headline earnings used in calculating headline earnings per share			464 819	363 194

The net amounts of the headline earnings adjustments are adjusted with the tax and non-controlling interest impact, where applicable.

Diluted headline earnings	Gross 2023 R'000	Gross 2022 R'000	Net 2023 R'000	Net 2022 R'000
The company does not have any potentially dilutive transactions				
Headline earnings used in calculating diluted headline earnings per share			464 819	363 194

Weighted average number of shares used as the denominator	2023 Number	2022 Number
Weighted average number of ordinary shares used as the denominator in calculating basic earnings per share and headline earnings per share	474 469 254	464 408 671
Adjustments for calculation of diluted earnings per share and diluted headline earnings per share:		
Share options	8 970 514	4 469 396
Weighted average number of ordinary shares and potential ordinary shares used as the denominator in calculating diluted earnings per share and diluted headline earnings per share	483 439 768	468 878 067

The group adopted earnings per share (EPS) and headline earnings per share (HEPS) as its trading statement requirement in accordance with the JSE Listings Requirements par 8.62 (b).

Notes to the **consolidated and separate financial statements** continued

24 NOTES TO THE CASH FLOW STATEMENT

	Group		Company	
	2023 R'000	2022 R'000	2023 R'000	2022 R'000
24.1 Cash generated from/(utilised) by operations				
Profit before income tax	758 849	518 135	145 735	73 405
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)	–	–
Dividends received	–	–	(184 227)	(88 897)
Finance income	(68 068)	(20 644)	(1 233)	(1 263)
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	35 950	10 556
Gain on bargain purchase	(123 572)	–	–	–
Write off of intergroup loan	–	–	–	1 968
Share of profit of investments accounted for using the equity method	(10 356)	(13 732)	–	–
Share-based payments	6 921	6 218	2 278	2 072
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)	(3 790)	(932)
	723 553	608 213	(5 287)	(3 091)
Changes in working capital				
Increase in inventories	(160 638)	(181 487)	–	–
Increase in trade and other receivables	(159 991)	(123 689)	(2)	–
Increase/(decrease) in trade and other payables	137 660	82 086	(96)	22
(Decrease)/increase in employee benefits and other provisions	(6 850)	73 192	–	–
	(189 819)	(149 898)	(98)	22
Cash generated from/(utilised) by operations	533 734	458 315	(5 385)	(3 069)
24.2 Proceeds from disposal of property, plant and equipment				
In the statement of cash flows, proceeds from sale of property, plant and equipment comprise:				
Net book value	15 908	5 870	–	–
Net profit on disposal of property, plant and equipment	5 376	3 332	–	–
Proceeds	21 284	9 202	–	–

Notes to the **consolidated and separate financial statements** continued

24 NOTES TO THE CASH FLOW STATEMENT continued

	Group 2023 R'000	Group 2022 R'000	Company 2023 R'000	Company 2022 R'000
24.3 Non-cash investing and financing activities				
Acquisition of right-of-use assets through leases (notes 3 and 14)	71 393	152 172	–	–
24.4 Net cash/(debt) reconciliation				
Cash and cash equivalents excluding bank overdraft	1 061 982	735 849	138 262	128 874
Bank overdrafts	(475 257)	(284 712)	–	–
Current borrowings	(49 937)	(38 035)	–	–
Non-current borrowings	(132 326)	(168 226)	–	–
Current leases	(41 642)	(39 776)	–	–
Non-current leases	(178 255)	(154 599)	–	–
Net cash	184 565	50 501	138 262	128 874

	Other assets	Liabilities from financing activities					
Group	Cash R'000	Overdraft R'000	Current leases R'000	Non-current leases R'000	Current loans R'000	Non-current loans R'000	Total R'000
Net cash/(debt) as at 1 January 2023	735 849	(284 712)	(39 776)	(154 599)	(38 035)	(168 226)	50 501
Cash flows	306 550	(181 757)	52 429	–	43 169	(11 307)	209 084
Finance cost accrual	–	(25 938)	(17 509)	–	(12 243)	–	(55 690)
Finance cost paid	–	25 938	17 509	–	12 243	–	55 690
Business combinations	5 571	–	(154)	(2 725)	–	–	2 692
Foreign exchange adjustments	14 012	(8 788)	672	(1 116)	(1 355)	(6 509)	(3 084)
Non-cash movements – new leases	–	–	–	(71 393)	–	–	(71 393)
Non-cash movements – termination of leases	–	–	682	1 150	–	–	1 832
Other non-cash movements	–	–	(4 220)	(847)	–	–	(5 067)
Transfers from non-current to current balances	–	–	(51 275)	51 275	(53 716)	53 716	–
Net cash/(debt) as at 31 December 2023	1 061 982	(475 257)	(41 642)	(178 255)	(49 937)	(132 326)	184 565

Notes to the **consolidated and separate financial statements** continued

24 NOTES TO THE CASH FLOW STATEMENT continued

24.4 Net cash/(debt) reconciliation continued

Group	Other assets	Liabilities from financing activities					
	Cash R'000	Overdraft R'000	Current leases R'000	Non-current leases R'000	Current loans R'000	Non-current loans R'000	Total R'000
Net cash/(debt) as at 1 January 2022	655 948	(311 876)	(38 098)	(44 787)	(36 806)	(208 481)	15 900
Cash flows	118 058	(12 061)	48 935	–	34 312	(32)	189 212
Finance cost accrual	–	(5 182)	(16 025)	–	(12 321)	–	(33 528)
Finance cost paid	–	5 182	15 850	–	12 321	–	33 353
Business combinations	4 567	–	(2 770)	(7 478)	(30)	(263)	(5 974)
Foreign exchange adjustments	(42 724)	39 225	102	216	857	4 182	1 858
Non-cash movements – new leases and bonds	–	–	–	(152 172)	–	–	(152 172)
Non-cash movements – termination of leases	–	–	493	–	–	–	493
Other non-cash movements	–	–	325	1 034	–	–	1 359
Transfers from non-current to current balances	–	–	(48 588)	48 588	(36 368)	36 368	–
Net cash/(debt) as at 31 December 2022	735 849	(284 712)	(39 776)	(154 599)	(38 035)	(168 226)	50 501

	Group		Company	
	2023 R'000	2 022 R'000	2 023 R'000	2 022 R'000
24.5 Taxation paid				
Tax liability at the beginning of the year	(4 137)	(1 752)	(5)	(3)
Charge to profit and loss	(154 361)	(139 539)	(9 451)	(3 040)
Movement in deferred taxation	2 209	(10 899)	–	–
Acquisition of subsidiary	1 233	(496)	–	–
Foreign currency translation	56	135	–	–
Other adjustments	(41)	9	–	–
Net tax liability at the end of the year	20 165	4 137	15	5
Tax paid	(134 876)	(148 405)	(9 441)	(3 038)

Notes to the **consolidated and separate financial statements** continued

25 BUSINESS COMBINATIONS

Acquisition of subsidiaries

TAEUBER AND CORSSEN GROUP

On 2 January 2023, Wutow Trading (Pty) Ltd, a wholly 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 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 have been expensed as per the accounting policy and are included in professional fees (note 19 (ii)) .

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

	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 (included in other operating income note 19 (i))	(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 assets and liabilities recognised are the final amounts.

The gain on bargain 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 is excluded from headline earnings (see note 19 (i) and 23).

The revenue included in the consolidated statement of comprehensive income contributed by the T&C Group was R333.4 million with R29.0 million profit after tax for the 12 months.

Notes to the **consolidated and separate financial statements** continued

25 BUSINESS COMBINATIONS continued

Acquisition of operations

THE OPERATIONS OF MARKETMAX

In June 2023, Brand Support Services (Pty) Ltd, an indirect subsidiary of CA Sales Holdings Ltd, acquired all the operations of MarketMax (Pty) Ltd 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.

There were no transaction costs relating to the acquisition.

The following table summarises the purchase consideration paid for the operations of MarketMax and the fair value of assets acquired and liabilities assumed at the acquisition date:

	2023 R'000
Cash paid	11 500
Total purchase consideration	11 500
Recognised amounts of identifiable assets acquired and liabilities assumed:	
Property, plant and equipment	75
Intangible assets	8 996
Deferred income tax assets	(2 429)
Trade and other payables	(702)
Total identifiable net assets	5 940
Goodwill	5 560
Net assets acquired	11 500
Cash flow on acquisition	
Purchase consideration – cash paid	11 500
Net cash outflow – investing activities	11 500

The assets and liabilities recognised are the final amounts.

The goodwill arose as a result of the business value, derived from the net present value of expected future cash flows, exceeding the fair value of net 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. The value of amortisation included in the statement of comprehension income, relating to this customer list, is R1.5 million.

The revenue included in the consolidated statement of comprehensive income since 1 June 2023, contributed by the operations of MarketMax, was R36.7 million with R2.9 million profit after tax.

Had the operations of Market Max been consolidated from 1 January 2023, the consolidated statement of comprehensive income of the group would have included pro-forma revenue of R20.5 million and profit of R1.5 million.

TAKBRO LOGISTICS

Logico Unlimited (Pty) Ltd, a wholly owned subsidiary of CA Sales Holdings Ltd, gained control over Takbro Logistics (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.

Notes to the **consolidated and separate financial statements** continued

26 RELATED PARTY TRANSACTIONS

Subsidiaries

Interests in subsidiaries are set out in note 6.

Associated companies

Interests in associates are set out in note 7.

Transactions and balances

During the financial year the company and its subsidiaries conducted the following transactions with associates, key management and parties exercising significant influence:

		Note	Group 2023 R'000	Group 2022 R'000	Company 2023 R'000	Company 2022 R'000
Dividend income						
Pack 'n Stack Investment Holdings (Pty) Ltd			–	–	77 674	41 897
Logico Unlimited (Pty) Ltd			–	–	20 000	27 000
SMC Brands SA (Pty) Ltd			–	–	15 000	20 000
CA Sales & Distribution (Pty) Ltd			–	–	71 553	–
Finance income		21				
Mac Money Mobile Banking Solutions (Pty) Ltd			–	6	–	–
PSG Konsult Ltd			–	263	–	–
Other operating expenses		19 (ii)				
PSG Capital (Pty) Ltd	Professional fees		–	89	–	–
PSG Corporate Services (Pty) Ltd	Professional fees		–	118	–	–
PSG Corporate Services (Pty) Ltd	Directors fees and travel reimbursements		–	242	–	–
PSG Insure (Pty) Ltd	Insurance		–	2	–	–
Mac Money Mobile Banking Solutions (Pty) Ltd	IT expenses		5 409	3 472	–	–
Trade and other receivables: Loans to related parties		9				
CA Sales and Distribution (Pty) Ltd			–	–	8 827	10 252
CAS Marketing (Pty) Ltd			–	–	69 714	33 064
Wutow Trading (Pty) Ltd			–	–	76 187	11 188
CA Sales Investments (Pty) Ltd			–	–	2 737	3 437
Pamstad (Pty) Ltd			–	–	3 805	8 289
Loss allowance on the above receivables			–	–	(72 451)	(36 501)
Trade payables - Amounts due to related parties		16				
Mac Money Mobile Banking Solutions (Pty) Ltd			1 089	835	–	–
Key management compensation						
Salaries and other short-term employee benefits			17 964	10 362	–	–
Share options exercised			3 550	737	–	–

Detailed remuneration disclosures are provided in note 27.

Related party transactions were made on terms equivalent to those that prevail in arm's length transactions.

Notes to the **consolidated and separate financial statements** continued

27 DIRECTORS' REMUNERATION

	Salary (R'000)	Bonus (R'000)	Share options exercised (R'000)	Total (R'000)
Executive directors				
2023				
D Lewis	3 941	5 676	2 604	12 221
F Reichert	2 434	3 505	946	6 885
	6 375	9 181	3 550	19 106
Executive directors				
2022				
D Lewis	3 754	1 802	539	6 095
F Reichert	2 311	1 092	198	3 601
	6 065	2 894	737	9 696

See note 12 for share options granted to directors.

The bonuses are those amounts which were paid during the financial year but were calculated based on the results of the prior year.

Notes to the **consolidated and separate financial statements** continued

27 DIRECTORS' REMUNERATION continued

	Board (R'000)	Audit and risk committee (R'000)	Remuneration and nominations committee (R'000)	Social and ethics committee (R'000)	Total (R'000)
Non-executive directors					
2023					
FW Britz	207	38	–	40	285
LR Cronje	207	50	–	–	257
JA Holtzhausen	328	–	62	40	430
B Marole	208	12	–	40	260
E Masilela	275	12	40	–	327
JS Moakofi	208	–	40	–	248
B Mathews	207	50	–	63	320
B Patel	208	73	–	–	281
	1 848	235	142	183	2 408
Non-executive directors					
2022					
FW Britz	118	–	–	24	142
LR Cronje	144	24	–	–	168
N de Waal	144	–	–	24	168
JA Holtzhausen	157	–	24	24	205
B Marole	144	24	–	–	168
E Masilela	144	24	24	–	192
JS Moakofi	144	–	24	–	168
B Patel	144	24	–	24	192
	1 139	96	72	96	1 403

Notes to the **consolidated and separate financial statements** continued

28 SEGMENTAL REVIEW

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 operations in 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 income 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 (see note 18).

	Revenue		EBIT		Adjusted EBITDA	
	2023 R'000	2022 R'000	2023 R'000	2022 R'000	2023 R'000	2022 R'000
Botswana	**5 707 433**	5 131 061	**269 466**	224 081	**294 392**	246 828
Eswatini	**1 690 815**	1 451 095	**145 353**	108 626	**159 834**	122 643
Namibia	**2 124 829**	1 413 194	**181 716**	43 999	**79 770**	60 146
South Africa	**1 532 141**	1 374 252	**150 271**	144 494	**183 381**	174 141
Other countries	**266 806**	115 759	**252**	9 982	**5 896**	13 229
Intersegmental transactions	**–**	–	**254**	(111)	**254**	(111)
Total	**11 322 024**	9 485 361	**747 312**	531 071	**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

Revenues of approximately R2.7 billion (2022: R2.3 billion) are derived from two external customers domiciled in Botswana and are attributed to the Botswana and Namibia segments.

* Non-IFRS performance measure

Non-IFRS performance measures are measures that (i) are not defined by IFRS, (ii) are not uniformly defined or used by all entities, and (iii) may not be comparable with similar labeled measures and disclosures provided by other entities. The directos are responsible for compiling the non-IFRS performance measures.

Notes to the **consolidated and separate financial statements** continued

28 SEGMENTAL REVIEW continued

	Employee expenses		Vehicle expenses		Depreciation and amortisation	
	2023 R'000	2022 R'000	**2023 R'000**	2022 R'000	**2023 R'000**	2022 R'000
Botswana	**195 876**	170 289	**71 696**	72 706	**24 929**	22 748
Eswatini	**64 446**	51 396	**15 626**	13 907	**14 480**	14 018
Namibia	**90 434**	55 238	**8 202**	4 657	**22 881**	17 296
South Africa	**1 175 508**	1 051 572	**27 766**	26 123	**33 108**	29 646
Other countries	**8 425**	8 009	**3 348**	1 513	**5 645**	3 248
Intersegmental transactions	**(1 370)**	–	**–**	–	**(1 256)**	(1 151)
Total	**1 533 319**	1 336 504	**126 638**	118 906	**99 787**	85 805
	Note 20		Note 19		Note 19	

	Total assets		Non-current assets excluding deferred tax and financial assets		Total liabilities		Capital expenditure and intangibles acquired	
	2023 R'000	2022 R'000	**2023 R'000**	2022 R'000	**2023 R'000**	2022 R'000	**2023 R'000**	2022 R'000
Botswana	**2 572 708**	2 253 596	**636 005**	625 809	**1 333 238**	1 172 876	**22 018**	21 790
Eswatini	**625 643**	467 924	**115 484**	113 707	**279 498**	149 748	**18 886**	11 823
Namibia	**793 207**	407 714	**204 966**	121 281	**523 131**	301 888	**132 198**	123 441
South Africa	**1 222 694**	944 110	**305 713**	269 123	**359 386**	298 520	**67 433**	78 431
Other countries	**197 089**	102 903	**58 627**	37 483	**183 203**	78 322	**30 954**	5 737
Intersegmental transactions	**(258 779)**	(85 641)	**–**	(98)	**(258 779)**	(85 641)	**–**	(1 725)
Total	**5 152 562**	4 090 606	**1 320 795**	1 167 305	**2 419 677**	1 915 713	**271 489**	239 497

Segment assets and liabilities are measured in the same way as in the financial statements. These assets and liabilities are allocated based on the operations of the segment and the physical location of the asset.

Notes to the **consolidated and separate financial statements** continued

29 CONTINGENT LIABILITIES

There were no contingencies and commitments which require adjustments to or disclosure in these financial statements.

30 CAPITAL COMMITMENTS

The group has capital expenditure commitments to the value of R9.6 million (2022: R3.9 million) that were authorised but not yet contracted or recognised as liabilities.

31 EVENTS AFTER BALANCE SHEET DATE

The significant events that occurred after the reporting date that require disclosure in the consolidated annual financial statements for the year ended 31 December 2023 are the following:

Business combination

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 main market in the country, which is a channel broadening acquisition for the CA&S Group.

Dividend declaration

A final dividend of 19.56 (2022: 15.35) cents (or BWP equivalent) per share in respect of the year ended 31 December 2023 was declared on Wednesday, 27 March 2024, for payment to the ordinary shareholders of the company at the close of business on Monday, 22 April 2024. In line with the company's dividend policy, the dividend was maintained at 20% of the headline earnings. The number of issued shares at the declaration date is 475 380 961. The dividend has been declared from income reserves.

32 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.

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

	Group		
	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

Notes to the **consolidated and separate financial statements** continued

32 RESTATEMENT OF STATEMENT OF CASH FLOWS continued

Included below is the impact of the restatement on the net cash/(debt) reconciliation note 24.4.

	Group			
	As previously presented Audited Cash including overdraft R'000	Adjusted R'000	Restated Audited Cash R'000	Restated Audited Overdraft R'000
Net cash/(debt) as at 1 January 2022	344 072	311 876	655 948	(311 876)
Cash flows	105 997	12 061	118 058	(12 061)
Finance cost accrual	(5 182)	5 182	–	(5 182)
Finance cost paid	5 182	(5 182)	–	5 182
Business combinations	4 567	–	4 567	–
Foreign exchange adjustments	(3 499)	(39 225)	(42 724)	39 225
Net cash/(debt) as at 31 December 2022	451 137	284 712	735 849	(284 712)

33 GOING CONCERN

The financial statements have been prepared on the basis of accounting policies applicable to a going concern.

The directors consider that the group entities and company have adequate resources to continue operating for the foreseeable future. The directors have satisfied themselves that the group entities and company are in a sound financial position and that they have access to sufficient cash and borrowing facilities to meet foreseeable cash requirements.

Shareholder **information**

Notice of **Annual General Meeting**

CA Sales Holdings Limited
Incorporated in the Republic of South Africa
Registration number: 2011/143100/06
Registered as an external company in the Republic of Botswana
Botswana registration number: BW00001085331
JSE Limited ("JSE") share code: CAA
Botswana Stock Exchange ("BSE") share code: CAS-EQO
ISIN: ZAE400000036
("CA&S" or the "company")

Notice is hereby given of the annual general meeting of shareholders of CA&S to be held at the offices of CA Sales and Distribution, 2nd Floor, Boardroom, Portion 867, Commerce Park, Gaborone, Botswana, and through electronic communication, on Tuesday, 4 June 2024, at 11h00 SAST (the "AGM").

Shareholders wishing to attend and participate in the AGM via electronic communication, will need to register by 09h00 SAST on Friday, 31 May 2024. Registration details are set out under point 12 – Voting, and in the registration form which is annexed to this notice of AGM as Annexure A.

PURPOSE

The purpose of the AGM is to transact the business set out in the agenda below:

AGENDA

A. Presentation of the audited annual financial statements of the company, including the remuneration report and the reports of the directors and the audit and risk committee for the year ended 31 December 2023. The integrated report, of which this notice forms part, contains the consolidated financial statements and the aforementioned reports. The annual financial statements, including the unmodified audit opinion, are available on CA&S' website at www.casholdings.co.za, or may be requested and obtained in person, at no charge, at the registered office of CA&S during office hours. An electronic copy may also be requested from the company secretary at info@cas.group.

B. To consider and, if deemed fit, approve, with or without modification, the following ordinary resolutions:

NOTE:

For any of the ordinary resolutions numbers 1 to 10 (inclusive) to be adopted, more than 50% of the voting rights exercised on each such ordinary resolution must be exercised in favour thereof. Should 25% or more of the votes exercised in respect of ordinary resolutions numbers 9 or 10 be against either resolution, or both resolutions, the company will issue an invitation to those shareholders who voted against the applicable resolution to engage with the company.

1. RETIREMENT AND RE-ELECTION OF DIRECTORS

Ordinary resolution number 1

"Resolved that Mr B Patel, who retires by rotation in terms of the memorandum of incorporation of the company and, being eligible, offers himself for re-election, be and is hereby re-elected as director."

Mr Patel has many years of extensive business experience ranging from banking, mergers and acquisitions, investment management, financial analysis, audit and assurance, business and compliance consulting.

Ordinary resolution number 2

"Resolved that Ms S Moakofi, who retires by rotation in terms of the memorandum of incorporation of the company and, being eligible, offers herself for re-election, be and is hereby re-elected as director."

Ms Moakofi has a diverse career in public relations, assuming various roles within the field. Presently, she serves as the corporate communications manager at a company located in Botswana, where her role is dedicated to advancing regional socio-economic development initiatives.

Ordinary resolution number 3

"Resolved that Mr B Marole, who retires by rotation in terms of the memorandum of incorporation of the company and, being eligible, offers himself for re-election, be and is hereby re-elected as director."

Mr Marole brings a wealth of experience garnered over 21 years in the civil service. During his tenure, he ascended to the highest position within the Ministry of Energy, Water, and Minerals Resources of Botswana, serving as its Permanent Secretary. Additionally, he held the role of CEO at Debswana and offered oversight as a director and/or chairperson on numerous national and international boards.

The reason for ordinary resolutions numbers 1 to 3 (inclusive) is that the memorandum of incorporation of the company, the JSE Listings Requirements and, to the extent applicable, the South African Companies Act, No. 71 of 2008, as amended ("South African Companies Act"), require that a component of the non-executive directors rotates at every annual general meeting of the company and being eligible, may offer themselves for re-election as directors.

Notice of **Annual General Meeting** continued

2. RE-APPOINTMENT OF THE MEMBERS OF THE AUDIT AND RISK COMMITTEE OF THE COMPANY

NOTE
For avoidance of doubt, all references to the Audit and Risk Committee of the company are references to the Audit Committee as contemplated in the South African Companies Act.

Ordinary resolution number 4

"Resolved that Mr L Cronje, being eligible, be and is hereby re-appointed as a member of the Audit and Risk Committee of the company, as recommended by the board, until the next annual general meeting of the company."

Mr Cronje has held managerial financial roles since 1983. Notably, he concluded his tenure as CFO of Pioneer Foods in 2015, a position he held for 16 years. Following his retirement from Pioneer Foods, Leon transitioned into serving as an independent director on several boards.

Ordinary resolution number 5

"Resolved that Mr B Patel, subject to the approval of ordinary resolution number 1, being eligible, be and is hereby re-appointed as a member of the Audit and Risk Committee of the company, as recommended by the board, until the next annual general meeting of the company."

A summary of his *curriculum vitae* has been included in paragraph 1 above.

Ordinary resolution number 6

"Resolved that Mr F Britz, being eligible, be and is hereby re-appointed as a member of the Audit and Risk Committee of the company, as recommended by the board, until the next annual general meeting of the company."

Mr Britz has served as the financial director of JSE-listed companies and has been actively engaged in FMCG-related businesses for over 19 years. During his tenure at CA&S Group, he held the position of executive director for seven years, culminating in a two-year term as CEO before transitioning to a non-executive director role upon his retirement as an executive director.

Ordinary resolution number 7

"Resolved that Ms B Mathews, being eligible, be and is hereby re-appointed as a member of the Audit and Risk Committee of the company, as recommended by the board, until the next annual general meeting of the company."

Ms Mathews is a qualified chartered accountant and holds a postgraduate certificate in advanced taxation from the University of South Africa. Currently, she consults on, *inter alia*, company secretarial and regulatory requirements. She serves as an independent non-executive director on the boards of other entities listed on the JSE.

The reason for ordinary resolutions numbers 4 to 7 (inclusive) is that the company, being a public listed company, must appoint an Audit Committee and the South African Companies Act requires that the members of such audit committee be appointed, or re-appointed, as the case may be, at each annual general meeting of a company.

3. RE-APPOINTMENT OF AUDITOR

Ordinary resolution number 8

"Resolved that Deloitte & Touche ("Deloitte") be and is hereby re-appointed as auditor of the company for the ensuing financial year or until the next annual general meeting of the company, whichever is the latter, with the designated auditor being Johan van der Walt, a registered auditor and partner in the firm, on the recommendation of the Audit and Risk Committee of the company."

The reason for ordinary resolution number 8 is that the company, being a public listed company, must have its annual financial statements audited and such auditor must be appointed or re-appointed, as the case may be, each year at the annual general meeting of the company as required by the South African Companies Act and the JSE Listings Requirements.

4. NON-BINDING ADVISORY VOTE ON CA&S' REMUNERATION POLICY

Ordinary resolution number 9

"Resolved that the company's remuneration policy, as set out on pages 70 to 72 of the integrated report, to which this notice of AGM is annexed, be and is hereby endorsed by way of a non-binding advisory vote."

The reason for and effect of ordinary resolution number 9 is that the King IV™ Report on Corporate Governance™ for South Africa, 2016 ("King IV™") recommends, and the JSE Listings Requirements require, that the remuneration policy of a listed company be tabled for a non-binding advisory vote by shareholders at each annual general meeting of such company. This enables shareholders to express their views on the remuneration policy adopted. The effect of ordinary resolution number 9, if passed, will be to endorse the company's remuneration policy. Ordinary resolution number 9 is of an advisory nature only and failure to pass this resolution will therefore not have any legal consequences relating to existing remuneration agreements. However, the board will take the outcome of the vote into consideration when considering amendments to the company's remuneration policy.

5. NON-BINDING ADVISORY VOTE ON CA&S' IMPLEMENTATION REPORT ON THE REMUNERATION POLICY

Ordinary resolution number 10

"Resolved that the company's implementation report on its remuneration policy, as set out on pages 73 to 75 of the integrated report, to which this notice of AGM is annexed, be and is hereby endorsed by way of a non-binding advisory vote."

The reason for ordinary resolution number 10 is that King IV™ recommends, and the JSE Listings Requirements require, that the implementation report on a company's remuneration policy be tabled for a non-binding advisory vote by shareholders at each annual general meeting of such company. This enables shareholders to express their views on the implementation of a company's remuneration policy. The effect of ordinary resolution number 10, if passed, will be to endorse the company's implementation report in respect of its remuneration policy. Ordinary resolution number 10 is of an advisory nature only and

Notice of **Annual General Meeting** continued

failure to pass this resolution will therefore not have any legal consequences relating to existing remuneration agreements. However, the board will take the outcome of the vote into consideration when considering amendments to the implementation of the company's remuneration policy.

Should 25% or more of the votes exercised in respect of ordinary resolution number 9 or ordinary resolution number 10 be against either resolution, or both resolutions, the company will issue an invitation to those shareholders who voted against the applicable resolution to engage with the company.

C. To consider and, if deemed fit, pass, with or without modification, the following special resolutions:

NOTE
For any of the special resolutions numbers 1 to 5 to be adopted, at least 75% of the voting rights exercised on each such special resolution must be exercised in favour thereof.

6. GENERAL AUTHORITY TO ISSUE ORDINARY SHARES FOR CASH

Special resolution number 1

"Resolved that the directors of the company be and are hereby authorised, by way of a general authority, to allot and issue any of the company's unissued shares for cash as they in their discretion may deem fit, without restriction, subject to the provisions of the company's memorandum of incorporation, the South African Companies Act, the JSE Listings Requirements and the BSE Listings Requirements, provided that:

- the equity securities which are the subject of the issue for cash must be of a class already in issue or, where this is not the case, must be limited to such securities or rights that are convertible into a class already in issue;
- any such issue will only be made to public shareholders and not to related parties, except that, in terms of the JSE Listings Requirements, related parties (as defined in the JSE Listings Requirements) may participate in a general issue for cash through a bookbuild process provided that (i) related parties may only participate with a maximum bid price at which they are prepared to take-up shares or at book close price. In the event of a maximum bid price and the book closes at a higher price the relevant related party will be "out of the book" and not be allocated shares; and (ii) equity securities must be allocated equitably "in the book" through the bookbuild process and the measures to be applied must be disclosed in the JSE's Stock Exchange News Service ("SENS") announcement launching the bookbuild. However, the aforesaid exception shall not enable the company to issue shares to related parties, as defined in the BSE Listings Requirements, where such issue is prohibited by the BSE Listings Requirements;
- securities which are the subject of a general issue for cash may not exceed 15% of the company's listed equity securities as at the date of this notice of AGM, being 475 380 961 ordinary shares. It being recorded that ordinary shares issued pursuant to a rights offer to shareholders and in terms of an acquisition issue or vendor consideration placement shall not diminish the number of ordinary shares that comprise the 15%;
- the maximum discount at which equity securities may be issued is 10% of the weighted average traded price of such equity securities measured over the 30 business days prior to the date that the price of the issue is agreed between the company and the party subscribing for the securities. The JSE and/or the BSE (as the case may be) will be consulted for a ruling if the securities have not traded in such 30-business-day period;
- in the event that the securities issued, represent on a cumulative basis, 5% or more of the number of securities in issue prior to that issue, an announcement containing the full details of such issue shall be published on BSE X-News and SENS; and
- the authority shall be valid until the next annual general meeting of the company (provided it shall not extend beyond 15 months from the date of this resolution)."

For listed entities wishing to issue shares for cash (other than issues by way of rights offers, in consideration for acquisitions and/or to duly approved share incentive schemes), it is necessary for the board of the company to obtain the prior authority of the shareholders in accordance with the JSE Listings Requirements and the memorandum of incorporation of the company.

Accordingly, the reason for special resolution number 1 is to obtain a general authority from shareholders to issue shares for cash in compliance with the JSE Listings Requirements, the BSE Listings Requirements and the memorandum of incorporation of the company.

7. REMUNERATION OF NON-EXECUTIVE DIRECTORS

Special resolution number 2

"Resolved, as a special resolution, in terms of section 66(9) of the South African Companies Act, that the company be and is hereby authorised to remunerate its non-executive directors for their services as directors, which include serving on various sub-committees, and to make payment of the amounts set out below (plus any value-added tax, to the extent applicable), provided that this authority will be valid until the next annual general meeting of the company:

	Fee per annum (excluding value-added tax)
Board (members)	**R254 400**
Board (chairperson)	**R482 300**
Board (lead independent)	**R397 500**
Sub-committees (chairperson)	**R106 000**
Sub-committees (members)	**R58 300**

The reason for special resolution number 2 is for the company to obtain the approval of shareholders by way of a special resolution for the payment of remuneration to its non-executive directors in accordance with the requirements of the South African Companies Act.

The effect of special resolution number 2, if passed, is that the company will be able to pay its non-executive directors for the services they render to the company as directors.

Notice of **Annual General Meeting** continued

8. INTER-COMPANY FINANCIAL ASSISTANCE

8.1. Special resolution number 3: Inter-company financial assistance

"Resolved, as a special resolution, in terms of section 45(3)(a)(ii) of the South African Companies Act, as a general approval, that the board be and is hereby authorised to approve that the company provides any direct or indirect financial assistance ("financial assistance" will herein have the meaning attributed to it in section 45(1) of the South African Companies Act) that the board may deem fit to any company or corporation that is related or inter-related ("related" or "inter-related" will herein have the meaning attributed to those terms in section 2 of the South African Companies Act) to the company, on the terms and conditions and for amounts that the board may determine, provided that the aforementioned approval shall be valid until the date of the next annual general meeting of the company."

The reason for and effect, if passed, of special resolution number 3 is to grant the directors of the company the authority, until the next annual general meeting of the company, to provide direct or indirect financial assistance to any company or corporation which is related or inter-related to the company. This means that the company is, *inter alia*, authorised to grant loans to its subsidiaries and to guarantee the debt of its subsidiaries.

8.2. Special resolution number 4: Financial assistance for the subscription and/or purchase of shares in the company or a related or inter-related company

"Resolved, as a special resolution, in terms of section 44(3)(a)(ii) of the South African Companies Act, as a general approval, that the board be and is hereby authorised to approve that the company provides any direct or indirect financial assistance ("financial assistance" will herein have the meaning attributed to it in sections 44(1) and 44(2) of the South African Companies Act) that the board may deem fit to any person, including any company or corporation that is related or inter-related to the company ("related" or inter-related" will herein have the meaning attributed to those terms in section 2 of the South African Companies Act) and/or to any financier who provides funding by subscribing for preference shares or other securities in the company or any company or corporation that is related or inter-related to the company, on the terms and conditions and for amounts that the board may determine for the purpose of, or in connection with the subscription of any option, or any shares or other securities, issued or to be issued by the company or a related or inter-related company or corporation, or for the purchase of any shares or securities of the company or a related or inter-related company or corporation, provided that the aforementioned approval shall be valid until the date of the next annual general meeting of the company."

The reason for and effect, if passed, of special resolution number 4 is to grant the directors the authority, until the next annual general meeting of the company, to provide financial assistance to any person, including any company or corporation which is related or interrelated to the company and/or to any financier for the purpose of or in connection with the subscription or purchase of options, shares or other securities in the company or any related or inter-related company or corporation. This means that the company is authorised, *inter alia*, to grant loans to its subsidiaries and to guarantee and furnish security for the debt of its subsidiaries where any such financial assistance is directly or indirectly related to a party subscribing for options, shares or securities in the company or its subsidiaries. A typical example of where the company may rely on this authority is where a wholly-owned subsidiary raises funds by way of issuing preference shares and the third-party funder requires the company to furnish security, by way of a guarantee or otherwise, for the obligations of its wholly-owned subsidiary to the third-party funder arising from the issue of the preference shares. The company has no immediate plans to use this authority and is simply obtaining same in the interests of prudence and good corporate governance should the unforeseen need arise to use the authority.

In terms of and pursuant to the provisions of sections 44 and 45 of the South African Companies Act, the directors of the company confirm that the board will satisfy itself, after considering all reasonably foreseeable financial circumstances of the company, that immediately after providing any financial assistance as contemplated in special resolution numbers 3 and 4 above:

- the assets of the company (fairly valued) will equal or exceed the liabilities of the company (fairly valued) (taking into consideration the reasonably foreseeable contingent assets and liabilities of the company); and
- the company will be able to pay its debts as they become due in the ordinary course of business for a period of 12 months.

In addition, the board will only approve the provision of any financial assistance contemplated in special resolutions numbers 3 and 4 above, where:

- the board is satisfied that the terms under which any financial assistance is proposed to be provided, are fair and reasonable to the company; and
- all relevant conditions and restrictions (if any) relating to the granting of financial assistance by the company as contained in the company's memorandum of incorporation have been met.

9. SHARE REPURCHASES BY THE COMPANY AND ITS SUBSIDIARIES

Special resolution number 5

"Resolved, as a special resolution, that the company and the subsidiaries of the company be and are hereby authorised, as a general approval, to repurchase any of the shares issued by the company, upon such terms and conditions and in such amounts as the directors may from time to time determine, but subject to the provisions of sections 46 and 48 of the South African Companies Act, the memorandum of incorporation of the company, the JSE Listings Requirements and the BSE Listings Requirements, including, *inter alia*, that:

- the general repurchase of the shares may only be implemented through the order book operated by the JSE or the BSE, as the case may be, and done without any prior understanding or arrangement between the company and the counterparty;
- this general authority shall only be valid until the next annual general meeting of the company, provided that it shall not extend beyond 15 months from the date of this resolution;

Notice of **Annual General Meeting** continued

- an announcement must be published as soon as the company has acquired shares constituting, on a cumulative basis, 3% of the number of shares in issue on the date that this authority is granted, containing full details thereof, as well as for each 3% in aggregate of the initial number of shares acquired thereafter;
- the general authority to repurchase is limited to a maximum of 80 million shares;
- a resolution has been passed by the board approving the repurchase, that the company and its subsidiaries (the "group") have satisfied the solvency and liquidity test as defined in the South African Companies Act and that, since the solvency and liquidity test was applied, there have been no material changes to the financial position of the group;
- the general repurchase is authorised by the company's memorandum of incorporation;
- repurchases must not be made at a price more than 10% above the weighted average of the market value for the securities for the five business days immediately preceding the date on which the transaction is effected. The JSE and/or BSE (as the case may be) will be consulted for a ruling if the company's securities have not traded in such five-business-day period;
- the company and its subsidiaries may at any point in time only appoint one agent to effect any repurchase(s) in terms of this authority; and
- the company and its subsidiaries may not effect a repurchase during a prohibited period (as defined in the JSE Listings Requirements) or a closed period (as defined in the BSE Listings Requirements) unless there is a repurchase programme in place, which has prior to the commencement of the relevant prohibited period or closed period (as the case may be), been (i) submitted to the JSE and/or the BSE (as the case may be); and (ii) executed by an independent third party (reported trades are prohibited) as contemplated in, as applicable, paragraphs 5.72(h) and/or 3.4(o)(vii) of the JSE Listings Requirements and the BSE Listings Requirements, respectively."

The reason for and effect, if passed, of special resolution number 5 is to grant the directors a general authority in terms of its memorandum of incorporation, the JSE Listings Requirements and the BSE Listings Requirements, as may be applicable to the company at the relevant time, for the acquisition by the company or by a subsidiary of the company of shares issued by the company on the basis reflected in special resolution number 5. The company has no immediate plans to use this authority and is simply obtaining same in the interests of prudence and good corporate governance should the unforeseen need arise to use the authority.

In terms of section 48(2)(b)(i) of the South African Companies Act, subsidiaries, taken together, may not hold more than 10%, in aggregate, of the number of the issued shares of a company.

For the avoidance of doubt, (i) a pro rata repurchase by the company from all its shareholders; and (ii) intra-group repurchases by the company of its shares from wholly-owned subsidiaries, share incentive schemes pursuant to Schedule 14 of the JSE Listings Requirements and/or non-dilutive share incentive schemes controlled by the company, where such repurchased shares are to be cancelled, will not require shareholder approval, save to the extent as may be required by the South African Companies Act.

Information relating to the special resolutions

1. The directors of the company or its subsidiaries will only utilise the general authority to repurchase shares of the company as set out in special resolution number 5 to the extent that the directors, after considering the maximum number of shares to be purchased, are of the opinion that the position of the group would not be compromised as to the following:
   - The company's and the group's ability in the ordinary course of business to pay its debts for a period of 12 months after the date of this notice of AGM.
   - The consolidated assets of the company and the group (fairly valued) will at the time of this notice of AGM be in excess of the consolidated liabilities of the company and the group (fairly valued). The assets and liabilities should be recognised and measured in accordance with the accounting policies used in the latest audited annual financial statements of the group.
   - The ordinary share capital and reserves of the company and the group will be adequate for ordinary business purposes for a period of 12 months after the date of this notice of AGM.
   - The working capital available to the company and the group will be adequate for ordinary business purposes for a period of 12 months after the date of this notice of the AGM.

   General information in respect of major shareholders, material changes since the 2023 financial year-end and the share capital of the company is contained in the integrated report of which this notice forms part, as well as the full set of annual financial statements, being available on CA&S' website at www.casholdings.co.za or which may be requested and obtained in person, at no charge, at the registered office of CA&S during office hours.

2. The directors, whose names appear on pages 57 and 58 of the integrated report of which this notice forms part, collectively and individually accept full responsibility for the accuracy of the information given and certify that to the best of their knowledge and belief there are no facts that have been omitted which would make any statement false or misleading, and that all reasonable enquiries to ascertain such facts have been made and that this notice of AGM contains all information required by law, the JSE Listings Requirements and the BSE Listings Requirements.
3. Special resolutions numbers 1 to 5 (inclusive) are renewals of resolutions taken at the previous annual general meeting held on 26 May 2023.

Notice of **Annual General Meeting** continued

10. OTHER BUSINESS

To transact such other business as may be transacted at an annual general meeting or raised by shareholders with or without advance notice to the company.

11. REPORT OF THE SOCIAL AND ETHICS COMMITTEE

The report of the company's Social and Ethics Committee is included in the integrated report, to which this notice of AGM is annexed, and will serve as the Social and Ethics Committee report to the company's shareholders at the AGM.

12. VOTING

1. The Company has engaged the services of The Meeting Specialist Proprietary Limited ("TMS") to host the AGM on an interactive electronic platform to facilitate remote participation and voting by shareholders, in addition to the physical participation in the offices of CA Sales and Distribution, 2nd Floor, Boardroom, Portion 867, Commerce Park, Gaborone, Botswana. TMS will also act as scrutineer.

2. Important dates

   The date on which shareholders must be recorded as such in the share register maintained by the transfer secretaries of the company ("the share register") for purposes of being entitled to receive this notice of AGM is Friday, 19 April 2024.

   The date on which shareholders must be recorded in the share register for purposes of being entitled to attend and vote at the AGM is Friday, 24 May 2024, with the last day to trade being Tuesday, 21 May 2024.

   Shareholders wishing to attend and participate in the AGM via electronic communication will need to register by 09h00 SAST on Friday, 31 May 2024. A registration form and virtual meeting guide are annexed to this notice of AGM as Annexures A and B, respectively.

   To allow time for the tallying of votes and completion of the administrative processes relating to the AGM, the cut-off for lodging forms of proxy is at 12h00 SAST on Friday, 31 May 2024. Any forms of proxy not received by this time can still be handed to the chairperson at the AGM or submitted to TMS (for shares listed on the JSE) or Grant Thornton Botswana (for shares listed on the BSE) in accordance with the instructions set out under point 4 – Forms of proxy.

3. Physical participation

   Shareholders attending the AGM in Gaborone will be required to provide proof of identification to the reasonable satisfaction of the chairperson of the AGM and must accordingly bring a copy of their valid identity document, passport or driver's licence to the AGM. If in doubt as to whether any document will be regarded as satisfactory proof of identification, meeting participants should contact the transfer secretaries for guidance.

4. Forms of proxy

   Shareholders entitled to attend, speak and vote at the AGM may appoint one or more proxies to attend, speak and vote thereat in their stead. A proxy need not be a shareholder of the company. A form of proxy, which sets out the relevant instructions for its completion, is enclosed for use by a certificated shareholder or own-name registered dematerialised shareholder who wishes to be represented at the AGM. Completion of a form of proxy will not preclude such shareholder from attending and voting (in preference to that shareholder's proxy) at the AGM. Shareholders should complete their forms of proxy and lodge their forms of proxy using the following methods:

   Shares listed on the BSE:
   - deliver to Grant Thornton Botswana at Acumen Park, Plot 50370, Fairgrounds, Gaborone, Botswana; or
   - email to Aparna.vijay@bw.gt.com; or
   - post to Grant Thornton Botswana, PO Box 1157, Gaborone, Botswana.

   Forms of proxy should be received by no later than 12h00 SAST on Friday, 31 May 2024, provided that any form of proxy not received by this time may still be i) handed to the chairperson of the AGM at any time before the appointed proxy exercises any shareholder rights at the AGM or ii) be submitted to aparna.vijay@bw.gt.com at any time prior to the appointed proxy exercising any shareholder rights at the AGM, subject to Grant Thornton verifying and registering the form of proxy and proof of identification before any shareholder rights are exercised.

   Shares listed on the JSE:
   - deliver to The Meeting Specialist, JSE Building, One Exchange Square, 2 Gwen Lane, Sandown, 2196, South Africa
   - email to proxy@tmsmeetings.co.za
   - post to The Meeting Specialist, PO Box 62043, Marshalltown, 2107, South Africa

   We request that shareholders lodge, email or post their proxies to TMS by no later than 12h00 SAST on Friday, 31 May 2024 to allow time for the tallying of votes and completion of the administrative processes relating to the AGM. Any forms of proxy not received by this time can still be submitted to TMS at proxy@tmsmeetings.co.za at any time prior to the appointed proxy exercising any shareholder rights at the AGM, subject to TMS verifying and registering the form of proxy and proof of identification before any shareholder rights are exercised.

5. Dematerialised shareholders, other than own-name registered dematerialised shareholders, who wish to attend the AGM in person, will need to request their central securities depository participant ("CSDP" or "CSDBP") or broker to provide them with the necessary authority (i.e. letter of representation) in terms of the custody agreement entered into between such shareholders and their CSDP, CSDBP or broker.

Notice of **Annual General Meeting** continued

6. Dematerialised shareholders, other than own-name registered dematerialised shareholders, who are unable to attend the AGM and who wish to be represented thereat, must provide their CSDP, CSDBP or broker with their voting instructions in terms of the custody agreement entered into between themselves and the CSDP, CSDB or broker in the manner and time stipulated therein. Such shareholders should contact their CSDP, CSDBP or broker regarding the cut-off time for their voting instructions.

7. Electronic participation
   Shareholders who intend to attend and participate in the AGM electronically and who wish to vote thereat are required to contact TMS at proxy@tmsmeetings.co.za by submitting the completed registration form, annexed to this notice of AGM as Annexure A, as soon as possible, but no later than 09h00 SAST on Friday, 31 May 2024. Shareholders who wish to attend the AGM electronically should instruct their CSDP, CSDBP or broker to issue them with the necessary letter of representation to attend the AGM as stipulated in the agreement with their custodians.

   A virtual meeting guide for shareholders is annexed in this notice of AGM as Annexure B.

   Although the electronic platform provides for voting during the AGM, shareholders are strongly encouraged to submit their votes by proxy prior to the meeting to TMS at proxy@tmsmeetings.co.za.

8. Identification
   In terms of section 63(1) of the South African Companies Act, any person attending or participating in an AGM must present reasonably satisfactory identification. Upon receiving the registration form, TMS will follow a verification process to be reasonably satisfied that the right of any person to participate in and vote (whether as a shareholder or as proxy for a shareholder) has been verified.

   TMS will request certain particulars from shareholders when receiving the registration form to comply with this verification process and the following identification will be required:

   - if the shareholder is an individual, a certified copy of his/her identity document and/or passport and/or driver's licence;
   - if the shareholder is not an individual, a certified copy of a resolution by the relevant entity to represent the entity, and a certified copy of the identity documents and/or passports of the persons who passed the relevant resolution. This resolution must set out who from the relevant entity is authorised to represent the relevant entity at the AGM via electronic communication; and
   - a valid email address and/or mobile telephone number.

9. Voting will be performed by way of a poll and, accordingly, each shareholder who is participating via the electronic platform or by proxy at the AGM shall have one vote for every share held or represented.

10. Save where otherwise indicated, all times reflected in this notice of AGM and in the accompanying form of proxy refer to South African Standard Time (SAST) (identical to Botswana Standard Time).

By order of the board

Ms Bernadien Naude
Company secretary

Centurion

30 April 2024

Form **of proxy**

CA Sales Holdings Limited

Incorporated in the Republic of South Africa
Registration number: 2011/143100/06
Registered as an external company in the Republic of Botswana
Botswana registration number: BW00001085331
JSE Limited ("JSE") share code: CAA
Botswana Stock Exchange ("BSE") share code: CAS-EQO
ISIN: ZAE400000036
("CA&S" or the "company")

Form of proxy – for use by certificated and own-name dematerialised shareholders only

For use at the annual general meeting of shareholders of the company to be held at the offices of CA Sales and Distribution, 2nd Floor, Boardroom, Portion 867, Commerce Park, Gaborone, Botswana, and through electronic communication, on Tuesday, 4 June 2024, at 11h00 SAST ("the AGM").

I/We ____ (full name in print)

of ____ (address)

being the registered holder of ____________________ ordinary shares hereby appoint:

1. ____ or failing him/her,

2. ____ or failing him/her,

3. the chairperson of the AGM ______________________________________,

as my/our proxy to attend, speak and vote on my/our behalf at the AGM for purposes of considering and, if deemed fit, passing, with or without modification, the ordinary resolutions and special resolutions to be proposed thereat and at each adjournment thereof and to vote for and/or against the resolutions and/or abstain from voting in respect of the shares registered in my/our name(s) in accordance with the following instructions (see Notes):

	Number of shares		
	In favour	Against	Abstain
Ordinary resolution number 1: To re-elect Mr B Patel as director			
Ordinary resolution number 2: To re-elect Ms S Moakofi as director			
Ordinary resolution number 3: To re-elect Mr B Marole as director			
Ordinary resolution number 4: To re-appoint Mr L Cronje as a member of the Audit and Risk Committee			
Ordinary resolution number 5: To re-appoint Mr B Patel as a member of the Audit and Risk Committee			
Ordinary resolution number 6: To re-appoint Mr F Britz as a member of the Audit and Risk Committee			
Ordinary resolution number 7: To re-appoint Ms B Mathews as a member the Audit and Risk Committee			
Ordinary resolution number 8: To re-appoint Deloitte & Touche as auditor			
Ordinary resolution number 9: Non-binding advisory vote on CA&S' remuneration policy			
Ordinary resolution number 10: Non-binding advisory vote on CA&S' implementation report on the remuneration policy			
Special resolution number 1: General authority to issue ordinary shares for cash			
Special resolution number 2: Remuneration of non-executive directors			
Special resolution number 3: Inter-company financial assistance			
Special resolution number 4: Financial assistance for the subscription and/or purchase of shares in the company or a related or inter-related company			
Special resolution number 5: Share repurchases by the company and its subsidiaries			

Please indicate your voting instruction by way of inserting the number of shares (or a cross (X) should you wish to vote all of your shares) in the space provided.

Signed at ____________________ on this __________ day of __________ 2024.

Signature(s) ____

Assisted by (where applicable) (state capacity and full name) ________________________

Each CA&S shareholder is entitled to appoint one or more proxy/(ies) (who need not be a shareholder(s) of the company) to attend, speak and vote in his/her stead at the AGM.

Notes to the form **of proxy**

1. A CA&S shareholder may insert the name of a proxy or the names of two alternative proxies of the shareholder's choice in the space(s) provided, with or without deleting "the chairperson of the AGM". The person whose name appears first on the form of proxy and who is present at the AGM will be entitled to act as proxy to the exclusion of those whose names follow.
2. A CA&S shareholder's instructions to the proxy must be indicated by the insertion of the relevant number of shares to be voted on behalf of that shareholder in the appropriate box provided or by the insertion of a cross (X) if all shares should be voted on behalf of that shareholder. Failure to comply with the above will be deemed to authorise the chairperson of the AGM, if he/she is the authorised proxy, to vote in favour of the resolutions at the AGM, or any other proxy to vote or to abstain from voting at the AGM as he/she deems fit, in respect of all the shares concerned.
   A shareholder or his/her proxy is not obliged to use all the votes exercisable by the shareholder or his/her proxy, but the total of the votes cast and in respect whereof abstentions are recorded may not exceed the total of the votes exercisable by the shareholder or his/her proxy.
3. When there are joint registered holders of any shares, any one of such persons may vote at the AGM in respect of such shares as if he/she was solely entitled thereto, but, if more than one of such joint holders be present or represented at any AGM, that one of the said persons whose name stands first in the register in respect of such shares or his/her proxy, as the case may be, shall alone be entitled to vote in respect thereof. Several executors or administrators of a deceased shareholder, in whose name any shares stand, shall be deemed joint holders thereof.
4. Forms of proxy must be completed and returned to be received by the following service providers of the company:

   Shares listed on BSE
   - delivered to Grant Thornton Botswana at Acumen Park, Plot 50370, Fairgrounds, Gaborone, Botswana; or
   - email to Aparna.vijay@bw.gt.com; or
   - post to PO Box 1157, Gaborone, Botswana.

   Shares listed on the JSE
   - deliver to The Meeting Specialist, JSE Building, One Exchange Square, Gwen Lane, Sandown, 2196, South Africa
   - email to proxy@tmsmeetings.co.za
   - post to The Meeting Specialist, PO Box 62043, Marshalltown, 2107, South Africa

   by not later than 12h00 SAST on Friday, 31 May 2024, provided that any form of proxy not delivered to TMS or Grant Thornton Botswana by this time may be handed to the chairperson of the AGM or emailed to TMS (proxy@tmsmeetings.co.za) or Grant Thornton Botswana (aparna.vijay@bw.gt.com) at any time before the appointed proxy exercises any shareholder rights at the AGM, subject to the verification and registration of the form of proxy and proof of identification, respectively.
5. Any alteration or correction made to this form of proxy must be initialled by the signatory/(ies).
6. Documentary evidence establishing the authority of a person signing this form of proxy in a representative capacity must be attached to this form of proxy unless previously recorded by the company's transfer secretaries or waived by the chairperson of the AGM.
7. The completion and lodging of this form of proxy will not preclude the relevant shareholder from attending the AGM and speaking and voting in person thereat to the exclusion of any proxy appointed in terms hereof, should such shareholder wish to do so.

ANNEXURE A

Registration form to participate in AGM electronically

To be held on Tuesday, 4 June 2024, at 11h00 SAST

CA Sales Holdings Limited
Incorporated in the Republic of South Africa
Registration number: 2011/143100/06
Registered as an external company in the Republic of Botswana
Botswana registration number: BW00001085331
JSE Limited ("JSE") share code: CAA
Botswana Stock Exchange ("BSE") share code: CAS-EQO
ISIN: ZAE400000036
("CA&S" or the "company")

- Shareholders or their proxies who wish to participate in the AGM via electronic communication ("Participants"), must register with the company's meeting scrutineers to do so by sending the signed form below ("the application") to The Meeting Specialists (Pty) Ltd ("TMS") at email address proxy@tmsmeetings.co.za by no later than 09h00 SAST on Friday, 31 May 2024.
- The application may also be delivered to The Meeting Specialists Proprietary Limited, JSE Building, One Exchange Square, 2 Gwen Lane, Sandown, 2196, so as to be received by the meeting scrutineers by no later than the time and date set out above.
- Shareholders who have dematerialised their shares, other than those shareholders who have dematerialised their shares with "own-name" registration, should contact their Central Securities Depository Participant ("CSDP" or "CSDBP") or broker in the manner and time stipulated in their agreement with their CSDP, CSDBP or broker:
  - to furnish them with their voting instructions; and
  - if they wish to participate in the meeting, to obtain the necessary authority to do so.
- Participants will be able to vote during the AGM through an electronic participation platform. Such Participants, should they wish to have their vote(s) counted at the AGM, must provide TMS with the information requested below.
- Each shareholder, who has complied with the requirements below, will be contacted between Friday, 31 May 2024 and Tuesday, 4 June 2024 (both days inclusive) via email with a unique link to allow them to participate in the AGM electronically.

Notes to the form **of proxy** continued

- The cut-off time, for administrative purposes, to participate in the AGM will be at 09h00 SAST on Friday, 31 May 2024.
- The Participant's unique access credentials and voting link will be forwarded to the email/cellphone number provided below.
- Please take note of the virtual meeting guide for shareholders in Annexure B.

Application form

Name and surname of shareholder	
Name and surname of shareholder representative (If applicable	
ID number of shareholder or representative	
Email address	
Cellphone number	
Telephone number	
Name of CSDP, CSDBP or broker (If shares are held in dematerialised format	
SCA number/broker account number or own name account number	
Number of shares	
Signature	
Date	

- The cost of dialling in using a telecommunication line/webcast/web-streaming to participate in the AGM is for the expense of the Participant and will be billed separately by the Participant's own service provider.
- The Participant acknowledges that the telecommunication lines/webcast/web-streaming are provided by a third party and indemnifies CA&S, the JSE, the BSE, TMS (virtual platform service provider) and/or its third party service providers against any loss, injury, damage, penalty or claim arising in any way from the use or possession of the telecommunication lines/webcast/web-streaming, whether or not the problem is caused by any act or omission on the part of the Participant or anyone else. In particular, but not exclusively, the Participant acknowledges that he/she will have no claim against CA&S, the JSE, the BSE, TMS and/or its third party service providers, whether for consequential damages or otherwise, arising from the use of the telecommunication lines/webcast/web-streaming or any defect in it or from total or partial failure of the telecommunication lines/webcast/web-streaming and connections linking the telecommunication lines/webcast/web-streaming to the AGM.
- Participants will be able to vote during the AGM through an electronic participation platform. Such Participants, should they wish to have their vote(s) counted at the AGM, must act in accordance with the requirements set out above.
- The application will only be deemed successful if this application form has been fully completed and signed by the Participant and delivered or emailed to TMS at proxy@tmsmeetings.co.za.

By signing this registration form, I agree and consent to the processing of my personal information above for the purpose of participation in the AGM.

Shareholder name ____________________

Signature ____________________ Date ____________________

Notes to the form **of proxy** continued

ANNEXURE B

Virtual meeting guide for shareholders

How to access the virtual meeting

1. In order to attend, participate in and vote at the AGM, each user must have an internet-enabled device (phone, laptop, desktop) capable of browsing to a regular website (in order to vote and participate).
2. Closer to the AGM date or on the day of the AGM, you will receive a link and a password to enter the virtual meeting room.
3. Click on the link and you will be directed to the meeting platform.
4. An additional unique link will be sent, individually, to each shareholder who has made contact with The Meeting Specialist Proprietary Limited at proxy@tmsmeetings.co.za and who has successfully been validated to vote at the AGM.
5. Guests will only be allowed to observe and listen to the proceedings of the AGM.

Navigating the meeting platform

1. Shareholders who would like to pose questions, please click on the Q&A icon on the bottom of your screen, to ask your question.
2. If you have a question on a particular resolution, please type your name, the resolution number, followed by your question and press enter or send.
3. Alternatively, if you would like to address the meeting directly, please click on the raise your hand icon. Once the chairperson has identified you, your microphone will be unmuted, and you will be able to address the meeting.

How to exercise your votes

1. All shareholders or their representatives, who have requested to vote, would have received a link from Digital Cabinet to either their cellphone number or email address.
2. The voting will be available on all the resolutions when the chairperson opens the meeting.
3. Please click on the "vote now" link and it will direct you to the voting platform.
4. You will notice that the voting platform contains all the resolutions which have been published in the notice of AGM, with your votes automatically defaulted to "Abstain".
5. Please note – Once you click submit, your votes can not be retracted and re-voted.
6. You may vote on all the resolutions simultaneously by defaulting all your votes as either "For" or "Against" or keeping it as an "Abstained" vote and then clicking on the submit button on the bottom of the electronic ballot form.
7. You may also indicate your votes individually, per resolution, by selecting the relevant option ("For", "Against" or "Abstain"), on a resolution-by-resolution basis.
8. Once you have voted on all the resolutions, scroll down to the bottom of the page, and click submit.
9. You will receive a message on your screen confirming that your votes have been received.
10. Once again, please ensure that you have selected the correct option on a resolution. Either "For" or "Against" or "Abstain" before clicking the submit button.

You will only be able to access both the electronic meeting platform and the voting platform 10 minutes prior to commencement of the AGM.

Corporate **information**

Company registration number
2011/143100/06

Country of incorporation
South Africa

Date of incorporation
7 December 2011

Tax residency
South Africa

Registered Office
1st Floor, Building C, Westend Office Park, 254 Hall Street, De Hoewes, Centurion, South Africa

Corporate Advisor and JSE Sponsor
PSG Capital (Proprietary) Limited
1st Floor, Ou Kollege Building, Stellenbosch, 7600, South Africa
(PO Box 7403, Stellenbosch, 7599, South Africa)
and at
Suite 1105, 11th Floor, Sandton Eye Building, 126 West Street, Sandton, 2196, South Africa
(PO Box 650957, Benmore, 2010)

Company Secretary
Bernadien Naude CA(SA)
1st Floor, Building C, Westend Office Park, 254 Hall Street, De Hoewes, Centurion, South Africa
(PO Box 7403, Stellenbosch, 7599, South Africa)

BSE Sponsor
Imara Capital Securities (Proprietary) Limited
Office 3A, 3rd Floor, Masa Centre, Plot 54353 New CBD, Gaborone, Botswana
(Private Bag 173, Gaborone, Botswana)

Auditor and Reporting Accountants
Deloitte & Touche
5 Magwa Crescent, Waterfall City, Waterfall, 2090, South Africa

Principal Banker
First National Bank Limited

Website
www.cas.group

Transfer Secretaries (BSE)
Central Securities Depository Company of Botswana Limited
Fourth Floor, Fairscape Precinct Plot 70667, Fairgrounds Office Park, Gaborone, Botswana

Transfer Secretaries (JSE)
JSE Investor Services (Proprietary) Limited
JSE Building, One Exchange Square, 2 Gwen Lane, Sandown, Sandton, South Africa
(PO Box 4844, Johannesburg, 2000, South Africa)

Facilitator for shares listed on the JSE
The Meeting Specialist (Proprietary) Limited
JSE Building, One Exchange Square, 2 Gwen Lane, Sandown, Sandton, South Africa
(PO Box 62043, Marshalltown, 2107, South Africa)

Facilitator for shares listed on the BSE
Grant Thornton Capital Securities Services (Proprietary) Limited
Acumen Park, Plot 50370, Fairgrounds, Gaborone, Botswana
(PO Box 1157, Gaborone, Botswana)

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