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MUSTEK LIMITED – Repurchase of ordinary shares in Mustek

MST 201404160030A

Repurchase of ordinary shares in Mustek

MUSTEK LIMITED

(Incorporated in the Republic of South Africa)

(Registration number 1987/070161/06)

Share code: MST ISIN: ZAE000012373

("Mustek" or "the Company")

REPURCHASE OF ORDINARY SHARES IN MUSTEK

1. Introduction

Shareholders are hereby advised that Mustek has acquired 3 277 107 ordinary shares in the issued share capital of

Mustek on the open market for a purchase consideration in aggregate of R20 406 733 ("the general repurchase"). The

general repurchase was effected in terms of a general authority to Mustek's directors ("the directors"), which was

granted in terms of a special resolution passed by the members at Mustek's Annual General Meeting ("AGM") held on

13 December 2013 and comprises 3,02% of the total issued ordinary shares of Mustek at the date of the AGM. Mustek

does not hold any treasury shares.

2. Implementation

The general repurchase commenced on 28 February 2014 and continued on a day-to-day basis as market conditions

allowed and in accordance with the JSE Limited ("JSE") Listings Requirements until 15 April 2014. The Company confirms

that the repurchases were effected through the order book operated by the JSE and done without any prior understanding

or arrangement between the Company and the counter parties. The highest and lowest prices paid by Mustek for the

ordinary shares were 700 cents and 580 cents per share respectively.

3. Extent of general authority outstanding

The extent of the general authority outstanding for the current financial year is 18 409 526 ordinary shares,

representing 16,98% of the total issued ordinary share capital of Mustek.

4. Sources of funds

The general repurchase has been funded from available cash resources.

5. Opinion of directors

The directors have considered the effect of the general repurchase and are satisfied that:

– Mustek and Mustek's subsidiaries ("the Mustek group") will be able, in the ordinary course of business, to pay

its debts for a period of 12 months from the date of this announcement;

– the assets of Mustek and the Mustek group will be in excess of the liabilities of Mustek and the Mustek group for

a period of 12 months from the date of this announcement. For this purpose, the assets and liabilities should be

recognised and measured in accordance with the accounting policies used in the audited financial statements for the

year ended 30 June 2013;

– the ordinary capital and reserves of Mustek and the Mustek group will be adequate for a period of 12 months from

the date of this announcement; and

– the working capital of Mustek and the Mustek group will be adequate for a period of 12 months from the date of

this announcement.

6. Financial effects

The pro forma financial effects set out below are the responsibility of the directors of Mustek and are provided for

illustrative purposes only. Due to the nature of pro forma financial information, it may not give a fair reflection of

shareholders' financial position, changes in equity, results of operations or cash flows after the repurchase.

The pro forma financial effects on the earnings, headline earnings, net asset value and net tangible asset value per

ordinary share, before and after the general repurchase are set out below.

		Before	After	Change
Per ordinary share	Notes	(cents)	(cents)	(cents)
Earnings per ordinary share	1	41,30	42,16	2,09
Headline Earnings per ordinary share	1	42,15	43,05	2,11
Net asset value per ordinary share	2	785,30	790,28	0,63
Net tangible asset value per ordinary share	2	731,63	734,93	0,45

Notes:

1. The amounts in the "Before" column represent the unaudited earnings and headline earnings per share disclosed in

the interim results for the six months ended 31 December 2013. The amounts in the "After" column represent the

earnings and headline earnings per share after the general repurchase on the following assumptions:

- the general repurchase was effective 1 July 2013; and
- an after tax rate of 4,3% per annum on the cash resources required to fund the general repurchase.

2. The amounts in the "Before" column represent the unaudited net asset value and net tangible asset value per share

as disclosed in the financial results for the six months ended 31 December 2013. The amounts in the "After" column

represent the unaudited net asset value and net tangible asset value based on the financial results for the six

months ended 31 December 2013, adjusted for the general repurchase, had it been effected on 31 December 2013.

7. JSE listing

The ordinary shares that have been repurchased will be cancelled and de-listed in due course.

8. Conclusion

Mustek will continue to repurchase securities as and when opportunities arise.

Midrand

16 April 2014

Sponsor: Deloitte&Touche Sponsor Services (Pty) Ltd

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