Imperial™

beyond possibility

SUMMARISED AUDITED RESULTS
FOR THE 12 MONTHS ENDED 30 JUNE

2021

Imperial is your **'Gateway to Africa'**

"The significant strategic actions we have taken to reorganise, restructure and simplify the business, improve our profitability and competitiveness, strengthen the balance sheet and grow our business have resulted in significant value being unlocked for our key stakeholders. This is clearly reflected in the significant progress on all fronts since 2019, culminating in excellent results for financial year 2021, despite the continued impact of COVID-19."

Contents

At a glance

Imperial is your **Gateway to Africa**

Imperial is an African-focused provider of integrated market access and logistics solutions. Focusing on the following key industries – healthcare, consumer, automotive, chemicals, industrial and commodities – we take our clients and principals' products to some of the fastest growing and most challenging markets in the world. Ranked among the top-tier global logistics providers and listed on the JSE in South Africa, we seek out and leverage new technology to deliver innovative, end-to-end solutions. Through our significant African footprint and international expertise, and with the support of our 25 000 people, **Imperial's purpose is to connect Africa and the world – and to improve people's lives with access to quality products and services**.

Our strategic pillars

1. Operate as 'One Imperial', offering unique end-to-end solutions
2. People are our greatest asset
3. Extensive Africa footprint – serving as a 'Gateway to Africa'
4. International footprint and expertise
5. Go digital, be digital, enable digital
6. Integrating Environmental, Social and Governance practices

Group key features

Revenue*
↑ 13%
to R52 208 million

EBITDA*
↑ 22%
to R4 986 million

Operating profit*
↑ 60%
to R2 336 million

HEPS
↑ 218%
to 334 cents per share

EPS
↑ more than 100%
to 512 cents per share

Continuing Core EPS**
↑ 215%
to 448 cents per share

* *Excludes the discontinued European shipping business and Consumer Packaged Goods (CPG) in the prior year. Includes Pharmed and the South American shipping business.*

** *Headline earnings are adjusted by items that are not considered to be of a trading nature to arrive at Core EPS. Core EPS is not an IFRS requirement and a reconciliation with Earnings per share (EPS) and Headline Earnings per share (HEPS) is included in the group financial performance section of this report.*

Strong free cash inflow from continuing operations excluding CPG of

R900 million

Continuing free cash conversion of

86%

(F2020: 72%)

Net debt:EBITDA of

1,3x

(F2020: 2,8x)

– well within banking covenants of 3,25x

Interim cash dividend of

83 cents

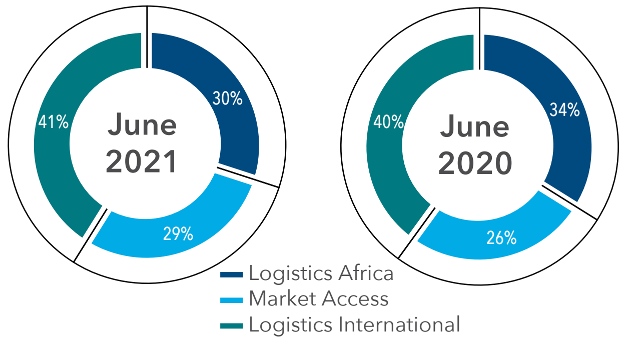
per share paid. No final dividend declared

(F2020: 167 cents)

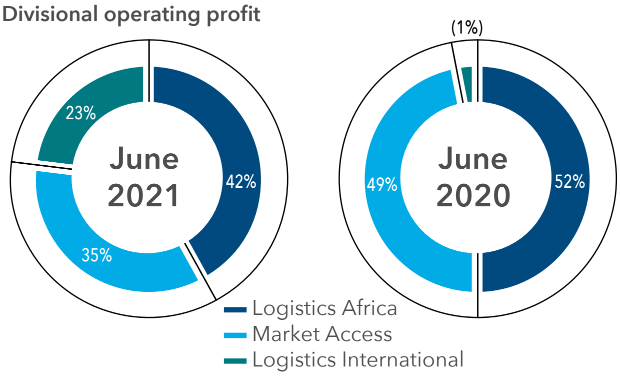
Concluded disposals of the shipping businesses for proceeds of

R4,7 billion

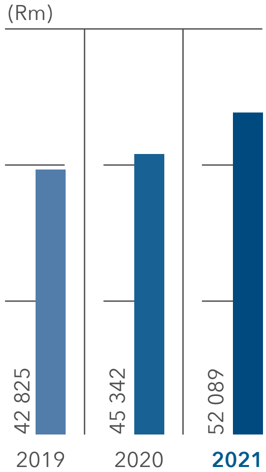
Divisional revenue



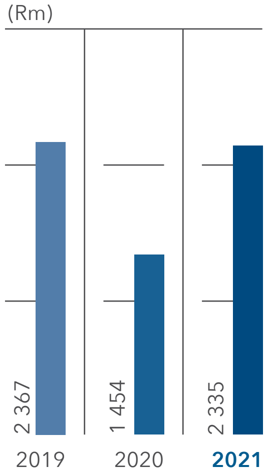
Divisional operating profit



Revenue* (Rm)

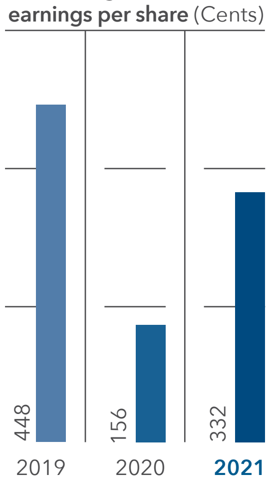


Operating profit* (Rm)

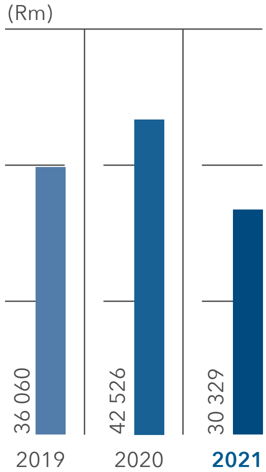


* *Excluding businesses held for sale, head office an eliminations.*

Continuing headline earnings per share (Cents)



Total assets (Rm)



Results overview

1. Imperial recorded a strong recovery in volumes and profitability compared to F2020. This is reflected in the group's excellent set of results for the 2021 financial year, in addition to the significant strategic progress made (despite the continued impact of COVID-19) and significantly unlocking value for its key stakeholders.
2. Imperial's balance sheet remains strong with net debt:EBITDA at 1,3x compared to 2,8x in F2020, supported by the receipt of the proceeds of c.R4,7 billion from the sale of the European and South American shipping businesses during the year.
3. Strong free cash flow (post maintenance capex, repayment of lease obligations and excluding discontinued operations and CPG) of R900 million was generated during the year (F2020: R1 304 million).
4. Excluding businesses held for sale, revenue grew by 14% to R51 705 million from R45 330 million, mainly supported by a recovery in volumes across most businesses as COVID-19 lockdown restrictions eased in certain key markets, new business gains and acquisitions. However, businesses exposed to alcohol and tobacco sales in Africa and our European operations in the automotive sector were negatively impacted by ongoing lockdown restrictions and the global shortage of semi-conductors during the year.
5. Continuing EBITDA, excluding businesses held for sale, increased by 23% from R4 050 million to R4 964 million.
6. Continuing operating profit, excluding businesses held for sale, increased by 59% from R1 480 million in the prior year as a result of stringently managed costs across all businesses, a steady recovery in operations as COVID-19 lockdown restrictions eased in key markets, new contract gains and the inclusion of new acquisitions.
7. Continuing operating margin increased to 4,5% from 3,1% in the prior year.
8. Continuing Headline Earnings per share (HEPS) increased by 113% to 332 cents per share and continuing Core EPS increased by 215% to 448 cents per share. At interim results 2021, we re-introduced Core EPS as management believes it is a fairer reflection of Imperial's trading performance. Core EPS is determined as follows: headline earnings are adjusted by items that are not considered to be of a trading nature to arrive at Core EPS. A full reconciliation of HEPS to earnings per share (EPS) is on page 13.
9. While the impact of COVID-19 on operations was not as severe as the impact recorded in the 2020 financial year, management estimates that COVID-19 negatively impacted revenue and operating profit by c.R2,6 billion and c.R346 million respectively in F2021. Excluding the impact of COVID-19 in F2020 and F2021, management estimates that revenue increased by 9% and operating profit increased by 7%.
10. Annualised costs of c.R200 million were removed from Logistics Africa, which will assist in maintaining our competitive market positioning.
11. Imperial's contract renewal rate across its operations on existing contracts remains strong at 88%, with a strong pipeline of new opportunities.
12. New business revenue of c.R5,9 billion p.a. was secured on a rolling 12-month basis to the end of June 2021.
13. Strategic acquisitions of c.R120 million were concluded during the year. We also announced two additional acquisitions: Deep Catch Namibia Holdings (c.R633 million) and the J&J Group (c.R4,4 billion).
14. The disposal of the loss-making business, Pharmed, was successfully concluded during the year.
15. Net working capital of R787 million increased by 45% from R544 million at June 2020 but is below the guidance of 4% to 5% of revenue.
16. Net capital expenditure of R701 million from continuing operations decreased from R1 149 million and was significantly lower than depreciation (excluding right-of-use assets). Some of this decline is attributed to more effective and efficient fleet management technology implemented across Logistics Africa.
17. Net debt of R4 038 million decreased by 52% compared to June 2020 mainly due to the proceeds from the disposal of the European and South American shipping businesses. A summary of the movements is provided in the group financial performance section.
18. ROIC of 9,0% (F2020: 4,9%) vs. the weighted average cost of capital (WACC) of 7,7% (F2020 7,6%), improved significantly from F2020.
19. We continued to record significant strides in our strategic journey to transform from a portfolio of regional businesses to an integrated end-to-end market access and logistics business – with the strategic intent of becoming 'One Imperial' and a 'Gateway to Africa', with committed and well-skilled executive management teams.
20. In July 2021, we announced that Imperial entered into a transaction implementation agreement regarding a cash offer of R66 per share from DP World Logistics FZE (DP World), to acquire all outstanding shares of Imperial, implying an estimated aggregate cash consideration of c.R12,7 billion. This transaction is in progress and subject to shareholder and regulatory approvals.
21. Discontinued operations: the European shipping business was sold on 31 July 2020 and is classified as a discontinued operation in these results.
22. The results of Pharmed and South American Shipping, previously reported as held for sale, are included in continuing operations for reporting purposes.

Impact and response to COVID-19

Imperial plays a critical role in the supply of essential services and products in the many countries in which it operates and we continue to keep the wheels turning so that people can receive medication, food and other essential services and products.

Our focus during the pandemic remains first and foremost to protect our people and operations from infection. Stringent safety and strict access control procedures remain in place and rigorous hygiene, cleaning and disinfecting procedures continue, with dedicated resources in place to support and monitor COVID-19 related risks at each operation. Most of our employees who tested positive for COVID-19 have fully recovered. Sadly, 24 of our colleagues succumbed to the virus and we extend our deepest condolences to their loved ones. The latest wave of infections had a more direct impact on our employees during the year as reflected in an increase in sick leave, negatively impacting our operational effectiveness, and with associated costs during the year.

In April 2021, Imperial was awarded the opportunity to participate in the importation of COVID-19 vaccines into South Africa, as part of the National Department of Health's (NDoH) vaccine distribution campaign, as an approved importer of the vaccine, together with Biovac. The contract runs until December 2022 and we will participate as tenders for importation become available. Imperial remains well-placed to transport, store and distribute the COVID-19 vaccine from a capability perspective. As vaccines become available, Imperial has set up a task force across our Market Access and Logistics Africa businesses to ensure that we can participate in the distribution of these vaccines where opportunities arise.

As reflected in these results, businesses exposed to alcohol and tobacco sales in Africa and our European operations in the automotive sector have seen significant impacts on volumes due to continued lockdown restrictions and the global shortage of semi-conductors in F2021.

Throughout the COVID-19 pandemic we have maintained a sound financial position, generating cash, tightly managing costs and executing our strategic imperatives to make us resilient for the future. The benefits of this are reflected in these results.

We also continue to support all our key stakeholders and countries of operation, strongly demonstrating our purpose as a business, which is connecting Africa and the world and improving people's lives with access to quality products and services. Some of these initiatives include:

- Providing support and communications to staff and prioritising their safety.
- Preserving jobs and paying staff salaries to date during the pandemic.
- Continuing to achieve high service levels with key customers, principals and clients and, in certain cases, we have put additional capacity in place to assist them in meeting increased demand.
- Continuing to gain significant material contracts with existing and new clients across operations.
- Continuing to service our market access channels where possible.
- Well-positioned to provide logistics and distribution capabilities for COVID-19 vaccines to governments in South Africa and other African countries.
- Partnering with charity organisations, providing vehicles and resources to deliver food parcels and other basic needs to communities most impacted by the crisis.
- Over 520 000 patients were screened for COVID-19 through Unjani Clinics (CSI project).

Operating context overview

During the past 12 months, many of Imperial's markets of operation faced challenging trading conditions due to the extended impact of COVID-19 and lockdown restrictions as infection rates continued to rise again in H2 F2021. A third wave of COVID-19 infections has gathered momentum on the African continent, particularly in countries where vaccination rates are currently very low. In the absence of stimulus by governments, these effects are expected to continue to hamper the economic recovery and growth in these markets.

Most European countries have eased lockdown measures due to decreasing numbers of infected people. In Germany, however, certain lockdown restrictions remain in place but are gradually easing. The automotive sector is being negatively impacted by the global shortage of semi-conductors. The heightened impact of Brexit has resulted in slower imports into and exports from the United Kingdom (UK) and a shortage of drivers in the UK. More clarity is expected when the new Brexit regulations have been fully implemented.

The imbalance in supply chains due to lack of availability of shipping containers in certain key markets is resulting in higher supply chain costs due to higher freight rates that are negatively impacting volumes in our businesses in these markets.

Forecasts indicate that most economies in key African markets in which we operate contracted in 2020, with low to modest growth expected in calendar 2021. Further, some of our markets of operation experienced levels of social unrest which negatively impacted operations.

We will experience overall volatile trading conditions across the markets in which we operate until some level of normalisation is reached around the COVID-19 pandemic.

Note: The half year 1 numbers presented in the tables that follow this section have been restated to align to the new segmentation and therefore do not agree to the published half year 1 numbers.

Divisional performance

The Market Access business – in which close to 100% of revenue is generated in Africa – is integral to our 'Gateway to Africa' strategy. Our market access solutions see us taking ownership of inventory and responsibility for the full order-to-cash function. We build complex route-to-market solutions that provide our principals with access to patients and consumers through comprehensive channel strategies that integrate sourcing, sales, demand generation, distribution, marketing and promotions. Our solutions also create opportunities to leverage our freight and contract logistics capabilities.

Market Access

Operating context

The operating environment is showing signs of slow recovery as COVID-19 lockdown restrictions were eased in most of our key markets. However, a third wave of infections is weighing on many countries in Africa, where vaccination rates are currently very low. In addition, certain of our markets were negatively impacted by restrictions relating to the sale of alcohol. Economic activity in the sub-Saharan African region is, however, expected to strengthen if countries act quickly to contain new waves of the pandemic and speed up vaccine rollouts. Sub-Saharan Africa's recovery is expected to vary significantly from country to country.

Despite the challenging macro environment, we remain optimistic about the future of our Market Access business. Recent acquisitions are being successfully integrated and provide good cross-selling opportunities. In Africa, the trend continues in rising consumerism, urbanisation, population growth and the strengthening of healthcare systems by governments, which are all good indicators and will have a positive impact on our Market Access business.

As demonstrated through our recent acquisitions and organic growth initiatives, we continue to build on our capability to offer integrated commercial solutions across multiple markets in Africa.

Operating performance (continuing operations)

Pro forma Market Access segment results

	Half year 1			Half year 2*			Full year		
MARKET ACCESS	**2021**	2020	% change	**2021**	2020	% change	**F2021**	F2020	% change
Revenue (Rm)^	**7 415**	5 480	35	**7 712**	6 181	25	**15 127**	11 661	30
EBITDA (Rm)^	**500**	566	(12)	**456**	286	59	**956**	852	12
Operating profit (Rm)^	**422**	506	(17)	**384**	205	87	**806**	711	13
Operating margin (%) ^	**5,7**	9,2		**5,0**	3,3		**5,3**	6,1	
Return on invested capital (%)^	**11,4**	19,2					**14,1**	14,5	
Weighted average cost of capital (%)^	**12,2**	14,1					**11,5**	13,1	
Net debt including lease obligations (Rm)	**1 830**	1 416	29				**1 500**	1 650	(9)
Lease obligations included above (Rm)	**334**	262	27				**304**	348	(13)
Net debt (Rm)	**1 496**	1 154	30				**1 196**	1 302	(8)
Net working capital (Rm)	**1 803**	1 724	5				**1 726**	1 689	2

^ *Excluding businesses held for sale.*

* *Half year 2 numbers are unaudited and derived from deducting the half year 1 results from the full year published results of 30 June 2021.*

Note: Continuing operations.

Our strong position as a leading healthcare and consumer market access player in sub-Saharan Africa continues to stand us in good stead, particularly during the COVID-19 pandemic. The Market Access business delivered excellent results in F2021, growing revenue and operating profit by 30% and 13% respectively, supported by successful integration of acquisitions, a strong recovery in most businesses, particularly in consumer, and good contract gains. Operating margin continued to be under pressure mainly in the Healthcare business in Nigeria, the Consumer business in Mozambique, and the Healthcare medical supplies and kitting business (Imres), decreasing overall from 6,1% in F2020 to 5,3% in F2021. COVID-19 resulted in supply chain disruptions with the procurement cost of certain product categories increasing significantly during the year, impacting Imres (our medical supplies and kitting business).

Investment in the new Market Access organisational structure is proving its success with new business being converted and a healthy pipeline of new opportunities being built. New business revenue of c.R1,7 billion (p.a.) was secured on a rolling 12-month basis to the end of June 2021. The contract renewal rate on existing contracts remains strong at c.100%. The commercial efforts to drive integrated solutions across our Consumer and Healthcare businesses are gaining traction and are positively contributing to our performance.

The Healthcare business continued to benefit positively from the integration of acquisitions, organic growth in the Multi Market Aggregation business, as well as excellent growth in revenue and operating profit in the Healthcare business in Kenya. Imres continues to benefit from a strong order book but performance was negatively impacted by COVID-19, as mentioned earlier.

In the Consumer business, Imperial gained a material consumer contract for P&G's route to market of consumer goods in Nigeria, which became effective on 1 January 2021. The Consumer business contributed strongly to results mainly due to the inclusion of this contract and the integration benefits gained post the acquisition of the Consumer business in Ghana. Our Consumer business in Namibia delivered a resilient performance in a tough economic environment. Lower activity was recorded in our Consumer business in Mozambique, with margins under pressure, mainly resulting from restrictions on alcohol trading due to COVID-19. Our newly formed Market Access Consumer business in South Africa is contributing positively.

Excellent net working capital management resulted in an increase of 2% in working capital to R1 726 million as at June 2021 compared to a growth in revenue for the year of 30%. ROIC decreased from 14,5% to 14,1% and is higher than WACC of 11,5%, slightly below the targeted hurdle rate of WACC +3%.

Logistics Africa encompasses logistics activities throughout the African continent i.e. road freight, contract logistics and lead logistics provider (LLP). Logistics will continue to play an integral role in achieving our 'Gateway to Africa' and 'One Imperial' strategic imperatives – leveraging and expanding freight, contract logistics and supply chain support, and leveraging cross-selling and upselling opportunities with our Market Access business.

Logistics Africa

Operating context

Prevailing weak economic conditions, high unemployment and low consumer spending were exacerbated by COVID-19 and continue to impact volumes and margins across many of our sectors, particularly in South Africa. While a recovery across key sectors was recorded in the last quarter of F2021 particularly in commodities, fuel and gas, a third wave of COVID-19 infections in South Africa and restrictions on alcohol sales in the latter part of F2021 resulted in further weakening of the economy and the fast-moving consumer goods (FMCG) sector, which remains under pressure. We therefore anticipate trading activities in certain businesses in Logistics Africa to be impacted until COVID-19 infections reduce and restrictions ease. There is also continued pressure in the South African market for growth as transport rates remain competitive due to competitors imposing margin cuts to win new or retain contracts.

During the year, we invested in additional capacity in FMCG and healthcare clients as the pandemic drove heightened demand and consumption of related products.

Two provinces in South Africa, KwaZulu-Natal and Gauteng, were significantly impacted by over a week of unrest in July 2021. Unfortunately, some of our fleet were impacted in KwaZulu-Natal and there were attempts by the rioters to enter and vandalise certain warehouses. To ensure the safety of our drivers and employees, as well as reduce the risk of any further harm to our people and assets, we grounded our fleet and operations in high-risk areas for six days during the peak of the unrest. In addition, we increased security measures at warehouses in high-risk areas. We subsequently resumed operations when it was safe to do so. As Imperial, we also continue to support our employees and communities during this time of need. We provided over 2 500 food parcels to our employees and their families in KwaZulu-Natal, we made a cash donation of R1 million to the Gift of the Givers Humanitarian organisation, and we are contributing R3 million to the Solidarity Fund's Humanitarian Crisis Relief in South Africa.

Operating performance (continuing operations)

Pro forma Logistics Africa segment results

LOGISTICS AFRICA	Half year 1			Half year 2*			Full year		
	2021	2020	% change	**2021**	2020	% change	**F2021**	F2020	% change
Revenue (Rm)	**8 077**	8 261	(2)	**7 727**	7 306	6	**15 804**	15 567	2
EBITDA (Rm)	**982**	1 058	(7)	**1 015**	652	56	**1 997**	1 710	17
Operating profit (Rm)	**473**	627	(25)	**514**	129	298	**987**	756	31
Operating margin (%)	**5,9**	7,6		**6,7**	1,8		**6,2**	4,9	
Return on invested capital (%)	**6,4**	11,8					**10,9**	8,1	
Weighted average cost of capital (%)	**7,9**	8,9					**7,7**	8,4	
Net debt including lease obligations (Rm)	**4 115**	4 498	(9)				**3 524**	4 665	(24)
Lease obligations included above (Rm)	**1 638**	1 817	(10)				**1 365**	1 981	(31)
Net debt (Rm)	**2 477**	2 681	(8)				**2 159**	2 684	(20)
Net working capital (Rm)	**11**	(224)	>100				**(267)**	(537)	(50)

** Half year 2 numbers are unaudited and derived from deducting the half year 1 results from the full year published results of 30 June 2021.*

Note: Continuing operations.

LOGISTICS AFRICA	Half year 1			Half year 2*			Full year		
	2021	2020	% change	**2021**	2020	% change	**F2021**	F2020	% change
Freight									
Revenue (Rm)	**5 762**	6 261	(8)	**5 544**	4 952	12	**11 306**	11 213	1
EBITDA (Rm)	**786**	832	(6)	**771**	482	60	**1 557**	1 314	18
Operating profit (Rm)	**412**	533	(23)	**397**	138	188	**809**	671	21
Operating margin (%)	**7,2**	8,5		**7,2**	2,8		**7,2**	6,0	
Contract Logistics									
Revenue (Rm)	**2 315**	2 000	16	**2 183**	2 354	(7)	**4 498**	4 354	3
EBITDA (Rm)	**196**	226	(13)	**244**	170	44	**440**	396	11
Operating profit (Rm)	**61**	94	(35)	**117**	(9)	>100	**178**	85	109
Operating margin (%)	**2,6**	4,7		**5,4**	(0,4)		**4,0**	2,0	

** Half year 2 numbers are unaudited and derived from deducting the half year 1 results from the full year published results of 30 June 2021.*

Note: Continuing operations.

Logistics Africa recorded a recovery in volumes and profitability compared to the prior year, increasing revenue and operating profit by 2% and 31% respectively, despite the first half's performance being significantly impacted by COVID-19 lockdown restrictions, which resulted in the ban of alcohol and tobacco sales (c.12% of revenue). Operating margin improved to 6,2% from 4,9% in F2020. Results were positively supported by solid contract renewal rates, contract gains and cost saving initiatives. Logistics Africa achieved full-year cost savings of c.R200 million (p.a). The benefits of these cost savings will assist in maintaining our competitive market positioning.

New business revenue of c.R2 billion (p.a.) was secured on a rolling 12-month basis to the end of June 2021. Logistics Africa's contract renewal rate remains strong at c.79%.

The lockdown restrictions resulted in a decline in volumes across most sectors – particularly in alcohol, tobacco and fuel.

The consolidated road freight businesses are benefitting from improved efficiencies. Revenue from the road freight business increased by 1%, supported by good volumes in the commodities businesses. Volumes were negatively impacted by the ban on alcohol sales and cross-border travel restrictions due to COVID-19 during the year. Operating profit increased by 21% supported by new business gains, improved fleet utilisation and efficient cost management.

Contract Logistics increased revenue and operating profit by 3% and 109% respectively due to new business gains despite volumes being negatively impacted by the ban of alcohol and tobacco sales due to COVID-19 lockdown restrictions.

Net capital expenditure from continuing operations (excluding IFRS 16) of R151 million was incurred during the year mainly due to the replacement cycle of fleet and investment in additional capacity for new contract gains. ROIC increased from 8,1% to 10,9% and is above our hurdle rate of WACC + 3%.

Divisional performance continued

Logistics International encompasses road freight, contract logistics, and air/ocean activities outside Africa – most notably our contract logistics and freight businesses in Europe and the UK.

Logistics International

Operating context

Despite the significant overhang of COVID-19, economic activity, growth forecasts and employment rates in Europe and the UK are steadily improving due to additional fiscal support in certain countries and swift progress in the roll-out of COVID-19 vaccines. Most of the European countries have eased their lockdown measures due to decreasing numbers of infected people. In Germany, certain lockdown restrictions remain in place but gradually eased towards the latter part of F2021.

However, the automotive sector continues to be negatively impacted by the global shortage of semi-conductors.

The heightened impact of Brexit has resulted in slower imports into and exports from the UK and a shortage of drivers in the UK, negatively impacting our road freight businesses.

The low water levels in Paraguay negatively impacted the shipping business in South America, the sale of which was concluded in April 2021.

Operating performance (continuing operations)

Pro forma Logistics International segment results

	Half year 1			Half year 2*			Full year		
LOGISTICS INTERNATIONAL	**2021**	2020	% change	**2021**	2020	% change	**F2021**	F2020	% change
Revenue (Rm)^	**10 714**	8 755	22	**10 444**	9 359	12	**21 158**	18 114	17
EBITDA (Rm)^	**1 079**	951	13	**911**	505	80	**1 990**	1 456	37
Operating profit (Rm)^	**356**	347	3	**186**	(360)	>100	**542**	(13)	>100
Operating margin (%)^	**3,3**	4,0		**1,8**	(3,8)		**2,6**	(0,1)	
Return on invested capital (%)^	**0,2**	4,9					**5,7**	0,1	
Weighted average cost of capital (%)^	**6,1**	5,7					**6,5**	5,5	
Net debt including lease obligations (Rm)	**4 698**	6 784	(31)				**3 619**	8 211	(56)
Lease obligations included above (Rm)	**3 213**	3 080	4				**3 195**	3 751	(15)
Net debt (Rm)	**1 485**	3 704	(60)				**424**	4 460	(90)
Net working capital (Rm)	**(630)**	711	(189)				**(483)**	(395)	22

^ *Excluding businesses held for sale.*

* *Half year 2 numbers are unaudited and derived from deducting the half year 1 results from the full year published results of 30 June 2021.*

Note: Continuing operations.

Operating performance (continuing operations) continued

LOGISTICS INTERNATIONAL	Half year 1			Half year 2*			Full year		
	2021	2020	% change	**2021**	2020	% change	**F2021**	F2020	% change
Revenue (€m)^	**558**	537	4	**598**	518	15	**1 156**	1 055	10
EBITDA (€m)^	**57**	59	(3)	**52**	29	79	**109**	88	24
Operating profit (€m)^	**18**	22	(18)	**12**	(19)	>100	**30**	3	900
Operating margin (%)^	**3,2**	4,1		**2,0**	(3,7)		**2,6**	0,3	
Return on invested capital (%)^	**0,4**	3,9					**4,6**	1,0	
Weighted average cost of capital (%)^	**5,7**	5,9					**5,9**	5,5	
Net debt including lease obligations (€m)	**261**	432	(40)				**214**	421	(49)
Lease obligations included above (€m)	**179**	196	(9)				**189**	192	(2)
Net debt (€m)	**82**	236	(65)				**25**	229	(89)
Net working capital (€m)	**(35)**	45	(178)				**(29)**	(20)	45

^ *Excluding businesses held for sale.*
* *Half year 2 numbers are unaudited and derived from deducting the half year 1 results from the full year published results of 30 June 2021.*

Note: Continuing operations.

LOGISTICS INTERNATIONAL	Half year 1			Half year 2*			Full year		
	2021	2020	% change	**2021**	2020	% change	**F2021**	F2020	% change
Freight									
Revenue (Rm)^	**6 643**	5 080	31	**6 183**	5 599	10	**12 826**	10 679	20
EBITDA (Rm)^	**525**	583	(10)	**473**	143	231	**998**	726	37
Operating profit (Rm)^	**208**	303	(31)	**166**	(296)	>100	**374**	7	>100
Operating margin (%)^	**3,1**	6,0		**2,7**	(5,3)		**2,9**	0,1	
Contract Logistics									
Revenue (Rm)^	**4 071**	3 675	11	**4 261**	3 760	13	**8 332**	7 435	12
EBITDA (Rm)^	**554**	368	51	**438**	362	21	**992**	730	36
Operating profit (Rm)^	**148**	44	236	**20**	(64)	>100	**168**	(20)	>100
Operating margin (%)^	**3,6**	1,2		**0,5**	(1,7)		**2,0**	(0,3)	

^ *Excluding businesses held for sale.*
* *Half year 2 numbers are unaudited and derived from deducting the half year 1 results from the full year published results of 30 June 2021.*

Note: Continuing operations.

While our Logistics International business was the most impacted by the COVID-19 pandemic in F2020, this business recorded significant improvement in trading activity on the back of the easing COVID-19 restrictions and economic recovery over the past 12 months. All businesses are currently operational and are demonstrating significantly improved performance. As a result, Logistics International achieved strong revenue and operating profit growth in Euros of 10% and in excess of 100% respectively, and, in Rand terms, revenue from Logistics International rose 17% while operating profit increased by over 100% compared to the previous year.

Results were supported by new contract gains, effective cost management and volume recovery in key industries of operation as production ramped up. Logistics International's contract renewal rate on existing contracts remains strong at c.87%, with an encouraging pipeline of new opportunities. New business revenue of c.R2,2 billion was secured on a rolling 12-month basis to the end of June 2021.

Revenue generated from the freight business increased by 20% in Rands, supported by a good performance from our express palletised distribution business (Palletways) due to higher volumes in a COVID-19 environment, and a higher contribution from the air and ocean freight business. Operating profit increased by over 100% due to the growth in revenue supported by the improvement in operating margins.

Contract logistics increased revenue and operating profit in Rands by 12% and over 100% respectively as automotive production started to ramp-up again post COVID-19 lockdowns on the back of a recovery in vehicle sales. This, despite the automotive sector being negatively impacted by the global shortage of semi-conductors. Volumes in our chemicals-related businesses were less impacted by COVID-19 and further supported by new business gains.

The South American shipping business was disposed of in April 2021. During the year, it was significantly impacted by record low water levels, which impacted both volumes and margins. More details are included in the 'Disposals' section of this report.

Net capital expenditure from continuing operations excluding businesses held for sale (excluding IFRS 16) of R193 million was incurred during the year mainly for replacement capex for transport fleet. ROIC improved to 5,7% but is lower than WACC.

Group financial performance

Summarised consolidated statement of profit or loss for the year ended 30 June 2021

R million	% change	2021	2020
CONTINUING OPERATIONS			
Revenue	13	**52 208**	46 380
Net operating expenses		**(47 222)**	(42 282)
Profit from operations before depreciation, impairment and recoupments	22	**4 986**	4 098
Depreciation, amortisation, impairments and recoupments		**(2 650)**	(2 639)
Operating profit before the items listed below*	60	**2 336**	1 459
Impairment of properties net of recoupments		**(118)**	(194)
Amortisation and impairment of intangible assets arising on business combinations		**(404)**	(393)
Foreign exchange gains		**210**	93
Profit before net finance costs	110	**2 024**	965
Net finance cost	(3)	**(742)**	(762)
Profit before share of results of associates and joint ventures		**1 282**	203
Share of results of associates and joint ventures		**3**	22
Profit before the remeasurement of financial liabilities and capital items	471	**1 285**	225
Remeasurement of financial liabilities and capital items		**(477)**	52
Profit before tax		**808**	277
Income tax expense		**(274)**	(159)
Profit for the year from continuing operations	353	**534**	118
DISCONTINUED OPERATIONS		**593**	(344)
Net loss from CPG			(305)
Net profit (loss) from the European Shipping business		**593**	(39)
Net profit (loss) for the year		**1 127**	(226)
Net profit (loss) attributable to:			
Owners of Imperial		**951**	(303)
– Continuing operations		**358**	42
– Discontinued operations		**593**	(345)
Non-controlling interests		**176**	77
– Continuing operations		**176**	76
– Discontinued operations			1

** Refer to the glossary of terms on page 36 for a definition of operating profit.*

Revenue and operating profit from continuing operations increased by 13% and 60% respectively as the prior year was negatively impacted by COVID-19 across all businesses.

The R1 060 million increase in profit before remeasurement of financial liabilities and capital items to R1 285 million is mainly attributed to:

- the increase in operating profit;
- the decrease in net finance costs due to the reduction in debt, arising from the shipping proceeds;
- a foreign exchange gain of R364 million due to reduction in capital in foreign subsidiaries, partially offset by foreign exchange losses in the African operations of both Market Access and Logistics Africa that arose due to the significant devaluation of most of the functional currencies;
- reduction in the impairment to properties net of recoupments due to a significant portfolio of properties being impaired in the prior year; and
- partially offset by the increase in amortisation of intangibles arising on business combinations as a result of businesses acquired during F2020.

Remeasurement of financial liabilities and capital items comprised of impairments to goodwill in businesses in Market Access, as well as the loss on disposal of the South American shipping business and Pharmed.

The effective tax rate calculated by dividing income tax by profit before tax, excluding share of result of associates and joint venture reduced from 62% in the prior year to 34% in the current year.

Significant contributors to the high effective tax rate in the current year are the non-deductible tax items included in remeasurement of financial liabilities and capital items and deferred tax assets not recognised, offset partially by non-taxable gains such as the foreign exchange gain due to the reduction in capital in foreign subsidiaries.

The gain from discontinued operations is due to the net gain arising on disposal of the European shipping business of R589 million and the reporting result for the business until the date of disposal at the end of July 2020.

Non-controlling interest's share of income increased mainly due to the impact of the new acquisitions last year and the decrease in the loss contribution of Pharmed as a result of its disposal during the year. This increase was partially offset by a decrease in non-controlling interests as a result of buy-outs.

Earnings, headline earnings and core earnings per share

Core EPS is determined as follows: Headline earnings are adjusted by items that are not considered to be of a trading nature to arrive at Core EPS.

R million	% change	2021	2020
Headline earnings reconciliation			
Earnings (loss) – total operations		**951**	(303)
– Continuing operations	752	**358**	42
– Discontinued operations		**593**	(345)
Recoupment from the disposal of property, plant and equipment (IAS 16)		**(34)**	(54)
Loss on disposal of intangible assets (IAS 38)			4
Impairment of property, plant and equipment and transport fleet (IAS 36)		**86**	89
Impairment of right-of-use assets (IFRS 16)		**41**	140
Impairment of intangible assets (IAS 36)		**35**	121
Impairment of goodwill (IAS 36)		**40**	223
Impairment of investment in associates and joint ventures (IAS 28)		**11**	2
Loss (profit) on disposal of subsidiaries, associates and businesses (IFRS 10), (IAS 28)		**520**	(17)
Remeasurements included in share of results of associates		**(3)**	
Foreign exchange gain reclassified to profit or loss (IAS 21)		**(364)**	(160)
Tax effects of remeasurements		**(77)**	(89)
Non-controlling interests' share of remeasurements		**4**	(6)
Net headline earnings adjustments for discontinued operations		**(589)**	248
Headline earnings	214	**621**	198
– Continuing operations	109	**617**	295
– Discontinued operations		**4**	(97)
Headline earnings per share (cents)			
Continuing operations			
– Basic	113	**332**	156
– Diluted	110	**317**	151
Discontinued operations			
– Basic		**2**	(51)
– Diluted		**2**	(50)
Total operations			
– Basic	218	**334**	105
– Diluted	216	**319**	101
Core earnings – continuing operations only			
Headline earnings		**617**	295
Amortisation of intangible asset arising on business combinations		**369**	374
Remeasurement of put option liabilities		**(39)**	(277)
Remeasurement of contingent consideration liabilities		**(30)**	(23)
Business acquisition costs		**41**	21
Remeasurements included in share of results of associates and joint ventures		**3**	
Tax effects of remeasurements		**(100)**	(99)
Non-controlling interests' share of remeasurements		**(28)**	(23)
Core earnings		**833**	268
Core earnings per share (cents)			
– Basic	215	**448**	142
– Diluted		**428**	137

Group financial performance continued

Financial position at 30 June 2021

R million	% change	2021	2020
Goodwill and intangible assets	(14)	**6 121**	7 084
Investment in associates and joint ventures	2	**201**	198
Property, plant and equipment	(12)	**2 937**	3 326
Transport fleet	(40)	**3 132**	5 186
Right-of-use-assets	(21)	**4 297**	5 422
Investments and other financial assets	24	**337**	271
Net working capital*	45	**787**	544
Net assets of disposal groups and discontinued operations	(100)		2 781
Retirement benefit obligations	(19)	**(899)**	(1 109)
Net debt*	(52)	**(4 038)**	(8 391)
Lease obligations	(20)	**(4 866)**	(6 080)
Other financial liabilities	(36)	**(912)**	(1 415)
Net income tax assets*	45	**662**	455
Total equity		**7 759**	8 272
Total assets	(29)	**30 329**	42 526
Total liabilities	(34)	**(22 570)**	(34 254)
Net debt:equity %		**52,0**	101,4
Net debt:equity % (including lease obligations)		**114,8**	174,9

** Refer to glossary of terms on page 36.*

The significant variances on the financial position at 30 June 2021 when compared to 30 June 2020 are as follows:

- The decrease in goodwill and intangible assets is mainly attributed to currency movements, and impairment to goodwill and amortisation of intangible assets arising on business combinations, offset partially by additions to intangible assets.
- The increase in investment in associates arose mainly due to the acquisition of a 49% shareholding in Pharmafrique (Pty) Ltd (trading as Kiara Health) for approximately R76 million, partially offset by currency adjustments and the disposal of associates in Logistics International.
- The decrease in property, plant and equipment is mainly attributed to currency movements and to depreciation exceeding net capex.
- The decrease in transport fleet assets resulted from the disposal of the South American shipping business
- The decrease in right-of-use assets is due to depreciation exceeding the recognition of new leases, reclassifications and terminations and currency movements.
- The increase in investments and other financial assets is mainly due to an increase in investment in Imperial's Venture Fund.
- The increase in net working capital is mainly attributed to the growth in the business, primarily in Logistics Africa.
- The decrease in net assets of disposal groups and discontinued operations is due to the European shipping business and Pharmed that were disposed of during the year.
- The decrease in the retirement benefit obligation balance is mainly due to currency movements, revaluation of the obligation, disposals and payments made to former employees.
- The movement in net debt is explained in the cash flow summary that follows.
- Lease obligations decreased as lease payments during the year exceeded new leases recognised coupled with lower translated foreign leases.
- The decrease in other liabilities is mainly due to currency movements, the settlement of put options as the result of the minority buyouts in Eco Health. Remeasurement of the put option and contingent consideration liabilities, as well as the settlement of loans, hedges and contingent consideration liabilities during the year also contributed to the decrease. The decrease was partially offset by the recognition of a new put option liability arising from the purchase of Parcel Ninja.

The balance sheet movement in net debt of R4 353 million includes currency movements, debt arising on the disposal and acquisition of subsidiaries, and other non-cash movements of R757 million that are excluded from the cash flow movement of R3 596 million.

Cash flow summary to 30 June 2021 including discontinued operations in both years

R million	2021	2020
Cash flows from operating activities		
Cash generated by operations before movements in net working capital	**4 908**	4 536
Movements in net working capital	**(1 046)**	559
Cash generated by operations before interest and taxes paid	**3 862**	5 095
Net interest paid	**(707)**	(918)
Tax paid	**(519)**	(367)
Cash generated by operations	**2 636**	3 810
Cash flows from investing activities		
Net disposal (acquisition) of subsidiaries and businesses	**4 195**	(276)
Expansion capital expenditure	**(554)**	(747)
Net replacement capital expenditure	**(179)**	(735)
Net movement in other associates and joint ventures	**(69)**	45
Net movement in investments, loans and non-current financial instruments	**(80)**	(59)
Cash generated from (utilised in) investing activities	**3 313**	(1 772)
Cash flows from financing activities		
Hedge cost premium paid	**(4)**	(2)
Settlement of interest-rate-swap instruments	**(46)**	(11)
Repurchase of ordinary shares	**(101)**	(225)
Dividends paid	**(279)**	(658)
Change in non-controlling interests	**(122)**	(277)
Payment of lease obligations	**(1 801)**	(2 032)
Cash utilised in financing activities	**(2 353)**	(3 205)
Movement in net debt	**3 596**	(1 167)
Free cash flow	**656**	1 043

The following are the significant cash flow items:

- Cash generated by operations before movements in net working capital of R4 908 million increased by R372 million mainly due to the increase in operating profit.
- The increase in working capital arose from the growth in the overall business, average working capital as a percentage of revenue is at 2,82% at 30 June 2021 and considered to be comfortably below the acceptable range of 4 to 5% of revenue.
- Net interest of R707 million and tax of R519 million was paid during the year.
- The cash inflow arising from the net disposal of subsidiaries includes R3 440 million that was received on the disposal of the European shipping business and R1 305 million from the South American shipping proceeds.
- Net capital expenditure decreased to R733 million mainly due to enhanced efforts across businesses to tighten capital expenditure during COVID-19 and more effective fleet management in Logistics Africa.
- The cash outflow arising from movements in other associates and joint ventures arose mainly due to the acquisition of a 49% shareholding in Pharmafrique (Pty) Ltd (trading as Kiara Health) for approximately R76 million.
- Dividends net of dividends on treasury shares amounting to R157 million were paid to shareholders during the year.
- Dividends amounting to R122 million were paid to non-controlling shareholders during the year.
- Other significant cash outflow items included lease obligations payments of R1 801 million, share buybacks of R101 million and cash paid on change in non-controlling interests of R122 million.
- Free cash inflow (post maintenance capex and including discontinued operations) was R656 million compared to an inflow of R1 043 million in the prior year. Free cash flow (post maintenance capex, repayment of lease obligations excluding discontinued operations and CPG) amounted to an inflow of R900 million in the year ending June 2021 from an inflow of R1 304 million in the year ending June 2020. This resulted in a continuing free cash flow excluding CPG to continuing headline earnings ratio of 1,46 times and a continuing free cash conversion ratio of 86%, which improved significantly from 72% in F2020.

Movement in total equity for the 12 months to 30 June 2021

Total equity of R7 759 million decreased by R513 million from R8 272 million previously reported on 30 June 2020.

Group financial performance continued

Changes in equity for the year ended 30 June 2021

R million	2021
Comprehensive loss	**(41)**
Net profit attributable to Imperial shareholders	**951**
Net profit attributable to non-controlling interests	**176**
Decrease in the foreign currency translation reserve	**(1 262)**
Increase in the hedge accounting reserve	**60**
Revaluation of retirement benefit obligation, net of taxation	**34**
Movement in share based reserve net of transfers to retained earnings	**36**
Repurchase of Imperial Logistics shares	**(101)**
Ordinary dividend	**(157)**
New put arrangements over non-controlling interests	**(66)**
Non-controlling interests acquired in business combinations, net of disposals	**12**
Net decrease in non-controlling interests through buy-outs	**(74)**
Non-controlling interests share of dividends	**(122)**
Total decrease	**(513)**

Liquidity

The group's liquidity position remains strong with R14,4 billion of unutilised banking facilities, and 54% of the group debt (excluding leases) is long-term in nature and 36% of the debt is at fixed rates.

Dividend

An interim cash dividend of 83 cents per ordinary share, which is 19% of continuing Core EPS for the year, was paid to shareholders in March 2021. As disclosed in the circular relating to the DP World Transaction, no final dividend is declared. As such the total F2021 dividend was 83 cents per ordinary share (F2020: 167 cps).

Strategy

Strategic positioning and progress

Imperial continues to record significant progress in its strategic journey to transform from a portfolio of regional businesses to an integrated end-to-end market access and logistics business – with the strategic intent of becoming 'One Imperial' and a 'Gateway to Africa', with committed and well-skilled executive management teams. Top of mind is to ensure that Imperial remains a business of scale, despite significant asset disposals and restructuring, and that both organic and acquisitive growth are prioritised. We continue to navigate the macro-economic challenges well, with investment in growth and driving digital and innovation being key focus areas.

During the past 12 to 18 months, the strategic actions and decisions we took to reorganise, rationalise, simplify, improve our profitability and competitiveness, strengthen the balance sheet and grow our business has resulted in significant value being unlocked for our key stakeholders.

Despite the challenges that COVID-19 placed on our day-to-day operations, we continued to focus on the following:

- strengthened our positioning as the 'Gateway to Africa' and 'One Imperial';
- simplified and reduced complexity;
- strengthened our financial position;
- assessed, addressed and exited non-core, low return on effort and underperforming businesses;
- reduced cost significantly;
- added new contracts;
- concluded strategic acquisitions;
- changed the organisational structure to operate based on capabilities with focused commercial teams in place;
- achieved good progress in digital and IT initiatives;
- defined our path as a transformational organisation rather than a transactional one; and
- placed significant focus on our people and organisational design and ESG as core enablers of our strategy.

How our strategy addresses our challenges

Strategic progress

CHALLENGE	STRATEGIC RESPONSE	PROGRESS MADE
Growing the business – focused capital allocation	• Solid organic and acquisitive growth. • All acquisitions assessed on following criteria: – achieving strategic objective of 'Gateway to Africa' – strong organic growth – achieve required returns (WACC plus 3%) – how Imperial adds value and leverages synergies opportunities • Integration, efficiency, cross-selling and upselling opportunities across Market Access and Logistics. • Capital allocated to group-wide systems, digital and data initiatives, processes and people which are critical to our strategy and achieving 'One Imperial'.	• Contract renewal rate is 88%, with encouraging pipeline. • New business revenue of c.R5,9 billion p.a. secured in June 2021. • Material contract with P&G secured in the Consumer industry in Nigeria. • Five new clients onboarded onto our Multi Market Aggregation solutions in Healthcare. • Concluded strategic acquisitions of c.R120 million • Announced the acquisition of Deep Catch, which will provide a new category expansion, a new capability, and an extensive network in Market Access. • Announced the acquisition of the J&J Group, which will transform and expand Imperial's reach in Africa. • Concluded 25% B-BBEE transaction in Logistics South Africa to become 51% B-BBEE owned and 30% women-owned. • Developed Integrated Commercial Solutions capability in Market Access Healthcare business. • Backward integration in Healthcare in South Africa through our 49% investment in Kiara Health since August 2020.
Asset intensity	Transforming Imperial to an innovative asset-right business using data and technology as a differentiator, and achieved through: • Investment in digital and data initiatives. • Asset-right acquisitions. • Transforming contract logistics and road freight to move from asset heavy industries to asset light. • Improve efficiency, reduce costs and investment in hard assets, reducing our asset intensity.	• Reduced costs of c.R200 million (annualised) in Logistics Africa. • Consolidated road freight businesses in Logistics Africa. • Partnership with Lori Systems to expand ability to offer spot-based sub-contracted road freight through the digital freight exchange. • Significant new business gained in LLP (c.R1,3 billion) • Concluded Parcel Ninja acquisition (e-commerce fulfilment).

Strategy continued

Strategic progress continued

CHALLENGE	STRATEGIC RESPONSE	PROGRESS MADE
Simplifying the business from a complex, regional portfolio into an integrated market access and logistics business	• Transforming into an integrated logistics business, offering an end-to-end service. • Provide simplicity, flexibility and visibility to our clients. • New organisational structure focused on two solutions (market access and logistics), with centre-led functions.	• Reorganised from a regional structure to an integrated business; • Significant investment and progress in establishing Logistics Africa, Market Access and 'One Imperial' commercial and key account management function.
Commoditised businesses	• Exiting non-core, underperforming, low return on investment businesses. • Investing in new-age businesses. • Focusing on data and technology – remaining relevant.	• Exited Pharmed. • Sold European and South American shipping. • Progress with Digital Fleet Management, enabling our Road Freight Business. • Project Blue Fleet is recording good progress, with the renegotiation of supply agreements for our largest cost items in Logistics Africa (fuel, vehicle and tyres) close to being concluded. • Progress made on a business performance insights platform across the business. • Progress with partnerships to enable digital distributorships in our Market Access business.
Investment in digital, data and innovation	• Proactive ongoing investment in digital and data initiatives is top of mind and core to our strategy. • Capital will be allocated to: – an innovation fund with significant activity and opportunities identified – executing digital and data initiatives to facilitate transformational shift.	• Imperial's joint venture with technology provider, One Network, was selected as the preferred partner to steward OpenLMIS. • The Imperial Venture Fund (IVF) now has nine portfolio companies: – Field Intelligence, a digital pharmaceutical distributor operating in Nigeria and Kenya. – Shypple, a digital freight forwarder operating between Asia and Europe. – RedBird, a provider of rapid diagnostic tests to pharmacies in Ghana. – Lori Systems, a digital road freight exchange operating in East and West Africa. – Fulfilment Bridge, a cross-border digital logistics service provider serving e-commerce merchants in MENA. – MDaaS Global, the health-tech company building and operating a network of modern, tech-enabled diagnostic centres across Nigeria. – Clockwork Logistics, a B2B provider of a highly configurable delivery platform and driver application. – Cheefa, an asset-light, e-pharmacy marketplace that creates a distribution channel to end consumers in Egypt and Saudi Arabia. – Portcast, a Singapore-based B2B SaaS platform that provides real-time vessel and container tracking and dynamic demand forecasting.

Strategic progress continued

CHALLENGE	STRATEGIC RESPONSE	PROGRESS MADE
Moving from decentralised to operating as 'One Imperial' – leveraging synergies, expertise, clients etc.	• Aligning processes and organisational design to 'One Imperial' – roll-out of a single finance, human resources, IT and communications systems. • Client value proposition centred on selling as 'One Imperial' and leveraging cross-selling and upselling opportunities. • People proposition is centred around collaboration and being part of a 'One Imperial' business. • Investing in talent pipeline and leveraging skills/expertise across the group.	• Organisational structures to enable 'One Imperial' strategy finalised and implemented. • Introduced and rolling-out a consistent 'One Imperial' people model and the associated ways of work for all our people practices. • Progressing plans to introduce a centre-led training initiative regarding digitisation, and driver and controller training. • Various communication initiatives to promote 'One Imperial'. • Established a co-creation lab for increased collaboration with key principles and clients, to facilitate selling as 'One Imperial'. • Invested c.R290 million in 'One Imperial' initiatives in F2021.
Creating shared and sustainable value – focusing on ESG	• Shifting to a purpose-driven organisation includes investing in and integrating environmental, social and governance (ESG) imperatives into daily business activities. • Prioritising people and planet in addition to profit.	• Approved and implementing group ESG strategy, with specific, measurable targets and KPIs. • R24,2 million invested in communities through strategic CSI initiatives across regions focusing on healthcare, education, safety and skills development (F2020: R21,2 million). • Advancing ESG rating and reporting standards – favourable ratings received from EcoVadis, ISS, MSCI and CDP. • Significantly improved diversity of the leadership team: five out of 10 Logistics Africa Exco members are now female and six out of 10 Logistics Africa Exco members are non-white.

DP World makes an offer to acquire 100% stake in Imperial

As previously announced, in July 2021 Imperial entered into a transaction implementation agreement regarding a cash offer of R66 per share from DP World to acquire all outstanding shares of Imperial, implying an estimated aggregate cash consideration of c.R12,7 billion. This offer represents a premium of 39,5% to the Imperial share price as at 7 July 2021, the day prior to the firm intention announcement, and a 34,2% premium to the 30-day volume weighted average price of Imperial. Imperial's Logistics International business is within the scope of the offer. DP World, a global infrastructure-led supply chain solutions provider with 136 business units in 61 countries across six continents, is interested in acquiring Imperial and all its businesses to expand DP World's African and European network. This bears testament to the significant progress we have made against our strategy since 2019, as well as our strong presence, positioning, capabilities and networks in key markets in Africa and Europe (including the UK).

The proposed transaction will be value-enhancing for Imperial as the group will benefit from DP World's leading technology, global networks and key trade-lane volumes, while enabling us to build on our 'Gateway to Africa' strategic and growth ambitions. Combining DP World's world-class infrastructure, specifically its investment and expertise in ports on the African and European continents, with Imperial's logistics and market access platforms will enable us to offer integrated end-to-end solutions along key trade lanes into and out of Africa and accelerate our position in Europe, driving greater supply chain efficiencies and ultimately enhancing value for all stakeholders.

Imperial's Logistics International business and operations are also aligned with DP World's strategic expansion plans on the European continent. As such, our Logistics International business is within the scope of the offer from DP World and will not be sold separately under this proposed offer.

The proposed transaction is still subject to outstanding regulatory and shareholder approvals, and other conditions precedent.

Acquisitions and partnerships

Acquisitions and partnerships concluded during F2021

Market access healthcare manufacturing in South Africa

Effective August 2020, Imperial acquired a 49% shareholding in Pharmafrique (Pty) Ltd (trading as Kiara Health) for approximately R76 million. Kiara Health is a pharmaceutical contract manufacturing and healthcare services company based in Johannesburg which serves as the local manufacturing partner for a global leader in generic and biosimilar medicines. This acquisition is in line with Imperial's strategy to backward integrate into contract manufacturing as part of our market access service to multinationals on the continent. Access to this capability will create a pipeline of opportunities for our market access and logistics services in the healthcare industry in South Africa and the rest of the continent.

Parcel Ninja, supporting digital contract logistics enhancement

With effect from 1 February 2021, Imperial acquired 60% of Parcel Ninja, the specialised warehousing and distribution management business. Enabled with leading software, processes and people capabilities in South Africa, Parcel Ninja provides fulfilment in both B2C and B2B channels including the informal market, supported by the management and optimisation of courier parcel deliveries. This acquisition supports Imperial's strategic ambitions to accelerate our digital capabilities and expand our logistics and market access into last mile distribution, e-commerce fulfilment, footprint and scale in Africa, while ensuring local relevance for our clients and principals.

OpenLMIS, electronic logistics management information system for public healthcare sector

Imperial's joint venture with technology provider, One Network, has been selected as the preferred partner to steward OpenLMIS as from March 2021. OpenLMIS provides an electronic logistics management information system to public health supply chains in low- and middle-income countries in Africa, and currently services users in eight countries. Our clients and principals will benefit from a more efficient and cost-effective process while quality is maintained. Features, such as, real-time notifications will also help to resolve disruptions and manage exceptions before they become a major problem, thereby allowing optimal distribution of stock. By collecting data from daily delivery processes, this offering also provides unique insights into performance. This partnership provides a competitive advantage to Imperial and is core to our differentiated, integrated and innovative service offering to our healthcare clients in Africa.

Investment in partnership with Lori Systems

In November 2020, Imperial invested in a partnership with Lori Systems to expand its cutting-edge e-logistics technology solutions across Africa. This strategic partnership is the first of its kind at this scale and scope on the African continent. Lori Systems is the leading e-logistics platform in Africa and coordinates haulage in frontier markets. The IVF, managed by Newtown Partners (a US venture capital firm), recently concluded an investment in Lori Systems to support its growth in East and West Africa. The Imperial and Lori Systems partnership in the Southern African Development Community (SADC) region will help develop and enhance Africa's road freight industry through digital innovation and enablement.

Introduction of a 25% B-BBEE shareholding in Imperial Logistics South Africa Group Proprietary Limited

In April 2021, Imperial entered into transaction agreements with Broad-based Black Economic Empowerment (B-BBEE) partners (Afropulse and Willowton) to participate in a 25% B-BBEE shareholding in Imperial Logistics South Africa Group (ILSA), the company that will house most of the group's South African operations. All the conditions of this B-BBEE transaction were fulfilled and the effective date for the transaction was 30 July 2021. Accordingly, ILSA is now more than 51% black-owned and more than 30% black woman-owned, contributing to enhancing Imperial's relevance and competitiveness in South Africa, and that of its clients. This transaction will ensure significantly enhanced B-BBEE ownership for the majority of Imperial's South African operations and reiterates Imperial's commitment to sustainable empowerment and transformation. Improving the B-BBEE ownership and status of Imperial's South African operations is critical for the future prospects of the group given our exposure to the South African market as part of our 'Gateway to Africa' strategy.

Acquisitions in progress post F2021

Deep Catch Namibia Holdings

Through Imperial's wholly-owned subsidiary, Imperial Capital Limited, the group entered into a sale of shares agreement in June 2021 for the acquisition of 100% of the issued share capital of Deep Catch Namibia Holdings for an estimated purchase consideration of N$633 million (c.R633 million). Deep Catch is a diversified and vertically integrated business engaged in the wholesale, distribution and cold storage of perishable foods (mainly poultry, fish and dairy products) in Namibia and the SADC region. Through the new and expansive cold chain capability and extensive network acquired through Deep Catch, Imperial's Market Access business will be positioned to enter and build its cold chain capability and product category expansion in its existing markets of operation in sub-Saharan Africa (mainly South Africa, Mozambique, Ghana and Nigeria), where there is substantial demand for affordable protein products. This acquisition will also provide access to defensive, value-added capabilities in FMCG, such as re-packaging. The transaction is still subject to the fulfilment of outstanding conditions precedent.

The J&J Group

In July 2021 Imperial announced that it had entered into an agreement to purchase 100% of the issued share capital of the J&J Group for an enterprise value of USD300 million (c.R4,4 billion). The J&J Group offers end-to-end logistics solutions along the Beira and North-South corridor, specialising in the transport of break-bulk, containerised, project, fuel and out-of-gauge cargo between Mozambique, Zimbabwe, Zambia, South Africa, Malawi and the DRC. This acquisition is in line with Imperial's 'Gateway to Africa' strategy as it will optimise and expand Imperial's reach in Africa by providing scale in end-to-end cross-border transportation services in key African countries and new industries through well-established routes on the Beira and North South corridors, port capabilities, a developed asset base including fleet and 45 000m^2 of warehousing space, and an entrenched customer portfolio. The J&J Group's strategic asset base will complement Imperial's asset-right focus and will serve to further expand the group's access to critical trade networks, consolidating Imperial's leverage and reach on the African continent. The transaction will take place in three tranches, with Imperial initially acquiring 51% of the shares of the J&J Group, followed by second and third tranches of 46,5% and 2,5% respectively. The acquisition of the J&J Group is subject to the fulfilment of regulatory and other conditions precedent.

Disposals

European shipping operations

Implemented on 31 July 2020, Imperial disposed of its interest in its European shipping business to the Cologne based Häfen und Güterverkehr Köln AG (HGK). The aggregate purchase price of €171 million (c.R3,4 billion) was settled by HGK in full and in cash on the date of implementation. The shipping business is non-core to Imperial's strategic imperative – which is to grow our African footprint and reach, and position the group as the 'Gateway to Africa' in the medium- to long-term.

South American shipping operations

Imperial concluded the sale of its South American shipping business to Hidrovias do Brasil S.A., an independent integrated logistics provider focused on waterways logistics services in Latin America. The agreed maximum enterprise value for the interest in the South American Operations was USD90,0 million (c.R1,3 billion).

Pharmed

The sale of Pharmed in South Africa to the Arrie Nel Pharmacy Group was concluded on 13 November 2020.

As communicated previously, the disposal of Pharmed does not represent our exit from the healthcare industry in South Africa but merely the exit from non-core wholesale activities. The high growth and resilient healthcare industry remains key to our 'Gateway to Africa' strategy and we remain committed to the many multi-national principals and clients we serve across the African continent. We will continue to serve such principals and clients through our logistics business, and through the ongoing expansion of our healthcare Market Access business in South Africa.

Directorate and executive management changes

Ms Harriet-Ann (Bola) Adesola and Ms Juliet Anammah, both of Nigeria, were appointed as independent non-executive directors of Imperial with effect from 22 February 2021.

Ms Bridget Duker was appointed to succeed Mr Graham Dempster as Chairman of the Audit and Risk committee from 1 September 2020. Mr Graham Dempster remains a member of the Audit and Risk committee.

Mr Rohan Venter resigned as Company Secretary with effect from 9 November 2020. Mr Jeetesh Ravjee, Group Legal Executive, was appointed as acting Company Secretary on the same date until a permanent appointment is made.

Prospects

Many of our markets continue to face uncertainty and volatility, being in various levels of lockdown and restrictions. While some of these restrictions are easing, we anticipate the impact of the COVID-19 pandemic and the ensuing uncertainty to continue affecting our operations and performance in the short term.

The start to the 2022 financial year has been challenging, with July and August trading negatively impacted by the social unrest in South Africa, extended COVID-19 related restrictions on the sale of alcohol in South Africa and Mozambique, the shortage of semi-conductors across Europe, and higher supply chain costs negatively impacting volumes due to the unavailability of shipping containers and subsequent higher freight rates.

At this stage, for the 12 months to 30 June 2022, subject to stable currencies, steady recovery in volumes and revenue on the back of easing COVID-19 restrictions, we expect Imperial's continuing operations to deliver:

- Revenue growth compared to F2021.
- Operating profit growth compared to F2021.
- Growth in continuing HEPS compared to F2021.
- Growth in Core EPS compared to F2021.
- Good free cash flow generation – free cash conversion expected to be between 70% and 75%.

Imperial's balance sheet remains strong and resilient, with headroom in terms of debt capacity and liquidity to facilitate our strategic growth aspirations. We have a strong pipeline of new business opportunities which we are working hard to translate into new business. While we will continue to meet the demands and manage the implications of the pandemic in the short-term, we will also ensure that we continue to deliver on our strategic objectives.

With regards to the DP World offer to acquire Imperial, the proposed transaction is still subject to Imperial shareholder approval and other customary completion conditions, including regulatory approvals, which are in progress. The circular for this transaction was distributed on 19 August 2021 and the general meeting convened for shareholders is scheduled for 17 September 2021. We anticipate that the proposed transaction will be concluded by February 2022, pending the successful outcome of the outstanding approvals. In the interim, we will continue with our daily business activities.

We thank our employees, shareholders, funders and other key stakeholders for their ongoing support.

Mohammed Akoojee
Chief Executive Officer

George de Beer
Chief Financial Officer

07 September 2021

INDEPENDENT BOARD RESPONSIBILITY STATEMENT WITH RESPECT TO THE DP WORLD OFFER

The independent board of the Company accepts responsibility for the information contained in this announcement insofar as such information relates to the offer by DP World Logistics FZE and, to the best of its knowledge and belief, such information is true and this announcement does not omit anything likely to affect the importance of such information included.

DISCLAIMERS

Pro forma financial information disclaimer

To provide a more meaningful assessment of the group's performance for the year, pro forma information and non-IFRS measures have been included in this summarised audited results for the year ended 30 June 2021.

The directors of Imperial Logistics Limited are responsible for compiling the pro forma financial information on the basis applicable of the criteria as detailed in paragraphs 8.15 to 8.34 of the JSE Listings Requirements and the SAICA Guide on Pro forma financial information, revised and issued in September 2014 (applicable criteria). The pro forma information does not constitute financial statements fairly presented in accordance with IFRS. The pro forma financial information has been prepared for illustrative purposes only and because of its nature may not fairly present the group's financial position, results of operations and cash flows. The group's external auditor, Deloitte & Touche, has issued an unmodified reporting accountants' report on the pro forma information on 7 September 2021. A copy of their report is available for inspection at the group's registered office.

Forward-looking information disclaimer

Any forward looking information contained in these results is the responsibility of the directors.

Dividend

For the 6 months ended 31 December 2020, notice was given that a gross interim ordinary dividend in the amount of 83,00 cents per ordinary share had been declared by the board of Imperial, payable to the holders of the 202 074 388 ordinary shares. The dividend was paid out of income reserves.

As disclosed in the circular relating to the DP World Transaction, no final dividend is declared.

Summarised consolidated statement of profit or loss for the year ended 30 June 2021

R million	Notes	% change	2021	2020
CONTINUING OPERATIONS				
Revenue		13	**52 208**	46 380
Net operating expenses			**(47 222)**	(42 282)
Profit from operations before depreciation, impairments and recoupments			**4 986**	4 098
Depreciation, amortisation, impairments and recoupments			**(2 650)**	(2 639)
Operating profit before the items listed below*		60	**2 336**	1 459
Impairment of properties net of recoupments			**(118)**	(194)
Amortisation and impairment of intangible assets arising on business combinations			**(404)**	(393)
Foreign exchange gains			**210**	93
Remeasurement of financial liabilities and capital items	6		**(477)**	52
Profit before net finance cost			**1 547**	1 017
Net finance cost	7	(3)	**(742)**	(762)
Profit before share of results of associates and joint ventures			**805**	255
Share of results of associates and joint ventures			**3**	22
Profit before tax			**808**	277
Income tax expense			**(274)**	(159)
Profit for the period from continuing operations		353	**534**	118
DISCONTINUED OPERATIONS			**593**	(344)
Net loss from Consumer Packaged Goods (CPG)				(305)
Net profit (loss) from the European Shipping Business			**593**	(39)
Net profit (loss) for the year			**1 127**	(226)
Net profit (loss) attributable to:				
Owners of Imperial			**951**	(303)
– Continuing operations			**358**	42
– Discontinued operations			**593**	(345)
Non-controlling interests			**176**	77
– Continuing operations			**176**	76
– Discontinued operations				1
Profit (loss) per share (cents)				
Continuing operations				
– Basic		777	**193**	22
– Diluted		736	**184**	22
Discontinued operations				
– Basic			**319**	(183)
– Diluted			**305**	(177)
Total operations				
– Basic		418	**512**	(161)
– Diluted		415	**489**	(155)

** Refer to the glossary of terms on page 36.*

Summarised consolidated statement of comprehensive income for the year ended 30 June 2021

R million	2021	2020
Net profit (loss) for the year	**1 127**	(226)
Other comprehensive (loss) income	**(1 168)**	909
Items that may be reclassified subsequently to profit or loss	**(1 202)**	975
Exchange (losses) gains arising on translation of foreign operations	**(1 262)**	1 004
Movement in hedge accounting reserve	**81**	(40)
Income tax relating to items that may be classified to profit or loss	**(21)**	11
Items that may not be reclassified subsequently to profit or loss	**34**	(66)
Remeasurement of defined benefit obligations	**48**	(100)
Income tax on remeasurement of defined benefit obligations	**(14)**	34
Total comprehensive (loss) income for the year	**(41)**	683
Total comprehensive (loss) income attributable to:		
Owners of Imperial	**(83)**	475
Non-controlling interests	**42**	208
	(41)	683

Earnings per share information

for the year ended 30 June 2021

R million	% change	2021	2020
Headline earnings reconciliation			
Earnings (loss) – Total operations		**951**	(303)
– Continuing operations	752	**358**	42
– Discontinued operations		**593**	(345)
Recoupment from the disposal of property, plant and equipment (IAS 16)		**(34)**	(54)
Loss on disposal of intangible assets (IAS 38)			4
Impairment of property, plant and equipment, and transport fleet (IAS 36)		**86**	89
Impairment of right-of-use-assets (IFRS 16)		**41**	140
Impairment of intangible assets (IAS 36)		**35**	121
Impairment of goodwill (IAS 36)		**40**	223
Impairment of investment in associates and joint ventures (IAS 28)		**11**	2
Loss (profit) on disposal of subsidiaries, associates and businesses (IFRS 10), (IAS 28)		**520**	(17)
Remeasurements included in share of results of associates and joint ventures		**(3)**	
Foreign exchange gain reclassified to profit or loss (IAS 21)		**(364)**	(160)
Tax effects of remeasurements		**(77)**	(89)
Non-controlling interests' share of remeasurements		**4**	(6)
Net headline earnings adjustments for discontinued operations		**(589)**	248
Headline earnings	214	**621**	198
– Continuing operations	109	**617**	295
– Discontinued operations		**4**	(97)
Headline earnings per share (cents)			
Continuing operations			
– Basic	113	**332**	156
– Diluted	110	**317**	151
Discontinued operations			
– Basic		**2**	(51)
– Diluted		**2**	(50)
Total operations			
– Basic		**334**	105
– Diluted		**319**	101
ADDITIONAL INFORMATION			
Net asset value per share (cents)		**3 626**	3 783
Dividend per ordinary share (cents)		**83**	167
Number of shares in issue (million)			
– total ordinary shares		**202,9**	202,1
– net of ordinary shares repurchased		**192,0**	193,5
– weighted average for basic		**185,8**	188,6
– weighted average for diluted		**194,4**	195,2
Deferred ordinary shares to convert to ordinary shares (million)		**3,3**	4,2

Summarised consolidated statement of financial position at 30 June 2021

R million	Note	2021	2020
ASSETS			
Goodwill and intangible assets	8	**6 121**	7 084
Investment in associates and joint ventures		**201**	198
Property, plant and equipment		**2 937**	3 326
Transport fleet		**3 132**	5 186
Right-of-use assets		**4 297**	5 422
Deferred tax assets		**1 384**	1 510
Investments and other financial assets		**337**	271
Inventories		**2 473**	2 676
Tax in advance		**133**	221
Trade, other receivables and contract assets		**8 079**	7 934
Cash resources		**1 235**	3 374
Assets of disposal group			598
Assets of discontinued operations			4 726
Total assets		**30 329**	42 526
EQUITY AND LIABILITIES			
Capital and reserves			
Share capital and share premium		**1 030**	1 030
Shares repurchased		**(865)**	(789)
Other reserves		**366**	1 397
Retained earnings		**6 431**	5 682
Attributable to owners of Imperial		**6 962**	7 320
Put arrangement over non-controlling interests		**(284)**	(266)
Non-controlling interests		**1 081**	1 218
Total equity		**7 759**	8 272
Liabilities			
Retirement benefit obligations		**899**	1 109
Interest-bearing borrowings		**5 273**	11 765
Lease obligations		**4 866**	6 080
Deferred tax liabilities		**609**	901
Other financial liabilities		**912**	1 415
Trade, other payables and provisions		**9 765**	10 066
Current tax liabilities		**246**	375
Liabilities associated with disposal group			356
Liabilities of discontinued operations			2 187
Total liabilities		**22 570**	34 254
Total equity and liabilities		**30 329**	42 526

Summarised consolidated statement of changes in equity for the year ended 30 June 2021

R million	Share capital and premium	Shares repurchased	Other reserves	Retained earnings	Attributable to owners of Imperial	Put arrangement over non-controlling interests	Non-controlling interests	Total equity
At 30 June 2019	1 030	(586)	761	6 569	7 774	(527)	913	8 160
Total comprehensive income for the year			844	(369)	475		208	683
Share based cost charged to profit or loss			36		36		2	38
Share based equity reserve transferred to retained earnings on vesting			(9)	9				
Treasury shares delivered to settle share based obligations		22	(22)					
Share based equity hedge cost			(1)		(1)			(1)
Transferred from other reserves to retained earnings			(3)	3				
Ordinary dividends paid				(530)	(530)			(530)
Repurchase of ordinary shares		(225)			(225)			(225)
Non-controlling interests acquired, net of disposals							329	329
Net decrease in non-controlling interests through buy-outs			(209)		(209)	261	(106)	(54)
Non-controlling interests share of dividends							(128)	(128)
At 30 June 2020	**1 030**	**(789)**	**1 397**	**5 682**	**7 320**	**(266)**	**1 218**	**8 272**
Total comprehensive loss for the year			**(1 068)**	**985**	**(83)**		**42**	**(41)**
Share based cost charged to profit or loss			**(6)**		**(6)**			**(6)**
Share based equity reserve transferred to retained earnings on vesting			**85**	**(85)**				
Treasury shares delivered to settle share based obligations		**25**	**(25)**					
Share based equity hedge benefit			**42**		**42**			**42**
Ordinary dividends paid				**(157)**	**(157)**			**(157)**
Repurchase of ordinary shares		**(101)**			**(101)**			**(101)**
Increase in put arrangement over non-controlling interests						**(66)**		**(66)**
Non-controlling interests acquired, net of disposals			**7**		**7**		**5**	**12**
Net decrease in non-controlling interests through buy-outs			**(60)**		**(60)**	**48**	**(62)**	**(74)**
Realisation on disposal of subsidiaries			**(6)**	**6**				
Non-controlling interests share of dividends							**(122)**	**(122)**
At 30 June 2021	**1 030**	**(865)**	**366**	**6 431**	**6 962**	**(284)**	**1 081**	**7 759**

Summarised consolidated statement of cash flows for the year ended 30 June 2021

R million	2021	2020
Cash flows from operating activities		
Cash generated by operations before movements in net working capital	**4 908**	4 536
Movements in net working capital	**(1 046)**	559
Cash generated by operations before interest and taxes paid	**3 862**	5 095
Net interest paid	**(707)**	(918)
Tax paid	**(519)**	(367)
	2 636	3 810
Cash flows from investing activities		
Net disposal (acquisition) of subsidiaries and businesses	**4 195**	(276)
Expansion capital expenditure	**(554)**	(747)
Net replacement capital expenditure	**(179)**	(735)
Net movement in associates and joint ventures	**(69)**	45
Net movement in investments, loans and non-current financial instruments	**(80)**	(59)
	3 313	(1 772)
Cash flows from financing activities		
Hedge cost premium paid	**(4)**	(2)
Settlement of interest-rate swap instruments	**(46)**	(11)
Repurchase of ordinary shares	**(101)**	(225)
Dividends paid	**(279)**	(658)
Cash paid on change in non-controlling interests	**(122)**	(277)
Net (decrease) increase in interest-bearing borrowings	**(5 922)**	2 828
Payments of lease obligations	**(1 801)**	(2 032)
	(8 275)	(377)
Net (decrease) increase in cash resources	**(2 326)**	1 661
Effects of exchange rate changes on cash resources in a foreign currency	**(25)**	279
Cash resources at beginning of year	**3 586**	1 646
Cash resources at end of year	**1 235**	3 586
Free cash flow	**656**	1 043

Notes to the summarised consolidated financial statements for the year ended 30 June 2021

1. BASIS OF PREPARATION

The provisional summarised consolidated financial statements have been prepared in accordance with the framework concepts and the measurement and recognition requirements of International Financial Reporting Standards (IFRS) and its Interpretations adopted by the International Accounting Standards Board (IASB) in issue and effective for the group at 30 June 2021 and the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and financial reporting pronouncements as issued by the Financial Reporting Standards Council, and also, at a minimum contain the information required by IAS 34 – Interim Financial Reporting and comply with the Listings Requirements of the Johannesburg Stock Exchange Limited and the Companies Act of South Africa, 2008. These summarised consolidated financial statements do not include all the information required for full annual financial statements and should be read in conjunction with the consolidated annual financial statements as at and for the year ended 30 June 2021.

These summarised consolidated financial statements have been prepared under the supervision of WS Buckton, CA (SA) and were approved by the board of directors on 7 September 2021.

2. ACCOUNTING POLICIES

The accounting policies adopted and methods of computation used in the preparation of the summarised consolidated financial statements are in accordance with IFRS and are consistent with those of the annual financial statements for the year ended 30 June 2020.

3. BASIS OF SEGMENTATION

In line with the group's strategy, effective 1 July 2020, management of the group has been reorganised from a regional focus to the solutions we offer, with the following major reporting segments:

> Logistics Africa
- Freight
- Contract Logistics

> Logistics International
- Freight
- Contract Logistics

> Market Access

The reorganisation resulted in the representation of the segment reports, as some entities moved across segments and across capabilities. In addition, the trading results of the South American shipping business has been moved from Logistics International to businesses held for sale.

	2021	2020
4. FOREIGN EXCHANGE RATES		
The following major rates of exchange were used in the translation of the group's foreign operations:		
SA Rand:Euro		
– closing	**16,93**	19,51
– average	**18,35**	17,32
SA Rand:US Dollar		
– closing	**14,27**	17,37
– average	**15,40**	15,67
SA Rand:Pound Sterling		
– closing	**19,72**	21,46
– average	**20,70**	19,74

5. COVENANT COMPLIANCE, CASH AND LIQUIDITY

The group has externally imposed capital requirements in terms of debt covenants on bank facilities. The covenant, which is calculated on a basis pre IFRS 16 Leases, requires the group to maintain a net debt to EBITDA ratio of below 3,25:1.

At 30 June 2021 the group's net indebtedness for borrowed monies for covenant calculation purposes was R4 056 million and the net indebtedness to EBITDA ratio was 1,3 times. The covenant ratio when calculated on a comparative basis was 2,8 times at 30 June 2020. The improvement in the ratio was a direct consequence of the decrease in net debt which was R8 391 million at 30 June 2020 compared to R4 038 million at 30 June 2021. The receipt of the proceeds from the sale of the Shipping Businesses in Europe and South America and the implementation of strict capital management measures during the year resulted in the improvement in the net debt to EBITDA ratio.

At 30 June 2021, the group held cash resources of R1 235 million and had undrawn credit facilities of R14 413 million.

Notes to the summarised consolidated financial statements for the year ended 30 June 2021

5. COVENANT COMPLIANCE, CASH AND LIQUIDITY continued

The following table summarises the maturity profile of the group's financial liabilities at 30 June 2021 based on undiscounted contractual cash flows with the focus on the short-term:

R million	Carrying value	< 6 months	6 - 12 months	> 12 months
Financial liability				
Interest-bearing borrowings	5 273	741	1 671	2 861
Lease obligations	4 866	626	832	3 408
Non-current derivative liabilities	19		19	
Put option liabilities	515	18		497
Contingent consideration liabilities	150	131		19
Other financial liabilities	228			228
Trade payables	8 997	4 432	4 565	
	20 048	**5 948**	**7 087**	**7 013**

R million	2021	2020
6. REMEASUREMENT OF FINANCIAL LIABILITIES AND CAPITAL ITEMS		
Remeasurement of financial instruments not held-for-trading	**69**	300
Remeasurement of put option liabilities	**39**	277
Gain on remeasurement of contingent consideration liabilities	**30**	23
Capital items	**(546)**	(248)
Impairment of goodwill	**(40)**	(223)
Loss on disposal of subsidiaries, businesses and associates	**(520)**	(23)
Impairment reversal (impairment) of equity investments	**1**	(26)
Profit on disposal of associates and joint ventures		40
Impairment of investments in associates and joint ventures	**(11)**	(2)
Business acquisition costs	**(41)**	(21)
Net gain on termination of leases	**65**	7
	(477)	52
7. NET FINANCE COST		
Net interest paid	**(703)**	(744)
Fair value loss on interest-rate swap instruments	**(39)**	(18)
	(742)	(762)
8. GOODWILL AND INTANGIBLE ASSETS		
Movement in goodwill during the year were as follows:		
Goodwill		
Cost	**7 265**	7 814
Accumulated impairment	**(2 752)**	(2 712)
	4 513	5 102
Carrying value at beginning of year	**5 102**	4 910
Net acquisition and disposal of businesses	**67**	477
Impairment charge	**(40)**	(223)
Currency adjustments	**(616)**	1 057
Reclassified to assets of discontinued operations		(1 119)
Carrying value at end of year	**4 513**	5 102
Intangible assets	**1 608**	1 982
Goodwill and intangible assets	**6 121**	7 084

9. FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value hierarchy

The group's financial instruments carried at fair value are classified in two categories defined as follows:

Level 2 financial instruments are those valued using techniques based primarily on observable market data. Instruments in this category are valued using quoted prices for similar instruments or identical instruments in markets which are not considered to be active; or valuation techniques where all the inputs that have a significant effect on the valuation are directly or indirectly based on observable market data.

Level 3 financial instruments are those valued using techniques that incorporate information other than observable market data. Instruments in this category have been valued using a valuation technique where at least one input, which could have a significant effect on the instrument's valuation, is not based on observable market data.

9. FAIR VALUE OF FINANCIAL INSTRUMENTS continued

Fair value of financial assets and financial liabilities carried at amortised cost

The fair values of the group's financial assets and financial liabilities approximate their carrying values.

The following table presents the valuation categories used in determining the fair values of financial instruments carried at fair value.

R million	Level 2	Level 3
Financial assets		
Unlisted investments		**155**
Foreign exchange contracts	**8**	
Financial liabilities		
Interest-rate swap derivatives	**19**	
Contingent consideration liabilities (arising on business combinations)		**150**
Foreign exchange contracts	**11**	

Transfers between fair value hierarchy levels

The group recognises transfers between levels of the fair value hierarchy as at the end of the reporting period during which the change has occurred. There were no transfers between the fair value hierarchies during the period.

The following table shows a reconciliation of the opening and closing carrying values of the put option liability (at present value) and the contingent consideration liability (at level 3 fair value) at 30 June 2021.

R million	Put options liabilities	Contingent consideration liabilities	Total
Carrying value at beginning of the year	646	336	**982**
Arising on business combinations	66	12	**78**
Remeasurements through profit or loss	(39)	(30)	**(69)**
Settlements	(48)	(120)	**(168)**
Currency adjustments	(110)	(48)	**(158)**
Carrying value at end of year	515	150	**665**

Sensitivity information

The carrying values of the put option liabilities and the contingent consideration liabilities were estimated by applying an income approach valuation method including a present value discount technique. The measurements are based on significant inputs that are not observable in the market. Key assumptions used in the valuations includes the assumed probability of achieving profit targets, expected future cash flows and the discount rates applied. The assumed probability was based on historical performances but adjusted for expected growth.

R million	Carrying value	Increase in carrying value	Decrease in carrying value
FINANCIAL INSTRUMENT | KEY ASSUMPTION			
Put option liabilities | Earnings growth	**515**	**10**	**(12)**
Contingent consideration liabilities | Assumed profits (level 3)	**150**	**10**	**(16)**

R million	2021	2020
10. CONTINGENCIES AND COMMITMENTS		
Capital expenditure commitments	**257**	114
Contingent liabilities	**256**	786

11. BUSINESS COMBINATIONS

Refer to business combinations on page 34.

12. EVENTS AFTER THE REPORTING PERIOD

The following events have occurred after the reporting period:
- Deep Catch acquisition
- J&J Group acquisition
- B-BBEE transaction
- DP World offer

Further details on the above are provided on pages 19 and 20 in the report.

Segmental information – continuing operations

for the year ended 30 June 2021

PROFIT OR LOSS for the year ended 30 June

R million	Imperial Logistics 2021	Imperial Logistics 2020^	Logistics Africa 2021	Logistics Africa 2020^	Market Access 2021	Market Access 2020^	Logistics International 2021	Logistics International 2020^	Businesses held for sale~ 2021	Businesses held for sale~ 2020^	Head Office and Eliminations 2021	Head Office and Eliminations 2020^
Revenue	**52 208**	46 380	**15 804**	15 567	**15 127**	11 661	**21 158**	18 114	**503**	1 050	**(384)**	(12)
– Freight	**24 132**	21 892	**11 306**	11 213			**12 826**	10 679				
– Contract Logistics	**13 186**	12 378	**4 498**	4 354			**8 332**	7 435	**356**	589		
– Market Access	**15 274**	12 122			**15 127**	11 661			**147**	461		
– Head Office and Eliminations	**(384)**	(12)									**(384)**	(12)
Profit from operations before depreciation, impairments and recoupments	**4 986**	4 098	**1 997**	1 710	**956**	852	**1 990**	1 456	**22**	48	**21**	32
– Freight	**2 555**	2 040	**1 557**	1 314			**998**	726				
– Contract Logistics	**1 475**	1 270	**440**	396			**992**	730	**43**	144		
– Market Access	**935**	756			**956**	852			**(21)**	(96)		
– Head Office and Eliminations	**21**	32									**21**	32
Operating profit*	**2 336**	1 459	**987**	756	**806**	711	**542**	(13)	**(14)**	(21)	**15**	26
– Freight	**1 183**	678	**809**	671			**374**	7				
– Contract Logistics	**354**	144	**178**	85			**168**	(20)	**8**	79		
– Market Access	**784**	611			**806**	711			**(22)**	(100)		
– Head Office and Eliminations	**15**	26									**15**	26
Depreciation, amortisation, impairments and recoupments	**(3 172)**	(3 226)	**(1 151)**	(1 043)	**(304)**	(299)	**(1 657)**	(1 811)	**(37)**	(68)	**(23)**	(5)
– Freight	**(1 618)**	(1 686)	**(812)**	(651)			**(806)**	(1 035)				
– Contract Logistics	**(1 226)**	(1 232)	**(339)**	(392)			**(851)**	(776)	**(36)**	(64)		
– Market Access	**(305)**	(303)			**(304)**	(299)			**(1)**	(4)		
– Head Office and Eliminations	**(23)**	(5)									**(23)**	(5)
Net finance cost	**(742)**	(762)	**(339)**	(316)	**(159)**	(174)	**(188)**	(175)	**(59)**	(106)	**3**	9
– Freight	**(364)**	(344)	**(229)**	(185)			**(135)**	(159)				
– Contract Logistics	**(217)**	(232)	**(110)**	(131)			**(53)**	(16)	**(54)**	(85)		
– Market Access	**(164)**	(195)			**(159)**	(174)			**(5)**	(21)		
– Head Office and Eliminations	**3**	9									**3**	9
Pre-tax profits*	**1 313**	504	**474**	358	**414**	615	**143**	(543)	**(80)**	(121)	**362**	195
– Freight	**544**	22	**495**	498			**49**	(476)				
– Contract Logistics	**20**	(207)	**(21)**	(140)			**94**	(67)	**(53)**			
– Market Access	**387**	494			**414**	615			**(27)**	(121)		
– Head Office and Eliminations	**362**	195									**362**	195
ADDITIONAL SEGMENT INFORMATION												
Analysis of revenue by type												
– Sale of goods	**15 763**	12 647	**797**	431	**15 030**	11 628	**85**	138	**148**	449	**(297)**	1
– Rendering of services	**36 445**	33 733	**14 781**	15 022	**97**	33	**21 009**	17 972	**355**	601	**203**	105
External revenue	**52 208**	46 380	**15 578**	15 453	**15 127**	11 661	**21 094**	18 110	**503**	1 050	**(94)**	106
Inter-group revenue			**226**	114			**64**	4			**(290)**	(118)
	52 208	46 380	**15 804**	15 567	**15 127**	11 661	**21 158**	18 114	**503**	1 050	**(384)**	(12)
Analysis of depreciation, amortisation, impairments and recoupments	**(3 172)**	(3 226)	**(1 151)**	(1 043)	**(304)**	(299)	**(1 657)**	(1 811)	**(37)**	(68)	**(23)**	(5)
Depreciation and amortisation	**(2 675)**	(2 552)	**(1 032)**	(1 043)	**(152)**	(142)	**(1 447)**	(1 292)	**(37)**	(69)	**(7)**	(6)
Recoupments and impairments	**(93)**	(281)	**(54)**	55	**(2)**	1	**(21)**	(338)		1	**(16)**	
Amortisation and impairment of intangible assets arising from business combinations	**(404)**	(393)	**(65)**	(55)	**(150)**	(158)	**(189)**	(181)				1
Share of results of associates and joint ventures	**3**	22	**3**	2	**(3)**	4	**3**	16				
Operating margin (%)	**4,5**	3,1	**6,2**	4,9	**5,3**	6,1	**2,6**	(0,1)				
Impairment of goodwill	**(40)**	(223)	**(11)**	(46)	**(29)**	(172)		(5)				
Items excluded from pre-tax profits	**(505)**	(227)										
Impairment of goodwill	**(40)**	(223)										
Loss on disposal of subsidiaries and businesses	**(520)**	(23)										
Profit on disposal of associates		40										
Impairment of associates and loans advanced to associates	**(11)**	(2)										
Impairment of equity investments	**1**	(26)										
Net gain on termination of leases	**65**	7										

* *Refer to glossary of terms on page 36.*

^ *Restated to align to the new segmentation and transfers of businesses cross segments.*

~ *Business held for sale incorporate Pharmed and South American Shipping businesses.*

FINANCIAL POSITION at 30 June

R million	Imperial Logistics 2021	Imperial Logistics 2020^	Logistics Africa 2021	Logistics Africa 2020^	Market Access 2021	Market Access 2020^	Logistics International 2021	Logistics International 2020^	CPG 2021	CPG 2020^	European shipping division 2021	European shipping division 2020^	Head Office and Eliminations 2021	Head Office and Eliminations 2020^
Assets														
Goodwill and intangible assets	**6 121**	7 084	**243**	297	**2 301**	2 947	**3 288**	3 824					**289**	16
Property, plant and equipment	**2 937**	3 326	**1 460**	1 509	**310**	342	**1 100**	1 374					**67**	101
Transport fleet	**3 132**	5 186	**2 872**	3 146			**260**	2 040						
Right-of-use assets	**4 297**	5 422	**1 143**	1 732	**278**	314	**2 875**	3 376					**1**	
Investments in associates (excluding loans advanced to associates)	**182**	160	**55**	14	**108**	44	**19**	102						
Investments	**155**	92	**25**	22			**9**	11					**121**	59
Inventories	**2 473**	2 676	**270**	285	**2 092**	2 208	**111**	183						
Trade, other receivables and contract assets	**8 079**	7 934	**2 650**	2 473	**2 303**	1 943	**3 181**	3 534					**(55)**	(16)
Operating assets~	**27 376**	31 880	**8 718**	9 478	**7 392**	7 798	**10 843**	14 444					**423**	160
– South Africa	**9 141**	9 638	**8 718**	9 478									**423**	160
– Rest of Africa	**7 392**	7 798			**7 392**	7 798								
– International	**10 843**	14 444					**10 843**	14 444						
Liabilities														
Retirement benefit obligations	**899**	1 109					**899**	1 109						
Trade and other payables and provisions	**9 765**	10 066	**3 187**	3 295	**2 669**	2 462	**3 775**	4 112					**134**	197
Other financial liabilities	**397**	769	**13**	13	**365**	649		49					**19**	58
Operating liabilities~	**11 061**	11 944	**3 200**	3 308	**3 034**	3 111	**4 674**	5 270					**153**	255
– South Africa	**3 353**	3 563	**3 200**	3 308									**153**	255
– Rest of Africa	**3 034**	3 111			**3 034**	3 111								
– International	**4 674**	5 270					**4 674**	5 270						
Net working capital*~	**787**	544	**(267)**	(537)	**1 726**	1 689	**(483)**	(395)					**(189)**	(213)
– South Africa	**(456)**	(750)	**(267)**	(537)									**(189)**	(213)
– Rest of Africa	**1 726**	1 689			**1 726**	1 689								
– International	**(483)**	(395)					**(483)**	(395)						
Net debt	**4 038**	8 391	**2 159**	2 684	**1 196**	1 302	**424**	4 460					**259**	(55)
– South Africa	**2 418**	2 629	**2 159**	2 684									**259**	(55)
– Rest of Africa	**1 196**	1 302			**1 196**	1 302								
– International	**424**	4 460					**424**	4 460						
Lease obligations	**4 866**	6 080	**1 365**	1 981	**304**	348	**3 195**	3 751					**2**	
– South Africa	**1 367**	1 981	**1 365**	1 981									**2**	
– Rest of Africa	**304**	348			**304**	348								
– International	**3 195**	3 751					**3 195**	3 751						
Net capital expenditure~	**(733)**	(1 482)	**(151)**	(784)	**(89)**	(81)	**(212)**	(280)		24	**(32)**	(357)	**(249)**	(4)
– South Africa	**(400)**	(764)	**(151)**	(784)						24			**(249)**	(4)
– Rest of Africa	**(89)**	(81)			**(89)**	(81)								
– International	**(244)**	(637)					**(212)**	(280)			**(32)**	(357)		
Items excluded from total assets to arrive at operating assets	**2 953**	10 646												
Loans to associates	**19**	38												
Other non-current financial assets	**182**	179												
Deferred tax assets	**1 384**	1 510												
Tax in advance	**133**	221												
Cash resources	**1 235**	3 374												
Assets of disposal groups		598												
Assets of discontinued operations		4 726												
Items excluded from total liabilities to arrive at operating liabilities	**11 509**	22 310												
Interest bearing borrowings	**5 273**	11 765												
Lease obligations	**4 866**	6 080												
Deferred tax liabilities	**609**	901												
Put liability	**515**	646												
Current tax liabilities	**246**	375												
Liabilities associated with disposal groups		356												
Liabilities associated with discontinued operations		2 187												

** Net working capital relating to the CPG discontinued operation that was recovered or settled through the ordinary course of business and not through sale was shown separately in the prior year reported segment but combined in the Logistics Africa segment in the current year.*
^ Restated to align to the new segmentation and transfers of businesses cross segments.
~ Refer to glossary of terms on page 36.

Business combinations during the year

During the year the group acquired various businesses that are individually immaterial for a total consideration of R86 million. The fair value of the total assets of R135 million exceeded the fair value of the total liabilities assumed of R116 million by R19 million, the non-controlling interests proportionate share of the net assets acquired amounted to R5 million.

Reasons for the acquisitions

The group acquired a 60% shareholding in Parcel Ninja (Proprietary) Limited in February 2021 for R70 million, resulting in goodwill of R54 million. Parcel Ninja is based in South Africa and is an e-commerce logistics business, offering South African e-tailors an outsourcing solution for their fulfilment needs.

The other businesses were acquired to complement and expand into the automotive industry and healthcare industry in South Africa, and expand offerings in Nigeria and Ghana.

Details of contingent consideration for acquisitions concluded during the year

The contingent consideration requires the group to pay the sellers an additional total amount of R12 million over three years if the entities' revenue and net debt exceeds certain targets. At year-end the contingent consideration liability was reassessed based on what is expected to be paid, and no remeasurement was required.

Acquisition costs for acquisitions concluded during the year

Acquisition costs for business acquisitions concluded during the year amounted to R2 million and have been recognised as an expense in profit or loss in the "Remeasurement of financial liabilities and capital items" line.

Impact of the acquisitions on the results of the group for acquisitions concluded during the year

From the dates of acquisition, the businesses acquired during the year contributed revenue of R1 124 million and operating profit of R37 million. Intangible assets arising out of the business combinations were amortised by R1 million and the group incurred funding cost of R1 million calculated on the cash consideration paid on acquisitions.

Had all the acquisitions been consolidated from 1 July 2020, they would have contributed revenue of R1 983 million and operating profit of R90 million. The amortisation of intangible assets would have been R3 million and the funding cost R2 million.

Separate identifiable Intangible assets for acquisitions concluded during the year

As at the acquisition date the fair value of the separate identifiable intangible assets arising out of the Parcel Ninja acquisition amounted to R12 million. This fair value, which is classified as level 3 in the fair value hierarchy, was determined using the multi-year excess earnings method (MEEM) valuation technique for contract-based intangible assets. The valuation of the intangibles assets as well as the discount rates applied were determined by management with the assistance of a reputable independent expert independently from the group.

The significant unobservable valuation inputs used were discount rates of 23% to 24% and terminal growth rates of 4,9%.
The assumptions used in arriving at projected cash flows were based on past experience and adjusted for any expected changes.

Other details for acquisitions concluded during the year

Trade and other receivables had gross contractual amounts of R28 million with an insignificant amount considered doubtful. Non-controlling interests have been calculated based on their proportionate share in the acquiree's net assets. None of the resulting goodwill is deductible for tax purposes.

Independent auditor's report on provisional summarised financial statements

TO THE SHAREHOLDERS OF IMPERIAL LOGISTICS LIMITED

Opinion

The provisional summarised consolidated financial statements of Imperial Logistics Limited, as set out on page 23 to 34, which comprise the summarised consolidated statement of financial position as at 30 June 2021, the summarised consolidated statement of profit or loss, the summarised consolidated statement of comprehensive income, the summarised consolidated statement of changes in equity and the summarised consolidated statement of cash flows for the year then ended, and related notes, are derived from the audited consolidated financial statements of Imperial Logistics Limited for the year ended 30 June 2021.

In our opinion, the accompanying provisional summarised consolidated financial statements are consistent, in all material respects, with the audited consolidated financial statements of Imperial Logistics Limited, in accordance with the requirements of the JSE Limited Listings Requirements for provisional reports, set out in note 1 to the provisional summarised consolidated financial statements, and the requirements of the Companies Act of South Africa as applicable to summary financial statements.

Other matter

We have not audited future financial performance and expectations by management included in the accompanying summary consolidated financial statements and accordingly do not express any opinion thereon.

Provisional summarised consolidated financial statements

The provisional summarised consolidated financial statements do not contain all the disclosures required by the International Financial Reporting Standards and the requirements of the Companies Act of South Africa as applicable to annual financial statements. Reading the provisional summarised consolidated financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited consolidated financial statements of Imperial Logistics Limited and the auditor's report thereon.

The audited consolidated financial statements and our report thereon

We expressed an unmodified audit opinion on the audited consolidated financial statements in our report dated 7 September 2021. That report also includes the communication of other key audit matters as reported in the auditor's report of the audited financial statements.

Directors' responsibility for the provisional summarised consolidated financial statements

The directors are responsible for the preparation of the provisional summarised consolidated financial statements in accordance with the requirements of the JSE Limited Listings Requirements for provisional reports, set out in note 1 to the provisional summarised consolidated financial statements, and the requirements of the Companies Act of South Africa as applicable to summary financial statements.

The Listings Requirements require provisional reports to be prepared in accordance with the framework concepts and the measurement and recognition requirements of International Financial Reporting Standards (IFRS), the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Pronouncements as issued by the Financial Reporting Standards Council, and to also, as a minimum, contain the information required by IAS 34, Interim Financial Reporting.

Auditor's responsibility

Our responsibility is to express an opinion on whether the provisional summarised consolidated financial statements are consistent, in all material respects, with the consolidated audited financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing (ISA) 810 (Revised), Engagements to Report on Summary Financial Statements.

Deloitte & Touche

Deloitte & Touche
Registered Auditors
Per: MLE Tshabalala
Partner

7 September 2021

5 Magwa Crescent
Midrand
South Africa
2090

Glossary of terms

Asset intensity	> PPE, transport Fleet, right-of-use assets and working capital as a percentage of revenue.
Earnings yield (%)	> the headline earnings per share divided by the closing price of a share.
EBITDA	> profit from operations before depreciation and recoupments.
EBITDA used for bank covenants	> earnings pre-IFRS 16 leases after non-controlling interests before interest, taxes and depreciation.
Continuing free cash conversion	> calculated by dividing continuing EBITDA less continuing capital expenditure by continuing EBITDA.
Free cash flow	> calculated by deducting replacement capital expenditure and lease payments from the cash flow from operating activities.
Free cash flow from continuing operations to headline earnings from continuing operations ratio	> free cash flow from continuing operations divided by headline earnings from continuing operations.
Free cash flow per share	> calculated by dividing free cash flow by the weighted average number of shares used in the basic earnings per share calculation.
Margin above WACC %	> is the difference between ROIC and WACC.
Net asset value per share	> equity attributable to owners of Imperial divided by total ordinary shares in issue net of shares repurchased (the deferred ordinary shares only participate to the extent of their par value of 0,04 cents).
Net debt	> is interest-bearing borrowings, less cash resources.
Net debt to EBITDA used for bank covenants	> net bank debt divided by EBITDA used for bank covenants.
Net debt:equity %	> net debt as a percentage of equity.
Net debt:equity % (including lease obligations)	> net debt including lease obligations as a percentage of equity.
Net capital expenditure	> is the aggregate of the expansion and replacement capital expenditure net of proceeds on sale.
Net working capital	> is inventories plus trade, other receivables and contract assets less trade and other payables and provisions.
Net income tax (liabilities) assets	> current tax assets less current tax liabilities plus deferred tax assets less deferred tax liabilities.
Operating assets	> total assets less loans receivable, tax assets and assets of disposal group.
Operating liabilities	> total liabilities less interest-bearing borrowings, tax liabilities and put option liabilities.
Operating margin (%)	> operating profit as a percentage of revenue.
Operating profit before items listed below (operating profit)	> Operating profit includes profit from business operations (gross profit minus operating expenses and depreciation). Operating profit does not include impairment and recoupment of properties as well as amortisation and impairment of intangible assets arising on business combinations.
Operating profit to average net operating assets (%)	> operating profit divided by average net operating assets.
Pre-tax profits	> calculated as profit before tax, impairment of goodwill and profit or loss on sale of investment in subsidiaries, associates and joint ventures and other businesses
Price earnings ratio (times)	> the closing price of a share divided by the headline earnings per share.
Pro forma information	> pro forma financial information is the result of adjusting IFRS information about the group at a specific date or for a particular period.
Return on invested capital (ROIC) (%)	> this is the return divided by invested capital. > return is calculated by reducing the operating profit by a blended tax rate, which is an average of the actual tax rates applicable in the various jurisdictions in which Imperial operates, increased by the share of results of associates and joint ventures. > invested capital is a 12-month average of total equity plus interest-bearing borrowings and lease obligations less cash resources.
Return on average ordinary shareholders' interest (%)	> net profit attributable to owners of Imperial divided by average shareholders' equity (calculated by using the opening and closing balances) attributable to Imperial shareholders.
Revenue relating to sale of goods to average inventory (times)	> revenue relating to sale of goods divided by average inventory.
Revenue to average net operating assets (times)	> revenue divided by average net operating assets.
Total taxes and levies paid	> made up of South African normal tax, dividends tax, foreign tax, rates and taxes, skills development and unemployment insurance fund levies.
Total market capitalisation at closing prices (Rm)	> total ordinary shares in issue before treasury shares multiplied by the closing price per share.
Weighted average cost of capital (WACC) (%)	> calculated by multiplying the cost of each capital component by its proportional weight, therefore: WACC = (after tax cost of debt % multiplied by average debt weighting) + (cost of equity multiplied by average equity weighting). The cost of equity is blended recognising the cost of equity in the different jurisdictions in which Imperial operates.

Corporate information

Imperial Logistics Limited

Registration number: 1946/021048/06
Ordinary share code: IPL
ISIN: ZAE000067211

Directors

P Langeni# (Chairman), M Akoojee (Group Chief Executive Officer), H Adesola##*, J Anammah##*, GW Dempster (Lead independent non-executive director), P Cooper##, RJA Sparks##, NB Duker##, D Reich##**, JG de Beer (Group Chief Financial Officer)

Non-executive
Independent non-executive
* *Nigerian*
** *Swiss*

Acting Group Company Secretary

J Ravjee (Appointed November 2020)

Executive Vice President: Corporate Affairs and Investor Relations

E Mansingh

Business address and registered office

Imperial Logistics Limited
Jeppe Quondam
79 Boeing Road East
Bedfordview, 2007

Share transfer secretaries

Computershare Investor Services (Proprietary) Limited
1st Floor, Rosebank Towers
15 Biermann Avenue, Rosebank, 2196

Auditors

Deloitte & Touche
5 Magwa Crescent
Midrand
South Africa
2090

Sponsor

Rand Merchant Bank (a division of FirstRand Limited)
No 5 Merchant Place
Corner Rivonia Road and 9 Fredman Drive
Sandown, Sandton
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The results announcement is available on the Imperial website: **https://www.imperiallogistics.com/sens.php**

www.imperiallogistics.com

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beyond possibility

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