

Imperial™

The logo features the word 'Imperial' in a white, sans-serif font with a trademark symbol. Below it, the tagline 'beyond possibility' is written in a smaller, lowercase, white sans-serif font. The background is a dark blue gradient with a network of light blue lines and dots, and a large, light blue geometric shape in the bottom right corner.

beyond possibility

Investment community presentation

Interim results for the 6 months ended 31 December 2020



Overview

Impact & response to COVID-19

Operating context

Operating performance

Financial review

Strategy

Looking ahead

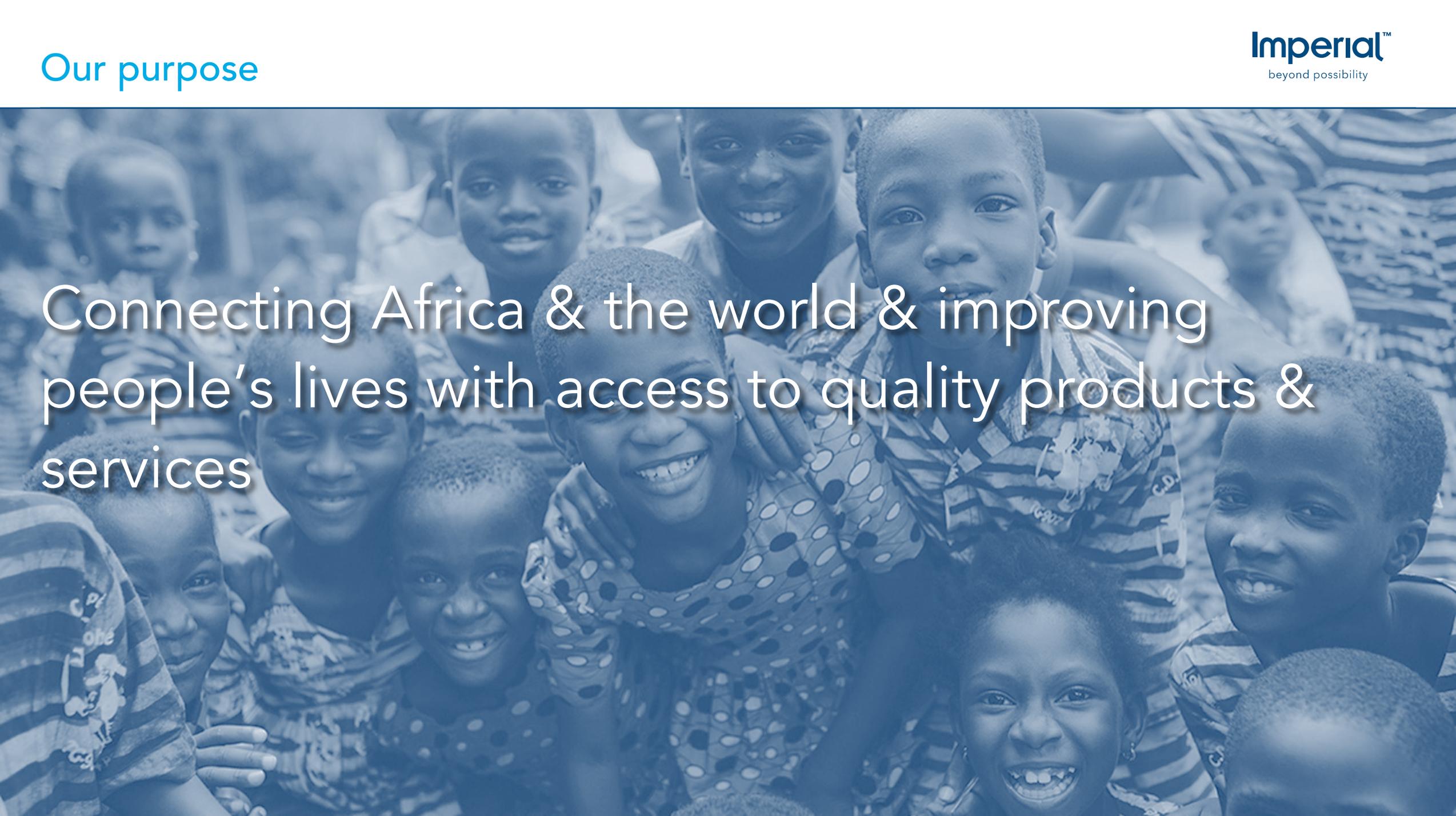


We offer a unique value proposition as the 'Gateway to Africa' for clients & principals through integrated market access & logistics solutions in five key industries

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Overview

A large, blue-tinted photograph of a diverse group of African children of various ages, all smiling and looking towards the camera. The children are dressed in casual, patterned clothing. The image serves as the background for the text.

Connecting Africa & the world & improving
people's lives with access to quality products &
services

Key features

Revenue*

+15%

R26.4bn

EBITDA*

-2%

R2.6bn

Operating profit*

-18%

R1.2bn
(19% increase in depreciation)



Interim cash dividend of **83** cents per share

ROIC of **4.1%** vs. WACC of **7.5%**



Total HEPS

-3%

185 cps

Continuing Core EPS**

-39%

235 cps

Net debt:EBITDA

1.8x

well within banking covenants of 3.25x

Cash & liquidity position remains strong

R13.7bn available facilities & cash



Continuing free cash flow excl. CPG per share

360 cents

Free cash conversion

90%



Contract renewal rate remains strong at **80%**

Pipeline of new opportunities c.**R15.5bn**

New business revenue **R6.2bn p.a.**

ROIC & WACC are calculated on a rolling 12 month

* Excludes the discontinued European shipping business in the current & prior period, & CPG in the prior period.

** 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 & a reconciliation with EPS & HEPS is included on slides 27 & 28

Operational overview

- Despite challenging trading conditions & impact of COVID-19, Imperial:
 - › recorded strong recovery in volumes & profitability compared to H2 F2020
 - › increased revenue compared to prior period
 - › generated strong free cash flow
 - › maintained strong balance sheet
 - › demonstrated resilience & sustainability
 - excellent new contract gains & contract renewals
 - › benefitted from new acquisitions
 - › removed costs of c.R200m p.a. in Logistics Africa
 - full benefit realised from F2022



Operational overview

- H1 F2021 performance negatively impacted by:
 - › various & extended levels of COVID-19 lockdown restrictions
 - › associated once-off costs due to COVID-19
 - › costs related to investment in people, processes, structure & systems to support strategy
 - › lower operating margin of 4.6% from 6.4% in H1 F2021 – competitive market & COVID-19 impact
 - › estimated lost revenue & operating profit of c.R1.6bn & c.R220m respectively due to COVID-19 in H1 F2021



Strategic overview

- Significant progress recorded against 'Gateway to Africa' & 'One Imperial' strategy
- Executed acquisitions in Market Access & Logistics Africa
- Concluded sale of European shipping business
 - › R3.4bn proceeds received from disposal on 31 July 2020
 - › attractive PAT multiple of c.15x
- Concluded sale of Pharmed – underperforming & low return on effort
- Progressing sale of South American shipping
- Logistics International is non-core to 'Gateway to Africa' strategy
 - › exploring an appropriate exit plan for Logistics International
- USD20m innovation fund continues to record significant activity
 - › 5 actively managed portfolio companies
- Implementing appropriate organisational structure/systems to operate as 'One Imperial'
- ESG & women empowerment initiatives continue to make a difference





We play a critical role in the lives of our countries & communities by providing access to quality products & services

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Impact & response to COVID-19

Playing our part during COVID-19

- Play a critical role in supply of essential services & products
- Well-positioned to provide logistics & distribution capabilities for COVID-19 vaccines in South Africa & other African countries
 - › set-up a task force across Market Access & Logistics Africa to ensure we can assist with & facilitate distribution of vaccines
 - › participating in RFQ in South Africa
- Ensuring the safety of our employees & operations remains priority
- Continue to support employees
- Through COVID-19, we maintained a sound financial position
- Despite day-to-day challenges, we continued to execute strategic imperatives to make us resilient for the future





We are a purpose-driven organisation focusing on people, profit & planet

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Operating context

Operating context

Market Access (28% group revenue; 34% group operating profit)

- severe impact of COVID-19 on economies – will continue until vaccines are available & herd immunity is achieved
- most countries re-introduced COVID-19 restrictions
- all businesses currently in operation
- strong position as a leading healthcare & consumer market access player in sub-Saharan Africa
- invested in appropriate structures & resources to create focused consumer & healthcare teams

Logistics Africa (31% group revenue; 38% group operating profit)

- COVID-19 lockdown restrictions impacted volumes & margins across many industries
- close to 100% of business now in operation
- normal trading to resume in the short to medium term subject to no further lockdown restrictions
- invested in additional capacity in consumer & healthcare – increased demand

Logistics International (41% group revenue; 28% group operating profit)

- return to lockdown restrictions in the UK & a number of European countries in H1 F2021
- all businesses operational – recovery in China positively impacting European export markets
- higher demand for Palletways' services due to increase in online, home & more frequent deliveries
- slower imports into the UK affected Palletways – more clarity when new Brexit regulations are fully implemented

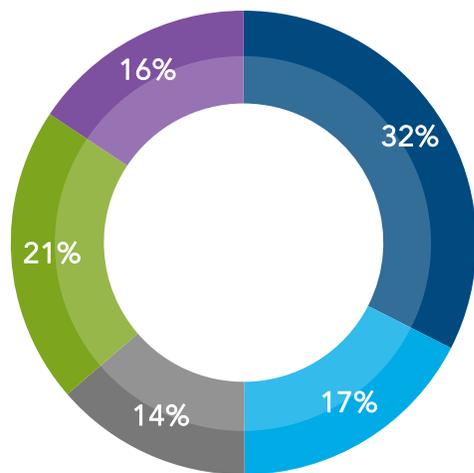
Group revenue variance y/y by industry– showing the impact of COVID-19 for continuing operations

	3 months (Jan 2020 to Mar 2020) revenue variance %	9 months (Apr 2020 to Dec 2020) revenue variance %	12 months (Jan 2020 to Dec 2020) revenue variance %
Automotive	15.0	5.9	8.1
Chemicals	(1.2)	0.2	(0.2)
Consumer	33.1	15.6	19.4
Healthcare	17.9	18.2	18.1
Industrial & Commodities	16.1	0.9	4.5
Other	10.5	6.7	7.7



Revenue % split by key industry for continuing operations

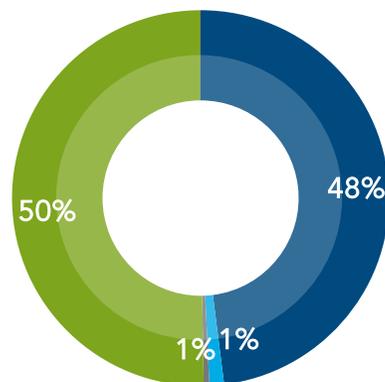
Group revenue per 5 key industries



- Consumer
- Industrial & Commodities
- Chemicals
- Healthcare
- Automotive

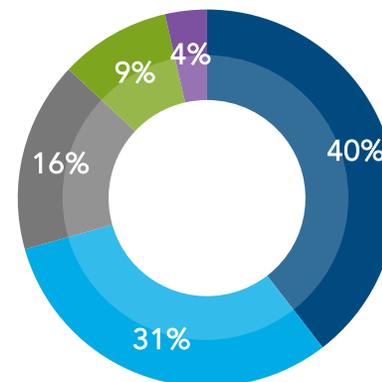
Revenue per 5 key industries per business

MARKET ACCESS



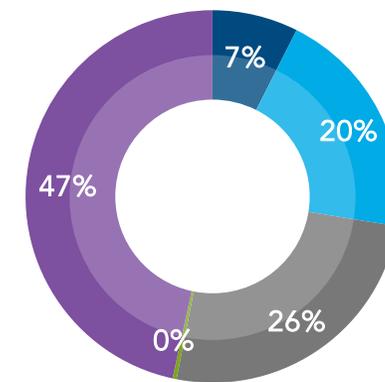
- Consumer
- Chemicals

LOGISTICS AFRICA



- Consumer
- Industrial & Commodities
- Chemicals
- Healthcare

LOGISTICS INTERNATIONAL



- Automotive

Market Access: strongly positioned in healthcare & consumer activities across the continent, wherein some of the fastest growing markets are located

Logistics Africa: scale & diversified service offerings across many industries & clients support resilience of this business in a low-growth environment

Logistics International: non-core to 'Gateway to Africa' strategy. Exploring an appropriate exit plan



We have a strong track record & experience in operating & growing in Africa – taking our clients & principals' products to some of the fastest growing & most challenging markets in the world

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Operating performance

Market Access



- Take ownership of inventory & responsibility for the full order to cash function
- Build complex route-to-market solutions that provide our principals with access to patients & consumers through comprehensive channel strategies that integrate sourcing, sales, distribution & marketing

- **Revenue** ↑ 35% to R7.4bn
- **Operating profit** ↓ 17% to R422m
- **Operating margin** 5.7% (H1 F2020: 9.2%)
- **28%** group revenue
- **34%** group operating profit
- **ROIC** of 11.3% vs. WACC of 11.9%

Logistics Africa



- Integrated freight management, contract logistics, LLP & supply chain services with significant scale, offering end-to-end solutions in key industries using technology as a differentiator
- Reduce time & cost to market, improve client efficiency & mitigate risk

- **Revenue** ↓ 2% to R8.1bn
- **Operating profit** ↓ 25% to R473m
- **Operating margin** 5.9% (H1 F2020: 7.6%)
- **31%** group revenue
- **38%** group operating profit
- **ROIC** of 6.4% vs. WACC of 7.9%

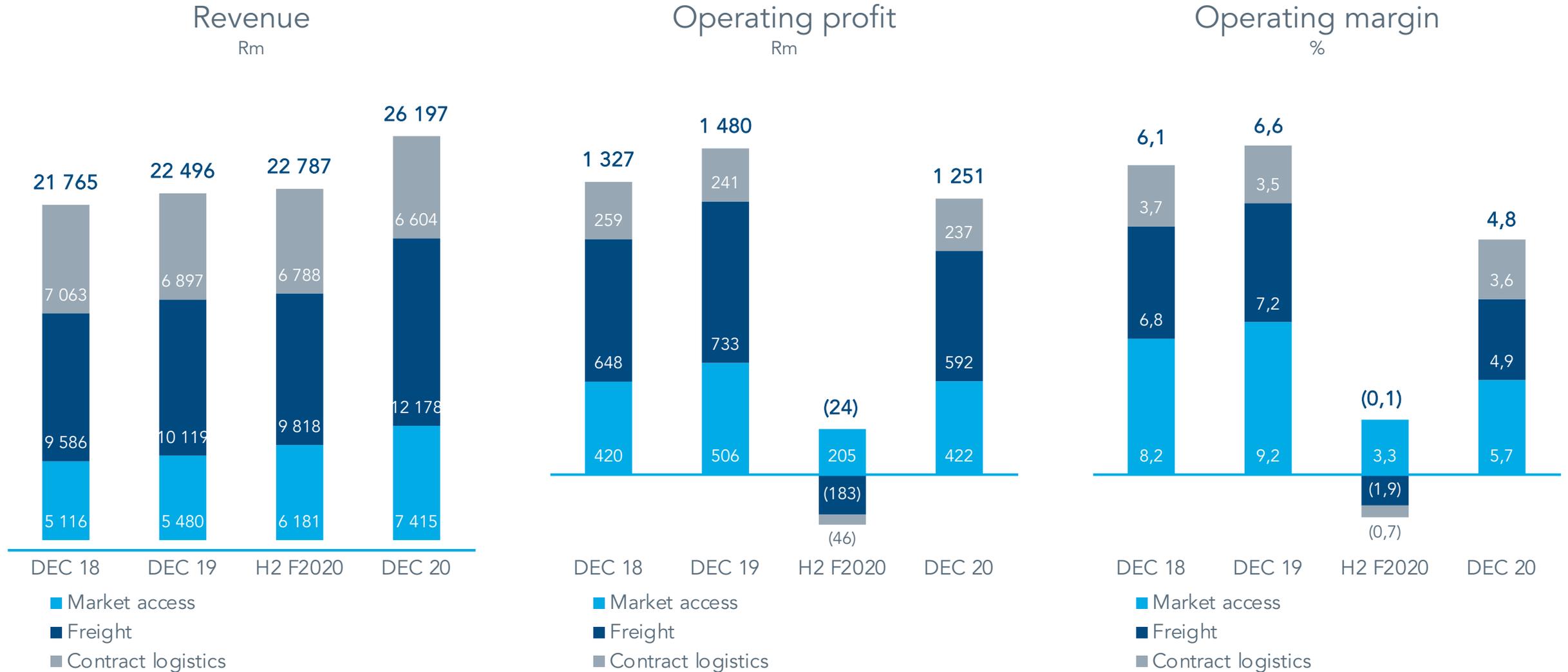
Logistics International



- Partner with clients to integrate logistics functions into their end-to-end supply chain
- Leading capabilities in chemical & automotive industries
- Specialised express pallet freight distribution capabilities

- **Revenue** ↑ 1% to €554m
- **Operating profit** ↓ 18% to €18m
- **Operating margin** 3.2% (H1 F2020: 4.0%)
- **41%** group revenue
- **28%** group operating profit
- **ROIC** of 0.2% vs. WACC of 5.7%

Group revenue & operating profit per business line



Numbers reported are for continuing operations, excluding businesses held for sale, head office & eliminations

Growth trend: Market Access



Delivered resilient performance in challenging circumstances – revenue increased 35% & operating profit decreased 17%

Results supported by:

- Significant new contract* gains (c.R2.2bn p.a.) & strong contract renewal rate (c.98%)
- Good growth in Healthcare business in East & West Africa
- Simplified Solutions in Healthcare added 5 new contracts
- Medical & kitting supplies business' (Imres) strong order book
- Excellent performance from new acquisition in consumer West Africa

Negatively impacted by:

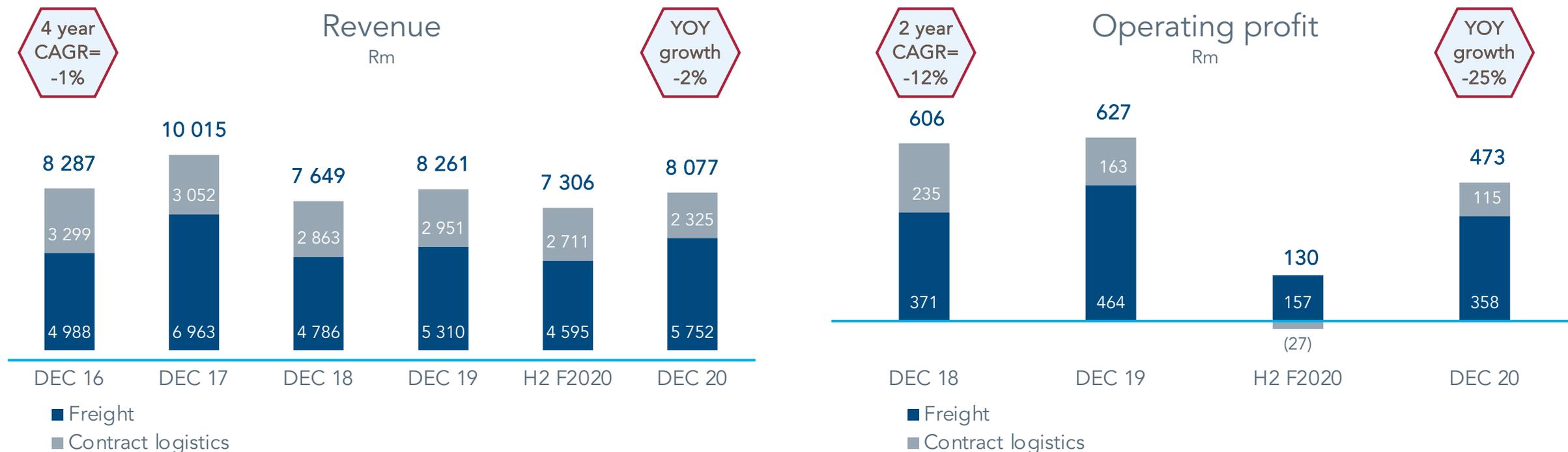
- Supply chain costs & procurement of certain product categories due to COVID-19
- Imres impacted by higher freight rates & constraints on supply & delivery of products due to COVID-19
- Normalisation of margin in West Africa Healthcare business
- Constraints on alcohol trading impacted some of our businesses
- Axis Group was severely impacted by large procurement projects being delayed due to COVID-19 – pipeline is encouraging

* Rolling 12-month basis to end December 2020

Numbers reported are for continuing operations, excluding businesses held for sale (Pharmed)

Operating profit shown for 3 years as numbers have been restated for that period due to IFRS 16

Growth trend: Logistics Africa



Revenue decreased by 2% & operating profit decreased by 25%

Results supported by:

- New contract gains* (c.R1.9bn) & contract renewal rate of c.70%
- Increased volumes in food, chemicals, healthcare products & medical supplies, & dedicated contracts road freight businesses

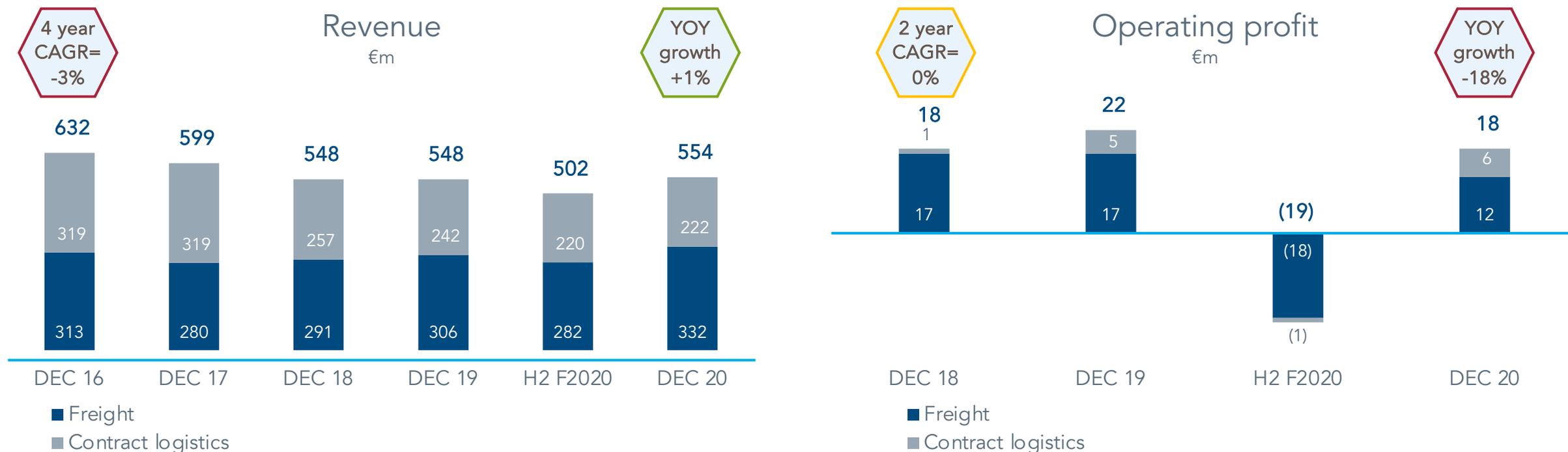
Negatively impacted by:

- Extended COVID-19 lockdown restrictions led to a decline in volumes across most sectors – particularly alcohol, tobacco & fuel
- Excessive border times
- Competitive market & rate pressure

* Rolling 12-month basis to end December 2020

Numbers reported are for continuing operations (CPG was classified as discontinued operations in the prior period), excluding businesses held for sale
Operating profit shown for 3 years as numbers have been restated for that period due to IFRS 16

Growth trend: Logistics International (Euro)



Revenue increased 1% & operating profit declined 18% in Euro terms

Results supported by:

- Many sectors of operations staging a recovery
- New contract gains* of c.R2bn or €114m
- Contract renewal rate remains strong at c.85%
- Recovery in China impacted European export markets
- Car sales volumes recovered (not to pre-COVID-19 levels)
- Strong volume growth in Palletways

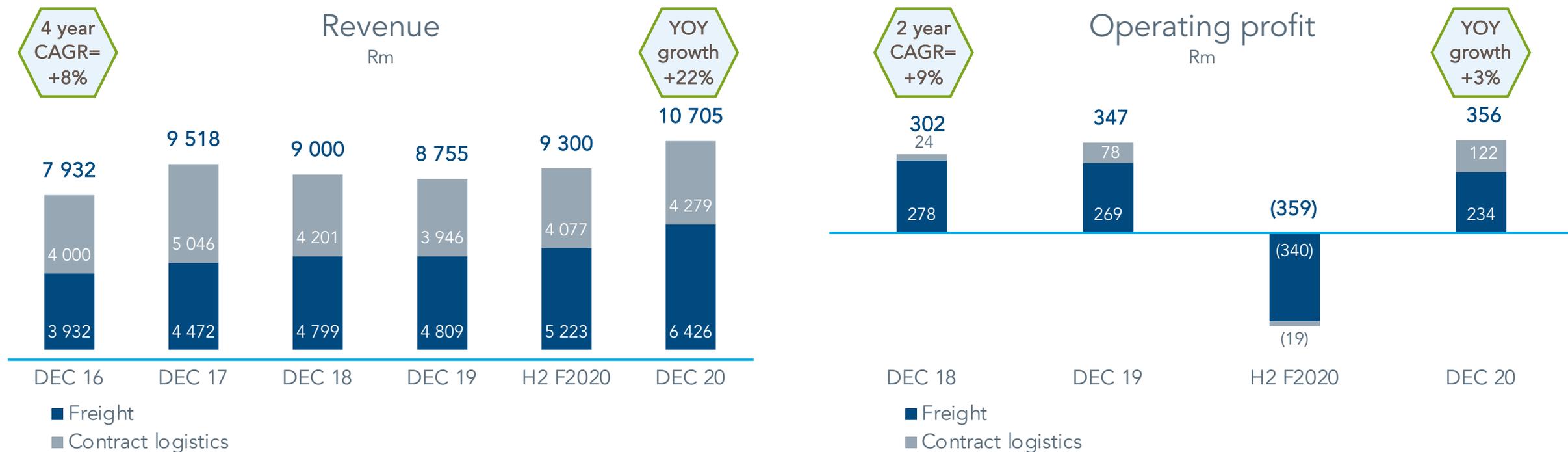
Negatively impacted by:

- Return to lockdown restrictions in UK & many European countries
- COVID-19 related costs – increase in sick leave, permanent employees replaced with temporary labour
- Lower volumes in industrial businesses
- Slower imports into the UK – clarity when new Brexit regulations are fully implemented
- Low water levels in South America (held for sale)

* Rolling 12-month basis to end December 2020

Numbers reported are for continuing operations, excluding businesses held for sale
 Operating profit shown for 3 years as numbers have been restated for that period due to IFRS 16

Growth trend: Logistics International (Rand)



Revenue increased 22% & operating profit increased 3% in Rand terms

- Significantly weaker Rand vs. Euro exchange rate during the period
- H1 F2021 average exchange rate was R19.19/Euro vs. R16.29/Euro in H1 F2020



We are focused on generating growth, higher returns, increased margins & strong free cash flow – supported by a strong balance sheet & sound capital management

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Financial review

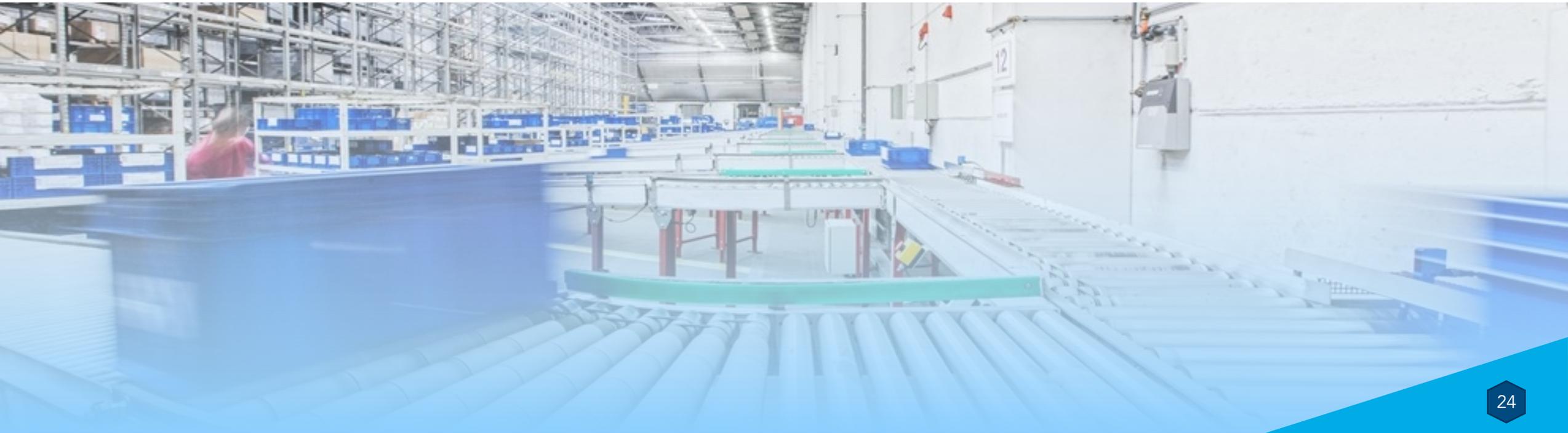
Maintaining a sound financial position

- Safeguarding & preserving the balance sheet, managing debt levels to remain well within bank covenants, maintaining liquidity & conserving cashflows
 - › proactive measures to reduce fixed overhead costs – Logistics Africa removed costs of c.R200m (annualised)
 - › reduced total capex by R514m compared to H1 F2020
 - › excellent working capital management
 - › generated operating & free cashflows despite the impact of COVID-19
- Proceeds from European shipping disposal used to:
 - › reduce existing debt
 - › provide capacity to pursue strategic objective of investing in Market Access & Logistics to enhance our African growth vision
- Sufficient headroom against our maximum net debt:EBITDA covenants of 3.25x
 - › resilient balance sheet in a tough environment (COVID-19)

Impact of COVID-19 on results

Rm	Estimate of lost revenue*	Estimate of lost operating profit*	Impact on margin (%)*
Logistics Africa	502	98	0.8
Market Access	364	41	0.3
Logistics International	741	83	0.5
Group	1 607	222	0.5

* Based on management's best estimate



Profit & Loss (continuing operations)

	Dec 2020 Rm	Dec 2019* Rm	% Change
Revenue	26 360	22 955	15
EBITDA	2 551	2 594	(2)
Operating profit (note 1)	1 201	1 463	(18)
Recoupments net of impairments to properties	10	15	(33)
Amortisation & impairment of intangible assets arising on business combinations (note 2)	(195)	(174)	12
Foreign exchange gains (note 3)	263	18	>100
Profit before finance costs, associates & other non-operating items	1 279	1 322	(3)
Net finance costs (note 4)	(395)	(312)	27
Share of results of associates & joint ventures	8	4	100
Profit before other non-operating items & taxation	892	1 014	(12)

1. Decreased by 18% due to the impact of COVID-19 which impacted operating profits negatively by R222m & investment in people, processes, structure & systems to support strategy (R24m)
2. The increase arose due to the acquisitions in 2020
3. Gain of R364m on capital reduction in foreign subsidiaries, offset by forex losses on monetary items in operations mainly in Africa
4. Increase due to residual CPG debt reported as continuing operations, higher lease (IFRS16) interest due to foreign exchange conversion, partly offset by the interest benefit on European shipping disposal proceeds

Profit & Loss (continuing operations)

	Dec 2020 Rm	Dec 2019* Rm	% Change
Profit before other non-operating items & taxation	892	1 014	(12)
Other non-operating items (note 1)	(435)	(32)	>100
Income tax expense	(158)	(316)	(50)
Net profit (loss) for the year - continuing operations	299	666	(55)
Discontinued operations (note 2)	582	(166)	>100
Attributable to non-controlling interest	(67)	(77)	(13)
Attributable to Imperial shareholders (loss) earnings	814	423	92

1. Other non-operating items comprise mainly:
 - › Impairment of South American shipping business held for sale R415m
 - › Impairment of goodwill of R11m
 - › Loss on disposal of subsidiaries R54m
 - › Business acquisition costs of R16m
 - › Gains on the re-measurement of the put option & contingent liabilities of R46m
 - › Net gain arising on lease termination & other impairments R15m
2. Discontinued operations consists of the gain on the disposal of the European Shipping operations

* Represented for the classification of the European shipping business as a discontinued operation

Reconciliation between earnings & headline earnings

	Dec 2020 Rm	Dec 2019* Rm
Earnings	814	423
- Continuing operations	232	590
- Discontinued operations	582	(167)
Recoupment from the disposal of property, plant & equipment (IAS 16)	(31)	(41)
Loss on disposal of intangible assets (IAS 38)		3
Impairment of goodwill (IAS 36)	11	6
Impairment reversal of investment in associates & joint ventures (IAS 28)	(2)	
Loss on disposal of subsidiaries, associates & businesses (IFRS 10 & IAS 28)	54	20
Impairment of businesses held-for-sale	415	
Foreign exchange gain reclassified to profit or loss (IAS 21)	(364)	
Tax effects of re-measurements	8	10
Non-controlling interests' share of re-measurements	13	7
Net headline earning adjustments for discontinued operations	(573)	(69)
Headline earnings	345	359
- Continuing operations	336	595
- Discontinued operations	9	(236)

* Represented for the classification of the European shipping business as a discontinued operation

Reconciliation between headline earnings & core earnings

	Six months Dec 2020 Rm	Six months Dec 2019* Rm	Six months Dec 2018 Rm	Twelve months Jun 2020 Rm	Twelve months Jun 2019 Rm
Continuing headline earnings	336	595	658	295	870
Amortisation of intangible assets arising on business combinations	195	174	196	374	400
Re-measurement of put option liabilities	(39)			(277)	(51)
Re-measurement of contingent consideration liabilities	(7)			(23)	
Business acquisition costs	16	14	7	21	15
Tax effects of re-measurements	(44)	(41)	(55)	(64)	(112)
Non-controlling interests' share of re-measurements	(19)	(15)	(19)	(41)	(39)
Core earnings	438	727	787	285	1 083
Core earnings per share	235	384	404	151	559

Core EPS is a measurement of pure trading performance & is calculated as headline earnings less amortisation of intangible assets arising from business combinations, acquisition cost, & the re-measurement of put option & contingent consideration liabilities. We have re-introduced Core EPS as management believes it is a more accurate reflection of Imperial's trading performance.

* Represented for the classification of the European shipping business as a discontinued operation

Financial position

	Dec 2020 Rm	Jun 2020 Rm	% Change
Property, plant & equipment	3 004	3 326	(10)
Transport fleet	3 308	5 186	(36)
Right-of-use assets	4 576	5 422	(16)
Goodwill & intangible assets (note 1)	6 322	7 084	(11)
Investments in associates, other investments & other financial assets	717	469	53
Net working capital (note 2)	1 006	544	85
Net tax asset	499	455	10
Net assets of disposal group & discontinued operations (note 3)	1 219	2 781	

Movements on the financial position are mainly currency movements & reclassification of assets & liabilities of South American shipping business to net assets of disposal group

1. Goodwill impacted by:
 - › currency (R665m)
 - › impairments (R11m)
 - › amortisation of intangibles (R195m)
2. The increase in net working capital is due to a normalisation of working capital levels post-COVID-19 across all businesses & is still within guidance of 4-5% of revenue
3. December 2020 consists of South American shipping & June 2020 European shipping & Pharmed

	Dec 2020 Rm	Jun 2020 Rm	% Change
Net interest bearing borrowings excluding lease obligations (note 1)	(5 509)	(8 391)	(34)
Lease obligations	(5 185)	(6 080)	(15)
Other liabilities	(2 085)	(2 524)	
Total equity (note 2)	7 872	8 272	

1. Decrease, impacted mainly by:

- › cash inflow from operations before working capital movements of R2 587m
- › cash inflow from the net disposal of subsidiaries & businesses R3 390m
- › cash utilised by an increase in working capital of R1 009m
- › finance costs paid of R379m
- › tax paid of R304m
- › net capex amounted to R301m
- › movement in associates & other investments R143m
- › repurchase of ordinary shares of R101m
- › dividends paid of R52m
- › purchase of a non-controlling interest of R118m
- › lease payments of R913m
- › currency adjustments contributed to a decrease in debt of R225m

2. Movement due to:

- › comprehensive loss of R210m, including FCTR movement of R1.1bn
- › transactions with non-controlling interests of R118m
- › dividends paid of R52m
- › share repurchases net of share-based equity charges of R21m

Cash flow operating activities

	Dec 2020 Rm	Dec 2019 Rm
Cash generated by operations before movements in net working capital (note 1)	2 587	2 682
Net working capital movements (excludes currency movements & net acquisitions) (note 2)	(1 009)	(1 094)
Net interest & tax paid	(683)	(683)
Cash inflow from operating activities (note 3)	895	905

1. Decreased by R95m mainly due to the negative impact of COVID-19 on operating performance
2. The improvement compared to the prior period is mainly due to:
 - › decreased volumes as a result of COVID-19 which translated into lower working capital
3. Includes a cash outflow from CPG of R347m & a cash outflow from discontinued European shipping of R368m

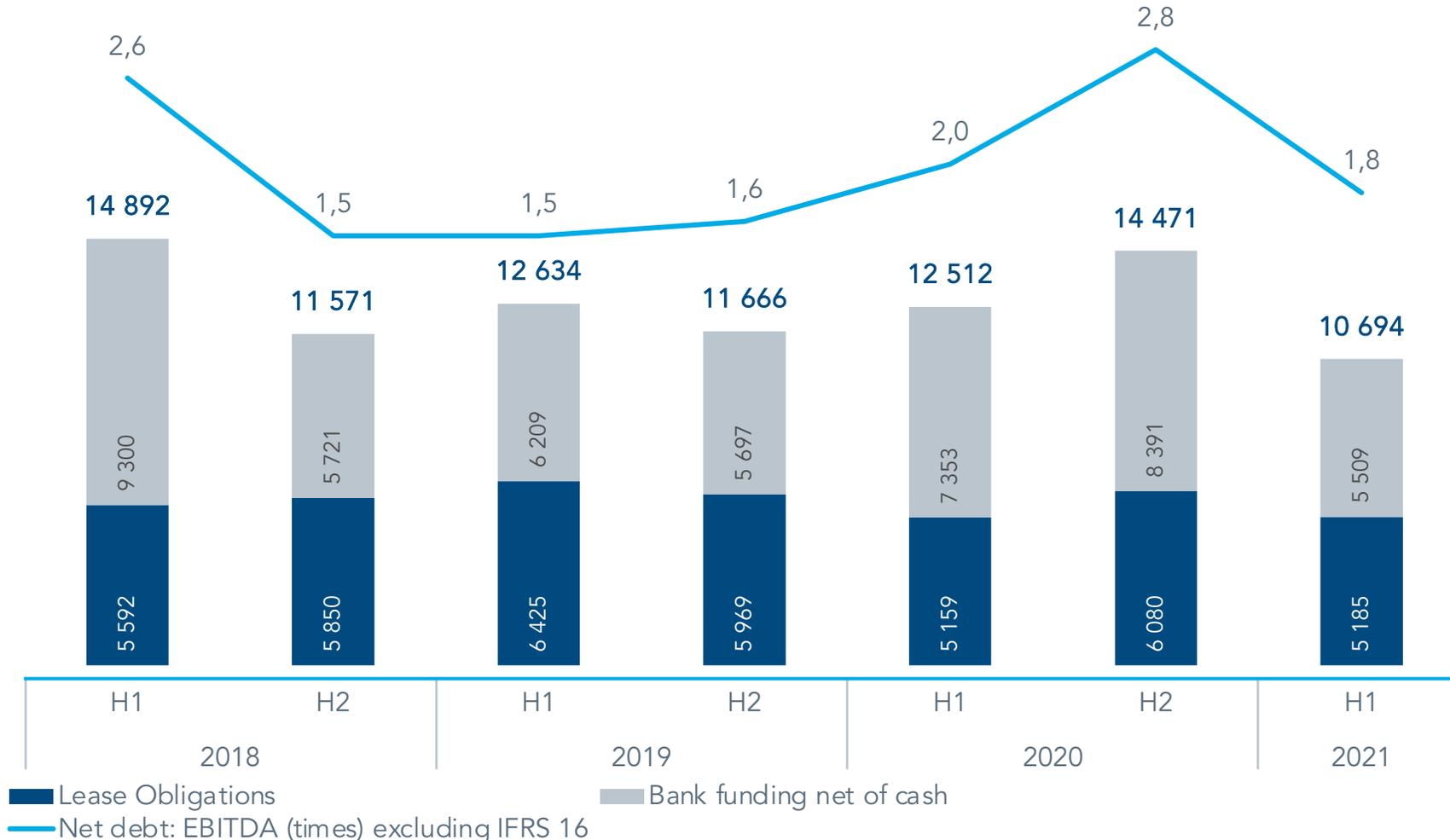
Cash flow summary

	Dec 2020 Rm	Dec 2019 Rm
Cash flow from operating activities	895	905
Investing activities:	2 946	(837)
Capital expenditure (1)	(301)	(815)
Net disposals (acquisitions) of subsidiaries & businesses (2)	3 390	(75)
Net movement in associates, investments, loans & other financial instruments (note 3)	(143)	53
Financing activities:	(1 184)	(1 735)
Settlement of interest rate swap instruments		(10)
Repurchase of ordinary shares	(101)	(225)
Dividends paid	(52)	(282)
Cash paid on change in non-controlling interests (note 4)	(118)	(80)
Payments of lease obligations (note 5)	(913)	(1 138)
Decrease (increase) in net borrowings before currency adjustments	2 657	(1 667)
Free cash flow - total	(81)	(565)
Continuing free cash flow to continuing headline earnings	0.93	(0.09)
Free cash flow - continuing excluding CPG	671	(54)

1. Decreased due to effort across all businesses to contain capex
2. Comprises mainly the proceeds from the disposal of the European shipping business of R3 440m
3. Acquisition of a 49% shareholding in Pharmafrique (Pty) Ltd (trading as Kiara Health) in Market Access for R76m & settlement of loans
4. Comprises minority buyouts in Eco Health, Palletways & CB Enterprises
5. Reduced due to a decrease in CPG & the European shipping business that traded until 31 July 2020

Leverage

Net debt to EBITDA calculation excluding IFRS 16



- Liquidity remains strong
- R13.7bn unutilised banking facilities
- 71% of debt is long-term in nature
- 65% of debt is at fixed rates
- All debt requirements accommodated in banking market
- Net debt:EBITDA of 1.8x (H1 F2020:2.0x)
- Well within banking covenants of 3.25x
- Interest cover at 5.5; covenant at 3.0x

Group performance against medium term guidance

	H1 F2021	Medium-term guidance over 3 years
Revenue & operating profit	15% revenue growth 18% decrease in operating profit	Logistics: 2x GDP growth + inflation Market Access: Low double digit growth
Cash conversion continuing capex	90%	Targeted cash conversion of 70-75%
Debt capacity	ZAR3bn-5bn	ZAR3bn-5bn
Net debt:EBITDA used for bank covenant calculation (excluding lease obligations)	1.8x at end December	<2.5x
ROIC	4.1% (WACC: 7.5%)	WACC + 3%
Dividend	Interim dividend of 83 cents per share	Dividend payout ratio will be assessed at each reporting period – subject to prevailing circumstances
Net working capital	4.1% of revenue	4-5% of revenue



It is our strategic intent to become a 'One Imperial' business & serve as the 'Gateway to Africa' to our clients, principals & customers – transforming from an asset-heavy, 3PL logistics player to an innovative, asset-right business, focusing on Africa

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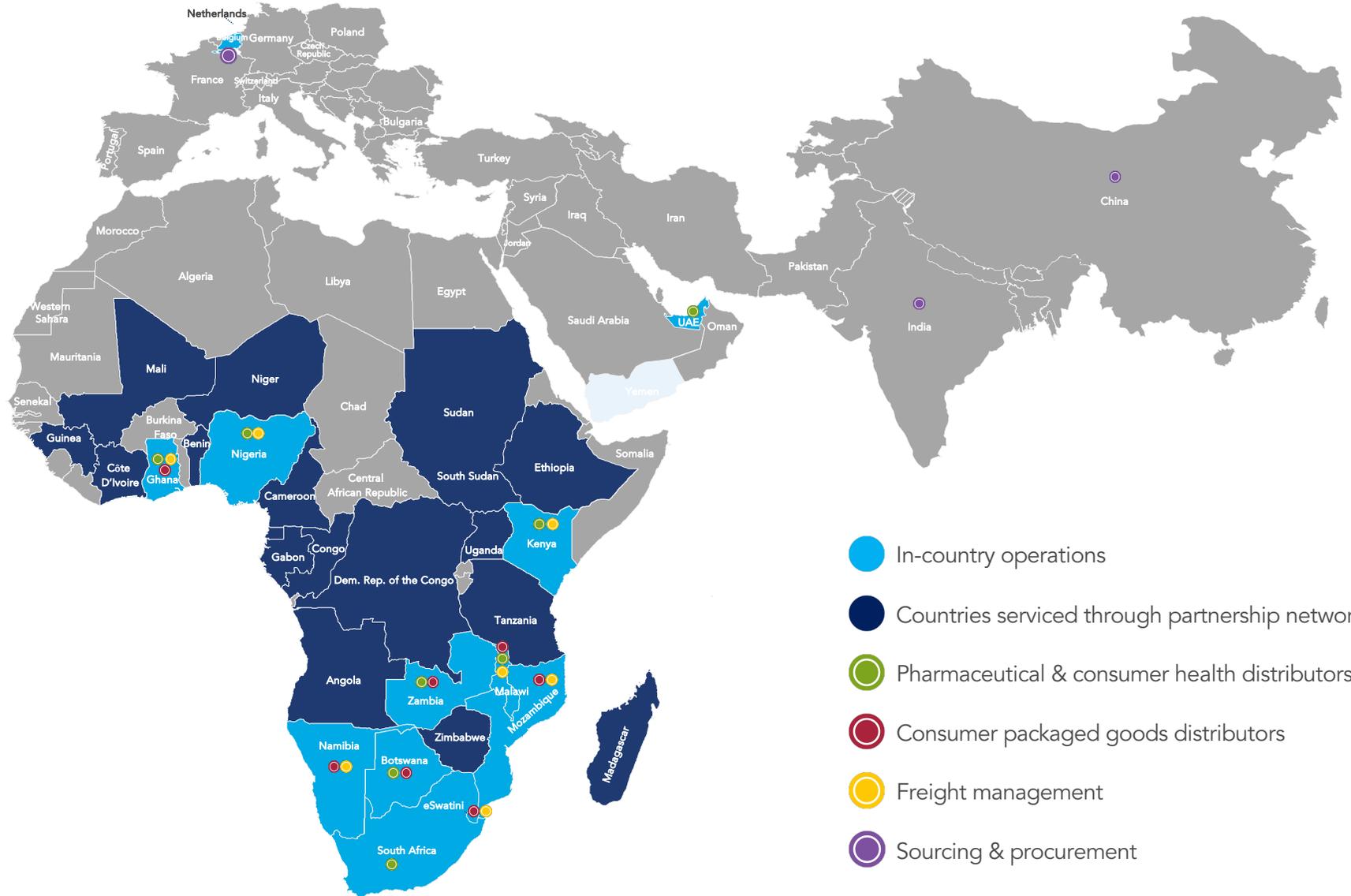
Strategy

Strategic positioning recap

- Transform Imperial from a regional portfolio of businesses to an integrated, end-to-end market access & logistics business focusing on Africa
- Strategic intent to become 'One Imperial' & serve as the 'Gateway to Africa'
- Grow organically & through acquisitions in Africa & selected markets
 - › actively exploring opportunities in both Market Access & Logistics Africa outside South Africa
- Investment in appropriate & effective systems, processes, resources & structures
 - › position the business for sustainable growth
 - › improve efficiencies & costs over the medium term
 - › centre-led functions
 - › significant investment in next 3-5 years
 - › c.R100m in H1 F2021
- Focused on being a digital & data driven organisation
- Developing & retaining top talent
- Integrating ESG practices
- Unlock value for our clients, principals, shareholders & other key stakeholders



Africa footprint



The 6 pillars of our business strategy

Operate as 'One Imperial', offering unique end-to-end solutions	People are our greatest asset	Extensive Africa footprint – serving as a 'Gateway to Africa'	Leveraging footprint & network in Africa for growth	Go digital, be digital, enable digital	Integrating environmental, social & governance practices
<ul style="list-style-type: none"> • Understanding industries & client needs • Offering unique integrated logistics & market access solutions – “one stop shop” • Becoming a trusted brand • Sharing capabilities for economies of scale & skills • Ability to forward & backward integrate 	<ul style="list-style-type: none"> • Creating a 'One Imperial' culture • Transforming leadership diversity & mindset • Attracting & retaining the best talent & skills 	<ul style="list-style-type: none"> • Becoming the leading market access / logistics partner in Africa • Focusing on key industries • Expanding footprint & scale • Ensuring local relevance 	<ul style="list-style-type: none"> • Connecting trade flows into/out of Africa • Targeting multi-national client base that can be leveraged into Africa • Creating cross-selling & upselling opportunities • Enhancing our client marketing opportunities & positioning 	<ul style="list-style-type: none"> • Becoming data & insights driven (internally & for our clients) • Leveraging technology platforms • Establishing partnerships & expand ecosystem • Expanding services into e-commerce, e-commerce fulfillment & digital freight exchanges 	<ul style="list-style-type: none"> • Protecting our licence to operate & reputation • Proactively managing & investing in ESG as part of our daily course of business • We care about our communities, environment & countries of operation • Purpose driven • People, planet, profit given priority

How our strategy addresses our challenges & progress made

Challenge	Strategic response	Progress made
<p>Achieving sustainable growth with focused capital allocation</p>	<ul style="list-style-type: none"> • Replace disposals with strategically aligned acquisitions • Solid organic & acquisitive growth targeted to F2025 • All acquisitions assessed on following criteria: <ul style="list-style-type: none"> › achieving strategic objective of ‘Gateway to Africa’ › strong organic growth › must achieve required returns (WACC plus 3%) › how Imperial adds value & leverages synergy opportunities • Integration, efficiency, cross-selling & upselling opportunities across Market Access & Logistics • Capital allocated to group wide systems, digital & data initiatives, processes & people – critical to achieving efficiencies & improving margins as part of our ‘One Imperial’ strategy 	<ul style="list-style-type: none"> • Contract renewal rate is c.80%, with encouraging pipeline • New business revenue of c.R6,2bn p.a. secured in December 2020 • Material contract with P&G secured in consumer industry in Nigeria • Five new clients onboarded onto our Simplified Solutions in Healthcare offering in Market Access • Actively exploring potential growth opportunities in both Logistics & Market Access on the continent (outside South Africa) • Concluded acquisitions of c.R120m

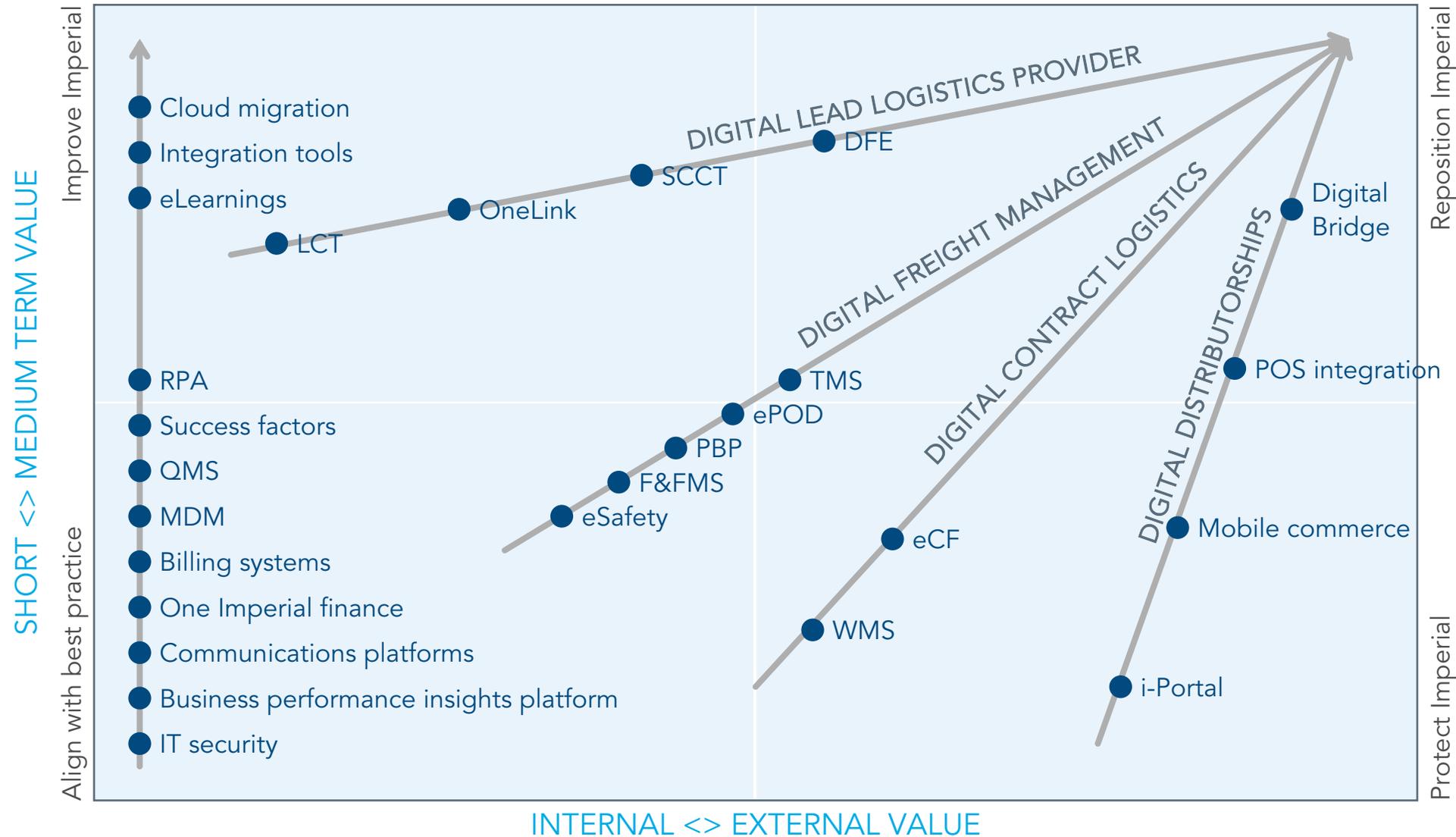
How our strategy addresses our challenges & progress made

Challenge	Strategic response	Progress made
Asset intensity	<p>Transforming Imperial from an asset heavy 3PL logistics player to an innovative asset right business using data & technology as a differentiator:</p> <ul style="list-style-type: none"> • Investment in digital & data initiatives • Asset right acquisitions • Transforming contract logistics & road freight by leveraging our scale & asset-base using technology • Improving efficiency, reduce costs & optimising investment in assets, thereby reducing our asset intensity 	<ul style="list-style-type: none"> • Asset turnover improved from 64% in H1 F2020 to 81% in H1 F2021 • Reduced costs of c.R200m (annualised) in Logistics Africa • Project Blue Fleet in progress, with the renegotiation of supply agreements for largest cost items in Logistics Africa (fuel, vehicle & tyres) underway. Cost & efficiency benefits will be realised over the next 12 months • Consolidated road freight businesses in Logistics Africa • Reduced total capex by R514m compared to H1 F2021 • Partnership with Lori Systems to expand ability to offer spot-based sub-contracted road freight through the digital freight exchange
Simplifying the business from a complex, regional portfolio into an integrated market access & logistics business	<ul style="list-style-type: none"> • Transforming into an integrated logistics business – offering an end-to-end service • Providing simplicity, flexibility & visibility to our clients • New organisational structure focused on two solutions • Regional structure will be secondary 	<ul style="list-style-type: none"> • Organised & now operating based on solutions offered – market access & logistics – & less so on regions • Core functions transitioned to a centre-led model

How our strategy addresses our challenges & progress made

Challenge	Strategic response	Progress made
Commoditised businesses	<ul style="list-style-type: none"> • Exiting non-core, underperforming, low return on effort & investment businesses • Investing in new-age businesses • Focusing on data & technology – remaining relevant 	<ul style="list-style-type: none"> • Digital Fleet Management, enabling Road Freight Business • Partnerships to enable digital distributorships in Market Access business • Exited Pharmed • Sold European shipping • Progressing sale of South American shipping • Identified remaining international portfolio as non-core & exploring appropriate exit plan
Investment in digital, data & innovation	<ul style="list-style-type: none"> • Moving away from asset-heavy, traditional ‘walls & wheels’ logistics, to forward-thinking & innovative solutions • Proactive ongoing investment in digital & data initiatives is top of mind & core to strategy • Capital will be allocated to: <ul style="list-style-type: none"> › an innovation fund with significant activity & opportunities identified › executing digital & data initiatives to facilitate transformational shift 	<ul style="list-style-type: none"> • Innovation fund now has 5 actively managed portfolio companies: <ul style="list-style-type: none"> › Field Intelligence, a digital pharmaceutical distributor operating in Nigeria & Kenya › Shypple, a digital freight forwarder operating between Asia & Europe › RedBird, a provider of rapid diagnostic tests to pharmacies in Ghana › Lori, a digital road freight exchange operating in East & West Africa has partnered with Imperial to launch in SADC during 2021 › an investment in a cross-border digital logistics service provider serving e-commerce merchants in MENA • Parcel Ninja acquisition will provide specialised warehousing & distribution management in e-commerce, direct to consumers & to informal markets • Progress made on a Business Performance Insights Platform (incl. establishing a comprehensive data lake, developing a consistent reporting platform & applying advanced data science)

Digital & IT initiatives enabling 'One Imperial'



How our strategy addresses our challenges & progress made

Challenge	Strategic response	Progress made
<p>Moving from decentralised to operating as 'One Imperial' – leveraging synergies, expertise, clients etc.</p>	<ul style="list-style-type: none"> • Transitioning the brand positioning to 'One Imperial' brand • Aligning processes & organisational design to 'One Imperial' – roll-out of a single finance, human resources, IT & communications systems • Client-value proposition centred on selling as 'One Imperial' & leverage cross-selling & upselling opportunities • People proposition centred around collaboration & being part of a 'One Imperial' business • Investing in talent pipeline & leveraging skills/expertise across the group 	<ul style="list-style-type: none"> • Organisational structures to enable 'One Imperial' strategy finalised • Introduced & rolling-out a consistent 'One Imperial' people model & associated ways of work for all people practices • Progressing plans to introduce a centre-led training initiative regarding digitisation, & driver & controller management • Various communication initiatives to promote 'One Imperial' • Roll-out of 'One Imperial' brand across businesses is in progress • In the foundation phase of the 'One Imperial' Finance project to standardise finance systems & finance Shared Services Centre build • Established a co-creation lab for increased collaboration with key principals & clients, to facilitate selling as 'One Imperial' • Implementing SAP Success Factors as the single human resources information system & transaction platform • c.R100m invested in 'One Imperial' initiatives in H1 F2021
<p>Creating shared & sustainable value – focusing on ESG</p>	<ul style="list-style-type: none"> • Shifting to a purpose-driven organisation • Pillar of our strategy – includes investing in & integrating ESG into daily business activities 	<ul style="list-style-type: none"> • R11.6m invested in communities through strategic CSI initiatives across regions focusing on healthcare, education, safety & skills development • Continue integrating ESG imperatives into strategy & business practices • Advancing ESG rating & reporting standards – favorable ratings from key global ratings agencies



We are a resilient
& sustainable business,
supported by ongoing delivery
against our strategic imperatives

Imperial™

beyond possibility

Looking ahead

- Impact of COVID-19 & ensuing uncertainty to continue to affect operations & performance in the short term
- For F2021*, we expect Imperial's continuing operations to deliver:
 - › double-digit revenue growth compared to F2020
 - › double-digit operating profit growth compared to F2020
 - › double-digit growth in continuing HEPS compared to F2020
 - › double-digit growth in core EPS compared to F2020
 - › strong free cash flow generation – free cash conversion expected to be 70%-75%
- Balance sheet remains strong & resilient
 - › sufficient headroom in terms of debt capacity & liquidity to facilitate strategic growth aspirations
- Strong pipeline of new business opportunities
- Continue to meet demands & manage implications of COVID-19 & ensure continuous delivery on strategic objectives
- Focus on organic growth through new contract gains & on integration of acquisitions to unlock shareholder value

Our focus remains on delivering the best from current operations by making them lean & efficient, servicing clients profitably, executing flawlessly & growing organically, while still delivering on our strategy

The image features a dark blue background with a light blue geometric pattern of interconnected lines and dots, resembling a molecular or network structure. A diagonal split separates the dark blue upper portion from a lighter blue lower portion. The Imperial logo is centered in the dark blue area.

Imperial™

beyond possibility

Thank you

www.imperiallogistics.com



Our philosophy when it comes to sustainability is to meet the needs of our clients now without compromising our ability to do so in the future

Imperial™

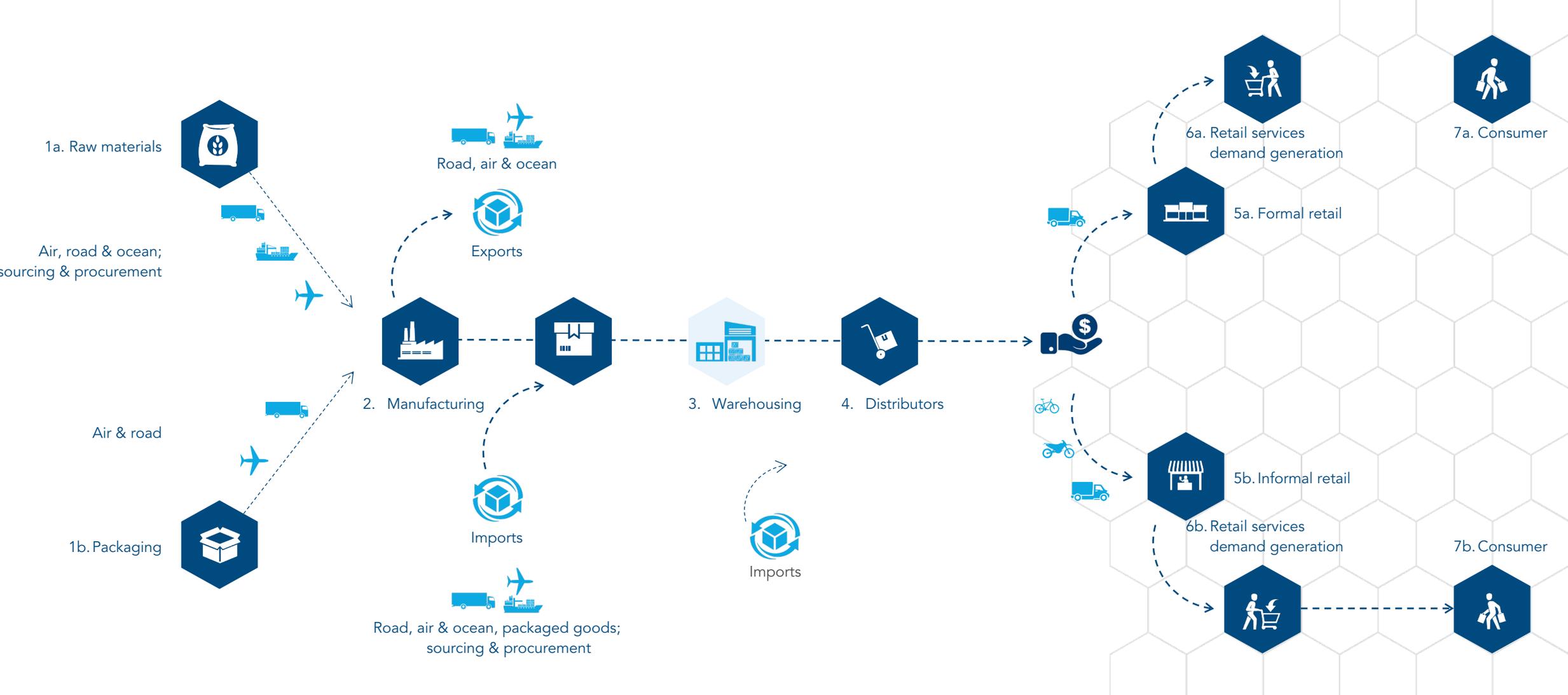
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Appendices

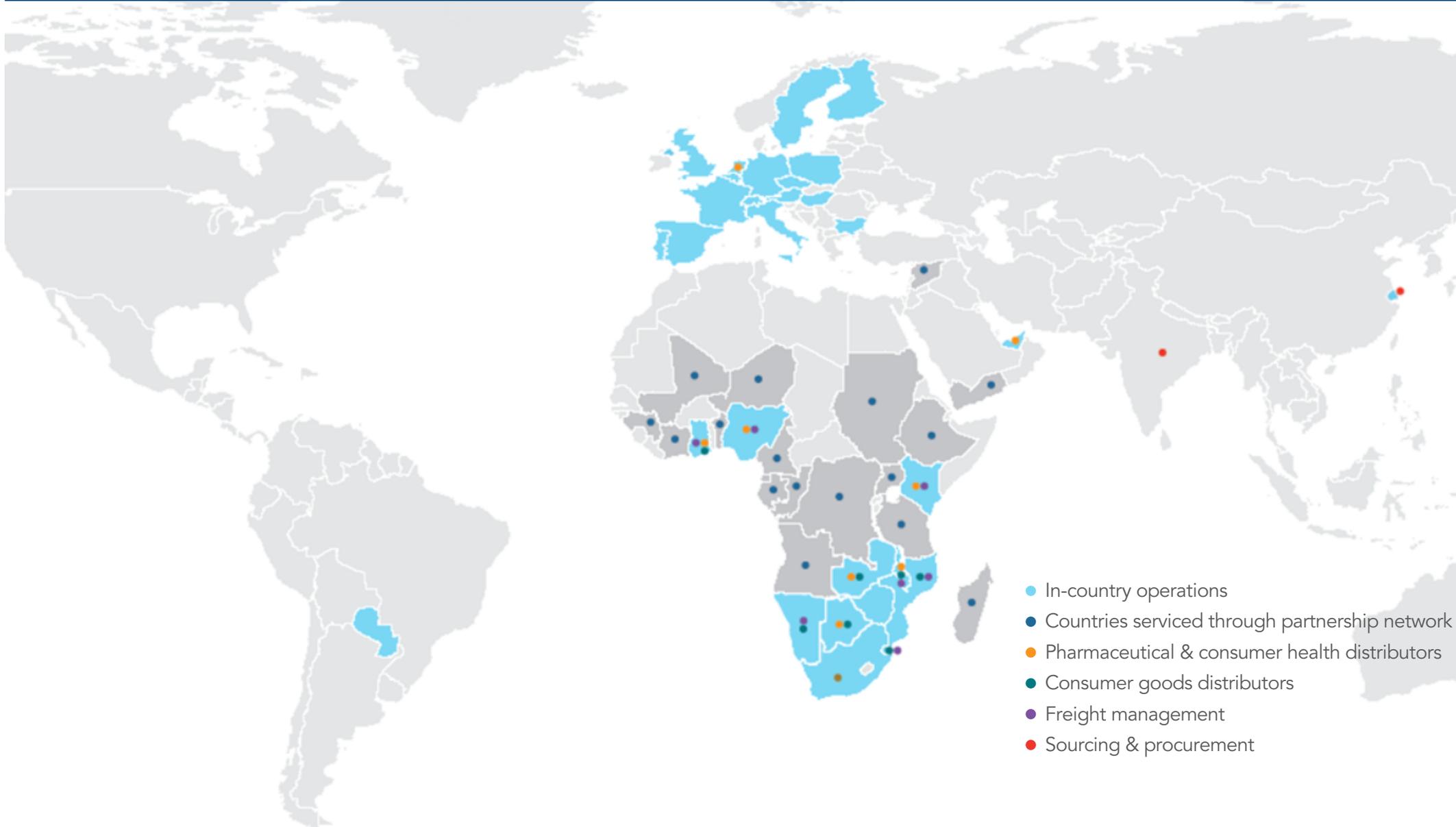
Our investment proposition

- Focused on generating growth, higher returns & strong free cash flow – supported by a strong balance sheet & sound capital management
- A purpose-driven organisation focusing on people, profit & planet
- Led by a management team with vast experience, skills & track record
- Offers a unique value proposition as the 'Gateway to Africa' for clients & principals through integrated market access & logistics solutions in five key industries: healthcare, consumer, chemicals, automotive, industrial & commodities
- Strong track record & experience in operating & growing in Africa – taking our clients & principals to customers in some of the fastest growing & most challenging markets in the world
- Strong expertise in delivering end-to-end innovative solutions
- Operating as 'One Imperial', through one brand, one culture, one positioning & selling as one business to leverage cross-selling & upselling opportunities, efficiencies & cost savings
- Our unique Market Access business, strong logistics expertise & heightened focus on digital & data are key differentiators
- A resilient & sustainable business, supported by ongoing delivery against our strategic imperatives
- Solid & longstanding relationships with our multinational client & principal base
- Committed to paying dividends

End-to-end value chain



Geographic footprint



Our solutions: market access

- We take ownership of inventory & responsibility for the full order-to-cash function
- Build complex route-to-market solutions that provide our principals' access to consumers
- Comprehensive channel strategies integrate sourcing, sales, distribution & marketing
- Solutions leverage our freight & contract logistics capabilities
- Operate to the highest quality & compliance standards
- Access to multiple African markets
- Minimise the risk of trading in Africa
- As early adopters of new technology, we deliver end-to-end solutions that enable customer transparency & improve operational efficiency

Our core offerings:

- Integrated market access services & logistics solutions
- Healthcare & consumer distributorships
- Multi-market aggregation
- Sourcing & procurement
- Emergency relief & kitting
- Marketing & promotion services

Our solutions: logistics

- Local market presence & a deep understanding of our clients businesses & the industries in which they operate
- Expertly manage the movement of goods on behalf of clients between specified sources & destinations
- Skilfully navigate different transportation modes (road, river, rail, air & ocean) & utilise a range of transportation types
- Reduce time-to-market, improve customer service & mitigate risk
- Partner with our clients to integrate logistics functions into their end-to-end supply chain
- When the outsource relationship is at the height of its maturity, we act as the Lead Logistics Provider (LLP)
- Our customised Information Technology provides real time visibility & transparency along the entire value chain
- Our contract logistics & distribution networks in major geographies allow for full, seamless integration

Our core offerings:

- Contract logistics
- Freight
 - › Road freight
 - › Air & Ocean
 - › LLP

Key industry trends & context

Healthcare (c.21% group revenue)

- Revenue growth of 18%
- Contract gain rate of c.50%
- Key industry of operation & growth
- Sales team focused on driving demand in the healthcare industry has now been fully deployed in South Africa
- Number of COVID-19 vaccines now approved by regulators – likely to lead to approvals & initial supplies into sub-Saharan Africa
 - › Imperial is well-positioned to play an active role in the distribution of these vaccines, leveraging our own infrastructure & capabilities & those of our partners
 - › where feasible, we will participate as tender processes are formalised for distribution of vaccines

Consumer (c.32% group revenue)

- Growth of c.16% despite lower consumer demand & strict lockdown restrictions imposed on liquor in South Africa
 - › monthly revenue during the past 4 months exceeded pre-COVID 19 levels
- COVID-19 has changed purchasing trends, consumer behaviour & outsourcing opportunities
- Customer needs for increased convenience growing at exponential rates – greater pressure placed on logistics companies
- COVID-19 identified weaknesses across the value chain
 - › increasing demand for warehousing services – growth in e-commerce; increased visibility, resilience & shortening of supply chains

Key industry trends & context

Automotive (c.16% of group revenue)

- Strong revenue growth of 18%
- Easing of restrictions in the industry after plant shut-downs impacted OEMs between March & June 2020
- More severe impact on European vehicle manufacturers than most other industries in 2020
- Industry to remain weak during 2021 (calendar year) – forecasts of 10% decline in vehicle production in the UK & EU compared to 2019
 - › global lockdown restrictions
 - › impact of Brexit

Chemicals (c.14% group revenue)

- Revenue growth of c.2%, strong pipeline of new business & >80% contract renewal rate despite lower global demand for chemical products
- Petroleum operations recovered to positive revenue growth following lockdown restrictions in South Africa
- Gas sector saw increased demand for medical oxygen in hospitals & demand for LPG declined due to restrictions imposed on restaurants
- Industry investigating alternatives to reduce reliance on inputs from China-based suppliers
- Industry focus on green logistics & stricter regulatory compliance – creates opportunities for Imperial

Key industry trends & context

Industrial & Commodities (17% of revenue)

- Revenue growth of c.4% & strong contract renewals >95%
- Industrial & commodities operations recovered to pre-pandemic levels during the past 6 months
- Well-diversified exposure across multiple industrial & commodities sub-sectors, together with new contract gains, limited large volume declines experienced in certain sectors
- Production activity in manufacturing sector rebounded in recent months
- Mining sector's focus on ESG expected to create opportunities for Imperial



ESG focus in the six months to December 2020

- Focus on embedding ESG practices in business, with strides made on women empowerment & gender quality:
 - › Imperial subscribes to the UN Women Empowerment Principles
 - › ongoing progress with global & divisional women's forums initiatives
 - › ranked 2nd in the 'Women Empowerment in the Workplace Award' category of the Gender mainstreaming awards 2020
 - › invested in women's development in sport through the CGL Women's team sponsorship
 - › i-Move women's campaign had over 1m social media impressions
 - › support against gender based-violence initiatives (support to South Africa government's GBVF response fund & partnering with Imperial Wanderers Stadium to end femicide)
- R11.6m invested in CSI initiatives, impacting the provision of primary healthcare to over 1.6m patients & library resources to over 53,000 school learners since inception of our flagship projects
- Favourable results sustained from global ESG assessments & ratings agencies
- Imperial was nominated as a finalist in the IRMSA & Risk Insights ESG Company Sustainability Award



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