Presentation overview

Imperial’s Proposed Unbundling

Imperial Logistics Investor presentation
Imperial has grown into 2 distinct successful businesses

**Imperial today**

- Started as single car dealership in 1948 in downtown Johannesburg
- Imperial Holdings has evolved into a multinational group occupying market-leading positions in the logistics and motor sectors within 38 countries on 5 continents
- Revenue (FY June 2018): ZAR128.7bn; and operating profit (FY June 2018): ZAR6.4bn (5.0% margin)

**Business split: FY June 2018 (by reported revenue)**

- Imperial Logistics: 40% ZAR51.4bn
- MOTUS: 60% ZAR77.7bn

With effect from 1 July 2016 and 1 January 2017 respectively, the Group consolidated its logistics and automotive operating companies and assets within two large, multi-national companies, Imperial Logistics and MOTUS, each with its own board, chief executive officer, executive committee and increasingly self-sustaining balance sheets

Today, Imperial Logistics and MOTUS function as two large independent, self sufficient businesses

The Proposed Unbundling will enable the businesses to operate in a more focused and efficient manner
Imperial’s Proposed Unbundling

- On 21 June 2018, Imperial announced that the Board had resolved to proceed with the steps required to implement the proposed unbundling of Imperial’s automotive business MOTUS ("Proposed Unbundling")
- The Proposed Unbundling will be implemented through:
  - the transfer by Imperial of all of its automotive related interests to MOTUS, a wholly-owned subsidiary of Imperial, in terms of an asset-for-share transaction;
  - a distribution *in specie* of the shares in MOTUS to shareholders in terms of section 46 of the South African Companies Act and section 46 of the South African Income Tax Act;
  - the simultaneous listing of MOTUS on the Main Board of the JSE
- This strategic decision to separate the business operations and management of Imperial will provide shareholders with the opportunity to participate directly in Imperial Logistics and/or MOTUS

### Transaction overview

- **Timing**
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  - This strategic decision to separate the business operations and management of Imperial will provide shareholders with the opportunity to participate directly in Imperial Logistics and/or MOTUS

### Timing

- The Imperial Holdings shareholder circular, and the MOTUS pre-listing statement, will be published and posted to shareholders on **27 September 2018**
- Imperial Holdings shareholders will then vote on approving the separation on **30 October 2018**
- Subject to shareholder and regulatory approvals, the Proposed Unbundling is anticipated to be effective on **22 November 2018**

<table>
<thead>
<tr>
<th>August</th>
<th>September</th>
<th>October</th>
<th>November</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>21 August</strong></td>
<td><strong>27 September</strong></td>
<td><strong>30 October</strong></td>
<td><strong>22 November</strong></td>
</tr>
<tr>
<td>Release of FY18 financials</td>
<td>Notice of general meeting issuance of Imperial Holdings Circular and MOTUS PLS</td>
<td>Shareholding meeting</td>
<td>Separate listing of MOTUS shares</td>
</tr>
<tr>
<td><strong>17 September</strong></td>
<td><strong>14 November</strong></td>
<td><strong>21 November</strong></td>
<td><strong>27 November</strong></td>
</tr>
<tr>
<td>Updated unbundling announcement</td>
<td>Final information publication</td>
<td>Last day to trade for Imperial Ordinary Shareholders</td>
<td>Accounts at CSDPs/Brokers updated</td>
</tr>
<tr>
<td><strong>26 November</strong></td>
<td><strong>21 November</strong></td>
<td><strong>22 November</strong></td>
<td><strong>27 November</strong></td>
</tr>
<tr>
<td>Record Unbundling date</td>
<td></td>
<td></td>
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</tbody>
</table>
Rationale for the creation of two stand-alone listed entities

**VISION** – Internationally acclaimed Tier One provider of outsourced value-add logistics, supply chain management and route-to-market solutions – *customised* to ensure the relevance and competitiveness of its clients in the industries and geographies in which it participates.

**MOTUS**

**VISION** – To improve peoples’ lives by envisioning, innovating and creating new avenues of access to leading edge mobility solutions (products and services) at competitive prices through our strong relationships with suppliers and principals, while ensuring sustainable value creation for all stakeholders, trusted partners to OEM’s and business partners in the geographies in which we operate.

The Proposed Unbundling is underpinned by:

- **Strategic focus and independence**
  - Ability to pursue independent strategic initiatives with enhanced flexibility and urgency
  - Management flexibility and directly correlated employee incentive schemes

- **Operational efficiency: Elimination of complexity, duplication and costs**
  - Managed as a separate operating entity, completely independent of the other business
  - Allow for in-depth and specific asset focus going forward

- **Focused capital and funding structure: Independence and flexibility**
  - Independent and flexible capital allocation to support strategy on a long term sustainable basis
  - Ability to raise funding independently will allow the businesses to dictate their own futures

- **Heightened investor understanding and insight: Enhanced segmental disclosure**
  - Investment proposition facilitates discretionary investment in dedicated business units with a direct set of comparable peers
All capital restructuring processes are on track to achieve orderly completion ahead of separation in November 2018

**Bonds**
- On 25 June 2018, Imperial announced intention to redeem all outstanding notes under the existing bond programme
- Noteholders consented to early redeem bonds at a mark-to-market price, plus accrued interest (premium R12.7m to par)
- On 6 August 2018, Imperial used existing undrawn debt facilities to fund the early redemption of the Bonds
- Post separation, no bond will be required in Imperial Logistics or MOTUS as the bank debt market is able to provide flexible funding terms at competitive prices

**Listed, perpetual preference shares**
- Imperial launched an offer to acquire its perpetual listed preference shares at a 17% discount to par on 10 August 2018
- Preference and ordinary shareholders approved the repurchase in terms of a scheme of arrangement on 14 September 2018
- The preference shares will be repurchased, and delisted from the JSE, on 16 October 2018

**Term debt**
- Domestic and international term debt syndication successfully launched and well received by respective bank debt markets
- Interest rate risk will be managed in line with the policies adopted by Imperial Logistics and MOTUS, and ISDAs are being put in place
- Exchange control approval application to the South African Reserve Bank was unconditionally approved in August 2018
- Syndication process and all other debt workstreams are progressing as planned

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**June**
- 21 June Unbundling announcement

**July**
- 12 July Management presentation to Imperial Logistics International lenders (Frankfurt)
- 2 July Announcement & launch of syndication for ZAR lenders (Johannesburg)
- 16 July Management presentation to Imperial Logistics and MOTUS ZAR lenders (Johannesburg)
- 6 August Redemption of listed Bonds
- 13 August Preference share repurchase announcement

**August**
- 20 August First draft of Domestic legal agreements to be circulated
- 16 August Posting of preference share repurchase scheme circular
- 14 September Preference share repurchase scheme meeting

**September**
- 20 September Final legal comments received by all committed lenders
- 10 October Expected suspension of listing of Preference Shares from the Main Board of the JSE
- 4 September Credit approved commitments and fatal flaw comments received for South African facilities
- 25 September Final allocations communicated to lenders

**October**
- 14 October 2018 Signing of legal agreements
- 17 September Updated unbundling announcement

**November**
- 14 November Expected effective date of unbundling and loan drawdown (flow of funds)
- 22 November Separate listing of MOTUS

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Presentation overview

Imperial’s Proposed Unbundling

Imperial Logistics Investor presentation
Evolution of Imperial Logistics

<table>
<thead>
<tr>
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</thead>
<tbody>
<tr>
<td>Established Imperial Truck Hire &amp; developed Imperial Distribution as a dedicated business</td>
<td>Acquired various trucking, transport &amp; broking companies</td>
<td>Expanded into distribution, asset-light transportation &amp; supply chain integration</td>
<td>Secured specialised capabilities – in selected industries &amp; regions to enhance service offering (including entering Healthcare as a distributor in Africa)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Optimised portfolio – consolidated capabilities &amp; exited strategically misaligned, cyclical &amp; non-scalable businesses</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Integrated operations – Africa &amp; International divisions managed on an integrated basis, with standardised measurement &amp; single brand identity</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Achieved objectives - diversified operations, reduced asset intensity, increased international revenue &amp; ability to grow organically</td>
</tr>
</tbody>
</table>

Strategy

Portfolio approach

Strategic inflection point

Acquisitions

South Africa: Imperial

International: thyssenkrupp

South Africa: eLogics

International: CCI

South Africa: SCHIP

African Regions: HANIEL

International: Palletways

Disposals

South Africa:

International: Surgipharm

International: neska

International: RUNAARDE

International: ALS

International: Schirm

International: TH Transport

Integrated solutions approach
Imperial Logistics at a glance

### Integrated outsourced logistics service provider...
- Ranked in top 25 global Third Party Logistics (3PL) providers (#15 for land-based revenue)
- **#1 logistics provider in South Africa**
  - With growth potential in the insourced & fragmented market
- Presence in 38 countries over 5 continents & c.30,000 employees

### ...with diversified presence across Africa & Europe...
- Revenue: ZAR49.7bn
  - South Africa: 46%
  - African Regions: 33%
  - International: 21%
- EBITDA: ZAR3.8bn
  - South Africa: 41%
  - African Regions: 38%
  - International: 21%
- Invested capital\(^1\): ZAR16.1bn
  - South Africa: 54%
  - African Regions: 38%
  - International: 8%

### ...offering specialised capabilities & customised solutions...
- Transportation Management
- Warehousing & Distribution Management
- Value-Add Logistics Solutions
- Supply Chain Management Solutions
- Route-to-Market Solutions

### ...to multinational clients in attractive industries
- FY2018 revenue split (by industry):
  - **Automotive**: 27%
  - Healthcare**: 23%
  - Consumer Packaged Goods**: 13%
  - Chemicals & Energy**: 13%
  - Mining & Manufacturing**: 10%
  - Other**: 14%

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Note: Financial figures for the period ended 30 June 2018
\(^1\) Average invested capital for the year ended 30 June 2018
Key investment highlights

1. Leading positions in regional markets & selected industries
2. Competitive differentiation centred on agility & customisation
3. Trusted partner to multinational clients in attractive industries
4. "Asset-right" business model supports robust financial profile
5. Defined vision & strategy
6. Established platform & track record for consistent growth
7. Strong & committed leadership and strong independent board
Leading positions in regional markets & selected industries

**South Africa**
- Leading 3PL provider with end-to-end capabilities
- More than double the revenue of its nearest competitor, with growth potential
- Integrated solutions offered in all significant industries, with the potential for leadership in more industries

**African Regions**
- Unique Route-to-Market solutions
- Managed Solutions operating model (asset light) leverages South African expertise in under-developed & fragmented 3PL markets
- Focus on the resilient & growing Healthcare & Consumer Packaged Goods industries

**International**
- Established international contract logistics platform in Germany, with specialised capabilities in Automotive & Chemicals
- Market leader in express palletised distribution services in UK & Iberia
- Leading market share in inland waterways

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**Revenue by industry (1)**

- **South Africa**
  - Revenue by capability: 45%
  - Revenue by industry:
    - Consumer Packaged Goods: 6%
    - Chemicals & Energy: 45%
    - Automotive: 3%
    - Healthcare: 7%
    - Other Industries: 11%

- **African Regions**
  - Revenue by capability: 74%
  - Revenue by industry:
    - Consumer Packaged Goods: 12%
    - Chemicals & Energy: 45%
    - Automotive: 16%
    - Healthcare: 16%
    - Other Industries: 3%

- **International**
  - Revenue by capability: 11%
  - Revenue by industry:
    - Consumer Packaged Goods: 22%
    - Chemicals & Energy: 36%
    - Automotive: 11%
    - Healthcare: 16%
    - Other Industries: 1%

**Asset light (% of revenue)**
- ILSA: ~30%
- ILRA: ~95%
- ILI: ~50%

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Note (1): Financial figures for revenue for the period ended 30 June 2018
## Scale & operational agility

### Significant mover of products & people

<table>
<thead>
<tr>
<th>South Africa</th>
<th>African Regions</th>
<th>International</th>
</tr>
</thead>
<tbody>
<tr>
<td>- 2.5 million CPG deliveries annually to more than 50 000 points in South Africa</td>
<td>- Provide point of care &amp; retailer level deliveries to &gt;600 delivery points in Kenya, 700 in Ghana &amp; more than 52 000 across Nigeria</td>
<td>- 60 million tons of goods moved by shipping business in a single year</td>
</tr>
<tr>
<td>- R60 billion of product delivered to retail outlets</td>
<td>- More than 43 million patient packs of medicine delivered across Africa every month - including &gt; 6 million ARVs(^1)</td>
<td>- Western Europe’s largest provider of express palletised distribution services – handling 10 million pallets a year</td>
</tr>
<tr>
<td>- 3 billion litres of fuel delivered</td>
<td></td>
<td>- Enabled &gt;4000 store openings for leading, global retailers</td>
</tr>
<tr>
<td>- 1.6 million tons of packaging moved</td>
<td></td>
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</tbody>
</table>

### Established infrastructure & network

One of South Africa’s largest cold storage warehouse with **over 37 000 pallet** locations | c.3.2 million sqm of storage capacity
Operate **12 distinct logistics control towers in 5 countries** | 600 inland vessels & barges | 23 automotive warehouses in Europe deliver value-add logistics for the annual production of **>2.3 million cars**
Operates one of the largest automotive spare parts warehouse in the world (**178,000 sqm**) | A significant player in the European chemical industry, with **>60 tankers, 17 gas tanker vessels & 23 specialised warehouses**

\(^1\)ARVs: antiretrovirals
Competitive differentiation centred on agility & customisation

Specialised capabilities across the value chain enables customised & integrated solutions

- Imperial Logistics is evolving its capabilities towards increasing its extent (scope) & integration (maturity) of outsourced services
- Executing logistics activities on-behalf of clients remains a core capability; with value-add logistics offered as point solutions & integrated solutions
- Partnerships with clients with focus on reducing & managing logistics demand incorporate the clients’ supply chain
- Providing access to end-consumers represents the unique Route-To-Market offerings; which incorporates logistics & Supply Chain Management Solutions

Maturity of the outsource relationship

- International Freight Management
- Transportation Management
- Warehousing Management
- Distribution Management
- Value-Add Logistics Solutions
- Professional Services
- Control Towers
- Contract Logistics
- Contract Operations
- Supply Chain Management Solutions
- Retail Services
- Sourcing & Procurement
- Wholesaling
- Distributor-ships
- Route-to-Market Solutions

Focus area of expansion. Air & ocean freight management & customs clearing will enhance the integrated end-to-end & value-add offering; Synchronisation Management

Management of logistics demand

Ownership of inventory
End-to-end value chain in healthcare

Providing end-to-end services across the healthcare value chain (between regional markets and continents)
Driving patients’ access to affordable, quality assured medicines

Serialisation – Authentication – Product Quality Verification

Blockchain – Control Towers – Visibility – Analytics - Transparency
Competitive differentiation centred on agility & customisation

Service offering & operating model tailored to client requirements & market maturity

<table>
<thead>
<tr>
<th>Industries</th>
<th>Consumer Packaged Goods</th>
<th>Manufacturing &amp; Mining</th>
<th>Chemicals &amp; Energy</th>
<th>Healthcare</th>
<th>Automotive</th>
<th>Other markets</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>23%</td>
<td>14%</td>
<td>13%</td>
<td>13%</td>
<td>10%</td>
<td>27%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Capabilities</th>
<th>Regions</th>
<th>% of revenues</th>
</tr>
</thead>
<tbody>
<tr>
<td>Transportation Management</td>
<td>South Africa</td>
<td>✓</td>
</tr>
<tr>
<td></td>
<td>African Regions</td>
<td>✓</td>
</tr>
<tr>
<td></td>
<td>Europe</td>
<td>✓</td>
</tr>
<tr>
<td></td>
<td>Other markets</td>
<td></td>
</tr>
<tr>
<td>Warehousing &amp; Distribution Management</td>
<td>South Africa</td>
<td>✓</td>
</tr>
<tr>
<td></td>
<td>African Regions</td>
<td>✓</td>
</tr>
<tr>
<td></td>
<td>Europe</td>
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<tr>
<td></td>
<td>Other markets</td>
<td></td>
</tr>
<tr>
<td>Value-Add Logistics Solutions</td>
<td>South Africa</td>
<td>✓</td>
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<tr>
<td></td>
<td>African Regions</td>
<td>✓</td>
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<tr>
<td></td>
<td>Europe</td>
<td>✓</td>
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<td></td>
<td>Other markets</td>
<td></td>
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<tr>
<td>Supply Chain Management Solutions</td>
<td>South Africa</td>
<td>✓</td>
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<tr>
<td></td>
<td>African Regions</td>
<td>✓</td>
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<tr>
<td></td>
<td>Europe</td>
<td>✓</td>
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<td></td>
<td>Other markets</td>
<td></td>
</tr>
<tr>
<td>Route-to-Market Solutions</td>
<td>South Africa</td>
<td>✓</td>
</tr>
<tr>
<td></td>
<td>African Regions</td>
<td>✓</td>
</tr>
<tr>
<td></td>
<td>Europe</td>
<td>✓</td>
</tr>
<tr>
<td></td>
<td>Other markets</td>
<td></td>
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</table>

Clients:

- Existing capability
- Growth Opportunity
- Growth Priority
- Experience Area
- Not Applicable
Trusted partner to multinational clients in attractive industries

### Quality contract portfolio in high-growth & defensive industries

<table>
<thead>
<tr>
<th>Top 10 clients</th>
<th>Industry</th>
<th>Revenue contribution of Top 10 clients</th>
<th># of contracts</th>
<th>Average length of contract</th>
<th># of countries</th>
<th>Years or relationship</th>
</tr>
</thead>
<tbody>
<tr>
<td>Volkswagen</td>
<td>Automotive</td>
<td>25%</td>
<td>11</td>
<td>10 years</td>
<td>4</td>
<td>80+</td>
</tr>
<tr>
<td>BMW</td>
<td>Automotive</td>
<td></td>
<td>12</td>
<td>~9 years</td>
<td>3</td>
<td>50+</td>
</tr>
<tr>
<td>GSK</td>
<td>Healthcare</td>
<td></td>
<td>11</td>
<td>~4 years</td>
<td>9</td>
<td>31+</td>
</tr>
<tr>
<td>British American Tobacco</td>
<td>Consumer Packaged Goods</td>
<td></td>
<td>6</td>
<td>~4 years</td>
<td>4</td>
<td>28+</td>
</tr>
<tr>
<td>Carlsberg</td>
<td>Consumer Packaged Goods</td>
<td></td>
<td>12</td>
<td>~2 years</td>
<td>4</td>
<td>18+</td>
</tr>
<tr>
<td>Woolworths</td>
<td>Consumer Packaged Goods</td>
<td></td>
<td>3</td>
<td>6 years</td>
<td>1</td>
<td>20+</td>
</tr>
<tr>
<td>BASF</td>
<td>Chemicals &amp; Energy</td>
<td></td>
<td>11</td>
<td>12 years</td>
<td>2</td>
<td>45+</td>
</tr>
<tr>
<td>Diageo</td>
<td>Consumer Packaged Goods</td>
<td></td>
<td>7</td>
<td>4 years</td>
<td>3</td>
<td>10+</td>
</tr>
<tr>
<td>ArcelorMittal</td>
<td>Manufacturing &amp; Mining</td>
<td></td>
<td>6</td>
<td>2 years</td>
<td>3</td>
<td>30+</td>
</tr>
<tr>
<td>H&amp;M</td>
<td>Other markets</td>
<td></td>
<td></td>
<td></td>
<td>3</td>
<td>15+</td>
</tr>
</tbody>
</table>

### Revenue contribution of Top 50 clients

<table>
<thead>
<tr>
<th>Top 50 clients</th>
<th>Industry</th>
<th>Revenue contribution of Top 50 clients</th>
<th># of contracts</th>
<th>Average length of contract</th>
<th># of countries</th>
<th>Years or relationship</th>
</tr>
</thead>
<tbody>
<tr>
<td>Low concentration risk as no client contributes &gt;5% of revenue</td>
<td></td>
<td></td>
<td>8</td>
<td>~6 years</td>
<td>4</td>
<td>33+</td>
</tr>
</tbody>
</table>

**Note:** Based on 12 month period 1 March 2017 to 28 February 2018
Imperial Logistics aspires to be an internationally acclaimed Tier One provider of outsourced Value-Add Logistics, Supply Chain Management & Route-To-Market Solutions - customised to ensure relevance & competitiveness of its clients in the industries & geographies in which it participates.

**Aspirations**

- **Grow sustainable revenue** through focused organic growth in each region, complemented by strategic acquisitions (within defined parameters)
- **Achieve targeted returns** through profitable partnerships with clients in selected industries, generating targeted risk-adjusted returns on invested capital
- **Improve competitiveness** by investing in people, processes, digitisation & innovation, & leveraging operational excellence across different businesses

**5 corporate strategies formulated to turn vision into reality**

- **Client-centricity**
  - Deliver truly client-centric solutions
  - Build credibility among global clients
  - Prove industry expertise in selected markets
- **Asset rightness**
  - Maximise agility by reducing asset intensity
  - Partner for flexibility, capacity & efficient scale
  - Align asset investments with secured revenue
- **Flawless execution**
  - Deliver superior service excellence that adds value
  - Boost client confidence to cultivate long-term loyalty
  - Foster collaborative interdependence with clients
- **Local relevance**
  - Maximise value for clients across different markets
  - Understand unique complexities & requirements
  - Leverage local ownership & partnerships
- **International Freight Management**
  - Offer fully integrated solutions from source to consumption
  - Develop this capability to capture additional revenue
  - Expand into select geographies & industries
Strategic initiatives to drive substantial organic growth

**Regions initiatives**

**South Africa**
- **Retain & expand contracts** with existing clients through customisation, innovation & service excellence
- **Enhanced B-BBEE credentials** through a major black ownership transaction, accelerated employment equity & enterprise & supplier development, to underpin market leadership
- **Exit unviable contracts & operations**, consolidating property & rationalising assets in line with contract commitments

**African Regions**
- **Leverage unique ability to provide brand owners with access to fragmented markets** through integrated solutions, unrivalled scale & multi-regional distribution
- **Expand managed solutions offerings**, leveraging South African capabilities to secure sustainable competitive advantage in an underdeveloped 3PL market
- **Apply proprietary market aggregation model** to become the single strategic partner to multinational clients

**International**
- **Leverage specialised capabilities** to strengthen client relationships in specific market sectors, underpinned by a differentiated approach to digitisation & innovation
- **Seek opportunities to expand specialist capabilities into developing markets in Europe & Asia**
- **Strong focus on improved returns** through business & contract rationalisation, capability alignment & reduced asset intensity

**One Logistics initiatives**
- **Drive growth in priority industries by combining capabilities, client relationships, & competitive advantages**
- **Develop International Freight Management capability to extend integrated solutions offering & geographic reach**
- **Implement common framework for managing human capital aligned to international best practice**
- **Pragmatic approach to digitisation & innovation to support operational excellence & client-led innovation**
“Asset-right” business model supports robust financial profile

Prospects for sustainable revenue growth & enhanced profitability supported by improved asset composition & risk-adjusted targeted return on invested capital

### Revenue (ZARm)

<table>
<thead>
<tr>
<th></th>
<th>Jun-15</th>
<th>Jun-16</th>
<th>Jun-17</th>
<th>Jun-18</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>37 760</td>
<td>42 031</td>
<td>46 194</td>
<td>49 679</td>
</tr>
</tbody>
</table>

CAGR 15 -18: 9.6%

### EBITDA (ZARm)

<table>
<thead>
<tr>
<th></th>
<th>Jun-15</th>
<th>Jun-16</th>
<th>Jun-17</th>
<th>Jun-18</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>3 344</td>
<td>3 491</td>
<td>3 632</td>
<td>3 802</td>
</tr>
</tbody>
</table>

CAGR 15 -18: 4.4%

### Net capex¹ (ZARm) & Cash conversion² (%)

<table>
<thead>
<tr>
<th></th>
<th>Jun-15</th>
<th>Jun-16</th>
<th>Jun-17</th>
<th>Jun-18</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capex</td>
<td>2 005</td>
<td>1 611</td>
<td>878</td>
<td>844</td>
</tr>
<tr>
<td>Cash conversion</td>
<td>54%</td>
<td>76%</td>
<td>78%</td>
<td>5.3%</td>
</tr>
</tbody>
</table>

### Asset mix³ (ZARm)

<table>
<thead>
<tr>
<th></th>
<th>Jun-15</th>
<th>Jun-16</th>
<th>Jun-17</th>
<th>Jun-18</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tangible assets</td>
<td>12 919</td>
<td>17 179</td>
<td>18 790</td>
<td>16 850</td>
</tr>
<tr>
<td>Net working capital</td>
<td>25%</td>
<td>13%</td>
<td>12%</td>
<td>8%</td>
</tr>
<tr>
<td>Intangible assets</td>
<td>62%</td>
<td>57%</td>
<td>49%</td>
<td>46%</td>
</tr>
</tbody>
</table>

Notes: Financials based on continuing operations; ¹ Net capex excludes proceeds from property disposals; ² Cash conversion calculated as (EBITDA-Capex)/EBITDA; ³ EBITDA margin decline in-line with lower tangible owned asset intensity utilising 3rd party assets and no depreciation associated with operating leases ⁴ Excludes non-core assets and liabilities
Segmental financial overview

### South Africa

- **% Total revenue FY18**: 33%
- **% Total EBITDA FY18**: 38%

<table>
<thead>
<tr>
<th>Revenue (ZARm)</th>
<th>EBITDA (ZARm)</th>
<th>Asset mix^3 (ZARm)</th>
<th>Net capex^1 (ZARm)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jun-15</td>
<td>14 666</td>
<td>5 638</td>
<td>694</td>
</tr>
<tr>
<td>Jun-16</td>
<td>14 548</td>
<td>5 994</td>
<td>533</td>
</tr>
<tr>
<td>Jun-17</td>
<td>16 218</td>
<td>5 554</td>
<td>473</td>
</tr>
<tr>
<td>Jun-18E</td>
<td>16 374</td>
<td>5 272</td>
<td>501</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>% Revenue</th>
<th>% EBITDA</th>
<th>% Assets</th>
</tr>
</thead>
<tbody>
<tr>
<td>33%</td>
<td>38%</td>
<td>67%</td>
</tr>
<tr>
<td>10.4%</td>
<td>9.0%</td>
<td>55%</td>
</tr>
<tr>
<td>1.7%</td>
<td>9.0%</td>
<td>67%</td>
</tr>
</tbody>
</table>

### African Regions

- **% Total revenue FY18**: 21%
- **% Total EBITDA FY18**: 21%

<table>
<thead>
<tr>
<th>Revenue (ZARm)</th>
<th>EBITDA (ZARm)</th>
<th>Asset mix^3 (ZARm)</th>
<th>Net capex^1 (ZARm)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jun-15</td>
<td>7 954</td>
<td>2 308</td>
<td>239</td>
</tr>
<tr>
<td>Jun-16</td>
<td>9 868</td>
<td>4 394</td>
<td>302</td>
</tr>
<tr>
<td>Jun-17</td>
<td>8 610</td>
<td>3 544</td>
<td>73</td>
</tr>
<tr>
<td>Jun-18E</td>
<td>10 251</td>
<td>4 007</td>
<td>57</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>% Revenue</th>
<th>% EBITDA</th>
<th>% Assets</th>
</tr>
</thead>
<tbody>
<tr>
<td>21%</td>
<td>21%</td>
<td>66%</td>
</tr>
<tr>
<td>8.4%</td>
<td>9.1%</td>
<td>64%</td>
</tr>
<tr>
<td>8.8%</td>
<td>91%</td>
<td>93%</td>
</tr>
</tbody>
</table>

### International

- **% Total revenue FY18**: 46%
- **% Total EBITDA FY18**: 41%

<table>
<thead>
<tr>
<th>Revenue (ZARm)</th>
<th>EBITDA (ZARm)</th>
<th>Asset mix^3 (ZARm)</th>
<th>Net capex^1 (ZARm)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jun-15</td>
<td>15 140</td>
<td>4 974</td>
<td>1 072</td>
</tr>
<tr>
<td>Jun-16</td>
<td>20 471</td>
<td>6 791</td>
<td>1 028</td>
</tr>
<tr>
<td>Jun-17</td>
<td>21 366</td>
<td>9 692</td>
<td>331</td>
</tr>
<tr>
<td>Jun-18E</td>
<td>23 054</td>
<td>7 571</td>
<td>286</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>% Revenue</th>
<th>% EBITDA</th>
<th>% Assets</th>
</tr>
</thead>
<tbody>
<tr>
<td>46%</td>
<td>41%</td>
<td>59%</td>
</tr>
<tr>
<td>7.5%</td>
<td>64%</td>
<td>64%</td>
</tr>
<tr>
<td>7.6%</td>
<td>82%</td>
<td>82%</td>
</tr>
</tbody>
</table>

Note: Financials based on continuing operations; ^1 Net capex excludes proceeds from property disposals; ^2 Cash conversion calculated as (EBITDA-Capex)/EBITDA; ^3 Excludes non-core assets
Capital structure, key financial indicators and targets

As at FY June 2018, Imperial Logistics and MOTUS have appropriate geared, independent and self-sustaining balance sheets

- Pursuant to more efficient capital and funding structures, significant effort ensured that each business unit achieved appropriately geared independent and self-sustaining balance sheets as at FY June 2018

- The debt syndication process and refinancing of existing facilities are on track

- Sufficient commitments including an underwriting for the off-shore facilities have been secured for Imperial Logistics and Motus to facilitate growth, provide flexibility and maintain strong liquidity at competitive pricing levels

<table>
<thead>
<tr>
<th>Financial Indicators</th>
<th>FY18 (%)</th>
<th>Medium term target over 3 years</th>
</tr>
</thead>
</table>
| Revenue               | 7.5% growth rate | ILSA & ILI<sup>1</sup>: 2x GDP growth + inflation  
                      |                       | ILAR<sup>1</sup>: Low double digit growth |
| Cash conversion       | 77.8%    | Targeted cash conversion of 70-75% |
| Debt capacity         | N.A      | ZAR3bn – 5bn (on unbundling)  |
| Net Debt/Equity       | 50%      | 60% - 80% |
| ROIC                  | 12.2% (WACC:8.5%) | ILSA & ILAR: WACC + 3%  
                      |                       | ILI: WACC + 2% |
| Dividend              | N.A      | Targeted payout ratio of 45% of HEPS |

Note: Financials based on continued operations
1) Organic growth guidance
Enhanced financial flexibility & disciplined criteria...
...underpinning acquisitive growth potential

Self-sufficient capital structure:
• Enhanced financial flexibility...
• ...with headroom for acquisitions...
• ...direct access to equity & debt capital markets

Selective & disciplined M&A criteria:
• Targeted returns of risk-adjusted WACC+3%
• Return on effort (scale) & ability to integrate

1 Penetrate or protect existing markets
• Bolt-on acquisitions focused on existing geographies / industries

2 Expand the portfolio
• Leverage existing capabilities in selected industries, to expand operations & increase geographic reach

3 Develop International Freight Management
• Increase network & reach in selected international regions
• Provide further integrated end-to-end client solutions
Highly differentiated strategy to digitisation & innovation underpins competitive advantage

Digital vision: Create a culture where digitalisation enables people, clients & partners to innovate & continuously improve to achieve competitiveness & differentiation

Imperial Logistics’ key digital objectives...

- **Flawless execution**
  - Pragmatic approach to digitalisation and innovation
  - Competitive differentiation through customised client-focused innovation and systematic digitisation
  - Understanding and applying appropriate digitalisation trends to compete effectively with technology-enabled entrants to the logistics industry and large global competitors

- **Organisation & People**
  - Educate employees to develop & maintain a competitive & innovative workforce
  - Improve the (digital & physical) working environment to enable people to perform at their best

- **Innovation**
  - Improve the image of Imperial Logistics as an innovative & dynamic logistics company
  - Implement structures to consistently collect, evaluate & develop ideas by employees
  - Screen & embrace new & disruptive digital technologies to generate new business models & additional revenue

...to remain competitive by embracing & leveraging disruptive new technologies & trends

<p>| Demographic &amp; cultural change | Digital transformation | New competition from startups | Business model disruption |</p>
<table>
<thead>
<tr>
<th>Rank</th>
<th>Project Name</th>
<th>Idea</th>
<th>Value contribution</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Supply Chain Control Tower</td>
<td>Deliver specific high potential Supply Control Tower opportunities on existing ONE Network SCCT Platform</td>
<td>Improving visibility, execution &amp; planning across multi-stakeholder supply chains &amp; creating a disruptive differentiator globally</td>
</tr>
<tr>
<td>2</td>
<td>Block Chain</td>
<td>Provides a platform for logistic services to enable fast, secure &amp; highly automated logistic processes without human interaction</td>
<td>The blockchain based open source “Freightchain” is organized as +dCentral consortium and accelerates in dedicated legal structure</td>
</tr>
<tr>
<td>3</td>
<td>Serialisation of products</td>
<td>Implement an end to end chain of custody for serialised items, integrated into various other systems on the supply chain</td>
<td>Enable detail track &amp; trace ability on high value items up &amp; down the supply chain Combat counterfeiting, diversion, &amp; other illicit activity</td>
</tr>
<tr>
<td>4</td>
<td>Sharehouse</td>
<td>“Airbnb for warehousing space” Platform to connect providers &amp; customers of available warehouse space &amp; standardised value added services</td>
<td>Assert position as a “logistics disrupter” Creates transparency in the market, increasing utilisation of warehouses. Acceleration is happening as corporate Start-up and separate legal entity.</td>
</tr>
<tr>
<td>5</td>
<td>Mobile Solutions</td>
<td>Provide mobile solution for transport management (activity execution, ePOD and digital administration process) that will improve visibility and speed up order to cash cycles</td>
<td>Improved visibility of transport execution and speed / accuracy of proof of delivery Improved service, Reduction in debtors time &amp; improved cash-flow</td>
</tr>
</tbody>
</table>

|   |   | Implement in Progress | First proof of concept completed | Expected early in 2019 | Commercialisation in progress | Expected early in 2019 |
## Strong & committed leadership

**Highly experienced, long-serving management team & strong independent board**

<table>
<thead>
<tr>
<th>Name</th>
<th>Position</th>
<th>Years of Service</th>
</tr>
</thead>
<tbody>
<tr>
<td>Marius Swanepoel</td>
<td>Chief Executive Officer</td>
<td>28</td>
</tr>
<tr>
<td>George de Beer</td>
<td>Chief Financial Officer</td>
<td>17</td>
</tr>
<tr>
<td>Nico van der Westhuizen</td>
<td>South Africa CEO</td>
<td>24</td>
</tr>
<tr>
<td>Farouk Seedat</td>
<td>South Africa CFO</td>
<td>7</td>
</tr>
<tr>
<td>Mohammed Akoojee</td>
<td>Chief Executive Officer Designate</td>
<td>9</td>
</tr>
<tr>
<td>Cobus Rossouw</td>
<td>Chief Strategy Officer</td>
<td>17</td>
</tr>
<tr>
<td>Johan Truter</td>
<td>African Regions CEO</td>
<td>20</td>
</tr>
<tr>
<td>Renier Engelbrecht</td>
<td>African Regions CFO</td>
<td>10</td>
</tr>
<tr>
<td>Michael Lütjann</td>
<td>Chief Information Officer</td>
<td>3</td>
</tr>
<tr>
<td>Hakan Bicil</td>
<td>International CEO</td>
<td>As of 1 September 2018</td>
</tr>
<tr>
<td>Thomas Schulz</td>
<td>International CFO</td>
<td>19</td>
</tr>
<tr>
<td>Marius Swanepoel</td>
<td>Chief Executive Officer</td>
<td>28</td>
</tr>
<tr>
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</tr>
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<td>International CFO</td>
<td>19</td>
</tr>
</tbody>
</table>

### Experienced management:
Over 11 years of service on average

### Entrepreneurial culture:
Strategic focus on preserving entrepreneurial flair & agility

### Strong corporate governance:
Well-constituted board committed to highest governance standards

### Successful M&A experience:
Involved in numerous successful acquisitions & disposals

### Independent organisation:
High degree of autonomy within Imperial Group

### Retention:
Demonstrated by retention of management in acquired businesses
## Trusted partner to multinational clients in attractive industries

| Partnerships underpinned by reach, capabilities, assets, innovation & legitimacy |
|---|---|---|---|---|
| **Client** | **Client 1** | **Client 2** | **Client 3** | **Client 4** |
| **Capabilities** | Route-to-Market Solutions | Synchronisation Management | Transportation Management | Transportation Management |
| **Industry** | Healthcare | Automotive | Chemicals & Energy | Consumer Packaged Goods |
| **Client challenge** | ▪ Inadequate patient access | ▪ Time critical processes | ▪ Escalating spillages | ▪ Change in production location |
| | ▪ Low on-shelf availability | ▪ Exacting quality & accuracy requirements | ▪ Increased contaminations | ▪ 30% decrease in road transport, especially during peak season (Feb-May) |
| | ▪ Poor market data visibility | ▪ Continuous cost pressure | ▪ Driver inexperience | ▪ Required fleet size in peak to remain the same, but less than half of this required off-season |
| | ▪ Long order delivery lead times | ▪ Complex procedures | ▪ Lack of product and equipment knowledge | |
| **Imperial Logistics solution** | ▪ Agile, rapid response supply model to the real point of client engagement | ▪ Best-in-class process accuracy | ▪ Root cause analysis | ▪ Utilise established network into Namibia to address seasonality |
| | ▪ 300 strong sales force visiting 40,000 outlets bi-weekly | ▪ Specialised employee training | ▪ Extensive driver training | ▪ Selling portion of client fleet to Imperial Logistics subsidiary, shifting to asset-light, to dilute effect of lower volumes |
| | ▪ Digital Sales Force Automation to monitor sales rep activity, customer level inventory & sales outcomes | ▪ Integrated quality management systems | ▪ Numerous HSE initiatives | |
| | ▪ High speed, small volume delivery service | ▪ Lean management and other operational excellence tools | ▪ Appointment of HSE Officers at every operation | |
| **Impact** | ▪ Highly differentiated level of availability & visibility at point of sale | ▪ Picking productivity significantly increased | ▪ Significant reduction in spillages - 1.76 per thousand drops to 0.20 | ▪ Client’s peak season requirements met in full |
| | ▪ Increased sales volumes by >20% in 6 months | ▪ Picking accuracy improved & errors reduced to less than 50 parts per million - greatly reducing the associated risk of supplying an incorrect harness to the assembly plant | ▪ Significant reduction in contaminations - 1.15 per thousand drops to 0.59 | ▪ Seasonal volumes increases by 74% over a 12 month cycle |
| | ▪ Productivity of reps increased > 30% in 1 year | ▪ Such outcomes translated to a 92% audit achievement | ▪ World class HSE in practice | ▪ 97% service levels met consistently over a 3 year period |
| | ▪ Basket size per customer doubled in 1 year & we now move more that 200 million units of product a year across Africa | ▪ Cost reduction | ▪ Process optimisation | ▪ On-time and in-full (OTIF) measures consistently met |
| | | ▪ Superior risk management | ▪ Improved driver efficiency | |

27
## Client 5: Distribution Management

**Industry**: Consumer Packaged Goods

- Poor inventory management
- High levels of out of stocks
- Ineffective reporting
- Limited visibility

**Client challenge**
- Standard Operating Procedures (SOP’s) redefined and refined
- Superior technology & admin integration
- Bespoke risk management solutions for high risk-loads
- Minimum order value initiative

**Imperial Logistics solution**
- Customised infrastructure
- Bespoke design of racks & shelves for efficient storage & easy access batch picking
- Relocation of call centre to Imperial Logistics
- Customised technology solutions
- Dedicated warehouse team

**Impact**
- Improvement in all client’s key performance indicators
- Significant savings realised since inception of contract in April 2016
- OTIF consistently exceeds 95% target
- Case fill rate improved from 61.0% to 77.5%
- Out of stocks reduced

- 22% increase in sales volumes realised in 6 months
- Service levels of 99.97%
- Abandoned calls <1%
- Call volumes increased by 148% - answered within 6 seconds
- Back orders eliminated & no stock write offs
- Batch transparency

- Increase in productivity of 1% per annum
- Stable & trained workforce with a staff turnover < 1%
- Superior audit results > 93%

---

## Client 6: Distribution Management

**Industry**: Healthcare

- Expansive product range & serialised stock items
- Multiple distribution channels
- Inferior inventory management
- Call centre inefficiencies
- Expiration of consignment stock
- Inadequate collection of amounts receivable

**Client challenge**
- Unique recruitment approach
- Specialised training
- Specialised security measures
- Lean management & other operational excellence tools
- Rigorous quality management system
- Specialised equipment & resources

**Imperial Logistics solution**
- Customised technology solutions
- Dedicated warehouse team

**Impact**
- Significant savings realised since inception of contract in April 2016
- OTIF consistently exceeds 95% target
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- Superior audit results > 93%

---

## Client 7: Warehousing Management

**Industry**: Automotive

- Poor value chain integration
- Limited availability of skilled workforce
- Constant cost pressure & lack of innovative cost reduction initiatives

**Client challenge**
- Unique solution required for storage & distribution of hazardous material
- Consolidation of two storage locations into one
- Seasonal fluctuations
- Sophisticated picking structure with up to 400 orders & 3000 order items per day
- Rigorous regulatory requirements

**Imperial Logistics solution**
- Customised technology solutions
- Dedicated warehouse team

**Impact**
- Significant savings realised since inception of contract in April 2016
- OTIF consistently exceeds 95% target
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- Superior audit results > 93%

---

## Client 8: Warehousing Management

**Industry**: Chemicals & Energy

- Unique solution required for storage & distribution of hazardous material
- Consolidation of two storage locations into one
- Seasonal fluctuations
- Sophisticated picking structure with up to 400 orders & 3000 order items per day
- Rigorous regulatory requirements

**Client challenge**
- Unique solution required for storage & distribution of hazardous material
- Consolidation of two storage locations into one
- Seasonal fluctuations
- Sophisticated picking structure with up to 400 orders & 3000 order items per day
- Rigorous regulatory requirements

**Imperial Logistics solution**
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- Dedicated warehouse team

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- Increase in productivity of 1% per annum
- Stable & trained workforce with a staff turnover < 1%
- Superior audit results > 93%

---

## Partnerships underpinned by reach, capabilities, assets, innovation & legitimacy

- Imperial Logistics is a trusted partner to multinational clients in attractive industries.
- Key partnerships are underpinned by reach, capabilities, assets, innovation & legitimacy.
- Imperial Logistics offers a range of services including Standard Operating Procedures (SOP’s) redefined and refined, superior technology & admin integration, bespoke risk management solutions, minimum order value initiative, customised infrastructure, bespoke design of racks & shelves, relocation of call centre to Imperial Logistics, customised technology solutions, dedicated warehouse team, unique recruitment approach, specialised training, specialised security measures, lean management & other operational excellence tools, specialised equipment & resources, state-of-the-art fire protection & safety technology, multiple safety & quality certifications.