



# Imperial Logistics Investor Presentation

October 2018

# 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)



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

## Transaction overview

- 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

## 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



# 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



**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

# Capital restructuring progress

**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

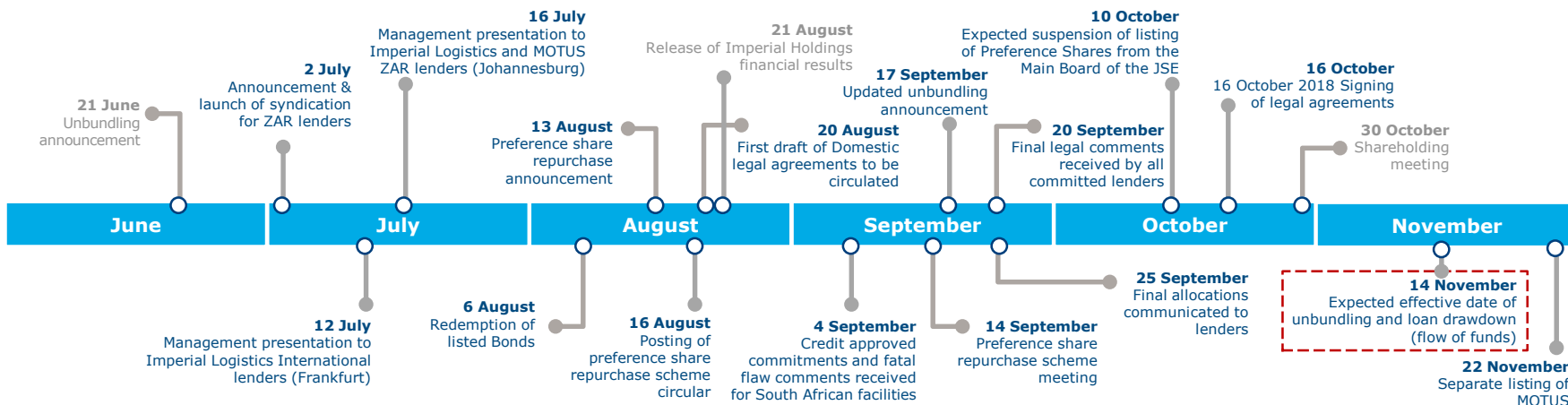
## Listed, perpetual preference shares

- 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

**17 September**  
Updated unbundling announcement

## 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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# Evolution of Imperial Logistics

Proven ability to acquire and develop capabilities to establish growth platforms in emerging and advanced markets

1975 – 1989

Established Imperial Truck Hire & developed Imperial Distribution as a dedicated business

1990 – 1999

Acquired various trucking, transport & broking companies

2000 – 2011

Expanded into distribution, asset-light transportation & supply chain integration

2012 – 2018

**Secured specialised capabilities** – in selected industries & regions to enhance service offering (including entering Healthcare as a distributor in Africa)

**Optimised portfolio** – consolidated capabilities & exited strategically misaligned, cyclical & non-scalable businesses

**Integrated operations** – Africa & International divisions managed on an integrated basis, with standardised measurement & single brand identity

**Achieved objectives** - diversified operations, reduced asset intensity, increased international revenue & ability to grow organically

Strategy

Portfolio approach

Integrated solutions approach

Strategic inflection point

Acquisitions

South Africa:

South Africa:

International:

South Africa:

African Regions:

International:

South Africa:

PHARMACEUTICALS and more... Your Complete Healthcare Provider

INTERSTATE

African Regions:

International:

Disposals

WORLDWIDE LOGISTICS SOLUTIONS

a LEHNKING company

TRANSPORT HOLDINGS



# 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

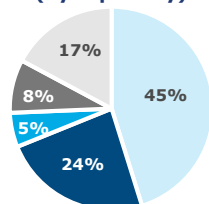


**Presence in 38 countries over 5 continents & c.30,000 employees**

## ...offering specialised capabilities & customised solutions...

- Transportation Management
- Warehousing & Distribution Management
- Value-Add Logistics Solutions
- Supply Chain Management Solutions
- Route-to-Market Solutions

**FY2018 revenue split (by capability)**



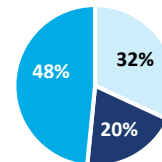
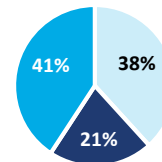
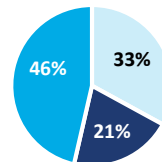
## ...with diversified presence across Africa & Europe...

**Revenue**  
ZAR49.7bn

**EBITDA**  
ZAR3.8bn

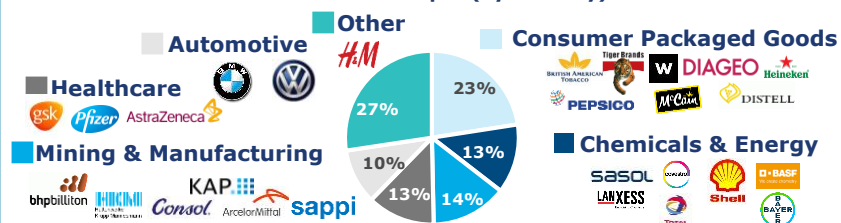
**Invested capital<sup>1</sup>**  
ZAR16.1bn

- South Africa
- African Regions
- International



## ...to multinational clients in attractive industries

**FY2018 revenue split (by industry)**



Note: Financial figures for the period ended 30 June 2018  
<sup>1</sup> 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

## Leading market positions in South Africa, selected industries in African Regions & certain specialised capabilities in Europe

### South Africa

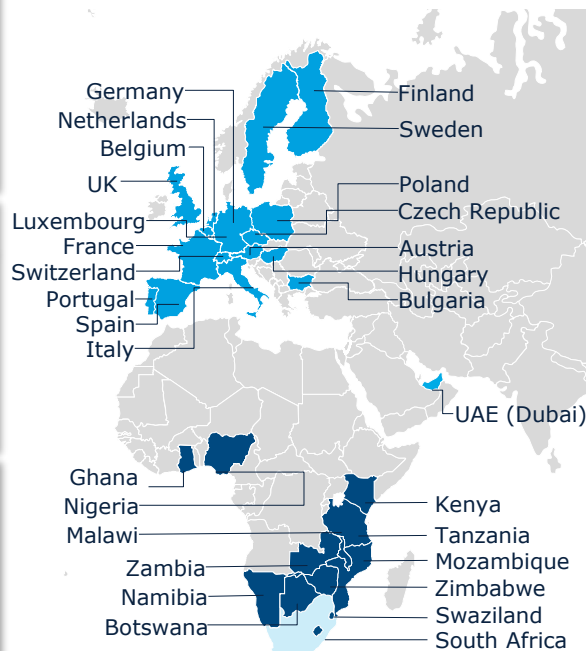
- ✓ Leading 3PL provider with end-to-end capabilities
- ✓ More than double the revenue of its nearest competitor, with growth potential
- ✓ Integrated solutions offered in all significant industries, with the potential for leadership in more industries

### 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

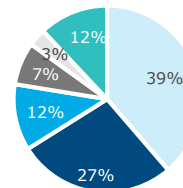
### International

- ✓ 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

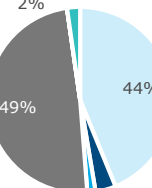


### Revenue by industry <sup>(1)</sup>

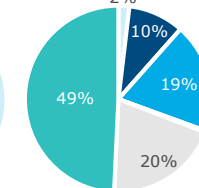
#### South Africa



#### African Regions



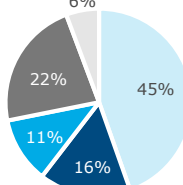
#### International



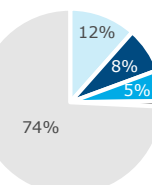
- Consumer Packaged Goods
- Chemicals & Energy
- Automotive
- Mining & Manufacturing
- Healthcare
- Other Industries

### Revenue by capability <sup>(1)</sup>

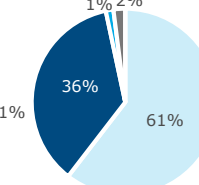
#### South Africa



#### African Regions



#### International



- Transportation Management
- Value-Add Logistics Solutions
- Route-to-Market Solutions
- Warehousing & Distribution Management
- Supply Chain Management Solutions

### Asset light (% of revenue)

ILSA: ~30% ILRA: ~95% ILI: ~50%

Note (1): Financial figures for revenue for the period ended 30 June 2018

# Scale & operational agility

## Significant mover of products & people

### South Africa

- **2.5 million** CPG deliveries annually to more than **50 000 points** in South Africa
- **R60 billion** of product delivered to retail outlets
- **3 billion litres** of fuel delivered
- **1.6 million tons** of packaging moved

### African Regions

- Provide point of care & retailer level deliveries to **>600 delivery points** in Kenya, **700** in Ghana & more than **52 000** across Nigeria
- More than **43 million patient packs** of medicine delivered across Africa every month - including **> 6 million ARVs<sup>1</sup>**

### International

- **60 million tons** of goods moved by shipping business in a single year
- Western Europe's largest provider of express palletised distribution services – handling **10 million pallets a year**
- Enabled **>4000 store openings** for leading, global retailers

## Established infrastructure & network

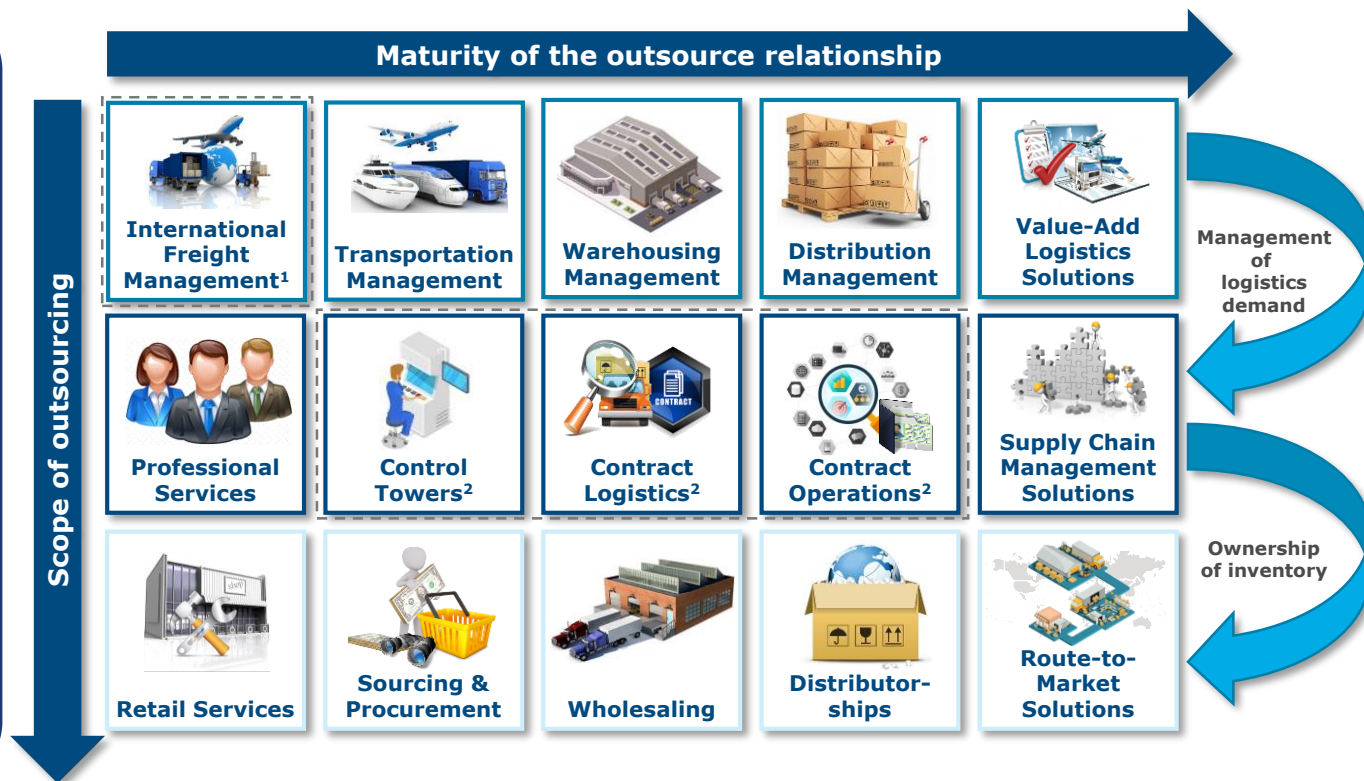
One of South Africa's largest cold storage warehouse with **over 37 000 pallet** locations | **c.3.2 million sqm** of storage capacity Operate **12 distinct logistics control towers in 5 countries** | **600** inland vessels & barges | **23** automotive warehouses in Europe deliver value-add logistics 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**

<sup>1</sup>ARVs: antiretrovirals

# Competitive differentiation centred on agility & customisation

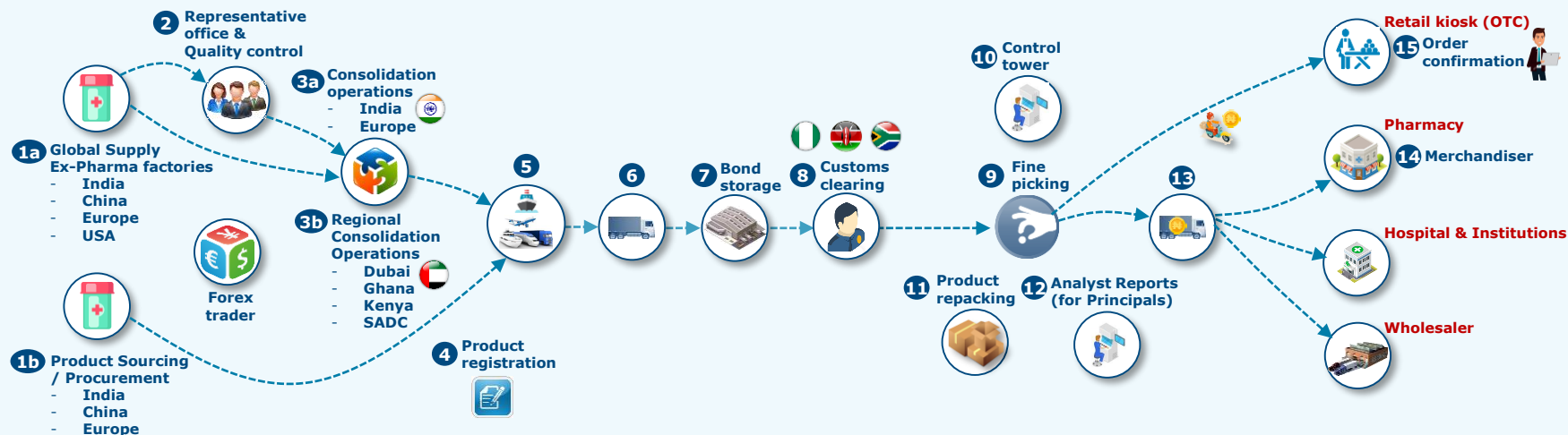
Specialised capabilities across the value chain enables customised & integrated solutions

- 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



# 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

Capabilities % of revenues	Regions	Industries					
		 Consumer Packaged Goods	 Manufacturing & Mining	 Chemicals & Energy	 Healthcare	 Automotive	Other markets
		23%	14%	13%	13%	10%	
<b>A</b> Transportation Management	South Africa	✓	✓	✓	↗	↗	✓
	African Regions	↗	↗	↗	↗	↗	↗
	Europe	-	✓	↗	●	↗	✓
	Other markets	-	✓	✓	●	●	-
<b>B</b> Warehousing & Distribution Management	South Africa	✓	✓	✓	✓	✓	✓
	African Regions	↗	●	●	↗	↗	↗
	Europe	-	✓	↗	●	↗	✓
	Other markets	-	-	-	●	●	-
<b>C</b> Value-Add Logistics Solutions	South Africa	↗	↗	↗	↗	↗	↗
	African Regions	↗	●	●	●	↗	↗
	Europe	-	↗	↗	●	↗	✓
	Other markets	-	-	-	●	●	-
<b>D</b> Supply Chain Management Solutions	South Africa	↗	✓	↗	↗	↗	↗
	African Regions	↗	↗	↗	↗	↗	↗
	Europe	-	-	↗	●	↗	-
	Other markets	-	-	-	●	●	-
<b>E</b> Route-to-Market Solutions	South Africa	↗	-	-	↗	-	-
	African Regions	↗	-	-	↗	-	-
	Europe	-	-	-	●	-	-
	Other markets	↗	-	-	●	-	-
Clients							

✓ Existing capability    ↗ Growth Opportunity    ↗ Growth Priority    ● Expansion Area    - Not Applicable

# Trusted partner to multinational clients in attractive industries

Quality contract portfolio in high-growth & defensive industries						
Top 10 clients	Industry	Revenue contribution	# of contracts	Average length of contract	# of countries	Years or relationship
	Automotive	<b>Revenue contribution of Top 10 clients</b> 	11	10 years	4	80+
	Automotive		12	~9 years	3	50+
	Healthcare		11	~4 years	9	31+
	Consumer Packaged Goods		6	~4 years	4	28+
	Consumer Packaged Goods	<b>Revenue contribution of Top 50 clients</b> 	12	~2 years	4	18+
<b>WOOLWORTHS</b>	Consumer Packaged Goods		3	6 years	1	20+
	Chemicals & Energy		11	12 years	2	45+
<b>DIAGEO</b>	Consumer Packaged Goods		7	4 years	3	10+
	Manufacturing & Mining	<b>Low concentration risk as no client contributes &gt;5% of revenue</b>	6	2 years	3	30+
	Other markets		Open self-prolonging contract		3	15+
<b>Average</b>			8	~6 years	4	33+

Note: Based on 12 month period 1 March 2017 to 28 February 2018



# Vision & strategy

**Strategy focused on sustainable revenue growth, enhanced returns & improved competitiveness**

## Aspirations

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

**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

## Corporate strategies

**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

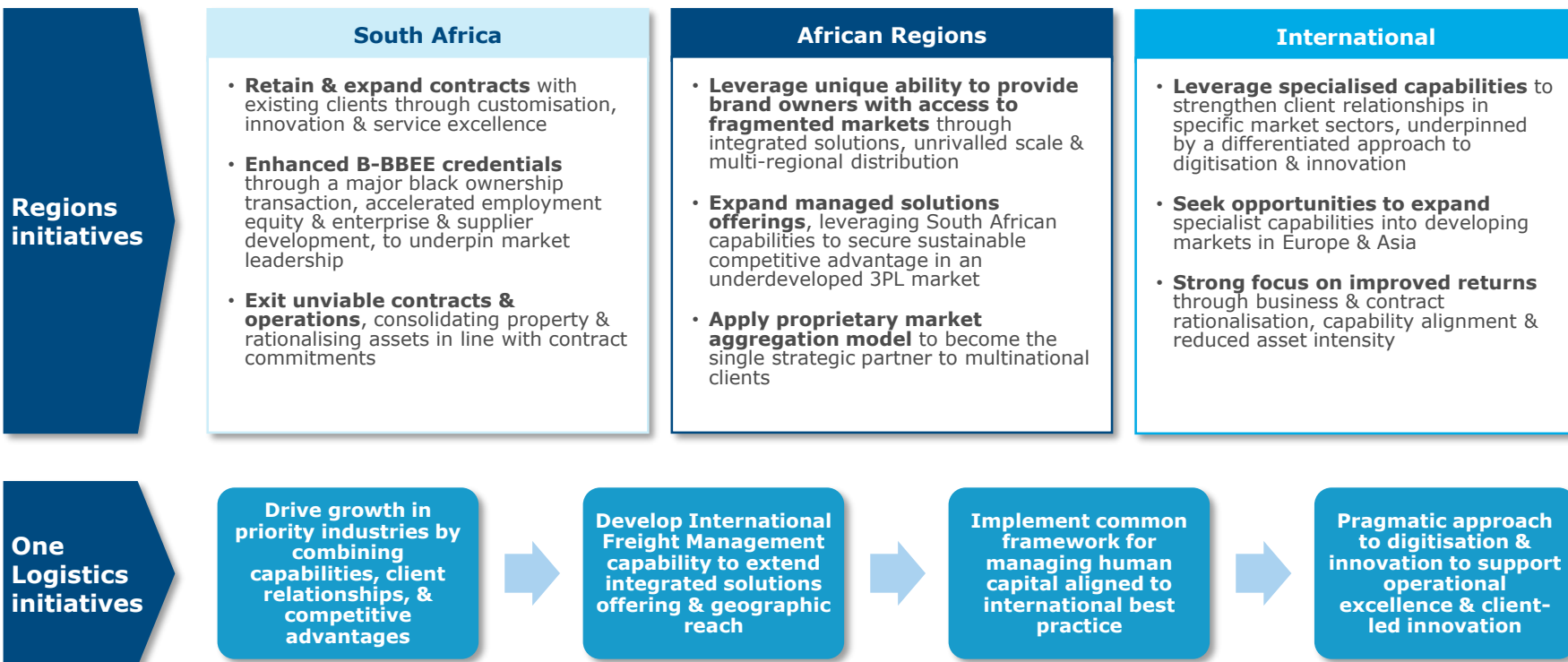
### Local relevance

- 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

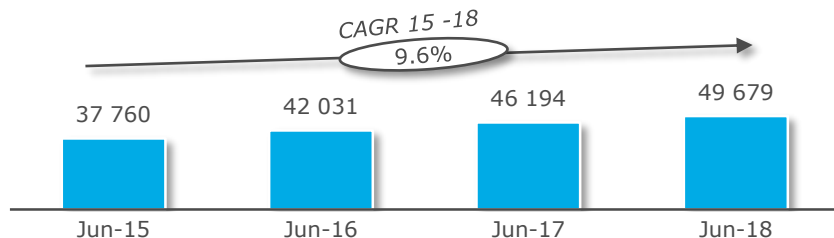
# Strategic initiatives to drive substantial organic growth



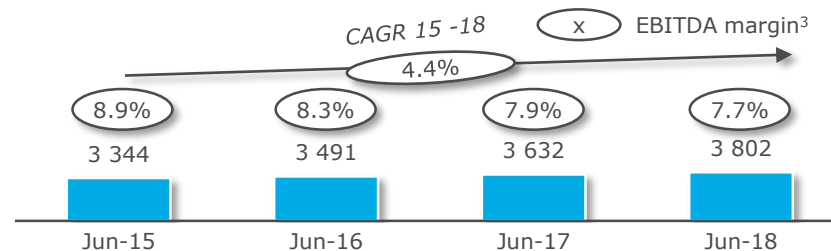
# "Asset-right" business model supports robust financial profile

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

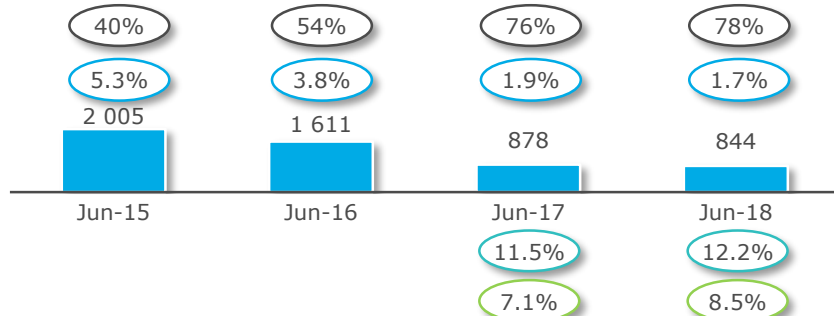
Revenue (ZARm)



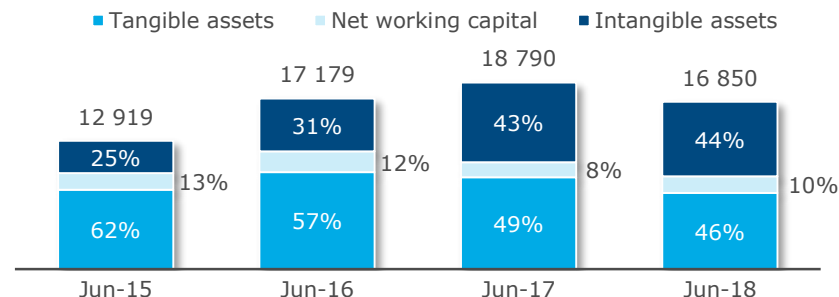
EBITDA (ZARm)



Net capex<sup>1</sup> (ZARm) & Cash conversion<sup>2</sup> (%)



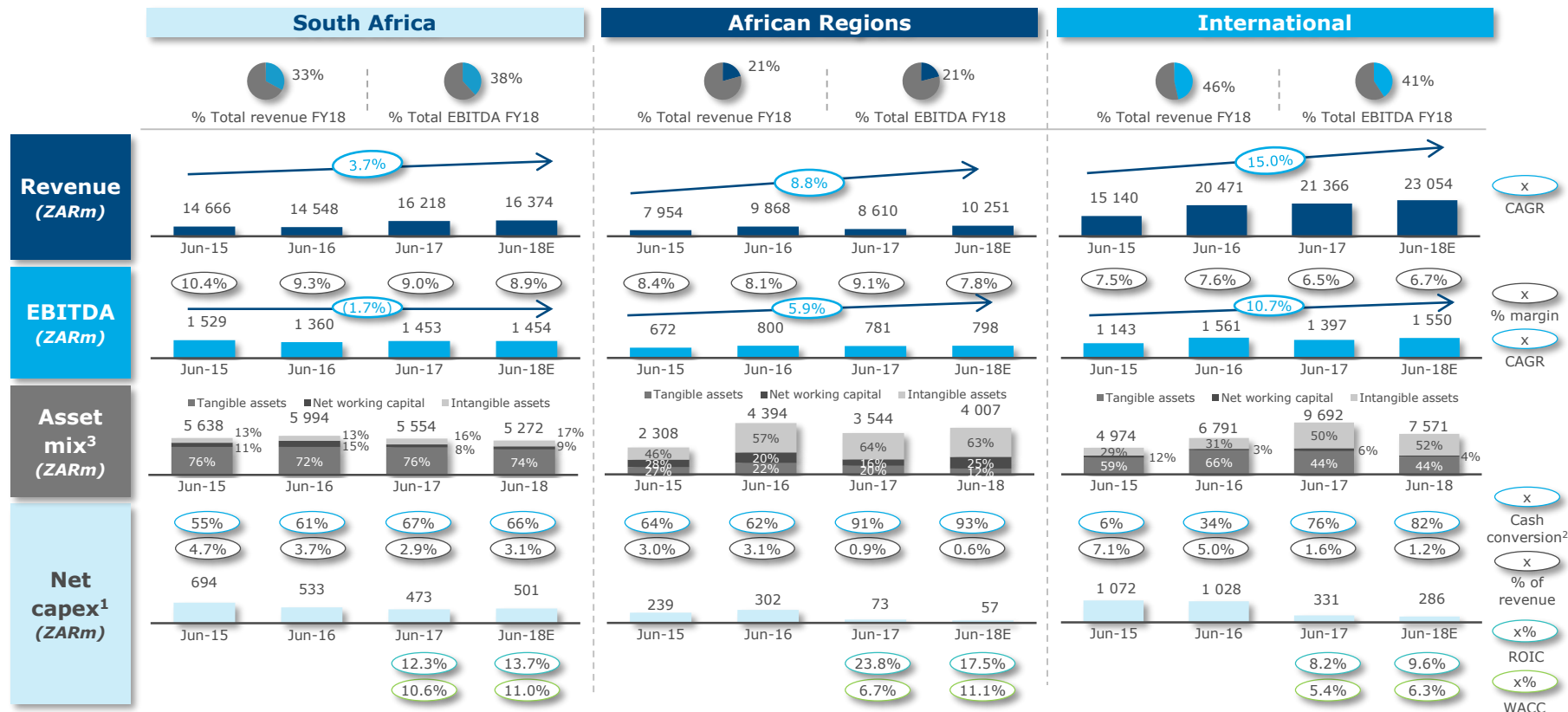
Asset mix<sup>4</sup> (ZARm)



X Net capex % of revenue X % Cash conversion X% ROIC X% WACC

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

# Segmental financial overview



Note: Financials based on continuing operations; <sup>1</sup> Net capex excludes proceeds from property disposals; <sup>2</sup> Cash conversion calculated as (EBITDA-Capex)/EBITDA <sup>3</sup> 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

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

**Demographic & cultural change**



**Digital transformation**



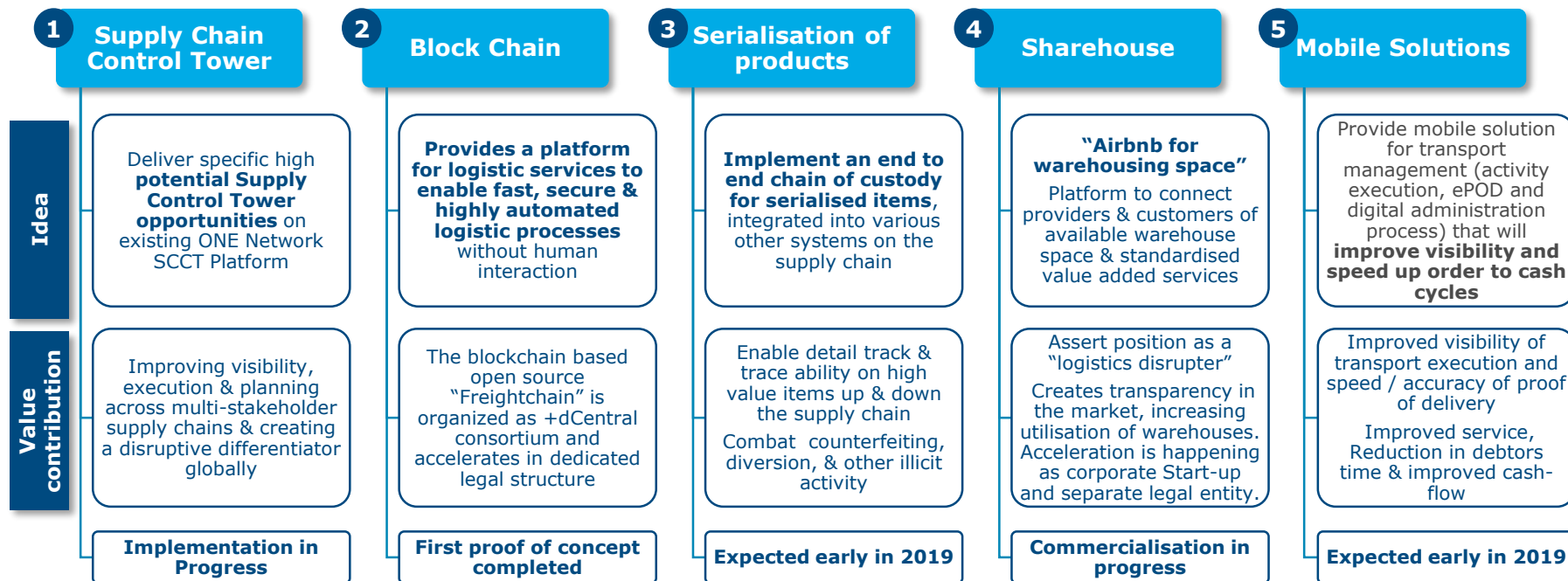
**New competition from startups**



**Business model disruption**



# Top five digitalisation & innovation projects





# Strong & committed leadership

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



**Marius Swanepoel**  
Chief Executive Officer  
**28 years of service**



**Mohammed Akoojee**  
Chief Executive Officer Designate  
**9 years of service**



**George de Beer**  
Chief Financial Officer  
**17 years of service**



**Cobus Rossouw**  
Chief Strategy Officer  
**17 years of service**



**Michael Lütjann**  
Chief Information Officer  
**3 years of service**



**Nico van der Westhuizen**  
South Africa CEO  
**24 years of service**



**Johan Truter**  
African Regions CEO  
**20 years of service**



**Hakan Bicil**  
International CEO  
**As of 1 September 2018**



**Farouk Seedat**  
South Africa CFO  
**7 years of service**



**Renier Engelbrecht**  
African Regions CFO  
**10 years of service**



**Thomas Schulz**  
International CFO  
**19 years of service**

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

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

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

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





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

**Retention:**  
Demonstrated by retention of  
management in acquired businesses







**Annexures**

# 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	<ul style="list-style-type: none"> <li>Inadequate patient access</li> <li>Low on-shelf availability</li> <li>Poor market data visibility</li> <li>Long order delivery lead times</li> </ul>	<ul style="list-style-type: none"> <li>Time critical processes</li> <li>Exacting quality &amp; accuracy requirements</li> <li>Continuous cost pressure</li> <li>Complex procedures</li> </ul>	<ul style="list-style-type: none"> <li>Escalating spillages</li> <li>Increased contaminations</li> <li>Driver inexperience</li> <li>Lack of product and equipment knowledge</li> </ul>	<ul style="list-style-type: none"> <li>Change in production location</li> <li>30% decrease in road transport, especially during peak season (Feb-May)</li> <li>Required fleet size in peak to remain the same, but less than half of this required off-season</li> </ul>
Imperial Logistics solution	<ul style="list-style-type: none"> <li>Agile, rapid response supply model to the real point of client engagement</li> <li>300 strong sales force visiting 40,000 outlets bi-weekly</li> <li>Digital Sales Force Automation to monitor sales rep activity, customer level inventory &amp; sales outcomes</li> <li>High speed, small volume delivery service</li> </ul>	<ul style="list-style-type: none"> <li>Best-in-class process accuracy</li> <li>Specialised employee training</li> <li>Integrated quality management systems</li> <li>Lean management and other operational excellence tools</li> <li>Fully automated system design</li> <li>Customised infrastructure</li> <li>Fail safe measures</li> </ul>	<ul style="list-style-type: none"> <li>Root cause analysis</li> <li>Extensive driver training</li> <li>Numerous HSE initiatives</li> <li>Appointment of HSE Officers at every operation</li> <li>Compensation for safe load delivery</li> <li>Route risk assessments, including the identification of high risk zones</li> </ul>	<ul style="list-style-type: none"> <li>Utilise established network into Namibia to address seasonality</li> <li>Selling portion of client fleet to Imperial Logistics subsidiary, shifting to asset-light, to dilute effect of lower volumes</li> </ul>
Impact	<ul style="list-style-type: none"> <li>Highly differentiated level of availability &amp; visibility at point of sale</li> <li>Increased sales volumes by &gt;20% in 6 months</li> <li>Productivity of reps increased &gt; 30% in 1 year</li> <li>Basket size per customer doubled in 1 year &amp; we now move more than 200 million units of product a year across Africa</li> </ul>	<ul style="list-style-type: none"> <li>Picking productivity significantly increased</li> <li>Picking accuracy improved &amp; errors reduced to less than 50 parts per million - greatly reducing the associated risk of supplying an incorrect harness to the assembly plant</li> <li>Such outcomes translated to a 92% audit achievement</li> <li>Cost reduction</li> <li>Superior risk management</li> </ul>	<ul style="list-style-type: none"> <li>Significant reduction in spillages - 1.76 per thousand drops to 0.20</li> <li>Significant reduction in contaminations - 1.15 per thousand drops to 0.59</li> <li>World class HSE in practice</li> <li>Process optimisation</li> <li>Improved driver efficiency</li> </ul>	<ul style="list-style-type: none"> <li>Client's peak season requirements met in full</li> <li>Seasonal volumes increases by 74% over a 12 month cycle</li> <li>97% service levels met consistently over a 3 year period</li> <li>On-time and in-full (OTIF) measures consistently met</li> </ul>

# Trusted partner to multinational clients in attractive industries

Partnerships underpinned by reach, capabilities, assets, innovation & legitimacy				
Client	Client 5	Client 6	Client 7	Client 8
Capabilities	Distribution Management	Distribution Management	Warehousing Management	Warehousing Management
Industry	 Consumer Packaged Goods	 Healthcare	 Automotive	 Chemicals & Energy
Client challenge	<ul style="list-style-type: none"> <li>Poor inventory management</li> <li>High levels of out of stocks</li> <li>Ineffective reporting</li> <li>Limited visibility</li> </ul>	<ul style="list-style-type: none"> <li>Expansive product range &amp; serialised stock items</li> <li>Multiple distribution channels</li> <li>Inferior inventory management</li> <li>Call centre inefficiencies</li> <li>Expiration of consignment stock</li> <li>Inadequate collection of amounts receivable</li> </ul>	<ul style="list-style-type: none"> <li>Poor value chain integration</li> <li>Limited availability of skilled workforce</li> <li>Constant cost pressure &amp; lack of innovative cost reduction initiatives</li> </ul>	<ul style="list-style-type: none"> <li>Unique solution required for storage &amp; distribution of hazardous material</li> <li>Consolidation of two storage locations into one</li> <li>Seasonal fluctuations</li> <li>Sophisticated picking structure with up to 400 orders &amp; 3000 order items per day</li> <li>Rigorous regulatory requirements</li> </ul>
Imperial Logistics solution	<ul style="list-style-type: none"> <li>Standard Operating Procedures (SOP's) redefined and refined</li> <li>Superior technology &amp; admin integration</li> <li>Bespoke risk management solutions for high risk- loads</li> <li>Minimum order value initiative</li> </ul>	<ul style="list-style-type: none"> <li>Customised infrastructure</li> <li>Bespoke design of racks &amp; shelves for efficient storage &amp; easy access batch picking</li> <li>Relocation of call centre to Imperial Logistics</li> <li>Customised technology solutions</li> <li>Dedicated warehouse team</li> </ul>	<ul style="list-style-type: none"> <li>Unique recruitment approach</li> <li>Specialised training</li> <li>Specialised security measures</li> <li>Lean management &amp; other operational excellence tools</li> <li>Rigorous quality management system</li> <li>Specialised equipment &amp; resources</li> </ul>	<ul style="list-style-type: none"> <li>340 000 pallet places at 20 sites in Germany, Netherlands, Belgium</li> <li>Undertake 650 000 shipments per year for our global chemical partners</li> <li>New hazardous materials, multi-user warehouse in Munster 9000m<sup>2</sup> and 17 000 pallet spaces</li> <li>State-of-the-art fire protection &amp; safety technology</li> <li>Multiple safety &amp; quality certifications</li> </ul>
Impact	<ul style="list-style-type: none"> <li>Improvement in all client's key performance indicators</li> <li>Significant savings realised since inception of contract in April 2016</li> <li>OTIF consistently exceeds 95% target</li> <li>Case fill rate improved from 61.0% to 77.5%</li> <li>Out of stocks reduced</li> </ul>	<ul style="list-style-type: none"> <li>22% increase in sales volumes realised in 6 months</li> <li>Service levels of 99.97%</li> <li>Abandoned calls &lt;1%</li> <li>Call volumes increased by 148% - answered within 6 seconds</li> <li>Back orders eliminated &amp; no stock write offs</li> <li>Batch transparency</li> </ul>	<ul style="list-style-type: none"> <li>Increase in productivity of 1% per annum</li> <li>Stable &amp; trained workforce with a staff turnover &lt; 1%</li> <li>Superior audit results &gt; 93%</li> </ul>	<ul style="list-style-type: none"> <li>Now manage client stock for the entire German market</li> <li>Productivity increase of &gt; 20%</li> <li>Realisation of cost efficiencies</li> <li>Improved risk management</li> </ul>