

Investment community presentation

Annual results for the 12 months ended 30 June 2020

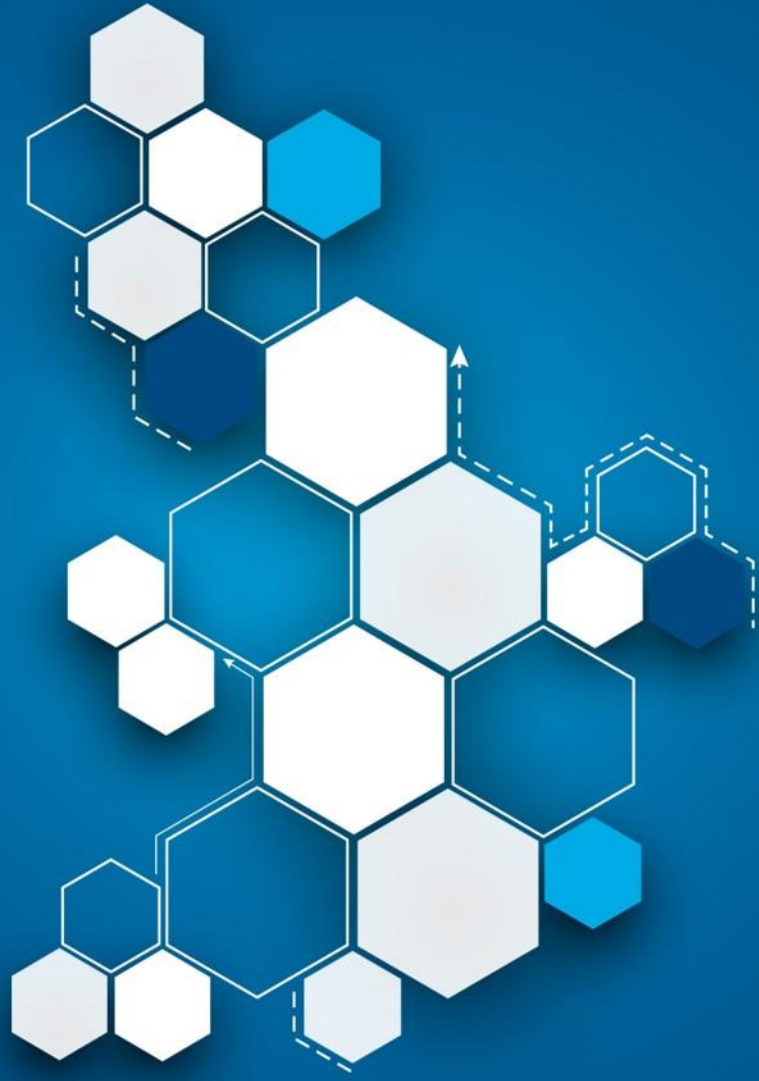


Agenda

- Overview
- Covid-19 & operating context
- Key industry trends
- Operating performance
- Financial review
- Strategy
- Looking ahead

ImperialTM
beyond possibility





ImperialTM

beyond possibility

Overview

A large, close-up photograph of a group of African children, mostly of elementary school age, smiling and looking towards the camera. The image is overlaid with a semi-transparent blue filter. The children are wearing various patterned and striped clothing. The text is centered over the image in a white, sans-serif font.

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

Continuing revenue

+5%

R46.4 billion

Continuing EBITDA

-11%

R4.1 billion

Continuing operating profit

-40%

R1.5 billion

(20% increase in depreciation & impairments)

Continuing HEPS

-65%

156 cps

Continuing free cash flow per share of

691 cents

Free cash conversion of **72%**

Net debt:EBITDA

(post European shipping proceeds)

1.6x

well within banking covenants of 3.25x

Total cash dividend of 167 cents per share (F2019: 244 cps)
No final dividend declared

ROIC OF 4.9% (F2019: 7.6%) vs
WACC OF 7.6% (F2019: 8.5%)

Cash & liquidity position strong
R13.2 billion of available facilities & cash
(post European shipping proceeds)

Contract renewal rate in excess of 80%
New business revenue of R6.2 billion p.a. +11%

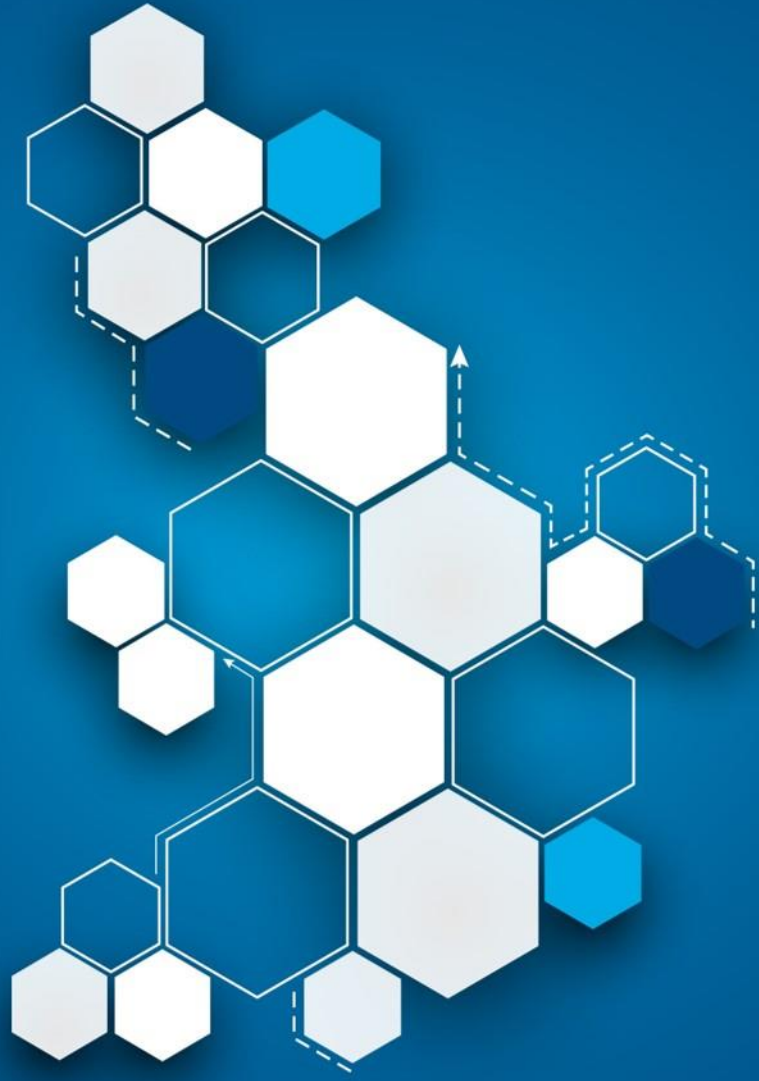
Note: Consumer Packaged Goods (CPG) business in South Africa & European shipping business classified as a discontinued operations;
comparatives have been restated for IFRS 16 Leases; ROIC & WACC are calculated on a rolling 12 month basis

- We are managing the business in a time of great uncertainty & volatility
- Despite challenging trading conditions, exacerbated by Covid-19, Imperial:
 - › recorded significant strategic progress
 - › increased revenue from continuing operations - H1 up 4%; Q3 up 9%; Q4 down 7% (excluding acquisitions)
 - › generated strong free cash flow
 - › maintained a strong balance sheet
 - › demonstrated resilience & sustainability - excellent new business gains & contract renewals
- H2 F2020's performance severely impacted by:
 - › impact of Covid-19 on trading performance due to various levels of restrictions
 - › lost revenue of c.R4.0bn & c.R1.0bn operating profit during the peak of lockdowns in March to May
 - › high fixed cost base (depreciation, staff, leases) (c.40% of total costs) impacted operating profit materially
 - › associated once-off costs & impairments
 - › further portfolio restructuring (mainly SA) to reduce costs
 - › translating losses in Logistics International at significantly weaker exchange rates in Q4 F2020 (R19.77/Euro)
 - › partially offset by new contract gains & acquisitions

- Effective 1 July 2020 Imperial operates within two overarching solutions - market access & logistics
 - › three businesses: Market Access, Logistics Africa & Logistics International
- Market Access delivered a resilient performance - grew revenue by 18% & decreased operating profit by 1%
- Logistics Africa recorded revenue growth of 3% but a decline in operating profit of 34%
 - › 45% drop in revenue during peak of lockdown in April
- Logistics International was most impacted by Covid-19, decreased revenue by 7% & operating profit by 78% in Euros
 - › €78m revenue loss during the lock down period
 - › significant exposure to Automotive & Industrial sectors (65% of revenue)



- Significant progress recorded against our strategy
- Executed strategic acquisitions in Market Access & Logistics Africa of c.R900 million
- Successfully concluded the sale of European shipping business
 - › R3.4 billion proceeds received from this disposal on 31 July 2020
 - › attractive PAT multiple of c.15x
- Successfully exited CPG business in South Africa
 - › saving c.3 000 jobs
 - › retaining c.R1.6 billion revenue in other parts of the group
- Entered agreement for the sale of Pharmed - underperforming & low return on effort
- Further planned cost reduction of R200 million p.a in Logistics Africa
 - › benefits will be realised from F2021
- USD20 million innovation fund continues to record significant activity
 - › concluded 3 investments - digital distributor; digital freight forwarder; point-of-care diagnostics enabler
- Clear people & client value propositions aligned to our One Imperial approach
- 11 key black & female senior management appointments made
- Top company for students to work for (transport & logistics) in South African Graduate Employers Association study
- CSI & women empowerment initiatives continue to make a difference



ImperialTM
beyond possibility

Covid-19 & operating context

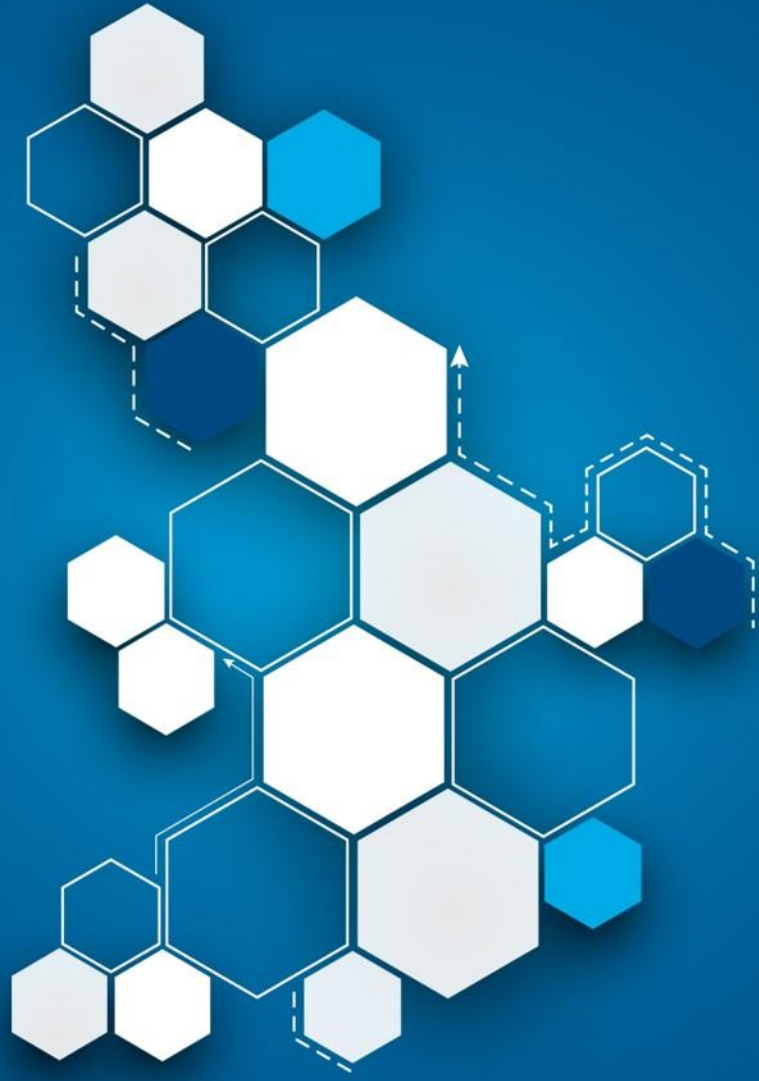
- *Market Access (27% group revenue; 46% group operating profit)*
 - › serving as a leading market access player in healthcare & consumer stood us in good stead
 - › all businesses currently in operation but volumes remain impacted - sales of liquor & tobacco most affected
 - › steady recovery in revenue expected as lockdown restrictions ease
- *Logistics Africa (32% group revenue; 49% group operating profit)*
 - › added capacity to meet increased demand from healthcare & consumer clients
 - › c.90% of business now in operation
 - › normal trading to resume in the short term as alcohol & tobacco restrictions lifted
- *Logistics International (41% group revenue; 5% group operating profit)*
 - › most impacted by the pandemic - €78m of lost revenue (c.10% of annual revenue)
 - › automotive & related business most impacted
 - OEMs returning to production but operating significantly below pre Covid-19 levels
 - › chemicals volumes less impacted, supported by new contract gains
 - › other business remained operational but lower volumes
 - › many countries in Europe - including the UK - have eased restrictions

- Restrictions have now eased with all businesses in operation - significant recovery in July & August but volumes still below pre Covid-19 levels
- Ensuring the safety of our staff and operations remains the priority
 - › stringent safety measures & protocols remain in place (c.R30 million spent on PPE, sanitisers etc. for staff)
 - › 385 staff tested positive for the virus, with the majority making a full recovery
 - › regrettably, 11 of our colleagues succumbed to the virus
- Through the pandemic we have continued to deliver a sound financial position
 - › generating cash
 - › delivering a strong balance sheet; sufficient headroom & liquidity to facilitate growth plans
 - › reducing costs through restructuring & tighter cost controls
 - › net debt:EBITDA well within our bank covenants of 3.25x
- Despite day to day challenges we continued to execute on our strategy

We continue to support key stakeholders in our countries of operation:

- Providing support to staff & prioritising their safety
 - › paid salaries of c.R160m to staff not required at operations between March & June
- Achieving high service levels - put in additional capacity so clients can meet increased demand
- Continued to service market access channels where possible
- Non-Executive Directors reduced fees by 25% from April - June
- Group EXCO took up to 25% salary cut from April - June
- R5m to Solidarity Fund
- R5m to Giving for Hope Foundation
- R500 000 to Gift of the Givers
- Sourced & delivered PPE & sanitisers for public & private sectors in SA & Europe
- Partnering with charity organisations, delivering food parcels & basic needs to communities
- Over 75 000 patients were screened for Covid-19 through Unjani Clinics (CSI project supported by Imperial)

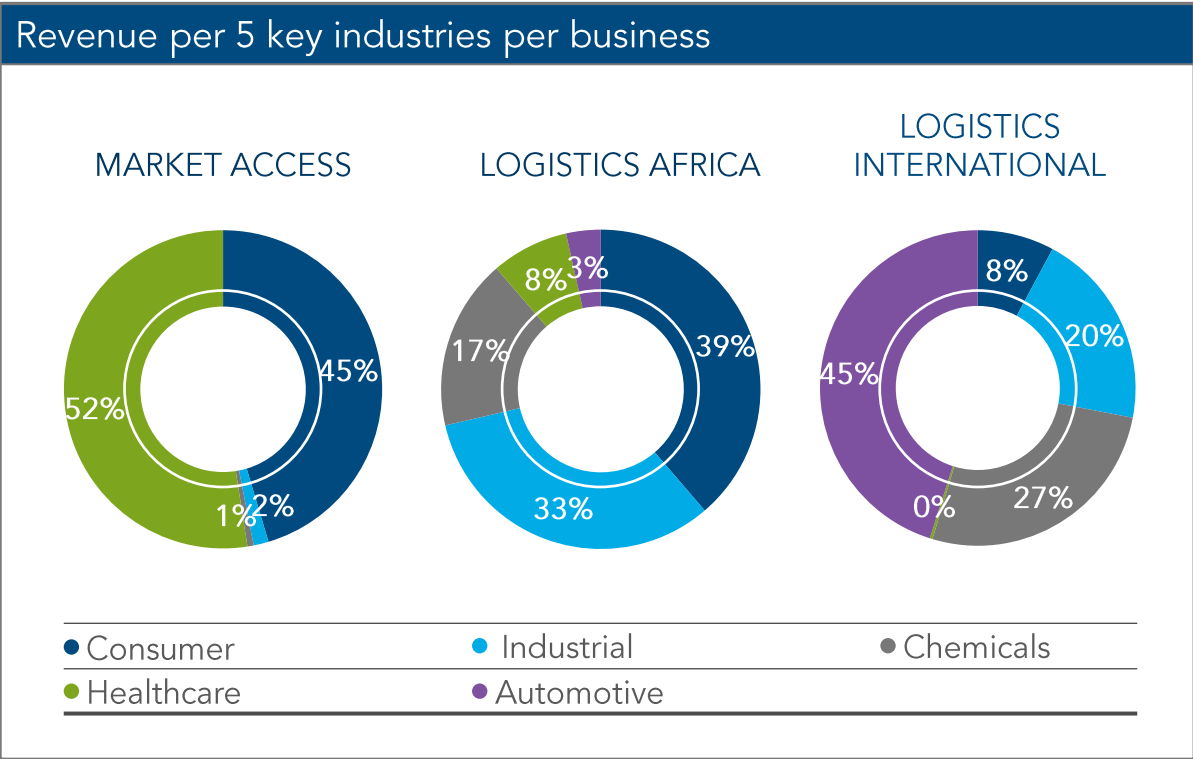
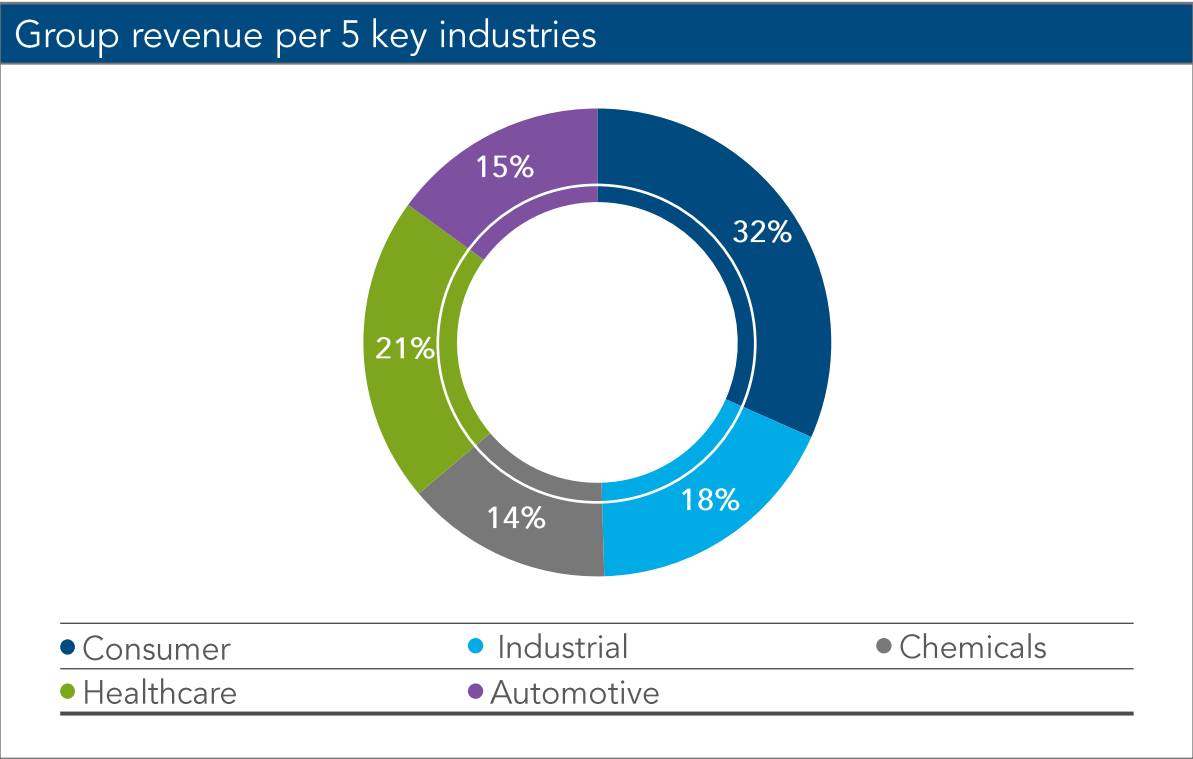
Socio-economic shift	Anticipated response
Border restrictions & other limitations on the movement of goods & people will see the growing prevalence of local manufacturing & on-shoring	Shortening supply chains & support for local manufacturing - major logistics & market access opportunity
Clients will rethink their supply chains	Greater demand for visibility & resilience - providing data & technology solutions - key differentiator
Slow economic recovery	Clients will look to outsource more & focus on core capabilities Strong pipeline of new opportunities
Further changes in industry structures, consumer behaviour, marketing positioning must be anticipated & accommodated	Logistics industry is resilient & will become more relevant & stronger as these changes happen
Consumer behaviour will change & the rise of the contact free economy will continue	e-commerce, online consumer engagement, tele medicine etc. will shape business models - excellent opportunity in Africa as current service levels have significant room for improvement
Ways of working will change	Remote & flexible working conditions will become the rule rather than an exception This will present opportunities for efficiencies & cost saving
Greater government & regulatory intervention & scrutiny	Pressure to holistically & visibly embrace the principles of ESG will increase
Corporate value & shared value will be subject to close & critical evaluation & the concept of value creation will be more widely defined & applied than ever before	Organisations will need to give employees, communities & growth in share price priority
Increase demand for products & investment in capacity in healthcare industry	Ideally positioned based on our end-to-end value chain - sourcing, procurement, distribution, market access, mobile clinics etc. c.21% of revenue generated from healthcare industry



Imperial™
beyond possibility

Key industry trends

Revenue split by key industry for continuing operations %



Market Access: strongly positioned in healthcare & consumer activities across the continent where 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: Portfolio being aligned to diversify industry exposure & all options being explored to support our 'Gateway to Africa' strategy

Group revenue variance YOY by industry - showing the impact of Covid-19

	9 months (July 2019 to March 2020) YOY revenue variance %	3 months (April 2020 to June 2020) revenue variance %	12 months (July 2019 to June 2020) Revenue variance %
Automotive	15.9	(22)	5.4
Chemicals	(6.6)	(8.4)	(7.1)
Consumer	17.4	10.4	15.6
Healthcare	6.7	17.3	9.2
Industrial	4.2	(10.9)	0.4
Other	6.8	(9.9)	2.4



Healthcare (c.21% group revenue)

- Revenue growth of 10%
- Contract renewals of >90% with strong new business pipeline
- Increasing demand for healthcare products - 18% CAGR forecast for industry in Africa
- Imperial increasing exposure to generics, animal health & medical device market - expected to show significant growth by 2023
- Expanding Market Access services in South Africa
- Adding new capabilities - demand generation, contract manufacturing & brand partnerships
- A key industry of operation & growth - Imperial is well-positioned to leverage opportunities

Consumer (c.32% group revenue)

- Growth of c.16% despite lower consumer demand & strict lockdown restrictions imposed on liquor & tobacco in South Africa
- New business gain rate of 35% & a good new business pipeline
- Covid-19 has changed purchasing trends, consumer behavior & 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 due to growth in e-commerce; increased visibility, resilience & shortening of supply chains
- Expanding market access service offering in South Africa

Automotive (c.15% of group revenue)

- We delivered single-digit revenue growth despite Covid-19 challenges
- c.90% of automotive revenue is generated in Europe
 - › all OEMs implemented plant shut-downs between March & May
- Overall decrease in volumes mitigated by new business gains
- OEMs expect car sales to reach pre Covid-19 levels only by end 2022/23
- Covid-19 has shown how vulnerable automotive supply chains are to disruption - forcing companies to investigate more resilient supply chains

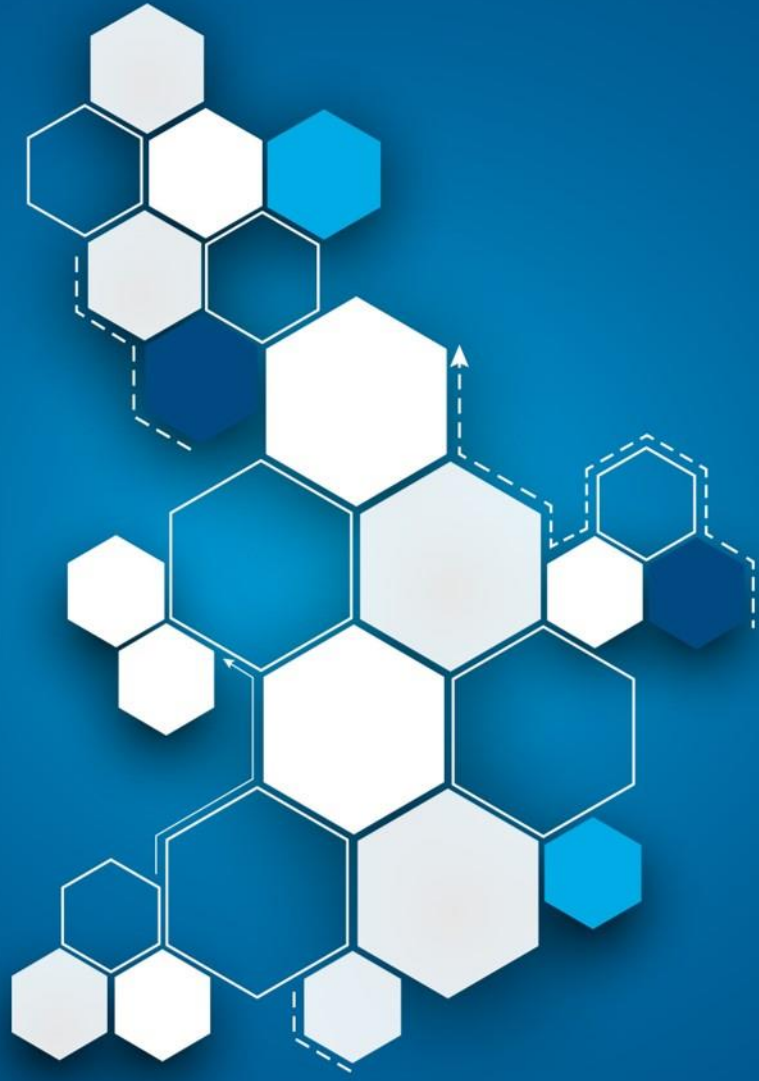
Chemicals (c.14% group revenue)

- Despite negative growth rate, strong pipeline of new business & 85% contract renewal rate
- Decline in demand for petroleum products during lockdown impacted bulk road tanker operations in South Africa
- Industry investigating alternatives to reliance on Chinese inputs
- Industry focus on green logistics & stricter regulatory compliance - creates opportunities
- Our significant exposure to agrochemicals provided resilience to our performance

Industrial (18% of revenue)

- A strong sales pipeline & consistent performance prior to Covid-19
- Severely impacted - classified 'non-essential' during lockdown restrictions in many countries
- Certain sectors within industrial displayed resilience due to increased demand i.e. packaging for food & hygiene products





ImperialTM
beyond possibility

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 clients & principals' access to consumers across Southern, East & West Africa - mainly in healthcare & consumer industries

- **Revenue** ↑ 18% to R12.4bn
- **Operating profit** ↓ 1% to R710m
- **Operating margin** 5.7% (F2019: 6.8%)
- **27%** group revenue
- **46%** group operating profit
- **ROIC** of 12.1% vs WACC of 12.7%

Logistics Africa



- Integrated freight management & contract logistics provider with significant scale, offering end-to-end solutions in key industries using technology as a differentiator
- Reduce time-to-market, improve customer service & mitigate risk

- **Revenue** ↑ 3% at R14.9bn
- **Operating profit** ↓ 34% to R767m
- **Operating margin** 5.2% (F2019: 8.1%)
- **32%** group revenue
- **49%** group operating profit
- **ROIC** of 9.0% vs WACC of 8.1%

Logistics International



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

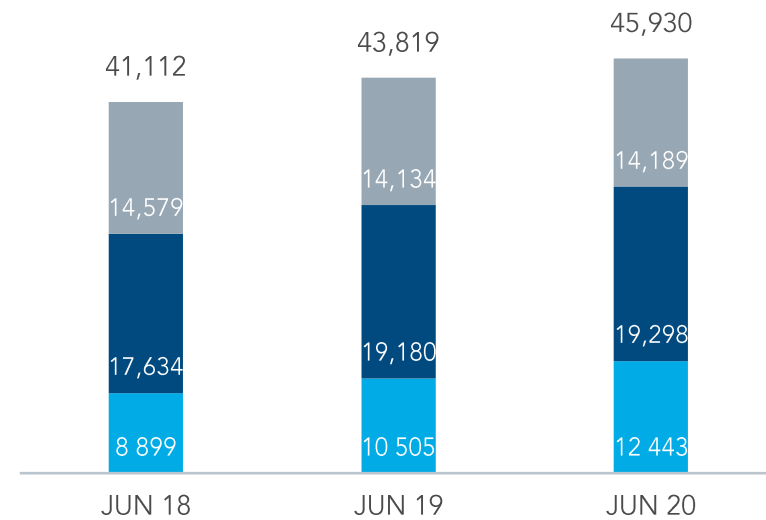
- **Revenue** ↓ 7% to €1.1bn
- **Operating profit** ↓ 78% to €8m
- **Operating margin** 0.7% (H1 2019: 3.1%)
- **41%** group revenue
- **5%** group operating profit
- **ROIC** of 1.0% vs WACC of 5.3%

Note: Numbers are for year ended 30 June 2020 for continuing operations & excluding businesses held for sale. Comparatives have been restated for IFRS 16 Leases
Return on invested capital (ROIC) & weighted average cost of capital (WACC) are calculated on a rolling 12 month basis

Group revenue & operating profit per business line

REVENUE

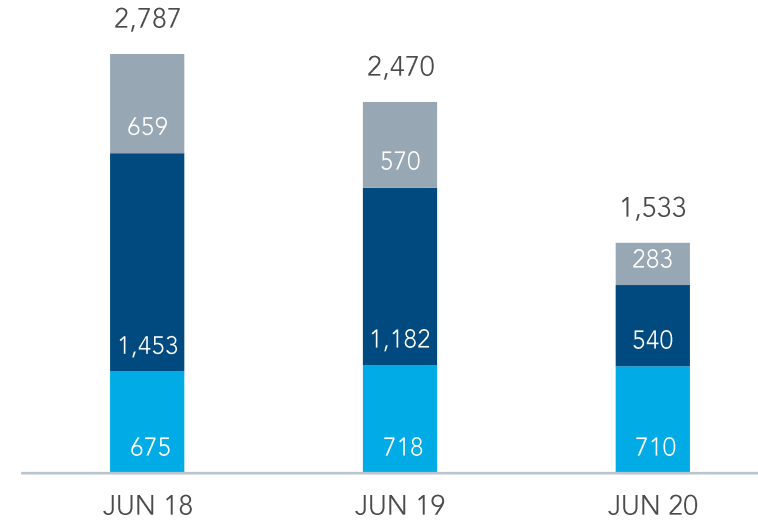
Rm



■ Market access ■ Freight management ■ Contract logistics

OPERATING PROFIT

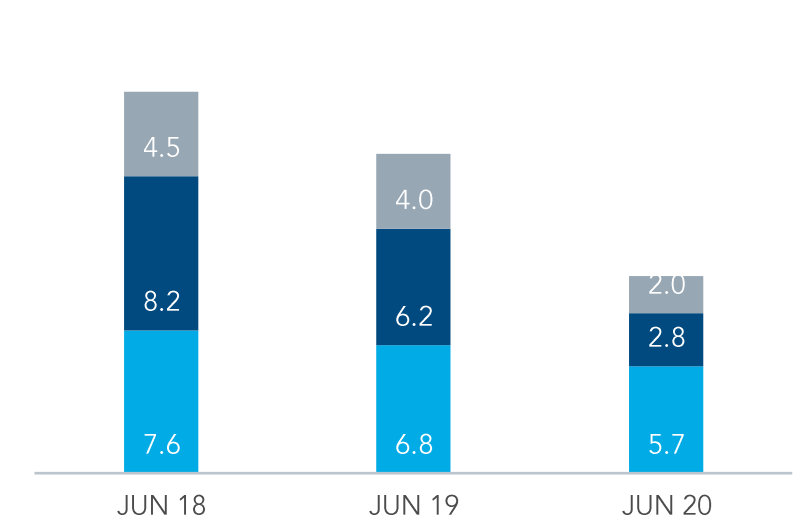
Rm



■ Market access ■ Freight management ■ Contract logistics

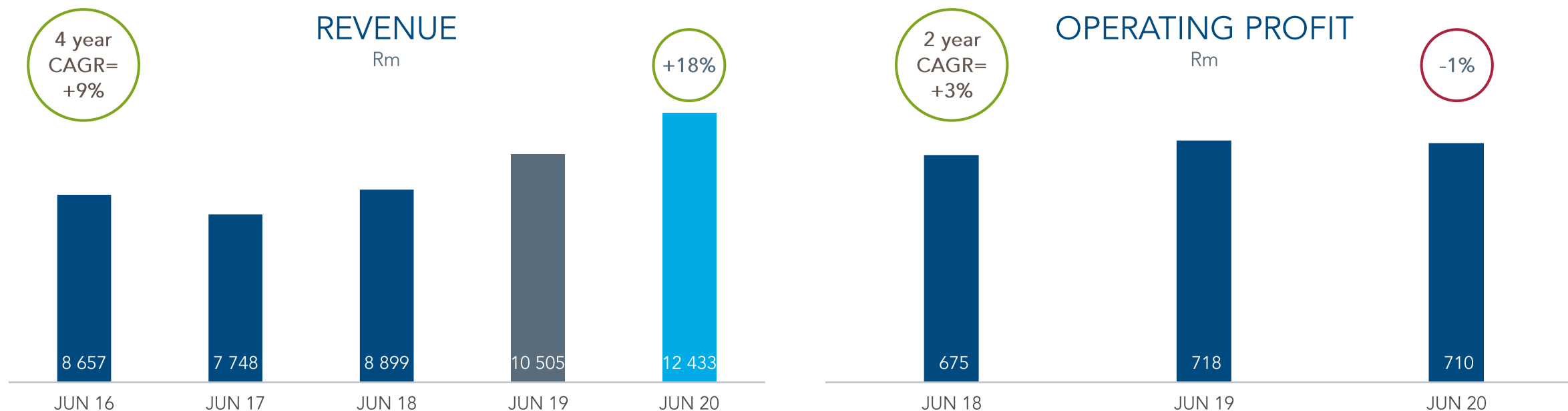
OPERATING MARGIN

%



■ Market access ■ Freight management ■ Contract logistics

Note: Numbers reported are for continuing operations, excluding businesses held for sale, head office & eliminations
Prior year numbers have been restated for IFRS 16



Delivered resilient performance in challenging circumstances - revenue increased 18% & operating profit decreased 1%

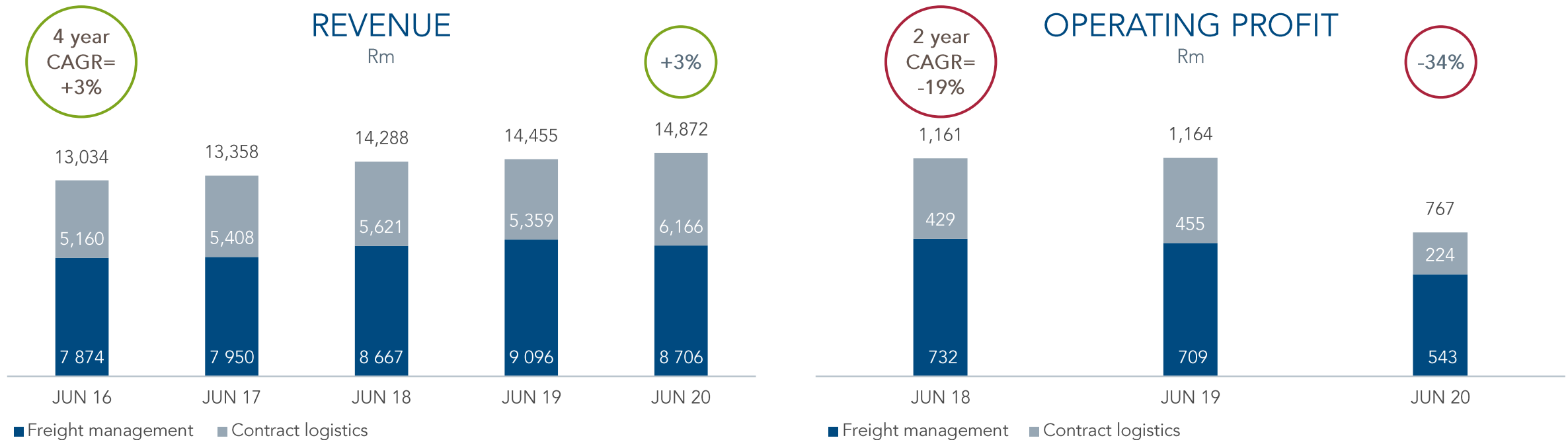
Results supported by:

- Strong position as a leading market access player
- Good performance in healthcare
- Medical & kitting supplies business' (Imres) strong order book
- Significant new contract gains (c.R1.7bn)
- Inclusion of new acquisitions in second half - performed to expectation

Negatively impacted by:

- Alcohol & tobacco sales impacted by Covid-19 restrictions
- Namibia & Mozambique consumer businesses affected by reduced volumes

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



Increased revenue by 3% & operating profit decreased by 34%

Results supported by:

- New contract gains (c.R2bn)
- Cost saving initiatives undertaken in prior year; further cost cutting - benefit from F2021

Negatively impacted by:

- Covid-19 restrictions resulted in volume declines in most sectors, especially fuel, tobacco & alcohol
- Lower margins in healthcare business in South Africa

Contract Logistics (increased revenue but operating profit declined)

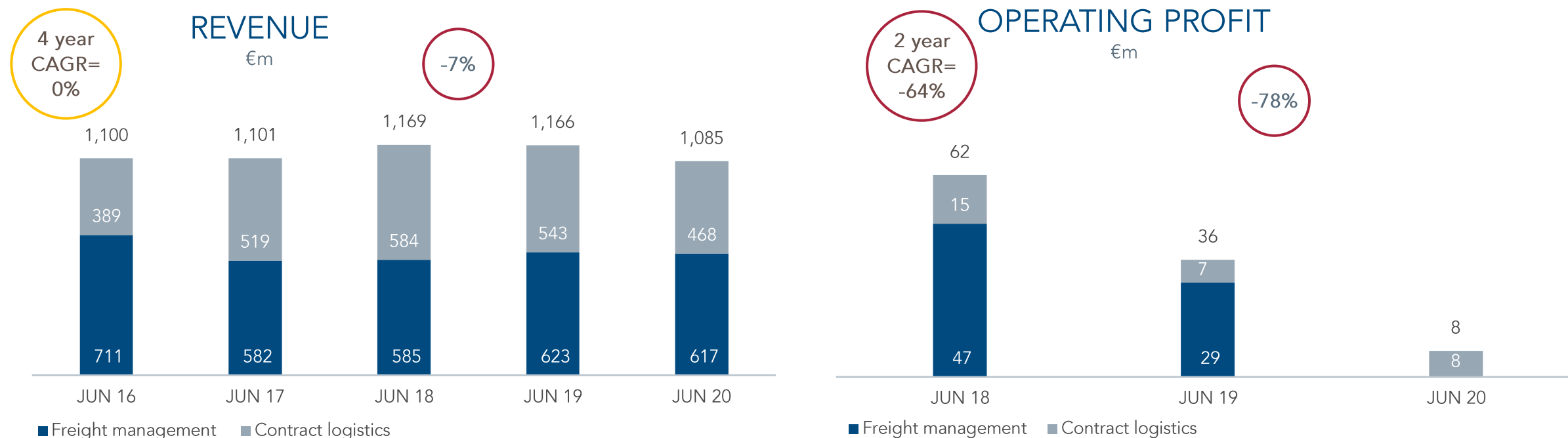
- Benefitted from retention of CPG contracts under more viable commercial terms & increased demand from healthcare & consumer clients
- Operating profit declined due to impact of trading restrictions & associated once-off costs (restructuring)

Freight (revenue & operating profit declined)

- Performance of LLP & freight businesses subdued by lower demand & volumes
- Significantly lower volumes due to cross-border travel restrictions & poor economic conditions in Zimbabwe

Note: Numbers reported are for Imperial 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 (Euro) – excl. European shipping



Most impacted by Covid-19. Revenue decreased 7% & operating profit 78% in Euro terms

Results supported by:

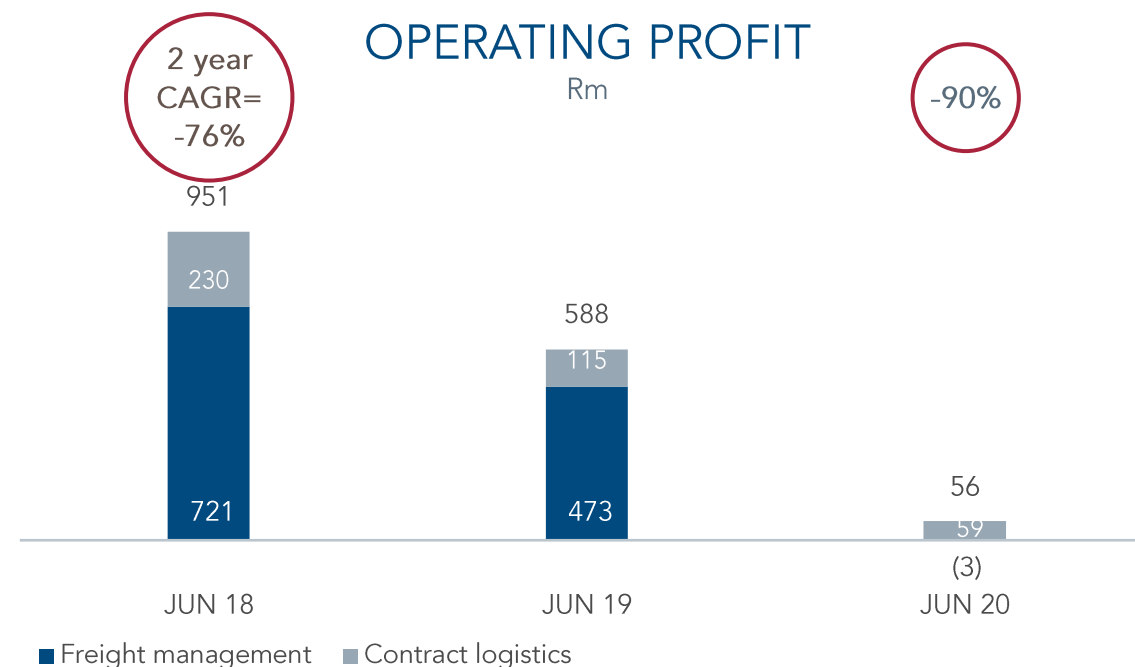
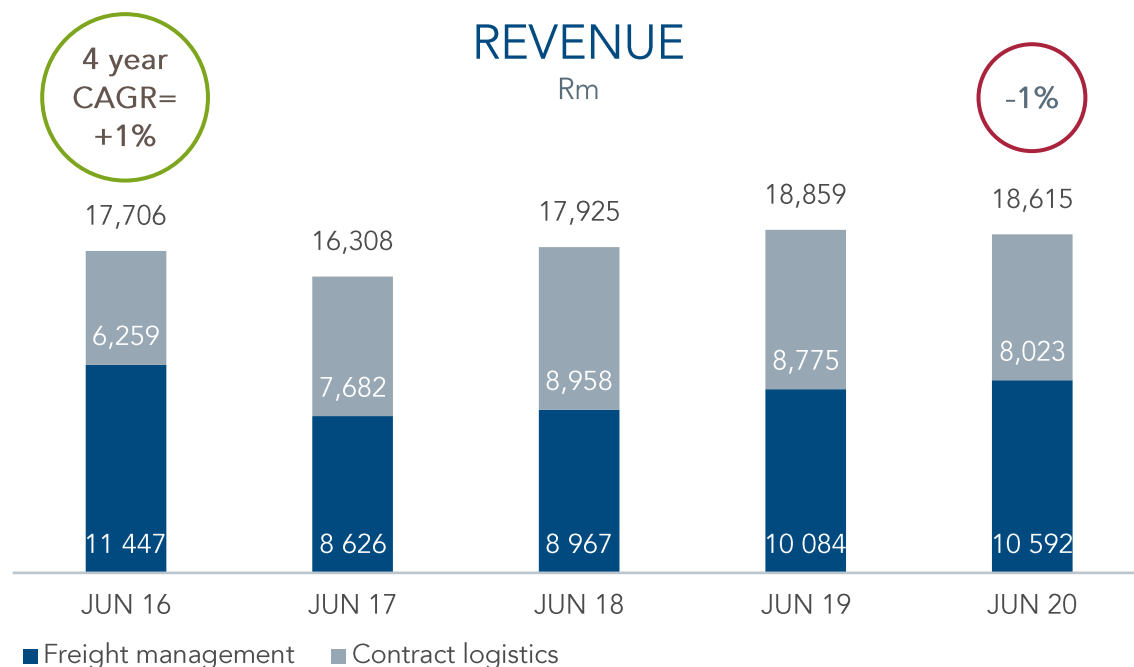
- Contract renewals & new business gains (c.R2.5bn or €128m)
- Benefits of significant cost-cutting in F2019

Negatively impacted by:

- Decline in volumes across all sectors
- Lost €78m revenue during Covid-19 peak
- Significant exposure to Automotive & Industrial sectors - most impacted by Covid-19
- High fixed cost base (c.50%) negatively impacted profits
- Once off impairments related to Covid-19
- Low water levels in South America & restrictions on exports

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

Growth trend: Logistics International (Rands) - excluding European shipping



Revenue decreased 1% & operating profit by 90% in Rands

Freight management (increase in revenue, operating profit declined by >100%)

- Significantly lower volumes in road freight due to Covid-19
- Low water level surcharges in shipping in prior year did not recur & lower than expected results from South American shipping business due to low water levels & Covid-19 related export restrictions
- Good performance from Palletways as corrective measures reaped benefits
- Strong recovery in July 2020

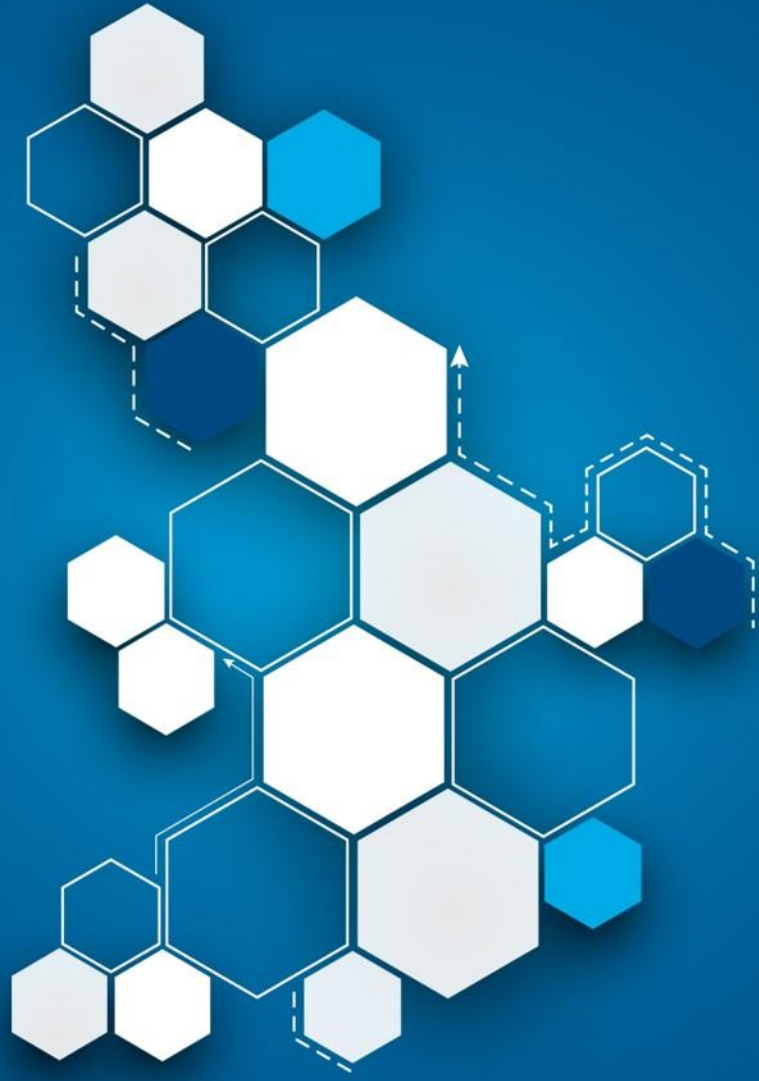
Rand performance negatively impacted by translation of losses at significantly weaker exchange rate in Q4 F2020 (R19.77/Euro)

Contract logistics (decreased revenue & operating profit)

- Automotive contract logistics most impacted as OEMs implemented plant shutdowns in March & April 2020
- Volumes in chemicals businesses less impacted but volumes still markedly lower than in previous year
- Strong recovery in July 2020

Note: Numbers reported are for continuing operations

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



Imperial™
beyond possibility

Financial review

- Safeguarding & preserving balance sheet, managing debt levels to remain within bank covenants, maintaining liquidity & preserving cashflows
 - › proactive measures to reduce fixed overhead costs
 - › moratorium was placed on all capex spend
 - › optimised working capital
 - › generated operating cashflows
 - › Logistics Africa to further reduce overhead costs through further portfolio rationalisation, consolidation & restructuring in upcoming months
- Proceeds from European shipping disposal used to:
 - › reduce existing debt
 - › provide capacity to pursue strategic objective of investing in new areas that enhance our African growth vision
- Imperial's net debt:EBITDA post the shipping proceeds remains below guidance of 2.5x at 1.6x
- Sufficient headroom against our maximum net debt:EBITDA covenants of 3.25x
 - › provides balance sheet resilience in a tough environment (COVID-19)
- Continue to explore growth opportunities but cautious in investing in new acquisitions in current calendar year

Impact of Covid-19 on results

Rm	Estimate of lost revenue*	% contribution to fixed overhead**	Contribution impact	Overhead reduction & government support	Net impact on HY2 operating profit
South Africa	1 027	50	515	(214)	301
African Regions	1 481	20	291	(94)	197
International	1 430	53	754	(205)	549
Group	3 938		1 560	(513)	1 047

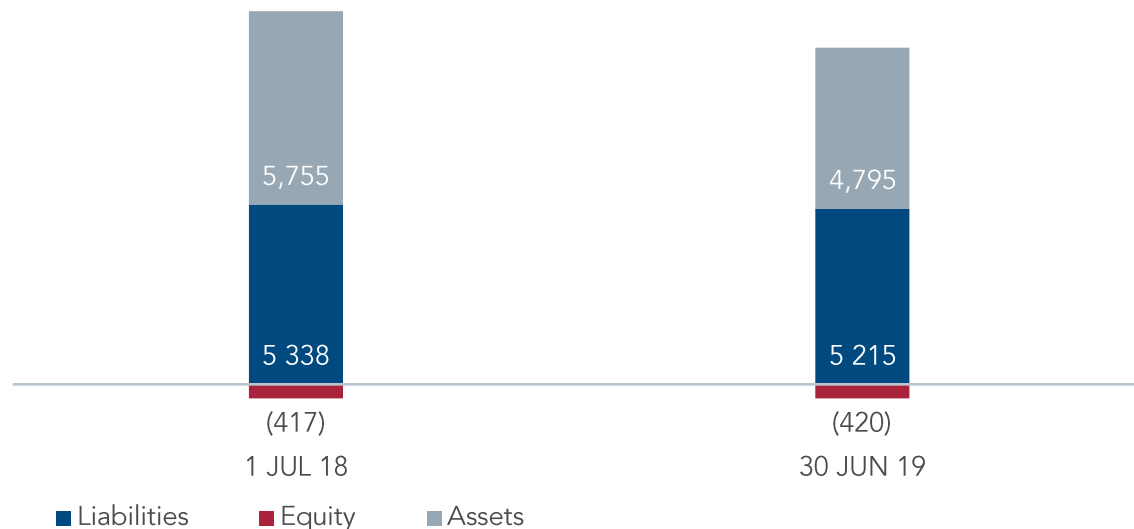


* Based on management forecast March to June 2020, including inflation and currency -based increases, impact of foreign currency (Euro/ZAR 19.43 vs PY 16.18 March to June) & new contract gains

** Main components include salaries & wages, information technology & depreciation (incl. IFRS 16 leases)

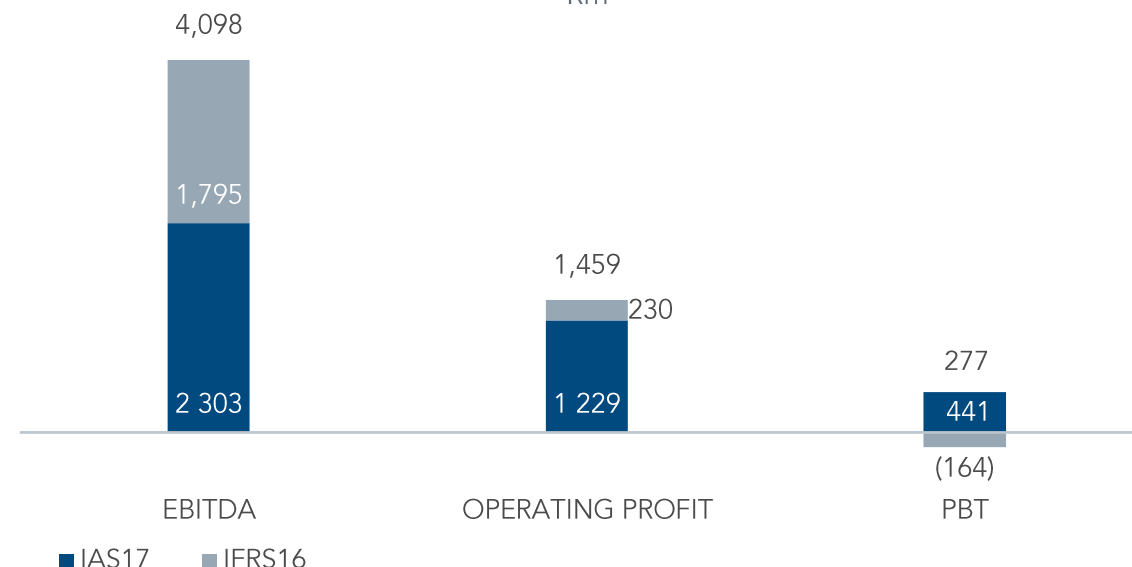
FINANCIAL POSITION

Rm



PROFIT OR LOSS (June 2020)

Rm



Balance sheet impact

- On 1 July 2018 the group recognised lease obligations of R5 850m & ROU assets of R5 335m
- Provisions for onerous leases reversed & accounted for as asset impairments
- Impact of 'lease smoothing' (IAS 17) reversed to equity
- Net tax assets of R157m is raised from timing difference arising from leases
- Equity reduced by R417m - from an increase in total liabilities of R5 338m & an increase in total assets of R5 755m

Profit or loss impact - 30 June 2020

- Lease rental expense of R1 795m (IAS 17) excluded from EBITDA
- ROU assets amortised on straight-line basis impacting operating profit
- Operating profit & operating margin improved as interest of R254m is below the line
- PBT decreased by R164m; R140m relates to impairment of right-of-use assets

The impact of IFRS 16 lease adoption on financial reporting

Key metrics	Before IFRS 16	Impact	After IFRS 16
Profit or loss			
EBITDA (Rm)	2 303	1 795	4 098
Operating profit (Rm)	1 229	230	1 459
Operating margin (%)	2.6	0.5	3.1
Interest cost	508	254	762
Interest cover	4.5	0.9	5.4
Balance sheet			
Net debt (Rm)	8 391	6 080	14 471
Net debt to equity (%)	101.4	73.5	174.9
ROIC (%)	6.1	(1.2)	4.9
WACC (%)	8.8	(1.2)	7.6
Cash flows			
Operating cash flows (Rm)	1 778	2 032	3 810
Financing cash flows (Rm)	1 655	(2 032)	(377)
Free cash flows (Rm)	1 043		1 043

Profit & Loss (continuing operations)

	Jun 2020 Rm	Jun 2019* Rm	% Change
Revenue	46 380	44 039	5
EBITDA	4 098	4 616	(11)
Operating profit (note 1)	1 459	2 413	(40)
Impairments net of profit on disposal of properties (note 2)	(194)	(6)	>100
Amortisation & impairment of intangible assets arising on business combinations	(393)	(400)	(2)
Remeasurement of put & contingent consideration (note 3)	300	51	>100
Net gain on lease termination	7	5	40
Impairments of goodwill & disposal of businesses (note 4)	(234)	(1 152)	(80)
Foreign exchange gain (note 5)	93	(47)	>100
Business acquisition costs (note 6)	(21)	(15)	40
Profit before financing costs & associates	1 017	849	20

1. Decreased by 40% due to the impact of Covid-19 which impacted operating profits negatively by R1bn
2. Relates to impairments to property owned & right of use assets (mainly in International)
3. Relates to the remeasurement of the put liabilities (Market Access) & contingent consideration liabilities
4. Comprises mainly the impairment to goodwill offset partially by a net profit on disposal of subsidiaries & associates
5. Gain of R160m on capital reduction in foreign subsidiaries, offset by forex losses on monetary items
6. Comprises costs associated with acquisition of businesses in Market Access

* Restated for the adoption of IFRS 16 Leases & the European shipping business discontinued operation

Profit & Loss (continuing operations)

	Jun 2020 Rm	Jun 2019* Rm	% Change
Profit before financing costs & associates	1 017	849	20
Net financing costs (note 1)	(762)	(605)	26
Income from associates (note 2)	22	39	(44)
Tax (note 3)	(159)	(386)	(59)
Net profit (loss) for the year - continuing operations	118	(103)	> 100
Discontinued operations (note 4)	(344)	3 683	< (100)
Attributable to minorities	(77)	(142)	(46)
Attributable to Imperial shareholders (loss) earnings	(303)	3 438	< (100)

1. Increased by R157m mainly due to:
 - › the once off gain of R63m on settlement of the preference shares in the prior year & higher debt levels in the current year
2. Decreased mainly due to the sale of Gruber in the prior year & a decrease in income from the MDS Logistics associate
3. Significant items include:
 - › deferred tax assets not raised on some loss making entities
4. Discontinued operations relate to a loss in CPG of R305m & a loss in the European shipping business of R39m in F2020
 - › comprised of a profit in Motus of R5 392m, a loss in CPG of R1 923m & profit from the European shipping business of R214m in F2019

* Restated for the adoption of IFRS 16 Leases & the European shipping business discontinued operation

	Jun 2020 Rm	Jun 2019* Rm	% Change
Property, plant & equipment	3 326	2 647	26
Transport fleet	5 186	5 309	(2)
Right-of-use assets	5 422	4 780	13
Goodwill & intangible assets	7 084	6 719	5
Investments in associates, other investments & other financial assets	469	745	(37)
Net working capital (note 1)	544	1 389	(61)
Net tax asset	455	359	27
Net assets of disposal group & discontinued operations	2 781	296	

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

1. Part of decrease in net working capital is attributed to reclassification of net working capital to net assets of disposal groups
 - › net working capital improved from last year
 - › mainly due to decreased volumes as a result of Covid-19 which translated into lower receivables towards the end of F2020

* Restated for the adoption of IFRS 16 Leases & IFRIC23 uncertainty over tax treatments

	Jun 2020 Rm	Jun 2019* Rm	% Change
Net interest bearing borrowings excluding lease liability (note 1)	(8 391)	(5 697)	47
Lease obligations	(6 080)	(5 969)	2
Other liabilities	(2 524)	(2 418)	
Total equity (note 2)	8 272	8 160	

1. Increased, impacted mainly by:

- › cash inflow from operations before working capital movements of R4 536m
- › cash generated by a decrease in working capital of R559m
- › finance costs paid of R918m
- › tax paid of R367m
- › acquisition net of disposals of businesses R276m
- › net capex amounted to R1 482m (including European shipping of R357m)
- › repurchase of ordinary shares of R225m
- › dividends paid of R658m
- › purchase of a non-controlling interest of R277m
- › lease payments of R2 032m (incl CPG: R222m & European shipping: R273m)
- › currency adjustments of R1 327m

2. Comprehensive income of R683m & transactions with non-controlling interests of R275m, offset by:

- › dividends paid of R658m
- › share repurchases net of share based equity charges of R188m

* Restated for the adoption of IFRS 16 Leases & IFRIC23 uncertainty over tax treatments

Cash flow operating activities (total Logistics, excluding Motus)

	Jun 2020 Rm	Jun 2019 Rm
Cash generated by operations (before interest & taxes paid) (note 1)	4 536	5 239
Net working capital movements (excludes currency movements & net acquisitions) (note 2)	559	(21)
Net interest & tax paid	(1 285)	(1 474)
Cash inflow from operating activities (note 3)	3 810	3 744

1. Decreased by R703m mainly due to the negative impact that Covid-19 had on the operating performance
2. The improvement is mainly due to:
 - › decreased volumes as a result of Covid-19 which translated into lower receivables towards the end of the F2020
3. Includes discontinued operations - a cash outflow from CPG of R411m & a cash inflow from European shipping of R746m

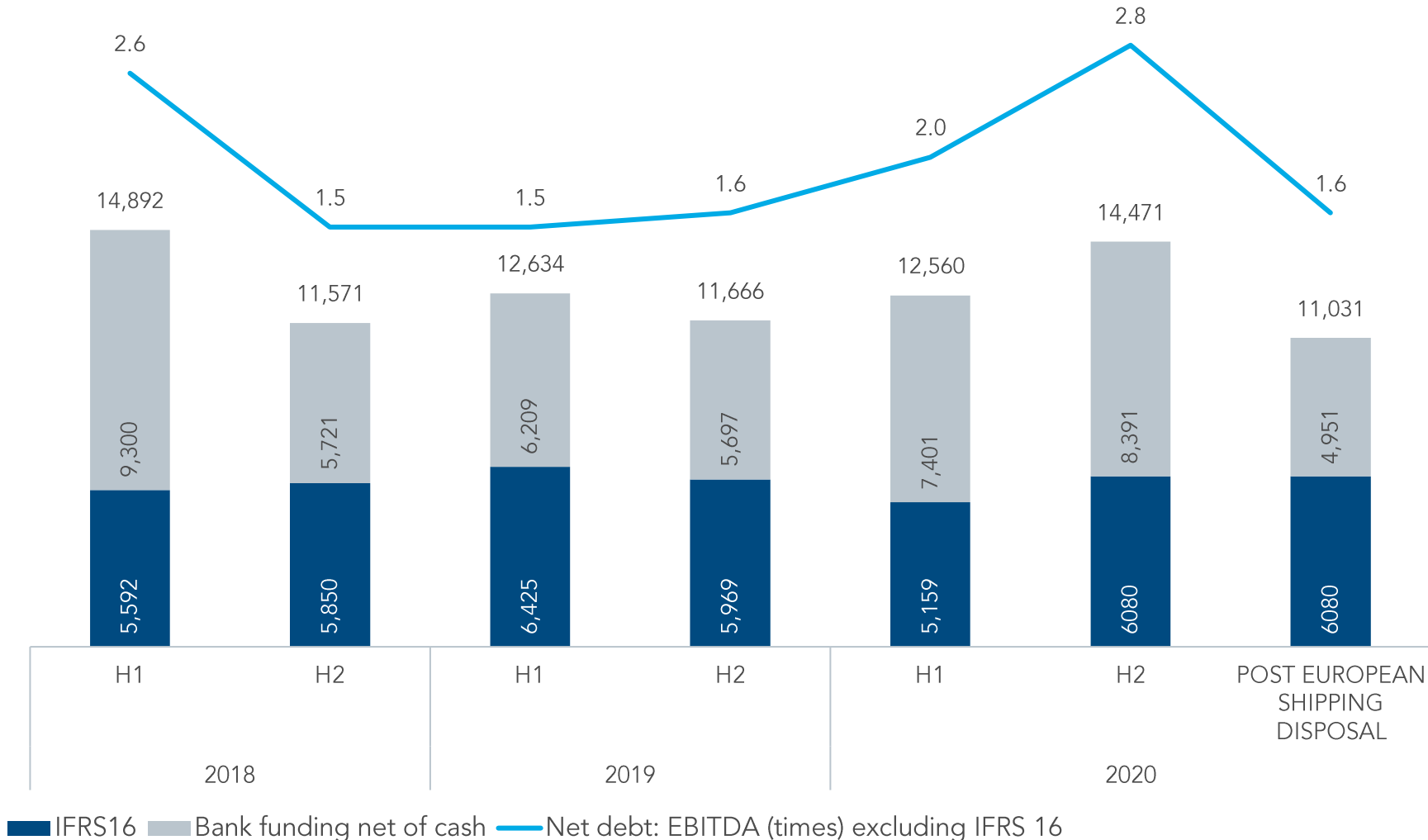
Cash flow summary (total Logistics, excluding Motus)

	Jun 2020 Rm	Jun 2019 Rm
Cash flow from operating activities	3 810	3 744
Investing activities:	(1 772)	(1 002)
Capital expenditure (1)	(1 482)	(1 094)
Net (acquisitions) disposals of subsidiaries & businesses (2)	(276)	(25)
Net movement in associates, investments, loans & other financial instruments (note 3)	(14)	117
Financing activities:	(3 205)	(3 227)
Hedge cost premium & movement on interest rate & cross-currency swaps	(13)	(174)
Dividends paid	(658)	(792)
Repayments of lease obligations (note 4)	(2 032)	(1 684)
Repurchase of ordinary shares	(225)	(262)
Settlement of non-redeemable, non-participating preference shares		(378)
Non-controlling interest buyout net of capital raised from non-controlling interests (note 5)	(277)	63
Increase in net borrowings before currency adjustments	(1 167)	(485)
Free cash flow - total Logistics, excluding Motus in the prior year	1 043	1 437
Continuing free cash flow - continuing to headline earnings	4.4	2.2
Free cash flow - continuing Logistics, excluding discontinued operations	1 304	1 944

1. Increased due to new contract gains; the purchase of specialised fleet in International; replacement fleet in all businesses (includes European shipping of R357m)
2. Net cash paid for the acquisition of Axis Group, MDS Logistics, ACP Holdings & Geka Pharma

3. Disposal of an associate in South Africa & cash received on impaired loans to associates
4. Increased mainly due to higher lease payments in CPG as the business is winding down
5. Comprises of minority buyouts in Imres, Eco Health, Palletways & Sasfin

NET DEBT TO EBITDA USED FOR BANK COVENANT CALCULATION EXCLUDING IFRS 16

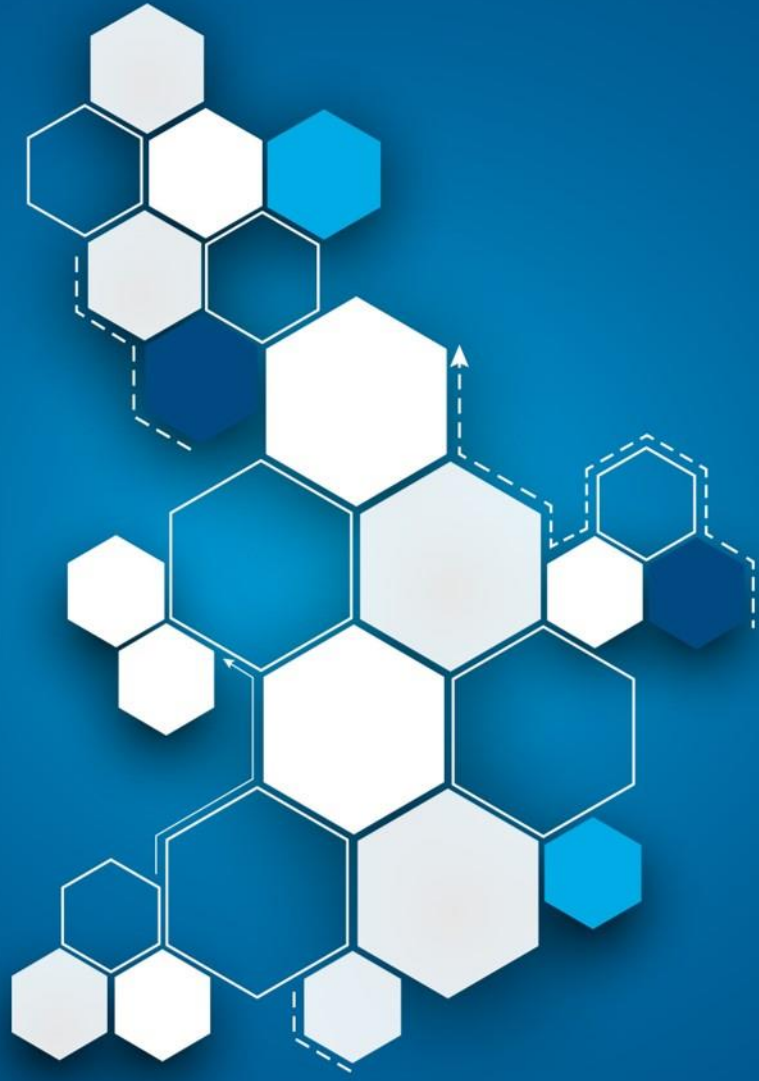


- Liquidity remains strong
- Post shipping proceeds, R13.2bn of unutilised banking facilities
- 76% of debt is long-term in nature
- 57% of debt is at fixed rates
- All debt requirements accommodated in banking market

- Net debt:EBITDA of 2.8x (F2019:2.0x)
- Including proceeds from shipping disposal it reduces to 1.6x
- Well within banking covenants of 3.25x
- Debt capacity including proceeds from shipping disposal of R4bn to R5bn; significant headroom
- Interest cover at 5.4; covenant at 3.0x

Group performance against medium term guidance

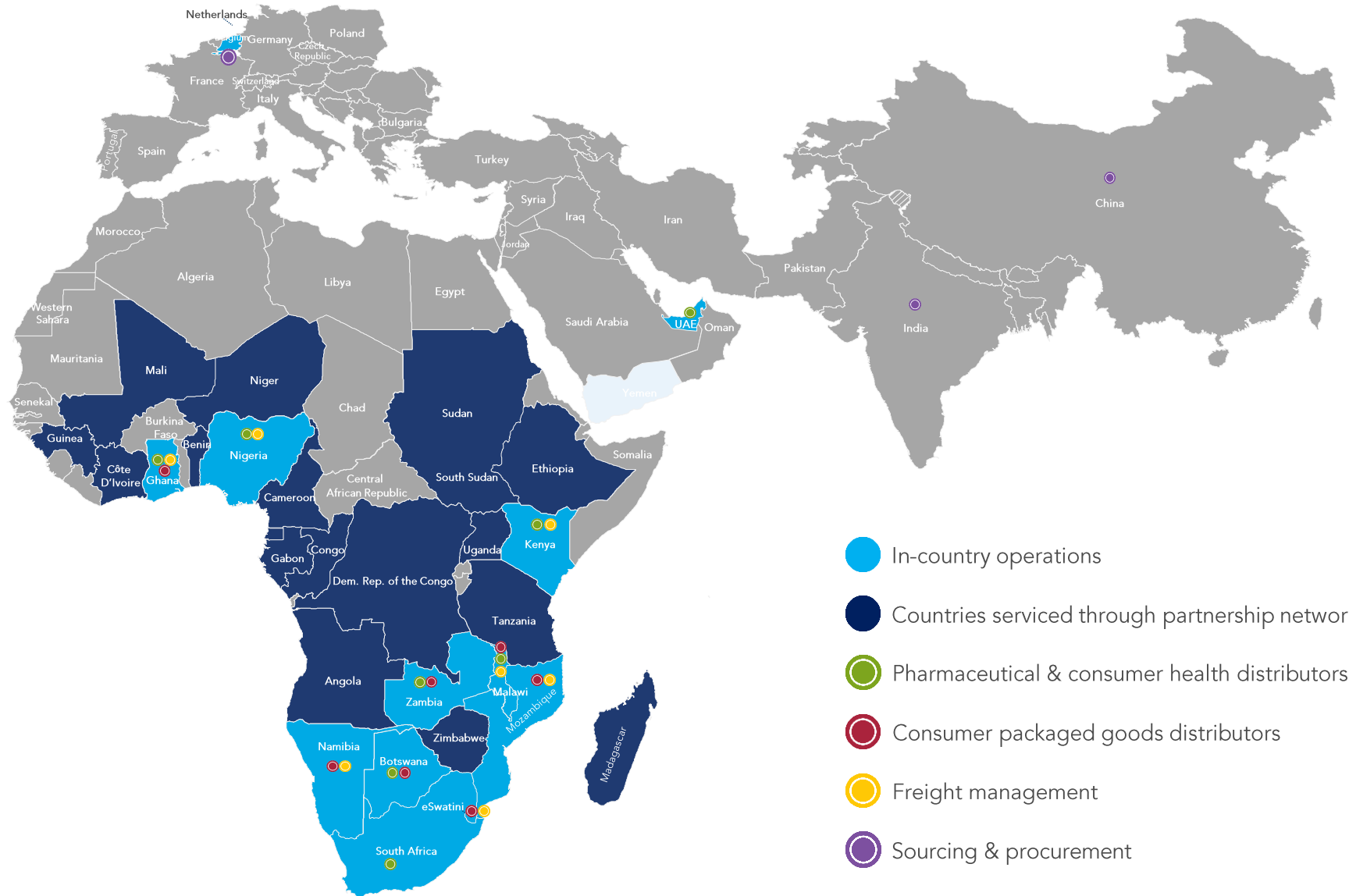
	F2020	Medium term guidance over 3 years
Revenue & operating profit	5% revenue growth 40% decrease in operating profit	Logistics: 2x GDP growth + inflation Market Access: Low double digit growth
Cash conversion continuing capex	72%	Targeted cash conversion of 70-75%
Debt capacity	ZAR4bn-5bn (post shipping proceeds)	ZAR3bn-5bn
Net debt:EBITDA used for bank covenant calculation (excluding IFRS 16)	2.8x at end June 1.6x post shipping proceeds	<2.5x
ROIC	4.9% (WACC: 7.6%)	WACC + 3%
Dividend	Interim dividend of 167 cents; no final dividend	Will be reviewed - depending on prevailing market conditions
Net working capital	5.1% of revenue	4-5% of revenue



Imperial™
beyond possibility

Strategy

- We are transforming Imperial from a regional portfolio of businesses to an integrated, end-to-end market access & logistics business
- Our strategic intent is to become the 'Gateway to Africa' - transforming from an asset heavy, 3PL logistics player to an innovative, asset right business
- Key differentiators:
 - › ability to build & provide services in some of the most challenging markets in Africa
 - › ability to develop leading positions as a strategic market access & logistics partner to multi-national principals & clients across Africa
- Grow both organically & through strategic acquisitions in Africa & selected markets
- Remain a business of scale
- Unlock increasing value for our clients, shareholders & other stakeholders



The 6 pillars of our business strategy

Operate as 'One Imperial', offering unique end-to-end solutions

- 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

People are our greatest asset

- Creating a 'One Imperial' culture
- Transforming leadership diversity & mindset
- Attracting & retaining the best talent & skills

Extensive Africa footprint - serving as a gateway to Africa

- Becoming the leading market access/ logistics partner in Africa
- Focusing in key industries
- Expanding footprint & scale
- Ensuring local relevance

International footprint & expertise

- Connecting trade flows into/out of Africa
- Target multi-national client base that can be leveraged into Africa
- Creates cross-selling & upselling opportunities
- Enhances our client marketing opportunities & positioning
- Grow into selected new markets & capabilities outside Africa

Go digital, be digital, enable digital

- Becoming data & insights driven (internally & for our clients)
- Leveraging technology platforms
- Establishing partnerships & expand ecosystem
- Expand services into e-commerce, e-commerce fulfillment & digital freight exchanges

Integrating environmental, social & governance practices

- 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

- 2019 & 2020 have been years of significant strategic focus, portfolio rationalisation & restructuring as we:
 - › refined our positioning - 'Gateway to Africa' & 'One Imperial'
 - › simplified & reduced complexity
 - assessed, addressed & exited non-core, low return on effort & underperforming businesses
 - › significantly reduced costs
 - › concluded strategic acquisitions
 - › defined our path as a transformational organisation rather than transactional
 - › placed significant focus on our people & organisational design, digital, data & ESG as core enablers to our strategy
- Covid-19 has further amplified the need to position Imperial for growth & longevity
- Decisive strategic actions over the last 18 months stood us in good stead
- Tough decisions have contributed to Imperial's resilience as we now navigate these uncertain times:
 - › exited CPG business in South Africa
 - › disposed of European shipping business
 - › entered agreement for the sale of Pharmed
 - › further cost cutting of c.R200m planned from F2021
 - › focused the business on cash flow generation & capital management
- Despite Covid-19 related restrictions, our business remains focused on strategic delivery & growth opportunities

How our strategy addresses our challenges & progress made

Challenge	Strategic response	Progress made
Growing the business - focused capital allocation	<ul style="list-style-type: none">• Solid organic & acquisitive growth to FY25• 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 strategy & achieving 'One Imperial'	<ul style="list-style-type: none">• Four new acquisitions in Market Access & Logistics businesses in Africa, mainly in healthcare & consumer industries - c.R900m in value• Acquired minorities & moved Imperial Clearing & Forwarding into Logistics International• Acquired Turkish air & sea freight forwarding company, Mex Logistics• Established Lead Logistics Provider capability• Contract renewal rate c.80%, with encouraging pipeline• New business revenue of approximately R6.2bn p.a secured in 2020• Expanded Simplified Solutions in Healthcare model - added 4 new principals• Expanded market access capability into South Africa - signed first principal• Expanded demand generation, light contract manufacturing & brand partnership services• Added sourcing & procurement capabilities to industries other than healthcare

How our strategy addresses our challenges & progress made

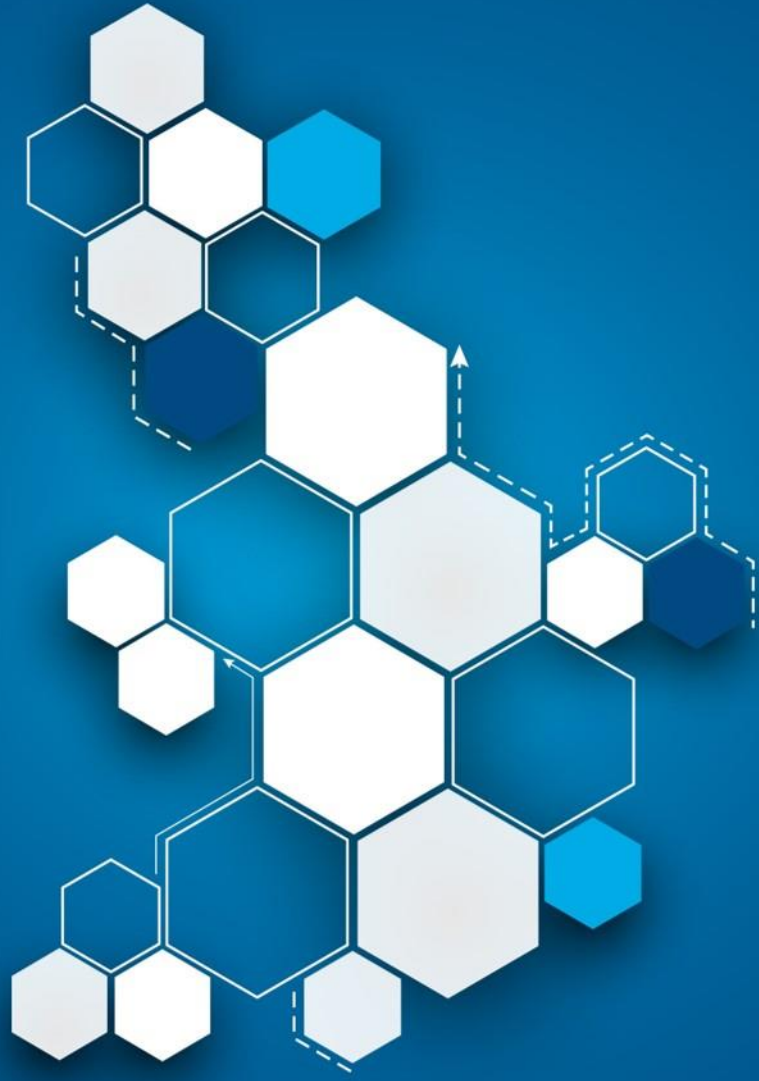
Challenge	Strategic response	Progress made
Asset intensity	<p>Transforming Imperial from an asset heavy 3PL logistics player to an innovative asset right business using data & technology as a differentiator:</p> <ul style="list-style-type: none"> • Investment in digital & data initiatives • Asset light acquisitions • Transforming contract logistics & road freight to move from asset heavy industries to asset light • Improve efficiency, reduce costs & investment in hard assets, reducing our asset intensity 	<ul style="list-style-type: none"> • Revenue as a percentage of PPE, transport fleet & working capital (including rights of use assets) for each business: <ul style="list-style-type: none"> › Market Access: c.29% › Logistics Africa: c.32% › Logistics International: c. 35% • Significant growth & capital allocated in Market Access which is an asset light, premium business
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 • Provide simplicity, flexibility & visibility to our clients • New organisational structure focused on two solutions • Regional structure will be secondary 	<ul style="list-style-type: none"> • Organise Imperial based on solutions we offer & less so on regions • Imperial now operates within two overarching solutions - market access & logistics • Heads of key industries appointed for Market Access • Reorganised commercial function to sell as 'One Imperial' • Cost saving of c.R200m planned from F2021

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">• Sold European shipping business - at a competitive price• Entered agreement for the sale of Pharmed• Exited CPG• Further consolidation of freight business in South Africa• Progressing well with the acquisition of e-commerce fulfilment, e-commerce & digital freight capabilities
Investment in digital, data & innovation	<ul style="list-style-type: none">• Move 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">• Appointed a Group Chief Digital Officer• 3 investments concluded in our venture fund: digital distributor, digital freight forwarder & a point-of-care diagnostics enabler• Key digital initiatives underway include:<ul style="list-style-type: none">› digital fleet› mobile commerce› value from data› e-commerce and fulfilment› control towers› point of sale integration

How our strategy addresses our challenges & progress made

Challenge	Strategic response	Progress made
Moving from decentralised to operating as 'One Imperial' - leveraging synergies, expertise, clients etc.	<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"> • Appointed a Group Chief People Officer • Key black & female management appointments made • Commenced transformation of culture which is key to achieving 'One Imperial' strategic intent • Established & advancing global & regional women's forums & initiatives • Recognised as top company for students to work for in transport & logistics in South African Graduate Employers Association study
Creating shared & sustainable value - focusing on ESG	<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"> • Continuing to invest in communities through strategic CSI initiatives across regions focusing on healthcare, education, safety, skills & sport development • Integrated ESG into strategy & business practices - including establishing a CSI/ESG Committee • Developed & rolling out group wide ESG & climate change policies & guidelines (the first for the group) • Advancing ESG reporting standards & global membership (now a signatory of the UN Global Compact)



ImperialTM
beyond possibility

Looking ahead

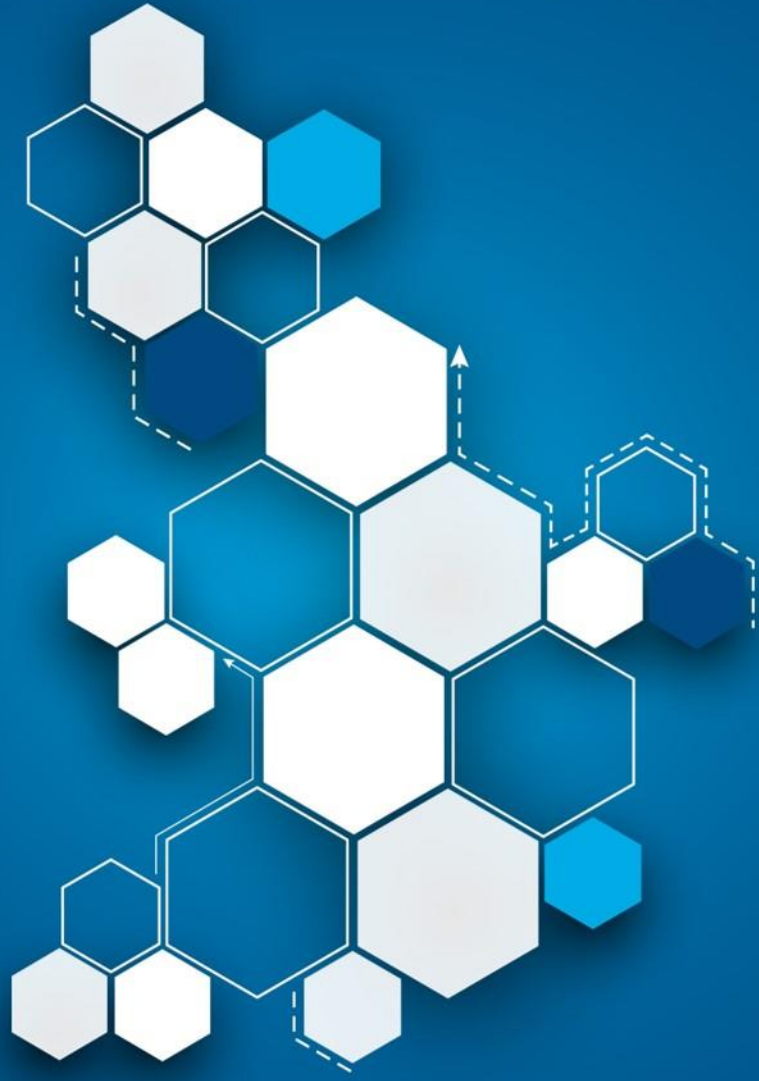
- This is a difficult & demanding time as Covid-19 is yet to be contained
 - › many of our markets remain in various levels of lockdown & restrictions
 - › impact of Covid-19 to significantly impact our performance in the short term
 - › significant recovery experienced across the business in July & August
- For F2021 we expect Imperial's continuing operations to remain resilient & deliver*:
 - › revenue growth compared to the prior year
 - › operating profit growth compared to the prior year
 - › growth in continuing HEPS compared to the prior year
 - › good free cash flow generation - free cash conversion expected to be between 70% & 75%
- The balance sheet is strong & resilient
 - › sufficient headroom in terms of capacity & liquidity to facilitate our strategic growth ambitions
- Dividend will be reassessed in H1 F2021, based on trading conditions in the next 6 months

* Subject to stable currencies, steady recovery in volumes & revenue on the back of easing Covid-19 restrictions & a recovery in economies in which we operate from current levels

Thank you
www.imperiallogistics.com

Imperial™
beyond possibility





Imperial™
beyond possibility

Appendices

- Focused on **generating growth, higher returns & strong free cash flow** - supported by **strong balance sheet & sound capital management**
- A **purpose-driven organisation** focusing on people, profit & planet
- 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, industrial & automotive**
- **Strong track record & experience of operating & growing in Africa** - taking our clients & principals to some of the fastest growing & most challenging markets in the world
- **Strong expertise in delivering end-to-end innovative solutions**
- Operates as '**One Imperial**' through one brand, one culture, one positioning & selling as one business to leverage cross-selling & upselling opportunities
- **Unique Market Access business & heightened focus on digital & data** are key differentiators
- A **resilient & sustainable business** supported by ongoing delivery against our strategic imperatives
- **Solid & long-standing relationships** with multi-national client & principal base
- Committed to paying **dividends**

- 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

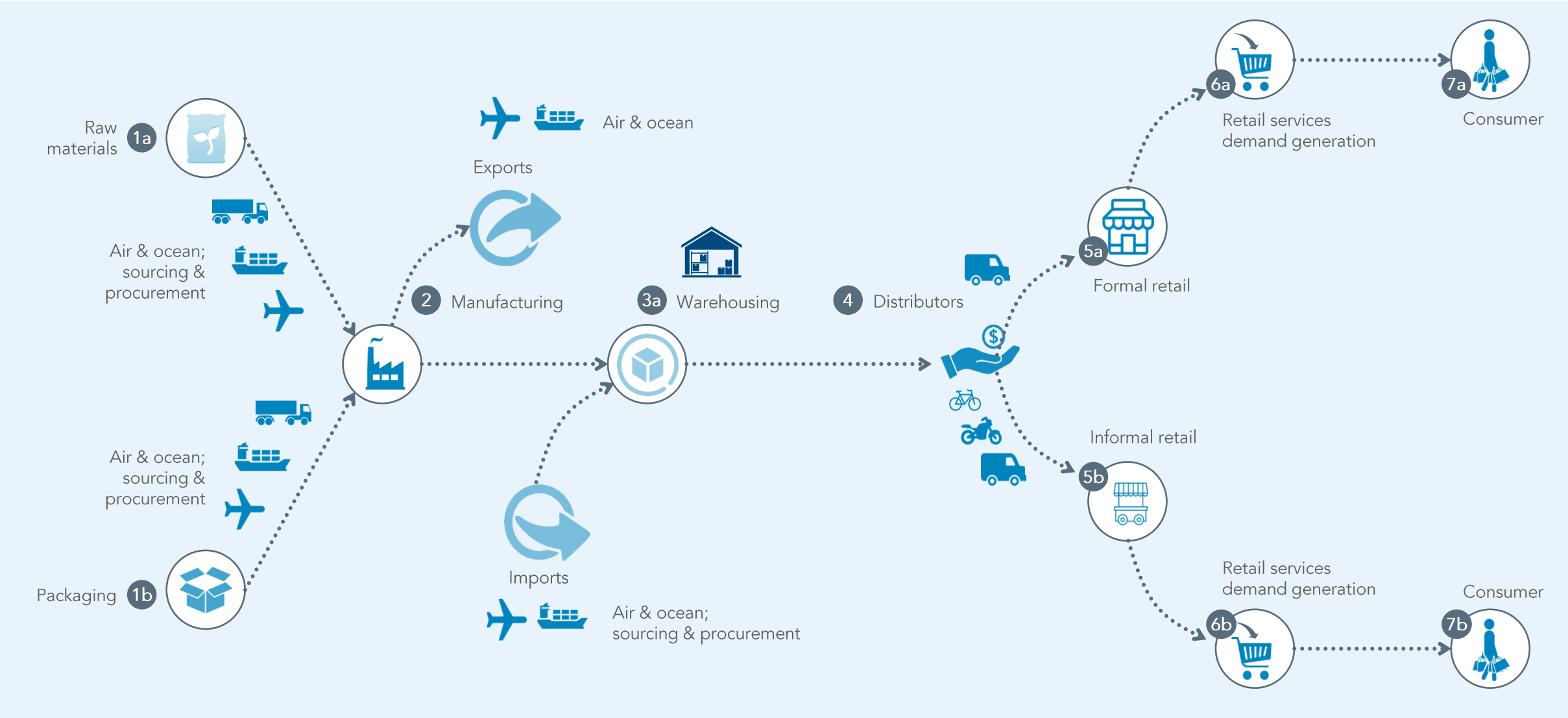
Our core offerings:

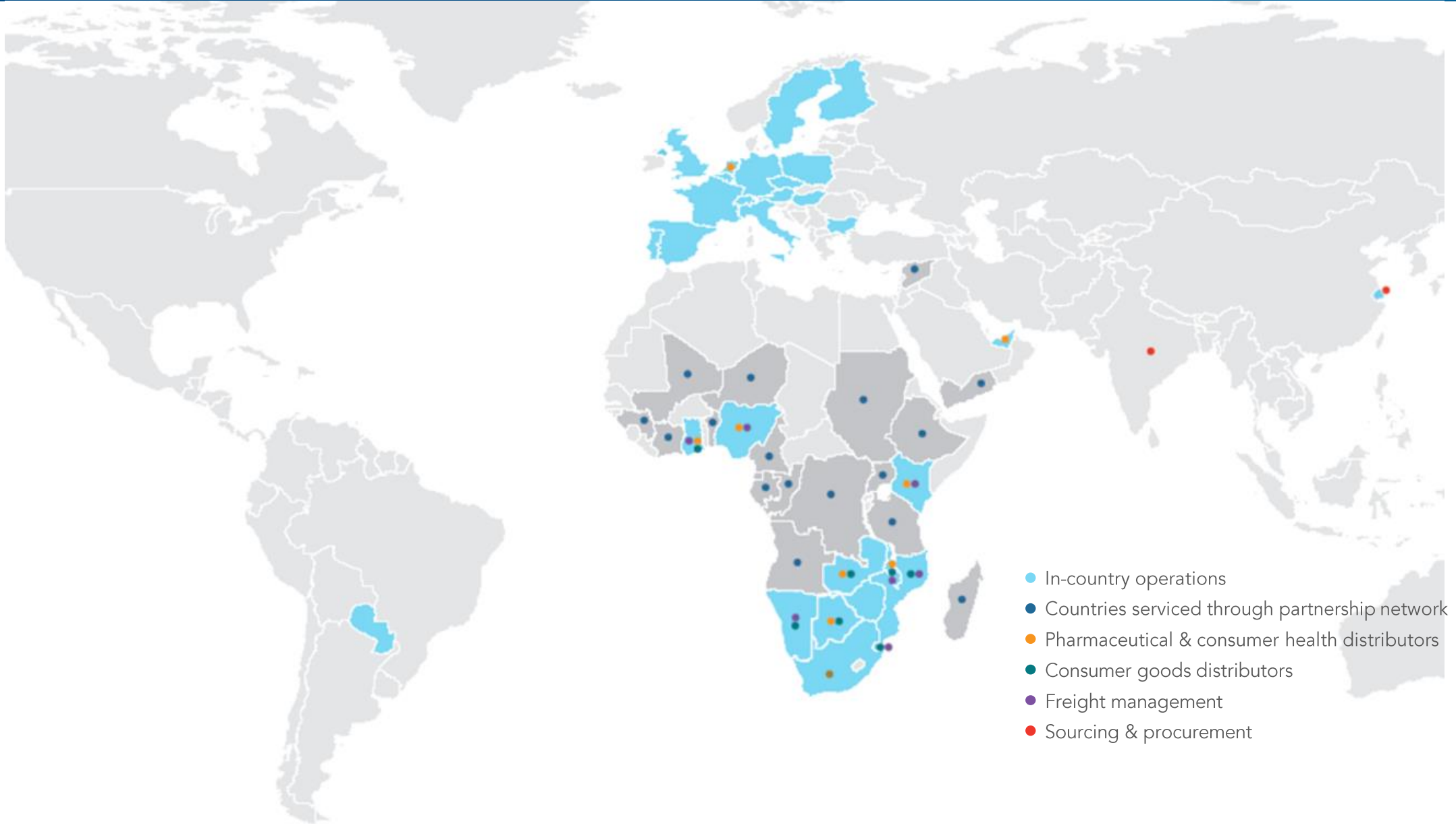
- Integrated market access services & logistics solutions
- Healthcare & consumer distributorships
- Multi-market aggregation
- Sourcing & procurement
- Emergency relief & kitting
- Marketing & promotion services

- With local market presence, have a deep understanding of our clients businesses & the industries they operate in
- 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

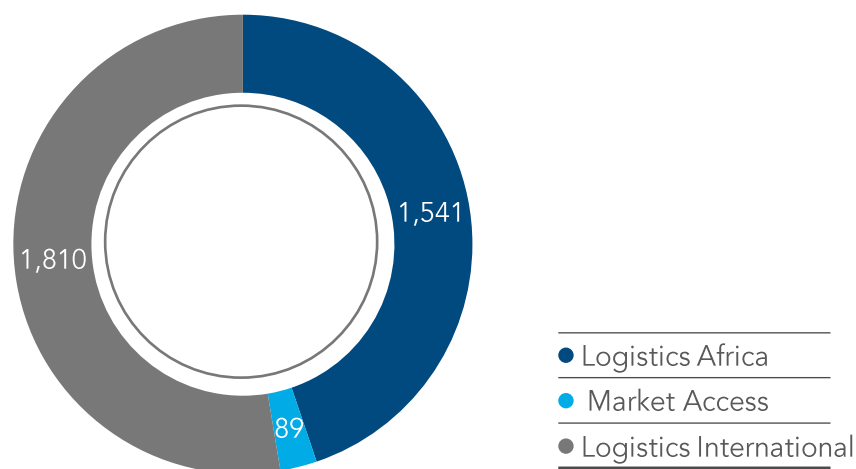
Our core offerings:

- Contract logistics
- Freight
 - › Road freight
 - › Air & Ocean
 - › Lead Logistics Provider (LLP)

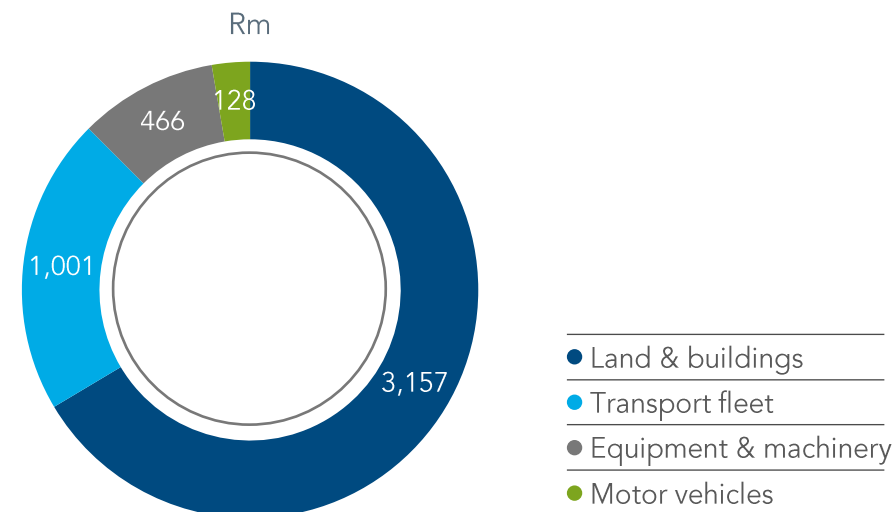




NUMBER OF LEASES BY SEGMENT



LEASES BY ASSET VALUE



Effective date & approach

- Effective 1 July 2019
- Replaces IAS 17 applied in previous periods
- Adopted retrospective approach:
 - › restated balance sheets for F2018 & F2019
 - › restated all 2019 results
- Opted to exclude short-term leases & low value assets
- Lease obligations have been established after undertaking an extensive exercise evaluating 3 440 leases at 30 June 2020

Key principles

- At inception, recognised a lease obligation at fair value & a right-of-use asset
- The right of use asset is amortised on a straight-line basis & is also subjected to impairments tests
- Interest on the lease obligation is expensed
- Amortisation & interest replaces the rental expense recognised under IAS 17
- At maturity of the lease the ROU assets & lease obligations are derecognised

IFRS 16 impact on F2020 continuing operations

Profit or loss (Rm)	Imperial	Market Access	Logistics Africa	Logistics International
EBITDA	1 795	134	496	1 165
Depreciation & impairments	(1 565)	(97)	(433)	(1 035)
Operating profit	230	37	63	130
Impairment of right-of-use properties	(140)			(140)
Interest	(254)	(34)	(112)	(108)
Profit before tax, exceptional items & foreign exchange gains	(164)	3	(49)	(118)
Impact on financial position				
Total assets	4 790	555	925	3 310
Total liabilities	5 401	588	1 107	3 706
Equity	(611)	(33)	(182)	(396)

Secondary segment for the year ended 30 June 2020

PROFIT or LOSS	Imperial		Freight Management		Contract Logistics		Market Access		Businesses held for sale		Head office & eliminations	
Rm	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
Revenue	46 380	44 039	19 298	19 180	14 189	14 134	12 443	10 505	461	519	(11)	(299)
- Logistics Africa	14 861	14 156	8 706	9 096	6 166	5 359					(11)	(299)
- Market Access	12 904	11 024					12 443	10 505	461	519		
- Logistics International	18 615	18 859	10 592	10 084	8 023	8 775						
Operating profit	1 459	2 413	540	1 182	283	570	710	718	(100)	(50)	26	(7)
- Logistics Africa	793	1 157	543	709	224	455					26	(7)
- Market Access	610	668					710	718	(100)	(50)		
- Logistics International	56	588	(3)	473	59	115						
Pre-tax profits	504	1 430	(60)	745	14	314	475	346	(120)	(67)	195	92
- Logistics Africa	693	953	417	603	81	258					195	92
- Market Access	355	279					475	346	(120)	(67)		
- Logistics International	(544)	198	(477)	142	(67)	56						
Operating margin (%)	3.1	5.5	2.8	6.2	2.0	4.0	5.7	6.8				
Working capital	544	1 389	(1 342)	(576)	146	162	1 780	1 759	175	227	(215)	(183)
Invested capital	22 743	19 826	11 460	12 777	6 536	4 062	4 673	2 976	221	274	(147)	(263)
Net capex	1 482	1 094	854	554	461	476	160	48	3	9	4	7

Certain statements made in this presentation constitute forward-looking statements. Forward-looking statements are typically identified by the use of forward-looking terminology such as 'believes', 'expects', 'may', 'will', 'could', 'should', 'intends', 'estimates', 'plans', 'assumes' or 'anticipates' or the negative thereof or other variations thereon or comparable terminology, or by discussions of, e.g. future plans, present or future events, or strategy that involve risks & uncertainties. Such forward-looking statements are subject to a number of risks & uncertainties, many of which are beyond the company's control & all of which are based on the company's current beliefs & expectations about future events. Such statements are based on current expectations &, by their nature, are subject to a number of risks & uncertainties that could cause actual results & performance to differ materially from any expected future results or performance, expressed or implied, by the forward-looking statement. No assurance can be given that such future results will be achieved; actual events or results may differ materially as a result of risks & uncertainties facing the company & its subsidiaries. The forward-looking statements contained in this presentation speak only as of the date of this presentation. The company undertakes no duty to, & will not necessarily, update any of them in light of new information or future events, except to the extent required by applicable law or regulation. Furthermore, the forecast financial information herein has not been reviewed or reported on by Imperial's auditors.