

# AUDITED ABRIDGED GROUP RESULTS

## for the year ended 29 February 2008

(Superseding the reviewed version released on 4 June 2008)

### GROUP INCOME STATEMENT

	12 months to 29 February 2008 R'000	Restated 14 months to 28 February 2007 R'000
Turnover	108 243	77 395
Gross billings	1 956 021	1 451 862
Cost of billings	1 847 778	1 374 467
Other income	3 954	792
Administrative expenses	88 502	61 496
Operating income	23 695	16 691
Depreciation and amortisation	2 563	1 638
Interest received	4 454	3 077
Finance costs	17 550	13 876
Profit before taxation	8 036	4 254
Income tax expense	1 965	1 649
Profit for the year/period	6 071	2 605
Attributable to:		
Equity holders of the parent	6 026	2 625
Minority interests	45	(20)
Basic earnings per share (cents)	0,45	0,24
Diluted earnings per share (cents)	0,45	0,24

### SUPPLEMENTARY INFORMATION

#### Reconciliation between earnings and headline earnings

	12 months to 29 February 2008 R'000	Restated 14 months to 28 February 2007 R'000
Profit attributable to equity holders of the parent	6 026	2 625
Profit on disposals of plant and equipment	(14)	(157)
Taxation effects	4	45
Headline earnings	6 016	2 513
Shares in issue (000's)	1 366 788	1 122 682
Subscriptions awaiting allotment (000's)	8 569	222 855
Held by share trust – total (000's)	91 335	63 306
Sold to trust participants – ceded to trust (000's)	45 968	52 551
Held by share trust – unsold (000's)	45 367	10 755
Weighted average number of shares (000's)	1 335 522	1 091 394
Diluted number of shares (000's)	1 335 522	1 091 394
Shares for net asset value calculation (000's)	1 329 990	1 334 783
Performance per ordinary share		
Basic headline earnings per share (cents)	0,45	0,23
Diluted headline earnings per share (cents)	0,45	0,23
Net asset value per share (cents)	5,82	5,34
Tangible net asset value per share (cents)	3,64	3,20

### CONDENSED GROUP CASH FLOW STATEMENT

	12 months to 29 February 2008 R'000	Restated 14 months to 28 February 2007 R'000
Cash generated by operations before working capital changes	23 570	16 417
Changes in working capital	8 174	(14 687)
Cash generated from operations	31 744	1 730
Interest received	4 454	3 077
Finance costs	(17 550)	(13 876)
Taxation paid	(1 824)	(1 207)
Net cash flows from operating activities	16 824	(10 276)
Net cash flows from investing activities	(3 511)	(1 851)
Cash inflows on acquisition of subsidiaries	1 001	10 110
Net cash flows from financing activities	(16 407)	(10 087)
Net decrease in cash and cash equivalents	(2 093)	(12 104)
Effects of exchange rate changes on cash and cash equivalents	30	(73)
Cash and cash equivalents at beginning of the year/period	7 973	20 150
Cash and cash equivalents at the end of the year/period	5 910	7 973

### GROUP STATEMENTS OF CHANGES IN EQUITY

	Attributable to equity holders of the parent									Restated Total equity R'000
	Share capital R'000	Share premium R'000	Treasury share capital R'000	Treasury share R'000	Subscriptions awaiting allotment R'000	Foreign currency translation reserve R'000	Accumulated loss R'000	Total R'000	Minority interest R'000	
Balances at 31 December 2005 as previously reported	900	110 161	(51)	(3 319)	–	–	(76 652)	31 039	–	31 039
Effect of prior years' restatements:										
IAS 36/37 impairments and provisions	–	–	–	–	–	–	(13 084)	(13 084)	–	(13 084)
Related deferred taxation	–	–	–	–	–	–	2 026	2 026	–	2 026
Employee share scheme changes	–	(16)	39	2 515	–	–	16	2 554	–	2 554
Restated balances at 31 December 2005	900	110 145	(12)	(804)	–	–	(87 694)	22 535	–	22 535
Net profit for the period as restated	–	–	–	–	–	–	2 625	2 625	(20)	2 605
Net profit as previously reported	–	–	–	–	–	–	4 073	4 073	(20)	4 053
Re-assessment of plant and equipment under IAS16 and IFRS3	–	–	–	–	–	–	71	71	–	71
Providing for subsidiary at acquisition tax liability	–	–	–	–	–	–	427	427	–	427
IAS 36/37 impairments and provisions	–	–	–	–	–	–	(2 159)	(2 159)	–	(2 159)
Related deferred taxation	–	–	–	–	–	–	227	227	–	227
Employee share scheme as previously reported	–	55	–	–	–	–	–	55	–	55
Re-assessment of shares offered under IFRS 2	–	(55)	–	–	–	–	–	–	–	–
Change in accounting for the employee share scheme	–	–	–	–	–	–	(96)	(96)	–	(96)
Related deferred taxation	–	–	–	–	–	–	27	27	–	27
Share capital movements for period as restated	223	23 015	1	(1)	22 928	–	–	46 166	–	46 166
Issue of shares as previously reported	223	41 915	–	–	–	–	–	42 138	–	42 138
Reclassification of vendor liability to equity	–	–	–	–	41 828	–	–	41 828	–	41 828
Re-assessment of purchase price of subsidiaries	–	(18 900)	–	–	(18 900)	–	–	(37 800)	–	(37 800)
Treasury shares as previously reported	–	–	(13)	(830)	–	–	–	(843)	–	(843)
Restatement of treasury shares	–	–	14	829	–	–	–	843	–	843
Foreign currency translation adjustment	–	–	–	–	–	(3)	–	(3)	–	(3)
Minority interest acquired	–	–	–	–	–	–	–	–	19	19
Minority interest allocated against the parent	–	–	–	–	–	–	–	(1)	–	–
Restated balances at 28 February 2007	1 123	133 160	(11)	(805)	22 928	(3)	(85 070)	71 322	–	71 322
Net profit for the year	–	–	–	–	–	–	6 026	6 026	45	6 071
Minority interest adjustment	–	–	–	–	–	–	–	–	(5)	(5)
Reversal of minority interest allocated against the parent	–	–	–	–	–	–	1	1	(1)	–
Issue of share capital	244	25 125	(25)	(2 974)	(21 643)	–	–	727	–	727
Foreign currency translation adjustment	–	–	–	–	–	44	–	44	–	44
Shares repurchased	–	–	(9)	(712)	–	–	–	(721)	–	(721)
Balances at 29 February 2008	1 367	158 285	(45)	(4 491)	1 285	41	(79 043)	77 399	39	77 438

### GROUP BALANCE SHEET

	29 February 2008 R'000	Restated 28 February 2007 R'000
<b>ASSETS</b>		
<b>Non-current assets</b>	43 502	41 836
Plant and equipment	9 498	8 770
Intangible assets	29 029	28 612
Deferred taxation	4 975	4 454
<b>Current assets</b>	286 789	290 011
Trade receivables	263 110	273 673
Other receivables	13 855	4 464
Amounts owing from related parties	3 871	3 901
Financial asset	43	–
Cash and cash equivalents	5 910	7 973
<b>Total assets</b>	330 291	331 847
<b>EQUITY AND LIABILITIES</b>		
<b>Capital and reserves</b>	77 438	71 322
Share capital and premium	156 401	156 395
Foreign currency translation reserve	41	(3)
Accumulated loss	(79 043)	(85 070)
Attributable to equity holders of the parent	77 399	71 322
Minority interest	39	–
<b>Non-current liabilities</b>	2 658	3 276
Interest-bearing borrowings	446	1 021
Long-term provision	2 212	2 255
<b>Current liabilities</b>	250 195	257 249
Trade and other payables	112 480	104 939
Current tax payable	940	278
Amounts owing to related parties	120	–
Current portion of interest-bearing borrowings	772	791
Financial liability	–	25
Short-term borrowings and overdraft	133 330	148 096
Short-term provisions	2 553	3 120
<b>Total equity and liabilities</b>	330 291	331 847

### CONDENSED GROUP SEGMENTAL ANALYSIS

	Southern Africa R'000	Far East R'000	United Kingdom R'000	Group R'000
<b>2008 – GEOGRAPHICAL SEGMENT</b>				
Turnover (external)	101 091	2 389	4 763	108 243
Net profit/(loss) before interest and tax	21 267	1 184	(1 319)	21 132
Net finance cost	(12 987)	(44)	(65)	(13 096)
Income tax (expense)/credit	(2 206)	(213)	454	(1 965)
Net profit/(loss)	6 074	927	(930)	6 071
Total assets	319 243	3 625	7 423	330 291
Total liabilities	244 406	2 720	5 727	252 853
Depreciation and amortization	2 488	13	62	2 563
Capital expenditure	3 268	3	410	3 681
<b>2007 – RESTATED GEOGRAPHICAL SEGMENT</b>				
Turnover (external)	77 052	343	–	77 395
Net profit/(loss) before interest and tax	15 118	(65)	–	15 053
Net finance costs	(10 799)	–	–	(10 799)
Income tax (expense)/credit	(1 649)	–	–	(1 649)
Net profit/(loss)	2 670	(65)	–	2 605
Total assets	330 424	1 423	–	331 847
Total liabilities	259 029	1 496	–	260 525
Depreciation and amortisation	1 636	2	–	1 638
Capital expenditure	2 763	3	–	2 798
		Freight forwarding and clearing R'000	Insurance R'000	Group R'000
<b>2008 – BUSINESS SEGMENT</b>				
Net profit	–	5 530	541	6 071
Total assets	–	326 098	4 193	330 291
Total liabilities	–	251 775	1 078	252 853
<b>2007 – RESTATED BUSINESS SEGMENT</b>				
Net profit/(loss)	–	2 616	(11)	2 605
Total assets	–	331 271	576	331 847
Total liabilities	–	260 082	443	260 525

### CONDENSED PRIOR PERIOD ADJUSTMENTS NOTE

	As previously reported 28 February 2007 R'000	Employee share scheme changes R'000	IAS 36/37 impairments and provisions R'000	IFRS 3 and IAS 16 changes R'000	Reclass- ification R'000	Restated 28 February 2007 R'000
<b>Balance sheet effects</b>						
Plant and equipment	8 407	–	–	725	(362)	8 770
Intangible assets	66 136	–	–	(37 886)	362	28 612
Loans receivable	504	–	–	–	(504)	–
Deferred taxation	2 315	27	2 322	(210)	–	4 454
Trade receivables	279 085	–	(5 314)	–	(98)	273 673
Other receivables	7 505	(96)	(3 043)	–	98	4 464
Amounts owing from related parties	–	3 397	–	–	504	3 901
Cash and cash equivalents	9 438	–	(1 465)	–	–	7 973
Share capital and premium	149 041	3 326	–	4 028	–	156 395
Accumulated loss prior years	(76 653)	16	(11 058)	–	–	(87 695)
Profit for the period	4 073	(14)	(1 863)	429	–	2 625
Amounts owing to related parties	41 828	–	–	(41 828)	–	–
Trade and other payables	99 518	–	5 421	–	–	104 939
<b>Income statement effects</b>						
Administrative expenses	59 399	(62)	2 159	–	–	61 496
Depreciation and amortisation	1 709	–	–	(71)	–	1 638
Interest received	3 180	(103)	–	–	–	3 077
Income tax expense	2 330	(27)	(296)	(358)	–	1 649

### COMMENTARY

#### GROUP PROFILE

Santova Logistics Limited and its subsidiary companies "Santova"/"Group", operating out of South Africa, the United Kingdom, Hong Kong and China, provide integrated "end-to-end" logistics solutions for importers/exporters and consumers.

#### CHANGES IN THE GROUP

The Group acquired Mogal International Limited "Mogal", which operates out of the United Kingdom, with effect from 13 March 2007. The purchase consideration of R1 984 174 comprises R654 272 worth of goodwill and net assets acquired to the value of R1 329 902 made up of plant and equipment; accounts receivable; other current assets; cash and cash equivalents; and trade and other payables. The contribution of the Mogal operation to the Group's results and net assets is reflected in the segmental report which forms part of these abridged results.

Following the acquisition of Impson Logistics (Pty) Ltd "Impson" during the previous financial year, significant progress has been made in rationalising the South African branch network and standardising operating procedures and accounting policies.

As part of the rationalisation, the Group has appointed a single audit firm to all Group operations, except for the newly acquired Mogal.

#### FINANCIAL REPORTING AND ACCOUNTING POLICY CHANGES

These abridged Group results reflect certain changes to the previously reported financial information of the Group for the 14 month period to 28 February 2007 and the interim information for the six months to 31 August 2007.

These changes arise in the main from an assessment undertaken by the directors of the application of existing and revised accounting standards in the following areas (the values are reflected in the "condensed prior period adjustments note" in the same order as listed below):

- changing the basis of accounting for the employee share purchase scheme;
- implementing consistent provisioning and impairment policies across the Group;
- re-assessing the fair values of the businesses of the recently acquired subsidiary companies, as well as the valuation placed on the Santova shares issued and issuable to the vendors of those businesses; and
- making disclosure changes to achieve compliance with new and revised International Financial Reporting Standards.

The above are discussed further in note 28 of the annual financial statements contained within the 2008 annual report.

The rationalisation of the Santova operations highlighted the need to standardise the processes for providing for possible impairments and also crystallised a significant core of long overdue amounts in the accounts receivable balances of the old "Spectrum" businesses. The standardisation of accounting policies across Santova has resulted in increased provisions to reflect possible impairments in accounts receivable. Where appropriate, the results and balances in prior periods have been restated.

#### BASIS OF PREPARATION

Except for the