



INNOVATIVE SOLUTIONS • ENDLESS POSSIBILITIES

PRELIMINARY AUDITED RESULTS

FOR THE YEAR ENDED 28 FEBRUARY 2021



SANTOVA PRELIMINARY AUDITED RESULTS

2021 GROUP HIGHLIGHTS

NET PROFIT INCREASED

7,3%

TO R69,7 MILLION

CAPITAL AND RESERVES INCREASED

9,7%

TO R619,0 MILLION

NAV INCREASED

24,8%

TO R4,39 PER SHARE

OFFSHORE EARNINGS
INCREASED TO

91,0%

DEBT TO EQUITY DECREASED
FROM 23,9% TO

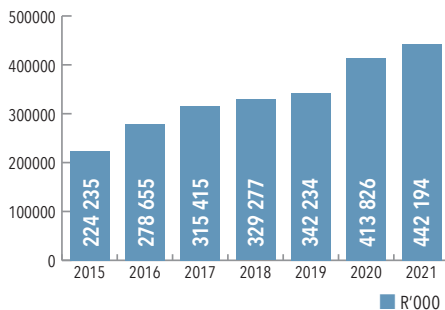
14,0%

HEPS INCREASED

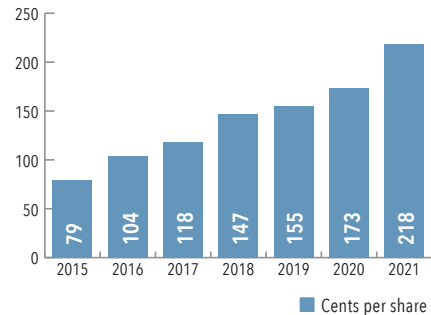
15,4%

TO 47,08 CPS

REVENUE AND NET INTEREST INCOME



TANGIBLE NAV PER SHARE



SANTOVA LIMITED 2021 PRELIMINARY RESULTS COMMENTARY

2020 has been one of the most unexpected and unsettled years of recent times. The COVID-19 pandemic has adversely impacted global economies, disrupted global trade, and put additional demands on an already strained logistics industry.

For the United Kingdom ("UK") and the rest of Europe ("EU"), this was further compounded by the complexities associated with a last-minute Brexit deal. In addition, despite countries being under pressure to restore normality as fast as possible, the ongoing uncertainties, lack of consumer confidence, and supply chain challenges continue to exert a stranglehold or 'stumbling block' to recovery. To this extent, the International Monetary Fund ("IMF") anticipates that the United States ("US") Gross Domestic Product ("GDP") for 2020 will be approximately 8% lower than 2019 and recovery in 2021 will be subdued.

Whilst 2020 was a turbulent start to a new decade, every crisis also represents an opportunity. As the world continues to navigate the ongoing issues arising out of COVID-19, heightened innovation, changes in consumer behaviour, and the way in which businesses now operate represents a paradigm shift. Despite the pandemic 'lockdowns' and the economic downturn, there are winners benefitting from the pandemic such as the e-commerce market and its retailers, online platforms, and service providers.

The Santova Group ("the Group") has been decisive in the repositioning of the business in the face of a 'changed world'. A review of the results for the period ending 28 February 2021 supports the view that these initiatives have proven to be effective. Other than the drive for efficiencies through consolidation, the Group focused on points of differentiation that are demonstrated around technology and service. With the global pandemic applying pressure to the supply chain in ways not previously seen, many companies were pressured to look towards third-party experts, advanced digital capabilities, and accelerated automation of manual processes within the supply chain. Evidence of this can best be confirmed by the significant number of quality new clients that have been acquired in some of the regions - particularly in South Africa ("SA"), the Netherlands and the UK.

The Group's earnings growth has been predominantly off the back of surging shipping rates as the cost to ship goods soared on higher demand and the shrinking pool of empty containers. To safeguard against this year's volatile market and to maintain profits, the shipping lines adopted certain capacity management measures (restricted services, blank sailings, and re-routed vessels), all of which caused a severe disruption in the normal repositioning of empty containers, the result being that available capacity in the market was no longer sufficient. Whilst there was a shortage of empty containers in Asia, the ports in the US became congested and freight rates reached an all-time high. However, whilst our global volumes were significantly down on the previous year, the Group's profit margins were substantially higher amidst this disrupted market.

SANTOVA LIMITED 2021

PRELIMINARY RESULTS COMMENTARY continued

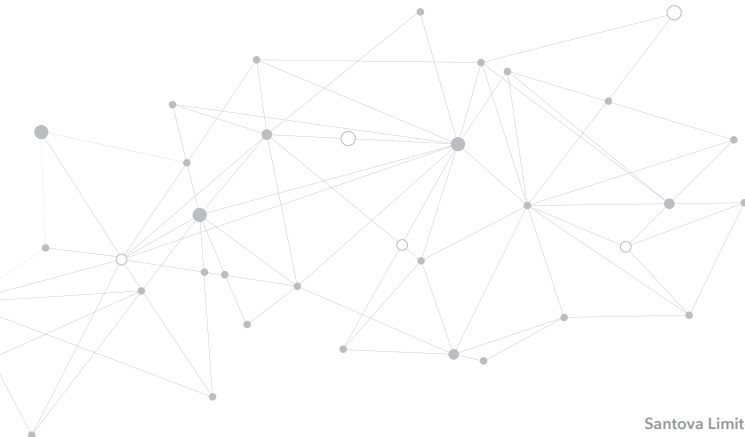
GROUP PROFITABILITY

Key financial indicators for the 2021 financial year include:

- + Net profit after tax increased by 7,3% to R69,7 million (2020: R65,0 million), with offshore earnings generated outside of SA increasing to 91,0% (2020: 79,5%);
- + Cash flows remained robust with cash generated from operations increasing by 32,1% to R176,0 million (2020: R133,2 million), with 92,7% of the Group's cash now held by offshore entities in foreign currencies; and
- + Net Asset Value ("NAV") per share increased by 24,8% to R4,39 per share due to the growth in earnings and the Group continuing to acquire its own shares, reducing the effective number of shares in issue.

The primary drivers of the growth in earnings are attributed to:

- + Organic growth from existing operations within the European ("EU") and Asia Pacific ("AP") regions delivering a 21,0% and 70,6% growth in earnings respectively;
- + The average weakening of the SA Rand ("ZAR") against the major currencies in which the Group operates together with the organic growth;
- + A R2,7 million increase in other income, the majority of which relates to realised foreign exchange gains; and
- + A R2,1 million reduction in finance costs, which is primarily due to the ongoing repayment of the medium-term loans.



SANTOVA LIMITED 2021

PRELIMINARY RESULTS COMMENTARY continued

REGIONAL PERFORMANCE

AFRICA (AF)

Africa earnings, represented predominantly by SA, declined by 53,7% to R6,5 million (2020: R14,1 million) due to the following primary reasons:

- + In SA, shipping volumes declined 20,3% from 2020, primarily due to the partial closure of ports during the 'hard lockdown' between March and May 2020;
- + Net revenue in SA declined 13,7% to R114,7 million (2020: R132,7 million), primarily due to a low-margin high-volume customer entering into business rescue and ceasing trade with Santova; and
- + As a result of the restructure, triggered by COVID-19 and the struggling economy, administrative expenses decreased 6,4% in the first half of the financial year to better align the region with the Group's enhanced technological environment.

UNITED KINGDOM (UK)

Revenue in the UK increased 8,9% to R131,9 million (2020: R121,1 million) with earnings increasing 2,2% to R22,5 million (2020: R22,0 million), including the following:

- + Tradeway (Shipping) ("Tradeway"), which specialises in the export of scrap products and second-hand garments to the Middle East and Africa, was impacted when COVID-19 related restrictions were initially enforced in the UK. The business however witnessed a recovery in the second half of the year with revenue for the full year only 11% down on 2020; and
- + W.M. Shipping (trading as Santova UK) added a number of new clients and successfully diversified their service offering, reversing their net loss position in 2020.

EUROPE (EU)

Led by the Netherlands, the EU region grew revenue by 22,2% to R125,6 million (2020: R105,8 million), with earnings increasing 21,0% to R22,8 million (2020: R18,8 million).

ASIA PACIFIC (AP)

The AP region saw revenue increase by 29,5% to R62,1 million (2020: R47,9 million), with earnings increasing 70,6% to R19,3 million (2020: R11,3 million), including the following:

- + Hong Kong benefitted from the surge in global trade, specifically in personal protective equipment ("PPE") related supply out of China, increasing revenue and earnings in local currency by 47,5% and 78,0% respectively. With the Hong Kong office having capacity to manage the increased volume without adding additional resources, the additional margin generated translated directly into pre-tax profits;
- + Singapore also benefitted from the increased global trade with Asia, growing revenue in local currency by 11,1%. Increased staff costs and foreign exchange losses resulting from significant US Dollar ("USD") denominated balances, which weakened against the Singapore Dollar, resulted in a net decrease in earnings of 8,1% in local currency; and
- + While revenue in Australia ("AU") was relatively flat with a 1,2% decline in local currency terms, earnings in local currency increased 78,7% due to a lean operational structure and COVID-19 related support received from the Government.

SANTOVA LIMITED 2021

PRELIMINARY RESULTS COMMENTARY continued

FINANCIAL POSITION

The Group's statement of financial position remains robust resulting from actively focusing on capital preservation, credit risk management and responsible earnings growth in the current financial year.

The following statement of financial position items are noted:

- + The SA Rand ("ZAR") weakened at closing against the Pound Sterling ("GBP") by 4,9% and the Euro ("EUR") by 5,7%, both of which resulted in currency translation gains and an increase across most line items in the statement of financial position; and
- + The continued profitability of the Group resulting in Capital and Reserves increasing by 9,7% to R619,0 million (2020: R564,5 million), and total assets increasing by 12,7% to R1,318 billion (2020: R1,170 billion).

SHARE BUY BACK

The Group continued to repurchase its own shares following the shareholders' approval at the last Annual General Meeting ("AGM") and as announced through the Stock Exchange News Service ("SENS"). The Group repurchased 13 679 514 shares during the 2021 financial year at an average price of R2,35 per share. The Group will continue to be opportunistic and look to repurchase its own shares at the right price.

CASH ON HAND AND CASH FLOWS

The Group continues to generate positive cash flows with a net increase in cash and cash equivalents of R48,6 million to R190,0 million (2020: R134,4 million). Cash generated from operations increased by 32,1% to R176,0 million (R133,2 million). The increase is primarily due to the following key factors:

- + An R88,2 million outflow resulting from the increase in trade receivables, primarily due to the increase in international freight rates. Debtor days have remained consistent at 48,4 days (2020: 48,9 days);
- + A R153,9 million inflow resulting from the increase in trade and other payables. While trade payables saw an overall year-on-year ("YOY") increase due to the increase in international freight rates, the net cash inflow was attributed to creditor days increasing by 11,9 days to 30,7 days (2020: 18,9 days); and
- + A R16,6 million outflow relating to the settlement of trade receivables financed through the South African invoice discounting facility.

SUMMARISED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as at 28 February 2021

	Notes	Audited 2021 R'000	Audited 2020 R'000
ASSETS			
Non-current assets		403 015	398 359
Property, plant and equipment		27 752	28 573
Right-of-use ("ROU") assets		39 989	51 684
Intangible assets	5	312 177	297 176
Investment in associate		1 342	-
Financial assets at fair value through profit or loss	6	7 558	9 158
Deferred tax assets		14 197	11 768
Current assets		915 760	771 822
Trade and other receivables		725 102	636 943
Current tax receivable		179	335
Financial assets at fair value through profit or loss	6	448	142
Cash and cash equivalents		190 031	134 402
Total assets		1 318 775	1 170 181
EQUITY AND LIABILITIES			
Capital and reserves		619 040	564 533
Stated capital		221 096	220 995
Treasury shares		(48 095)	(15 649)
Equity-settled share-based payment reserve		8 607	7 741
Revaluation reserve		36	36
Foreign currency translation reserve		52 684	36 396
Retained earnings		384 613	314 948
Attributable to equity holders of the Company		618 941	564 467
Non-controlling interest		99	66
Non-current liabilities		43 350	67 195
Interest-bearing borrowings		12 810	17 170
Employee benefit obligations		984	1 096
Financial liabilities at fair value through profit or loss	6	857	16 390
Lease liabilities		27 966	31 965
Deferred tax liabilities		733	574
Current liabilities		656 385	538 453
Trade and other payables		391 354	237 506
Current tax liabilities		9 447	6 290
Interest-bearing borrowings		19 781	34 081
Amounts owing to related parties		285	294
Financial liabilities at fair value through profit or loss	6	19 482	19 910
Lease liabilities		14 512	22 269
Overdrafts and bank facilities		201 524	218 103
Total equity and liabilities		1 318 775	1 170 181

SUMMARISED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

for the year ended 28 February 2021

	Notes	Audited 2021 R'000	Audited 2020 R'000
GROSS BILLINGS		4 463 487	4 341 750
Revenue		434 612	397 278
Net interest income		7 582	16 548
Interest and financing fee income	7	21 135	35 056
Interest and financing fee expense	8	(13 553)	(18 508)
Revenue and net interest income	3	442 194	413 826
Other income		21 385	18 649
Depreciation and amortisation		(27 124)	(24 154)
Administrative expenses		(333 057)	(316 084)
Impairment loss on trade receivables		(6 182)	(2 381)
Operating profit		97 216	89 856
Finance income	7	110	226
Finance costs	8	(5 520)	(7 666)
Profit before share of associate companies' profit		91 806	82 416
Share of associate companies' profit after tax		96	-
Profit before tax		91 902	82 416
Income tax expense		(22 184)	(17 424)
Profit for the year		69 718	64 992
<i>Attributable to:</i>			
Owners of the Company		69 680	65 022
Non-controlling interest		38	(30)
		69 718	64 992
Other comprehensive income for the year			
Items that may be reclassified subsequently to profit or loss			
- Exchange differences arising from translation of foreign operations		16 299	22 275
Items that will not be reclassified subsequently to profit or loss			
- Remeasurement of post-retirement medical aid benefit liability		(15)	(53)
Total comprehensive income		86 002	87 214
<i>Attributable to:</i>			
Owners of the Company		85 969	87 235
Non-controlling interest		33	(21)
		86 002	87 214
Basic earnings per share (cents)	4	46,51	40,77
Diluted basic earnings per share (cents)	4	45,92	40,31

SUMMARISED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended 28 February 2021

	Stated capital R'000	Treasury shares R'000	Equity-settled share-based payment reserve R'000	Revaluation reserve R'000	Foreign currency translation reserve R'000	Retained earnings R'000	Total equity attributable to owners of the company R'000	Non-controlling interest R'000	Total equity R'000
Balance at 28 February 2019	220 996	(3 197)	6 976	36	14 130	263 229	502 170	87	502 257
Adjustment on initial application of IFRS 16, net of tax						(1 298)	(1 298)		(1 298)
Balance restated at 1 March 2019	220 996	(3 197)	6 976	36	14 130	261 931	500 872	87	500 959
Profit for the year	-	-	-	-	-	65 022	65 022	(30)	64 992
Other comprehensive income	-	-	-	-	22 266	(53)	22 213	9	22 222
Treasury shares acquired	-	(12 452)	-	-	-	-	(12 452)	-	(12 452)
Equity-settled share-based payment expense	-	-	765	-	-	-	765	-	765
Share issue costs	(1)	-	-	-	-	-	(1)	-	(1)
Dividends paid	-	-	-	-	-	(11 952)	(11 952)	-	(11 952)
Balance at 29 February 2020	220 995	(15 649)	7 741	36	36 396	314 948	564 467	66	564 533
Profit for the year	-	-	-	-	-	69 680	69 680	38	69 718
Other comprehensive income	-	-	-	-	16 288	(15)	16 273	(5)	16 268
Treasury shares acquired	-	(32 446)	-	-	-	-	(32 446)	-	(32 446)
Equity-settled share-based payment expense	-	-	917	-	-	-	917	-	917
Shares issued under share option scheme	102	-	(51)	-	-	-	51	-	51
Share issue costs	(1)	-	-	-	-	-	(1)	-	(1)
Balance at 28 February 2021	221 096	(48 095)	8 607	36	52 684	384 613	618 941	99	619 040

SUMMARISED CONSOLIDATED STATEMENT OF CASH FLOWS

for the year ended 28 February 2021

	Audited 2021 R'000	Audited 2020 R'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash generated from operations	175 985	133 210
Finance income	110	226
Finance costs	(5 244)	(4 535)
Tax paid	(21 141)	(19 682)
Net cash from operating activities	149 710	109 219
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of plant and equipment	(1 939)	(2 959)
Acquisition and development of intangible assets	(4 459)	(5 497)
Proceeds on disposals of plant and equipment	72	83
Proceeds on disposal of financial asset	-	6 882
Settlement of contingent consideration on business combination	(20 398)	(14 001)
Acquisition of subsidiaries and associates net of cash acquired	(835)	(13 260)
Net cash used in investing activities	(27 559)	(28 752)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from interest-bearing borrowings	-	12 745
Repayment of interest-bearing borrowings	(19 694)	(10 636)
Payment of lease liabilities	(21 491)	(21 144)
Proceeds from issue of share capital	50	-
Treasury shares acquired	(32 446)	(12 452)
Increase/(decrease) in amounts owing to related parties	(9)	33
Dividends paid	-	(11 952)
Net cash used in financing activities	(73 590)	(43 406)
Net increase in cash and cash equivalents	48 561	37 061
Effect of movements in exchange rates on cash held	7 057	7 540
Cash and cash equivalents at beginning of year	134 402	89 801
Cash and cash equivalents at end of year	190 020	134 402

CONSOLIDATED SEGMENT ANALYSIS

for the year ended 28 February 2021

REPORTABLE SEGMENTS	Logistics Services R'000	Financial Services R'000	Head Office R'000	Group R'000
28 February 2021				
Gross billings	4 767 542	7 808	36 739	4 812 089
External	4 455 888	7 176	423	4 463 487
Internal	311 654	632	36 316	348 602
Revenue and net interest income	440 421	7 808	(6 035)	442 194
Depreciation and amortisation	(26 655)	(58)	(411)	(27 124)
Operating profit	92 169	3 003	2 044	97 216
Finance income	1 624	121	(1 635)	110
Finance costs	(2 487)	(176)	(2 857)	(5 520)
Share of associates profit after tax	96	-	-	96
Income tax expense	(20 270)	(1 524)	(390)	(22 184)
Profit/(loss) for the year	71 132	1 424	(2 838)	69 718
Capital expenditure	7 440	18	163	7 621
Total Segment assets	1 227 400	61 435	29 940	1 318 775
Segment assets excluding investment in associate	1 226 058	61 435	29 940	1 317 433
Investment in associate	1 342	-	-	1 342
Segment liabilities	760 603	31 993	(92 861)	699 735
29 February 2020				
Gross billings	4 497 203	8 571	34 012	4 539 786
External	4 333 602	7 787	361	4 341 750
Internal	163 601	784	33 651	198 036
Revenue and net interest income	411 863	8 571	(6 608)	413 826
Depreciation and amortisation	(23 670)	(67)	(417)	(24 154)
Operating profit	84 269	4 420	1 167	89 856
Finance income	1 109	772	(1 655)	226
Finance costs	(2 096)	-	(5 570)	(7 666)
Income tax expense	(17 022)	(613)	211	(17 424)
Profit/(loss) for the year	66 260	4 579	(5 847)	64 992
Capital expenditure	8 454	18	163	8 635
Segment assets	1 045 276	19 363	105 542	1 170 181
Segment liabilities	629 594	729	(24 675)	605 648

CONSOLIDATED SEGMENT ANALYSIS continued

for the year ended 28 February 2021

GEOGRAPHICAL INFORMATION	LOGISTICS SERVICES				
	Africa R'000	Asia Pacific R'000	United Kingdom R'000	Europe R'000	Total R'000
28 February 2021					
Gross billings	1 936 614	566 654	1 134 173	818 447	4 455 888
Revenue and net interest income	120 776	62 046	131 936	125 663	440 421
Operating profit	9 463	23 424	27 328	31 954	92 169
Net profit	6 519	19 344	22 520	22 749	71 132
Segment assets	544 275	160 926	286 316	235 883	1 227 400
Segment liabilities	325 228	94 288	170 040	171 047	760 603
29 February 2020					
Gross billings	2 383 897	334 286	928 214	687 205	4 333 602
Revenue and net interest income	139 934	47 918	121 148	102 863	411 863
Operating profit	21 353	13 842	25 928	23 146	84 269
Net profit	14 094	11 337	22 031	18 798	66 260
Segment assets	518 886	94 506	260 851	171 033	1 045 276
Segment liabilities	308 115	46 152	153 737	121 590	629 594

SUPPLEMENTARY INFORMATION

for the year ended 28 February 2021

1. BASIS OF PREPARATION

The audited summarised consolidated financial statements have been prepared in accordance with the framework concepts and the recognition and measurement criteria of the International Financial Reporting Standards ("IFRS") and the South African Institute for Chartered Accountants ("SAICA") Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council ("FRSC"), and as a minimum, contains the information required by IAS 34: Interim Financial Reporting and comply with the Listing Requirements of the JSE Limited ("JSE") and the Companies Act of South Africa (Act No. 71 of 2008) ("Companies Act").

The full consolidated financial statements from which these summarised consolidated financial statements were derived are available on request from the Group's registered office.

These summarised consolidated financial statements and the full consolidated financial statements have been prepared under the supervision of Mr RM Herselman, CA (SA) and were approved by the Board of Directors ("Board") on 17 May 2021.

2. ACCOUNTING POLICIES

The accounting policies applied in preparation of these summarised consolidated financial statements are consistent with those applied in the summarised consolidated financial statements for the year ended 29 February 2020.

	Audited 2021 R'000	Audited 2020 R'000
3. REVENUE		
Gross billings	4 463 487	4 341 750
Less: recoverable disbursements	(4 021 293)	(3 927 924)
Revenue and net interest income	442 194	413 826
Revenue from contracts with customers		
Revenue from the provision of services comprises:	434 612	397 278
Logistics services	427 436	389 491
Insurance commission and management fees	7 176	7 787
Net interest income from the provision of credit facilities comprises:	7 582	16 548
Interest and financing fee income	21 135	35 056
Interest and financing fee expenses	(13 553)	(18 508)
Revenue and net interest income	442 194	413 826

SUPPLEMENTARY INFORMATION continued

for the year ended 28 February 2021

4. EARNINGS PER SHARE AND DIVIDEND PER SHARE

		Audited 2021	Audited 2020
Basic earnings per share	(cents)	46,51	40,77
Headline earnings per share ("HEPS")	(cents)	47,08	40,78
Diluted basic earnings per share	(cents)	45,92	40,31
Diluted HEPS	(cents)	46,49	40,32
Dividend per share	(cents)	-	7,50

	Profit on ordinary activities R'000	Taxation effect R'000	Minority interest R'000	Net effect R'000
Reconciliation between basic and headline earnings:				
28 February 2021				
Basic earnings	91 902	(22 184)	(38)	69 680
<i>Adjusted for:</i>				
– Loss on disposal of property, plant and equipment	105	(30)	-	75
– Impairment loss on intangible asset	781	-	-	781
Headline earnings	92 788	(22 214)	(38)	70 536
29 February 2020				
Basic earnings	82 416	(17 424)	30	65 022
<i>Adjusted for:</i>				
– Loss on disposal of plant and equipment	19	(6)	-	13
Headline earnings	82 435	(17 430)	30	65 035

	2021 Shares 000's	2020 Shares 000's
Numbers of shares used in the calculations:		
Shares in issue at end of year	161 481	161 361
Weighted Average Number of Ordinary Shares ("WANOS") at end of year*	149 826	159 471
Diluted WANOS at end of year	151 739	161 314
Reconciliation of WANOS to Diluted WANOS:		
WANOS at end of year*	149 826	159 471
Effect of unexercised Share Options	1 913	1 843
Diluted WANOS at end of year	151 739	161 314

*The Group holds 20 608 070 (2020: 6 928 556) treasury shares via a subsidiary, which have been excluded from the WANOS calculations.

SUPPLEMENTARY INFORMATION continued

for the year ended 28 February 2021

5. INTANGIBLE ASSETS

	Audited 2021 R'000	Audited 2020 R'000
Goodwill		
Carrying amount at beginning of year	282 600	243 761
Acquisitions through business combinations	-	22 766
Effects of exchange differences	12 341	16 074
Carrying amount at end of year	294 941	282 601
Carrying value of computer software and indefinite useful life intangible assets	17 236	14 575
Total intangible assets	312 177	297 176

6. FINANCIAL ASSETS AND FINANCIAL LIABILITIES

	Level	Audited 2021 R'000	Audited 2020 R'000
Financial assets at fair value through profit or loss			
Non-current			
Future profit share on rental agreement ¹	2	3 502	3 502
Guardrisk cell captive ²	2	4 056	5 656
		7 558	9 158
Current			
Forward exchange contracts	2	448	142
		448	142
Financial liabilities at fair value through profit or loss			
Non-current			
Contingent considerations ³	3	(857)	(16 390)
		(857)	(16 390)
Current			
Contingent considerations ³	3	(19 207)	(19 910)
Forward exchange contracts	2	(275)	-
		(19 482)	(19 910)

SUPPLEMENTARY INFORMATION continued

for the year ended 28 February 2021

6. FINANCIAL ASSETS AND FINANCIAL LIABILITIES continued

Fair value hierarchy

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 - Inputs for the asset or liability that are not based on observable market data.

There were no transfers between the fair value hierarchy levels during the reporting periods.

¹ Santova Logistics (Pty) Ltd ("Santova Logistics") entered into a profit-sharing agreement with the landlord of their Durban premises at inception of the lease in the 2007 reporting period. This agreement gives Santova Logistics a specified portion of the actual or deemed profit made should the building be sold or vacated. The inputs used to determine the fair value of the profit-share are as follows:

Current net market rental (including parking bays)	R130 per m ²
Capitalisation rate (on a vacant basis)	10,75 %

² This represents the fair value of the investment by Santova Logistics in a cell captive administered by Guardrisk, and is recognised as a financial asset at fair value through profit or loss. The fair value of the cell captive is determined as the net asset value which is considered to represent fair value.

In the event of claims being lodged in terms of the Marine Insurance Policy, the insurance cell captive referred to in note 5 will be required to cover the first R50 000 of any claim up to a limit of R100 000 for any one loss, or series of losses, arising from the same event. The balance of the claim is covered by the Marine Insurance Policy's underwriters.

The maximum liability of the cell captive is limited to R750 000 per reporting period, provided that this is matched by the premiums received during the year. Should the premiums received for the reporting period amount to less than R750 000, Santova Logistics will be liable to fund the cell captive to cover the shortfall.

The cell has received premiums in excess of the R750 000 minimum required during the current reporting period. The Group drew dividends of R3 000 000 during the reporting period (2020: Rnil)

Based on the claims history, insurance legislation and the likelihood of future claims, the directors believe that the cell captive has adequate reserves and provisions to cover future claims.

³ This represents the fair value of the remaining contingent purchase obligations arising from acquisitions during the current and prior financial period. The fair value of the liabilities has been calculated as the net present value of the warranty payments, which management reasonably expect to be achieved, as set out in the agreements of sale, discounted at the weighted average cost of capital for the acquired entities. The financial liability is reconciled as follows:

SUPPLEMENTARY INFORMATION continued

for the year ended 28 February 2021

6. FINANCIAL ASSETS AND FINANCIAL LIABILITIES continued

	Audited 2021 R'000	Audited 2020 R'000
Balance at beginning of year	36 300	35 182
Contingent consideration recognised on acquisition of MLG Maritime Cargo Logistics GmbH	-	9 773
Contingent consideration recognised on acquisition of ASM Logistics (Thailand) Co. Ltd	411	-
Fair value loss	1 753	2 483
Fair value gain	-	(294)
Foreign exchange loss on translation	325	401
Foreign exchange loss on translation recognised in foreign currency translation reserve	1 673	2 756
Settled during the period	(20 398)	(14 001)
Balance at end of year	20 064	36 300

The remaining contingent consideration relates to the following acquisitions that were successfully completed during the current and prior reporting periods:

Acquiring company	Target company	Remaining contingent purchase consideration R'000's
Santova International Holdings (Pty) Ltd	ASM Logistics (Thailand) Co. Ltd	411
Tradeway (Shipping) Ltd	SAI Logistics Ltd	12 294
Santova Logistics B.V.	MLG Maritime Cargo Logistics GmbH	7 359

Management have assessed the sensitivity of the level 3 fair value measurement to changes in unobservable inputs and do not believe that such reasonably expected changes would materially affect the fair value.

SUPPLEMENTARY INFORMATION continued

for the year ended 28 February 2021

7. FINANCE INCOME

	Audited 2021 R'000	Audited 2020 R'000
Cash and cash equivalents	110	226
Interest and financing fee income included in revenue	21 135	35 056
Total finance income	21 245	35 282

8. FINANCE COSTS

Lease liabilities	2 555	3 134
Interest-bearing borrowings	2 951	4 419
Other interest paid	14	113
Included in profit or loss	5 520	7 666
Interest and financing fee income included in revenue	13 553	18 508
Total finance costs	19 073	26 174

9. EVENTS AFTER THE REPORTING PERIOD

There were no events material to the understanding of the summarised consolidated financial statements that occurred in the period between the reporting date and the publication date of the summarised consolidated financial statements, except for the ongoing effects of the COVID-19 pandemic.

10. APPROVAL OF FINANCIAL STATEMENTS

The summarised consolidated financial statements were approved by the Board on 17 May 2021.

11. AUDIT OPINION

These summarised consolidated financial statements for the year ended 28 February 2021 have been audited by Moore Johannesburg Inc. ("Moore"), who expressed an unmodified opinion thereon. The auditor also expressed an unmodified opinion on the full consolidated financial statements for the year ended 28 February 2021 from which these summarised consolidated financial statements were derived. A copy of the auditor's report on the summarised consolidated financial statements and the auditor's report on the full consolidated and separate financial statements are available for inspection at the Company's registered office, together with the financial statements identified in the respective auditor's reports. Moore has not audited future financial performance and expectations expressed by management included in the commentary in the summarised consolidated financial statements and accordingly do not express an opinion thereon. The auditor's report does not necessarily report on all of the information contained in the summarised consolidated financial statements. Shareholders are therefore advised that in order to obtain a full understanding of the nature of the auditor's engagement, they should obtain a copy of the auditor's report together with the accompanying financial information from the issuer's registered office.

DIVIDEND ANNOUNCEMENT

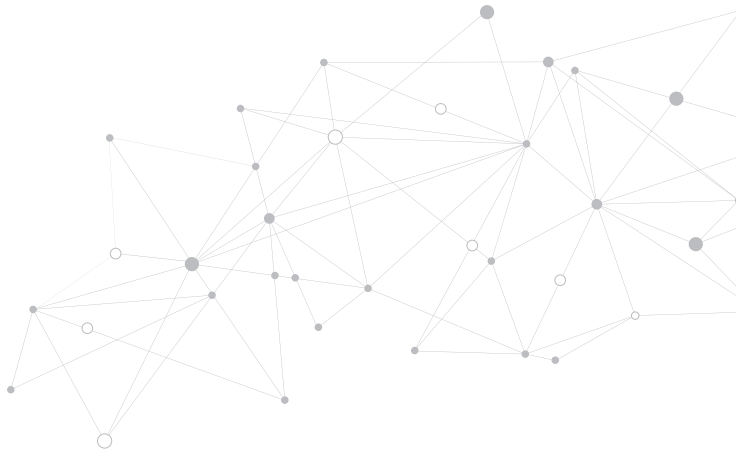
The directors have declared that given the Group's continued focus on building value per share, the Group's cash resources are best applied by reinvesting in the business and therefore no dividend has been declared for the 2021 financial year.

By order of the Board

J Lupton, FCG

Company Secretary

17 May 2021



CORPORATE INFORMATION

SANTOVA LIMITED

Country of Incorporation

Republic of South Africa ("RSA")

Registration Number

1998/018118/06

Share Code

SNV

ISIN

ZAE000159711

NATURE OF BUSINESS

International Supply Chain Solutions

DIRECTORS

Independent Non-Executive Directors

WA Lombard (Chairman)

ESC Garner

EM Ngubo

Executive Directors

GH Gerber (Chief Executive Officer)

RM Herselman (Group Financial Director)

AL van Zyl

COMPANY SECRETARY

JA Lupton, FCG

Highway Corporate Services (Pty) Ltd

PO Box 1319, Hillcrest, 3650, RSA

JSE SPONSOR

River Group

Unit 2, 211 Kloof Street, Waterkloof,

Pretoria, 0145, RSA

GROUP AUDITOR

Moore Johannesburg Inc.

50 Oxford Road, Parktown,
Johannesburg, 2193, RSA

SHARE REGISTRAR

Computershare Investor Services (Pty) Ltd

Private Bag X9000, Saxonwold, 2132, RSA

INVESTOR RELATIONS

Contact Persons

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RM Herselman (Group Financial Director)

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SANTOVA HEAD OFFICE AND REGISTERED OFFICE

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Registered Office

Santova House, 88 Mahatma Gandhi Road,
Durban, 4001, RSA

Contact Number

+27 31 521 0160

CORPORATE BANKERS

Nedbank Limited

PO Box 1144, Sandown, 2196, RSA



**A Specialist Provider of Innovative
Global Trade Solutions.**

- + Santova's diversification in terms of geographies, currencies, industries, products and services enables it to manage a global network of inter-connected activities for multinational organisations from origin to point-of-consumption.
- + This diversification also enables it to hedge against unexpected 'regional risks' whilst at the same time allowing it to capitalise on opportunities that may present themselves globally.

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