2022

ANNUAL INTEGRATED REPORT

FOR THE YEAR ENDED 28 FEBRUARY 2022

Santova

INNOVATIVE SOLUTIONS • ENDLESS POSSIBILITIES

NAVIGATING OUR REPORT

The following documents that form part of this report are available at www.santova.com:

FINANCIAL

- Annual Financial Statements ("AFS"), including:
  - Audit and Risk Committee Report
  - Social and Ethics Committee Report
- Preliminary Audited Results

SOCIAL AND ENVIRONMENTAL

- Social and Environmental ("S&E") Report

GOVERNANCE

- King IV™ Governance Register and Supporting Reports

SHAREHOLDERS

- Notice of Annual General Meeting ("AGM") including:
  - Form of Proxy

OUR APPROACH TO REPORTING

Santova Limited ("Santova") has pleasure in presenting its **2022 Annual Integrated Report ("AIR")**, which covers the performance of the Santova Group ("the Group") and its subsidiaries for the year ended 28 February 2022. This report has been produced to present, in a concise manner, those elements of the Group's economic, governance, social and environmental performance that are material to enable stakeholders to make informed assessments of the Group's performance and the Group's ability to create long-term sustainable value. This report has been prepared primarily for current and potential shareholders who are the providers of the Company's share capital and the primary risk-takers within the business.

SCOPE AND BOUNDARY

This report has been prepared in compliance with applicable legislative reporting requirements, including principally:

- Integrated Reporting Framework issued by the International Integrated Reporting Council ("IIRC")
- Companies Act of South Africa, No. 71 of 2008, as amended ("the Companies Act")
- International Financial Reporting Standards ("IFRS")
- King IV™ Report on Corporate Governance for South Africa, 2016 ("King IV™")
- B-BBEE Act, No. 46 of 2013, as amended ("B-BBEE Act")
- JSE Limited ("JSE") Listings Requirements

The report provides a concise overview of the Group's business model, its operating environment, its competitive positioning, strategies, Culture and Values and investment case, as well as key operating and financial information, executive commentaries and relevant governance and risk reviews. The executive commentaries contain extracts from the Group Consolidated and Separate Financial Statements, which have been audited by Moore Johannesburg Inc. ("Moore") who has expressed an unmodified opinion thereon. These extracts are taken from the audited information but are themselves not audited. Stakeholders are referred to the full set of Annual Financial Statements ("AFS") for more detailed financial information. These may be found under our Results Centre on the Group's corporate website (www.santova.com).

MATERIALITY

This report focuses only on those material aspects that have the potential to substantially impact on the Group's ability to create and sustain value for its key stakeholders, as dictated by our business model and strategies.

Materiality was a key consideration in determining which matters to be included in this report. The process followed in determining material information includes:

- Identifying potentially relevant matters;
- Considering the significance of those matters and determining each matter's ability to materially influence assessments of the Group's ability to create value over time;
- Capturing risks and developing responsive implementation plans; and
- Prioritising and reporting those matters identified as material.

In drafting the report, careful consideration was given to the guiding principal of 'conciseness' from the Integrated Reporting Framework of the IIRC and the key focus of the JSE through its Proactive Monitoring Process to ensure the 'decluttering' of AFS superfluous information.

ASSURANCE

Santova has adopted a combined assurance framework that the Board of Directors ("the Board") believes is appropriate with respect to its stage of development, considering the risks it encounters and its strategies.

This framework is overseen by the Audit and Risk Committee and involves obtaining assurance from executive and senior management, external assurance providers and internal assurance principally from the Group's central services division.

As part of the adoption of this assurance framework, the following specific external assurances were obtained in compiling this integrated report and the accompanying documents published on our website:

- Our Consolidated and Separate Financial Statements have been audited by Moore, the Group's Independent External Auditor;
- Our Broad-based Black Economic Empowerment ("B-BBEE") scorecard and disclosures have been audited by an accredited external verification entity; and
- The shareholder analysis and share performance data contained in the Shareholder Information section of this integrated report have been prepared by an independent stakeholder intelligence consultant.

2022 REPORTING SUITE

This 2022 Santova **AIR** provides a concise overview of the Group's economic and governance performance Complementing this report are several other reports that are produced for specific stakeholders and which provide more detailed financial and governance information, as well as social and environmental information. A list of these reports may be found on the navigating our report page. These and other associated reports are available on the Group's website (www.santova.com) and should be read in conjunction with this **AIR**. This suite of reports provides the necessary information to enable stakeholders to make informed assessments of the Group's performance and to identify with the Group's outlook in the short, medium and long-term.

*Further to the above, the 2022 Santova **AIR** has been re-ordered to align with the integrated reporting process flow, which includes the internal operating environment, external operating environment, strategy and performance.*

BOARD APPROVAL

The Audit and Risk Committee has oversight on integrated reporting and the preparation of the **AIR**. The Committee confirms that the report fairly presents the material issues and integrated performance of the Group and recommended the report for approval by the Board. The Board approved the 2022 **AIR** on 16 May 2022.

WHO WE ARE

The Santova Group is an international, technology-based trade solutions specialist, delivering innovative end-to-end supply chain solutions. The Group is represented in 10 countries through its own offices in South Africa, Mauritius, Germany, the Netherlands, United Kingdom, Australia, Hong Kong, Singapore, Thailand and Vietnam.

OUR VISION

To be a leading brand in global trade solutions through strategic international offices and unrivalled intellectual capital.

OUR PURPOSE

To enable clients to achieve a competitive advantage through leading, cloud-based, technological supply chain solutions and a multidimensional, innovative approach to international trade.

OUR CULTURE

Our Culture is one of a leading entrepreneurial 'spirit', which is closely followed by levels of governance necessary to manage or curtail the risks that typically accompany a highly entrepreneurial climate. In cases where there are deviations or transgressions from our expectations, Culture and Values, our fallback will be to autocracy to restore the status quo.

OUR VALUES

ACCOUNTABILITY

- Responsible for decisions and actions
- Using initiative
- Self-disciplined
- Setting and meeting high standards

INTEGRITY

- Open, honest and transparent
- Ethical and moral behaviour
- Respectful of confidentiality
- Honourable and trustworthy

TEAM SPIRIT

- Willingness to participate
- Supportive and helpful
- Adaptable and flexible
- Cooperative attitude

INNOVATION

- Creative solutions and ideas
- Challenging and embracing change
- Forward-thinking
- 'Big-picture' approach

PASSION

- Enthusiasm and self-motivation
- Positive attitude and energy
- Tenacious commitment
- Competitive spirit

SANTOVA IN NUMBERS

7 995
SHAREHOLDERS

20
OFFICES

10
COUNTRIES

DIRECTORS OWN
17,44%
OF THE COMPANY

NO SINGLE SHAREHOLDER OWNS MORE THAN
13,01%
OF THE COMPANY

INNOVATIVE SOLUTIONS ENDLESS POSSIBILITIES

WHERE WE OPERATE

UNITED KINGDOM (UK)
LEEDS
Tradeway (Shipping)

MANCHESTER | TAMWORTH | HEATHROW
W.M.Shipping
t/a Santova Logistics

MILTON KEYNES
SAI Logistics

THE NETHERLANDS (NL)
SCHIPHOL | ROTTERDAM
Santova Logistics

GERMANY (DE)
FRANKFURT
Santova Logistics

HAMBURG
Santova Logistics
MCL Maritime
Cargo Logistics

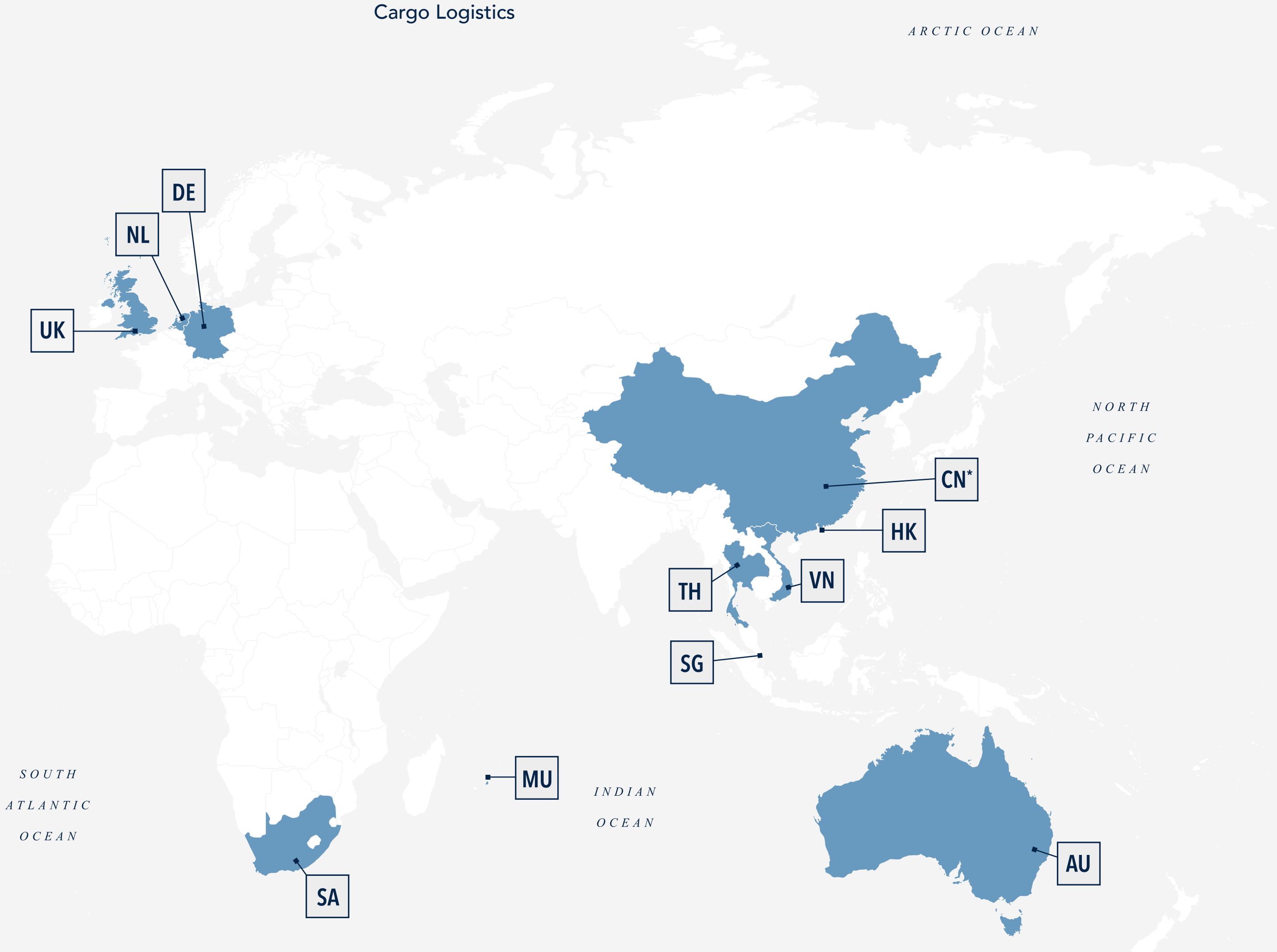
HONG KONG (HK)
Santova Logistics
Santova Patent Logistics

MAINLAND CHINA* (CN)
(19 REPRESENTATIVE OFFICES)

SINGAPORE (SG)
ASM Logistics
Santova Express Singapore

THAILAND (TH)
ASM Logistics

VIETNAM (VN)
Santova Logistics



SOUTH AFRICA (SA)
DURBAN | JOHANNESBURG | CAPE TOWN | PORT ELIZABETH | PIETERMARITZBURG
Santova Logistics
Santova Financial Services
Santova International Trade Solutions
Santova Express

MAURITIUS (MU)
EBENE
ASM Global Logistics

AUSTRALIA (AU)
SYDNEY
Santova Logistics

*Representative offices

OUR BUSINESS MODEL

Santova's business model focuses on assembling the intellectual capital and technology of the Group, together with the resources and capabilities of specialised logistics service providers, to design, develop and execute end-to-end supply chain solutions for clients.

FORWARD LOGISTICS

SOURCE

INPUTS - SIX CAPITALS

INTELLECTUAL CAPITAL
Supply chain optimisation through Process and Technological Innovation

HUMAN CAPITAL
The specialist logistics skills, knowledge and experience held by the Group's employees

SOCIAL & RELATIONSHIP CAPITAL
The relationships the Group maintains with our key business stakeholders

FUNDING CAPITAL
The funding supplied by the Group's shareholders, primary bankers and creditors

MANUFACTURED CAPITAL
The Group's global infrastructure of offices

NATURAL CAPITAL*
Office-based usage of water, energy, land and carbon emissions

Not material

INFORMATION FLOW

OUTCOMES

INTERNAL	EXTERNAL
Growth in profitability	Optimising supply chain solutions
Investment in key differentiators	Providing direct time and cost savings
Value derived from key personnel	Customer satisfaction and retention
Positive cash flows	Growing brand recognition
Building the Group's employment brand	Long-term shareholder wealth creation
Effective corporate governance	

REVERSE LOGISTICS

FORWARD LOGISTICS

BUSINESS ACTIVITIES

NON-ASSET BASED
A non-asset based provider of international supply chain solutions

FORWARD & REVERSE LOGISTICS
Co-ordinating the forward and reverse logistics of the entire supply chain

SOURCE TO DESTINATION
Controlling the supply chain from source to destination

SEA, AIR, ROAD & RAIL
An agent on behalf of our clients, providing sea, air, road and rail services

COST EFFECTIVE
Arranging transportation, storage and delivery of goods through the most cost-effective means

EXTENSIVE RELATIONSHIPS
Drawing on extensive relationships and agreements with multiple 3rd party transporters across the globe

PRODUCT FLOW

OUTPUTS - STRATEGIC SERVICE OFFERINGS

SUPPLY CHAIN SOLUTIONS
Supply chain optimisation through leading intellectual capital, supply chain solutions and systems

BUSINESS INTELLIGENCE
Unrivalled systems unlocking supply chain data and enabling predictive analytics

LOGISTICS SERVICES
Efficient and effective forward and reverse services including: Customs Clearing, Freight Forwarding, Liner Agency, Groupage and Consolidations, Warehousing, Ship Chartering, Road Haulage and Distribution

COURIER SERVICES
International express, door-to-door, time sensitive delivery of goods

SPECIAL PROJECTS
Complex projects and out-of-gauge cargo

SOURCING & PROCUREMENT
Sourcing, procurement and validation of products and services from external global suppliers, reducing cost and ensuring reliability in terms of quality, quantity, time and location

FINANCIAL SERVICES
Client-centric risk management by analysing, designing and implementing tailor-made short-term insurance solutions

DESTINATION

REVERSE LOGISTICS

OUR KEY RELATIONSHIPS

As a non-asset based, specialised supply chain business that utilises intellectual capital to provide advice to our clients and recommended preferred suppliers, to satisfy their logistical requirements, our relationships with our key stakeholders are core to our strategy and continued existence.

As a result, the Group's business model is highly stakeholder-centric and dependent on the establishment of long-term and mutually beneficial relationships with all stakeholders, which are facilitated through regular daily interaction with our employees across all levels. The Group has identified numerous stakeholders who influence the creation of value in its business model and these include our clients, suppliers, agents, employees, shareholders, financial institutions (banks and credit underwriters), governments, regulators and Information Technology ("IT") service providers.

The four stakeholders which have the most material impact on implementing our Group strategy and how we engage with them are:

	SHAREHOLDERS	EMPLOYEES	SUPPLIERS	CLIENTS
STAKEHOLDER NUMBERS	7 995	245	2 464	4 739
VALUE CREATED OR DISTRIBUTED	R173 MILLION	R263 MILLION	R3 549 MILLION	R6 459 MILLION
NATURE OF RELATIONSHIP	The providers of the Company's share capital and the primary financial risk-takers within the business.	Individuals of varying nationalities and qualifications with relevant logistics, supply chain and administrative experience, employed across the Group to service clients and provide support functions.	A global panel of specialised external service providers who are utilised to support our solution to convey clients' products from source to destination via sea, air, road and rail.	Corporate entities of varying sizes across diverse industry sectors that are primarily manufacturers and retailers utilising foreign-sourced products or exporting products to foreign clients.
STAKEHOLDERS' NEEDS	The generation of sustainable, above-market returns through capital appreciation and dividend payments, together with ongoing communication on the Company's performance - all underpinned by the appropriate levels of corporate governance.	Career and personal development in a quality work environment within a successful and stimulating organisation, that ensures job security and appropriate reward for performance.	An ongoing and commercially viable supply of shipping, transport, and warehouse service orders from the Group on behalf of Santova's clients.	Supply chain optimisation through the efficient, timeous and cost-effective flow of products from source to destination, thereby meeting specific customer service requirements and adding value and competitive advantage to their organisation.
HOW WE ENGAGE	Formal, published communications via stock exchange announcements, annual reports, advertorials, the Group website, shareholder meetings, investor presentations and in the press.	Ongoing formal and informal engagement managed primarily by the Group's Human Resources ("HR") and Business Unit ("BU") Leaders to ensure employees receive the necessary guidance, motivation, feedback and recognition.	Upfront, formal service level agreements followed by daily, electronically communicated shipping, transport and warehouse service orders - together with ongoing updates on key supply chain data and timing.	Agreed and documented terms, tariffs and operating procedures, supplemented by daily, system-based and interpersonal communication, related to specific shipping instructions and ongoing reviews of client service levels.
ASSOCIATED SIX CAPITALS	Financial Capital	Human Capital	Human Capital, Social and Relationship Capital	Human Capital, Intellectual Capital, Social and Relationship Capital
RELATED SANTOVA STRATEGIC INITIATIVES	Growth (Organic and Acquisitive)	Intellectual Capital (Talent Pool)	Intellectual Capital (Executing at High Standards)	Innovation (Technology and Supply Chain)

HOW WE CREATE & DISTRIBUTE VALUE

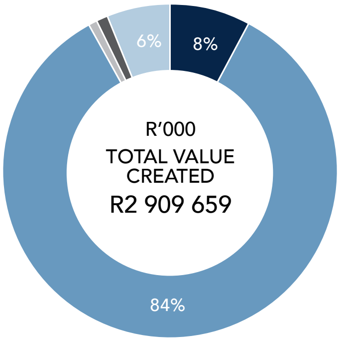
The difference between Billings and Revenue value creation:

Santova generates value through the co-ordination and control of the transportation of clients' goods across the entire global supply chain from source to destination, in a timely and cost-efficient manner. To achieve this the Group utilises the physical logistics resources and capabilities of specialised external logistics providers, together with the intellectual capacity of our staff and leading in-house developed IT systems.

In creating this value for our key stakeholders, the Group acts as an agent on behalf of our clients by contracting for services from our suppliers and paying for those services on behalf of the clients.

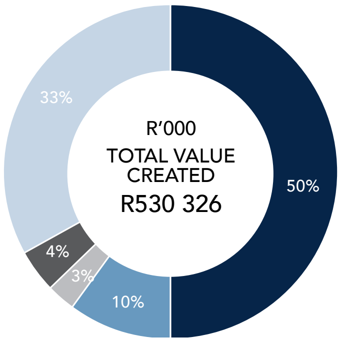
As a result of this, a meaningful evaluation of the value we create and distribute is best described in two ways:

- **Billings Basis** - where we show how the total recoverable costs incurred on behalf of and recovered from our clients and the direct revenue earned by the Group, are created and distributed; and
- **Revenue Basis** - where we show how only the direct revenue earned by the Group is created and distributed.



BILLINGS BASIS
Value Distributed

- Employees 8%
- Governments 84%
- Financiers 1%
- IT Providers 1%
- Shareholders 6%



REVENUE BASIS
Value Distributed

- Employees 50%
- Governments 10%
- Financiers 3%
- IT Providers 4%
- Shareholders 33%

BILLINGS

VALUE CREATED

On a billings basis, total value created is demonstrated by adding our direct revenue to the costs that the Group incurs and recovers as an agent on behalf of our clients. These costs are primarily customs Value Added Tax ("VAT") and duties (in SA) and various transportation costs.

VALUE DISTRIBUTED

On a billings basis, the value distributed identifies the significant, legally enforced role that the Group plays as a collection agent on behalf of revenue authorities, principally in SA. It does so through the collection from clients and bulk payments to revenue authorities, of customs-related VAT, taxes and duties.

REVENUE

VALUE CREATED

On a revenue basis, the total value we create is through the direct revenue earned by Santova when acting as an agent on behalf of our clients and is primarily made up of various agency and logistics-related fees and commission earned.

VALUE DISTRIBUTED

The value distributed on a revenue basis highlights the Group's non-asset based operating model and demonstrates the key role that our employees play in implementing its strategy by being primary benefactors of value distributed, through the payment of fixed and variable remuneration.

	2022			
VALUE ADDED STATEMENT	**Billings Basis R'000**	**%**	**Revenue Basis R'000**	**%**
Billings to clients (includes Gross Billings + Other Income items)	6 458 922		-	
Revenue from clients	-		659 167	
Paid to suppliers	3 549 263		128 841	
Value Created	2 909 659		530 326	
Value created - per employee	11 876		2 165	
Employees	263 338	8	263 338	50
Governments	2 434 699	84	55 366	10
Financiers	18 137	1	18 137	3
IT providers	20 835	1	20 835	4
Shareholders	172 650	6	172 650	33
Value Distributed	2 909 659	100	530 326	100
Value distributed to employees - per employee	1 075		1 075	

OUR INVESTMENT CASE

Santova aims to create value for shareholders as they are the primary providers of capital to the Group. As a South African listed entity, value per share is a more accurate measure of value as opposed to profit figures or share price.

HIGHLY ENTREPRENEURIAL CULTURE

- Thrives on change and is driven by innovation
- Flexible and highly adaptable to a changing environment

NEXT GENERATION TECHNOLOGY

- Continually embraces and leverages off innovative technology
- Optimises operations and customer experience
- One common global platform for client engagement and multidimensional interfaces with third parties

NON-ASSET BASED BUSINESS MODEL

- Specialist provider of innovative global trade solutions
- Utilises a non-asset based framework that has a variable cost structure
- Can be easily and quickly adjusted to meet unexpected challenges

GLOBAL TALENT POOL

- Cultivates high calibre employees across the globe who 'live' the Group's Values
- Employees attuned to the Group's entrepreneurial Culture and knowledge-intensive business model

INTERNATIONAL SOLUTIONS

- Manages a global network of interconnected activities for multinational organisations from origin to point-of-consumption
- Allows the Group to duplicate logistics revenue streams at both ends of the supply chain
- Competitive from a cost and service perspective in each territory

STRATEGIC DIVERSIFICATION

- Diversifies in terms of geographies, currencies, industries, products, trade routes and services
- Creates a hedge against unexpected 'regional risks'
- Allows the Group to capitalise on opportunities that may present themselves globally

Santova's Investment Case must be considered in the context our entire **2022 Reporting Suite**, which includes the **AIR**, **AFS** and **S&E**.

OUR COMPETITIVE POSITIONING

Santova operates in highly competitive markets both regionally and internationally. Santova positions itself as a truly outsourced, non-asset based business delivering innovative trade solutions through unrivalled technologies and intellectual capital. As a result, the Group competes internationally across multiple levels and in various sectors within the logistics industry and as such, a direct comparison of Santova to any one specific sector or level would be inaccurate.

Santova competes across certain aspects of all of the following sectors within the logistics industry:

- Regional Third-Party Logistics Providers ("3PL") These are typically local clearing and forwarding agents without international infrastructure, whose business models are traditional and who don't make use of technology and modern supply chain methodologies.
- Fourth-Party Logistics Providers ("4PL") and International Lead Logistics Providers ("LLP") - These are typically large multinational logistics providers listed on major international stock exchanges with extensive global asset-based infrastructures and intelligent business models, who focus on large multinational corporations as clients.
- Supply Chain Consulting Organisations - Specialist supply chain consulting organisations who consult and generate revenue on a project and time basis from large corporations, but do not directly supply any traditional clearing and forwarding services.
- The JSE Transportation Sector - By virtue of being listed on the JSE, the Group is typically compared to other listed organisations within the transportation sector. However, a meaningful comparison is difficult due to the fact that our peers within the sector are typically asset-based entities and/or more focused on local landside logistics and therefore are not necessarily direct competitors.

OUR KEY DIFFERENTIATORS

GLOBAL

An **international infrastructure** that provides local representation and strong capabilities in key trade centres.

SOLUTIONS

International solutions through competitive **non-asset based international logistics products and services**.

INTELLECTUAL CAPITAL

Intellectual capital enabling a **multidimensional, innovative approach** to international trade.

TECHNOLOGY

Intelligent cloud-based technology and management information systems.

OUR OPERATING ENVIRONMENT

Our Internal Operating Environment ("IOE") is explained throughout the 2022 AIR, AFS and S&E Report , however, it is more specifically demonstrated in the following sections:

2022 AIR

2022 S&E REPORT

Our External Operating Environment ("EOE") is explained by examining the context in which the global logistics industry operates and is characterised by the following:

- Borderless and integrated world economy - A market environment driven by globalisation and technological advancements.
- Multiple markets and territories - Clients source and procure products and raw materials worldwide and distribute their end products into multiple markets and territories.
- Sophisticated operational supply chain solutions - Clients require sophisticated operational and logistics supply chain solutions across multiple geographies and jurisdictions to facilitate their global trade.
- Changing customer expectations - Clients expect shipments to be delivered faster, at a lower price, with flexibility and with a higher degree of transparency.
- High degree of fragmentation - Many participants within the logistics industry are transactional or commoditised and have low barriers to entry or exit, characterised by fragmentation, low margins and high competition.
- Technology reshaping the logistics industry - The Internet of Things ("IoT"), blockchain, data analytics, 3-D printing, Artificial Intelligence ("AI"), drones and robotics are all contributing to the transformation of the logistics industry. The focus is now on driving digital transformation through the application of new technologies to further optimise internal business processes, including communication, self-service booking processes, cloud-based data management, automated reporting and documentation, real-time analytics, as well as order tracking and inventory management.

Our EOE is also demonstrated more specifically in the following sections:

2022 AIR

2022 S&E REPORT

HOW WE MANAGE RISK

Santova undertakes disciplined and proactive risk management, which forms a central part of its overall corporate governance structure. This is achieved through a structured and continual Risk Management Process, supported by Risk Tools, within the overall Risk Management Framework.

Santova's Risk Management Objectives guide the Group to proactively calculate uncertainties and predict their effect on business to reduce both the possibility of a risk occurring and its impact. These objectives are achieved through the Santova Risk Management Process, which encompasses the identification, analysis, and response to risk with the assistance of the Risk Tools.

RISK MANAGEMENT OBJECTIVES

These have been set within the ambit of the goals set out in King IV™ and include the below:

CREATE	an awareness and understanding of risk.
	a culture of risk management accountability at all levels within the organisation.
IDENTIFY	risks completely and capture these risks in Santova's Risk Register.
	Santova's Risk Tolerance, which will allow for the achievement of strategic and business objectives.
ENGAGE	risks and manage them effectively within the Risk Tolerance parameters.
	risk management as part of the normal operations, which includes linking risks to controls.
COMPLY	with appropriate risk management practices.
	with corporate governance guidelines and relevant codes of good practice.

KING IV™

The Board has assumed responsibility for risk governance and in terms of Principle 11 read with Principles 4, 8 and 10, the Board has:

ESTABLISHED	the approach and strategy to risk governance within the Group where risk is an integral part to decision-making and adherence to roles and duties;
STIPULATED	the Group's Risk Policy, which defines the Risk Management Objectives, Risk Management Framework, Risk Management Process and clarifies the concept of the Group's Risk Tolerance;
DELEGATED	the implementation and execution of effective risk management to Management through its Risk Management Framework; and
OVERSEEN	the management of risk within the Group and participated in the rating and assessment of the Group's Key Inherent Risks, an extract of which is disclosed on page 12 of this report.

RISK TOOLS

The following Risk Tools are used in the implementation of the Risk Management Process to achieve the Risk Management Objectives:

TOOL	PURPOSE	FUNCTION
RISK MANAGEMENT FRAMEWORK	The Framework is made up of all role players who manage risk and implement the Risk Management Process. This includes Management and the various Group Committees and is ultimately overseen by the Board. A graphical representation of the framework can be viewed in the "Governance Review " on pages 30 to 33 of this AIR.	The Framework applies the Risk Management Process, embeds risk principles and instills a 'risk culture' into daily operations. The usage of the Committees within the Framework allows for the contribution by specialist role players and also draws on external assurance provided by external role players who support these Committees.
RISK MANAGEMENT COMMITTEE	This is the Committee to which the Audit and Risk Committee has delegated the daily oversight of the Risk Management Process for all areas of risk. The Committee met on three occasions during the past financial year and is made up of the following role players: Group CEO, Group Financial Director, Group Legal Advisor (Chairman), Group Financial Manager (Secretary), Santova Financial Services Managing Director ("MD"), Santova Logistics (SA) Financial Director ("FD"), Legal Advisor, the Santova International Trade Solutions Divisional Executive and the Santova Logistics KZN Regional Head.	The Committee interacts directly with Management (and where appropriate, employees of all levels) to ensure the complete implementation of the Risk Management Process.
RISK INBOX PROCESS	This process allows any employee to identify and communicate a risk to the Risk Management Committee via a dedicated email address.	Whilst this opportunity is always available for any employee, the Secretary of the Risk Management Committee also communicates with top, senior and certain middle management to encourage and discuss risk observations.
RISK REGISTER	This is the complete register of all identified Santova risks, captured into three main components, namely: Basic Risk Information, Risk Assessment, and Risk Response Information.	The Risk Register facilitates and provides the complete record of the Risk Management Process implemented by the Risk Management Framework.

DEFINITION OF KEY CONCEPTS

INHERENT RISK	PERCEIVED CONTROL EFFECTIVENESS	RESIDUAL RISK
The impact and probability of risk, arising out of circumstances or existing in an environment, in the absence of any action to control.	The rating by Management of the effectiveness of the current controls.	The portion of the risk that remains after current controls have been implemented.

OUR KEY INHERENT RISKS

The key material inherent risks of the Group are set out in the table below. The risks are described, the potential impact on value creation is explained and the risk response (mitigation) is then detailed.

NO.	RISK CATEGORY	RISK SUB-CATEGORY	KEY RISK DESCRIPTION	POTENTIAL IMPACT ON VALUE CREATION	RISK RESPONSE AND MITIGATION
1	OPERATIONAL AND FINANCIAL	Business Continuity	The threat facing smaller clearing and forwarding companies (those with one-dimensional business models), of basic clearing and forwarding services now being vertically integrated into shipping lines' full service offerings, and/or commoditized, and as a result of a failure to embrace technological advancements and automation.	Potential reduced profitability through the loss of clients to shipping lines and/or business disruptions to smaller clearing and forwarding companies as one-dimensional business models become redundant.	▫ Develop multiple and diverse products that deal with the commoditization risks directly; ▫ Continue to invest in and leverage off next generation technology; ▫ Focus on being best in class and offering 'end-to-end' supply chain solutions; ▫ Continue to build and invest in businesses unrelated to basic forwarding and clearing; ▫ Partner with clients to offer integrated solutions as opposed to focusing on costs alone and 'rates' cutting; ▫ Further entrench meaningful and lasting relationships with clients; and ▫ Focus on 'niche' offerings that are most relevant to clients' current and future strategies.
2	FINANCIAL	Economic	Risks associated with current economic, environmental and socio-political instability both within SA and internationally.	**Weakening of the financial stability and profitability of the Group due to:** ▫ Violence/terrorism, nationalization; ▫ Looting/civil unrest, bribery/corruption, hyperinflation; ▫ Currency weakness manifested in decreases in trading volumes; ▫ Reducing margins; ▫ Increased funding costs; ▫ Increased operational costs; ▫ Cash flow issues; ▫ Bad debts, ▫ Increased interest rates, ▫ Supplier force majeure, ▫ Unreliable/unsafe/underperforming government institutions (including ports' authorities and police enforcement); ▫ Underperforming/biased legal systems/ judiciary; and ▫ Emigration of talent to safer jurisdictions offshore.	▫ Maintain close relationships with clients, banks, credit underwriters and government institutions necessary for trade; ▫ Continually monitor sources of information on industry and country trends; ▫ Continue to diversify the business in terms of geographies, currencies, services/products, industries and trade routes; and ▫ Anticipate and control the elements that are controllable and develop natural hedges against this risk by expanding offshore offices in multiple jurisdictions.
3	OPERATIONAL	IT	Risk associated with failures in communicating with business-critical IT operating systems/ software.	This includes failures of the cloud-based systems themselves or due to the failure of WLAN networks, lack of backup lines, lack of bandwidth, software issues, poor system performance, unauthorised access and breach of security, hacking, viruses, inadequate IT support skills and any IT system failures resulting in an inability to operate business software, loss of clients, loss of revenue and reputational damages.	▫ Invest in capital expenditure on new hardware; and ▫ Ensure closer and direct management of associated risks by the Group's IT Management Committee in consultation with the Risk Management Committee.
4	STRATEGIC	Competitive	Risks associated with pricing/tariff pressure from competitors lowering margins.	Potential loss of profit and clients due to loss of margins.	▫ Ongoing monitoring of margins and client financial analysis; ▫ Gradual building of volumes and market share to lower buying rates and in turn selling rates; ▫ Internal processes and experience when dealing with clients approached by competitors; ▫ Focus on business model and value-add so as to make the Group less likely to lose a client solely due to a quoted rate; ▫ General measures to steer clients away from the 'rates chase' towards a broader service offering; and ▫ Staff awareness and training of staff in modern supply chain theory.
5	FINANCIAL	Credit	Counterparties/debtors defaulting/reneging on its contractual obligations to pay its debts as and when due.	Potential effect on earnings due to bad debt write-offs. Possible impact/damage to relationships with credit underwriters affecting future insurability and rates. Potential cost of legal/ recovery of fees and impact on availability of future bank facilities and the pricing thereof.	▫ Centralised oversight over credit risk by Santova Group Head Offices; ▫ Debtor's book insurance in SA and the Netherlands and use of credit bureau reports across other regions; ▫ Good long-standing relationship with credit insurers and bankers globally; ▫ The use of signed or referenced new account applications (credit applications) and Standard Terms of Contract in all regions providing contractual protection; ▫ Anticipate poor or unreliable service from governments and legal systems and avoid unnecessary dependency on these institutions; ▫ Use of a Board-controlled Delegation of Authority to manage authority limits and overtrading; and ▫ Regular internal debtor meetings for all subsidiaries/branches across the globe and consistent, accurate use of our internal provisions policy to provide cover for bad debt.

On the next page, we cross reference the above risks with core focus areas, strategic initiatives, the six capitals, and stakeholders, to provide greater context for each risk.

The table below illustrates the extent to which each of our current five Key Inherent Risks, as detailed on the previous page, are linked to the identified core focus areas of our risk categories, strategic initiatives, six capitals, and key stakeholders:

	CORE FOCUS AREAS	RISK NO.				
RISK CATEGORIES	STRATEGIC	1	2		4	
	FINANCIAL		2		4	5
	OPERATIONAL	1	2	3	4	
	LEGAL AND COMPLIANCE		2			
STRATEGIC INITIATIVES	ORGANIC - GROWTH	1	2		4	5
	ACQUISITIVE - GROWTH	1	2			
	TECHNOLOGY - INNOVATION			3		
	SUPPLY CHAIN - INNOVATION	1		3	4	5
	EXECUTION - INTELLECTUAL CAPITAL			3		5
	TALENT POOL - INTELLECTUAL CAPITAL	1	2			
	DIVERSIFICATION	1	2	3	4	5
SIX CAPITALS	INTELLECTUAL CAPITAL		2	3	4	5
	HUMAN CAPITAL	1	2			
	SOCIAL AND RELATIONSHIP CAPITAL	1	2		4	5
	FINANCIAL CAPITAL	1	2			5
	MANUFACTURED CAPITAL	1	2			
	NATURAL CAPITAL *(not material)*		2			
STAKEHOLDERS	SHAREHOLDERS	1	2	3	4	5
	EMPLOYEES	1	2			
	FINANCIAL INSTITUTIONS *(Bankers and Credit Underwriters)*	1	2			5
	CLIENTS	1	2	3	4	5
	SUPPLIERS *(Operational Suppliers, Agents and IT Service Providers)*	1		3	4	5
	GOVERNMENT AND REGULATORS	1	2			
	COMMUNITIES		2			

OUR STRATEGY

In consideration of the Group's Vision and Purpose, together with the Group's Key Differentiators and Inherent Risks, the Group has set four ongoing medium to long-term initiatives:

1

GROWTH

To achieve consistent year-on-year ("YOY") growth in revenue and profitability through a balanced combination of organic growth and selective acquisitions.

1. Organic growth:
   - New clients
   - New trade routes
   - New services and products
2. Acquisitive growth:
   - 'Bolt-on' acquisitions
   - Strategic acquisitions

2

INNOVATION

1. **Technological innovation: leveraging off next generation technology.**
   To continually invest and further develop the Group's Information Technology, so as to provide clients with meaningful information and data – allowing them to achieve a competitive advantage and, in so doing, ensuring long-term client retention.
2. **Supply chain innovation: utilising a knowledge-intensive business model.**
   To continually invest in and grow the Group's supply chain solutions' resources and capabilities both locally and internationally.

3

INTELLECTUAL CAPITAL

1. **Executing at high standards, quickly and intelligently.**
   To leverage off industry best practice and to continually drive operating efficiencies and consistency of systems and procedures across all regions, ensuring free flow of intellectual capital and accurate data based decision-making.
2. **Talent pool: investing in and cultivating intellectual capital.**
   To establish Santova as a 'preferred employer' within the logistics industry thereby attracting and retaining appropriately skilled and experienced employees.

4

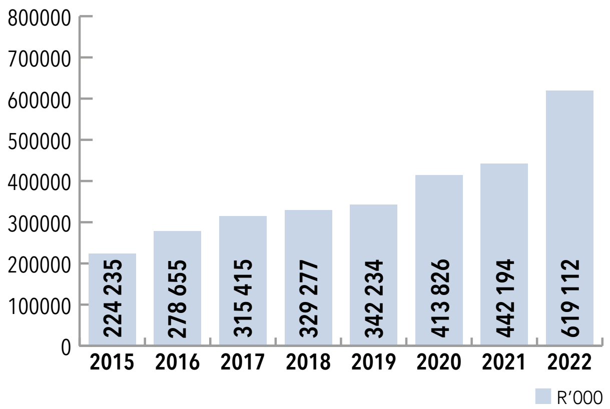
DIVERSIFICATION

Relentless diversification of the business, including:
- Geographies
- Currencies
- Services
- Products
- Industries
- Trade routes
- Human Capital

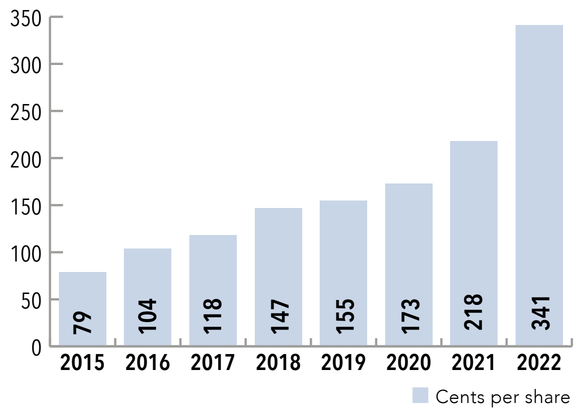
HOW WE PERFORMED against key indicators

		2022	2021	Movement
STRATEGIC INITIATIVES				
Growth				
Gross Billings	R'000	**6 418 867**	4 463 487	43,8%
Revenue and net interest income	R'000	**619 112**	442 194	40,0%
Profit before tax	R'000	**224 456**	91 902	144,2%
Headline earnings per share ("HEPS")	cents	**126,81**	47,08	169,4%
Net cash generated from operating activities	R'000	**114 637**	149 710	(23,4)%
Total assets	R'000	**1 638 764**	1 318 775	24,3%
Capital and reserves	R'000	**765 847**	619 040	23,7%
Total interest-bearing debt	R'000	**280 095**	234 115	19,6%
Tangible Net Asset Value ("NAV") per share	cents	**341**	218	56,4%
Diversification				
Number of countries	number	**10**	10	-
Number of offices	number	**20**	21	(1)
Total staff	number	**245**	259	(14)
Profits generated offshore	%	**82,6%**	91,0%	(8,4)%
Innovation				
IT development and overhead expenditure	R'000	**17 542**	14 713	19,2%
Total employment related costs	R'000	**261 770**	217 805	20,2%
Operating Efficiency				
Billings to revenue margin	%	**9,6%**	9,9%	(0,3)%
Operating margin	%	**36,9%**	22,0%	14,9%
Effective tax rate	%	**24,2%**	24,1%	0,1%
Interest cover	times	**53,9**	18,0	35,9
Return on equity	%	**24,6%**	11,8%	12,8%
Debtor days	days	**41,7**	48,4	(6,7)
Debt to equity ratio	%	**6,3%**	14,0%	(7,7)%

REVENUE AND NET INTEREST INCOME



TANGIBLE NAV PER SHARE



SIX CAPITALS

As explained in more detail in Our Approach to Reporting on page 1 of this **AIR**, our **2022 Reporting Suite** encompassed by the **AIR**, **AFS** and **S&E** sets out our performance in the following categories: economic, governance, financial and environment. Our reports may be considered from a 'capitals' perspective by considering the below table, which demonstrates the 'capitals' used by Santova to create value:

	INTELLECTUAL CAPITAL	HUMAN CAPITAL	SOCIAL & RELATIONSHIP CAPITAL	FINANCIAL CAPITAL	MANUFACTURED CAPITAL	NATURAL CAPITAL
DESCRIPTION	In-house developed Supply Chain capabilities and IT resources and software	Group employees' skills, knowledge and experience	Relationships between Group and Stakeholders	Funding supplied by Shareholders, Bankers and Creditors	Global infrastructure of offices and equipment	Office-based usage of water, energy, land and carbon emissions
ASSOCIATED STAKEHOLDERS	Employees IT Service Providers Clients	Employees Suppliers Clients	Shareholders Employees Clients Agents Suppliers Governments / Regulators Communities	Shareholders Financial Institutions / Bankers Credit Underwriters Creditors	Suppliers Employees Communities	Governments / Regulators Suppliers Communities
ASSOCIATED STRATEGIC INITIATIVES	Innovation (Technology) Innovation (Supply Chain) Diversification	Innovation (Talent Pool) Intellectual Capital (Executing at High Standards) Growth (Organic)	Diversification Intellectual Capital (Executing at High Standards) Growth (Organic)	Growth (Acquisitive) Growth (Organic)	Diversification Growth (Acquisitive) Growth (Organic)	Diversification Growth (Acquisitive) Growth (Organic)
LOCATION IN ANNUAL INTEGRATED REPORT	Vision and Purpose Our Business Model Our Key Relationships Our Investment Case Our Key Differentiators How We Manage Risk Our Key Inherent Risks Our Strategy Chairman's and Chief Executive Officer's Review Governance Review	Who We Are Our Culture and Values Where We Operate Our Business Model Our Key Relationships How We Create and Distribute Value Our Key Differentiators How We Manage Risk Our Key Inherent Risks Our Strategy Chairman's and Chief Executive Officer's Review Who Governs Us How We Remunerate	Our Culture and Values Our Business Model Our Key Relationships How We Create and Distribute Value Our Investment Case Our Key Differentiators How We Manage Risk Our Key Inherent Risks Our Strategy Chairman's and Chief Executive Officer's Review Shareholder Information	Our Business Model Our Key Relationships How We Create and Distribute Value Our Investment Case Our Competitive Positioning Our Strategy How We Performed (Financial Highlights) Group Financial Review Shareholder Information	Where We Operate How We Create and Distribute Value Our Business Model Our Competitive Positioning Our Key Differentiators Our Strategy Chairman's and Chief Executive Officer's Review Group Financial Review	Where We Operate Our Business Model How We Create and Distribute Value
LOCATION IN SOCIAL AND ENVIRONMENTAL REPORT	Human Resources Training and Skills Development Our COVID-19 Response Quality	Human Resources Wellness Training and Skills Development Skills Development Programmes Employment Equity Health and Safety HIV/AIDS and Other Diseases Our COVID-19 Response	Human Resources Training and Skills Development Skills Development Programmes Employment Equity Broad-based Black Economic Empowerment Corporate Social Investment Health and Safety HIV/AIDS and Other Diseases Our COVID-19 Response Environment	Our COVID-19 Response	Our COVID-19 Response Environment	Our COVID-19 Response Environment
LOCATION IN ANNUAL FINANCIAL STATEMENTS (Includes Audit & Risk and Social & Ethics Committees' Reports)		Social and Ethics Committee Report	Social and Ethics Committee Report	Annual Financial Statements Audit and Risk Committee Report	Annual Financial Statements (Segment Report)	
PREDOMINANT INFLUENCING KING IV™ PRINCIPLES	4, 11, 12	1, 2, 4, 5, 6, 7, 8, 9, 10, 11, 14, 15	1, 2, 3, 4, 5, 9, 11, 13, 14, 15, 16	4, 5, 11	4, 11	3, 4, 11, 13

CHAIRMAN'S AND CHIEF EXECUTIVE OFFICER'S REVIEW

The Group has continued to generate solid earnings through to the end of February 2022.

Whilst 2020 was a turbulent introduction to a new decade, 2021 witnessed the prolonged impact of the pandemic. This resulted in a year of relentless global trade disruptions and supply chain dysfunction and the world continues to navigate the ongoing issues arising because of the pandemic.

Despite these issues, the Group managed to generate 40,0% growth in revenue, from R442,2 million to R619,1 million, whilst after tax earnings for the year increased by 144,0%, from R69,7 million to R170,1 million. What is important to acknowledge is that the growth in after tax earnings was throughout all regions. In Africa ("AF") alone, YOY growth in earnings after tax expanded by 445,5%, whilst Europe ("EU") grew by 221,5%, the United Kingdom ("UK") by 69,8%, and the Asia Pacific ("AP") region by 49,8%.

These results were not only off the back of surging shipping rates, as the cost to move goods globally soared on higher demand and shrinking capacity, but also through the Group remaining vigilant in its strategic decision-making, direction, and operational activity. The Group's innovative and energetic entrepreneurial culture led to 'correct decisions' that generated lucrative returns from contextually appropriate strategies.

It is also important to highlight that the performance of the Group during the current year has been organic. This has been the outcome of Santova not only leveraging off industry trends, but also through integrating, automating, and scaling operations, such as internal workflow processes, systems, and effective ongoing global support.

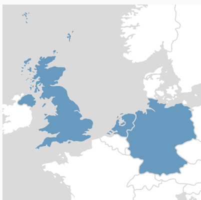
The acquisition of a considerable number of new clients, particularly in SA, the Netherlands ("NL") and the UK, resulted in strong inflows of new revenues. This growth in new revenue, together with our continued ability to source favourable buy rates and capacity, and heightened levels of operational efficiency, has collectively generated quality headline earnings. This is well depicted by the high operating margins (36,9%) of the Group.

The Group's signature protocol holds it in good stead. Whilst most businesses retreat, consolidate, conserve cash, and become internally focused during challenging periods, the Santova Group focused on preserving the core, 'sweating' the assets, breaking new ground and generating new opportunities – the latter of which are in abundance in turbulent or disrupted global economies. However, this is always accompanied by heightened risk awareness and calculated, strategic decision-making and execution. Technological advancements, changes in consumer behaviour and the way in which businesses now operate, represent and necessitate a significant paradigm shift and innovative leadership at all levels.

AFRICA

The South African economy bounced back to growth of 4,9% in 2021 after a -6,4% contraction in 2020. However, during 2021, levels of economic activity continued to lag as headwinds to future growth remain. The impact of the pandemic and a spate of unprecedented civil unrest in July 2021, culminated in tough trading conditions for businesses in general and the logistics sector specifically, where consolidations, cost-cutting measures, and many business closures, were clear indicators of a very difficult trading environment.

However, the offshore presence of the Group and the transferability of intellectual property across geographies, enabled Santova to demonstrate flexibility and resilience in this challenging trading environment. By securing scarce capacity on vessels and airlines at highly competitive rates, the Group was able to attain an impressive number of new clients during this period. The Group's global technological expertise and its innovative application in the reduction of landed costs for complex global supply chains, resulted in these clients being significantly higher quality clients. In addition, the Group's strong cash reserves provided sufficient working capital to meet the requirements of the abnormally high freight rates.



EUROPE

The Eurozone growth rate of approximately 5% in 2021 was a turnaround on the collapse of -6,4% in 2020. This growth was off the back of increased private consumption, particularly in the services sector, which witnessed strong recovery in the second and third quarters of 2021. However, a paradoxical situation prevailed due to supply chain disruptions, which caused industrial production to decrease, yet new orders recorded all-time highs.

Retailers and e-commerce operators continued to drive the market. However, the Group's operations in the EU region benefited from what one might term, 'the perfect storm' in that demand exceeded supply. This resulted in a significant increase in the cost of European logistics services. Once again, the ability of the Group to procure capacity at highly competitive rates improved operating margins, whilst at the same time the Group secured large clients requiring complex supply chain solutions.

CHAIRMAN'S AND CHIEF EXECUTIVE OFFICER'S REVIEW continued

The continued impressive YOY earnings growth of our operations in the NL is fostered by its strategically significant geographical location that has earned it the name, "the Gateway to Europe." The NL continues to offer an outstanding base for international logistics, thanks to its central location in the Eurodelta region and its extensive hinterland infrastructure.

ASIA PACIFIC

The AP region remains the fastest growing region in the world. Although current growth is below historical averages of 7%, expansion in this region is still more than 5%. However, the revival has been uneven across countries and sectors. Whilst China ("CN"), Indonesia, and Vietnam ("VN") have already surpassed pre-pandemic levels of output, other countries in the region are expected to only do so in 2022.

Fortunately, our global offices situated at strategic locations in the EU, UK and AF, experienced buoyant and growing consumer demand, which has had a positive impact on volumes shipped from our offices in the AP region. This has naturally translated into strong earnings for these offices and the Group as a whole.

While this region remains a priority in our quest to drive the 'economic engine' of the Group going forward, our strategic initiatives in this region have been placed on hold until such time as restrictions on travel have been lifted.

OUTLOOK

THE STATE OF PLAY

The closures of factories in Asia upon the initial outbreak of COVID-19 in 2020 was followed by an explosion of demand. The impact of this rapid escalation in demand continued through 2021 and into 2022, fast tracked by an easing of lockdown measures and resultant economic recovery, which is now well underway in most regions.

To manage and hedge against the volatile market, 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 was that available capacity in the market was not sufficient. The consequences thereof are a shortage of empty containers in Asia whilst the ports in the United States ("US") have become congested and freight rates exorbitant.

It is expected that the forces underlying this extreme supply chain dysfunction will continue in 2022, however the outlook for the next financial year-end seems positive overall. It is highly probable that in the post-pandemic economy, we might witness a stronger than anticipated pent-up demand due to accumulated cash reserves and growing stock replenishment requirements. As the world continues to roll out vaccinations, we are witnessing an improvement in the control of the spread of the pandemic and an easing of lockdown measures – all of which should result in a rebound in global economies.

With the disruption in the global markets, the logistics industry is taking on a new form that is proving problematic to the smaller logistics businesses. The necessity to transform to ensure sustainable earnings into the future requires innovation, technology, and a highly skilled workforce – all of which come at a significant additional cost. This challenge has been compounded even further by the dramatic escalation in shipping rates, which translates into the need for working capital to be up to fifteen times higher. For smaller players, the consequence of the required increased working capital is a limitation in their capacity to 'take-on' larger new clients that generate scalability and most importantly, buying power. The fact that the Group has significant working capital available has enabled the onboarding of larger clients, facilitated scalability and increased vessel capacity at favourable buy rates.

LOOKING FORWARD

Whilst currently the 'wind is at our back,' it remains critical for us to recognise the shipping lines' strategy of vertical integration, which may pose a threat to a component of our industry's earnings. Combined global container shipping pre-tax profit for 2021 and 2022 could be as high as US$300 billion. This is well ahead of the 2020 pre-tax profit where the industry brought in US$25,4 billion. With substantial cash reserves, shipping lines are now geared towards a central goal of becoming integrated logistics companies that provide end-to-end solutions for clients.

To hedge ourselves against this evolving competition, we need to continue our current strategy of diversification and make certain that our future will be defined by our heightened technological capability. We have always ensured that the integration of IT and Operational Technology ("OT") is at the heart of our future success, alongside Artificial Intelligence ("AI") and the Internet of Things ("IoT"), allowing us to scale up and continually reinvent our proposition to the changing market.

New international risks include the tightening of fiscal policy, especially in the US, which could witness changes in the growth and composition of economic activity. Another risk revolves around the war in Ukraine, which has resulted in global tensions, particularly between the US and CN, all of which will continue to reshape the global economies. The financial shock from the war in Ukraine may also lead to a 'faster-than-planned' tightening of global monetary policies in the face of inflationary pressures. However, the probability and extent of the impact of these factors is extremely difficult to forecast. Nevertheless, it is suspected that both the US and CN will deliver smaller contributions to global growth in 2022 and 2023 than in 2021.

CONCLUSION

The logistics industry remains an exciting market to be participating in. Whereas the global logistics market was worth US$10 billion in 2021, it is expected to be valued at US$13 billion by 2027, which represents a compound annual growth rate of 5,7% over five years between 2022 and 2027 (Allied Market Research: Global Logistics Market, Opportunities and Forecast 2020 – 2027). Reasons cited for this predicted growth are an increase in global trade activities in developing economies, a rise in trade-related agreements, and advancements in IT and transportation.

Whilst remaining cognisant of the devastation caused by COVID-19, to achieve even greater strides in the global economy, the Group must focus on retaining its status as one of the 'winners' of the pandemic. This will be achieved through greater automation, innovation, and differentiation, through the enhanced usage of integrated software packages, and highly advanced technologies such as AI and machine learning, which are transforming logistics workflows and processes. As our modern supply chains continue to grow in complexity and interdependencies, so too is the need for our sophisticated, future-based service offerings.

These technological applications will also fast track and facilitate the Group's ability to leverage off the growing e-commerce market, and the movement of smaller parcels or shipments (cross-border trade channels). With Santova firmly at the forefront of the application of advanced technological initiatives, the possibilities for the Group are encouraging. No less important, these advancements will enable continued improvement in operational efficiencies whilst simultaneously meeting client and consumer expectations effectively.

ACKNOWLEDGEMENT AND APPRECIATION

The year 2021 witnessed a gradual global economic recovery amidst a seemingly unending pandemic that continues to pose uncertainties in all sectors of the global economy. As such, we are proud to report that in the face of the continuation of a complex trading environment, Santova has visibly demonstrated its strong underlying strategies and protocols that have ensured sustainable growth. Our focus not only on 'uncharted territories', operational efficiencies, and innovation, but also on the relentless generation of new revenues, has ensured our successes to date. Our adversaries have proved to be our builders.

Our gratitude goes out to our valued staff, executive management, and fellow directors. We are grateful for the commitment and dedication that each of you has given to ensuring that Santova remains steadily on track towards becoming a great company in the making. Our vision is an exciting one whose 'stretch' demands of us faith, unwavering tenacity, and entrepreneurial flair.

GROUP FINANCIAL REVIEW

for the financial year ending February 2022

The Santova Group has continued to build on its record of sustainable earnings achieving commendable growth for the year ending 28 February 2022. While global markets remained volatile throughout the 2022 financial year, the Group realised it's potential through its strategic geographic positioning and diverse service offerings, benefiting from the post COVID-19 economic rebound in key regions where the Group operates.

KEY HIGHLIGHTS

NET PROFIT INCREASED
144,0%
TO R170,1 MILLION

HEPS INCREASED
169,4%
TO 126,81 CPS

NAV INCREASED
27,3%
TO R5,59 PER SHARE

DEBT TO EQUITY IMPROVED FROM 14,0% TO
6,3%

GROUP PROFITABILITY

Consolidated net profit after tax ("NPAT") for the year increased by 144,0% to R170,1 million (2021: R69,7 million), with headline earnings per share ("HEPS") increasing by 169,4% to 126,81 cents per share ("CPS") (2021: 47,08 CPS). Net asset value ("NAV") per share increased by 27,3% to R5,59 (2021: R4,39) due to the growth in earnings and the Group continuing to acquire its own shares, thereby reducing the effective number of shares in issue.

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

- The strategic positioning of the Group was successful in securing competitive rates and scarce capacity in a highly disrupted market, which resulted in continued organic growth from existing clients, and a record number of new clients having been secured in key regions;
- A 40,0% increase in consolidated revenue with all geographical segments achieving positive annual revenue growth from logistics services – namely AF (25,8%), AP (27,1%), EU (44,4%), and the UK (50,8%);
- With the substantial growth in revenue, the Group's continued focus on technology and the automation of manual processes has allowed scalability, with operating margins as a percentage of revenue improving by 14,9% to 36,9% (2021: 22,0%); and
- The Group continued to buy back its own shares, having purchased 4 million shares from the open market at an average price of 380 CPS, reduced the Weighted Average Number of Ordinary Shares ("WANOS") in issue to 138,7 million (2021: 149,8 million), with the reduction contributing 19,9% to the overall 169,4% growth in HEPS.

Other relevant movements included:

- The average strengthening of the Rand ("ZAR") against all foreign currencies to which the Group's offshore regions are exposed, namely the Great British Pound ("GBP") by 4,5%, the Euro ("EUR") by 9,1%, the Hong Kong Dollar ("HKD") by 10,3% and the Australian Dollar ("AUD") by 5,1%;
- The reduction in offshore earnings to 82,6% (2021: 91,0%) due in part to the strengthening ZAR, and the strong recovery by the SA business unit ("BU");
- The rebuilding of Santova's proprietary supply chain management software (TradeNav) in a cloud-native progress web application ("PWA") format that was launched in the current year boasting various performance and functionality upgrades as well as the addition of a PWA mobile app. The discontinuation of the original legacy version of TradeNav resulted in an impairment of the remaining carrying value of the legacy system. As such total intangible software impairments for the current year was R7,9 million (2021: R -), and was predominantly comprised of the residual value of the legacy TradeNav platform;
- An increase in employee costs due to the appointment of various senior strategic employees to enhance the Group's ability to deliver leading world class supply chain solutions to our clients, including initiatives geared towards the retention of key individuals in various BUs; and
- The 2022 effective tax rate of 24,2% remained materially in line with the prior year (2021: 24,1%), with the marginal increase attributed largely to the recovery of the SA region, which remains one of the highest effective tax rates across the Group.

GROUP SUMMARISED CONSOLIDATED PROFIT OR LOSS		Audited 2022 R'000	Audited 2021 R'000	Movement %
GROSS BILLINGS		**6 418 867**	4 463 487	43,8
Revenue and net interest income		**619 112**	442 194	40,0
Other income		**26 158**	21 385	22,3
Depreciation, amortisation and impairment loss on non-financial assets		**(29 181)**	(27 124)	7,6
Administrative expenses		**(381 427)**	(333 057)	14,5
Impairment loss on trade receivables		**(6 216)**	(6 182)	0,5
Operating profit		**228 446**	97 216	135,0
Finance income		**28**	110	(74,5)
Finance costs		**(4 268)**	(5 520)	(22,7)
Share of profit of associate, net of tax		**250**	96	160,4
Profit before tax		**224 456**	91 902	144,2
Income tax expense		**(54 326)**	(22 184)	144,9
Profit for the year		**170 130**	69 718	144,0
Other comprehensive income for the year, net of tax				
Exchange differences arising from translation of foreign operations		**(8 877)**	16 299	(154,5)
Remeasurements of post-retirement medical aid benefit liability		**99**	(15)	(760,0)
Total comprehensive income		**161 352**	86 002	87,6
Attributable to:				
Owners of the Company		**161 311**	85 969	87,6
Non-controlling interest		**41**	33	24,2
		161 352	86 002	87,6
Key ratios:				
- Billings/revenue margin		**9,6%**	9,9%	(0,3)
- Operating margin		**36,9%**	22,0%	14,9
- Effective tax rate		**24,2%**	24,1%	0,1
- Interest cover	times	**53,9**	18,0	199,4
- Basic earnings per share	cents	**122,60**	46,51	163,6
- Headline earnings per share	cents	**126,81**	47,08	169,4
- Dividends per share	cents	**-**	-	-
- Return on equity		**24,6%**	11,8%	12,8
- Percentage offshore earnings		**82,6%**	91,0%	(8,4)
Average exchange rates:				
- USD/ZAR		**15,39**	16,50	(6,7)
- GBP/ZAR		**20,36**	21,31	(4,5)
- EUR/ZAR		**17,35**	19,08	(9,1)
- USD/GBP		**1,34**	1,30	3,1

GROUP FINANCIAL REVIEW

for the financial year ending February 2022

REGIONAL PERFORMANCE

AFRICA (AF)

Africa's NPAT, represented predominantly by SA, increased by 445,5% to R35,6 million (2021: R6,5 million) due to the below primary reasons:

- Following the recovery of the SA economy from the COVID-19 extreme lows, Santova has been well positioned to service its existing clients' general increases in trading activities, including the securing of a record number of new, quality clients in the current year;
- The SA BU has also been effective in securing scarce capacity on vessels and airlines at highly competitive rates;
- Revenue for the AF region increased by 25,8% to R151,9 million (2021: R120,8 million), with NPAT increasing by 445,5% to R35,6 million (2021: R6,5 million);
- The SA BU undertook a major restructure in the prior year incurring significant retrenchment costs, however the benefit of the restructure has been fully realised in the current year with operating margins improving from 7,8% in 2021, to 30,7% in 2022; and
- Mauritius ("MU"), which remains an immaterial component of the AF segment, was subjected to a severe and prolonged lockdown in 2020, but with a gradual return to 'normal' taking place in the current year, the region returned a profit of R243,5 thousand having sustained a R1,1 million loss in 2021.

EUROPE (EU)

The EU region, comprising the Netherlands ("NL") and Germany ("DE"), increased NPAT by 221,5% to R73,1 million (2021: R22,8 million), due to the following:

- The NL continued to capitalise on the significant trade volumes flowing through the region, which is a strategic entry point into the Eurozone, with revenue increasing by 68,4% to R150,8 million (2021: R89,6 million);
- DE increased revenue from R36,1 million in 2021 to R38,6 million in 2022, with the increase primarily through the acquisition of a fixed contract to facilitate the importation of COVID-19 related supplies; and
- The partial restructuring of the MLG Maritime Cargo Logistics GmbH business was undertaken in the current year with the closure of its warehousing operation to better align with the Group's non-asset based strategy.

UNITED KINGDOM (UK)

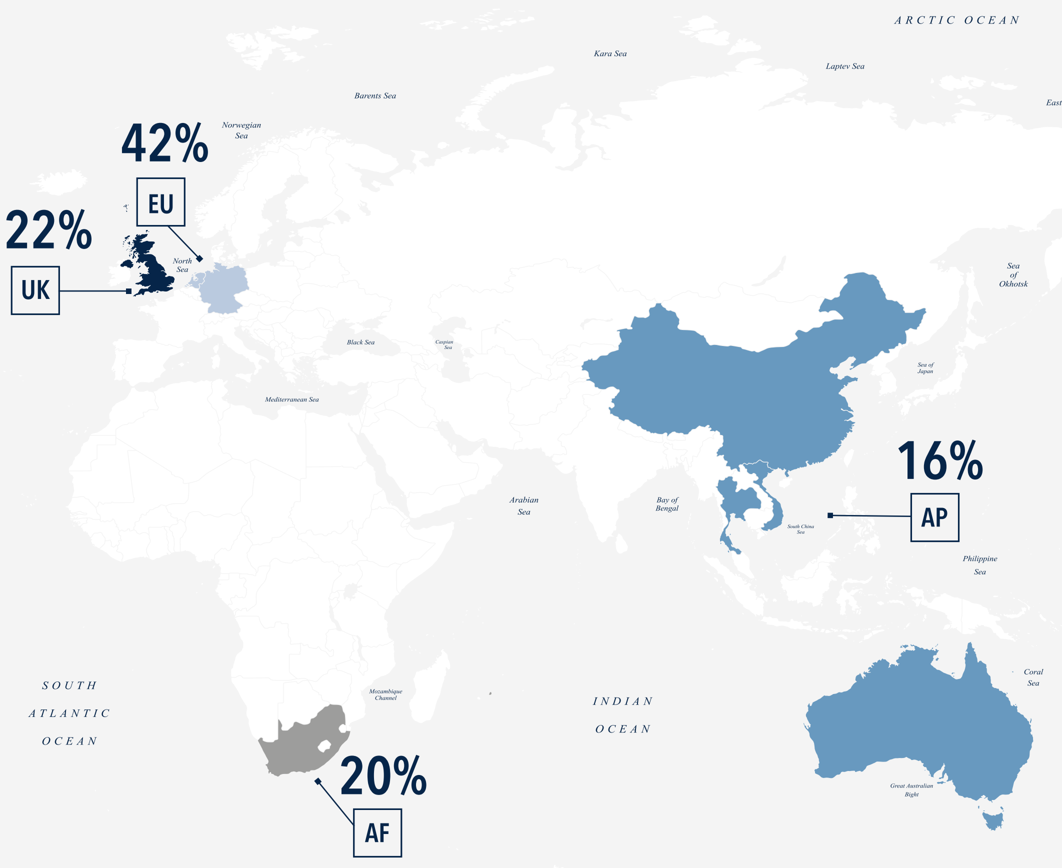
The UK continued to benefit from its diversified service offerings, increasing NPAT by 69,8% to R38,2 million (2021: R22,5 million), due to the below factors:

- WM Shipping trading as Santova Logistics ("Santova UK"), which has transitioned into a comprehensive 4PL business, continued to add a significant number of quality import and export clients to its sales pipeline;
- Tradeway (Shipping) ("Tradeway"), which specialises in the export of scrap products and second-hand garments to the Middle East and Africa, returned to full capacity after being hampered in the prior year by lockdown related restrictions at both origin and destination port terminals; and
- SAI Logistics achieved the last of its 3 year post-acquisition warranty targets in the current year, and has continued its steady performance – benefiting from its positioning to accommodate e-commerce businesses through its facility in Milton Keynes.

ASIA PACIFIC (AP)

The AP region, comprising Hong Kong ("HK"), Singapore ("SG"), and Australia ("AU"), validated its strategic positioning with the surging global trade from Asia helping to boost the region's NPAT by 49,8% to R29,0 million (2021: R19,3 million), noting the following points below:

- Acting as a strategic hub for the Group, HK has been instrumental in the Group's ability to negotiate rates and secure capacity for global clients importing from China ("CN") – thereby increasing revenue by a commendable 70,1% in the current year;
- SG, which grew revenue by 9,0%, experienced generally lower levels of trade during the first half of the year, however due to the easing of other Asian regions' lockdown restrictions and return to normal operations, activity levels are improving; and
- AU grew revenue by 12,2% primarily due to increased trade emanating from the region's existing client base, and NPAT increased by 25,2% through its efficient operational structure.



2022 PROFIT BY GEOGRAPHICAL SEGMENT
- Africa (AF)
- Asia Pacific (AP)
- United Kingdom (UK)
- Europe (EU)

GEOGRAPHICAL INFORMATION	LOGISTICS SERVICES				
	Africa R'000	Asia Pacific R'000	United Kingdom R'000	Europe R'000	TOTAL R'000
28 FEBRUARY 2022					
Gross billings	**2 624 848**	**1 257 061**	**1 832 775**	**1 647 279**	**7 361 963**
Percentage movement	*35,5%*	*121,8%*	*61,6%*	*101,3%*	*65,2%*
Revenue and net interest income	**151 932**	**78 843**	**190 526**	**189 447**	**610 748**
Percentage movement	*25,8%*	*27,1%*	*44,4%*	*50,8%*	*38,7%*
Operating profit	**46 711**	**34 647**	**47 364**	**99 945**	**228 667**
Percentage movement	*393,6%*	*47,9%*	*73,3%*	*212,8%*	*148,1%*
Profit for the year	**35 560**	**28 968**	**38 233**	**73 127**	**175 888**
Percentage movement	*445,5%*	*49,8%*	*69,8%*	*221,5%*	*147,3%*
Segment assets	**561 909**	**142 502**	**389 533**	**268 880**	**1 362 824**
Percentage movement	*3,2%*	*(11,4)%*	*36,1%*	*14,0%*	*11,0%*
Segment liabilities	**317 432**	**132 264**	**233 759**	**130 495**	**813 950**
Percentage movement	*(2,4)%*	*40,3%*	*37,5%*	*(23,7)%*	*7,0%*
Key ratios:					
Revenue/billings margin	**5,8%**	**6,3%**	**10,4%**	**11,5%**	**8,3%**
Percentage movement	*(0,4)%*	*(4,7)%*	*(1,2)%*	*(3,9)%*	*(1,6)%*

GROUP FINANCIAL REVIEW

for the financial year ending February 2022

FINANCIAL POSITION

The Group's statement of financial position remains solid due to a continued focus on capital preservation, credit risk management and responsible earnings growth in the current financial year.

Specific movements in balances and financial ratios included the following:

ASSETS

- Intangible assets reduced by R14,1 million to R298,1 million (2021: R312,2 million) primarily due to the impairment of the legacy TradeNav system (R7,9 million) and the strengthening ZAR, which resulted in the revaluation and reduction of foreign subsidiary goodwill balances (R5,9 million);
- Trade receivables increased by R141,4 million or 23,9% to R733,2 million, driven by the overall increase in the Group's revenue;
- The Group has maintained rigorous credit risk management procedures, having only increased the allowance for credit losses by 12,0% to R45,0 million, which is proportionally less than the increase in trade receivables; and
- Debtor days have reduced from 48,4 days in 2021, to 41,7 days in 2022, resulting from the continued focus on credit risk and working capital preservation.

CAPITAL AND RESERVES

- The Group continued to buy back its own shares, having acquired 4,0 million ordinary shares from the open market at an average purchase price of 380 CPS; and
- A total of 23,3 million treasury shares originally purchased from the open market were cancelled in the current year. Therefore the Group is currently left with 1,3 million treasury shares, which will be cancelled in due course.

LIABILITIES

- Financial liabilities decreased by R18,2 million to R2,1 million resulting primarily from the settlement of contingent consideration (warranty payments) owing to the sellers of SAI Logistics Ltd, MLG Maritime Cargo Logistics GmbH and ASM Logistics (Thailand) Co. Ltd;
- Trade payables increased by R71,4 million or 27,6% in accordance with the increase in cost of billings, however while the market has seen significant pressure to reduce credit terms, suppliers have been actively managed with creditor days reducing from 30,3 days in 2021, to 27,7 days in 2022; and
- Overdrafts and facilities increased by R24,4 million to R225,9 million (2021: R201,5 million) primarily relating to the invoice discounting facility in SA, which has increased in accordance with the increase in debtors.

GROUP SUMMARISED CONSOLIDATED STATEMENT OF FINANCIAL POSITION		Audited 2022 R'000	Audited 2021 R'000	Movement %
ASSETS				
Non-current assets		**383 466**	403 015	(4,9)
Property, plant and equipment		**25 766**	27 752	(7,2)
Right-of-use ("ROU") assets		**36 330**	39 989	(9,2)
Intangible assets		**298 052**	312 177	(4,5)
Investment in associate		**1 592**	1 342	18,6
Financial assets at fair value through profit or loss		**6 571**	7 558	(13,1)
Deferred tax assets		**15 155**	14 197	6,7
Current assets		**1 255 298**	915 760	37,1
Trade and other receivables		**981 988**	725 102	35,4
Current tax receivable		**724**	179	304,5
Financial assets at fair value through profit or loss		**1 781**	448	297,5
Cash and cash equivalents		**270 805**	190 031	42,5
Total assets		**1 638 764**	1 318 775	24,3
EQUITY AND LIABILITIES				
Capital and reserves		**765 847**	619 040	23,7
Non-current liabilities		**47 636**	43 350	9,9
Interest-bearing borrowings		**22 380**	12 810	74,7
Employee benefit obligations		**758**	984	(23,0)
Financial liabilities at fair value through profit or loss		**-**	857	(100,0)
Lease liabilities		**24 487**	27 966	(12,4)
Deferred tax liabilities		**11**	733	(98,5)
Current liabilities		**825 281**	656 385	25,7
Trade and other payables		**518 492**	391 354	32,5
Current tax liabilities		**21 171**	9 447	124,1
Interest-bearing borrowings		**31 811**	19 781	60,8
Amounts owing to related parties		**288**	285	1,1
Financial liabilities at fair value through profit or loss		**2 078**	19 482	(89,3)
Lease liabilities		**14 204**	14 512	(2,1)
Provisions		**11 334**	-	100,0
Overdrafts and bank facilities		**225 903**	201 524	12,1
Total equity and liabilities		**1 638 764**	1 318 775	24,3
Key ratios:				
- Debtor days		**41,7**	48,4	(6,7)
- Creditor days		**27,7**	30,3	(2,6)
- Debt to equity ratio		**6,30%**	14,0%	(7,7)
- NAV per share	(rands)	**5,59**	4,39	27,1
- Tangible NAV per share	(rands)	**3,41**	2,18	56,7
- Current ratio		**1,6**	1,6	0,0
- Number of shares in issue net of treasury shares		**137 090 516**	140 872 975	
Closing exchange rates:				
- GBP/ZAR		**20,61**	21,00	(1,9)
- EUR/ZAR		**17,23**	18,21	(5,4)
- GBP/USD		**1,34**	1,39	(3,8)
Credit ratios:				
Credit loss allowance on trade receivables at year-end				
- Total amount		**45 038**	40 199	12,0
- Percentage of trade receivables		**6,14%**	6,79%	(0,6)
Trade receivables written off during the year				
- Total amount (net of recoveries)		**6 216**	6 182	0,5
- Percentage of trade receivables		**0,85%**	1,04%	(0,2)
Ageing of trade receivables				
- Total amount >60 days past terms		**36 389**	72 469	(49,8)
- Percentage >60 days past terms		**4,96%**	12,25%	(7,3)

GROUP FINANCIAL REVIEW

for the financial year ending February 2022

CASH ON HAND AND CASH FLOWS

Cash flows remained robust with cash and cash equivalents increasing by R80,8 million to R270,8 million (2021: R190,0 million). Working capital in the Group remains highly sensitive to changes in trade receivables given the proportionately high value of debtors, specifically within the context of SA, which includes customs value added tax ("VAT") and duties that are paid on behalf of clients. Where a debtor settles early or late over the year-end close, this has a material 'knock-on' effect, which materially increases or decreases the reported cash generated.

Notable cash related items included:

- Cash generated from operations reduced by 6,9% to R163,7 million (2021: R176,0 million) due to the reinvestment of working capital into new clients and the abnormal as well as rapid escalation in freight rates;
- A R30,0 million medium term loan was advanced to the Group to assist with various future acquisition opportunities, including the settlement of certain acquisition related profit warranty payments as they became due;
- Taxation paid increased by 112,0% to R44,8 million (2021: R21,1 million) consistent with the Group's increase in profitability;
- Foreign currencies accounted for 95,1% (2021: 92,7%) of total cash and cash equivalents with offshore funds being preserved in their source currency given the strength of the ZAR;
- The strong ZAR resulted in a R2,8 million revaluation reduction of foreign denominated currencies at year end; and
- R15,2 million in cash was utilised to repurchase 4 million of the Group's own shares from the open market. However, no dividend was declared in the current year as the Group continued to focus on its value-per-share strategy by reinvesting surplus cash in buying back its own shares.

GROUP SUMMARISED CONSOLIDATED CASH FLOWS	Audited 2022 R'000	Audited 2021 R'000	Movement %
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	**163 693**	175 985	(7,0)
Finance income	**28**	110	(74,5)
Finance costs	**(4 257)**	(5 244)	(18,8)
Tax paid	**(44 827)**	(21 141)	112,0
Net cash from operating activities	**114 637**	149 710	(23,4)
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of plant and equipment	**(2 508)**	(1 939)	29,3
Acquisition and development of intangible assets	**(3 641)**	(4 459)	(18,3)
Proceeds on disposals of plant and equipment	**350**	72	386,1
Settlement of contingent consideration	**(18 294)**	(20 398)	(10,3)
Acquisition of interest in associate	**-**	(835)	(100,0)
Net cash used in investing activities	**(24 093)**	(27 559)	(12,6)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from interest-bearing borrowings	**30 000**	-	100,0
Repayment of interest-bearing borrowings	**(7 662)**	(19 694)	(61,1)
Payment of lease liabilities	**(14 431)**	(21 491)	(32,9)
Proceeds from issue of share capital	**325**	50	550,0
Treasury shares acquired	**(15 194)**	(32 446)	(53,2)
Proceeds from related party loans	**3**	-	100,0
Repayment of related party loans	**-**	(9)	(100,0)
Net cash used in financing activities	**(6 959)**	(73 590)	(90,5)
Net increase in cash and cash equivalents	**83 585**	48 561	72,1
Effect of movements in exchange rates on cash held	**(2 800)**	7 057	(139,7)
Cash and cash equivalents at beginning of year	**190 020**	134 402	41,4
Cash and cash equivalents at end of year	**270 805**	190 020	42,5
Debt to equity ratio	**6,3%**	14,0%	(7,7)
Total cash on hand:	**100%**	100%	
- South Africa	**4,9%**	7,3%	(2,4)
- Offshore	**95,1%**	92,7%	2,4
Total funding facilities available	**486 368**	456 750	6,5
Total unutilised funding facilities	**219 283**	236 790	(7,4)

EVENTS AFTER THE REPORTING PERIOD

There were no events material to the understanding of the financial statements that occurred in the period between the reporting date and the publication date of the financial statements.

WHO GOVERNS US

INDEPENDENT NON-EXECUTIVE DIRECTORS

WARWICK LOMBARD (66)
CA (SA)
Chairman
Appointed: 5 June 2008
Committees: A&RC, SEC, RC, **Chairman NC**

Warwick qualified as an SA Chartered Accountant ("CA") in 1988. He completed his articles with Kessel Feinstein and moved into the commercial environment in 1987. Over the last thirty five years he has served on various boards of both listed and unlisted companies as Financial Director in the construction, mining and technology sectors. He is currently the Group Financial Director of a privately held industrial holding group.

EDWARD (TED) GARNER (82)
CA (SA), MBA (UNISA), MSIA (Carnegie Mellon, USA)
Appointed: 5 June 2008
Committees: SEC, NC, **Chairman A&RC and RC**

Ted is a CA with a Masters of Business Administration ("MBA"). Most of his working career has been in the Tongaat Sugar company/Tongaat Hulett group, which he joined in 1967. He was appointed Financial Director of the Tongaat Hulett group in 1978 and in addition was Executive Chairman of various operating divisions of the group and Vice-Chairman of Triangle Sugar Corporation in Zimbabwe. Since his retirement from the Tongaat Hulett group in 2000, Ted has focused on various directorships and his business consultancy.

ERNEST NGUBO (57)
Pr Eng, BSc Eng Elec (Natal), NHD Eng Elec (DUT), Financial Management Diploma
Appointed: 25 February 2014
Committees: A&RC, NC, RC, **Chairman SEC**

Ernest is a founding member, shareholder and Chief Executive Officer of Igoda Group. His career began as an apprentice electrician in 1984, working his way up through Technikon and later University studies. His engineering experience spans over various companies including Unilever, WSP and Transnet. Ernest has also practised as a consulting engineer for more than twenty years, specialising in industrial, commercial buildings and government infrastructural projects. He is a co-founder of the National Society of Black Engineers ("NSBE") and a former member of the regional committee of the Black Management Forum ("BMF"). He has served on various boards of private companies for more than fifteen years including Fluor Igoda (Pty) Ltd (Chairman) and Electrowave (Pty) Ltd.

EXECUTIVE DIRECTORS

GLEN GERBER (59)
BA (Hons), MBA
Chief Executive Officer
Appointed: 1 February 2003
Committees: EXCO, RMC

Glen attained a Bachelor of Arts ("BA") Honours ("Hons") degree from Rhodes University in 1984 and, following completion of his compulsory national service, he then joined Integrated Business Information Systems (Pty) Ltd as a research and design manager (statistics and research methodology). On completing his MBA at the University of Pretoria, Glen made a strategic career change and joined Investec Group Ltd where he headed both the Northern Transvaal and later the KwaZulu-Natal ("KZN") operations for a continuous period of twelve years, going on to be appointed Divisional Director of Investec Private Bank in 1995. Upon his resignation from Investec Private Bank in 2002, Glen joined Santova and has been instrumental in the development of the Group over the last nineteen years as CEO.

ROBIN HERSELMAN (39)
CA (SA)
Group Financial Director
Appointed: 1 November 2019
Committees: EXCO, IT, RMC, HSC

Robin obtained his Bachelor of Commerce ("BCom") with Hons in Accounting Sciences while running a construction contracting business that he founded. Upon completion of his degree, Robin joined BDO where he completed his articles and qualified as a CA. Following the completion of his articles in 2011, he took a strategic decision to move to Ernst & Young in a business advisory capacity where he advised various multinational organisations on IT, control and business optimisation projects. In 2013 Robin joined International Facilities Services ("IFS"), where he served as the Chief Financial Officer ("CFO"). IFS is a private, equity-backed mining services group with subsidiaries operating throughout Sub-Saharan Africa. Robin was appointed Group Financial Director at Santova in November 2019.

ANTHONY (LANCE) VAN ZYL (48)
Appointed: 22 February 2011
Committees: EXCO

Lance started his freight career in 1993 as a consolidator with a medium-sized company specialising in import and export consolidations. He received 'in-house' training and worked through all the divisions, culminating in a managerial position. In 2001 he left the organisation to join Aviocean as General Manager and six months later, bought out his partner to acquire 100% of the business. Lance sold his interest in Aviocean to Santova in March 2010 and as a result, Lance was appointed a Director of Santova in February 2011.

PRESCRIBED OFFICERS

ANDREW LEWIS (43)
BCom, LLB, ACIS, CGC ₠-SA
Group Legal Advisor
Appointed member of EXCO: 25 January 2013
Committees: SEC, EXCO and **Chairman RMC, CM and HSC**

Andrew completed his BCom and Bachelor of Laws (LLB) degrees at the University of Natal and thereafter he served his articles at Deneys Reitz Incorporated (now trading in SA as Norton Rose Fulbright). During his articles he gained experience in maritime, commercial litigation and labour law and on completion was admitted as an attorney. He left Deneys Reitz to join the Santova Group in early 2005 where he has served as Group Legal Adviser for the past seventeen years. In addition to his role as Group Legal Advisor, he serves as a Director on certain of the Group subsidiary boards, chairs the Risk Management Committee, National Customs Committee and Group Health and Safety Committee and is a member of the Social and Ethics Committee. Andrew was appointed a member of the Group EXCO in January 2013. Andrew is an Associate of the Institute of Chartered Secretaries (SA) and a Corporate General Counsel (SA) having been certified by the Corporate Counsel Association of SA.

GERRIT FOURIE (43)
EMLog (ELA), BTech IE (TUT)
Divisional Executive: Santova International Trade Solutions
Appointed member of Group EXCO: 22 February 2017
Committees: EXCO, **Chairman IT**

Gerrit obtained his BTech degree in Industrial Engineering before joining Comparex (now BCX) in a solutions development role. His career spans various full-time and solution advisory roles within the automotive manufacturing, local distribution, fast-moving consumer goods and international logistics sectors for local and multinational organisations. Gerrit is certified through the European Logistics Association as a Master Logistician ("EMLog"). He joined Santova in 2013 to lead the Supply Chain Solutions team and was subsequently appointed to Group EXCO in 2017.

COMPANY SECRETARY

JENNIFER LUPTON (80)
FCG, M Inst. D
Appointed: 8 May 2003

Jenny is a Fellow Member of Chartered Secretaries Southern Africa and a Member of the Institute of Directors with many years' experience in the field of company secretarial practice and corporate governance. Having begun her career in Rhodesia in the early 1970's working for an investment banking organisation, where she gained experience in all aspects of company secretarial work in a wide variety of industries, she emigrated to SA in 1975 and continued as Company Secretary of various similar organisations and gained listed company experience. In 1994 she moved to KZN, eventually starting her own company, Highway Corporate Services (Pty) Ltd ("Highway"), in 2002. Highway provides outsourced company secretarial and corporate governance services to listed and unlisted companies. It also provides work experience and mentoring for aspiring Company Secretaries and mentoring for emerging businesses seeking to become corporates.

COMMITTEE KEY:

A&RC – Audit and Risk Committee
SEC – Social and Ethics Committee
NC – Nominations Committee
RC – Remuneration Committee
EXCO – Group Executive Committee
RMC – Risk Management Committee
IT – IT Risk Management and Steering Committee
CM – National Customs Committee
HSC – Group Health and Safety Committee

GOVERNANCE REVIEW

The King IV™ Report on Governance for South Africa defines corporate governance as the exercise of ethical and effective leadership by the governing body towards the achievement of the following governance outcomes:

- Ethical culture;
- Good performance;
- Effective control; and
- Legitimacy.

The leadership of the organisation is demonstrated in the Group Governance Framework set out on page 33 below. The effectiveness of this leadership framework is demonstrated in the narrative set out in this **AIR** and can be measured by the success of the Group in recent years.

The Group is fully committed to the promotion of good corporate governance, which includes the application of the following:

- Code of Governance Principles set out in the King Codes;
- Our long-established governance policies and practices;
- Our Code of Ethics;
- Local and international best practice; and
- Regulatory and compliance processes of our various Boards and Committees.

These fundamentals ensure that all aspects of the Group's activities are conducted in accordance with the principles of integrity, accountability, fairness and transparency, to safeguard the Group's assets and protect value for all stakeholders.

ETHICS AND COMPLIANCE

CODE OF ETHICS

The Group's Vision and Purpose and Culture and Values, as set out on page 2 of this **AIR**, collectively constitute its code of ethics and set the moral and ethical tone of the Group. There is an ongoing drive to ensure that each member of the global Group commits to this Code of Ethics. Annual strategy workshops attended by the BU Leaders from the Group's local and foreign operating subsidiaries, are held to strengthen relationships, communication and cohesion within the Group. These meetings focus on operational co-operation and synergies between Group entities and the development of operational strategy.

WHISTLE BLOWING

The Company has a Whistle Blowing Policy and a Whistle Blowing Inbox, details of which may be found on the Group's website (www.santova.com) and on the footer of every email emanating from the Group. All emails sent to this inbox are received by the Board Chairman and the Company Secretary. The Whistle Blowing Policy was reviewed and refreshed in the year under review. No incidents of fraud were reported during the year under review.

COMPLIANCE

The Board receives assurance on the Group's compliance with applicable legislation, regulations, codes and standards via reports from the Chairmen of Board Committees and compliance is a regular item on the agenda of each of these Board Committee meetings. A full Legal and Risk Report on behalf of Management is presented by the Group Legal Advisor at each meeting of both the Audit and Risk Committee and the Social and Ethics Committee, and a legal update on new legislation is provided by the internal legal team to both these committees on an annual basis.

The Board has satisfied itself that during the period under review the Group has, in all material respects, complied with the JSE Listing Requirements, the Companies Act and all other applicable legislation and regulations. A full report on Risk may also be found on pages 10 to 13 of this **AIR**.

APPLICATION OF KING IV™

The Company continued on its journey to implement the principles and practices of King IV™ in the 2022 financial year.

THE BOARD OF DIRECTORS

The Board is the custodian of corporate governance within the Group and its objective is to ensure responsible leadership in a manner that balances the needs of all stakeholders, retains full and effective control of the Group and gives strategic direction to Management. The deliberations of the Board are guided by a Board Charter and supported by a Group Delegation of Authority, both of which are reviewed annually. For the year under review the Board fulfilled its responsibilities in compliance with its Charter. The Charter is available on the Group's website (www.santova.com).

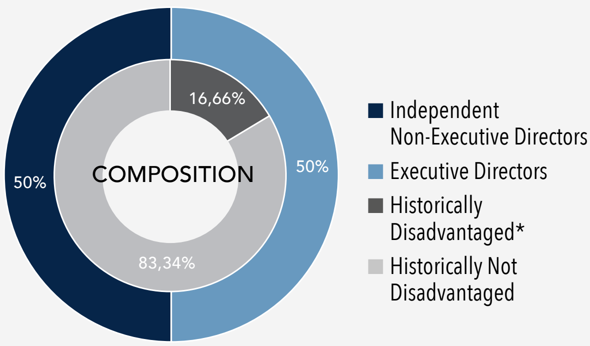
COMPOSITION

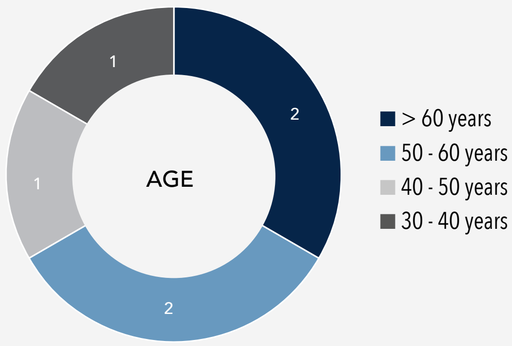
- Unitary Board of six directors.
- All non-executive directors are independent.
- Extensive financial, corporate governance and business experience, balanced with entrepreneurial flair.
- Size of the Board is considered appropriate to the present size of the Group.
- Adopted a Division of Responsibilities Policy that ensures a clear division of responsibilities and a balance of power and authority.
- Chairman and Chief Executive Officer roles are separated and their responsibilities clearly defined.
- The Chairman is an independent non-executive director.

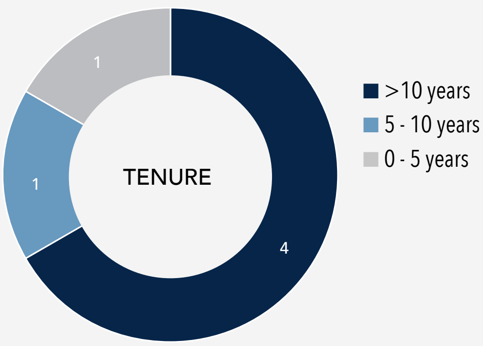
There were no changes to the composition of the Board during the 2022 financial year. Brief biographical details of each of the current directors and their Board Committee memberships and roles are set out on pages 28 to 29 of this AIR under the heading "Who Governs Us".

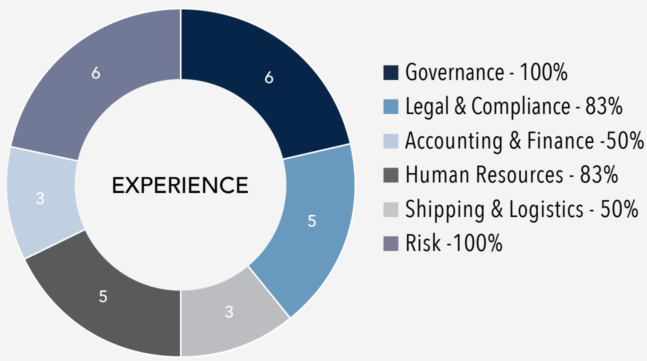
The responsibilities of the Board include the following:

COMPLYING	with all applicable laws, regulations and codes of business practice;
ESTABLISHING	the strategic objectives of the Group;
DETERMINING	investment and capital allocation criteria;
ACCOUNTING	for the performance, proper management and ethical behaviour of the Group;
DEFINING	levels of materiality, reserving specific powers to itself and delegating other matters;
MONITORING	the management of key strategic and operational risk issues and performance areas;
IDENTIFYING	key non-financial issues relevant to the Group; and
REVIEWING	the performance of the various Board Committees established to assist in the discharge of its duties.









The term Historically Disadvantaged South Africans (HDSA) refers to any person, category of persons or community, disadvantaged by unfair discrimination before the Constitution of the Republic of South Africa, 1993 (Act No. 200 of 1993) came into operation.

GOVERNANCE REVIEW continued

The following principles from the Board Charter and relevant policies bind the Board as follows:

APPOINTMENTS

A formally documented procedure governs appointments to the Board. All appointments are formal and transparent and a matter for the Board as a whole but assisted by the Nominations Committee. Due to the continued disruptions caused by COVID-19, there were no new appointments during the year under review. However, the Board intends on an appointment in terms of the relevant procedure and the Diversity Policy in the year ahead.

DELEGATION OF AUTHORITY

The Delegation of Authority, which sets out the delegation of matters by the Board to its Subsidiaries and Committees, was completely overhauled in the period under review. The new version is now a matrix-style working document that is divided into key business areas and cross references delegation topics with the Board, Committees and individual role players as well as with financial limits with convertible currency. The new document is applicable to all individual entities within the Group and is identical for all bar the currency conversion.

DIVERSITY POLICY

The Board's Policy for Diversity recognises the benefits of a truly diverse Board and as a result the policy addresses diversity across the following areas: skills, gender, regional and industry experience, background, race, and other distinctions. All future Board appointments will be made with this Policy in mind.

CASUAL VACANCIES

Non-executive directors appointed during the course of the year to fill casual vacancies retire at the following AGM to provide shareholders with the opportunity to confirm their appointment.

CONFLICT OF INTEREST

Directors are obliged to disclose any conflict of interest at every Board meeting as well as by a general disclosure of shareholdings, directorships and other conflicts of interest annually, which is updated if changes take place. Conflicts of interest at Senior Management level are disclosed to and recorded at the Social & Ethics Committee meetings. Any disclosures are appropriately managed and are recorded in the minutes.

DEALING IN SECURITIES

The Board's formal policies governing the dissemination of price-sensitive information and for dealing in the Group's equity securities were reviewed and updated in the year under review. Directors and senior management and are required to seek permission from the Chairman of the Board prior to any dealing and are prohibited from trading during closed or prohibited periods.

ROTATION

Non-executive directors who have served for more than nine years on the Board retire annually. If eligible and available, they are considered for re-appointment by the shareholders at the AGM.

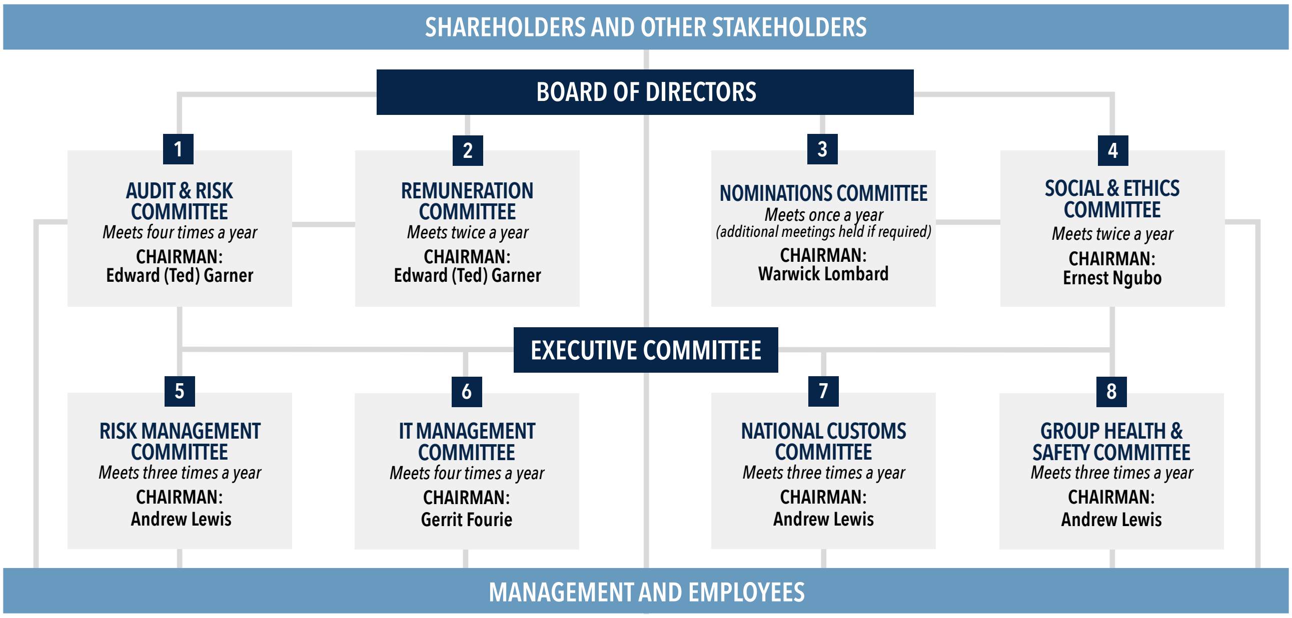
BOARD AND COMMITTEE EVALUATION

Board and Committee evaluations, which were temporarily suspended during the COVID-19 period, will resume in the current financial year.

ATTENDANCE AT BOARD AND COMMITTEE MEETINGS

		BOARD	AUDIT & RISK	NOMINATIONS	REMUNERATION	SOCIAL & ETHICS
INDEPENDENT NON-EXECUTIVE DIRECTORS						
WA Lombard	Board Chair, Nominations Committee Chair	4/4	4/4	1/1	2/2	2/2
ESC Garner	Audit & Risk Committee Chair, RC Chair	4/4	4/4	1/1	2/2	2/2
EM Ngubo	Social & Ethics Committee Chair	4/4	4/4	1/1	2/2	2/2
EXECUTIVE DIRECTORS						
GH Gerber	Group Chief Executive Officer	4/4	4/4	1/1	2/2	2/2
RH Herselman	Group Financial Director	4/4	4/4	-	-	-
AL van Zyl		4/4	-	-	-	-
PRESCRIBED OFFICER						
AKG Lewis	Group Legal Advisor	-	-	-	-	2/2

GROUP GOVERNANCE FRAMEWORK



BOARD COMMITTEES

The Audit and Risk, Remuneration, Nominations, and Social and Ethics Committees are formally constituted Committees of the Board each assigned to deal with various matters required in terms of the Companies Act, the JSE Listings Requirements, and King IV™. Each have clear terms of references set out in their Charters delineating their scope of authority and specific responsibilities. The Charters are reviewed annually to ensure that they are current and relevant. The Group Secretary is the secretary of all the Board Committees and the Group CEO is a permanent invitee to all of these formal Board Committee meetings.

1 AUDIT AND RISK COMMITTEE

A full Audit and Risk Committee Report, which addresses the roles, responsibilities and activities of the Group, may be found on pages 4 and 5 of the AFS and on the Group's website (www.santova.com).

The Group Financial Director attends Audit and Risk Committee meetings and, in the interests of broadening knowledge of the Company, all directors and prescribed officers, who are not members of the Audit and Risk Committee, are invited to attend meetings and usually do so.

2 REMUNERATION COMMITTEE

The Group's Remuneration Policy and the Remuneration Committee's activities for the period under review, are fully explained in the "How We Remunerate" report on pages 34 to 39 of this **AIR** and further information on the Group's Human Capital and Social Responsibility and Investment may be found in the S&E Report, which is available on the Group's website (www.santova.com).

3 NOMINATIONS COMMITTEE

During the year the Committee:

- Reviewed the Charter and an Annual Work Plan;
- Reviewed the succession plan for executive directors and senior positions in the Group;
- Confirmed the independence of the non-executive directors through a documented assessment;
- Established the percentage increase for non-executive directors' fees to become effective following the AGM, subject to the approval of shareholders; and
- Reviewed the Diversity Policy.

4 SOCIAL AND ETHICS COMMITTEE

A full report of the Social and Ethics Committee may be found on pages 6 to 8 of the AFS and on the Group's website (www.santova.com).

5 RISK MANAGEMENT COMMITTEE

A full commentary on how Risk is managed in the Group and the role of the Risk Management Committee, may be found on pages 10 to 13 of this **AIR**.

6 IT RISK MANAGEMENT AND STEERING COMMITTEE

This Committee has the day-to-day responsibility for overseeing the implementation of IT strategy and governance in all regions and reports directly to the Audit and Risk Committee. IT strategy is fully aligned to the Group's business strategy and follows a cloud-based outsourced model so as to minimise IT risks and gain the benefit of appropriate external expertise.

During the year the Committee:

- Expanded the functionality of the TradeNav Progress Web Application ("PWA");
- Launched a pilot Self Service Courier platform;
- Finalised the Group Cloud Migration for Logistics BUs;
- Executed an external threat assessment;
- Centralised User Device Management through Microsoft Intune; and
- Deployed the first phase of a Data Lake to support Machine Learning and AI initiatives.

7 NATIONAL CUSTOMS COMMITTEE

This Committee oversees the risk of customs compliance within the SA business, which has a larger exposure to customs risk than most foreign jurisdictions as Santova typically pays customs VAT and duties on behalf of our clients.

8 GROUP HEALTH AND SAFETY COMMITTEE

This Committee oversees the risk of Health and Safety compliance within the Group. Further information on this Committee as well as Health and Safety compliance may be found in the Social and Environmental Report, which is available on the Group's website (www.santova.com).

GROUP SECRETARY

Brief biographical details of the Group Secretary are set out on page 29 of this **AIR**. The independence, effectiveness, qualifications and experience of the Group Secretary are reviewed annually by the Board and the Board has satisfied itself that the Group Secretary is independent and competent and has the necessary qualifications and experience required to fulfil the role and the responsibilities placed upon a Group Secretary by the Companies Act, the JSE Listings Requirements and King IV™.

JSE SPONSOR

River Group has been the sponsor to the Group since it listed in 2002 and is consulted on a regular basis on matters concerning the JSE Listings Requirements.

HOW WE REMUNERATE

1. BACKGROUND STATEMENT ON REMUNERATION

In following the strategy of an international, non-asset based, outsourced provider of supply chain solutions, the Group's human capital remains as one of the four primary capital inputs of the value creation process. It is therefore important that our reward strategies and remuneration structures are designed to attract, motivate and retain high-calibre talent at all levels within the Group, whilst fostering a culture of performance, thereby entrenching Santova as a leading employer within the supply chain sector.

As a result, when determining an employee's reward, consideration is given to achieving an appropriate balance between fixed and variable remuneration, and short and long-term incentives for all employee rewards, with the overall aim being to ensure that the Remuneration Policy promotes:

- The achievement of the Group's four key medium and long-term strategic initiatives of Growth, Innovation, Intellectual Capital, and Diversification;
- An ethical culture and responsible corporate citizenship in line with the Group's well-entrenched Culture and Values; and
- The achievement of long-term, sustainable growth and success of the Group through fair, responsible and transparent remuneration practices.

THE REMUNERATION COMMITTEE

The Remuneration Committee has responsibility for the oversight of the Group's remuneration policies and practices. The Committee is a formally constituted subcommittee of the Board, which has delegated its authority in terms of a formally documented Charter that is reviewed annually.

In line with best practice, membership of the Committee is comprised solely of independent non-executive directors. The Committee meets at least twice during the financial year. The CEO attends Committee meetings as an invitee, but recuses himself from discussions relating to his personal performance and remuneration.

The "Governance Review" on pages 30 to 33 of this **AIR** contains details of the composition, attendance and meetings of the Remuneration Committee during the period under review.

COMMITTEE ACTIVITIES

Key areas of focus and key decisions taken by the Committee during the year included:

- Reviewed and approved the annual overall performance metrics and parameters for short-term incentive payments for all employees of the Group for the 2022 financial period, relative to the financial performance within each region in which the Group operates internationally;
- Specifically approved the annual short-term incentive payments for the executive directors and Executive Committee ("EXCO") members for the 2021 financial period, relative to individual, role-based Key Performance Indicators ("KPIs") and overall Group financial performance;
- Reviewed the status and availability of unissued options of the Group's two long-term Share Option Schemes with no further options issued in the 2022 financial year;
- Reviewed and approved a revised version of the Group's formally documented Remuneration Policy;
- Approved the once-off awarding of an incentive bonus in the form of fully paid-up shares to certain high-performing key employees as a long-term incentive;
- Reviewed the Santova Years of Service Policy, which governs long service awards for all employees of the Group internationally;
- Reviewed the Committee Charter and Work Plan;
- Considered and approved an increase in non-executive directors' fees as set out in the Notice of AGM;
- Reviewed the performance of the Santova Pension and Provident Funds;
- Reviewed and approved the annual overall guaranteed pay benchmark increases for all employees in the Group for the 2023 financial year, relative to current inflation levels and market practice within each region in which the Group operates internationally; and
- Specifically approved the annual guaranteed pay increases for the executive directors and EXCO members for the 2022 financial year.

The Committee is satisfied that its members are independent and objective, and that the Group's Remuneration Policy has achieved its stated objectives during the current financial year. Areas of focus for the Board and the Committee for the coming year include:

- To engage an external consultant to perform an independent review of the investment strategy, benefits and structure of the Group's Pension and Provident Funds in SA;
- To continue the implementation of a Group-wide Human Resources ("HR") platform that will act as a central database and facilitator of Group HR internationally; and
- To continue to enhance the Group's remuneration practices and disclosures to ensure that they are in alignment with the principles of King IV™ and, in particular, to ensure that the remuneration of executive management is fair and responsible in the context of overall employee remuneration in the organisation.

The internal and external factors affecting the Group HR practices and remuneration continue to be related to the sourcing, development and retainment of high-quality talent within the supply chain sector. As a business with a truly non-asset-based consulting model within an industry that is typically asset intensive, the Group has embarked on a strategy over the past few years to improve the technical competence and abilities of our workforce by building our employment brand and improving our remuneration practices.

STAKEHOLDER ENGAGEMENT

At the Company's AGM held on 26 July 2021, shareholders were asked to vote on and approve two non-binding resolutions in terms of the recommendations of King IV™. These resolutions enabled shareholders to express their views and to approve the Company's Remuneration Policy and Implementation Report as detailed in the 2021 AIR.

The results of that meeting were that 76,5% of shareholders present in person or by proxy voted in favour of the non-binding advisory endorsement of the Remuneration Policy and 99,9% of shareholders present in person or by proxy voted in favour of the Company's Implementation Report.

In terms of the requirements of King IV™, should 25% or more of the votes cast annually at an AGM be against one or both of the non-binding ordinary resolutions, the Company must undertake to engage directly with the shareholders concerned to ascertain the reasons why they voted against the resolutions and to seek external professional advice on how better to structure its Remuneration Policy and practices. Based on this feedback, the Company must then undertake to make recommendations to its Remuneration Committee.

As a result of the outcome at the 2021 AGM, there was no need for Santova to implement a formal plan of engagement with shareholders or stakeholders during the year with regards to our Remuneration Policy. However, senior executives of Santova do communicate regularly on an informal basis during the year with various shareholders, investors and analysts, during which discussions they receive feedback on the Group's Remuneration Policy and any significant matters raised are passed on to the Remuneration Committee for consideration.

HOW WE REMUNERATE continued

2. REMUNERATION POLICY OVERVIEW: GENERAL POLICY ON REMUNERATION

The Company has a formally documented Remuneration Policy, which is available on the Company's website (www.santova.com).

The Board is committed to fair and responsible remuneration within the Group to promote the achievement of the Group's overall strategies across all levels of employees. To this end, remuneration packages and incentives are offered and structured on an identical basis for all employees, senior management and executive directors, in each region in which the Group operates

There is a formal, annualised process whereby each employee is assessed on an individual basis and benchmarked against market remuneration levels in each region relative to the specific role occupied and responsibility assumed by the respective employee. Employees are assessed:

- In comparison to employees in like roles across all operating regions so as to ensure consistency;
- Against their performance in their specific roles; and
- To the extent to which they have 'lived' the Culture and Values of the Group.

In a formal annual process, the Group EXCO assesses each employee with regard to the award of:

- Inflationary increases;
- Annual bonuses;
- Incentive awards; and
- Makes recommendations to the Remuneration Committee, which sets the parameters for annual increases and adjudicates senior management increases, bonuses and incentive awards.

The guaranteed remuneration component paid to executive directors and employees is based on industry benchmarks and targeted just below the median of the market for organisations of a comparable size. The Remuneration Committee has discretion to authorise the payment of a premium to the median for the attraction and retention of key personnel.

EXECUTIVE DIRECTORS' SERVICE APPOINTMENTS AND REMUNERATION

Executive directors are appointed to the Board to bring management expertise and strategic direction to the Group and to provide the necessary skills and experience appropriate to our needs as a diversified, leading, global business.

Each executive director is bound by a formal contract of employment. The contracts are for variable terms subject to notice periods ranging between 30 to 90 days and all contracts carry post-employment restraints, providing protection to the Group's client base, employees and confidential information. There are no provisions in the employment contracts of executive directors that would give rise to payments or obligations on termination. In addition, no executive directors or senior management have received sign-on, retention or restraint payments.

The CEO conducts an annual review of the performance of all senior executives founded on established KPIs for each individual determined by his/her specific role. Based on the outcome of these reviews, the CEO then makes recommendations to the Remuneration Committee with regards to the awarding of short and long-term incentives and the determination of salary packages for the ensuing year. The Remuneration Committee evaluates the performance of the CEO based on his established KPIs and determines his salary package for the ensuing year and his eligibility for short and long-term incentives.

NON-EXECUTIVE DIRECTORS' APPOINTMENTS

All non-executive directors have terms of appointment of three years and one third of the non-executive directors retire each year at the AGM in terms of the Group's Memorandum of Incorporation. Each retiring director who is eligible and offers himself for re-election is then subject to re-election by shareholders.

The Board Charter requires that all directors who have served nine or more years on the Board retire annually at the AGM. Each retiring director who is eligible and offers himself for re-election is then subject to re-election by shareholders.

NON-EXECUTIVE DIRECTORS' REMUNERATION

The Chairman receives an annual fee, which takes into consideration his role as Chairman of the Group, coupled with the associated levels of commitment and expertise, and covers his attendance at Board and Committee meetings.

Other non-executive directors receive fixed fees for service on the Board and Board Committees on the basis of meetings attended and chairmanship of Board Committees. Non-executive directors do not participate in short or long-term incentive schemes. The fees for non-executive directors from 1 August 2021 to 31 July 2022 were approved by shareholders at the AGM held on 26 July 2021.

REMUNERATION MIX

The Group seeks to achieve a balance between guaranteed remuneration and short and long-term variable incentives that are directly linked to financial performance and long-term value creation for shareholders.

As part of this philosophy, the Group aims to ensure that a larger proportion of remuneration for senior management is linked to performance-based targets and paid as short and long-term incentives. As such, the Remuneration Committee has established a financial model to determine the short and long-term incentives that can be awarded to the CEO and EXCO members annually. This model is based on Performance Measures (six weighted financial and non-financial KPIs) and Performance Outcomes (three performance 'hurdles', namely the achievement of "threshold" earnings, "on-target" earnings and "stretch" earnings).

Given Management's prudent and conservative approach to reporting, where significant provisions have been raised, these provisions are normalised in the assessment of earnings for remuneration purposes.

The key Performance Outcome criteria used in this financial model to generate the resultant incentive allocations are:

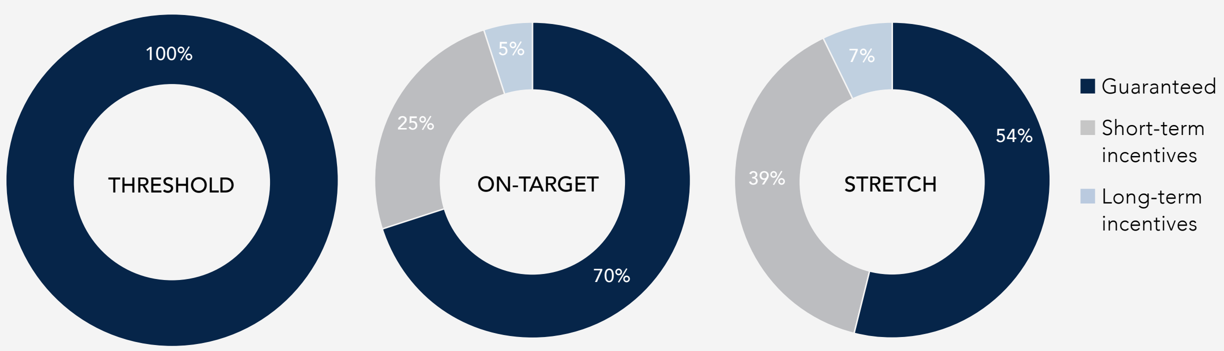
- "Threshold" earnings levels: These are minimum levels requiring that the financial related KPIs be achieved at the same or higher levels than the previous financial year;
- "On-target" earnings levels: The financial performance that needs to be attained to meet stakeholders' expectations and to achieve consistent, long-term, sustainable earnings growth; and
- "Stretch" earnings levels: The financial performance in excess of the "on-target" earnings levels.

As part of the annual budget process, the Remuneration Committee set the following target earnings levels for the 2022 financial year:

- "On-target" earnings: 5,15 times the Total Cost to Company ("TCC") of the CEO and EXCO members; and
- " Stretch" earnings: The CEO and EXCO members share in an additional bonus pool allocation constituting 35% of that amount in excess of "on-target" earnings.

The charts below demonstrate the potential achievable remuneration mix for the CEO and EXCO members assuming the achievement of "threshold", "on-target" and "stretch" KPIs for the 2022 financial period:

Illustrative example: CEO & EXCO members' remuneration mix



GUARANTEED REMUNERATION

Executive directors' fixed remuneration components are quantified on a TCC basis and are reviewed annually in March of each year by the Remuneration Committee to ensure sustainable performance and market competitiveness. In performing this review the remuneration packages are:

- Compared to current remuneration surveys and levels within other comparable SA public companies; and
- Reviewed with consideration to the individual director's own personal performance, role-specific KPIs, experience, responsibility and Group performance.

The philosophy behind these annual reviews is to award percentage increases that are typically linked to current and historic inflation levels, to primarily compensate for loss of real disposable income.

The fixed remuneration component, or TCC, typically constitutes three elements:

- A fixed base salary;
- Contributions by the Group to defined contribution retirement plans on behalf of the executive directors based on a percentage of pensionable salary and includes death and disability cover; and
- Contributions to the Group's medical healthcare scheme.

HOW WE REMUNERATE continued

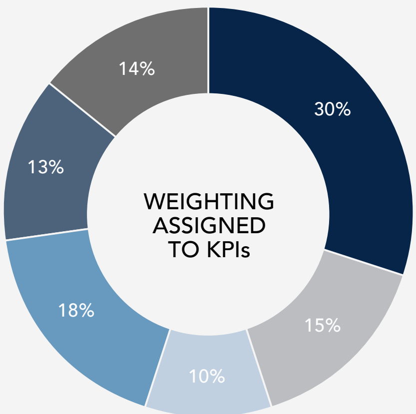
SHORT-TERM INCENTIVES

The Remuneration Committee aims to align the executive directors' total remuneration with stakeholders' interests by ensuring that a significant portion of their package is variable in nature. Executive directors qualify for an annual incentive bonus calculated and paid in May of each year following the finalisation of the Group's annual results for the previous financial period.

The payment of this incentive bonus is subject to the achievement of certain performance targets that are directly linked to:

- The overall Group financial and operational performance of the specific division or function for which the director is responsible;
- The extent to which the director shows commitment to the implementation of the Group's key ongoing strategic initiatives;
- The individual director's personal performance against role-specific KPIs; and
- The extent to which the director 'lives' the Group's Culture and Values, demonstrating the highest levels of corporate governance and ethical behaviour.

The remuneration model utilised by the Remuneration Committee to measure the achievement of the performance targets utilises six weighted financial and non-financial KPIs as listed and graphically illustrated below:



- Headline earnings per share (HEPS)
- Return on average shareholders' funds
- Operating margins
- Earnings after tax
- Culture and Values of the Group
- Duties and responsibilities

Executive directors do not receive directors' fees for attending Board and Committee meetings and are not specifically remunerated in any way for their role as directors of the Group.

LONG-TERM INCENTIVES

The Group operates two Santova Share Option Schemes specifically approved by shareholder resolutions in 2012 and 2015 as a means of providing long-term incentives and retaining senior management and executive directors. Allocations from Schemes are generally made on an annual basis, subject to the discretion of the Remuneration Committee.

The rules of each Scheme are set down in documents that have been approved by the JSE and filed with the Companies and Intellectual Property Commission. The Group Secretary has been appointed the Compliance Officer of the Schemes and the Remuneration Committee governs the Schemes on an ongoing basis. Non-executive directors are not entitled to participate in either of the Schemes.

The following are the key features of the two Schemes:

- The total number of unissued shares, which may be utilised for purposes of Share Scheme No. 1 and Share Scheme No. 2 respectively, is 6 700 000 ordinary shares of no-par value in Santova Limited;
- The maximum number of shares in respect of which an employee may hold options in terms of each scheme shall not exceed 2 685 500 of the issued shares of Santova Limited;
- The option strike price will be determined with reference to the 30-day Volume Weighted Average Price ("VWAP") on the grant date;
- The share options granted in terms of Share Scheme No. 1 have a vesting period of three years and the share options granted in terms of Share Scheme No. 2 have a vesting period of five years;
- Employees will have to remain in the employment of the Group for the options to vest. Certain additional conditions will apply in the event of death or retirement of a participating employee prior to reaching a vesting period;
- The share options will need to be exercised within a period of six years of vesting in the case of Share Scheme No. 1, and three years of vesting in the case of Share Scheme No. 2, and employees must exercise 100% of the options granted in each tranche; and
- On exercise of the share options in terms of Share Scheme No. 1, the employee will be paid a cash contribution equal to 50% of the cost of shares to be acquired at the option strike price. The contribution is paid specifically for the purpose of exercising the share options and will not be paid to the employee, but will be offset against the cost of the shares being acquired. The cash contribution will be fully taxable in terms of the Income Tax Act.

3. REMUNERATION POLICY IMPLEMENTATION REPORT

GUARANTEED REMUNERATION

Guaranteed remuneration is reviewed annually on 1 March and during the 2022 financial year the Remuneration Committee set the following overall guaranteed remuneration benchmark increases for the Group as a whole:

	2022/23 %	2021/22 %
South Africa	**7,4**	3,3
International Operations - Average across all regions	**5,5**	0,7

Guaranteed remuneration of executive directors and the prescribed officer were increased by the Remuneration Committee as follows:

	2022/23 %	2021/22 %
Chief Executive Officer	**15,0**	4,0
Key Senior Executives	**12,5**	4,4

SHORT-TERM INCENTIVES

For the 2021 financial period the CEO and EXCO members qualified to participate in a short-term incentive allocation as determined by the financial model and KPIs detailed above in the Remuneration Policy overview.

Based on the actual results achieved by the Group for the 2021 financial period and the resultant scoring of the six key KPIs utilised by the model as detailed below, the CEO and EXCO members were deemed to have achieved an "on-target" earnings score of 139,73% against a target of 100%.

2021 FINANCIAL PERFORMANCE RATING SCORES

Performance Criteria	Weight	Threshold	Target	Stretch	Score	Actual Weighted Score
		0%	100%	200%	0-200%	
1. Headline earnings per share (HEPS)	30%				138,04%	41,41%
2. Return on average shareholders' funds	15%				133,89%	19,93%
3. Operating margins	10%				128,80%	12,78%
4. Earnings after tax	18%				129,69%	23,16%
5. Culture and Values of the Group	13%				165,00%	21,45%
6. Duties and responsibilities	14%				150,00%	21,00%
	100%				**Total**	**139,73%**

EXECUTIVE DIRECTORS' REMUNERATION

Details of the remuneration paid to the CEO and EXCO members during the 2022 financial period are set out on pages 57 to 59 of the AFS, which forms part of this AIR.

NON-EXECUTIVE DIRECTORS' REMUNERATION

In light of the COVID-19 pandemic, the non-executive directors elected not to increase their fees for the 2021/22 financial period. The Remuneration Committee has recommended an increase of 20% for non-executive directors' fees for the 2022/23 financial year.

Details of the remuneration paid to each non-executive director during the 2022 financial period are set out on pages 57 to 59 of the AFS, which forms part of this AIR.

At the AGM to be held on 25 July 2022, shareholders will be asked to pass a special resolution to approve the proposed amounts as set out in the Notice of AGM.

APPROVAL

This report was approved by the Remuneration Committee and the Board on 16 May 2022. The Remuneration Committee as well as the Board are satisfied that there were no material deviations from the Remuneration Policy during the 2022 financial year.

ESC Garner
Chairman

16 May 2022

SHAREHOLDER ANALYSIS

	Number of shareholder accounts	% of total shareholder accounts	Number of shares	% of issued shares
SHAREHOLDER SPREAD				
1 - 1 000 shares	5 250	65,67	858 721	0,62
1 001 - 10 000 shares	1 738	21,74	6 947 235	5,02
10 001 - 100 000 shares	843	10,54	25 666 042	18,54
100 001 - 1 000 000 shares	145	1,81	36 050 817	26,05
1 000 001 shares and over	19	0,24	68 897 437	49,77
Totals	**7 995**	**100,00**	**138 420 252**	**100,00**
SHAREHOLDER TYPES				
Banks, Brokers & Nominees	24	0,30	3 465 675	2,50
Close Corporations	30	0,38	1 204 298	0,87
Collective Investment Schemes	12	0,15	4 352 991	3,15
Control Accounts & Unclaimed Shares	6	0,08	5 995	0,00
Hedge Funds	1	0,01	18 012 353	13,01
Lending, Collateral & Pledged Accounts	5	0,06	3 708 569	2,68
Non-SA Custodians	7	0,09	3 459 259	2,50
NPO & Charity Funds	7	0,09	134 759	0,10
Pooled & Mutual Funds	9	0,11	567 900	0,41
Private Companies	144	1,80	12 630 407	9,12
Retail Individuals	7 137	89,27	74 416 295	53,76
Retirement Benefit Funds	456	5,70	2 707 742	1,96
Treasury Holdings	1	0,01	1 329 736	0,96
Trusts & Investment Partnerships	156	1,95	12 424 273	8,98
Totals	**7 995**	**100,00**	**138 420 252**	**100,00**
KEY SHAREHOLDERS				
Non-Public Shareholders	16	0,20	46 107 136	33,31
Directors	14	0,18	26 765 047	19,34
Barca Capital LLC (>10% of Issued Shares)	1	0,01	18 012 353	13,01
Treasury Holdings	1	0,01	1 329 736	0,96
Public Shareholders	7 979	99,80	92 313 116	66,69
Totals	**7 995**	**100,00**	**138 420 252**	**100,00**
FUND MANAGERS HOLDING >5% OF ISSUED SHARES				
Barca Capital			18 012 353	13,01
Totals			**18 012 353**	**13,01**
BENEFICIAL SHAREHOLDERS HOLDING >5% OF ISSUED SHARES				
Barca Capital			18 012 353	13,01
van Zyl Anthony Lance Mr			17 311 404	12,51
Totals			**35 323 757**	**25,52**

DIRECTORS' SHAREHOLDING ANALYSIS

Non-public shareholder type	Account	28 February 2022	%
STRATEGIC SHAREHOLDERS (>10% OF ISSUED SHARES)		**18 012 353**	**13,01**
Barca Capital	Barca Global Master Fund LP	18 012 353	13,01
DIRECTORS		**24 133 024**	**17,44**
van Zyl, AL	van Zyl Anthony Lance Mr	17 311 404	12,51
Gerber, GH	Gerber Glen Henry Mr	4 316 185	3,12
Gerber, GH	Lloyd Investment Trust	1 501 329	1,09
Garner, ESC	Delmas Crushers CC	497 922	0,36
Herselman, RM	Herselman Robin Malcom Mr	261 452	0,19
Garner, ESC	Sanlam Life Insurance Limited	142 760	0,10
Lombard, WA	Lombard Warwick Adrian Mr	101 972	0,07
SUBSIDIARY DIRECTORS		**2 632 023**	**1,90**
Heald, JE	Heald John Edward Mr	2 021 233	1,46
Boelens, VP	Boelens Vincent Patrick Mr	300 000	0,22
Fourie, GP	Fourie Gert Pieter Mr	185 555	0,13
Notelovitz, L	Notelovitz Leon Mr	81 833	0,06
Desai, M	Desai Muhammad Mr	38 304	0,03
Lewis, AKG	Lewis Andrew Kenneth Grant Mr	5 098	0,00
TREASURY HOLDINGS		**1 329 736**	**0,96**
Santova Financial Services (Pty) Ltd	Santova Financial Services (Pty) Ltd	1 329 736	0,96
NON-PUBLIC SHAREHOLDER TOTALS		**46 107 136**	**33,31**

No non-beneficial interests were held by any of the directors. There have been no changes in the above interests since the financial year-end and the date of approval of the financial statements.

SHARE PERFORMANCE

ANALYSIS OF TRADES

Year	Month	High sale	Low sale	Number of deals	Volume	Value
2021	March	290	241	453	1 970 900	5 091 497
2021	April	291	258	222	1 130 202	3 031 499
2021	May	348	262	346	1 677 101	5 000 912
2021	June	346	321	776	1 958 534	6 550 042
2021	July	374	276	411	985 084	3 345 512
2021	August	424	313	232	1 313 366	4 849 497
2021	September	415	370	206	715 289	2 829 293
2021	October	470	340	766	5 784 224	23 860 288
2021	November	450	406	366	1 701 899	7 275 192
2021	December	530	415	357	1 656 984	7 655 289
2022	January	629	500	570	1 966 879	10 986 399
2022	February	594	555	541	1 158 994	6 676 730

MARKET DATA

MARKET DATA		2022	2021
Traded price at cents per share (CPS)			
High	CPS	**629**	319
Low	CPS	**241**	100
Close	CPS	**575**	290
Market capitalisation	ZAR	**795 916 449**	468 295 031
Value of shares traded	ZAR	**87 152 150**	67 039 566
Value traded as % of market capitalisation	%	**10,95**	14,32
Volume of shares traded	number of shares	**22 019 456**	30 764 168
Volume traded as % of shares in issue	%	**15,91**	19,05
Price Earnings (PE) ratio	multiple	**7,84**	6,55
Dividend per share	CPS	**-**	-
Dividend yield	%	**-**	-
Earnings yield	%	**12,76**	15,27
Period-end market price/NAV	ratio	**1,03**	0,66
Shares in issue	number of shares	**138 420 252**	161 481 045
Shares issued	number of shares	**218 304**	120 000
Shares cancelled	number of shares	**23 060 793**	-
Number of shareholders	number	**7 995**	5 057
Treasury shares held	number of shares	**1 329 736**	20 608 070
Shares in issue net of treasury shares	number of shares	**137 090 516**	140 872 975
Capital and reserves	ZAR	**765 847 320**	619 040 509

SHAREHOLDERS' CALENDAR

ACTIVITY	DATE
Financial year-end	28 February 2022
Release of Preliminary Audited Results on SENS	18 May 2022
Dispatch of 2022 Annual Integrated Report and Notice of AGM - on or about	27 May 2022
Publication of 2022 Annual Financial Statements on the Group website	27 May 2022
Publication of 2022 Corporate Governance material on the Group website	27 May 2022
Publication of 2022 Social and Environmental Report on the Group website	27 May 2022
2022 Annual General Meeting - 12 noon in Durban	25 July 2022
Release of Interim Statements for the six months ending 31 August 2022	31 October 2022

CORPORATE INFORMATION

SANTOVA LIMITED
Country of Incorporation
Republic of South Africa

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, South Africa

JSE SPONSOR
River Group
Unit 2, 211 Kloof Street, Waterkloof,
Pretoria, 0145, South Africa

GROUP AUDITOR
Moore Johannesburg Inc.
50 Oxford Road, Parktown,
Johannesburg, 2193, South Africa

SHARE REGISTRAR
Computershare Investor Services (Pty) Ltd
Private Bag X9000, Saxonwold, 2132, South Africa

INVESTOR RELATIONS
Contact Persons
GH Gerber (Chief Executive Officer)
RM Herselman (Group Financial Director)

Email Address
investor@santova.com

Contact Number
+27 31 521 0160

SANTOVA HEAD OFFICE AND REGISTERED OFFICE
Physical Address
Level 3 West, 1 Ncondo Place,
Umhlanga Ridge, 4319, South Africa

Postal Address
PO Box 6148, Durban, 4000, South Africa

Registered Office
Santova House, 88 Mahatma Gandhi Road,
Durban, 4001, South Africa

Contact Number
+27 31 521 0160

CORPORATE BANKERS
Nedbank Limited
PO Box 1144, Sandown, 2196, South Africa

NOTES

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.

Head Office
Level 3 West, 1 Ncondo Place,
Umhlanga Ridge, 4319, South Africa

Tel: +27 031 521 0160
Email: enquiries@santova.com
www.santova.com