2024 ANNUAL INTEGRATED REPORT

NAVIGATING OUR REPORT

ABOUT US

BUSINESS OVERVIEW

PERFORMANCE REVIEW

GOVERNANCE

SHAREHOLDER INFORMATION

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") is pleased to present its **2024 Annual Integrated Report ("AIR")**, which covers the performance of Santova and its subsidiaries ("the Group") for the year ended 29 February 2024. 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.

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 (Act 71 of 2008), as amended ("the Companies Act")
- International Financial Reporting Standards ("IFRS")
- JSE Limited ("JSE") Listings Requirements
- King IV™ Report on Corporate Governance for South Africa, 2016 ("King IV™")
- Broad-Based Black Economic Empowerment Act (Act 46 of 2013), as amended ("the B-BBEE Act")

The report provides a concise overview of the Group's business model, its Culture and Values, investment case, competitive positioning, operating environment and strategies, 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 the Investor Information section on the Group's corporate website (www.santova.com).

MATERIALITY

This report focuses only on those material aspects that the Board of Directors ("the Board") believes have the potential to substantially impact on the Group's ability to create and sustain value for its key stakeholders over the short, medium and long term, as dictated by our business model, risks 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 principle 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 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 corporate services divisions.

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;
- 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; and
- Our B-BBEE scorecard and disclosures have been audited by an accredited external verification entity.

2024 REPORTING SUITE

This 2024 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 preceding 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.

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 2024 **AIR** on 15 May 2024.

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, Australia, Germany, Hong Kong, Mauritius, the Netherlands, Singapore, United Kingdom, United States 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 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.

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

DIRECTORS OWN
21,04%
OF THE COMPANY

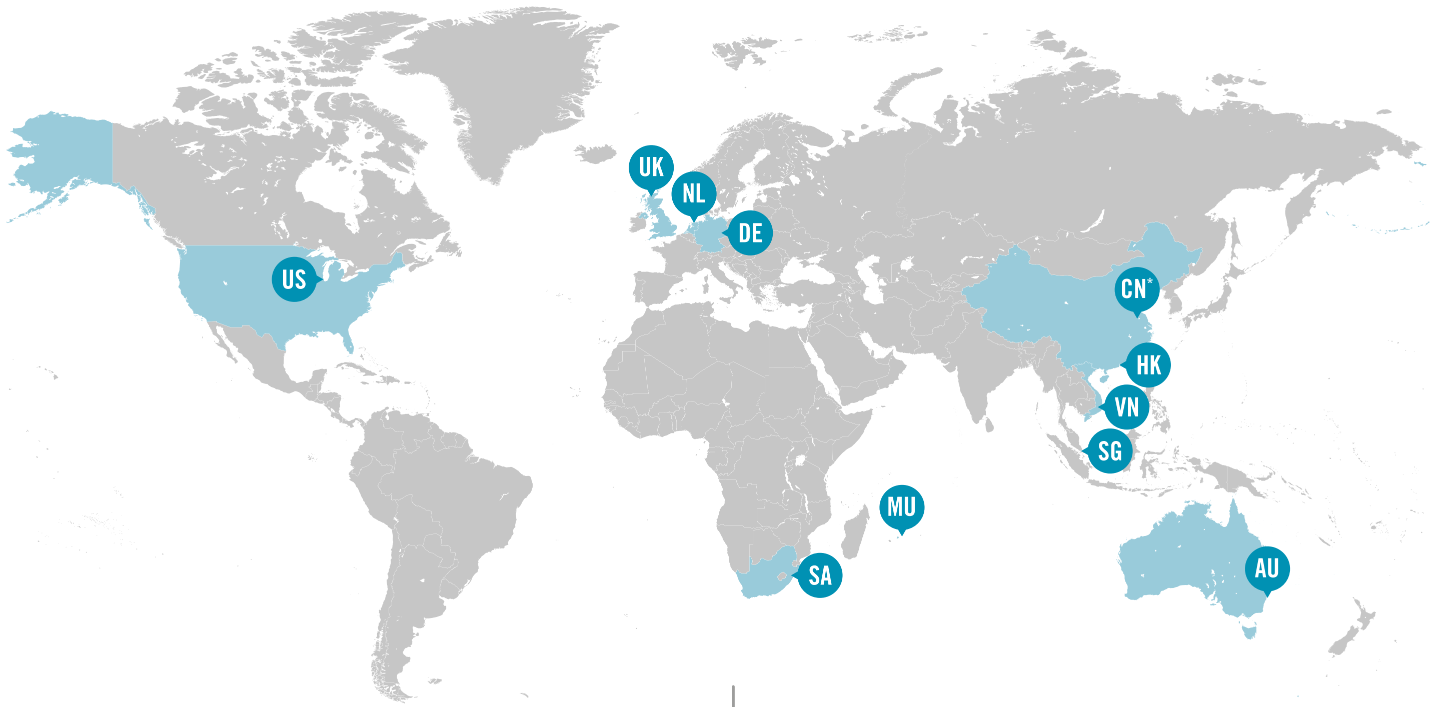
NO SINGLE SHAREHOLDER OWNS MORE THAN
13,95%
OF THE COMPANY

8 782
SHAREHOLDERS

4 794
CLIENTS

INNOVATIVE SOLUTIONS ENDLESS POSSIBILITIES

WHERE WE OPERATE



21 OFFICES

10 COUNTRIES

AU
AUSTRALIA
SYDNEY | MELBOURNE
Santova Logistics

DE
GERMANY
FRANKFURT | HAMBURG
Santova Logistics

HK
HONG KONG
Santova Logistics
Santova Patent Logistics

CN
MAINLAND CHINA
*22 REPRESENTATIVE OFFICES

MU
MAURITIUS
EBENE
ASM Global Logistics

SG
SINGAPORE
Santova Logistics
Santova Express Singapore

SA
SOUTH AFRICA
DURBAN | JOHANNESBURG | CAPE TOWN | GQEBERHA
Santova Logistics
Santova Financial Services
Santova International Trade Solutions
Santova Express

NL
THE NETHERLANDS
SCHIPHOL | ROTTERDAM
Santova Logistics

UK
UNITED KINGDOM
LEEDS
Tradeway (Shipping)

HEATHROW | MANCHESTER | TAMWORTH
Santova Logistics

MILTON KEYNES
SAI Logistics

US
UNITED STATES
LOS ANGELES | CHICAGO
Santova Logistics

VN
VIETNAM
HO CHI MINH CITY
Santova Logistics

OUR BUSINESS MODEL

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

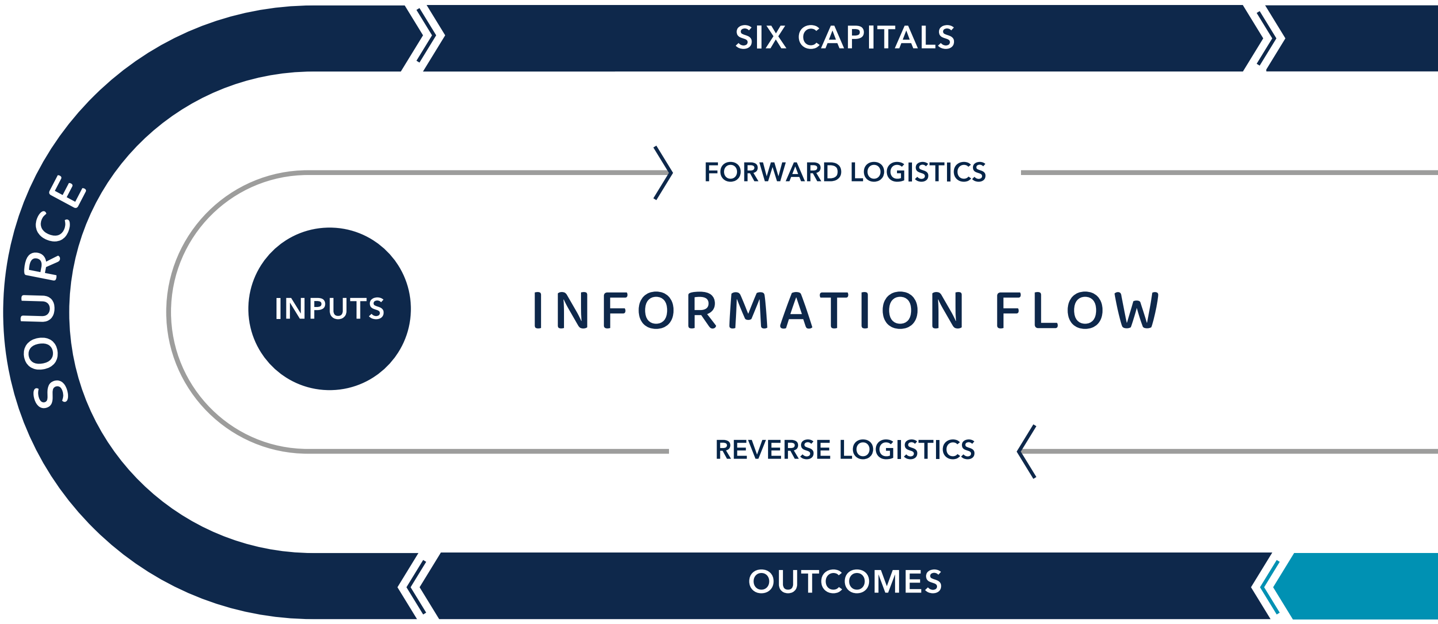
SOCIAL & RELATIONSHIP CAPITAL
The relationships the Group maintains with our key business stakeholders

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*



OUTCOMES

INTERNAL
- Growth in profitability
- Investment in key differentiators
- Value derived from key personnel
- Positive cash flows
- Building the Group's employment brand
- Effective corporate governance

EXTERNAL
- Optimising supply chain solutions
- Providing direct time and cost savings
- Client satisfaction and retention
- Growing brand recognition
- Long-term shareholder wealth creation

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.

BUSINESS ACTIVITIES

CONTINUAL EVALUATION AND ANALYSIS
Non-asset based model enabling flexibility and continual evaluation, thereby ensuring the delivery of bespoke, client-centric supply chain services for clients

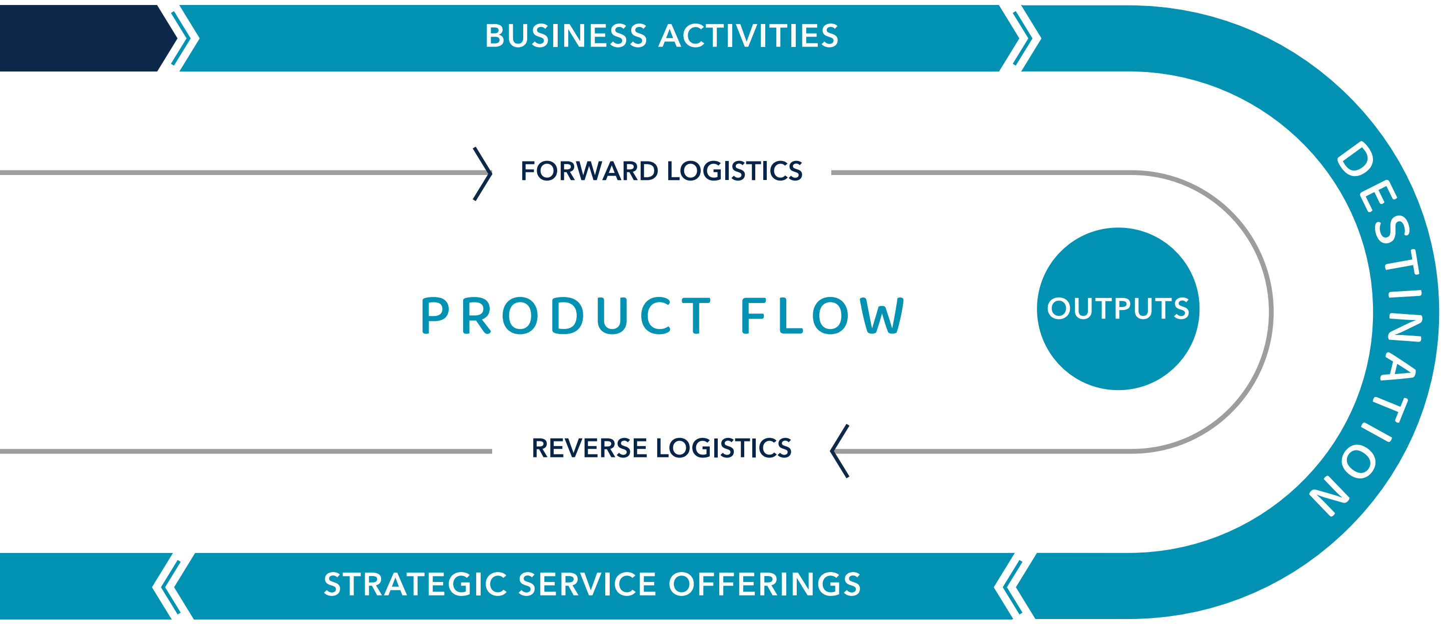
COORDINATION AND EXECUTION
Arranging end-to-end transportation, warehousing, customs clearance, insurance and delivery of import and export goods

RATE NEGOTIATION
Using strategic initiatives such as the centralised 'control towers' to drive costs down for Sea, Air, Road and Rail services

RESEARCH, DEVELOP AND DEPLOY
Continuously driving business operations service level improvement and optimisation through investing in technological solutions and intellectual property

EXTENSIVE RELATIONSHIPS
Developing and maintaining mutually beneficial relationships with clients, 3rd party suppliers, shareholders and other stakeholders

ADMINISTRATION AND OVERSIGHT
Ensuring client service standards, as well as reporting, compliance and governance regulations, are maintained and improved throughout the Group



STRATEGIC SERVICE OFFERINGS

LOGISTICS SERVICES
Logistics services including: customs clearing, freight forwarding, groupage and consolidations, warehousing, chartering, road haulage and distribution

SOURCING AND PROCUREMENT
Sourcing, procuring and validating 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

SUPPLY CHAIN SOLUTIONS
Optimising the supply chain through leading intellectual capital, supply chain solutions and systems

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

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

GLOBAL PROJECTS
Planning, organising and controlling complex projects and abnormal, out-of-gauge (OOG) cargo

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 with the most material impact on implementing our Group strategy and how we engage with them are:

	SHAREHOLDERS	EMPLOYEES	SUPPLIERS	CLIENTS
STAKEHOLDER NUMBERS	8 782	262	2 359	4 794
VALUE CREATED OR DISTRIBUTED	R147 MILLION	R298 MILLION	R1 855 MILLION	R5 575 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, 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 client 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 (Technological and Supply Chain)

HOW WE CREATE AND DISTRIBUTE VALUE

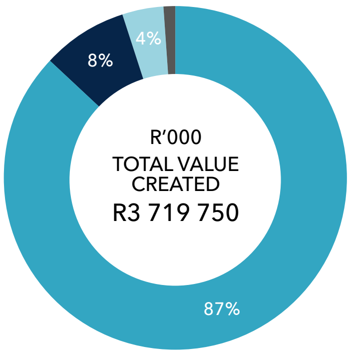
The difference between Billings and Revenue value creation:

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.

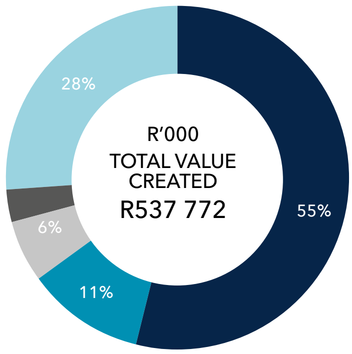
As a result of this, a meaningful evaluation of the value we create and distribute is best described in two ways:

- **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

- Governments 87%
- Employees 8%
- Shareholders 4%
- IT Providers 1%
- Financiers 0%



REVENUE BASIS
Value Distributed

- Employees 55%
- Shareholders 28%
- Governments 11%
- IT Providers 6%
- Financiers 0%

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 the primary benefactors of value distributed, through the payment of fixed and variable remuneration.

VALUE ADDED STATEMENT	2024			
	Billings Basis R'000	%	Revenue Basis R'000	%
Billings to Clients (includes Gross Billings + Other Income items)	5 574 602		-	
Revenue from Clients	-		668 842	
Paid to Suppliers	1 854 852		131 070	
Value Created	3 719 750		537 772	
Value created - per employee	14 198		2 053	
Employees	298 687	8	298 687	55
Governments	3 241 722	87	59 743	11
Financiers	(1 534)	0	(1 534)	0
IT Providers	30 422	1	30 422	6
Shareholders	150 454	4	150 454	28
Value Distributed	3 719 750	100	537 772	100
Value distributed to Employees - per employee	1 140		1 140	

OUR STRATEGIC POSITIONING

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

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

NEXT GENERATION TECHNOLOGY

- Continually embraces and leverages off innovative technology
- Optimises client engagement and customer experience
- Streamlines and automates operational processes
- A common global operating platform and multidimensional interfaces with third parties

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

GLOBAL TALENT POOL

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

STRATEGIC DIVERSIFICATION

- Diversified 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 **2024 Reporting Suite**, which includes the **AIR**, **AFS** and **S&E Report**.

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 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 make little to no 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

INTERNAL OPERATING ENVIRONMENT

Our Internal Operating Environment ("IOE") consists of all the internal factors or 'forces' that have a direct impact on the day-to-day activities of the Group.

These are explained throughout the 2024 **AIR**, **AFS** and **S&E Report**, however, they are more specifically demonstrated in the following sections of the reports set out below with corresponding page numbers alongside:

2024 AIR

02 Who We Are
02 Our Vision and Purpose
02 Our Culture and Values
03 Where We Operate
04 Our Business Model
06 Our Key Relationships
07 How We Create and Distribute Value
08 Our Investment Case
08 Our Key Differentiators
28 Who Governs Us
30 Governance Review
34 How We Remunerate

2024 S&E REPORT

05 Human Resources
07 Wellness
08 Training and Skills Development
10 Skills Development Programmes
12 Employment Equity
15 Black Economic Empowerment
20 Health and Safety
25 Quality

EXTERNAL OPERATING ENVIRONMENT

Our External Operating Environment ("EOE") consists of all the factors or 'forces' outside the reach of the Group that can affect the Group's operation.

These are 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.
- **Evolving client 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, have low barriers to entry or exit and are 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.

The factors outlined above as well as other forces impacting our EOE are further demonstrated in the following sections of the reports below:

2024 AIR

08 Our Competitive Positioning
10 How We Manage Risk
12 Our Key Inherent Risks
40 Shareholder Analysis
41 Directors' Shareholding Analysis

2024 S&E REPORT

16 Corporate Social Investment
21 COVID-19, HIV/AIDS and Other Diseases
22 Environment

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.
- **Create** a culture of risk management accountability at all levels within the organisation.
- **Identify** risks completely and capture these risks in Santova's Risk Register.
- **Identify** 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.
- **Engage** risk management as part of the normal operations, which includes linking risks to controls.
- **Comply** with appropriate risk management practices.
- **Comply** 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 of 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 page 33 of this report.	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 Logistics (SA) Financial Director, Santova Logistics Legal Advisor, 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) and utilises the Risk Inbox Process and Risk Register 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 IN THE RISK MANAGEMENT PROCESS

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.

RISK MANAGEMENT PROCESS

The Santova Risk Management Framework manages risk by using this specific risk management cycle:

1

IDENTIFY AND UNDERSTAND OBJECTIVES

Identify and fully understand Santova's strategic, business and process objectives.

2

SET RISK TOLERANCE

Set the level of Residual Risk that the Board is prepared to accept in the pursuit of value.

3

IDENTIFY RISKS

Identify risks using the Risk Tools as set out on page 10.

4

ASSESS RISKS

Capture risks onto the Risk Register and rate the impact and probability of risks to establish the Inherent Risk score.

5

IDENTIFY CONTROLS

Assign an owner to each risk, identify the current controls and rate the Perceived Control Effectiveness.

6

ESTABLISH RESIDUAL RISK

The remaining risk is automatically calculated by the Risk Register by weighing the Inherent Risk up against the Perceived Control Effectiveness to establish Residual Risk.

7

IDENTIFY RESPONSE STRATEGY AND ACTION REQUIRED

Identify controls and actions that should be in place in order to reduce the Residual Risk to an acceptable level.

8

MONITOR AND REPORT

Continually monitor and report risks, using the Risk Management Framework, to ensure that the desired response strategy and action required for each risk is implemented successfully.

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.	PRIMARY RISK CATEGORY	RISK SUB-CATEGORY	KEY RISK DESCRIPTION	POTENTIAL IMPACT ON VALUE CREATION	RISK RESPONSE AND MITIGATION
1	OPERATIONAL	People/ Human Resources	Risks associated with succession. Reliance on key personnel and/or a lack of depth at senior management level.	Potential loss of profit due to business interruption and temporary lack of leadership. Likely additional costs of recruitment. Remaining senior management being 'stretched' and having to focus on problem areas to the detriment of the greater part of the business. Potential loss of client base due to poor servicing and failure to maintain relationships.	• Personal development initiatives at all levels of management to bolster and broaden the leadership base; • Clear key performance indicators (which includes backup and quality control of colleagues), performance development reviews and regular performance coaching of management, to promote a 'team spirit' culture that will support management when capacity is limited; • Move away from traditional emphasis on formal structures and hierarchy to a more consultative, collaborate effort with limited barriers and fewer key personnel; • Growth and development of senior leadership within smaller regions to assist in the leadership of those regions; • Continued development of the global executive forum to provide support to leadership regardless of region size; and • Growth of the management teams at all levels and growth of the various management forums to alleviate succession 'bottlenecks'.
2	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.
3	OPERATIONAL	People/ Human Resources	Identifying, recruiting and maintaining the right talent.	Ineffective recruitment policies and procedures, lack of/poor incentivisation/recognition, failure to maintain competitive remuneration policies and lack of internal growth paths. Inadequately qualified, inexperienced employees or demotivated employees resulting in inefficient operations, loss of revenue, loss of employees to other organisations and loss of clients.	• A formalised interview process with detailed, practical training of interviewers; • Implementation of an enhanced performance development review process (with clearly defined and achievable key performance indicators) to better manage internal performance; • Performance coaching/training of senior management; and • Carefully structured remuneration packages and bonus and incentive structure (remuneration mix) to promote employee 'stretch' and inspire employees to go 'above and beyond'.
4	FINANCIAL	Economic	Risks associated with current economic, environmental and socio-political instability both within SA and internationally.	Weakening of the Group's financial stability and profitability due to: • Violence/terrorism, nationalisation; • Looting/civil unrest, bribery/corruption, hyperinflation; • Greylisting of banks; • Currency weakness manifested in decreases in trading volumes; • Reducing margins; • Increased funding costs; • Increased operational costs; • Cash flow issues due to bad debts, increased interest rates and 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; • Develop backup plans and alternatives to controllable risks; and • Anticipate and control the elements that are controllable and develop natural hedges against these risks by expanding offshore offices in multiple jurisdictions.
5	OPERATIONAL	IT	Risks associated with failures in communicating with business-critical IT operating systems/software.	Includes failures of the cloud-based systems themselves or due to failure of WLAN networks, lack of backup lines and bandwidth, software issues, poor system performance, unauthorised access/ 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 software; and • Ensure closer and more direct management of associated risks by the Group's IT Risk Management and Steering Committee in consultation with the Risk Management Committee.

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		2		4	
	FINANCIAL		2		4	
	OPERATIONAL	1	2	3	4	5
	LEGAL AND COMPLIANCE				4	
STRATEGIC INITIATIVES	ORGANIC - GROWTH		2		4	
	ACQUISITIVE - GROWTH	1		3	4	
	TECHNOLOGY - INNOVATION	1		3		5
	SUPPLY CHAIN - INNOVATION	1	2	3		5
	EXECUTION - INTELLECTUAL CAPITAL	1		3		5
	TALENT POOL - INTELLECTUAL CAPITAL	1		3	4	
	DIVERSIFICATION		2		4	5
SIX CAPITALS	INTELLECTUAL CAPITAL	1	2	3	4	5
	HUMAN CAPITAL	1		3	4	
	SOCIAL AND RELATIONSHIP CAPITAL		2		4	
	FINANCIAL CAPITAL				4	
	MANUFACTURED CAPITAL				4	
	NATURAL CAPITAL (not material)				4	
STAKEHOLDERS	SHAREHOLDERS		2		4	5
	EMPLOYEES	1		3	4	
	FINANCIAL INSTITUTIONS (Bankers and Credit Underwriters)				4	
	CLIENTS	1	2	3	4	5
	SUPPLIERS (Operational Suppliers, Agents and IT Service Providers)	1	2	3		5
	GOVERNMENT AND REGULATORS				4	
	COMMUNITIES				4	

OUR STRATEGY

In consideration of the Group's Vision and Purpose, together with the Group's Internal and External Operating Environment, Key Differentiators, Inherent Risks and Competitive Positioning, 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 to provide clients with meaningful information and data - allowing clients 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 maintain Santova as a 'preferred employer' within the logistics industry thereby attracting and retaining appropriately skilled and experienced employees.

4

DIVERSIFICATION

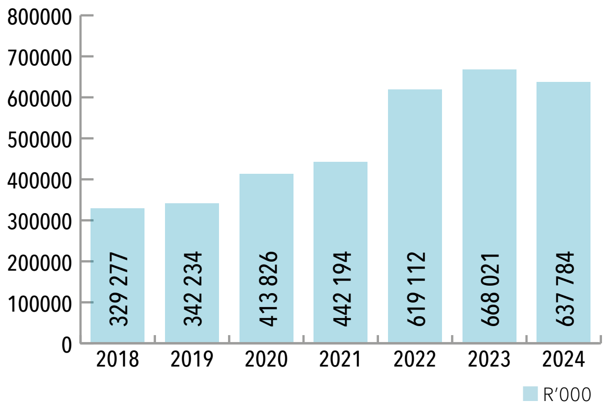
Relentless diversification of the business, including:

- Geographies
- Currencies
- Services
- Products
- Industries
- Trade routes
- Human Capital

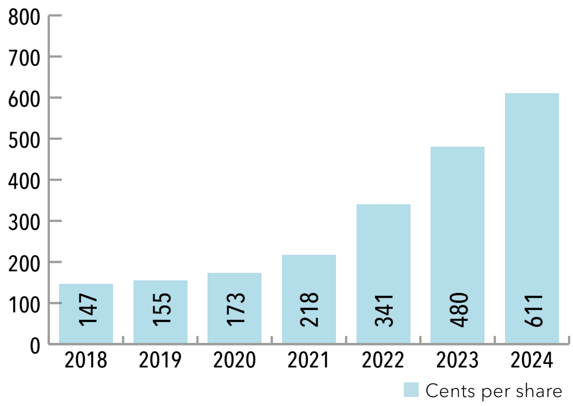
HOW WE PERFORMED against key indicators

		2024	2023	Movement
STRATEGIC INITIATIVES				
Growth				
Billings	R'000	**5 543 544**	6 424 353	(13,7)%
Revenue and net interest income	R'000	**637 784**	668 021	(4,5)%
Profit before tax	R'000	**204 956**	280 642	(27,0)%
Dividend per share	cents	**-**	-	0,0%
Headline earnings per share ("HEPS")	cents	**123,77**	154,83	(20,1)%
Net cash generated from operating activities	R'000	**52 046**	275 129	(81,1)%
Total assets	R'000	**1 787 210**	1 799 969	(0,7)%
Capital and reserves	R'000	**1 161 420**	1 002 876	15,8%
Total interest bearing debt	R'000	**208 437**	257 874	(19,2)%
Tangible net asset value ("NAV") per share	cents	**611**	480	27,3%
Innovation				
IT development and overhead expenditure	R'000	**26 251**	24 739	6,1%
Total employment related costs	R'000	**298 657**	268 833	11,1%
Efficiency and Effectiveness				
Billings to revenue margin	%	**11,5%**	10,4%	1,1%
Operating margin	%	**28,8%**	42,8%	(14,0)%
Effective tax rate	%	**28,1%**	24,9%	3,2%
Interest cover	times	**37,1**	42,3	(5,2)
Return on equity	%	**13,6%**	23,8%	(10,2)%
Debtor days	days	**41,4**	38,4	3,0
Net debt equity ratio	%	**(23,1)%**	(23,3)%	0,2%
Diversification				
Number of countries	number	**10**	**11**	(1)
Number of offices	number	**21**	**22**	(1)
Total staff	number	**262**	**262**	0
Percentage of revenue generated offshore	%	**70,7%**	**70,2%**	0,5%

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 **2024 Reporting Suite** encompassed by the **AIR**, **AFS** and **S&E Report** sets out our performance in the following categories: economic, governance, financial and environment. Our reports may also 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 (Technological) • 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 • COVID-19, HIV/AIDS and Other Diseases • Quality	• Human Resources • Wellness • Training and Skills Development • Skills Development Programmes • Employment Equity • Health and Safety • COVID-19, HIV/AIDS and Other Diseases	• Human Resources • Training and Skills Development • Skills Development Programmes • Employment Equity • Broad-based Black Economic Empowerment • Corporate Social Investment • Health and Safety • COVID-19, HIV/AIDS and Other Diseases • Environment	• COVID-19, HIV/AIDS and Other Diseases	• COVID-19, HIV/AIDS and Other Diseases • Environment	• COVID-19, HIV/AIDS and Other Diseases • 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 period ending 29 February 2024 was not plain sailing. As anticipated in the previous year's **AIR**, the year under review proved to be increasingly challenging and unpredictable on many fronts.

The collective impact of which was a 30,1% decrease in profit for the year from R210,7 million to R147,3 million. This was largely attributable to the rapid decline in shipping rates, which saw revenue reduce by 4,5% (R30,2 million), and significantly higher corporate tax for the Group resulting from Group earnings being more weighted in favour of South Africa ("SA") with its higher tax rate as well as the upward adjustment by the United Kingdom ("UK") of their corporate tax rates from 19% to 25% affecting the UK earnings.

These results were further impacted by the upward adjustment to employee salaries to compensate for the post-pandemic inflationary environment which, although an industry norm, resulted in employee benefit expenses increasing across the Group by 11,1% (R29,8 million). Excluding the decrease in revenue, both the increased corporate tax rates and inflationary adjustment to employee remuneration amounted to an additional cost of R37,8 million for the year under review. Whilst uncertainty remains, we are of the view that these adjustments are once-off in nature and will not be repeated in the foreseeable future.

The impact of the trading environment was not unique to Santova. The logistics industry over the last year has witnessed significant declines in earnings, a trend that has been worsening over the last four quarters has now started to flatline. The financial results of the ICONS over the same period are a case in point. Earnings have decreased by as much as 65%. If the performance of Industry ICONS over the period under review constitutes a fair reference point, the Group has continued to display an impressive resilience in the face of a global recessionary environment.

Whilst global freight rates have significantly softened off the back of falling levels of consumer demand, the Group has managed to reduce the impact of these factors on both trade volumes and profit margins through the acquisition of a substantial number of new clients and through the continued improvement in operational efficiencies. It is now apparent that after the robust pandemic growth experienced in 2021 and 2022, global economies have lost momentum. This loss of growth momentum has largely been the result of restrictive global monetary policies that have been introduced to curb underlying inflationary pressures. However, as the effects of tight monetary policies have continued to weigh in, the slowdown in China has complicated matters even further. The consequence now is a stagnation in private consumption as 'real' wage growth continues to lag inflation.

Furthermore, there is the uncertainty and the risks to the global economic outlook, specifically the Russian-Ukraine war and the conflict in the Middle East, which together with the trade tensions between China ("CN") and the United States ("US"), have adversely impacted on business confidence globally. Trade disruptions have also included a variety of natural disasters, financial failures, and operational difficulties, all of which have amounted to a decade of disruptions.

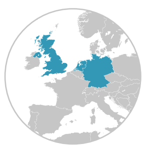
Whilst manufacturers and distributors struggled to reduce excess inventories in the face of reduced consumer demand, the slump in container freight rates at the start of the year gave way to a gradual yet ongoing decline in volumes shipped on most trade routes between January 2023 and March 2024. This situation was also aggravated by overcapacity, as the shipping companies gradually took delivery of the vessels that they had ordered during the period of prosperity in 2021 and 2022. It is highly probable that this overcapacity will continue until the end of 2025, resulting in the container shipping sector facing yet another year of structural capacity challenge. Should this materialise, another year of freight rates at 2023 levels could eliminate industry earnings generated during the Covid years.

However, recent developments in the Red Sea have offered the industry some respite. The re-routing of vessels around Africa and away from the Suez Canal following attacks on commercial vessels in the Red Sea, has resulted in an increase in container rates as an approximate 25% to 30% of global container shipping volumes pass through the Suez Canal. Having to sail around Africa instead of through the Suez Canal means 7 to 10 additional sailing days at higher freight rates, which is favourable to forwarders who can now improve earnings through greater margins. Air cargo rates have also benefited from the demand for time-sensitive shipments. Unfortunately, consumers will end up paying for the disruption. The increase in container rates translates into an increase in the prices of final products – inflationary pressures.

AFRICA

While 2023 was a good start for our South African operations, it still faced considerable challenges. Amid global economic challenges, SA faces specific issues such as inadequate maintenance and insufficient infrastructure investment. These issues, together with a shift from rail to road and congested, inefficient ports, have led to high logistics costs in the region. Loadshedding, skill shortages, security risks, rising costs and infrastructure constraints have further impeded economic growth.

Despite this, our operations in SA and Mauritius ("MU") continued to show good progress as the acquisition of new clients increased rapidly over the period. This was a function of not only diminishing service levels and capabilities within the industry, but also the international intellectual capital and technological solutions that were applied through our highly client-centric engagement. Future opportunities for growth in this region are encouraging as our team is well positioned to capitalise off the challenges and unpredictability of running an effective business in Africa.



EUROPE AND THE UNITED KINGDOM

After a period of good earnings growth from the scarcities and bottlenecks of the pandemic era, the market returned to pre-pandemic levels in these regions. Across all modes of transit, shipper demand and carrier capacity rebalanced, and inventories reverted to normal. The sharp fall in sea freight rates over the period had a significant impact on the profit margins of these regions. Interestingly,

CHAIRMAN'S AND CHIEF EXECUTIVE OFFICER'S REVIEW continued

despite the challenging environment, our operations in the UK focusing on niche markets from the UK to Africa and the subcontinent, managed to show impressive earnings through retaining good profit margins and stable trade volumes.

NORTH AMERICA

Our newly acquired third-party logistics business, A-Link Freight ("A-Link") in Los Angeles ("LA") and our "grassroots" operations in Chicago, continue to make progress towards breaking even. However, the process and time it has taken to secure the regulatory approvals necessary to start trading in the new legal entity Santova Logistics ("Santova USA") has taken six months longer than anticipated. Nevertheless, all licences are now in place and trade has commenced in Santova USA. Whilst the costs associated with obtaining regulatory approvals and the "grassroots" investment in Chicago have been written through the income statement, we are looking to translate the losses to date into profits over the next twelve months. As pointed out previously, these operations focus on daily consolidations from LA to Asia Pacific ("AP") countries (China, Hong Kong, Macau, Japan, South Korea, Mongolia, Siberia, Taiwan, East Timor, Laos, and other ASEAN countries), which fits in well with the Group's strategic initiatives in this region. As anticipated in our previous report, the US initiative has required extraordinary effort, cost and time, which we believe is now well positioned to become a lucrative business.

ASIA PACIFIC

Whilst our operations in Singapore have struggled with structural changes involving a change in leadership as well as a shift in strategy to build direct client business as opposed to agent business, the slow-down amid subdued demand in CN has adversely impacted on our earnings in this region. In Australia, despite earnings being impacted by the loss of a large client, the region has focused on building more diversified earnings through new client acquisitions in a bid to generate more sustainable earnings in future.

Despite the challenges in this region, we remain positive in our outlook for the next three years. The AP region ("APAC") is displaying its status as the largest and fastest growing region for contract logistics services, with an impressive 36% share of the global revenue in this sector in 2022, with projections growing to 40% by 2027.[1] The growth of this region is dependent on several factors such as the growth in trade between India and CN, the growing retail sales in APAC, and the rapid growth in the e-commerce industry. Furthermore, the tensions between Europe, the US and CN are resulting in The ASEAN countries and India becoming a preferred source of manufacturing and imports.

STRATEGIC POSITIONING OF OPERATIONS

The Group has consistently focused on differentiating itself from its competitors through extreme client-centricity, advanced technology, and innovative supply chain trade solutions. With the complex transition of global economies and the strategic changes that businesses must embrace to be competitive, companies are pressured to look toward third-party experts, advanced digital capabilities, and accelerated automation of manual processes within the supply chain.

We will continue building for scale by focusing on rolling out further technological projects that will enhance our ability to differentiate and improve operating margins. We know technology is changing every aspect of how logistics companies operate. 'Digital fitness' is a prerequisite for success: the winners will be those who consistently build for the 'long game' and understand how to exploit a complete range of new technologies, from artificial intelligence ("AI"), to data analytics, connectivity, automation, and cloud-based platform solutions. Those who do not, risk survival, as data is no longer about reporting what is happening in the business-data has *become* the business.

Our decision to continue our focus on developing our global ecosystem will enable the Group to differentiate itself even further as a result of intellectual property and enhanced global capabilities. In essence, this is our network of selective businesses from across industries and geographies that work together to design, implement, and execute supply chain solutions. This mutually beneficial interdependence has proved to be significant in retaining clients whilst simultaneously enabling a strong entry barrier against potential competitors. To be future-ready, leveraging off partners based on high levels of trust and mutual dependence and regarding them as extensions of ourselves, is intricate to our business moving to the next level of capability.

The confirmation of the extent to which this has been successful is supported by the impressive levels of client retention in the face of a highly competitive environment as well as the significant number of quality new clients that have been consistently acquired in almost all regions.

OUR CHALLENGE

The economy will strengthen, interest rates and inflation will lower, but the availability of a driven and skilled workforce is unlikely to improve. The combination of numerous socio-eco-political disruptions has created perhaps the most challenging human capital environment our leaders have ever faced and one that likely won't change anytime soon. We have entered an age of volatility and unpredictability, accompanied by people changing their values and priorities, which requires a unique skill set to manage and capitalise upon.

As a society, we have had to rethink our human resources strategy in these 'changed times'. Instead of gravitating towards uniformity, bureaucracy, and control, we need to now prioritise creativity, speed, accountability, and execution with buy-in and passion. After all, the more advanced and pervasive technology becomes, the more important people are becoming to our strategic decision to engage with heightened client-centricity.

With the rise of remote and hybrid working, a ramping-up of health and safety protocols, and the focus now on a better work-life balance, the challenge of securing employees engaged with a company's vision and purpose and to be more motivated and productive is proving to be our most complex matter in our endeavours to build and maintain a sustainable 'high growth' climate whilst maintaining the highest standards. However, by creating purpose in our regional businesses, strategically placing high-calibre leaders in key locations, carefully coaching our people, focusing further on intercompany collaboration, and relentlessly striving to instil our company culture and values - we are confident that we will continue to attract and retain the right talent.

To achieve the status as a sustainable high-performing business, we must promote the mindset of continuous learning that encourages and supports our people to adapt and reinvent themselves to meet the changing environment.

OUTLOOK - POTENTIAL OF THE LOGISTICS INDUSTRY

It is encouraging that the logistics industry is expected to continue growing in the coming years due to rising global trade activities, and the rapid development of global logistics infrastructure. This growth is further driven by increasing demand for efficient global supply chains to service the rapidly developing e-commerce industry, coupled with continual advancements in IT.

According to recent statistics, the global logistics market size accounted for US$7,98 trillion in 2022 and it is expected to be worth around US$18,23 trillion by 2030, which is a noteworthy CAGR of 10,7% from 2023 to 2030.[2] Currently, road transportation is the leading mode of transport in the global logistics market and is expected to maintain this trend. Geographically, APAC led the global logistics market due to the significant contribution from countries such as China, India, Singapore, Indonesia, Japan, and Malaysia.

The challenge remains however for the industry to adapt to technological disruptions and rising costs to maintain profitability in the face of geopolitical uncertainty and instability. This will require investment in innovation, operational excellence (quality workforces with proactive energetic leadership), and customer-centric engagement. It is now all about reducing transactional input costs.

While 2024 does not look like it will be any less challenging than 2023, we remain focused on becoming even more resilient, stronger, more driven, more connected, and more effective in the manner in which we execute our businesses strategy. This approach will not only assist us in challenging times, but it will also ensure that when the economy starts to strengthen, most likely in 2025, we will be in a favourable position to leverage off the improved trading environment.

CONCLUSION

Having managed the unpredictability of the geo-eco-political environment, it is with humility and confidence that we enter the new year. Whilst we acknowledge the headwinds, we remain bold and will continue our strategy of investing in 'future possibilities' that will offer us the opportunity to achieve the extraordinary performance we are continuously striving towards. It is heartening to note the optimism of the shipping lines, who are anticipating an improvement in the fourth quarter of this year. This is underpinned by lower inventory levels in Europe and the US, the general fall in inflation in the West, and re-establishment of spot market rates for the long term at levels above contract rates.

We will also continue our current strategy of diversification and make sure that our future will be defined by heightened technological capability. The integration of IT and operational technology with AI and the internet of things, is at the heart of our future success, allowing us to scale up and reinvent our proposition to the market.

With the period of abnormally high earnings in the logistics industry during the Coronavirus (COVID-19) pandemic now behind us, earnings have once again normalised off the back of significantly reduced industry margins. This offers the Group an ideal opportunity to make acquisitions to boost volumes by accessing new customers, new service offerings and new sectors. These acquisitions will offer the Group scale, synergies, and cost savings, particularly since the Group's technological capabilities and systems can be transferred to the target companies with relative ease.

It is important to affirm the Group's take on the uncertainties and unpredictability of the current geo-eco-political environment. As opposed to opting for a 'wait and see' or defensive mode, we embrace a paradox: we implement what we deem to be necessary defensive measures while also embracing unpredictability as a catalyst for seizing new opportunities. By moving forward boldly, we are ensuring our strategy is continuously being revisited and adjusted where necessary.

ACKNOWLEDGEMENT AND APPRECIATION

Our colleagues have endured a challenging year that has been characterised by significant changes within their immediate environments. Their unwavering faith in our strategic direction is solidified by their passion and dedication to execute. For this, we extend our appreciation and gratitude.

To our fellow directors and executive management, your appreciation and support for what it is we stand for, and particularly how we go about doing things, is unwavering. The collective buy-in and 'living' of our entrepreneurial philosophies and values has been imperative in our differentiation and continued success and it constitutes the foundation for future sustainable performance.

Our appreciation to our clients, suppliers, business associates and shareholders for their continued loyalty and support. Without your support we would not be in the privileged position of being able to embark on new initiatives that are necessary for our next phase of development, with the ultimate goal of enhancing our service to our clients.

1 Global Contract Logistics Market Size & Forecasting 2023. Transport Intelligence, 2023.

2 Statista Inc. Size of the logistics industry worldwide 2018-2028. Published by Statista Research Department, Dec 19, 2023.

GROUP FINANCIAL REVIEW

The 2024 financial year marked a challenging period for all industries, both locally and internationally. The challenges facing the global economy have impacted not only the logistics sector, but also all consumers. High inflation followed by higher interest rates have resulted in rising costs of living, which have dampened consumer demand, resulting in downward pressure on trade volumes. This pressure has been further compounded by the sharp fall in freight rates during the year under review as capacity issues have eased and global economic growth has slowed.

While the Group benefits from strategic diversification in both geographical presence and diverse service offerings, the above challenges were pervasive and impacted all regions to varying extents.

GROUP PROFITABILITY

Consolidated net profit after tax ("NPAT") for the year decreased 30,1% to R147,3 million (2023: R210,7 million), with headline earnings per share ("HEPS") decreasing 20,1% to 123,77 cents per share ("CPS") (2023: 154,83 CPS). These results are commendable considering the headwinds faced during the reporting period.

The primary drivers of the current year earnings are attributed as follows:

- Consolidated revenue decreased by 4,5% primarily driven by lower revenue in Africa (5,7%), Asia Pacific (17,4%), and Europe (11,8%), due largely to lower freight rates, less project work, and a general softening in demand, while the inclusion of North America (159,3%) for a full year provided some acquisitive relief;
- Administrative expenditure, a significant component of which are employee costs, increased 6,9% year-on-year ("YoY") due to the high inflationary environment as well as the depreciation of the Rand ("ZAR") against the basket of foreign currencies;
- The Group's operating environment was negatively impacted by the lower revenue and higher overheads mentioned above, but still benefited from the implementation of technology with operating margins of 28,8% (2023: 42,8%) remaining well above the industry average; and
- The Group continued to buy back its own shares having purchased 6,1 million shares from the open market at an average price of 812 CPS. The ongoing share buy-backs contributed to the reduction of the Weighted Average Number of Ordinary Shares ("WANOS") in issue to 132,3 million (2023: 136,1 million), with the buy-backs providing some uplift against the decline in earnings.

Other relevant movements include:

- The ZAR continued to experience weakness against all foreign currencies in those regions in which the Group operates, with the average rate weakening against the Great British Pound ("GBP") by 15,5%, the Euro ("EUR") by 16,1%, Australian Dollar ("AUD") by 6,9%, the Singapore Dollar ("SGD") by 14,3% and the US Dollar ("USD") by 11,8%;
- Material once-off items include a fair value gain of R18,3 million included in finance income relating to contingent consideration, which isn't expected to be paid to the sellers of A-Link, while an impairment loss of R14,6 million was incurred on the goodwill recognised on acquisition of A-Link;
- Net remeasurement of the loss allowance on trade receivables increased by R8,6 million to R4,3 million (2023: -R4,3 million) while trade receivables written off increased to R18,1 million (2023: R3,8 million) relating to debtors that were fully provided for in prior years;
- Offshore revenue increased marginally to 70,7% (2023: 70,2%) with the inclusion of the US for a full year to an extent offsetting the drop in revenue in some of the offshore regions; and
- The effective tax rate increased materially to 28,1% (2023: 24,9%), largely due to the UK government raising their corporate tax rate from 19% to 25% and deferred tax assets relating to assessed losses that were not recognised in Singapore and the US in the current period.

GROUP SUMMARISED CONSOLIDATED PROFIT OR LOSS		2024 R'000	2023 R'000	Movement %
GROSS BILLINGS		**5 543 544**	6 424 353	(13,7)
Revenue and net interest income		**637 784**	668 021	(4,5)
Other income		**11 367**	24 997	(54,5)
Depreciation, amortisation and impairment losses on intangible assets		**(29 012)**	(21 700)	33,7
Impairment loss/(reversal) on trade receivables		**(4 332)**	4 322	(200,2)
Administrative expenses		**(417 509)**	(390 400)	6,9
Impairment loss on goodwill		**(14 567)**	-	100,0
Share of profit of associate, net of tax		**-**	355	(100,0)
Operating profit		**183 731**	285 595	(35,7)
Finance income		**26 178**	1 802	1352,7
Finance costs		**(4 953)**	(6 755)	(26,7)
Profit before tax		**204 956**	280 642	(27,0)
Income tax expense		**(57 610)**	(69 980)	(17,7)
Profit for the year		**147 346**	210 662	(30,1)
Other comprehensive income for the year, net of tax				
- Exchange differences arising from translation of foreign operations		**54 106**	68 708	(21,3)
Total comprehensive income for the year		**201 452**	279 370	(27,9)
Attributable to:				
Owners of the Company		**201 971**	279 327	(27,7)
Non-controlling interests		**(519)**	43	(1307,0)
		201 452	279 370	(27,9)
Key ratios:				
- Billings/revenue margin		**11,5%**	10,4%	1,1
- Operating margin		**28,8%**	42,8%	(14,0)
- Effective tax rate		**28,1%**	24,9%	3,2
- Interest cover	times	**37,1**	42,3	(12,3)
- Basic earnings per share	cents	**111,81**	154,74	(27,7)
- Headline earnings per share	cents	**123,77**	154,83	(20,1)
- Dividends per share	cents	**-**	-	-
- Return on equity		**13,6%**	23,8%	(10,2)
- Percentage offshore revenue		**70,7%**	70,2%	0,5
Average exchange rates:				
- GBP/ZAR		**23,37**	20,23	15,5
- EUR/ZAR		**20,22**	17,41	16,1
- AUD/ZAR		**12,30**	11,51	6,9
- SGD/ZAR		**13,88**	12,14	14,3
- USD/ZAR		**18,67**	16,70	11,8

GROUP FINANCIAL REVIEW continued

REGIONAL PERFORMANCE

AFRICA (AF)

Africa NPAT, represented predominantly by SA, decreased by 19,4% to R50,9 million (2023: R63,1 million), due to the following primary reasons:

- SA continued its strong performance in the face of weak economic growth, reporting a decline in revenue of 7,0% to R172,6 million (2023: R185,5 million), attributable to less project work and lower revenue per shipment due to the decline in freight rates in the current period; and
- Mauritius ("MU"), which remains a small component of the Africa segment, continued to perform well, albeit off a relatively low base, with revenue increasing by 61,8% to R8,1 million (2023: R5,0 million).

EUROPE (EU)

The EU region, comprising the Netherlands ("NL") and Germany ("DE"), decreased NPAT by 30,8% to R38,7 million (2023: R56,0 million) amidst the context outlined below:

- After strongly capitalising on the high freight rates and a surge in trade volumes flowing through the region in the past two years, the NL saw revenue decline by 25,1% in underlying currency due to a rapid decline in freight rates and subdued demand, however, revenue remains well above pre-pandemic levels; and
- DE revenue fell by 20,1% in underlying currency due to the decline in freight rates, subdued demand from existing clients and a reduced inflow of new business.

UNITED KINGDOM (UK)

The UK, while facing similar challenges to the rest of the Group, fared slightly better, benefiting from its diversified service offerings, and decreased NPAT by 13,7% to R50,6 million (2023: R58,6 million):

- Tradeway (Shipping) ("Tradeway"), which specialises in the export of recycled products, including second hand textiles to Africa and the subcontinent, delivered commendable results off a record-year in the prior year with revenue remaining flat YoY with the decline in freight rates offset by the devaluation in the Rand;
- SAI Logistics maintained its steady performance - benefitting from its strategic geographical positioning to accommodate e-commerce and other import businesses through its facility in Milton Keynes; and
- Santova Logistics Limited had a relatively subdued year with household and consumer product customers continuing to trade down due to inflationary pressure on the end-consumer's disposable income, and the company also benefitted from the reversal of provisions for successfully managed claims in the current period.

The UK's performance is even more commendable considering that the high inflationary environment has driven up overhead costs whilst the corporate tax rate has also been increased from 19% to 25%, further eroding profits.

ASIA PACIFIC (AP)

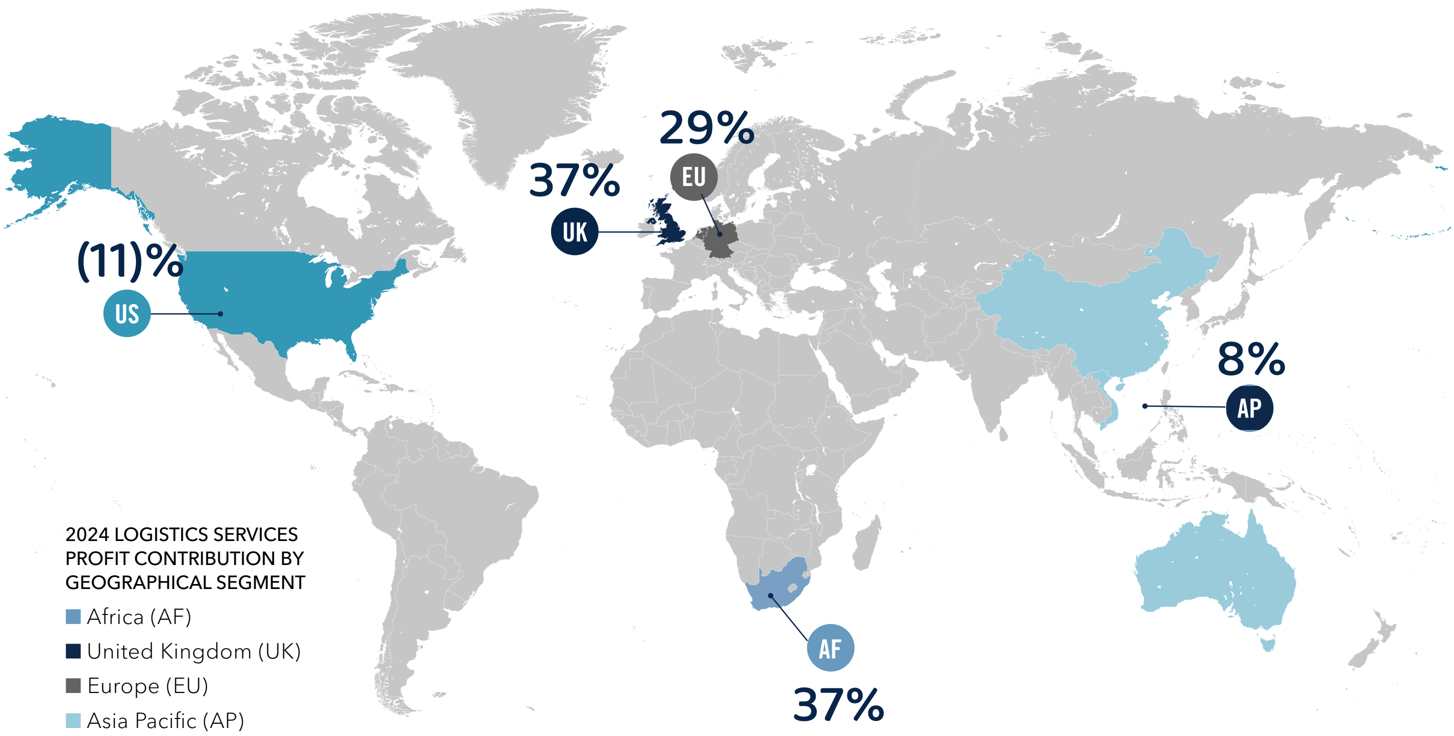
The AP region, comprising Singapore ("SG"), Australia ("AU"), Hong Kong ("HK"), Thailand (TH") and Vietnam ("VN") decreased NPAT by 73,1% to R11,4 million (2023: R42,4 million) for several reasons:

- SG experienced difficult trading conditions in the current year with a structural leadership change, a shift in strategy to build direct client business together with, less project work and lower freight rates resulting in a decline in revenue by 40,3% in SGD;
- AU had a difficult operating period with the loss of a key client and low freight rates resulting in revenue declining 34,1% in AUD. Positively though, the region continues to add new clients and further diversify its client revenue streams in a bid to generate more sustainable revenue growth in future through a diversified client spread;
- HK, which acts as a strategic hub for the Group, continues to play a key role in the Group's ability to negotiate rates and secure capacity for global clients importing from China ("CN") to our other regions. Commendably, the region maintained revenue levels during the period amidst record low freight rates and softened demand from our other regions;
- TH reported a loss of R0,9 million for the year and was liquidated as the Group made the decision to divest from the region; and
- VN, which officially began operating in August 2023, incurred initial startup operating costs of R1,8 million during its "grassroots" setup. The region has now started trading and securing its own clients.

NORTH AMERICA (US)

The US, which has been included for a full year's trading for the first time, experienced a difficult trading environment with the following factors weighing on performance:

- The existing Los Angeles based business saw a decline in revenue due to lower freight rates and lower demand from customers in Southeast Asia - its main trade lane;
- An operating loss relating to the "grassroots" Chicago operations amounted to R4,1 million;
- Delays in obtaining the relevant regulatory licences in Santova Logistics, California, delayed the A-Link deal closure as an asset purchase with additional overhead costs incurred in the process; and
- Deferred tax assets derecognised on prior year assessed losses amounted to R2,0 million.



GEOGRAPHICAL INFORMATION	LOGISTICS SERVICES					
	Africa R'000	Asia Pacific R'000	United Kingdom R'000	Europe R'000	North America R'000	TOTAL R'000
29 FEBRUARY 2024						
Gross billings	**3 198 545**	**649 567**	**1 171 837**	**769 891**	**165 686**	**5 955 526**
Percentage movement	*(2,7)%*	*(36,9)%*	*(23,7)%*	*(32,6)%*	*160,3%*	*(15,6)%*
Revenue and net interest income	**180 232**	**90 082**	**198 308**	**133 976**	**25 487**	**628 085**
Percentage movement	*(5,7)%*	*(17,4)%*	*0,9%*	*(11,8)%*	*159,3%*	*(4,6)%*
Operating Profit	**65 114**	**13 608**	**64 526**	**48 569**	**(13 219)**	**178 598**
Percentage movement	*(24,0)%*	*(73,9)%*	*(11,6)%*	*(35,4)%*	*961,8%*	*(37,2)%*
Net profit	**50 851**	**11 069**	**50 569**	**38 747**	**(14 898)**	**136 338**
Percentage movement	*(19,4)%*	*(73,9)%*	*(13,7)%*	*(30,8)%*	*737,9%*	*(37,6)%*
Total assets	**606 501**	**156 971**	**351 026**	**270 330**	**62 627**	**1 447 455**
Percentage movement	*(3,0)%*	*(21,1)%*	*10,0%*	*0,4%*	*(14,5)%*	*(2,6)%*
Total liabilities	**304 853**	**52 502**	**118 438**	**96 705**	**34 815**	**607 313**
Percentage movement	*(14,5)%*	*(20,3)%*	*(17,1)%*	*(28,3)%*	*(31,8)%*	*(19,2)%*
Key Ratios:						
Revenue/Billings margin	***5,6%***	***13,9%***	***16,9%***	***17,4%***	***15,4%***	***10,5%***
Percentage movement	*(0,2)%*	*3,3%*	*4,1%*	*4,1%*	*(0,1)%*	*1,2%*

GROUP FINANCIAL REVIEW continued

FINANCIAL POSITION

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

Specific movements in balances and financial ratios include the following:

ASSETS

- Intangible assets increased by R7,8 million to R369,6 million (2023: R361,8 million) primarily due to the weakening of the Rand, which resulted in the revaluation and increase of foreign subsidiary goodwill balances (R23,9 million), while goodwill amounting to R14,6 million, relating to the acquisition of A-Link, was impaired;
- Trade receivables and recoverable disbursements, which were expected to decline with the lower freight rates, remained flat YoY at R833,7 million (2023: R831,1 million) as the Red Sea issues resulted in extended sailing times placing pressure on credit terms and limits with customers;
- The Group has continued to exercise caution by maintaining rigorous credit risk management procedures. This resulted in the decrease in the allowance (provision) for credit losses of R13,9 million, largely relating to the write-off of specifically impaired debtors (R18,1 million) that were fully provided in prior years, while the loss allowance was remeasured upwards by R8,6 million. Credit insurance cover remains in place for a significant portion of the debtor's book; and
- Debtor days have increased slightly to 41,4 days (2023: 38,4 days).

CAPITAL AND RESERVES

- Capital and reserves increased 15,8% to R1,2 billion, primarily due to the ongoing profitability of the Group and the movement in foreign currency translation reserve. This resulted in tangible NAV per share increasing 27,3% from R4,80 to R6,11; and
- The Group continued to buy back its own shares, having acquired 6,1 million ordinary shares from the open market at an average purchase price of 812 CPS.

LIABILITIES

- Financial liabilities decreased by R29,3 million to RNil primarily due to the settlement of deferred consideration (R12,5 million) and a fair value adjustment to contingent consideration (R18,3 million) - which isn't expected to be payable to the sellers of A-Link;
- Interest-bearing borrowings decreased by 58,9% to R10,3 million (2023: R25,0 million) due to the continued servicing of the existing medium-term loans;
- Trade payables and shipment related accruals declined by R34,1 million in line with the decline in freight rates, while creditor days increased marginally from 21,6 days in 2023, to 22,7 days in 2024; and
- Overdrafts and facilities decreased by R34,7 million to R198,2 million (2023: R232,9 million), primarily relating to the invoice discounting facility in SA, which has decreased mainly due the decrease in freight rates.

GROUP SUMMARISED CONSOLIDATED STATEMENT OF FINANCIAL POSITION		2024 R'000	2023 R'000	Movement %
ASSETS				
Non-current assets		**441 579**	441 541	(0,0)
Property, plant and equipment		**17 343**	18 014	(3,7)
Right-of-use ("ROU") assets		**34 564**	28 337	22,0
Intangible assets		**369 583**	361 841	2,1
Investment in associate		**-**	1 947	(100,0)
Financial assets at fair value through profit or loss		**9 044**	7 657	18,1
Deferred tax assets		**8 800**	21 570	(59,2)
Loans receivable		**2 245**	2 175	3,2
Current assets		**1 345 631**	1 358 428	(0,9)
Trade and other receivables		**856 091**	856 152	(0,0)
Current tax assets		**2 219**	1 107	100,4
Non-current asset held for sale		**9 998**	9 130	9,5
Amounts owing by related parties		**75**	71	5,4
Financial assets at fair value through profit or loss		**42**	-	100,0
Cash and cash equivalents		**477 206**	491 968	(3,0)
Total assets		**1 787 210**	1 799 969	(0,7)
EQUITY AND LIABILITIES				
Capital and reserves		**1 161 420**	1 002 876	15,8
Non-current liabilities		**23 035**	45 258	(49,1)
Interest-bearing borrowings		**3 491**	8 734	(60,0)
Employee benefit obligations		**583**	666	(12,5)
Financial liabilities at fair value through profit or loss		**-**	16 088	(100,0)
Lease liabilities		**17 659**	14 922	18,3
Deferred tax liabilities		**1 302**	4 848	(73,1)
Current liabilities		**602 755**	751 835	(19,8)
Trade and other payables		**369 752**	440 437	(16,0)
Current tax liabilities		**10 540**	21 012	(49,8)
Interest-bearing borrowings		**6 786**	16 287	(58,3)
Financial liabilities		**-**	13 189	(100,0)
Lease liabilities		**17 517**	15 850	10,5
Provisions		**-**	12 207	(100,0)
Overdrafts and bank facilities		**198 160**	232 853	(14,9)
Total equity and liabilities		**1 787 210**	1 799 969	(0,7)
Key ratios:				
- Debtor days		**41,4**	38,4	3,0
- Creditor days		**22,7**	21,6	1,1
- Net debt to equity ratio		**(23,1)%**	(23,3)%	0,2
- NAV per share	(rands)	**8,96**	7,51	19,3
- Tangible NAV per share	(rands)	**6,11**	4,80	27,3
- Current ratio		**2,15**	1,67	0,5
- Number of shares in issue net of treasury shares		**129 609 951**	133 555 821	
Closing exchange rates:				
- GBP/ZAR		**24,30**	22,19	9,5
- EUR/ZAR		**20,80**	19,49	6,7
- AUD/ZAR		**12,50**	12,38	0,9
- SGD/ZAR		**14,28**	13,64	4,7
- USD/ZAR		**19,21**	18,39	4,5
Credit ratios:				
Trade receivable impairment provisions at year-end				
- Total amount		**26 869**	40 627	(33,9)
- Percentage of trade receivables		**4,06%**	5,67%	(1,6)
Trade receivables written off during the year				
- Total amount (net of recoveries)		**18 090**	3 817	373,9
- Percentage of trade receivables		**2,73%**	0,53%	2,2
Ageing of trade receivables				
- Total amount > 60 days past terms		**21 993**	46 335	(52,5)
- Percentage > 60 days past terms		**3,32%**	6,46%	(48,6)

GROUP FINANCIAL REVIEW continued

CASH ON HAND AND CASH FLOWS

As expected, cash generation declined in the current period from record levels in the prior year with cash generated from operations decreasing by 68,8% to R110,1 million (2023: R352,7 million). This was due in part to lower current year profits. However, it is also important to note that cash generation was abnormally high in the prior year due to significant working capital being returned as freight rates declined from record levels, compared to the current year where working capital was absorbed due to the emergence of the Red Sea crisis towards the end of the year.

Working capital in the Group remains highly sensitive to changes in trade receivables given the proportionately high value of debtors. Where a debtor settles early or late over the year-end close, this has a material 'knock-on' effect that materially increases or decreases the reported cash generated.

Notable cash related items include:

- Taxation paid decreased 15,0% to R61,1 million (2023: R71,9 million) due to lower current year profitability;
- Repayment of interest-bearing borrowings of R14,7 million (2023: R30,6 million);
- Settlement of deferred consideration relating to the A-Link acquisition of R12,5 million;
- No dividend was declared in the current year as the Group continued to focus on its value-per-share strategy by seeking acquisitions and reinvesting surplus cash in buying back its own shares. R49,4 million in cash was utilised to repurchase 6,1 million of the Group's own shares from the open market; and
- Foreign currencies accounted for 93,3% (2023: 93,8%) of total cash and cash equivalents with offshore funds being preserved in their source currency given the weakness of the ZAR, which resulted in a R29,0 million upward revaluation of foreign denominated currencies at year-end.

ACQUISITIONS

While no new acquisitions were completed during the financial year, the deferred acquisition of A-Link, US was closed as an asset purchase on 1 February 2024. Furthermore, the investment in associate has now been accounted for as a subsidiary after Santova assumed control of the entity. Additionally, new offices were opened in Vietnam and a new office was opened in Melbourne, AU, to take advantage of the growing trade in those regions.

GROUP SUMMARISED CONSOLIDATED CASH FLOWS	2024 R'000	2023 R'000	Movement %
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	**110 114**	352 671	(68,8)
Finance income	**6 481**	370	1651,6
Finance costs	**(3 426)**	(6 023)	(43,1)
Tax paid	**(61 123)**	(71 889)	(15,0)
Net cash from operating activities	**52 046**	275 129	(81,1)
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of plant and equipment	**(2 620)**	(3 958)	(33,8)
Acquisition and development of intangible assets	**(2 748)**	(3 242)	(15,2)
Proceeds on disposals of plant and equipment	**127**	153	(17,0)
Advances to related parties	**(4)**	(71)	(94,4)
Advances of loans receivable	**(70)**	(2 175)	(96,8)
Acquisition of a subsidiary/business	**2 549**	(1 927)	(232,3)
Net cash used in investing activities	**(2 766)**	(11 220)	(75,3)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of interest-bearing borrowings	**(14 746)**	(30 587)	(51,8)
Payment of lease liabilities	**(20 885)**	(16 096)	29,8
Proceeds from issue of share capital	**5 759**	4 494	28,1
Treasury shares acquired	**(49 377)**	(47 170)	4,7
Repayment of related party loans	**-**	(288)	(100,0)
Dividend paid to non-controlling interest	**(1 229)**	-	100,0
Settlement of contingent consideration	**-**	(212)	(100,0)
Settlement of deferred consideration	**(12 539)**	-	100,0
Net cash used in financing activities	**(93 017)**	(89 859)	3,5
Net (decrease)/increase in cash and cash equivalents	**(43 737)**	174 050	(125,1)
Effect of movements in exchange rates on cash held	**28 975**	47 113	(38,5)
Cash and cash equivalents at beginning of year	**491 968**	270 805	81,7
Cash and cash equivalents at end of year	**477 206**	491 968	(3,0)
Net debt to equity ratio	**(23,1)%**	(23,3)%	0,2
Total cash on hand:	**100%**	100%	
- South Africa	**6,7%**	6,2%	0,5
- Offshore	**93,3%**	93,8%	(0,5)
Total funding facilities available	**466 971**	488 804	(4,5)
Total unutilised funding facilities	**258 534**	230 930	12,0

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

MARK STEWART (61)
CA(SA)
Chairman
Appointed: 9 December 2022
Committees: A&RC, SEC, RC, **Chairman NC**

Mark is a CA and Registered Auditor with IRBA. Mark joined BDO SA as a trainee accountant in 1985 and over the last thirty-eight years has gone on to hold senior partnership positions in the firm, including the National CEO role between 2014 and 2022, and has most recently accepted a role with BDO International as the Regional Director for Africa. He is also a member of the Institute of Directors and has previously held a non-executive position with a JSE listed company, various directorships in private entities and has served as a Trustee for several charitable organisations.

EDWARD (TED) GARNER (84)
CA (SA), MBA (UNISA), MSIA (Carnegie Mellon, USA)
Appointed: 5 June 2008
Committees: A&RC, SEC, NC, **Chairman RC**

Ted is a Chartered Accountant ("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 (59)
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 Chairman and CEO of Electrowave 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.

TAMMY WOODROFFE (48)
CA (SA)
Appointed: 2 March 2023
Committees: **Chairman A&RC**

Tammy is an Independent Tax Practitioner with a Masters in Taxation and over twenty years of corporate and international tax experience. Tammy is a qualified CA having completed her articles with KPMG in Durban. She was part of the KPMG tax team from 1999 until 2005 when she and a colleague started their own tax consultancy business focusing on corporate and international tax.

EXECUTIVE DIRECTORS

GLEN GERBER (61)
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 twenty-one years as CEO.

JAMES ROBERTSON (33)
CA (SA)
Group Financial Director
Appointed: 14 February 2023
Committees: EXCO, RMC, HSC

James qualified as a CA having completed his articles with Deloitte in 2016. James left Deloitte in 2017 to join a commodities trading business before taking a position as Group Financial Manager of a multinational private equity-backed Group providing food logistics and facilities services to various industries across fifteen countries internationally. James joined the Santova Group in 2021 as Group Financial Manager before being appointed as Group Financial Director in 2023.

ANTHONY (LANCE) VAN ZYL (50)
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 (45)
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 Advisor for the past nineteen 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 (45)
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 (82)
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 is grounded in the Culture and Values of the Group as set out on page 2. It also 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, 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. Periodic 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 as well as to plan the implementation the Group's 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 in the footer of every email emanating from the Group. All emails sent to this inbox are only received by the independent and non-executive Board Chairman and the independent Group Company Secretary.

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 has applied the principles and practices of King IV™ in the 2024 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).

There have been a number of changes to the composition of the Board and its Committees during the financial year ended 29 February 2024. The Company's Chairman, ESC Garner, stepped down as Chairman of the Board on 24 July 2023 and ME Stewart has been appointed Chairman of the Board and Chairman of the Nominations Committee in his stead. At the same time, ESC Garner was appointed Chairman of the Remuneration Committee. TL Woodroffe was appointed as a non-executive Board member on 2 March 2023 and appointed as Chairman of the Audit and Risk Committee in July 2023 .

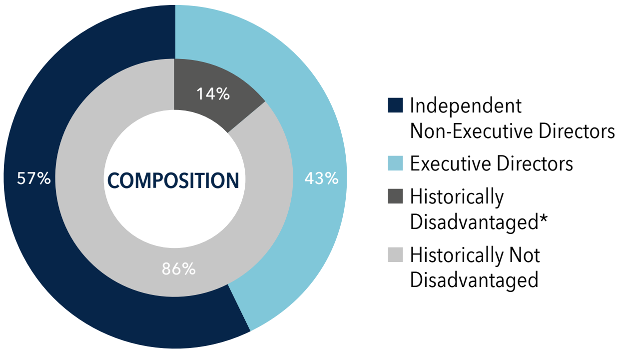
Brief biographical details of each of the current directors and the expertise and experience each bring to the Board, are set out on pages 28 to 29 of this **AIR** under the heading "Who Governs Us".

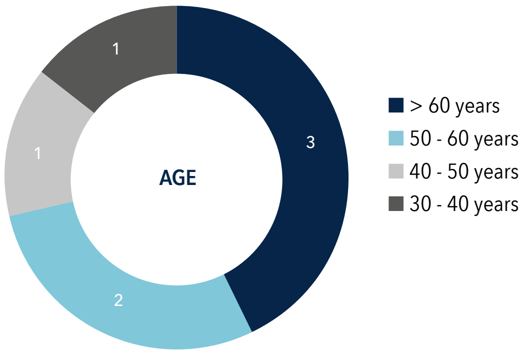
COMPOSITION OF THE BOARD

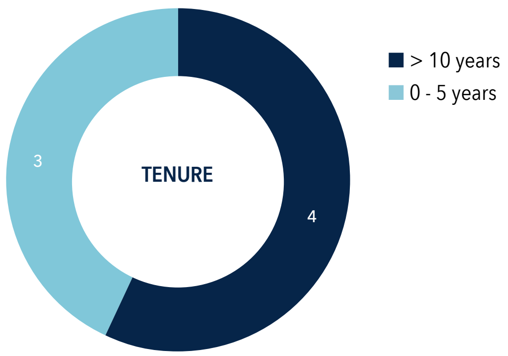
Unitary Board of seven directors.
All non-executive directors are independent.
Extensive financial, corporate governance and business experience, balanced with entrepreneurial flair.
Size of the Board is considered appropriate to the present size of the Group.
Has in place a Policy that ensures a clear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

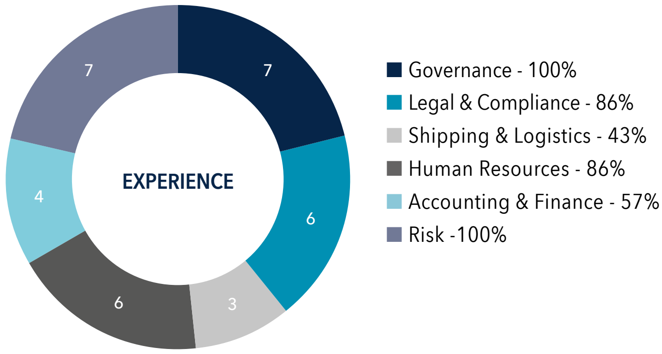
The responsibilities of the Board include the following:

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. There were a number of changes to the Board during the period under review and these are set out under the heading "The Board of Directors" on page 30.

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 recent appointments have been made with the Policy for Diversity in mind.

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.

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.

DELEGATION OF AUTHORITY

The Delegation of Authority, which sets out the delegation by the Board of its authority to its Committees, Group Executive Management and to the Management of its subsidiary companies in all jurisdictions, is 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 document is applicable to all individual entities within the Group and is identical for all bar the currency conversion.

BOARD AND COMMITTEE EVALUATION

An evaluation of the Board and its Committees was carried out internally in 2024. A report on the findings was considered by the Board at its meeting in May 2024 and a number of action items were agreed upon. The questionnaire has now been converted into digital format to simplify the process. The next evaluation process will take place in the 2026 calendar year.

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 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.

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.

ATTENDANCE AT BOARD AND COMMITTEE MEETINGS

		BOARD	AUDIT & RISK	NOMINATIONS	REMUNERATION	SOCIAL & ETHICS
INDEPENDENT NON-EXECUTIVE DIRECTORS						
ME Stewart[1]	Board/Nominations Committee Chair	4/4	4/4	1/1	2/2	1/2
ESC Garner[2]	Remuneration Committee 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
TL Woodroffe[3]	Audit & Risk Committee Chair	4/4	4/4	0/1[4]	1/2[4]	1/2[4]
EXECUTIVE DIRECTORS						
GH Gerber	Group Chief Executive Officer	4/4	4/4	1/1[4]	2/2[4]	2/2[4]
JS Robertson	Group Financial Director	4/4	4/4	-	-	-
AL van Zyl	Group Marketing Director, Group EXCO	4/4	4/4[4]	-	-	-
PRESCRIBED OFFICERS						
AKG Lewis	Group Legal Advisor, Group EXCO	4/4[4]	4/4[4]	-	-	2/2
GP Fourie	Group IT Executive, Group EXCO	4/4[4]	4/4[4]	-	-	-

[1] *Appointed Chairman of the Board and of Nominations Committee on 24 July 2023;*
[2] *Appointed Chairman of the Remuneration Committee after stepping down as Chairman of the Board on 24 July 2023;*
[3] *Appointed Chairman of the Audit & Risk Committee on 24 July 2023;*
[4] *Attended by invitation.*

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;
- Reviewed the Diversity Policy and Gender Diversity Policy;
- Reviewed the Policy for Evidencing a Clear Division of Responsibility at Board Level;
- Reviewed the Directors' Code of Conduct; and
- Reviewed the Policy Relating to Appointments to the Board.

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 oversaw:

- The migration of 5 business units to the centralised Operating System;
- The launch of an updated version of the Client Visibility management tool, including live vessel tracking and AI driven ETA forecasting;
- The launch of a centralised client KPI management dashboard;
- The deployment of additional client integrations; and
- The deployment of additional service provider integrations.

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 in SA 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 **S&E 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 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 ("the 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 2024 financial year, 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 2023 financial year, 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 2024 financial year;
- Reviewed and approved a revised version of the Group's formally documented Remuneration Policy;
- 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 2025 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 2025 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, BambooHR™ (as detailed in the Social and Ethics Committee Report on page 8 of the AFS), 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 24 July 2023, 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 2023 **AIR**.

The results of that meeting were that 99,9% 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 to better 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 2023 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 further 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; and
- Incentive awards.

Based on the outcome of these assessments, the Group EXCO 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 restrictions, providing protection to the Group's client base, employees and confidential information as far as is allowed by applicable local law. 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/herself 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/herself 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 2023 to 31 July 2024 were approved by shareholders at the AGM held on 24 July 2023.

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:

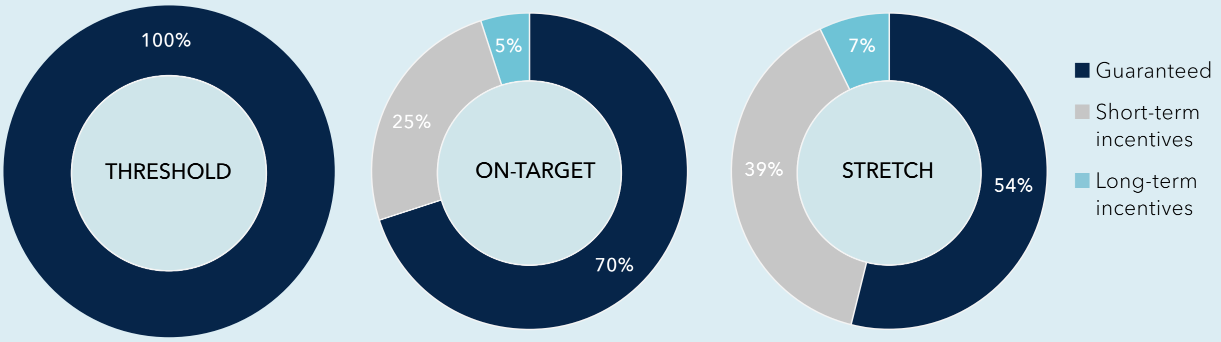
- “Threshold” earnings levels: These are minimum levels requiring that the financial related KPIs be achieved at the same or higher levels than the previous financial year;
- “On-target” earnings levels: The financial performance that needs to be attained to meet stakeholders’ expectations and to achieve 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 2024 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 2024 financial year:

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 in consideration of 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

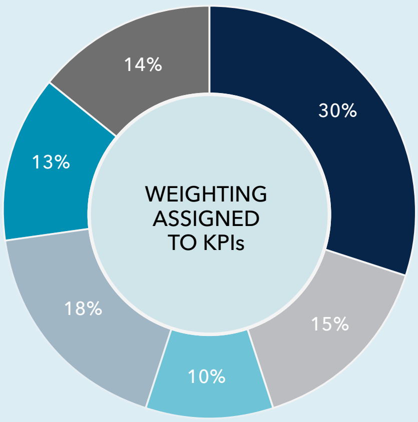
SHORT-TERM INCENTIVES

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 year.

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:



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 2024 financial year the Remuneration Committee set the following overall guaranteed remuneration benchmark increases for the Group as a whole:

	FY2025 %	FY2024 %
South Africa	**6,5**	9,3
International Operations - Average across all regions	**3,1**	7,8

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

	FY2025 %	FY2024 %
Chief Executive Officer	**15,0**	25,0
Key Senior Executives	**9,8**	19,0

The increase awarded to the Chief Executive Officer includes an adjustment in relation to his relocation to the UK to focus on building and developing the Group's offshore operations.

SHORT-TERM INCENTIVES

For the 2023 financial year 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 2023 financial year 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 142,56% against a target of 100%.

2023 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%				**129,47%**	38,84%
2. Return on average shareholders' funds	15%				**119,75%**	17,96%
3. Operating margin	10%				**119,71%**	11,97%
4. Earnings after tax	18%				**128,79%**	30,93%
5. Culture and Values of the Group	13%				**190,00%**	24,70%
6. Duties and responsibilities	14%				**185,00%**	25,90%
	100%				**Total**	**142,56%**

EXECUTIVE DIRECTORS' REMUNERATION

Details of the remuneration paid to the CEO and EXCO members during the 2024 financial year are set out on page 59 of the AFS, which forms part of this **AIR**.

NON-EXECUTIVE DIRECTORS' REMUNERATION

The Remuneration Committee recently undertook an assessment of market related non-executive directors' fees and thereupon have recommend an increase of the order of 5% to non-executive directors for the 2024/25 year.

Details of the remuneration paid to each non-executive director during the 2024 financial year are set out on page 59 of the AFS, which forms part of this **AIR**.

At the AGM to be held on 29 July 2024, 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 15 May 2024. The Remuneration Committee as well as the Board are satisfied that there were no material deviations from the Remuneration Policy during the 2024 financial year.

ESC Garner
Chairman

15 May 2024

SHAREHOLDER ANALYSIS

	Number of shareholder accounts	% of total shareholder accounts	Number of shares	% of issued shares
SHAREHOLDER SPREAD				
1 - 1 000 shares	6 041	68,79	940 019	0,72
1 001 - 10 000 shares	1 803	20,53	7 241 058	5,59
10 001 - 100 000 shares	796	9,06	23 342 045	18,01
100 001 - 1 000 000 shares	123	1,40	28 879 044	22,28
1 000 001 shares and over	19	0,22	69 207 785	53,40
Totals	**8 782**	**100,00**	**129 609 951**	**100,00**
SHAREHOLDER TYPES				
Banks, Brokers & Nominees	23	0,26	5 591 281	4,31
Close Corporations	37	0,42	1 229 161	0,95
Collective Investment Schemes	7	0,08	3 620 112	2,79
Control Accounts & Unclaimed Shares	6	0,07	5 973	0,01
Hedge Funds	1	0,01	18 084 194	13,95
Lending, Collateral & Pledged Accounts	3	0,03	3 504 783	2,70
Non-SA Custodians	11	0,13	1 433 216	1,11
NPO & Charity Funds	6	0,07	87 759	0,07
Pooled & Mutual Funds	12	0,14	441 095	0,34
Private Companies	158	1,80	13 685 140	10,56
Retail Individuals	7 918	90,16	69 135 579	53,34
Retirement Benefit Funds	410	4,67	347 388	0,27
Trusts & Investment Partnerships	190	2,16	12 444 270	9,60
Totals	**8 782**	**100,00**	**129 609 951**	**100,00**
KEY SHAREHOLDERS				
Non-Public Shareholders	16	0,18	45 347 670	34,99
Directors	15	0,17	27 263 476	21,04
Barca Capital (>10% of Issued Shares)	1	0,01	18 084 194	13,95
Public Shareholders	8 766	99,82	84 262 281	65,01
Totals	**8 782**	**100,00**	**129 609 951**	**100,00**
FUND MANAGERS HOLDING >5% OF ISSUED SHARES				
Barca Capital			18 084 194	13,95
Totals			**18 084 194**	**13,95**
BENEFICIAL SHAREHOLDERS HOLDING >5% OF ISSUED SHARES				
Barca Capital			18 084 194	13,95
Van Zyl Anthony Lance Mr			16 500 000	12,73
Gerber Glen Henry Mr			7 432 285	5,73
Totals			**42 016 479**	**32,42**

DIRECTORS' SHAREHOLDING ANALYSIS

Non-public shareholder type	Account	29 February 2024	%
STRATEGIC SHAREHOLDERS (>10% OF ISSUED SHARES)		**18 084 194**	**13,95**
Barca Capital	Barca Global Master Fund LP	18 084 194	13,95
DIRECTORS		**24 633 416**	**19,01**
Garner, ESC	Delmas Crushers CC	497 922	0,38
Garner, ESC	Sanlam Life Insurance Limited	142 760	0,11
Gerber, GH	Gerber Glen Henry Mr	5 930 956	4,58
Gerber, GH	Lloyd Investment Trust	1 501 329	1,16
Gerber, GH	International Mining Logistics	1	0,00
Robertson, JS	Robertson James Struan Mr	60 448	0,05
van Zyl, AL	van Zyl Anthony Lance Mr	16 500 000	12,73
SUBSIDIARY DIRECTORS		**2 630 060**	**2,03**
Anderson, JG	Anderson James Gideon Mr	19 000	0,02
Boelens, VP	Boelens Vincent Patrick Mr	200 000	0,16
Desai, M	Desai Muhammad Mr	114 843	0,09
Fourie, GP	Fourie Gert Pieter Mr	336 171	0,26
Gerber, GL	Gerber Garth Lloyd Mr	39 350	0,03
Heald, JE	Heald John Edward Mr	1 586 233	1,22
Lee, Mei Yee	Lee Mei Yee Mrs	31 300	0,02
Lewis, AKG	Lewis Andrew Kenneth Grant Mr	303 163	0,23
NON-PUBLIC SHAREHOLDER TOTALS		**45 347 670**	**34,99**

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
2023	March	818	650	375	1 159 886	8 664 536
2023	April	800	760	165	524 858	4 085 764
2023	May	985	705	858	4 136 689	37 997 488
2023	June	980	900	451	1 686 178	16 125 891
2023	July	977	908	353	1 424 150	13 565 052
2023	August	975	845	582	1 653 178	14 951 613
2023	September	889	701	285	1 357 184	11 395 340
2023	October	830	700	612	3 163 170	23 746 798
2023	November	799	716	571	2 869 472	21 536 402
2023	December	780	700	154	541 791	4 017 070
2024	January	810	723	579	3 375 088	25 628 232
2024	February	790	650	300	1 524 850	11 656 523
		985	**650**	**5 285**	**23 416 494**	**193 370 709**

MARKET DATA

		2024	2023
Traded price at cents per share (CPS)			
Open	CPS	**777**	587
High	CPS	**985**	924
Low	CPS	**650**	452
Close	CPS	**715**	800
Market capitalisation	ZAR	**926 711 150**	1 068 446 568
Value of shares traded	ZAR	**193 370 709**	165 053 036
Value traded as % of market capitalisation	%	**20,87**	15,45
Volume of shares traded	number of shares	**23 416 494**	22 756 010
Volume traded as % of shares in issue	%	**18,07**	17,04
Price Earnings (PE) ratio	multiple	**6,27**	5,10
Dividend per share	CPS	**-**	-
Dividend yield	%	**-**	-
Earnings yield	%	**15,36**	19,60
Period-end market price/NAV	ratio	**0,80**	1,07
Shares in issue	number of shares	**129 609 951**	133 555 821
Shares issued	number of shares	**2 138 298**	2 569 446
Shares cancelled	number of shares	**6 084 168**	7 433 877
Number of shareholders	number	**8 782**	9 597
Capital and reserves	ZAR	**1 161 420 614**	1 002 877 296

SHAREHOLDERS' CALENDAR

ACTIVITY	DATE
Financial year-end	29 February 2024
Release of Preliminary Audited Results on SENS	15 May 2024
Dispatch of 2024 Annual Integrated Report and Notice of AGM - on or about	27 May 2024
Publication of 2024 Annual Financial Statements on the Group website	27 May 2024
Publication of 2024 Corporate Governance material on the Group website	27 May 2024
Publication of 2024 Social and Environmental Report on the Group website	27 May 2024
2024 Annual General Meeting - 12 noon in Durban	29 July 2024
Release of Interim Statements for the six months ending 31 August 2024	28 October 2024

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 technology-based trade solutions specialist

DIRECTORS

Independent Non-Executive Directors

ME Stewart (Chairman)

ESC Garner

EM Ngubo

TL Woodroffe

Executive Directors

GH Gerber (Chief Executive Officer)

JS Robertson (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 Avenue, 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

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JS Robertson (Group Financial Director)

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SANTOVA HEAD OFFICE AND REGISTERED OFFICE

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Postal Address

PO Box 6148, Durban, 4000, South Africa

Registered Office

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Contact Number

+27 31 521 0160

CORPORATE BANKERS

Nedbank Limited

PO Box 1144, Sandown, 2196, South Africa

A Specialist Provider of Innovative Global Trade Solutions.

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

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