

SANTOVA LIMITED  
Registration number 1998/018118/06  
Share code SNV  
ISIN ZAE000159711

AUDITED ABRIDGED GROUP RESULTS  
for the year ended 28 February 2013

- 14,2% increase in basic - 17,5% increase in net asset  
earnings per share value per share  
- 19,6% increase in capital - 2,5 cps maiden ordinary  
and reserves dividend declared

CONDENSED STATEMENT OF COMPREHENSIVE INCOME

Audited Audited  
28 February 29 February  
2013 2012  
R'000 R'000  
Gross billings 2 640 037 2 605 858  
Turnover 178 790 167 107  
Other income 8 535 3 910  
Depreciation and amortisation (3 070) (3 776)  
Administrative expenses (143 221) (127 816)  
Operating profit 41 034 39 425  
Interest received 2 014 1 328  
Finance costs (9 239) (10 690)  
Profit before taxation 33 809 30 063  
Income tax expense (8 712) (7 564)  
Profit for the year 25 097 22 499  
Attributable to:  
Equity holders of the parent 24 688 22 079  
Minority interest 409 420  
Other comprehensive income  
Exchange differences arising from translation of  
foreign operations (945) 2 179  
Total comprehensive income 24 152 24 678  
Attributable to:  
Equity holders of the parent 23 473 24 011  
Minority interest 679 667  
Basic earnings per share (cents) 18,06 15,82  
Diluted basic earnings per share (cents) 18,00 15,82  
Dividends per share (cents) 2,50

SUPPLEMENTARY INFORMATION

Audited Audited  
28 February 29 February  
2013 2012  
R'000 R'000  
Reconciliation between earnings and headline earnings  
Profit attributable to equity holders of the parent 24 688 22 079  
Net loss on disposals of plant and equipment 171 314  
Impairment of loan 41  
Derecognition of financial liability (713)  
Taxation effects (49) (91)  
Minority interest (1) (25)  
Headline earnings 24 096 22 318  
Shares in issue (000's) 136 459 134 277  
Weighted average number of shares (000's) 136 725 139 547  
Diluted number of shares (000's) 137 165 139 547  
Shares for net asset value calculation (000's) 136 459 134 277  
Performance per ordinary share  
Headline earnings per share (cents) 17,62 15,99  
Diluted headline earnings per share (cents) 17,57 15,99  
Net asset value per share (cents) 108,20 92,12

CONDENSED STATEMENT OF CASH FLOWS

Audited Audited

	28 February 2013	29 February 2012
	R'000	R'000
Profit before taxation	33 809	30 063
Adjustments for non-cash flow items	8 681	13 420
Changes in working capital	(11 835)	(45 456)
Interest received	2 014	1 328
Finance costs	(9 087)	(10 319)
Taxation paid	(8 827)	(7 918)
Net cash flows from operating activities	14 755	(18 882)
Cash outflows from the acquisition of subsidiaries	(35 738)	(2 426)
Cash utilised in other investing activities	(2 332)	(3 224)
Net cash flows from investing activities	(38 070)	(5 650)
Net cash flows from financing activities	41 217	19 735
Net increase/(decrease) in cash and cash equivalents	17 902	(4 797)
Effects of exchange rate changes on cash and cash equivalents	1 012	935
Cash and cash equivalents at beginning of year	9 626	13 488
Cash and cash equivalents at end of year	28 540	9 626
Cash and cash equivalents are made up as follows:		
Cash and cash equivalents	29 545	12 786
Less: Bank overdrafts	(1 005)	(3 160)
Cash and cash equivalents at end of year	28 540	9 626

#### CONDENSED STATEMENT OF CHANGES IN EQUITY

	Audited 2013	Audited 2012
	R'000	R'000
Capital and reserves		
Balance at beginning of year	123 699	103 415
Total comprehensive income	24 152	24 678
Recognition of costs directly related to share issues capitalised to equity (3)		
Repurchase of shares in terms of odd-lot and specific offer (281)		
Share commitments arising on grant of put options (3 642)		
Recognition of costs directly related to share buybacks in equity (471)		
Equity reserves arising from grant of equity-settled share options 115		
Balance at end of year	147 963	123 699
Comprising:		
Stated capital	145 307	145 200
Share commitments (5)		
Contingency reserve	210	
Foreign currency translation reserve	1 785	3 000
Accumulated loss	(2 155)	(27 053)
Attributable to equity holders of the parent	144 937	121 352
Minority interest	3 026	2 347
Capital and reserves	147 963	123 699

#### CONDENSED STATEMENT OF FINANCIAL POSITION

	Audited 2013	Audited 2012
	R'000	R'000
ASSETS		
Non-current assets	122 247	73 171
Plant and equipment	8 308	8 365
Intangible assets	109 883	60 356
Financial asset	522	522
Deferred taxation	3 534	3 928
Current assets	436 369	345 208
Trade receivables	368 931	320 311
Other receivables	36 764	11 046
Current tax receivable	1 129	304
Amounts owing from related parties	761	
Cash and cash equivalents	29 545	12 786
Total assets	558 616	418 379
EQUITY AND LIABILITIES		
Capital and reserves	147 963	123 699
Non-current liabilities	54 364	5 023
Interest-bearing borrowings	37 402	164
Long-term provision	1 966	1 976
Financial liabilities	14 996	2 882
Deferred taxation	1	
Current liabilities	356 289	289 657
Trade and other payables	199 664	139 002
Current tax payable	3 650	253

Current portion of interest-bearing borrowings 3 430 157  
Amounts owing to related parties 167 246  
Financial liabilities 445 2 596  
Short-term borrowings and overdraft 137 829 138 252  
Short-term provisions 11 104 9 151

Total equity and liabilities 558 616 418 379

#### CONDENSED SEGMENTAL ANALYSIS

South Foreign

Africa Operations Group

GEOGRAPHICAL SEGMENT R'000 R'000 R'000

28 February 2013

Turnover (external) 129 835 48 955 178 790  
Operating profit 28 878 12 156 41 034  
Net profit 16 329 8 768 25 097  
Total assets 482 944 75 672 558 616  
Total liabilities 360 646 50 007 410 653  
Depreciation and amortisation 2 496 574 3 070  
Capital expenditure 2 440 595 3 035

29 February 2012

Turnover (external) 138 300 28 807 167 107  
Operating profit 34 934 4 491 39 425  
Net profit 18 781 3 718 22 499  
Total assets 385 638 32 741 418 379  
Total liabilities 273 082 21 598 294 680  
Depreciation and amortisation 3 072 704 3 776  
Capital expenditure 4 812 648 5 460

Logistics

Services Insurance Group

BUSINESS SEGMENT R'000 R'000 R'000

28 February 2013

Net profit 22 500 2 597 25 097  
Total assets 553 034 5 582 558 616  
Total liabilities 409 510 1 143 410 653

29 February 2012

Net profit 21 523 976 22 499  
Total assets 413 547 4 832 418 379  
Total liabilities 292 399 2 281 294 680

#### COMMENTARY

##### GROUP PROFILE

The Santova Group provides sophisticated integrated logistics solutions for clients worldwide, operating from offices throughout South Africa and internationally in Australia, Netherlands, United Kingdom and Hong Kong.

The Group assumes responsibility for the entire supply chain from supplier to point of consumption and does so through a highly client-centric approach, by providing clients with detailed supply chain analysis and offering virtual supply chain management through the use of OSCAR(R). OSCAR(R) is a unique logistics software solution developed by the Group, which interfaces directly with client systems providing real time information, electronic documentation, process automation and business intelligence tools.

##### BUSINESS REVIEW

Against the backdrop of another year of challenging business conditions, which has proved that South Africa is not immune to the fallout of the woes affecting Europe and the United States, the Santova Group has produced commendable results. Focus in the past year on strengthening the offshore businesses and diversifying the Group's operations into other regions, products and services has paid off and its ability to diversify and respond quickly to new opportunities is the key to the Group's growth and sustainability in the years ahead.

The most significant events that have taken place within the Group over the past year have been the following:

- The acquisition of W.M. Shipping Limited in the United Kingdom, which was effective in

November 2012;

- The rebranding of Impson Logistics under the name of Santova Logistics, resulting in all of the Group's subsidiary companies globally, with the exception of the newly acquired W.M. Shipping Limited, now bearing the Santova name;
- The merger of Santova Logistics and Santova Logistics South Africa, the Group's two wholly owned South African logistics subsidiaries, into one entity. This brings significant operational efficiencies and synergies to our South African operations; and
- The establishment of a specialised Group marketing office in Sandton, Johannesburg from which to drive the Group's marketing and supply chain analysis initiatives nationally.

#### FINANCIAL REVIEW

The 2013 financial period saw the Santova Group continue the trend, established in recent financial periods, of achieving constant earnings growth and a strengthening of its financial position.

#### Profitability

The Group achieved solid growth in profit for the year of 11,6% from R22,5 million to R25,1 million, which was leveraged upwards into a 14,2% bottom line increase in basic earnings per share from 15,82 cents to 18,06 cents. This was due to a lower weighted average number of shares in issue during the current period.

#### Segmental analysis

The benefits from the Group's international expansion strategy are starting to become evident through the diversification of the Group's earnings away from its previous reliance on the South African market. In the current financial period R8,8 million of profit for the year or 35% of the total profit was generated outside of South Africa, compared with R3,7 million or 17% in the past financial year.

#### Acquisition of W.M. Shipping Limited (United Kingdom)

2013 saw the Group's first acquisition in two and half years, whereby it acquired 100% of the share capital of W.M. Shipping, operating as a traditional freight forwarder and clearing company out of Birmingham, and settled the purchase consideration entirely in cash. R61,2 million was raised internally from dividends received from Group subsidiaries and from cash reserves acquired as part of the transaction. The balance of the purchase consideration, amounting to a present value at effective date of R16,2 million, is payable in three separate contingent payments over a period of 24 months based on certain profit warranties being met.

The fair value, on acquisition date, of the assets acquired was R25,4 million, and the R52,0 million by which the purchase price exceeds the fair value of the assets acquired is attributable to anticipated profitability and expected cash generation recognised as goodwill.

The effective acquisition date of the transaction was 23 November 2012 resulting in a contribution of R4,2 million of W.M. Shipping profits to the Group's current year results.

#### Financial position

Net asset value increased from R123,7 million to R148,0 million, which translates into a highly credible 17,5% increase in net asset value per share to 108,2 cents from 92,1 cents.

#### Cash flows/funding

On a very positive note the Group has, for the first time since the 2010 financial year, returned to a position where positive cash flows are being generated from operating activities, generating R14,8 million in the current year versus a utilisation of R18,9 million in the previous financial year. In turn the Group's cash and cash equivalents at year end have more than doubled to R29,5 million from R12,8 million in the prior year.

#### OUTLOOK

Whilst the outlook for world economies for the year ahead is relatively 'flat' to 'slightly

optimistic', we are confident that not only will we be capable of meeting the challenges as they present themselves but will capitalise further on our entrepreneurial capability and the 'spirit' in which we engage such challenges.

#### SUBSEQUENT EVENTS

Subsequent to the year end, a contract entered into between Santova Logistics South Africa (Pty) Ltd and AP Lion Investments (Pty) Ltd, the company's former landlord, became effective. In terms of International Financial Reporting Standards ("IFRS"), this is a material non-adjusting event after the reporting period, that requires disclosure. Full details regarding the nature of this event and an estimate of its financial impact can be found in note 29 to the Annual Financial Statements, which can be found on the Group's website.

#### BASIS OF PREPARATION

The condensed consolidated financial statements for the year ended 28 February 2013 have been prepared and presented in accordance with the framework concepts and the measurement and recognition requirements of IFRS, the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council and the information required by International Accounting Standard 34: Interim Financial Reporting.

The Group's accounting policies comply fully with IFRS; the Companies Act, No 71 of 2008, as amended; and the Listings Requirements of the JSE Limited, and are consistent with those applied in the annual financial statements for the year ended 29 February 2012.

#### PREPARER OF FINANCIAL STATEMENTS

The audited abridged Group results have been prepared under the supervision of DC Edley CA (SA), the Group Financial Director.

#### AUDIT OPINION

The condensed consolidated financial statements have been derived using the Group annual financial statements and are consistent in all material respects with the Group annual financial statements. The Company's independent auditors, Deloitte & Touche, have issued an unmodified opinion on the 28 February 2013 Company and Group annual financial statements and on these abridged Group results. The audit was conducted in accordance with International Standards on Auditing and a copy of their audit report is available for inspection at the Company's registered office.

The auditor's report does not necessarily cover all of the information contained in this announcement/financial report. Shareholders are therefore advised that in order to obtain a full understanding of the nature of the auditor's work, they should obtain a copy of that report together with the accompanying financial information from the registered office of the company.

#### DIRECTORATE

There has been only one change to the composition of the Board during the current reporting period; being the resignation of Mr Gary Knight as an executive director of the Company, on 28 February 2013.

#### NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of Santova will be held in the Harbour View Boardroom, Santova House, 88 Mahatma Gandhi Road, Durban, 4001 on Tuesday, 30 July 2013 at 12:00 to transact business as stated in the notice of the Annual General Meeting. The notice of the Annual General Meeting forms part of the 2013 Annual Integrated Report which will be posted to shareholders on or about 28 May 2013.

#### APPRECIATION

The Board would like to express its appreciation to all management and staff for their efforts during the year.

For and on behalf of the Board

GH Gerber DC Edley  
Chief Executive Officer Group Financial Director

17 May 2013

DIVIDEND DECLARATION

Notice is hereby given that the directors have declared a maiden gross dividend of 2,5 cents per ordinary share, payable out of income for the year ended 28 February 2013.

In terms of South African Dividends Tax, the following additional information is disclosed:

Local dividend withholding tax rate 15%  
STC credits available for set-off Nil  
Net local dividend payable to shareholders who are not exempt from Dividends Tax 2,125 cents per ordinary share  
Total number of ordinary shares in issue 136 459 406  
Company income tax reference number 9077/274/84/4P

The following salient dates will apply to the dividend payment:

Last day to trade cum-dividend Friday, 19 July 2013  
Shares commence trading ex-dividend Monday, 22 July 2013  
Record date Friday, 26 July 2013  
Dividend payment date Monday, 29 July 2013

Share certificates may not be dematerialised or rematerialised between Monday, 22 July 2013 and Friday, 26 July 2013, both dates inclusive.

By order of the Board

JA Lupton  
Company Secretary

17 May 2013

OSCAR(R)  
INTEGRATED LOGISTICS SOFTWARE SOLUTION

We have embraced the power in unlocking supply chain data, facilitating multiple entry and access points, allowing data uploads and downloads and linking this all with powerful communication tools. Modules within OSCAR(R) facilitate the following processes, amongst others:  
order processing and control - shipping instructions - scheduling - track and trace  
foreign exchange control - forecasting - delivery scheduling - inventory control  
electronic documentation distribution - costing - statistical reporting  
management reporting - warehousing control and management - quality control  
third party instructions and communication

Registration number 1998/018118/06 Share code SNV ISIN ZAE000159711

REGISTERED OFFICE Santova House, 88 Mahatma Gandhi Road, Durban, 4001

POSTAL ADDRESS PO Box 6148, Durban, 4000

EXECUTIVE DIRECTORS GH Gerber (CEO), DC Edley (GFD) (appointed 1 March 2012), GM Knight (resigned 28 February 2013), AL van Zyl

NON-EXECUTIVE DIRECTORS ESC Garner (Chairman)\*, WA Lombard\*, AD Dixon\*, S Donner \*Independent

TRANSFER SECRETARIES Computershare Investor Services (Pty) Limited, 70 Marshall Street, Marshalltown, 2107

COMPANY SECRETARY JA Lupton, FCIS

AUDITORS Deloitte & Touche (Registered auditor: SD Munro)

JSE SPONSOR River Group, Durban, 20 May 2013

www.santova.com

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