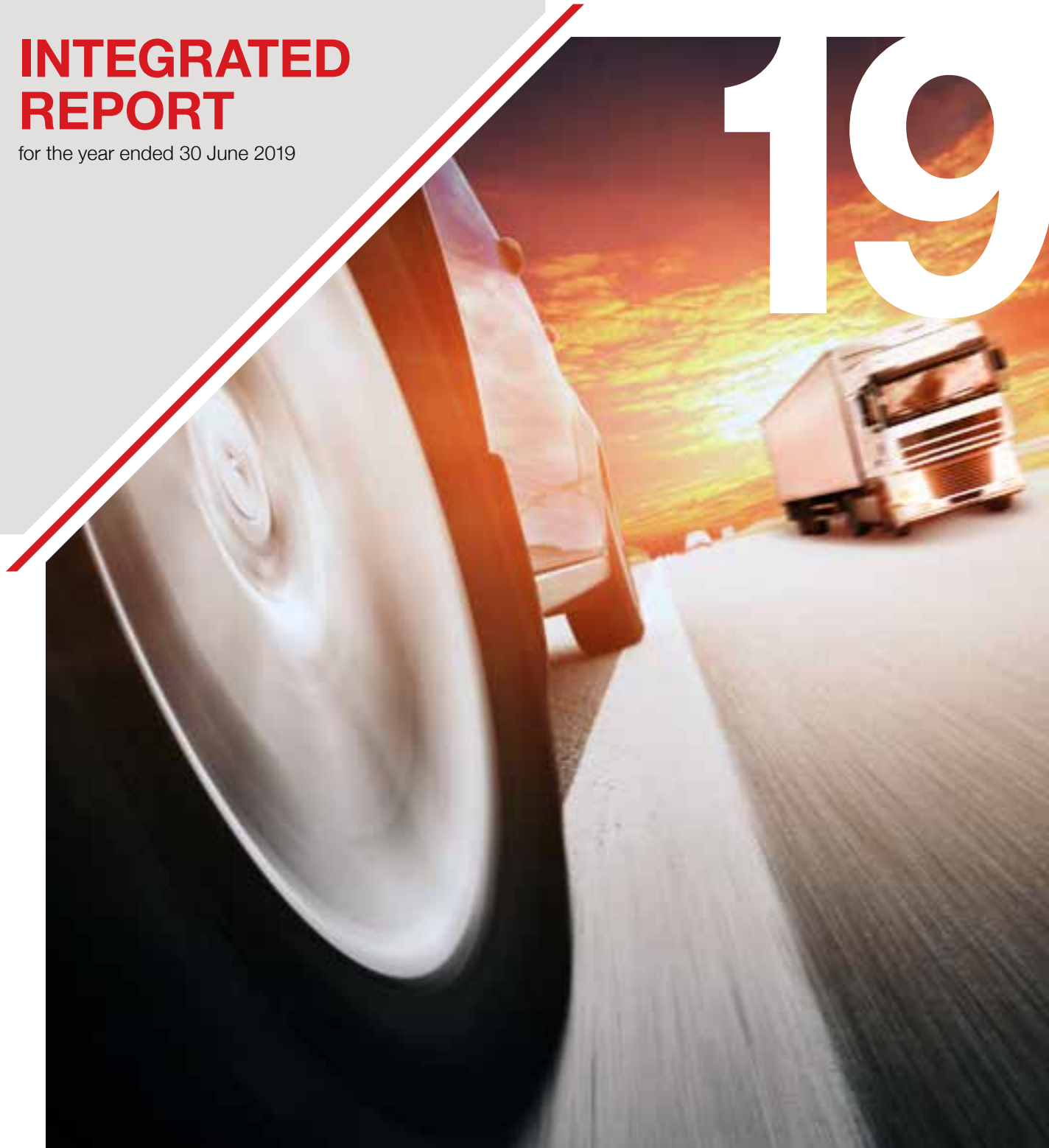


supergroup 

INTEGRATED REPORT

for the year ended 30 June 2019

19



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Documents available on Super Group's website: www.supergroup.co.za

-  Annual Financial Statements
-  Corporate Governance Report (incl. King IV Application Register)

-  Sustainability Report
-  Notice of Annual General Meeting

Abbreviations and definitions

The abbreviations and definitions used throughout this Integrated Report are detailed on pages 94 and 95.



About this Report

Scope

Super Group's Integrated Report for the financial year ended 30 June 2019 covers the economic, governance, environmental and social activities of the Group. It aims to provide a balanced, understandable and comprehensive review of the businesses by reporting on the financial and non-financial performance of the Group. This Integrated Report deals with the opportunities, risks and material issues faced by the Group in the normal course of business.

There are no material changes to the lay-out of this Integrated Report compared to the 2018 Integrated Report other than the enhancement of the report. This Integrated Report was prepared in accordance with IFRS, the requirements of the Companies Act, the JSE Listings Requirements, the principles of King IV and the International Integrated Reporting Framework of the International Integrated Reporting Council.

Materiality

The materiality of information, both financial and non-financial, is considered when deciding which information to include in the Integrated Report.

The Integrated Report is intended to provide insight into issues identified as the most relevant and material to Super Group and its stakeholder groups that could potentially impact the Group as a going concern. Comprehensive information, pertaining to stakeholder engagement and material issues relevant to the various stakeholder groups, has been placed on the Company's website.

This Integrated Report for the year ended 30 June 2019 is published in various media. A summarised version of the Annual Financial Statements is contained in the Integrated Report. The Integrated Report, Notice of AGM, Annual Financial Statements, Corporate Governance Report, the King IV Application Register, the Sustainability Report, the Annual B-BBEE Compliance Report and the Gender Equality and Race Policy are available on the Group's website. For additional information and recent announcements, please visit Super Group's website at www.supergroup.co.za.

Assurance

This Integrated Report, as a whole, has not been independently assured. As a result of there not being an approved standard on assurance, the Group has decided not to assure this report as a whole until such standard exists.

Super Group has an Internal Audit Department which, together with the Group Audit Committee, assesses all internal and external assurances obtained and matches these to its identified risks.

This Integrated Report may contain certain forward-looking statements concerning the Group's strategy, financial conditions, growth plans and expectations. Such views involve both known and unknown risks, assumptions, uncertainties and important factors that could materially influence the actual performance of the Group. No assurance can therefore be given that these views will prove to be correct and no representation or warranty expressed or implied is given as to the accuracy or completeness of such views.

The Financial Statements have been audited by KPMG Inc. and the Independent Auditor's Report can be found in the Annual Financial Statements which are available on Super Group's website at www.supergroup.co.za.

Super Group Holdings' B-BBEE status is a Level 1 contributor, which is a highly commendable achievement. Notice is hereby given that the Company's Annual Compliance Report required to be published in terms of section 13G(2) of the Broad-Based Black Economic Empowerment Act 53 of 2003, as amended, and paragraph 16.20 (g) and Appendix 1 to Section 11 of the JSE Listings Requirements is available on the Company's website. The B-BBEE Certificates of Super Group Holdings and other South African registered entities are also available on the website.

Approval of the Integrated Report

The Board acknowledges its responsibility to ensure the integrity of this Integrated Report. The Board has applied its mind to the Integrated Report and in its opinion, this report addresses the material issues and represents fairly the integrated performance of the Group.

Phillip Vallet

Chairman of the Company

Peter Mountford

Chief Executive Officer

26 September 2019

Any queries regarding this Integrated Report or its contents should be addressed to:

Nigel Redford

Group Company Secretary

Super Group Limited

E-mail: nigel.redford@supergroup.com Tel: +27 11 523 4093

Any queries regarding Super Group's Investor Relations should be addressed to:

Marlize Keyter

Investor Relations Consultant

Keyter Rech Investor Solutions CC

E-mail: mkeyter@kris.co.za Tel: +27 87 351 3810

Super Group at a glance

Profile

Super Group is a leading transport logistics and mobility group, headquartered in South Africa. The Group, founded in 1986, has been listed on the JSE since 1996. Super Group includes supply chain, dealerships and fleet solutions businesses focused on offering a comprehensive range of services, utilising world-class skills and technology.



Supply Chain

The Supply Chain division comprises Supply Chain Africa, consisting of Supply Chain South Africa and African Logistics, and Supply Chain Europe, represented by a 75% interest in inTime, 88% interest in Ader and subsequent to year end, an 80% interest in TLT



Fleet Solutions

The Fleet Solutions division comprises Fleet Africa and SG Fleet, in which Super Group has a 59.2% interest at 30 June 2019, a listed Australian fleet management business



Dealerships

The Dealerships division comprises Dealerships SA and Dealerships UK, being the 100% interest in Allen Ford (UK), Essex Auto Group Limited and Slough Motor Corporation

Our vision

The strategic vision for Super Group is to provide **end-to-end supply chain solutions, fleet management and dealership services** to a diversified customer base in Africa, Australia, the United Kingdom, Europe and New Zealand and to become a **leading transport logistics and mobility group** in the countries in which it operates.

Our strategic focus

Our strategic focus within the Super Group businesses is to:

Immediate

- ▷ Expansion of the Group's core businesses through strategic and niche acquisitions.
- ▷ Delivering a competitive and sustainable RNOA.

One to three years

- ▷ Secure long-term contracts to support sustainable growth.
- ▷ Monitor the influence of Brexit, trade wars and other adverse economic conditions on the business and realign as may be necessary.

Five years

- ▷ Continue to build on world-class competencies in supply chain, fleet management and dealerships by investing in our employees, facilities and technologies.
- ▷ Provide customers with innovative business solutions and product offerings.
- ▷ Continue to follow optimum corporate governance principles in order to ensure a long-term sustainable business environment.

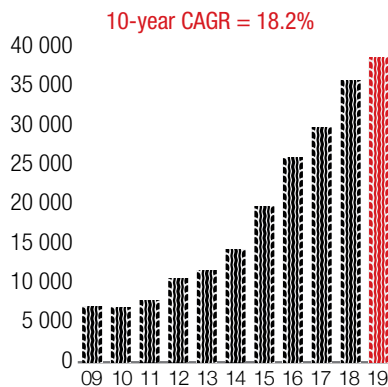
Our investment proposition

Our investment proposition for Super Group entails:

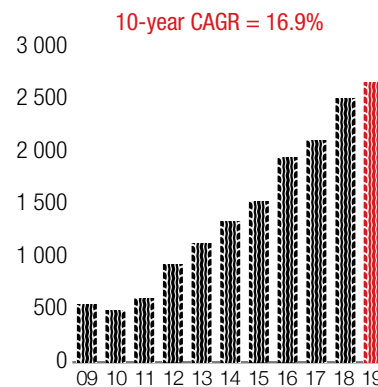
- ▷ Super Group is a leading transport logistics and mobility group in South Africa and a leading fleet management solutions company in Australasia.
- ▷ Certain businesses within the Group are also starting to establish themselves as leaders in their respective countries of operation.
- ▷ The Group is expanding internationally and increasing its geographic footprint as well as offshore earnings. At 30 June 2019, Super Group's revenue and operating profit from non-South African businesses comprised 48% (June 2018: 47%) and 50% (June 2018: 60%) of Group total, respectively.
- ▷ The Group has a strong financial position with an acceptable level of gearing – well below 40%.
- ▷ An experienced and skilled management team.
- ▷ The financial strength, acumen and track record to explore growth opportunities.

Highlights

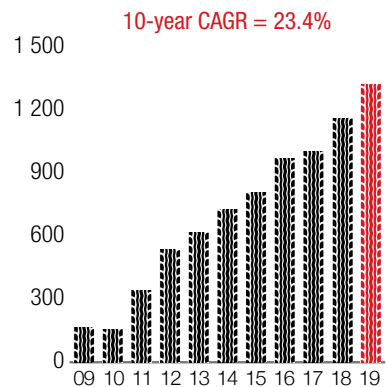
Revenue (R'm)



Operating profit (R'm)



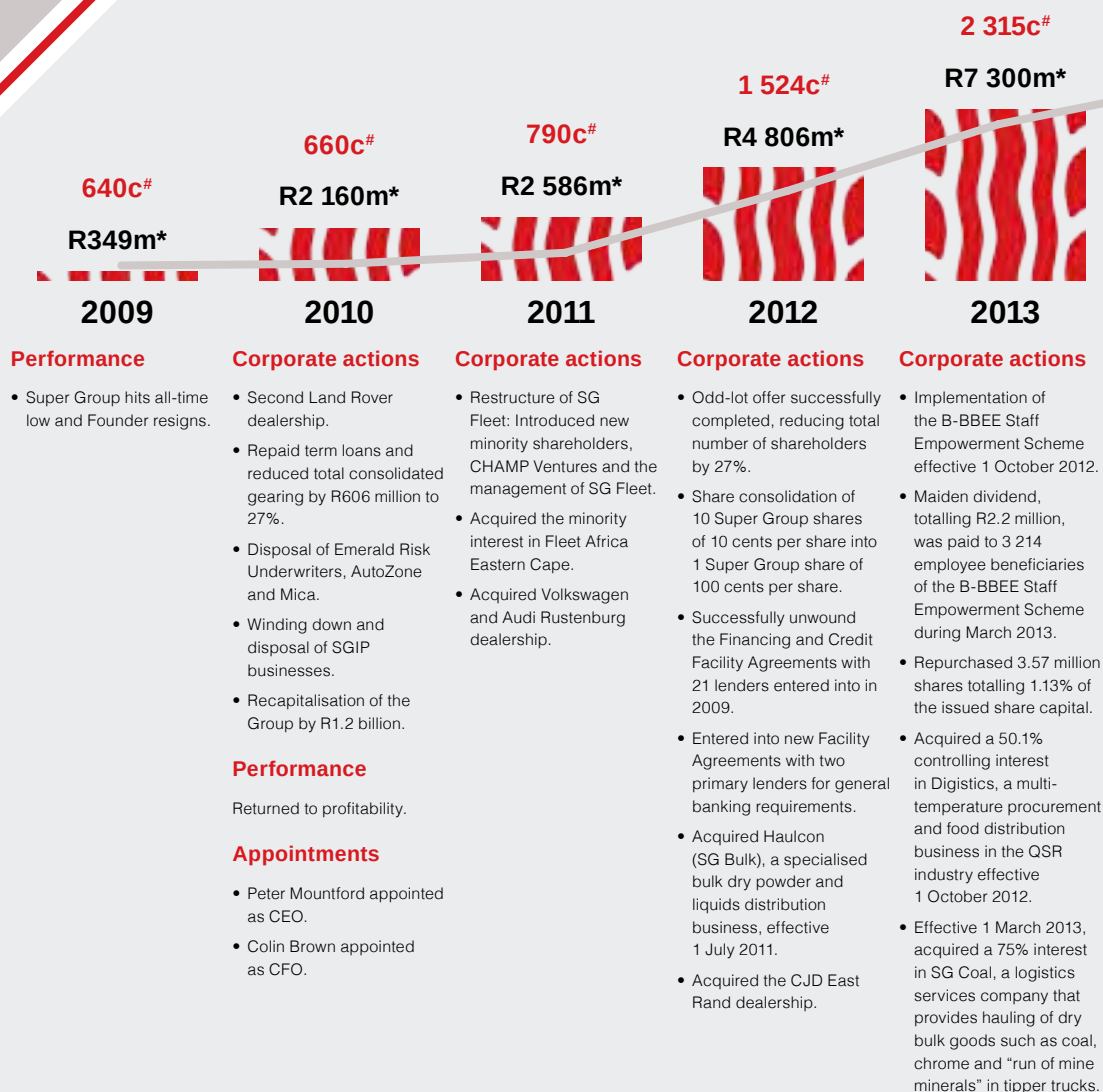
Headline earnings (R'm)



2019 in perspective

- ▶ Super Group reported an excellent set of results for the year ended 30 June 2019 despite the challenging trading environment
- ▶ Supply Chain Africa delivered a strong performance mainly attributable to the sub-Saharan commodities businesses
- ▶ Supply Chain Europe performed poorly on the back of a depressed automotive market in Germany
- ▶ SG Fleet's performance for the year was under pressure having to negotiate a range of external and legislative challenges in 1H2019
- ▶ Fleet Africa secured new FML contracts as well as additional ad hoc business from existing contracts
- ▶ Dealerships SA outperformed NAAMSA, with Dealerships UK delivering a solid performance despite Brexit uncertainty
- ▶ Super Group concluded the following corporate actions for the year ended 30 June 2019:
 - ▶ Acquired an 80.0% interest in Cargo Works, a specialist overnight cargo business, for R49.5 million effective 2 July 2018.
 - ▶ Acquired the remaining minority interest in Legend Logistics for R174.5 million, which resulted in Legend Logistics becoming a wholly-owned subsidiary.
 - ▶ Dealerships SA acquired Orbit Motors effective 1 October 2018 for R1.1 million.
- ▶ Super Group's effective shareholding in SG Fleet increased to 59.2% from 57.0% at 30 June 2018. The increase in the Group's shareholding in SG Fleet resulted from Super Group taking up 3,958,732 shares in the Dividend Reinvestment Plan, which amounted to R147.5 million, and the Group purchasing an additional 4 366 928 shares for a total amount of R106.2 million during the year.
- ▶ Super Group listed the following senior unsecured notes, in terms of the Company's DMTN Programme dated 22 October 2013:
 - SPG004 on 27 September 2018 to the value of R450 million;
 - SPG005 on 15 March 2019 to the value of R300 million; and
 - SPG006 and SPG007 on 18 June 2019 to the value of R1 billion.
- ▶ Subsequent to the year ended 30 June 2019, Super Group concluded the following corporate actions:
 - ▶ Acquired a 65% interest in Lieben Logistics and a 51% interest in GLS effective 1 July 2019. The purchase price of Lieben Logistics was R498.8 million and the purchase price of GLS was R96.3 million. These acquisitions will form part of the Supply Chain Africa segment.
 - ▶ inTime acquired an 80% interest in TLT effective 5 July 2019 for R184.3 million. This acquisition will form part of the Supply Chain Europe segment.

Milestones along the road



* Market capitalisation as at 30 June

Closing share price as at 30 June

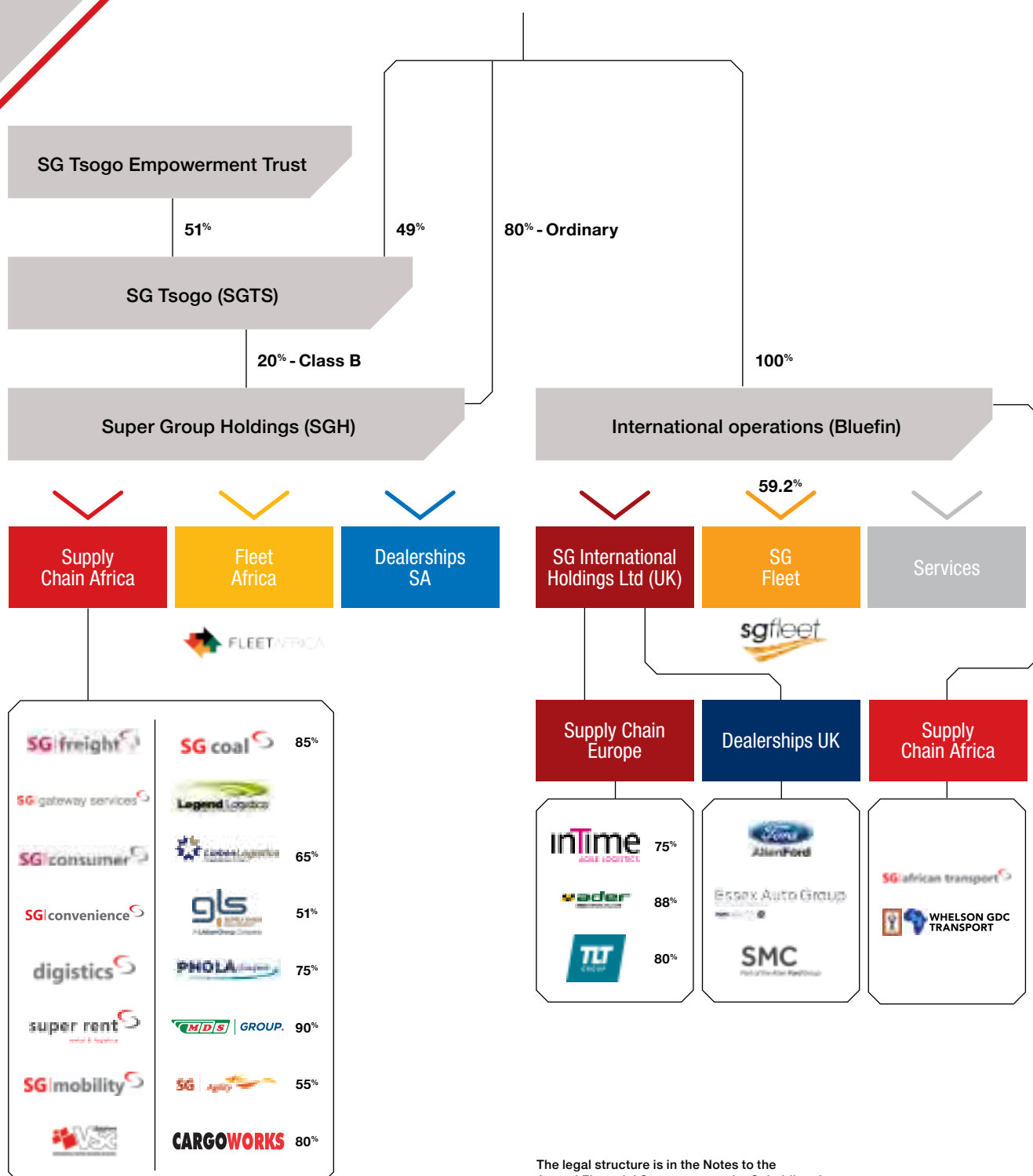
2020

Corporate actions

- Acquired a 65% interest in Lieben Logistics and a 51% interest in GLS effective 1 July 2019. The purchase price for Lieben Logistics was R498.8 million and the purchase price of GLS was R96.3 million.
- inTime acquired an 80% interest in TLT effective 5 July 2019 for R184.3 million.



Group structure



The legal structure is in the Notes to the Annual Financial Statements under Subsidiary investments

Five-year financial history

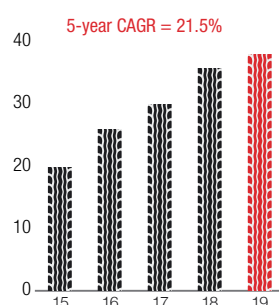
For the year ended 30 June		2019	2018	2017	2016	2015
Profit information						
Revenue	R'm	37 862	35 663	29 874	25 949	19 818
EBITA	R'm	2 775	2 613	2 292	2 083	1 547
EBITA margin	%	7.3	7.3	7.7	8.0	7.8
Operating profit (EBIT)	R'm	2 606	2 436	2 116	1 952	1 501
Operating profit (EBIT) margin	%	6.9	6.8	7.1	7.5	7.6
Profit after tax	R'm	1 622	1 492	1 333	1 259	1 040
Headline earnings	R'm	1 355	1 193	1 005	972	809
Financial position						
Total assets	R'm	30 281	28 547	24 873	22 798	15 291
Total equity	R'm	12 613	11 377	9 855	9 302	5 933
Total liabilities	R'm	17 668	17 170	15 018	13 496	9 358
Net operating assets	R'm	15 840	14 582	13 495	11 589	6 856
Net debt to equity	%	24.1	25.1	31.5	21.4	16.8
Operating cash flow	R'm	3 793	3 777	3 111	2 652	2 123
Asset management						
Return on total assets	%	8.9	9.1	8.9	10.2	10.9
Return on equity	%	12.6	12.7	12.4	15.6	17.4
RNOA (after tax)	%	12.3	12.3	12.2	15.7	18.7
Share statistics						
Basic EPS	cents	360.8	320.8	284.7	296.6	264.4
Basic HEPS	cents	373.8	332.2	288.2	292.6	265.0
Diluted EPS	cents	360.4	319.9	282.6	291.3	258.2
Diluted HEPS	cents	373.4	331.3	286.1	287.3	258.8
NAV per share	cents	3 036.5	2 704.6	2 394.1	2 196.4	1 680.5
Stock exchange statistics						
Market value per share						
– At year-end	cents	3 289	3 504	3 690	3 935	3 153
– Highest (year to 30 June)	cents	4 087	4 670	4 350	4 450	3 801
– Lowest (year to 30 June)	cents	3 180	3 300	3 324	2 881	2 819
Closing earnings yield	%	11.4	9.5	7.8	7.4	8.4
Closing PE ratio	times	8.8	10.5	12.8	13.4	11.9
Market capitalisation – close	R'm	11 924	12 694	12 879	14 130	9 942
Shares in issue less treasury shares	'000	362 548	362 280	349 013	346 671	298 839
Weighted number of shares	'000	362 431	359 012	348 723	332 387	305 088
Diluted weighted number of shares	'000	362 836	360 035	351 274	338 447	312 440

↑ Revenue

R37.9bn

2018: **35.7bn** - up **6.2%**

Revenue (R'bn)

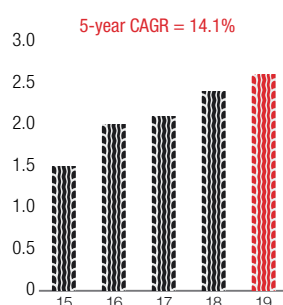


↑ Operating profit

R2.6bn

2018: **2.4bn** - up **7.0%**

Operating profit (R'bn)

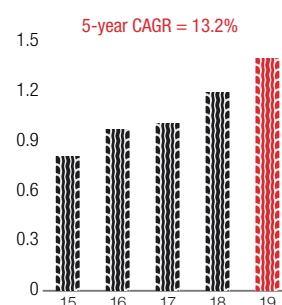


↑ Headline earnings

R1.4bn

2018: **1.2bn** - up **13.6%**

Headline earnings (R'bn)



Risk management

Background

Based on the Group's approach to managing a sustainable business, its strategic objectives, stakeholder engagement and risk management, the Group has identified material risks or issues that could potentially affect the business. The Group Risk Committee is responsible for the overall monitoring, assessing and mitigating of risks within Super Group. In addition, the Group ensures that sufficient insurance is in place.

The risk categories

Super Group classifies the risks that have a material impact on the Group into six strategic categories: Strategic, Human Resources, Financial, Operations, Compliance and IT.

The risk categories can be described as follows:

Risk categories	Overview
Strategic	The strategic risk considers the brand and reputation of the Group, the Group's strategy, initiatives, communication and investor relations.
Human Resources	The Human Resources risks are associated with capacity requirements, employment of skills, compensation and benefits as well as the culture of the organisation.
Financial	The financial risks pertain to the accounting, reporting structures and tax of the Group.
Operational	Operational risks are associated with sales and marketing, customer service, production and delivery.
Compliance	Compliance risks are those that consider the adherence to and compliance with governance, legal and regulatory issues.
IT	IT risks contemplate the application development, availability, continuity and the data integrity of the Group's IT systems.

The risk identification process

Each division is responsible for identifying, assessing and recording risks and monitoring procedures aimed at mitigating them. The Group Audit and Risk Officer facilitates risk sessions with each division and ensures that the risks identified have been correctly assessed. Risks are assessed based on the potential impact on the business, financial position and reputation. A scale of 1 to 5 is used where 1 is "Minor" and 5 "Catastrophic". Risks are also assessed on the likelihood of the risk occurring after taking into account controls in place to mitigate them. A scale of 1 to 5 is used, where 1 is "Rare" and 5 is "Almost certain". A risk rated 5 means the controls in place will not prevent the risk from occurring due to factors outside the Group's control.

The GRC sets out the risk policy detailing the objectives, scope, approach and roles and responsibilities. The GRC meets twice a year and is chaired by a non-executive director. The membership of this committee comprises two non-executive directors, the CEO and CFO. The Group Audit and Risk Officer, the Group Legal Manager and the CIO are invited to the meeting.

The Board reviews the list of strategic and critical risks regularly, as required by King IV, and also approves the risk tolerance of the Group. Through stakeholder interaction, certain risks are identified and addressed as far as possible.

Management and mitigation of major risks to the Group

Risk level 2019	Risk level 2018	Risk	Context	Mitigating factors
		Highly competitive local markets hinder growth in and place margin pressure on Supply Chain Africa's consumer- and industrial-facing operations	▶ The continual requirement from customers to cut costs. ▶ Drop in volumes from suppliers due to downturn in the South African economy. ▶ Customers going out of business for the same reason mentioned above.	▶ Focusing continuously on customer service and service delivery at all levels. ▶ Expanding the competitive product offerings to the market. ▶ Acquiring businesses operating in targeted areas of the market that complement the Group's existing offerings.
		African socio-economic environment, including commodity cycles	▶ Understanding the commodity and capital investment cycles, e.g. coal, copper and fuel. ▶ Concerns regarding investment in neighbouring countries, e.g. Zimbabwe.	▶ Management monitoring closely trends and cycles. ▶ Diversifying commodity exposures. ▶ Driving costs and revenue initiatives to support the achievement of financial targets. ▶ Trading with large multinational companies in neighbouring countries.
		The attacks on trucks in South Africa	▶ Targeting trucks with foreign drivers. ▶ Accosting and stealing from trucks as they drive through communities. ▶ Criminal syndicates and cargo theft under the guise of checking for foreign drivers.	▶ Employ South African Nationals in South African operations. ▶ Working with the communities in the affected areas. ▶ Liaising with the Road Freight Association in trying to find a solution.
		Changing regulatory environment	▶ Compliance with a wide range of regulatory requirements including licensing, consumer protection, B-BBEE changes, new legislation, WLTP (EU and UK), Euro 6 Diesel (Germany) and AARTO regulations. ▶ Repetitive and highly inefficient WLTP cycles resulting in large declines in European automotive manufacturing and sales volumes.	▶ Developing new revenue models. ▶ Engaging specialist regulatory and Government relations consultants that understand the legislative and regulatory environment. ▶ Monitoring all changes to the legal and governance framework by the Group Company Secretary, who is also the Group's Compliance Officer. ▶ Diversification of industry and customer risk.

Risk management continued

Risk level 2019	Risk level 2018	Risk	Context	Mitigating factors
		Customer concentration	▶ The Group faces intensive competition in all the markets in which it operates. ▶ The ability to compete depends on the Group's network, quality of service and the use of market leading technologies.	▶ Continuing efforts to achieve new business. ▶ Offering a wide range of services at competitive prices. ▶ Continuing efforts to offer more value to customers. ▶ Continuing development of IT-based logistics solutions to improve control and monitoring of the supply chain by its customers.
		General political, economic and industry uncertainty and deteriorating business confidence	▶ Current economic conditions remain uncertain, different sectors of the economy are experiencing varying fortunes. ▶ Infrastructure projects in Southern Africa are not moving to the development stage as quickly as expected. ▶ Impact of labour unrest on the logistics industry and industries serviced by the Group.	▶ Passing the cost of fuel price, toll fee and wage increases to the customers through generally accepted escalation arrangements where possible. ▶ Maintaining a conservative Statement of Financial Position and preserving resources to meet the challenges of the economy and the industry. ▶ Managing labour force challenges by the Human Resource Function.
		Retention of critical management, succession planning for key personnel and skills development	▶ The skills shortage in South Africa makes it imperative for the Group to retain and develop key management and specialist skills. ▶ Gender equality is being addressed throughout the Group. ▶ Unforeseen loss of a key manager.	▶ Focusing on career development, fair reward as well as education and training to develop all personnel, both male and female. ▶ Looking to promote from within and ensuring that succession planning is implemented in all the business units.
		The long-term effect of Brexit on the UK and Eurozone economies	The Brexit-crisis with Brexit D-Day, being 31 October 2019, regarding the timing of implementation and the renegotiation of trade agreements between the UK and Eurozone countries.	▶ Continuing to monitor developments closely.
		The threat of cyber-attacks and data breaches	The threat of cyber-attacks and data breaches is alarming, and is no doubt set to escalate as hackers become more daring and tools more sophisticated.	▶ Continuing to invest heavily in measures to ensure that any future attacks are mitigated. The Group's cyber-security forum meets monthly to evaluate and discuss new and better ways of combatting this global threat.

Risk level 2019	Risk level 2018	Risk	Context	Mitigating factors
		Development in the IT/Technology space in terms of on-line trading, telematics, Internet-of-Things (IoT), Artificial Intelligence (AI) and electric cars	▶ Technology is changing the face of how trading is done in terms of digital platforms (i.e. goods, vehicles, package delivery, etc). ▶ When looking at logistics and monitoring driver behaviour, Telematics, IoT and AI continue to be evaluated. ▶ The rise in the use of electric cars, especially abroad.	▶ Spending time and dedicating resources to ensure continued product and service innovation and development in the Group's various businesses to keep abreast of the latest trends. ▶ The Group has world-class systems and state-of-the-art facilities making use of technology.

Board of directors

The Board is accountable to the stakeholders for exercising leadership, integrity and judgement in directing Super Group to achieve profitability by ensuring the necessary balance between entrepreneurship and conformance with best business and corporate governance practices.

Executive directors



Peter Mountford ⁽⁶¹⁾
BCom, BAcc, HDip Tax, MBA (with distinction, Warwick), CA(SA)
Chief Executive Officer

Appointed 29 July 2009
● ● ● ●



Colin Brown ⁽⁵⁰⁾
BCompt (Hons), MBL, CA(SA)
Chief Financial Officer

Appointed 28 February 2010
● ● ● ●

Roles and responsibilities

- Deal Committee
- Remuneration Committee
- Group Risk Committee
- Group Social and Ethics Committee
- Group Audit Committee
- Super Group Holdings

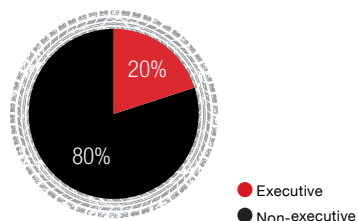
Nigel Redford ⁽⁶⁵⁾
BAcc, CA(SA)

Group Company Secretary

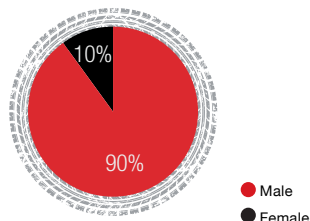
Appointed 31 March 2010,
Retiring 31 December 2019

Board composition statistics

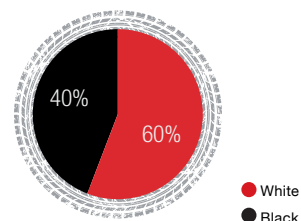
Executives and non-executives



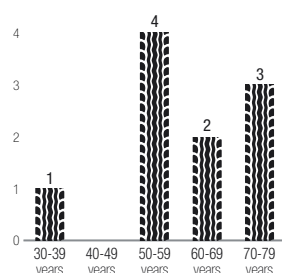
Gender



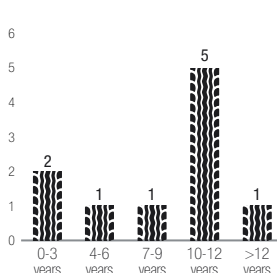
Ethnicity



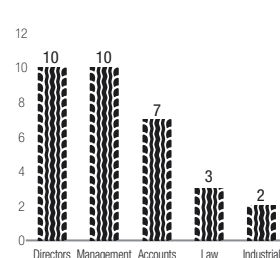
Age



Tenure



Skills



Our strategic focus within the Super Group businesses is to:

- ▷ Approving the strategic direction of Super Group.
- ▷ Confirming strategic objectives and key policies and ensuring communication of these to applicable management levels.
- ▷ Monitoring the implementation of management's plans and strategies.
- ▷ Reviewing and approving overall policies and processes to maintain the integrity of the Group's risk management and internal controls.
- ▷ Determining and defining investment and performance criteria.

Non-executive directors



Phillip Vallet ⁽⁷³⁾
BA, LLB

Chairman of the Company

Appointed 1999



Mariam Cassim ⁽³⁷⁾
IBCom (Hons), CA(SA),
MBA (Cum Laude)

**Independent Non-executive
Director**

Appointed 1 July 2015



David Cathrall ⁽⁶²⁾
BCom, BAcc, CA(SA)

**Independent Non-executive
Director**

Appointed 1 June 2019



Valentine Chitalu ⁽⁵⁵⁾
ACCA (UK), M.Phil (UK)

**Independent Non-executive
Director**

Appointed 1 December 2008



Oyama Andrew Mabandla ⁽⁵⁶⁾
BA Political Science and Juris
Doctorate

**Independent Non-executive
Director**

Appointed 1 September 2018



John Newbury ⁽⁷⁷⁾

**Independent Non-executive
Director**

Appointed 1 November 2009,
Retiring 30 November 2019



David Rose ⁽⁷⁷⁾
BCom, BA, CA(SA), F.Inst. Directors

**Independent Non-executive
Director**

Appointed 1 December 2008,
Retiring 30 November 2019



Chairman's Statement



Phillip Vallet
Chairman of the Company

Super Group's results for the financial year ended June 2019 are testimony to the fact that the Group's strategy remains robust and that the various divisions continue to deliver sound results. The economic and political conditions, both in South Africa and abroad, have not improved. Peter Mountford and his team should be commended for an excellent set of results given the tough market conditions faced by all the businesses.

Super Group continues to strengthen its position as a leading transport logistics and mobility group in the countries in which it operates, by growing the business through a blend of strategic acquisitions and organic growth.

The environment in which Super Group operates

The concern that the global economy is headed towards a synchronised economic downturn is putting more pressure on the rand against all the major currencies, pushing lows not seen in a long time.

Recent restructuring by South African logistics companies is testimony to the pressures felt, especially in the FMCG arena. These developments have, however, created opportunities for Super Group, and the Group is well positioned to pursue those opportunities, which will both benefit Super Group and meet its investment criteria. The demand for the various raw commodities available on the African continent continues to benefit all logistics companies and Super Group is expecting growth from its operations in sub-Saharan Africa to continue. A major concern faced by the South African logistics industry are the attacks on foreign drivers, specifically in the Mpumalanga and KwaZulu-Natal provinces. The Group is addressing this risk through proactive monitoring of the trouble spots to re-route vehicles around those areas and by working closely with the Road Freight Association. Fleet Africa has formalised its presence in Kenya by concluding a joint venture agreement with the Co-Op Bank. The FML tender pipeline in South Africa, post the National Elections, is also looking promising. On the South African dealership front, NAAMSA statistics are likely to remain negative, with the interest rate cut at the beginning of July 2019 not enough to stimulate the much-needed growth in consumer spend.

Abroad, German GDP shrunk by 0.1% in the second quarter of 2019, with the Eurozone industrial output also shrinking more than twice as fast as the market expected, falling 2.6% year-on-year in June 2019. One of the major challenges faced by inTime remains the shortage of contract drivers due to the high level of employment in Germany and the cost of subcontracting drivers. The implementation in Germany of the World-wide Harmonised Light Vehicle Test Procedure (WLTP) from 1 September 2018, which requires all vehicle models and model variations sold by OEMs to undergo stringent testing before they can be sold to end users, had a significant impact on inTime's business' results.

The Australia operations were also faced with a range of external challenges, and it is fair to say that SG Fleet's overall operational environment was mixed at best. The Australian consumer businesses were impacted by worsening consumer sentiment, which saw demand for novated leases decline as spending on large ticket items, such as cars, shrunk markedly. SG Fleet experienced a slowdown in the New Zealand economy, with business confidence weakening in tandem.

The ongoing Brexit crisis has led to a higher than expected UK inflation rate and demand for new vehicles was pedestrian. Hopefully, clarity will be achieved before Brexit D-Day, 31 October 2019, when a final decision must be reached whether the United Kingdom will be withdrawing from the European Union or not. The UK has also introduced WLTP, which is expected to have a similar impact on the OEMs as it has had in Germany.

Super Group retained its zaAAA long-term and zaA1+ short-term national scale rating, set by Standard and Poor's. Super Group Holdings also maintained its Level 1 contributor B-BBEE status.

B-BBEE
Contributor**Level 1**

↑ CSI SPEND

R15.7mS&P long term
credit rating
upgrade**zaAAA****Super Group's governance,
environmental and social approach**

The Group's Integrated Reporting process, as well as the content of this report, is guided by the principles and requirements of the International Integrated Reporting Framework, IFRS and the King Code of Governance Principles for South Africa and is in accordance with the 'core' option of the Global Reporting Initiative (GRI) Standards. Super Group continues to maintain and implement high standards of corporate governance. The Board and its committees strive to continually enhance good corporate governance and review sustainable practices throughout the Group to ensure compliance with all corporate governance- and sustainability-related requirements and regulations. The emerging global focus on Environmental, Social and Governance (ESG) performance by shareholders specifically, is firmly on our radar and adequate attention is given to these matters.

Management meets regularly with various stakeholders as open communication is viewed as critical to the Group's long-term success and to ensure that stakeholder matters and concerns, as far as possible, are addressed.

We take our role as a corporate citizen seriously as well as our impact on the environment. For the year ended 30 June 2019, Super Group spent R15.7 million on various CSI projects, an increase of 80.5% on the prior year. With the introduction of the Carbon Tax effective 1 June 2019, Super Group has employed an external consultant to assist with the measurement of its carbon emissions activities and from next year the report will be made available to all stakeholders.

The Board supports the goal towards achieving gender equality and a vision of fairness. We acknowledge the principle that gender plays no part in merit and will actively ensure that women and men have equal opportunity to participate in management, at all levels.

Our Corporate Governance and Sustainability Reports, available on the Company's website, set out our principles and policies in more detail.

Board changes

Mr Oyama Andrew Mabandla and Mr David Cathrall joined the Board as Independent Non-Executive Directors effective 1 September 2018 and 1 June 2019, respectively. Dr Enos Banda resigned with effect 30 June 2019. On behalf of the Group, we would like to welcome Mr Cathrall to the Board and thank Dr Banda for his significant contribution during his tenure on the Board.

Appreciation

Thank you to Peter Mountford, our CEO, and the executive team for their ongoing support and commitment to delivering on our strategy. We are the sum of our parts and our strength lies in our diversity, therefore I would like to extend my gratitude to the hard work and loyalty of our employees, customers, suppliers and other stakeholders who contribute to the Group's success.

Thank you to my fellow Board members for your continued support.

Phillip Vallet

Chairman of the Company

26 September 2019

Chief Executive Officer's Report



Peter Mountford
Chief Executive Officer

The year in perspective

Super Group reported an excellent set of results for the year ended 30 June 2019 despite the protracted poor economic climate in South Africa and political uncertainties in various countries in which the Group operates. These results were mainly attributable to strong performances in all the commodities businesses locally and in sub-Saharan territories. The industrial, technology, quick service foods and vehicle rental businesses also performed strongly in the financial year under review.

The Supply Chain Europe operations performed poorly in Germany on the back of a severe decline in new vehicle production volumes and sales. Transport volumes declined in the European environment by 22.9% during the financial year. SG Fleet's performance for the year was also under pressure as a result of a decline in vehicle retail sales and novated lease volumes and the impact of financial services legislative changes in the first half period. Fleet Africa ended the year in a strong position, having secured a number of FML contracts and extended a large existing parastatal contract. Fleet Africa also concluded its joint venture agreement with the Co-op Bank in Kenya and is well positioned to accelerate its activities in this country.

Dealerships SA outperformed the NAAMSA new vehicle sales for the year, whilst the UK Dealerships delivered a solid performance despite the on-going Brexit uncertainty and the spectre of a no deal outcome.

In line with the Group's strategy, several acquisitions were concluded during the year under review. The Group acquired an 80.0% interest in Cargo Works, a specialist overnight cargo business, for R49.5 million effective 2 July 2018, with the results of this operation being included in the Supply Chain Africa business segment. Super Group also acquired the minority interest in Legend Logistics for R174.5 million, which resulted in this business becoming a wholly-owned subsidiary. Dealerships SA acquired Orbit Motors effective 1 October 2018 for an investment of R1.1 million.

During the year to 30 June 2019, Super Group increased its shareholding in SG Fleet to 59.2% compared to 57.0% at the end of the prior year. The increase resulted from Super Group taking up 3,958,732 shares in the Dividend Reinvestment Plan, which amounted to R147.5 million, and purchasing an additional 4 366 928 shares for approximately R106.2 million.

Super Group listed R1 750 million of senior unsecured notes in terms of the Company's Domestic Medium-Term Notes Programme during the financial year. The majority of this funding has been utilised to re-finance expensive debt in the United Kingdom, Germany and South Africa.

A number of corporate actions were concluded after June 2019 and these are detailed in the Prospects and Strategy sections of this report.

Financial performance

Group revenue increased by 6.2% to R37.9 billion from R35.7 billion (June 2018) primarily due to the significant volume increase in Supply Chain Africa's businesses.

Operating profit increased by 7.0% to R2 605.6 million (June 2018: 2 435.5 million), resulting in the Group's operating profit margin improving from 6.8% to 6.9%. Operating profit before capital items of R68.3 million (June 2018: R38.5 million), increased by 8.1% to R2 673.9 million from R2 474.0 million in the comparative year. The capital items mainly relate to the impairment of the nlc brand in Australia, amounting to R59.0 million.

Revenue

↑ **6.2%**

R37.9 billion

Headline earnings

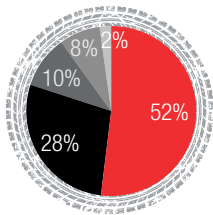
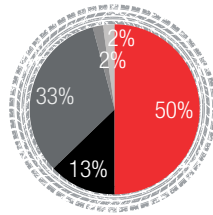
↑ **13.6%**

R1.4 billion

Capital investment

R2.1bn

Super Group's international operations contributed 48% (June 2018: 47%) to revenue and 50% (June 2018: 60%) to operating profit, respectively. The geographical diversity of the Group for the year ended 30 June 2019 is illustrated below:

Revenue per
countryOperating profit
per country

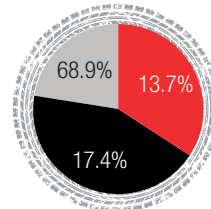
● South Africa ● UK ● Australia ● Europe ● Africa and other

Net finance costs increased by 4.9% to R346.5 million (June 2018: R330.5 million). The average interest rate paid on borrowings was 6.0% (June 2018: 5.8%) and the average interest rate earned on cash was 3.4% (June 2018: 3.1%).

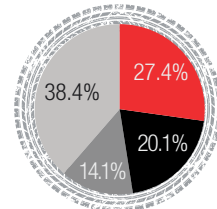
Profit before tax is R2 259.1 million (June 2018: R2 105.0 million), an increase of 7.3%.

The Group's net debt position at 30 June 2019 was R3 042.3 million, resulting in a net debt to equity ratio of 24.1%, an improvement from the 25.1% at 30 June 2018. The net borrowings per geography is shown below:

2019



2018



● UK ● Australia ● Europe ● Africa



Chief Executive Officer's Report continued

The debt maturity profile of the Group is illustrated below:

Debt maturity profile

(R'm)

2 500

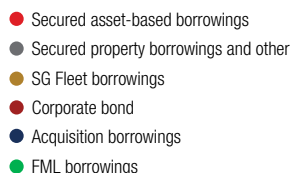
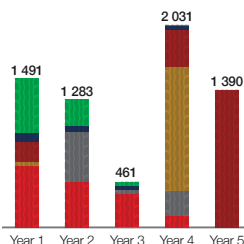
2 000

1 500

1 000

500

0



The net asset value per share increased by 12.3% from R27.05 at 30 June 2018 to R30.37 at 30 June 2019. Super Group invested R2.1 billion in net capital additions and acquisitions to ensure future growth for the Group.

The Group's return on net operating assets, after tax, remained stable at 12.3% with the Group's weighted average cost of capital being 9.2% (June 2018: 8.6%).

Divisional reviews

Revenue contributions for the year to June 2019 reflect that the Supply Chain Africa division generated 30% of the Group's revenue (June 2018: 26%). The combined revenue contributions for the Supply Chain business segment improved from 35%, last year to 38%, whilst the overall Dealerships revenue contribution of 46% was 8% down on the prior year's performance.

The EBITA contributions made by Supply Chain Africa was 36% (June 2018: 26%), reflecting a sterling performance by these business operations. SG Fleet contributed 35% (June 2018: 41%),

reflecting the tough trading conditions encountered especially by the retail and novated lease divisions within this business.

For a comprehensive overview of each division and business, refer to pages 20 to 51 of this Integrated Report.

Governance, social and environmental overview

The recent corporate governance failures in South Africa have placed a spotlight on South African companies. High standards of honesty, integrity, behaviour and ethics in dealing with all stakeholders are a priority as all employees within the Group must subscribe to the Code of Ethics and Business Conduct. These Codes require employees to maintain high personal ethical standards and to act in good faith and in the best interests of the Group.

Super Group believes that a skilled and motivated workforce plays an important role in the successful achievement of the Group's strategic objectives. The Group offers opportunities for its employees to develop their full potential through various formal education and training programmes. Super Group is committed to gender equality and the removal of any discrimination based on gender, race, religion or disability.

The organisation further supports and is committed to the concept of broad-based black economic empowerment and actively promotes the empowerment of staff members and the communities in which it operates. Delivering on this commitment, Super Group actively contributes to the social upliftment of previously disadvantaged communities and charities where there are significant needs. The Group has again invested in numerous projects which are set out in more detail in the Sustainability Report. The total CSI contribution amounted to R15.7 million (June 2018: R8.7 million), an impressive 80.5% increase on the prior year.

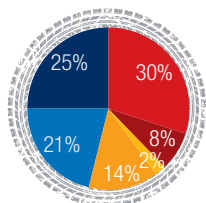
The focus on adopting environmentally-friendly business practices has been enhanced during the year with the introduction of the Carbon Tax. Many of these initiatives make good business sense in that they form part of the Group's continuing drive to improve efficiencies and reduce its carbon footprint. The Group continues to ensure that its vehicles are properly maintained and not overloaded. Along with continuous driver training, this ensures that carbon emissions from all vehicles meet manufacturers' specifications.

For more detail on the Group's corporate governance and sustainability practices, refer to the website, www.supergroup.co.za.

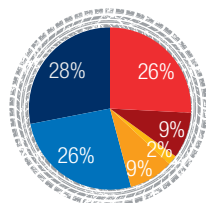
Prospects and strategy

Subsequent to the year end, Super Group acquired a 65% interest in Lieben Logistics and a 51% interest in GLS effective 1 July 2019, for purchase prices of R498.8 million and R96.3 million respectively. Lieben Logistics is a diversified logistics and supply chain management company focused on transportation services to clients across diverse industry sectors including retail, meat, fresh produce and other cold chains. This acquisition strongly positions

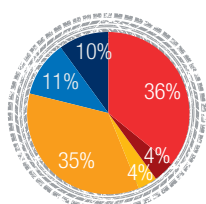
Revenue per division 2019



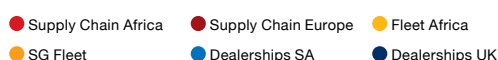
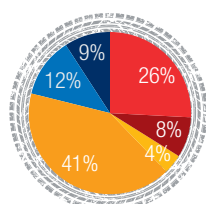
Revenue per division 2018



EBITA per division 2019



EBITA per division 2018



the Group in terms of retail temperature critical solutions. GLS is a leading supplier of returnable packaging solutions and outsourced retail store equipment.

Supply Chain Europe's inTime also acquired an 80% interest in TLT effective 5 July 2019 for R184.3 million. This business is a Fifth Party Logistics provider focusing on organisational consulting and support, material flow planning, logistics, production and engineering services and will strongly enhance the German logistics solutions offering.

Super Group is expecting market conditions, both locally and globally, for the year ending 30 June 2020 to be similar to the past financial year. Despite the tough trading environment, Super Group will continue to maximise and explore business opportunities, especially in the consumer distribution and fleet leasing environments. The Group remain committed to being an innovative, integrated mobility solutions company.

The Group's integrated mobility solutions strategy remains critical to growing and expanding its core businesses and exploring strategic new business opportunities, both locally and abroad. The Group should perform reasonably well in the next year mainly on the back of a strong African commodities performance and new business in the South African consumer-facing supply chain operations. The South African leasing businesses are also expected to perform adequately.

The prospects and strategy, together with the outlook regarding market conditions for 2020, are explained in greater detail on pages 20 to 51 of this Integrated Report.

Acknowledgements

In closing, I extend my gratitude to all our customers for their continued support this past year. The contribution made to Super Group by all our suppliers and business partners is also much appreciated.

My sincere thanks go out to all my colleagues in management and to our staff for their loyalty and support. Despite all the challenges and circumstances, you demonstrated huge commitment in contributing to the success of this Group. I trust that we will continue to strive for further improvement and ensure that the Group performs strongly into the future.

Once again, I thank my fellow Board members for their support and guidance this year and I express my appreciation to Dr Enos Banda for his valued contribution to Super Group over the past ten years. We wish him every success in his exciting new ventures.

Peter Mountford

Chief Executive Officer

26 September 2019



Supply Chain

Supply Chain in focus

Supply Chain's strategy is to be a leading end-to-end supply chain solution business in Southern Africa and in selected European environments. The business operates across world class facilities and technologies to drive client efficiencies within a broad sphere of industries.

The Supply Chain division has operations in Southern Africa and Europe. Super Group combines operational excellence with integrated technology solutions to create dynamic supply chain solutions and time-critical delivery services that enhance the profitability and efficiency of its customers and clients. Supply Chain has a strong operational footprint across the entire supply chain service offering, focusing on providing end-to-end integrated mobility solutions.

Super Group optimises customers and clients to create flexible and adaptable supply chain solutions that can respond quickly to the changing demands of the market place. The Group provides custom solutions that are scalable to any industry and supply chain service environment with the aim of enhancing our customers' competitive advantage and to optimise their sectoral growth and investment returns.

The Supply Chain operations are significant in scale and value-added services as illustrated below.



8 183 Employees

2018: 7 650



**4 159 vehicles/trucks
in our fleet**

2018: 3 798



**10 006 inTime
subcontractors**

2018: 7 520



**16 countries in which
Supply Chain operates**

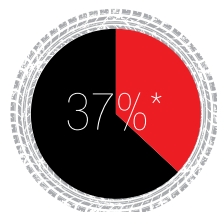
2018: 16



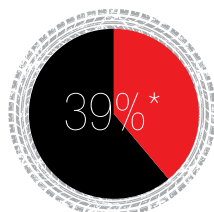
Revenue

R14.2bnOperating
profit**R1.0bn**Profit
before tax**R882m**

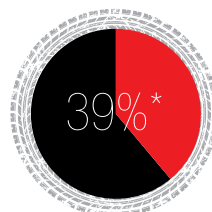
Revenue



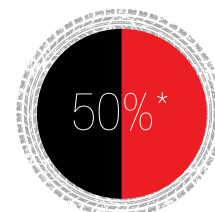
Operating profit



Profit before tax



Net operating assets



* Indicated as a percentage of Group contribution excluding Services.

Operating environment

Super Group operates across a diverse footprint in Africa and Europe and the Supply Chain businesses are focused on market leading efficiencies in order to generate solid returns on invested capital.

Europe

- ▶ Sweden
- ▶ Poland
- ▶ Hungary
- ▶ Czech Republic
- ▶ Romania
- ▶ Germany
- ▶ Spain
- ▶ Portugal

Africa

- ▶ DRC
- ▶ Zambia
- ▶ Botswana
- ▶ Zimbabwe
- ▶ Mozambique
- ▶ South Africa
- ▶ Lesotho
- ▶ eSwatini



Supply Chain Africa

Strategy

Supply Chain Africa aims to be one of the leading end-to-end supply chain solution companies in Southern Africa. The business combines the skills of a team with many years of supply chain experience with assets, such as the Super Park distribution hub, and market-leading technology to drive efficiencies for clients within a multidisciplinary environment. The strategic vision for Super Group is to create a focused supply chain business with above-average growth and margins, generating solid returns on invested capital.



Peter Mountford (61)
BCom, BAcc, HDip Tax, MBA (with distinction, Warwick), CA(SA)
Chief Executive Officer Supply Chain Africa



Philip Smith (55)
BCom, BAcc and CA(SA)
Executive Director of Super Group Trading Proprietary Limited

Capital Inputs

End-to-end supply chain solutions

People

Brands

Technical skills

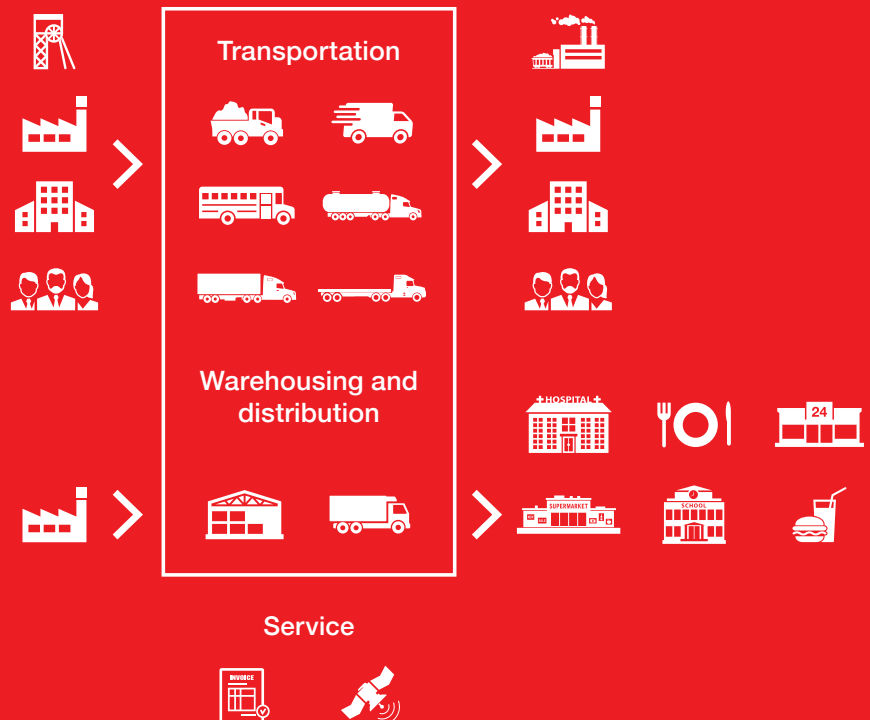
Supplier and customer relationships

Business development

Geographic presence

Leading market share in certain sectors

Business model



Material risks**Mitigation of risks**

▷ Competitive trading – undercutting prices on new contracts	▷ Identify new contracts
	▷ Not accepting loss-making contracts
▷ Fuel price fluctuations	▷ Changes in fuel prices are passed onto the customer
▷ Staff retention	▷ Payment of market-related salaries and meaningful performance-related incentives
▷ Attacks on trucks	▷ Endeavour to employ non-foreign drivers in South Africa
	▷ Work with communities and Road Freight Association
▷ Foreign exchange fluctuations	▷ Invoicing in the same currency that the majority of costs are incurred
▷ Commodity prices – unstable	▷ Diversifying types of loads and transport routes
▷ African risk – political	▷ Appropriate ownership structures are in place

Opportunities

- ▷ The ongoing rationalisation taking place in the consumer logistics industry in South Africa should benefit the consumer-facing businesses within Supply Chain Africa.
- ▷ The economic pressure experienced by smaller supply chain operators is creating attractive acquisition opportunities in various areas of the supply chain.
- ▷ Pursue selected logistics business proposals in sub-Saharan Africa.

R'000	Change %	Year ended 30 June 2019	Year ended 30 June 2018
Revenue	19.0	11 290 502	9 484 107
EBITA	46.6	999 041	681 659
EBITA margin		8.8%	7.2%
Operating profit	49.6	979 217	654 618
Operating profit margin		8.7%	6.9%
Profit before tax	46.2	888 569	607 645
Net operating assets	25.8	5 038 451	4 005 439
RNOA		15.6%	12.6%
WACC		12.0%	

Outputs

- ▷ One-stop supply chain solutions offering
- ▷ High staff retention and a satisfied workforce
- ▷ Brand recognition and reputation
- ▷ Increase competence of staff to provide efficient service
- ▷ Long-term supplier and customer relationships
- ▷ Innovative service offering
- ▷ Expand geographic presentation in Southern Africa
- ▷ Retain and increase market share

Capital Outcomes

Revenue up 19.0%

Operating profit up 49.6%

RNOA of 15.6%

WACC of 12.0%

Major contracts retained

New contracts secured

7 321 Employees

4 081 Vehicles/trucks

Supply Chain Africa continued

Activities

The Supply Chain Africa Division delivers an end-to-end supply chain solution through the integration of its multiple business units. Its services include:

▷ Supply chain optimisation	▷ Courier services
▷ Consulting	▷ Inbound and outbound freight forwarding
▷ Technology	▷ Customs clearing
▷ Procurement	▷ Import and export consolidation
▷ Third-party distribution	▷ International airfreight services
▷ Transport	▷ Bonded cross-border transport
▷ Multi-temperature controlled product distribution	▷ Brand management
▷ Bulk raw material transportation	▷ Sales and merchandising
▷ Warehousing	▷ Integrated distribution to the national convenience market

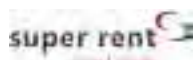
The Supply Chain Africa business comprises the following main underlying businesses:

Name	Business
COMMODITY	
	SG Coal is a logistics services company that provides the hauling of dry bulk goods such as coal, chrome and “run-of-mine minerals” in tipper trucks. SG Coal is a business built on more than 60 years of practical experience. The company has one of the biggest fleets of coal haulage trucks in Africa. The greatest advantage the company has in the market is its “end-to-end” supply of road maintenance vehicles, loaders and other yellow equipment. In this way it supplies the total demand of a coal mine’s coal haulage needs. Super Group has an 85% and a 100% shareholding in SG Coal and Legend Logistics, respectively.
	African Logistics is the Group’s sub-Saharan African transport business, operating primarily between South Africa, Zimbabwe, Zambia, Malawi, DRC and Mozambique. Over 70% of its volumes come from commodity-related transport. It moves mining equipment and supplies north to the Zambian and DRC copper belt and transports mining products south for export. The balance of the volumes come from transporting agricultural products and aids for governments and multinational Non-Governmental Organisations. The business trades in fuel and tyres as an add-on to transporting these commodities for its own use.
INDUSTRIAL	
	SG Freight (including SG Bulk) is a freight, dry bulk powder and liquids distribution business. SG Freight provides a national primary haulage service across the country with deliveries also being made into Botswana, Namibia and Mozambique. 80% of all tonnage moved is through long-term contracts across a bluechip customer base. Market sectors include paper and pulp, packaging, building materials, food and plastics industries. It also provides short and long-haul tanker transportation to clients in the civil engineering, construction, mining and cement industries.
	SG Mobility is a niche supply chain management company focused on providing clients with fully integrated supply chain solutions that can respond quickly to the changing demands of the marketplace. It specialises in the management of the warehousing and outbound distribution of parts and accessories for clients in the automotive, IT, mining and pharmaceutical sectors. Supply Chain Africa, through SG Mobility, owns a 90% interest in MDS, a web-based express domestic courier company, servicing both individuals and corporates.
	Phola Coaches is a leading provider of passenger transport solutions and bus charter services. The company’s core business is focused on long-term passenger transport contracts in the construction, mining, power generation and higher education sectors. Super Group has a controlling 75% interest in Phola Coaches.

Name

Business

INDUSTRIAL



Super Rent is the Group's truck hire business with a national footprint covering all major centres across South Africa. Super Rent operates 1 599 vehicles with a wide range of vehicles available for short, medium or long-term hire from light utility vehicles to panel vans to trucks. The fleet includes a unique range of specialist commercial vehicles for hire including refrigerated trucks, crane trucks and passenger busses. The business also provides FML, outsourced distribution services and can assist with professional drivers and van assistants.



MDS Group is a web-based express domestic courier company.

CARGOWORKS

A specialist overnight cargo business. Super Group acquired 80% of the business effective 2 July 2018.



VSc (Virtual Supply Chain) Solutions is a global supply chain consulting and technology company. The business focuses exclusively on best practices in the design, implementation and ongoing management of consulting and technology solutions across the supply chain.



SG Agility is a freight forwarding and clearing agent that focuses on diversified industrial customers. It ensures that goods get from their point of departure to their destination in the most cost and time effective manner, and in their original condition. SG Agility helps importers to enhance product lifecycles, reduce inventory costs, and achieve greater returns on working capital. SG Agility is a joint venture between Super Group (55%) and Agility (45%).

CONSUMER



SG Gateway Services is an integrated end-to-end solution for FMCG brands to efficiently reach all sectors of the South African FMCG landscape, whether it is to Formal Retail, Wholesale or Convenience. In partnership with SG Convenience and SG Consumer, the business operates multiple sites and deliver nationally. In conjunction with various other Super Group divisions, the business offers all services integrated into one solution from importation, clearing, warehousing, distribution, sales and merchandising, key account management, promotions, market intelligence and a variety of other complementary services.

SG Gateway Services customises its experience in outsourced value and supply chain management, in order to improve its clients' competitiveness, from inbound logistics, to warehouse storage and handling, to outbound distribution, sales and merchandising, debtors' management, key account management and brand activation.



Supply Chain Africa continued

Name

Business

CONSUMER



SG Consumer provides end-to-end supply chain solutions for the FMCG industry. The business specialises in the primary and secondary distribution, warehousing and debtors' administration of products ranging from foodstuffs, personal hygiene, detergents, plastic ware and beverage and confectionery type products. Core services entail primary transport from factory through to full warehousing functionality and distribution to customers. These services are performed whilst utilising state-of-the-art warehouse management, route planning and vehicle monitoring technologies.



SG Convenience is the largest player in South Africa's convenience distribution market, distributing to over 15 000 outlets nationwide. The Group has a 20 000m² distribution centre at Super Park in Johannesburg and a 16 000m² warehouse in Cape Town. The Port Elizabeth, Durban, Nelspruit and George distribution centres have sufficient space to meet current demand. The business spread of SG Convenience is as follows: 43% to retail forecourt stores, 43% to retail shops and convenience stores, 9% to the hospitality industry and 5% to other entities such as schools, hospitals, gyms and golf clubs. SG Convenience is the only true multi-temperature convenience distribution company in South Africa, sourcing brands and products of only the highest quality. The business warehouses, packages and delivers frozen, chilled and ambient products, all in one delivery, anywhere in South Africa. As the unified link between manufacturer, retailer and customer, SG Convenience serves as a one-stop shop for its customers and principals.



Digistics is a procurement and food distribution business, distributing multi-temperature-controlled product portfolios for McDonalds, KFC, King Pie, Corner Bakery, Pizza Hut, Burger King, Starbucks and other QSR's.



Subsequent to year end, Super Group acquired a 65% interest in Lieben Logistics. Lieben Logistics is a diversified logistics and supply chain management company focused on transportation services to clients in an assortment of industries including retail, meat, fresh produce and other cold-chain goods. Lieben Logistics also transports dry goods for its extensive client base. It operates from depots and satellite offices in Cape Town, Port Elizabeth, East London, Durban and Johannesburg.



Super Group acquired a 51% interest in GLS effective 1 July 2019. GLS is a leading supplier of returnable packaging solutions and outsourced equipment services to optimally manage, store and progress products through different supply chain operations.



Results for 2019

Supply Chain Africa's results are attributable to the excellent performance by the commodities businesses in sub-Saharan Africa and solid performances in the industrial supply chain businesses. The competitive environment as well as the weak trading conditions and negative consumer sentiment made trading conditions in the consumer-facing operations difficult, with SG Convenience being most severely impacted. SG Convenience has restructured its management team and is expecting a marked improvement in this operation's performance. An impairment of goodwill in SG Convenience of R30 million was made, although this impact was largely offset by profits on the sale of trucks amounting to R28 million.

The Group acquired an 80.0% interest in Cargo Works, a specialist overnight cargo business, for R49.5 million effective 2 July 2018. During the financial year, Super Group also acquired the minority interest in Legend Logistics for R174.5 million, which resulted in this business becoming a wholly-owned subsidiary.

The load-shedding by Eskom during the year had an impact on delivery schedules. The ongoing criminal attacks on trucks, specifically in the Mpumalanga and KwaZulu-Natal regions, are having a material impact on the logistics industry, as a whole. Discussions are taking place with the Road Freight Association and Government in order to find a solution to these serious problems.

Governance and sustainability

Refer to the Corporate Governance and Sustainability Reports on the Group's website.

Outlook for 2020

Subsequent to the year end, Super Group acquired a 65% interest in Lieben Logistics and a 51% interest in GLS effective 1 July 2019. The purchase price for Lieben Logistics was R498.8 million and the purchase price of GLS was R96.3 million.

Supply Chain Africa is expecting to continue to benefit from the positive commodities cycle in sub-Saharan Africa. SG Consumer and Digistics secured a number of new contracts reflecting the ongoing rationalisation taking place in the consumer logistics industry. SG Convenience should benefit by increasing its basket of products to the bottom-end consumer market. There is still potential to further expand our customer base in the consumer distribution environment, which bodes well for these businesses. The industrial and consumer-facing supply chain businesses will, however, continue to experience the negative impact of low consumer spending, high unemployment rates and increasing fuel prices in South Africa.



Supply Chain Europe

Strategy

Supply Chain Europe strives to be one of the leading time-critical and integrated supply chain management solutions businesses in Europe.



Torsten Prella (55)
Diplom-Kaufmann
Chief Executive Officer inTime

R'000	Change %	Year ended 30 June 2019	Year ended 30 June 2018
Revenue	(7.6)	2 866 810	3 103 273
EBITA	(42.3)	124 005	214 758
EBITA margin		4.3%	6.9%
Operating profit	(70.9)	39 180	134 479
Operating profit margin		1.4%	4.3%
(Loss)/profit before tax	(107.1)	(6 060)	84 918
Net operating assets	(6.7)	2 474 283	2 650 972
RNOA		1.1%	3.8%
WACC		4.6%	

Capital Inputs

Provide time-critical delivery services

Courier service business

People

Brands

Technical skills

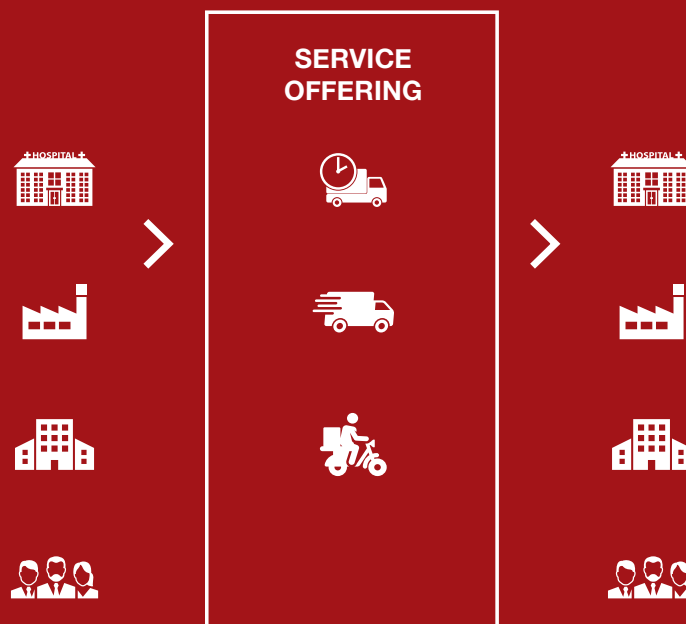
Business development

Long-term supplier and customer relationships

Geographic presence

Market share

Business model



Material risks Mitigation of risks

- | | |
|--|---|
| <ul style="list-style-type: none"> ▶ Competitive trading environment ▶ Shortage of subcontractor drivers | <ul style="list-style-type: none"> ▶ Securing new contracts ▶ Cost cutting initiatives ▶ Developments continue to be monitored |
| <ul style="list-style-type: none"> ▶ Brexit: Renegotiations of trade agreements between Eurozone countries and the UK | |

Opportunities

- ▶ Continue to explore new business opportunities in the logistics sector through acquisitions.
- ▶ Expand its time-critical delivery and courier service businesses into other geographically regions, in particular the Southern and Eastern European environments.



Outputs

- ▶ Company of choice for time-critical deliveries
- ▶ Expand courier service offering
- ▶ High staff retention and a satisfied workforce
- ▶ Brand recognition and reputation
- ▶ Increase competence
- ▶ Innovative service offering
- ▶ Solid supplier and customer relationships
- ▶ Expand into other geographic regions (i.e. UK) as well as in other European countries not currently a presence
- ▶ Retain and increase market share

Capital Outcomes

- Revenue down 12.6% in Euro
- Operating profit down 72.4% in Euro
- RNOA of 1.1%
- WACC of 4.6%
- Major contracts retained
- New contracts secured
- 862 Employees
- 78 Vehicles/trucks
- 10 006 Subcontractors

Supply Chain Europe continued

Activities

inTime is a logistics company headquartered in Germany. inTime has 19 (2018: 17) operating branches across Germany, Sweden, Hungary, Romania, the Czech Republic and Poland. It operates in the niche logistics sector of time-critical delivery services across 45 countries in Europe. Customers are in the automotive, electronics, hazardous goods, life sciences, pharmaceutical, temperature controlled, emergency blood and medical service industries. The business owns proprietary dispatching software that optimises transport capacity utilisation. Super Group has a 75% equity interest in inTime.

inTime has an 88% interest in Ader, a Spanish courier and express transport operator. Ader has 18 (2018: 17) offices throughout Spain. Ader specialises in the provision of dedicated and exclusive transport and logistics solutions.

Subsequent to year end, inTime acquired an 80% interest in TLT, effective 5 July 2019. TLT is a Fifth Party Logistics provider focusing on organisational consulting and support, material flow planning, logistics, production, development and engineering services.

Results for 2019

inTime's results were negatively impacted by severe declines in Germany's new vehicle production volumes which were down 14.3%, resulting in the company's number of transport activities dropping by 22.9% and kilometres travelled declining by 21.7% during the financial year. The reduction in volumes was as a result of the manufacturers of all new passenger cars and light commercial vehicles, across 28 European Union countries, having to submit vehicles for the WLTP test, introduced from 1 September 2018. The WLTP, as well as the implementation of the Diesel Euro 6 Emissions Standard, all contributed to the sharp fall in automotive sales volumes.

Despite the gross profit margin improving from 29.1% in the prior year to the current level of 30.3%, the reduction in volumes, the significant average diesel price increase of 10% for the year and a continued shortage of subcontractors in Germany have resulted in a sharp decline in the operating margin.



Governance and sustainability

Refer to the Corporate Governance and Sustainability Reports on the Group's website.

Outlook for 2020

Subsequent to year end, inTime acquired an 80% interest in TLT for R184.3 million, effective 5 July 2019.

Supply Chain Europe's inTime will continue to be impacted by several issues, including the WLTP and the Diesel Euro 6 Emissions Standard, with all new vehicles in the EU having to fulfil the Euro 6 threshold values for nitrogen oxide and particle emissions by September 2019. These regulations are creating a short supply of new vehicles and together with the protracted Brexit negotiations, uncertainties remain significant in the immediate future.

inTime is exploring other opportunities in Europe, hence the acquisition of the interest in TLT, the opening of new industry verticals and cost-containment initiatives as the motor industry in Europe reels under extended testing protocols and political uncertainty.



Fleet Solutions

Fleet Solutions in focus

The Fleet Solutions division has operations in South Africa, Kenya, Australia, New Zealand and the United Kingdom.

The division provides world class fleet solutions to suit individual customer needs and requirements, focusing on the containment of costs and operating risks associated with fleet ownership.

The range of products include from fully maintained operating leases through to pure fleet management services for corporate and government clients and small to medium businesses.

The Group delivers, through Fleet Africa and SG Fleet, optimal solutions utilising the latest fleet management technologies supported by specialist skills resulting in lower operating risk management, higher utilisation, improved efficiencies and greater cost savings.



897 employees

2018: 866



148 167 vehicles

2018: 146 962



SG Fleet's Australian
market position 1st



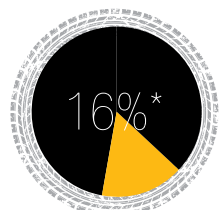
5 countries in which Fleet
Solutions operates



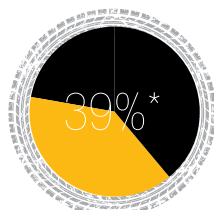
Revenue

R5.9bnOperating
profit**R1.0bn**Profit
before tax**R960m**

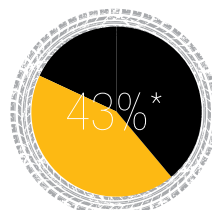
Revenue



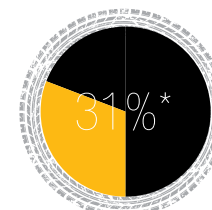
Operating profit



Profit before tax



Net operating assets



* Indicated as a percentage of Group contribution excluding Services.

Operating environment

SG Fleet operates in Australia, New Zealand and the United Kingdom with Fleet Africa operating in sub-Saharan Africa.

Fleet Africa

- ▶ Kenya
- ▶ South Africa

SG Fleet

- ▶ Australia
- ▶ New Zealand
- ▶ United Kingdom



Fleet Africa

Strategy

Fleet Africa's strategy is to be a leading provider of fleet solutions in Southern Africa in commercial and specialised fleets for both private and public enterprises.



Bonisile Makubalo (49)

N.D. Mech Eng, MBA and busy with a PhD

Chief Executive Officer Fleet Africa

R'000	Change %	Year ended 30 June 2019	Year ended 30 June 2018
Revenue	12.4	698 087	621 300
Operating profit	0.7	117 777	116 997
Operating profit margin		16.9%	18.8%
Profit before tax	17.7	127 305	108 146
Net operating assets	9.1	1 130 182	1 035 491
RNOA		7.8%	8.3%
WACC		12.0%	

Capital Inputs

End-to-end fleet management solutions business

Solid relationships with:

- OEMs
- Banks
- Insurance providers
- Vehicle tracking and tracing organisations
- Vehicle accessory suppliers
- Fuel suppliers

People

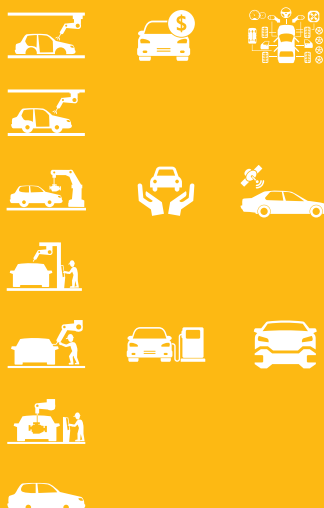
Technical skills

Business systems and product development

OEM and customer relationships

Business model

OEMs



SERVICE OFFERING



Material risks

Mitigation of risks

▷ Dependency on large SOC contracts.	▷ Target private company tender providers
	▷ Secure more long-term business opportunities
	▷ Explore opportunities beyond the borders of South Africa
▷ African risk – political	▷ Appropriate ownership structures are in place
	▷ Joint venture structures with existing in-country companies, reducing Fleet Africa's risk
▷ Staff retention	▷ Payment of market-related salaries and meaningful performance-related incentives
▷ Foreign exchange fluctuations	▷ Invoicing in the same currency that the majority of costs are incurred

Opportunities

▷ The trend by the large corporate companies to outsource the management of their fleet continues.
▷ The public sector continues to pose good growth opportunity.
▷ Focusing on new fleet management opportunities in sub-Saharan Africa.
▷ Provide consulting services in the fleet management arena to existing and potential customers.
▷ Collaboration with SG Fleet in respect of product innovation and systems development.
▷ Partnership with telematics service provider to provide leading technology at competitive pricing.

Outputs

- ▷ One-stop fleet management solutions to corporates, government and municipalities
- ▷ Cost competitive fleet pricing
- ▷ High staff retention and a satisfied workforce
- ▷ Specialist knowledge in FML products
- ▷ Innovative product and service offering
- ▷ Long-term supplier and customer relationships

Capital Outcomes

- Revenue up 12.4%
- Operating profit up 0.7%
- RNOA of 7.8%
- WACC of 12.0%
- Major FML contracts retained
- Major new FML contracts secured
- 144 Employees
- 8 222 Vehicles/trucks

Fleet Africa continued

Activities

Fleet Africa, a specialised fleet management solutions company in South Africa, provides flexible, turnkey fleet management solutions, which are designed to meet the specific transport and vehicle management needs of government and parastatal customers as well as SOC's. Specialised skills and the latest technology are used to leverage ownership and operating risks, through off-balance sheet financing, improved fleet utilisation, increased efficiencies and cost savings.

Additional value-added services are provided including driver, fuel and tyre management; accident and insurance administration fleet optimisation and route planning; vehicle tracking and recovery; and access to Fleet Africa's 24/7/365 call centre and national service/repair network. Fleet Africa is one of the leading "true" fleet management companies providing custom solutions that are tailored to each client's unique business requirements. Through its customer-centric approach, experience, specialist skills-base, and application of advanced technologies, Fleet Africa's clients are assured of a sustainable, reliable fleet management partner. Fleet Africa, through dedication and commitment, retained its B-BBEE Level 2 contributor status and is ISO9002 certified.

Results for 2019

Fleet Africa has shown pleasing results for the year ended 30 June 2019. The results can be mainly attributable to the completed roll-out of certain long-term FML contracts, as well as securing ad hoc fleet maintenance contracts for large SOC's. The business also managed to extend one of its other SOC FML contracts for a further six months with improved expiry terms.

Fleet Africa has formally concluded its joint venture agreement with the Co-op Bank in Kenya towards the latter part of the financial year.

The following contracts have been secured with the benefits only to impact the results for the 2020 financial year:

- A FML contract for the supply of light and heavy commercial vehicles to a large SOC for a period of three years.
- A three-year FML contract with a local municipality for the supply of vehicles.
- A managed maintenance contract with the Government of a neighbouring country for four years.



Governance and sustainability

Refer to the Corporate Governance and Sustainability Reports on the Group's website.

Outlook for 2020

The securing and renewing of a number of contracts, listed above, during the 2019 financial year will assist in growing the business in the future. The formalisation of Fleet Africa's presence in Kenya could substantially contribute to the company's growth and profitability.

There are a number of key public and corporate tenders which are due for submission within the first quarter of the new financial year and, with Fleet Africa's strong B-BBEE credentials, the company is in a strong position to secure some of them.

The business also hopes to complement its income with the launch of a maintenance and service plan product during the year. The business model and pricing has been finalised and roll-out to key dealerships is in the process of taking place.

In conclusion, it is expected that with a balanced business strategy between public and private sector businesses coupled with a focus in East Africa, the sustainability of growth into the future for Fleet Africa is looking more promising.



SG Fleet

Strategy

SG Fleet's strategy is to be the leading provider of integrated mobility solutions in its chosen markets.



Robbie Blau (51)
BComm LLB (Cum Laude),
HDip Tax Law
Chief Executive Officer SG Fleet

R'000	Change %	Year ended 30 June 2019	Year ended 30 June 2018
Revenue	62.9	5 153 016	3 163 135
EBITA	(9.6)	970 540	1 073 587
EBITA margin		18.8%	33.9%
Operating profit	(9.6)	911 725	1 008 781
Operating profit margin		17.7%	31.9%
Profit before tax	(9.9)	832 283	923 554
Net operating assets	0.9	3 419 394	3 389 454
RNOA		18.7%	20.3%
WACC		6.0%	

Capital Inputs

End-to-end mobility, fleet management and novated lease solutions business

Solid relationships with:

- OEMs
- Banks
- Insurance providers
- Vehicle tracking and tracing organisations
- Vehicle accessory suppliers
- Fuel suppliers

People

Technical skills

Business systems and product development

OEM and customer relationships

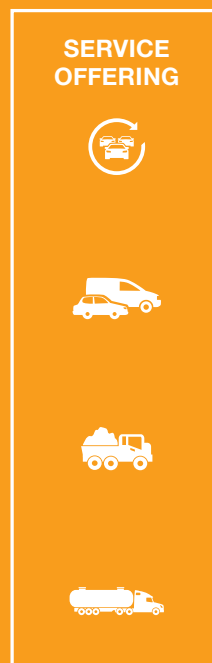
Geographic presence in Australia, UK and New Zealand

Business model

OEMs



SERVICE OFFERING



Material risks**Mitigation of risks**

- | | |
|--|---|
| ▷ Inability to predict future market movements in the used vehicle market. | ▷ Strong manufacturer, dealer and wholesaler relationships. |
| ▷ Failure to obtain funding or appropriately priced funding. | ▷ Diversify key funders to reduce dependencies |

Opportunities

- | |
|---|
| ▷ Focus on organic and acquisitive growth in corporate fleet management and novated lease markets in Australia, New Zealand and the United Kingdom. |
| ▷ Innovation and product development to enhance value add to customers and build a comprehensive offering of mobility solutions. |

**Outputs**

- ▷ **One-stop mobility, fleet management and novated lease solutions business to corporates, government and municipalities**
- ▷ **Cost competitive fleet pricing**
- ▷ **High staff retention and a satisfied workforce**
- ▷ **Specialist knowledge in FML and novated lease products**
- ▷ **Innovative product and service offering**
- ▷ **Long-term supplier and customer relationships**
- ▷ **Expand geographic representation in Australia, UK and New Zealand**

Capital Outcomes

- Revenue up 59.5% in AUD
- Net profit after tax down 10.4% in AUD
- RNOA of 18.7%
- WACC of 6.0%
- Major Corporate FML contracts retained
- New major FML contracts secured
- 753 Employees
- 139 945 Vehicles/trucks

SG Fleet continued

Activities

SG Fleet is a leading provider of integrated mobility solutions, including fleet management, vehicle leasing and salary packaging services to corporate and government customers. SG Fleet has a presence across Australia, as well as in the United Kingdom and New Zealand. SG Fleet listed on the Australian Securities Exchange in March 2014.

The company has a unique position in the marketplace, built on the experience and product expertise of its team. SG Fleet prides itself on the strength of its relationships with blue chip corporate and government customers. These long-term relationships have been built around a customer-centric approach to service delivery and the development of bespoke but scalable solutions to meet the needs of each customer.

An innovative mindset is core to everything SG Fleet does. The company actively contributes to the global discussion about the future of transport and is shaping the new mobility landscape in cooperation with all levels of government, as well as leading corporates. SG Fleet continuously evolves its highly advanced fleet management capabilities and flexible mobility solutions, consistently exceeding its customers' expectations.

Results for 2019

SG Fleet's overall results, in AUD terms, reflected the challenging operating conditions encountered by the Consumer business in Australia, where negative consumer sentiment resulted in a decline in retail sales of vehicles and novated leases. Private new vehicle sales volumes in Australia declined by 10% for the year under review. Residual values of second-hand vehicles have remained strong. The Australian Corporate business made further progress and the UK and New Zealand operations successfully negotiated difficult economic conditions. Despite an improvement in business and consumer sentiment post the recent election and the interest rate cut, the Australian market is expected to remain largely unchanged for the remainder of the 2019 calendar year.

Due to the change in revenue recognition on vehicle disposals as required by IFRS 15, revenue increased by 62.9% to R5.2 billion from R3.2 billion (June 2018). The comparable operating profit margin decreased from 31.9% to 17.7% due to this revenue increase and the impairment made of R59 million against intangible assets as a result of the Australian consumer business moving to a single brand.

For the full set of final results refer to www.sgfleet.com.



Governance and sustainability

Refer to the Corporate Governance and Sustainability Reports on the Group's website.

Outlook for 2020

SG Fleet flagged at the half year results that it would be reviewing its portfolio of add-on insurance products. As a result of this review, SG Fleet is launching a re-designed protected lease product, with a predominantly annuity-based profile. SG Fleet also previously indicated its intent to diversify its funding methods and introduce a greater degree of on-balance sheet funding. These initiatives will lead to a spreading out, over the life of a typical lease, what previously would have been upfront income reflected entirely in the year of origination. As a consequence, SG Fleet estimates that about AUD15 million* to AUD20 million* of FY20 income will now shift to future years. It is important to note that the spreading of income over the life of a secured lease is not a loss of income, but a beneficial conversion to annuity revenue and a stabilisation of revenue streams. For further detail, refer to SG Fleet's website: www.sgfleet.com.

**: Please note that these amounts refer to SG Fleet's business and not Super Group's portion of said amounts.*

For more information on SG Fleet, please refer to the website www.sgfleet.com/au.



Dealerships

Dealerships in focus

The Dealerships division operates franchised motor dealerships in South Africa and the United Kingdom.

The Dealerships SA business is made up of passenger and commercial vehicle franchises representing the majority of franchise brands sold in the South Africa, while the Dealerships UK business represents five major OEMs, of which Ford is the largest.



3 075 employees

2018: 3 272



48 dealerships
in SA

2018: 52



32 dealerships
in UK

2018: 32



5 Key UK franchise
areas

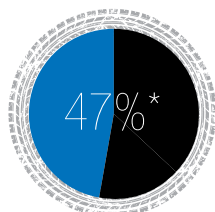
2018: 5



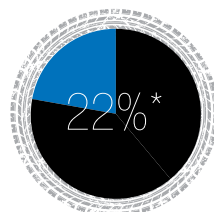
Revenue

R17.8bnOperating
profit**R580m**Profit
before tax**R397m**

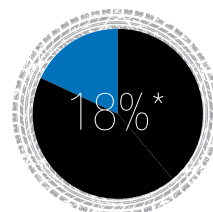
Revenue



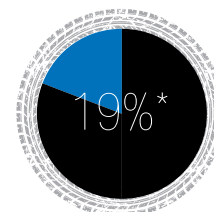
Operating profit



Profit before tax



Net operating assets



* Indicated as a percentage of Group contribution excluding Services

Operating environment

Dealerships SA and Dealerships UK operate in the areas mentioned below.

SA

- ▶ Gauteng
- ▶ North West
- ▶ Mpumalanga
- ▶ Western Cape

UK

- | | |
|---------------|-----------------|
| ▶ Coventry | ▶ Bath |
| ▶ Rugby | ▶ Rayleigh |
| ▶ Nuneaton | ▶ Southend |
| ▶ Warwick | ▶ Lakeside |
| ▶ Solihull | ▶ Slough |
| ▶ Riverside | ▶ Uxbridge |
| ▶ Daventry | ▶ Hillingdon |
| ▶ Kettering | ▶ Gravesend |
| ▶ Northampton | ▶ Sittingbourne |
| ▶ Romford | ▶ Crayford |
| ▶ Brentwood | |
| ▶ Warley | |
| ▶ Upminster | |
| ▶ Basildon | |
| ▶ Swindon | |



Dealerships SA

Strategy

Dealerships SA's strategy is to be a highly efficient and dynamic dealerships business representing a multiple of OEMs across South Africa.



Graeme Watson (52)
Chief Executive Officer Dealerships

R'000	Change %	Year ended 30 June 2019	Year ended 30 June 2018
Revenue	(13.1)	8 134 059	9 356 603
Operating profit	(3.8)	310 500	322 621
Operating profit margin		3.8%	3.4%
Profit before tax	(3.6)	222 629	231 004
Net operating assets	9.6	1 201 142	1 096 354
RNOA		19.5%	22.2%
WACC		12.0%	

Capital Inputs

Relationships with OEMs

Excellent customer service

After market service

People

Strong sales team

Geographic dealership presence in South Africa

Business model



SERVICE OFFERING



Material risks

▶ South African economy: Both the new and used vehicle markets, in general, have shown a decline for the past 18 months, according to NAAMSA statistics. The interest rate cut in July 2019 is not expected to make a significant difference as consumers remain under financial pressure and low confidence levels prevail.	▶ Consolidation or closure of non-viable outlets, brands and properties. ▶ Intensive focus on cost controls. ▶ Focus on internal synergies and lean central service structure and overheads. ▶ Expand portfolio of multi-franchise dealership outlets.
▶ Global market conditions: Conditions in the global markets, fuelled by Brexit and US Trade Wars, is causing Rand instability, which in turn has an impact on vehicle sales.	▶ Marketing of locally manufactured vehicles. ▶ Highly efficient working capital management.
▶ Staff: Employment cost inflation and the availability of skilled personnel.	▶ Improved recruitment process to ensure quality staff are employed, trained and developed. ▶ Focused retention of high performing staff.
▶ Digital market place: Buying and selling of used vehicles through non-traditional channels like WeBuyCars, etc.	▶ Improved Super Group Dealerships' online presence and marketing. ▶ Updated dealer process to offer a superior vehicle trading and buying experience.

Mitigation of risks

Opportunities

▶ Ownership of strategic properties	▶ Significant advantages can be derived through strategic property ownership by reducing lease cost averaging and avoiding substantial rental escalations.
▶ "Going Above and Beyond"	▶ Dealerships' culture remains fundamental to improved morale, staff retention, and ultimately resulting in improved customer service and retention.
▶ Finance and Insurance income	▶ The division continues to improve its product offering and service levels. Continuously enhanced customer value will enable these income streams to be maintained.
▶ Multi-franchising	▶ Selected OEMs are allowing multi-franchising in certain areas, and Dealerships SA has a number of these arrangements in place as it reduces overhead costs and enhances property efficiencies.
▶ Digital marketplace	▶ Increased focus on the digital marketing environments will provide increased sales opportunities to the division and to enhance transaction capability in collaboration with the financial institutions.

Outputs

- ▶ Solid and long-term relationships with OEMs
- ▶ Repeat business
- ▶ Loyal customers
- ▶ Staff retention
- ▶ Increase revenue
- ▶ Expand geographic dealership representation in South Africa

Capital Outcomes

Revenue down 13.1%

Operating profit down 3.8%

RNOA of 19.5%

WACC of 12.0%

1.5% decrease in new vehicles sold

8.9% decrease in used vehicles sold

1 705 employees

Dealerships SA continued

Activities

The Dealerships business consists of 48 (June 2018: 51) franchised motor dealerships – 39 (June 2018: 43) passenger vehicle, eight (June 2018: seven) commercial vehicles and one (June 2018: one) Super Group pre-owned dealerships – based in the Gauteng, North West, Mpumalanga and Western Cape Provinces.

The division represents the majority of major brands including Nissan, Renault, Ford, Mazda, Toyota, Lexus, Mercedes-Benz (including SMART), Honda, Land Rover, Jaguar, Volvo, Jeep, Datsun, Volkswagen, Audi, Isuzu, Haval, GWM, Suzuki, Alfa Romeo, Fiat (including Abarth), UD trucks, Hino trucks, FUSO trucks, Mercedes-Benz trucks and Isuzu trucks. The majority of new vehicle sales are passenger and light commercial vehicles, while medium, heavy and extra heavy commercial vehicles represent slightly more than 6% (June 2018: 6%) of new vehicle sales.

Results for 2019

Dealerships SA reported a pleasing set of results notwithstanding the very challenging trading environment and consumer confidence levels. Revenue declined as a result of the change in the Mercedes-Benz's business model from a franchise to an agency model, while operating profit margin increased to 3.8%. In spite of the fact that the Division outperformed the overall NAAMSA new vehicle sales performance, the decline in volume in the premium luxury segment and the closure of two dealerships contributed to the decline in revenue and operating profit.

Dealerships SA acquired the Mercedes-Benz and Fuso Commercial Vehicle dealership in Somerset West in the Western Cape effective 1 October 2018 and now exclusively represents these two commercial brands in the greater Cape Town area. During the year under review, the Division closed the Fiat Chrysler Alfa dealership in Century City and the Land Rover and Volvo dealership in Vereeniging.

New and used vehicle sales volumes (excluding dealerships closed) declined by 1.5% and 8.9%, respectively, for the year under review, compared to a 3.5% decline in the NAAMSA dealer market for the year ended 30 June 2019. The Parts and Service business proved to be resilient in light of the economic environment and performed in line with expectations.



Governance and sustainability

Refer to the Corporate Governance and Sustainability Reports on the Group's website.

Outlook for 2020

The Dealerships SA business is anticipating difficult trading conditions to continue for the year ahead as consumers remain under severe pressure, despite the interest rate cut. The downward trend in the new vehicle market is expected to continue given the low economic growth and business confidence in South Africa. Dealerships SA is well-placed to deal with the challenging conditions in the market and also to take advantage of any recovery in the local economy.



Dealerships UK

Strategy

Dealerships UK's strategy is to be the leading Ford dealership group in the UK.



Mike Phillips (63)
Chief Executive Officer Dealerships UK

R'000	Change %	Year ended 30 June 2019	Year ended 30 June 2018
Revenue	(2.2)	9 704 591	9 925 263
EBITA	18.3	275 128	232 472
EBITA margin		2.8%	2.3%
Operating profit	18.6	269 623	227 282
Operating profit margin		2.8%	2.3%
Profit before tax	31.4	174 561	132 862
Net operating assets	1.1	1 595 389	1 578 721
RNOA		13.6%	12.8%
WACC		5.8%	

Capital Inputs

Relationships with OEMs

Excellent customer service

After market service

People

Strong sales team

Geographic dealership presence in UK

Business model



SERVICE OFFERING



Material risks

Mitigation of risks

▶ New vehicle market: New commercial stock availability continues to be poor.	▶ Continuous source available stock from other dealers. ▶ Monitoring market conditions and ensuring staying ahead of market trends.
▶ Key management: The loss of any senior executives will potentially create management and leadership challenges in this highly competitive market.	▶ Succession planning is ongoing and the management and reporting structures of the business are regularly reviewed and adapted to accommodate this where necessary.
▶ Property Dilapidations: The onerous nature of UK leases regarding the dilapidation process and cost at the end of a lease is an area of risk and of potential un-budgeted cost to the business.	▶ Undertake detailed initial assessment of lease properties on commencement. ▶ Ensure strict record keeping of alterations and maintenance. ▶ Consider budgeting for any potential costs that may arise.
▶ Brexit: The long-term effect of Brexit on the UK economy when trade agreements are renegotiated.	▶ Ford vehicles are imported from Europe into the UK and trade renegotiations and the timing thereof will be closely monitored. ▶ Regular discussion with OEM's in order to adapt plans in the uncertain and changing environment.

Opportunities

▶ New vehicle sales	▶ Ford continues to be the market leader in the UK and Dealerships UK has a strong Ford presence with flagship dealerships in key locations.
▶ Fleet and commercial	▶ Demand continues to be high for commercial vehicles in the UK and is likely to increase if an orderly Brexit is achieved. Our dealerships are geographically well positioned to take advantage of this segment and potential opportunity.
▶ Used vehicle sales	▶ Interest rates remain low and stable, with only small increases likely in the next 12 months. This together with potential Brexit disruption on new vehicle may increase used vehicle activity.
▶ Service and parts	▶ A growing ageing vehicle car parc with the customers keeping their vehicles for longer periods is expected to result in a greater opportunity for vehicle servicing, repairs and parts sales.
▶ Ownership of strategic properties	▶ Availability of properties in the UK is limited and thus, relocation at the end of a lease is often challenging and costly. Significant cost and certainty of tenure advantages can be derived through the ownership of strategic properties.

Outputs

- ▶ Solid and long-term relationships with OEMs
- ▶ Repeat business
- ▶ Loyal customers
- ▶ Staff retention
- ▶ Increase revenue
- ▶ Expand geographic dealership representation in UK

Capital Outcomes

Revenue down 7.8% in GBP

Operating profit up 11.9% in GBP

RNOA of 13.6%

WACC of 5.8%

7.1% market share in Ford

1.9% market share in Kia

1 370 employees

Dealerships UK continued

Activities

Allen Ford is the second largest independently-owned Ford franchise network in the UK, operating in total 32 dealership outlets. There are 24 (June 2018: 24) franchised Ford motor dealerships, four (June 2018: four) franchised Kia dealerships, two Suzuki dealerships, as well as a Mazda and a Fiat dealership in key franchise areas in England.

This includes Ford dealerships in Coventry, Rugby, Nuneaton and Warwick and a Kia dealership in Solihull in the Midlands. In Northampton County, Allen Ford has four Ford dealerships in Northampton Riverside, Daventry, Kettering and Bedford Road, with the latter being a commercial vehicle dealer. In Essex County, Allen Ford has eight Ford dealerships, two Kia dealerships, one Mazda and one Fiat dealership. One of the Ford dealerships, situated in Basildon, is regarded as the largest flagship for Ford in the UK and is immediately adjacent to the Ford UK Technical Centre.

In the Swindon County, Allen Ford has a Ford dealership in Swindon and both a Ford and Kia dealership in Bath. The final county of representation is Kent, where Allen Ford operates dealership in Crayford and Gravesend together with both a Ford and Suzuki dealership in Sittingbourne.

As one of the UK's leading Ford dealership groups, Allen Ford has substantial leverage, enabling it to stock large volumes of new and used passenger and light commercial vehicles (vans), which in turn gives the group a competitive advantage in the high volume new vehicle market. The Group is also a Motability Premier Partner, which is the leading car scheme in the UK for disabled people, enabling them to use their UK Government-funded mobility allowance to lease a new car. Moreover, it is one of the UK's largest Privilege dealers, selling a high volume of cars at preferential prices to Ford, Jaguar, Land Rover and Aston Martin employees and their families.

Results for 2019

Dealerships UK reported a strong set of results despite a challenging economic environment and the uncertainty regarding Britain's exit from the EU. Revenue decreased as a result of Allen Ford's total new unit sales declining by 9.5% and used unit sales by 8.8%.

The overall UK retail vehicle market reported a decline of 5.1% in volumes over the prior year. The Dealerships UK's market share increased in Ford from 6.82% (June 2018) to 7.06% (June 2019) and Kia from 1.73% (June 2018) to 1.85% (June 2019).

The parts and service department continued to perform well and in a similar vein to South Africa, grew its contribution to overall dealership profitability mainly on the back of very positive growth in parts revenue and contribution.

Governance and sustainability

Refer to the Corporate Governance and Sustainability Reports on the Group's website.

Outlook for 2020

The UK dealership market is expected to remain under pressure as a result of the uncertainty pertaining to the outcome of Brexit and the change in government policies on diesel technology. This shift toward the use of the latest cleaner Euro 6 diesel standard and the bottleneck expected at OEMs following the implementation of WLTP is expected to continue to affect supply and demand in certain segments.

The strong Ford and Kia presence of Dealerships UK remains the key to the Groups resilience in the current market and to the delivery of our objectives. Super Group's Ford and Kia dealerships are expected to outperform the UK industry statistics for the next financial year and are well placed to deal with both current challenges, as well as a potential recovery in new vehicle demand.



Services

The Services segment includes the Corporate and the Mauritius operations. The Services segment performed well on the back of the solid performance by Treasury together with other recoveries.

The Corporate operations entail the Head Office and IT functions of the South African operations.

Super Group Commercial Trading, based in Mauritius, specialises in trade finance, commercial trading and foreign exchange management. All of Super Group South Africa's international procurement activities are administered through this business.



Remuneration Report

Introduction

Super Group's remuneration philosophy is set with the intentions of ensuring the achievement of the Group's performance objectives and the encouragement of sustainable long-term performance. The Remuneration Policy has a direct impact on employee behaviour, operational performance, Company culture and strategic alignment of the Group. The Remuneration Committee ("Remco") addresses issues relating to the remuneration of directors and senior management and ensures that the remuneration levels are sufficient to attract, retain, motivate and reward directors and executives of the quality needed to run the Group successfully.

Remco

Chairperson	John Newbury (Independent Non-executive Director)
Members	Philip Vallet (Independent Non-executive Director) Valentine Chitalu (Independent Non-executive Director)
Independence	All Remco members are independent non-executive directors
Secretary	Peter Mountford
Role and function	Remco considers the Remuneration Policy of the Group with the assistance and guidance of independent external consultants, P-E Corporate Services, where necessary, to determine market-related remuneration levels.
Responsibilities	▶ Reviews the Executive Committee's ("Exco") performance, at appropriate intervals, to motivate employees to perform to required standards and to retain their services by offering and maintaining market-related remuneration in line with their performance. Remuneration is linked to corporate and individual performance. ▶ Ensures that the executive directors' remuneration mix, in respect of "guaranteed pay" and "variable pay", is appropriate, so as to align the directors' interests with those of shareholders. ▶ Assesses succession planning at executive and senior management levels. The Chief Executive Officer ("CEO"), in consultation with Remco, is responsible for ensuring that adequate succession plans are in place. ▶ Approves the remuneration of senior management who are members of Exco reporting to the CEO and receives the details of remuneration of the managers who report to the members of the Exco. ▶ Adjustments to directors' and Exco members' total remuneration are recommended to the Board for individual approval.
Assurance	Remco is governed by the good corporate governance principles and the Group's value statement. The members of Remco hereby confirm that they were diligent in exercising their duties of care and skill and that they have taken reasonable steps to ensure that they performed their duties in accordance with the Remco mandate.

In keeping with good corporate governance practices, the CEO attends meetings by invitation only and is not entitled to vote. The CEO does not participate in discussions regarding his own remuneration.

In terms of King IV, the Company should obtain the endorsement of its shareholders pertaining to the Company's Remuneration Policy and the implementation of this policy at the AGM. If more than 25% of the total votes cast by the shareholders, present and voting, be against either resolutions, the Company will issue an announcement on SENS inviting shareholders who voted against the resolutions to meet with the members of Remco. The process to be followed will be set out in a SENS announcement.

The Super Group Remuneration Policy received support from the shareholders who voted in favour of the policy at the most recent and prior AGMs and the results are indicated in the table below:

Percentage of “For” votes	27 November 2018	27 November 2017
Endorsement of the Remuneration Policy	71.86%	75.14%
Endorsement of the implementation of the Remuneration Policy	74.68%	77.08%

In response to receiving less than 75% support for the Remuneration Policy and the implementation of the Remuneration Policy, Super Group issued a SENS inviting shareholders who voted against the policies to provide comment to the Company. Two responses were received and have been considered by Remco.

Activities undertaken by Remco during the year

During the year under review, Remco reviewed the Remuneration Policy to ensure that it is aligned with applicable regulation and remuneration principles contained in the Group's value statement as well as corporate governance guidelines and input received from shareholders.

The Remuneration Report was aligned to King IV Principles to articulate and demonstrate the link between strategy, value creation, performance and remuneration.

Remco also reviewed the remuneration packages and structure of executives to ensure that they are competitive in the relevant market and are aligned with shareholders' interest as well as with the Group's strategy and performance.

Outlook for 2020

Remco has identified the following key areas for the year ending 30 June 2020:

- ▶ Be the employer of choice in the industries in which Super Group operates.
- ▶ Develop and retain existing employees.
- ▶ Identify, develop and retain a skilled and knowledgeable workforce.
- ▶ Attract new talent and skills whilst addressing race and gender diversity.
- ▶ Investigate whether a clawback or malus clause should be included in the remuneration letter of Exco members.

The following action items continue to be done to achieve our goals:

- ▶ Engagement with employees at all levels and across all geographies.
- ▶ Creating an environment for all employees to develop themselves.
- ▶ Relevant and meaningful internal and external development programmes.

SECTION A: REMUNERATION POLICY

Objectives of the Remuneration Policy

The overriding objective of the Group Remuneration Policy is to “pay for performance”.

The Group Remuneration Policy is designed to:

- ▶ Support and help execute the Group strategy by rewarding staff members for “performance” and for “living the values”.
- ▶ Build together with the performance management process, a culture of high performance by ensuring that “reward” encompasses the performance of both the individual and the business.
- ▶ Excellent performance will be rewarded (above the market average), which will ensure both the attraction and retention of key talent and high performers.
- ▶ Conversely, poor performance needs to be managed until a satisfactory level of performance is attained or the employee exits the business.

Key principles of the Remuneration Policy

The Group's value statement governs the way employees conduct themselves in all interactions internally and externally. The value system is of such importance that a significant percentage of an individual's bonus is linked to how they apply the Group's value system.

The Group's vision describes the feedback expected from customers, employers, the investment market, competitors and suppliers.

Paramount importance is placed on the vision and as a result, 90% of an employee's bonus is based on the achievement of the overall Group vision. Every employee has a responsibility to the Group to assist in achieving this target.

While the policy pertains to monetary reward, it should be acknowledged that reward also encompasses learning and development opportunities (performance management; career development, succession planning) and work environment (leadership; culture; involvement; transformation; work/life balance).

Remuneration Policy and structure for executive directors

The executive directors are appointed to the Board to bring to the Group the skills and experience appropriate to its needs. The guaranteed remuneration is based on the median of the market, with discretion to pay a premium (typically 5% to 20%) to the median for the attraction and retention of the executive directors.

Remco aims to align the directors' total remuneration with shareholders' interest by ensuring that a significant portion of their package is linked to the achievement of performance targets.

Executive directors' salaries comprise a cash salary which is reviewed annually by Remco. Salaries are compared to pay levels of other South African companies to ensure sustainable performance and market competitiveness. The individual salaries

Remuneration Report continued

of directors are reviewed annually in light of their own performance, experience, responsibility and Group performance. The Company makes contributions to defined contribution plans on behalf of the executive directors on the basis of a percentage of cash salary. Death and disability cover provided to executive directors reflects best practice among comparable employers in South Africa. Other benefits include car and travel benefits and cover on the Group's medical healthcare scheme. These elements comprise the fixed remuneration component.

Total remuneration package of executive management and employees

The total remuneration package of a Super Group executive management employee is split between "guaranteed pay" and "variable pay". In addition, there are long-term incentive schemes available for executive management to ensure the retention of key employees.

Guaranteed pay

Guaranteed pay is that remuneration which is contractually guaranteed to the employee and is generally paid to the employee on a monthly basis.

Guaranteed pay is also referred to as base pay and may be inclusive of any benefits that the individual employee may receive. Super Group strives to provide its employees with a benefit offering that is competitive with the local or regional market offering for that level of employee at a cost to company level. In the case of members of unions, their pay is based on the agreements concluded by the Road Freight Bargaining Council.

At a total annual guaranteed salary level (variable pay excluded), Super Group offers market-related salaries. At a total annual salary level (guaranteed and variable pay), Super Group strives to be a superior payer, the underlying philosophy being that when the Company and the individual achieve a high level of performance, the overall reward is superior to that of the average market offering.

The business units are responsible to ensure that individual employees are correctly positioned in the market from a guaranteed pay perspective and to this end must conduct regular market surveys and benchmarking studies. At a minimum this must be done on an annual basis but, where necessary, should be done to correct any imbalances. These studies use data that is accurate, relevant and up to date and take into consideration local market conditions as well as inflation trends.

REMUNERATION PACKAGE SPLIT

GUARANTEED Cash-based remuneration	VARIABLE Bonus	LONG-TERM INCENTIVES																								
Paid monthly	Paid annually	Awarded annually																								
50% – 75% of package	25% – 60% of package																									
Includes: ► Basic salary ► Medical healthcare scheme ► Car and travel benefits	Executive directors <table><tr><th>TARGETS</th><th>Bonus weighting %</th><th>CEO Maximum bonus achievement %</th><th>CFO Maximum bonus achievement %</th></tr><tr><td>Profit before tax growth >9%</td><td>25.0</td><td>30.0</td><td>25.0</td></tr><tr><td>Return on net operating assets >WACC +30% premium (2018: 12.3%)</td><td>25.0</td><td>30.0</td><td>25.0</td></tr><tr><td>HEPS growth >9%</td><td>40.0</td><td>40.0</td><td>40.0</td></tr><tr><td>Discretionary personal KPIs</td><td>10.0</td><td>10.0</td><td>10.0</td></tr><tr><td>Total</td><td>100.0</td><td>110.0</td><td>100.0</td></tr></table>	TARGETS	Bonus weighting %	CEO Maximum bonus achievement %	CFO Maximum bonus achievement %	Profit before tax growth >9%	25.0	30.0	25.0	Return on net operating assets >WACC +30% premium (2018: 12.3%)	25.0	30.0	25.0	HEPS growth >9%	40.0	40.0	40.0	Discretionary personal KPIs	10.0	10.0	10.0	Total	100.0	110.0	100.0	Executive directors and certain employees Share Appreciation Rights Scheme (SARS) Objectives: ► To recognise the contribution to the growth in value of the Group's equity; ► Retain key employees; and ► To align management and shareholder interests Targets: ► Vesting of the SARS rights is subject to HEPS growth of >2% above CPI over a three-year performance period following the award
TARGETS	Bonus weighting %	CEO Maximum bonus achievement %	CFO Maximum bonus achievement %																							
Profit before tax growth >9%	25.0	30.0	25.0																							
Return on net operating assets >WACC +30% premium (2018: 12.3%)	25.0	30.0	25.0																							
HEPS growth >9%	40.0	40.0	40.0																							
Discretionary personal KPIs	10.0	10.0	10.0																							
Total	100.0	110.0	100.0																							
Three forms of increases: ► Performance-based ► Merit ► Adjustment to bring in line with market	Senior executives <table><tr><th>Targets</th><th>Bonus split %</th></tr><tr><td>Profit before tax growth >9%</td><td>90.0</td></tr><tr><td>Discretionary personal KPIs</td><td>10.0</td></tr><tr><td>Total</td><td>100.00</td></tr></table>	Targets	Bonus split %	Profit before tax growth >9%	90.0	Discretionary personal KPIs	10.0	Total	100.00																	
Targets	Bonus split %																									
Profit before tax growth >9%	90.0																									
Discretionary personal KPIs	10.0																									
Total	100.00																									

Variable pay

Variable pay is that remuneration which is not guaranteed to the employee and which payment is dependent on the achievement of specified criteria at an individual employee level and/or a collective business level. This form of remuneration is also known as “at risk” pay.

Variable pay or “at risk” pay takes the form of bonuses or commission, with the latter being applicable generally to sales (quota-bearing) staff.

Generally, an employee’s variable pay is in the form of a bonus and is split into a “business performance bonus” portion and a “discretionary performance bonus” portion. The targets and bonus achievement splits for the executive directors are set out on page 57.

Although commission is, by definition, also a form of “at risk” or variable pay in that it is not guaranteed to the employee, the criteria on which commission are earned are fundamentally different to those applied to bonus earnings.

Remuneration package split

The package percentage split between the guaranteed and variable pay needs to be appropriate to the level of accountability carried by the individual employee and their “line of sight” in the business (i.e. the ability to affect the results). The guiding principle is that the greater the level of accountability and the closer the “line of sight”, the greater the risk portion of an employee’s remuneration package. The risk portion of remuneration ranges from 75:25 to 50:60 fixed to variable.

The targets for the executive directors are as follows:

Targets	Group CEO Maximum bonus ⁽¹⁾ achievement %	Group CFO Maximum bonus achievement %
Profit before tax growth >9%	30.0	25.0
Return on net operating assets >WACC +30% premium (2018: 12.3%)	30.0	25.0
HEPS growth >9%	40.0	40.0
Discretionary personal KPIs	10.0	10.0
Total	110.0	100.0

¹ Percentage of annual guaranteed pay. The Group CEO can earn a performance bonus to a maximum of 110% of his guaranteed pay. Bonuses are not earned in relation to any one element, should the performance in that element be less than 50% of such target. For achievement against target between 50% and 100%, the bonuses paid are pro-rated.

The targets for F2019 are unchanged from F2018.

The targets for the senior executives are as follows:

Targets	Bonus split %
Profit before tax growth >9%	90.0
Discretionary personal KPIs	10.0
Total	100.0

Senior executives can achieve bonuses of between 50% and 100% of their guaranteed pay depending on their role within the Group and the achievement of their targets. Bonuses are not earned should profit before or after taxation achievement be less than 50% of the targets. For achievement against target between 50% and 100%, the bonuses paid are pro-rated. The target for F2019 is unchanged from F2018.

Certain employees receive a bonus equivalent to approximately one month’s salary provided the Group has met its targets.

The remuneration package splits are deemed as appropriate for the various levels of employees. The PE Survey (salary surveys conducted by P-E Corporate Services) is one benchmark that is used to assess the market/industry salaries. For highly specialised positions other surveys are used.

Salary increases and salary reviews

There are three forms of salary increases that can be given, namely:

- Performance-based salary increase;
- Merit increases; and
- Salary adjustments.

Performance-based salary increases are awarded in recognition of an individual employee’s achievement and level of performance relative to their role in the organisation and the delivery against KPIs set in their performance review.

Merit increases are awarded in recognition of consistent, exceptional performance by an individual employee whose delivery and achievements surpass that which is normally and/or reasonably expected of an employee in that role or may be awarded as a result of a promotion or job role change.

Salary adjustments are awarded to ensure that an individual employee is adequately compensated for the job that they do and/or their knowledge or skills relative to the market value of that job and/or knowledge or skills. Adjustments are made to ensure that no employee is de-incentivised to perform.

All salary increases are subject to the approval of the relevant line managers and must be submitted and actioned in accordance with the processes and procedures established by the Group approvals framework.

Remuneration Report continued

Long-term incentives

The Group's long-term incentive programme is the Share Appreciation Rights Scheme (SARS). Senior managers within the Group are eligible to participate in the scheme.

The scheme supports the principle of aligning management and shareholder interests. Performance conditions governing the vesting of these rights are intended to be stretching but achievable. The performance conditions are related to headline earnings per share increasing by 2% per annum above the Consumer Price Inflation Index over the three-year performance period following the award. The grants are conditional upon the participant remaining employed during the performance period.

Remco approves the award of the grants and certifies the achievement of the three-year target prior to the grants vesting.

Executive directors' share option and incentive scheme grants

Executive directors participate in the Group's share option and incentive schemes, which are designed to recognise the contributions of senior staff to the growth in the value of the Group's equity and to retain key employees. Within the limits imposed by the Company's shareholders, options are allocated to the directors and senior staff in proportion to their contribution to the business as reflected by their seniority and the Company's performance. The options, which are allocated at a price determined by Remco, in terms of a resolution and the applicable JSE Listings Requirements, vest after stipulated periods and are exercisable after a three-year period in terms of the scheme rules.

Share option allocations are considered at least annually and are recommended by Remco and approved by the Board. The underlying principle of these schemes is to provide direct linkage between the interests of shareholders and the efforts of executives or managers.

Targets are linked where applicable to the Group's medium-term business plan, over rolling three-year performance periods. The SARS incorporates performance target requirements which must be met before the exercise of the share grants is permitted. Certain executive directors have an interest in the various share incentive schemes of the Group. The performance targets are set by Remco and may be varied from time to time.

Directors trading in Company securities

All directors are required to obtain clearance prior to trading in Company securities. Such clearance must be obtained from the Chairman of the Company or in his absence from a designated director. The Chairman consults the CEO and Group Company Secretary prior to his trading in the Company's securities. Directors are required to inform their portfolio/investment managers not to trade in the securities of the Company unless they have specific written instructions from that director to do so. Directors also may not trade in their shares during closed periods. Directors are

further prohibited from dealing in the Company's shares at any time when they are in possession of unpublished price-sensitive information in relation to those securities, or otherwise where clearance to deal is not given.

Directors' service contracts

Peter Mountford, the CEO, has a written letter of appointment which endures indefinitely and is subject to termination on one month's notice. Colin Brown, the CFO, has a written letter of appointment which endures indefinitely and is subject to termination on two months' notice. Both executives have change of control clauses included in their letters of appointment. The contractual relationship between the Company and its executive directors is controlled through Remco which comprises non-executive directors only.

These contracts are formulated in a manner which is consistent with the provisions of the Basic Conditions of Employment Act.

Beneficial and non-beneficial shareholding

The directors of the Company that hold beneficial or non-beneficial shareholding in the issued shares of the Company as at 30 June 2019 are disclosed in Section B of this report.

Interest of directors in contracts

Fluxmans Attorneys, a director-related entity, was appointed to assist Super Group with corporate law advisory services in respect of various transactions and several other corporate and labour matters. During the year, the Group paid Fluxmans Attorneys R6.2 million (2018: R3.9 million) for general legal services of which approximately 29.4% (2018: 36.1%) is in respect of disbursements paid by Fluxmans on behalf of Super Group.

The directors have certified that they were not materially invested or held a material interest in any transaction of material significance and which significantly affected the business of the Group, with the Company or any of its subsidiaries. Accordingly, no conflict of interest with regard to directors' interests in contracts exists. There have been no material changes in the foregoing between 30 June 2019 and the date of this report.

SECTION B: DIRECTORS' REMUNERATION AND FEES

The achievement of targets for the executive directors for FY2018 is as follows:

Targets	Group CEO Bonus weighting %	Group CFO Bonus weighting %	F2018 achievements %	Group CEO Bonus achievement %	Group CFO Bonus achievement %
Profit before tax growth >9%	30.0	25.0	14.7	30.0	25.0
Return on net operating assets >WACC +30% premium (2018: 12.3%)	30.0	25.0	12.3	30.0	25.0
HEPS growth >9%	40.0	40.0	12.7	40.0	40.0
Discretionary personal KPIs	10.0	10.0	100.0	10.0	10.0
Total	110.0	100.0		110.0	100.0

The targeted increase in HEPS for the award of the 2016 share options was 20.1% (2015: 21.9%).

The actual growth in HEPS over the period was 30.1% (2018: 25.6%).

The following tables show a breakdown of the annual remuneration (excluding equity awards) of directors for the years ended 30 June 2019 and 30 June 2018.

Year ended 30 June 2019	Basic remuneration ¹ R	Subsidiary directors' fees ² R	Retirement contributions R	Other material benefits ³ R	Total excl performance R	Performance bonus R	Total R
P Mountford	5 511 608	1 191 707	349 999	437 041	7 490 355	8 176 188	15 666 543
C Brown	3 244 404	–	349 999	157 733	3 752 136	3 619 000	7 371 136
Total	8 756 012	1 191 707	699 998	594 774	11 242 491	11 795 188	23 037 679

Notes:

¹ Remuneration comprises gross salary.

² For services as a director of SG Fleet, amounting to AUD117 502.

³ Other material benefits include entitlement to fuel, cover on the Group's medical healthcare and disability scheme, funeral benefits and travel allowances. These benefits are granted on similar terms to other senior executives.

Year ended 30 June 2018	Basic remuneration ¹ R	Subsidiary directors' fees ² R	Retirement contributions R	Other material benefits ³ R	Total excl performance R	Performance bonus R	Total R
P Mountford	5 201 446	1 166 855	349 999	348 555	7 066 855	6 820 000	13 886 855
C Brown	3 070 444	–	349 999	127 556	3 547 999	3 000 000	6 547 999
Total	8 271 890	1 166 855	699 998	476 111	10 614 854	9 820 000	20 434 854

Notes:

¹ Remuneration comprises gross salary.

² For services as a director of SG Fleet, amounting to AUD117 502.

³ Other material benefits include entitlement to fuel, cover on the Group's medical healthcare and disability scheme, funeral benefits and travel allowances. These benefits are granted on similar terms to other senior executives.

Remuneration Report continued

Non-executive directors' fees

Non-executive directors generally receive fixed fees for service on the Board and Board committees. Non-executive directors do not receive short-term incentives nor do they participate in any long-term incentive schemes. The fees paid to non-executive directors were approved by Remco, the Board and shareholders at the AGM.

	Fixed directors' fees including allowances R	Meeting attendance fees R	Year ended 30 June 2019 (excl VAT) R	Year ended 30 June 2018 (excl VAT) R
P Vallet ¹ – South Africa	729 167	405 000	1 134 167	965 000
E Banda ²	387 500	170 000	557 500	566 667
D Cathrall ³	33 333	20 000	53 333	–
V Chitalu	387 500	165 000	552 500	531 667
O Mabandla ⁴	325 833	100 000	425 833	–
J Newbury	387 500	240 000	627 500	626 667
D Rose	387 500	400 000	787 500	781 667
M Cassim	387 500	210 000	597 500	591 667
Total	3 025 833	1 710 000	4 735 833	4 063 335

Notes:

¹ Billed by Fluxmans Inc. P Vallet's full-time employer.

² E Banda resigned effective 30 June 2019.

³ D Cathrall was appointed effective 1 June 2019.

⁴ O Mabandla was appointed effective 1 September 2018.

Executive directors' share option and incentive scheme grants

Analysis of directors' share option entitlements as at 30 June 2019

Executive directors' options	Allocation date	Strike price R	Balance at 1 July 2018	Awarded	Exercised	Exercise date	Exercise price R	Balance at 30 June 2019	Share-based payment expenses R'000
Peter Mountford	19/08/2014	31.13	300 000	–	(300 000)	12/06/19	34.25	–	
	26/08/2015	31.85	1 071 370	–	–			1 071 370	
	31/08/2016	40.20	850 000	–	–			850 000	
	30/08/2017	38.64	1 200 000	–	–			1 200 000	
	28/08/2018	35.37	–	1 200 000	–			1 200 000	
Total			3 421 370	1 200 000	(300 000)			4 321 370	8 015
Colin Brown	26/08/2015	31.85	749 959	–	–			749 959	
	31/08/2016	40.20	500 000	–	–			500 000	
	30/08/2017	38.64	650 000	–	–			650 000	
	28/08/2018	35.37	–	650 000	–			650 000	
Total			1 899 959	650 000	–			2 549 959	4 467
Total directors' options			5 321 329	1 850 000	(300 000)			6 871 329	12 482

Share option gains after tax

	2019 R'000	2018 R'000
Executive directors		
P Mountford	515	10 058
C Brown	–	3 720
Total	515	13 778

Interests of directors in the share capital of Super Group

The aggregate beneficial holdings of the directors of the Company and their immediate families in the issued ordinary shares of the Company are detailed below. There have been no changes in these shareholdings to the date of approval of this report.

Beneficial	Number of shares held			
	30 June 2019		30 June 2018	
	Direct	Indirect	Direct	Indirect
J Newbury	27 500	–	–	–
P Mountford	35 000	–	–	–
Total	62 500	–	–	–

There are no associate interests for the above directors and also no non-beneficial shareholdings.

Directors trading in Company securities

The only change between 30 June 2019 and the date of this report is that Mr Peter Mountford purchased 18 000 shares for a total consideration of R501 843.53 between 28 and 29 August 2019.

On behalf of the Remuneration Committee

John Newbury

Remuneration Committee Chairman

26 September 2019

Group Social and Ethics Committee Report

The economic and social sustainability of Super Group is important to the Group and the Sustainability Report has been created which reports in more detail on its staff, environmental and Corporate Social Investment. The Group Social and Ethics Committee ("the Committee") assists the Board in monitoring Super Group's performance as a good and responsible corporate citizen and performs its duties in terms of regulation 43 under the Companies Act.

Group Social and Ethics Committee	
Chairperson	David Rose
Members	Peter Mountford Colin Brown Exco members (by invitation)
Independence	In terms of King IV, the majority of Committee members should consist of non-executive directors. Super Group has taken a decision that the duties of the Group Social and Ethics Committee overlap with certain duties performed by Remco, the Group Audit Committee and the Group Risk Committee and are therefore satisfied that all of the independent non-executive directors not serving on the Group Social and Ethics Committee, are updated on all the social and ethics-related matters of the Group.
Secretary	Nigel Redford
Role and function	The Group Social and Ethics Committee has a Board-approved Social and Ethics Charter which incorporates the responsibilities of the Committee and its terms of reference, aligned to the guidelines and requirements provided by the Companies Act and King IV.
Responsibilities	The Committee: ▶ executes its statutory duties in terms of the requirements of the Companies Act and King IV; ▶ regularly reviews the Social and Ethics Charter and updates it where necessary to ensure that its terms of reference comply with all regulatory and legislative guidelines and that the Committee performs its duties in terms of all the relevant regulatory requirements; ▶ ensures that the highest ethical standards and integrity are maintained when dealing with external and Internal stakeholders as outlined in the Group's Code of Ethics, available on the Group's website; ▶ consults advisors and attend presentations on the various aspects of the duties and responsibilities relating to social and ethics issues; ▶ creates a reporting structure for the Group's business units in respect of the Committee's requirements; ▶ monitors the Group's compliance with the United Nations Global Compact 10 Principles on Human Rights, Environment, Labour and Anti-Corruption; ▶ monitors the Group's compliance with the Organisation for Economic Co-operation and Development recommendations regarding corruption; ▶ monitors the Group's compliance with the International Labour Organisation's definition of "Decent Work"; ▶ monitors the Group's Corporate Social Investment; ▶ monitors the Group's achievements against its Employment Equity Plan; and ▶ monitors the B-BBEE Staff Empowerment Scheme.
Assurance	The Committee hereby confirms that it has executed its duties in accordance with these terms of reference during the past financial year.

Activities undertaken by the Committee during the year

The activities undertaken by the Committee during the year are set out in detail in the Sustainability Report that can be found on the Group's website www.supergroup.co.za.

Stakeholder engagement

As promoted by King IV, inclusive stakeholder engagement is encouraged whereby the Board considers the legitimate interests and expectations of stakeholders on the basis that is in the best interests of the Company, and not merely as an instrument to serve the interests of the shareholders.

The Companies Act also requires a Company to embrace engagement with its shareholders, employees, unions, communities and consumers. Super Group's Social and Ethics Committee monitors and assists with stakeholder engagement.

Stakeholders are also considered when assessing the materiality of issues.

Super Group believes that open and transparent communication with stakeholders is important and uses many avenues to facilitate the engagement with its stakeholders on a regular and constructive manner. There are various internal functions within the Group to ensure that the needs and requirements of all stakeholders are addressed. The Group Social and Ethics Committee, in conjunction with the Human Resources department and investor relations function, ensures that stakeholder engagement is executed.

For further details on the specific engagement with each of the stakeholder categories, as well as determining materiality when assessing the risks associated with Super Group's business, see the Corporate Governance Report on the website.



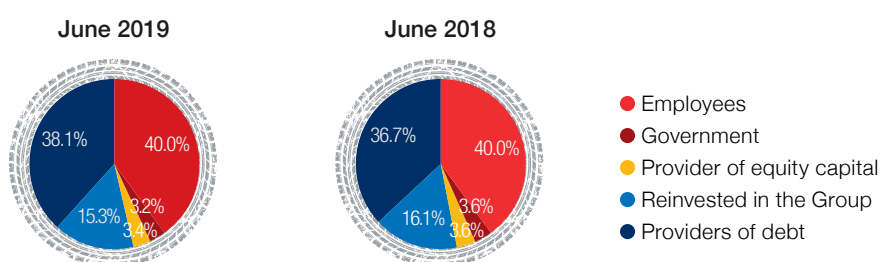
Group Social and Ethics Committee Report

continued

Value-added Statement

A measure of the wealth created by Super Group, for various stakeholders, is the amount spent on the cost of goods and services provided, the remuneration paid to its employees, money paid to providers of equity and debt, taxes paid to Government and capital reinvested in the Group.

	Year ended 30 June 2019		Year ended 30 June 2018	
	R'000	%	R'000	%
Revenue	37 861 772		35 662 856	
Goods and services provided	(27 975 633)		(26 258 749)	
Total wealth created	9 886 139		9 404 107	
Allocated as follows:				
Wealth distributed	6 119 767	61.9	5 953 645	63.3
Employees	3 957 594	40.0	3 765 375	40.0
Provider of equity capital	314 804	3.2	340 612	3.6
Providers of debt	332 192	3.4	334 206	3.6
Government	1 515 177	15.3	1 513 452	16.1
Reinvested in the Group	3 766 372	38.1	3 450 462	36.7
Total wealth distributed	9 886 139	100.0	9 404 107	100.0
Number of employees	12 289		11 930	
Wealth created per employee	804		788	
Wealth distributed per employee	322		316	
Revenue per employee	3 081		2 989	



Outlook for 2020

The Committee is satisfied with the Group's progress in the different areas and with the plans for the 2020 financial year. The Committee is aware its function will continue to evolve as it addresses all the responsibilities within its mandate as well as bring it in line with the King IV requirements.

On behalf of the Group Social and Ethics Committee

David Rose

Group Social and Ethics Committee Chairman

26 September 2019

Summarised Consolidated Financial Statements

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Preparation of the Summarised Consolidated Financial Statements

The Annual Financial Statements, available on the Group's website www.supergroup.co.za as well as the Summarised Consolidated Financial Statements contained in this Integrated Report, have been prepared under the supervision of the Chief Financial Officer, C Brown, BCompt (Hons), CA(SA) and MBL.

Colin Brown

Chief Financial Officer

26 September 2019

Directors' responsibilities and approval

for the year ended 30 June 2019

The Board is required by the Companies Act to maintain adequate accounting records and is responsible for the content and integrity of the Annual Financial Statements of Super Group and related financial information included in this Integrated Report and published on the Group's website www.supergroup.co.za. It is its responsibility to ensure that the Annual Financial Statements fairly present the financial position of the Company and the Group at the end of the financial year and the results of their operations and cash flows for the year then ended, in conformity with IFRS and the requirements of the Companies Act. The external auditor is engaged to express an independent opinion on the Financial Statements.

The Financial Statements have been audited by the independent accounting firm, KPMG Inc., which was given unrestricted access to all financial records and related data, including minutes of all meetings of the shareholders, the directors and its committees. The directors believe that all representations made to the independent auditors during the audit were valid and appropriate.

The Financial Statements are prepared in accordance with IFRS and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the Group and place considerable importance on maintaining a strong control environment. To enable the directors to meet this responsibility, the directors set standards for internal control aimed at reducing the risk of error or loss in a cost-effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the Group and all employees are required to maintain the highest ethical standards in ensuring the Group's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the Group is on identifying, assessing, managing and monitoring all known forms of risk across the Group.

While operating risk cannot be fully eliminated, the Group endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The directors are of the opinion, based on the information and explanations given by management that the system of internal controls provides reasonable assurance that the financial records may be relied on for the preparation of the Annual Financial Statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The directors have reviewed the Group's cash flow forecast for the year ending 30 June 2020 and, in the light of this review and the current financial position, they are satisfied that the Company and Group have or have access to adequate resources to continue in operational existence for the foreseeable future.

The Annual Financial Statements of the Group and Company, which have been prepared on the going concern basis, were approved by the directors on 26 September 2019 and were signed on its behalf by:

Peter Mountford
Chief Executive Officer

Colin Brown
Chief Financial Officer

Group Company Secretary Certificate

In terms of section 88(2)(e) of the Companies Act, I certify that, to the best of my knowledge and belief, Super Group has, in respect of the financial year ended 30 June 2019, lodged with CIPC all returns and notices required of a public company in terms of the Companies Act and that all such returns and notices are true, correct and up to date.

Nigel Redford
Group Company Secretary

26 September 2019

Group Audit Committee Report

The Group Audit Committee (or “the Committee”) is a committee approved by the shareholders which has specific statutory responsibilities to the shareholders in terms of section 94(7) of the Companies Act. The Committee has a sub-committee, the Group Risk Committee.

Group Audit Committee

Chairperson	David Rose (Independent Non-executive Director)
Members	Mariam Cassim (Independent Non-executive Director) Enos Banda (Independent Non-executive Director) – resigned 30 June 2019 David Cathrall (Independent Non-executive Director) – appointed 1 June 2019
Permanent invitees	Peter Mountford Group (CEO) Colin Brown Group (CFO) Dwight Thompson (The designated Audit Partner from KPMG Inc., the Independent External Auditor) Nicola Bryce (The Group Audit Manager from KPMG Inc.) Zack Sieberhagen (Group Financial Controller) Elton Biljon (Group Financial Manager) Reyaaz Mahmood (Head of Group Audit Services and Risk Manager) Clive Pincus (The Group Tax Manager)
By invitation	Phillip Vallet (Independent Non-executive Chairman)
Secretary	Nigel Redford
Role and function	The Group Audit Committee assists the Board through advising and making recommendations on financial reporting, internal financial controls and risks, external and internal audit functions and statutory and regulatory compliance of the Group. The Committee executes its responsibilities according to a Board approved Charter which is regularly reviewed and updated where necessary. The terms of reference are set out in the Committee Charter and ensures that the Committee performs its duties in terms of the Companies Act and King IV.
Responsibilities	In execution of its statutory duties, the Group Audit Committee: ▶ Nominated the reappointment of KPMG Inc. as external auditor and Mr Dwight Thompson as the individual designated auditor, after satisfying itself through enquiry that KPMG Inc. is independent as defined in terms of the Companies Act. ▶ Determined the terms of engagement and the fees to be paid to KPMG Inc. as disclosed in note 22.4 in the Annual Financial Statements. ▶ Approved a Non-Audit Services Policy which determines the nature and extent of any non-audit services which KPMG Inc. may provide to the Group. ▶ Pre-approved any proposed contract with KPMG Inc. for the provision of non-audit services to the Group. An annual approval is made for certain services that are requested by management. The services rendered against this approval are reviewed at each meeting of the Committee. All other services are specifically approved by the Committee when requested. ▶ Received no complaints relating to the accounting practices of the Group, the content or auditing of its financial statements, the internal financial controls of the Group, nor any other related matters. ▶ Reviewed the Integrated Report, the Annual Financial Statements, the preliminary profit announcement and interim statements. ▶ Met with the external auditor to discuss the Annual Financial Statements prior to their approval by the Board. ▶ Reviewed the valuation of goodwill before recommending any impairment to the Board for approval. ▶ Made submissions to the Board on matters concerning the Group’s accounting policies, financial control, records and reporting. ▶ Concurred that the adoption of the going concern premise in the preparation of the Annual Financial Statements was appropriate.
Assurance	The Committee confirms, based on the processes and assurances obtained, that it: ▶ has executed its duties in accordance with the terms of reference during the past financial year; ▶ believes that the significant internal financial controls are effective; ▶ believes that the accounting practices are effective; ▶ confirms that the external auditor has functioned in accordance with its terms of reference for the 2019 financial year; and ▶ has complied with all applicable legal and regulatory responsibilities.

Group Audit Committee Report continued

Activities undertaken by the Committee during the year

Oversight of risk management

The Group Audit Committee has satisfied itself that the following areas have been appropriately addressed:

- ▶ Financial reporting risks.
- ▶ Internal financial controls.
- ▶ Fraud risks as they relate to financial reporting.
- ▶ IT risks as they relate to financial reporting.
- ▶ Tax risks.

David Rose and Mariam Cassim are members of the Group Risk Committee, ensuring that the Group Audit Committee is an integral component of the risk management process.

Internal financial controls

The Group Audit Committee has:

- ▶ reviewed the effectiveness of the Group's system of internal financial controls including receiving assurance from management and internal audit;
- ▶ reviewed significant issues raised by the external auditor in their reports; and
- ▶ reviewed policies and procedures for preventing and detecting fraud.

Internal Audit

Super Group has a full Internal Audit Department consisting of four employees. The Head of Group Audit Services is Reyaaz Mahmood. The Group Audit Committee approves the Internal Audit Plan and any variation thereof. The chairman of the Group Audit Committee meets with the Head of Group Audit Services on a regular basis and the Head of Group Audit Services has unfettered access to all members of the Group Audit Committee.

Chief Financial Officer

The Committee is satisfied that Colin Brown has the appropriate expertise and experience to meet the responsibilities of his appointed position as CFO as required by the JSE.

The Committee is satisfied:

- ▶ with the expertise and experience of the Group Financial Controller, Zack Sieberhagen;
- ▶ with the expertise and experience of the Group Financial Manager, Elton Biljon; and
- ▶ that the resources within the finance function are adequate to provide the necessary support to the CFO.

In making these assessments, the Committee has obtained feedback from the external auditor.

External auditor

The Board, including members of the Group Audit Committee, reviewed the independence of KPMG Inc. as the Group's external auditor with Mr Dwight Thompson as the independent individual registered auditor who undertook the Group's audit for the current year.

The independent investigations into the several serious issues concerning KPMG Inc's activities in South Africa by various regulatory authorities are still ongoing and the Board indicated that the decision to retain KPMG Inc. will be reviewed following the outcome of the investigations. The results of an independent investigation by a reputable legal firm has found that no KPMG Inc. partner received any benefit from the issues under investigation. After considering all of the information currently available and the performance of KPMG Inc. during the 2019 audit, the Group Audit Committee has recommended the reappointment of KPMG Inc. as the Group's auditors to the Board.

Allen Ford (UK) Limited and its subsidiaries were audited by PricewaterhouseCoopers LLP. ABF Legend Logistics Proprietary Limited was audited by Malan Geldenhuys Auditors Incorporated. The Group Audit Committee is satisfied that these audits were completed to an acceptable standard. The Group Audit Committee reviewed the independence of PwC and Malan Geldenhuys.

Independence of the external auditor

The assessment was made after considering the following:

- ▶ Confirmation from the external auditor that they, or their immediate family, do not hold any significant direct or indirect financial interest or have any material business relationship with Super Group. The external auditor also confirmed that they have internal monitoring procedures to ensure their independence.
- ▶ The external auditor does not, other than in their capacity as external auditor or rendering permitted non-audit services, receive any remuneration or other benefits from Super Group.
- ▶ The external auditor's independence was not impaired by the non-audit work performed having regard to the quantum of audit fees relative to the total fee base and the nature of the non-audit work undertaken.
- ▶ The external auditor's independence was not prejudiced as a result of any previous appointment as auditor. In addition, an audit partner rotation process is in place in accordance with the relevant legal and regulatory requirements.
- ▶ The latest inspection report performed by the Independent Regulatory Board for Auditors (IRBA) and the criteria specified for independence by IRBA.
- ▶ KPMG Inc. and the designated auditor are accredited with the JSE.

External auditor's fees

The Committee approved, in consultation with management, the audit fee and engagement terms for the various external auditors for the 2019 financial year, as set out below:

Description of fees	R'000	% of total
Audit fees	25 796	89.7
Non-audit fees	2 429	8.5
Expenses	529	1.8
Total fees	28 754	100.0

The Committee, in addition:

- ▶ reviewed and approved the non-audit services fees for the year under review and ensured that the fees were within limit and in line with the non-audit service policy; and
- ▶ determined the nature and extent of allowable non-audit services and approved the contract terms for the provision of non-audit services.

External auditor's performance

The Committee:

- ▶ reviewed and approved the external audit plan, ensuring that material risk areas were included and that coverage of the significant business processes was acceptable;
- ▶ monitored the effectiveness of the external auditor in terms of audit quality and expertise; and
- ▶ reviewed the external audit reports and management's response, considered their effect on the Financial Statements and internal financial controls.

Annual Financial Statements

The Committee:

- ▶ reviewed the interim results and Annual Financial Statements, including the public announcements of the Group's financial results, and made recommendations to the Board for their approval. In the course of its review, the committee:
- ▶ took appropriate steps to ensure that the Annual Financial Statements were prepared in accordance with IFRS;
- ▶ considered the appropriateness of accounting policies and disclosures made;
- ▶ in accordance with the JSE Listings Requirements approved the Group's financial reporting procedure;
- ▶ completed a detailed review of the going concern assumption, confirming that it was appropriate in the preparation of the Annual Financial Statements; and
- ▶ considered the JSE's Proactive Monitoring Process of Annual Financial Statements and has taken the appropriate action to apply the findings.

Group Audit Committee Report continued

The Committee was not required to deal with any complaints relating to accounting practices or internal audit, nor to the content or audit of the Annual Financial Statements, nor internal financial controls and related matters.

Key audit matters

The figures disclosed in the Annual Financial Statements in certain circumstances are arrived at using judgement. These are explained in detail in the accounting policies. The Committee has considered the qualitative and quantitative aspects of the information presented in the Annual Financial Statements and other items that require significant judgement and this is also noted. The Annual Financial Statements are available on the Group's website.

Integrated Report

The Committee has evaluated the Integrated Report and the Summarised Consolidated Financial Statements of the Company and the Group for the year ended 30 June 2019, and based on the information provided to the Group Audit Committee, considers that the Group complies in all material respects, with the requirements of the Companies Act and IFRS. The Committee has recommended the Integrated Report and Summarised Consolidated Financial Statements to the Board for approval.

On behalf of the Group Audit Committee

David Rose

Group Audit Committee Chairman

26 September 2019

Directors' Report

The directors present their report which forms part of the Annual Financial Statements of the Company and of the Group for the year ended 30 June 2019.

Nature of business

Super Group Limited (Registration number 1943/016107/06), the holding company of the Group, is a company listed on the Main Board of the JSE in the "Industrial Transportation" sector, incorporated and domiciled in the Republic of South Africa. Super Group is a broad-based supply chain management business, operating predominantly in South Africa, with operations across sub-Saharan Africa and businesses in Australia, Europe, New Zealand and the United Kingdom. Its principal operating activities include supply chain management, dealerships and fleet management activities.

Financial results

The results for the year are set out in the Summarised Consolidated Financial Statements presented on pages 73 to 88 of this Integrated Report. The Annual Financial Statements are published on the Group's website www.supergroup.co.za.

Year under review

Super Group reported an excellent set of results for the year ended 30 June 2019 despite the protracted poor economic climate in South Africa and political uncertainties in the various countries in which the Group operates. The results were mainly attributable to the strong performances in all the commodities businesses, locally and in the sub-Saharan territories. The overview of the results as well as the financial performance of the Group is dealt with in the Chief Executive Officer's Report and the Divisional Reviews in the Integrated Report published on the Group's website.

Significant events

Acquisition of Cargo Works

The Group acquired an 80% interest in Cargo Works Proprietary Limited effective 2 July 2018 for a purchase consideration of R49.5 million.

The Statement of Financial Position as at 30 June 2019 has been impacted by increases in property, plant and equipment of R26.4 million, intangible assets of R25.7 million, trade and other receivables of R19.7 million, deferred tax liability of R11.6 million and trade and other payables of R9.5 million as a result of this acquisition. Trading relating to the 12 months ended 30 June 2019 has been included in the Statement of Comprehensive Income.

Acquisition of an additional interest in SG Fleet

During the financial year ended 30 June 2019, Super Group acquired an additional 4 366 928 shares in SG Fleet for an amount of R106.2 million, increasing its effective shareholding to 59.2% (30 June 2018: 57%).

Acquisition of 10% interest in Legend Logistics

During the year, Super Group Holdings acquired the remaining 10% interest in Legend Logistics for an amount of R174.5 million, increasing the Group's holding to 100%.

Raising of unsecured debt notes

The JSE listed Super Group's senior unsecured notes, in terms of its DMTN Programme dated 22 October 2013 as follows:

- ▶ SPG004 was listed on 27 September 2018. The value of the SPG004 issue was R450 million with interest of three-month JIBAR plus 200 basis points, coupon rate payable quarterly on 27 March, 27 June, 27 September and 27 December of each year. The maturity date of the issue is 27 September 2023.
- ▶ SPG005 was listed on 15 March 2019. The value of the SPG005 issue was R300 million with interest of three-month JIBAR plus 175 basis points, coupon rate payable quarterly on 15 March, 15 June, 15 September and 15 December of each year. The maturity date of the issue is 15 March 2024.
- ▶ SPG006 was listed on 18 June 2019. The value of the SPG006 issue was R375 million with interest of three-month JIBAR plus 145 basis points, coupon rate payable quarterly on 18 June, 18 September, 18 December and 18 March of each year. The maturity date of the issue is 18 June 2022.
- ▶ SPG007 was listed on 18 June 2019. The value of the SPG007 issue was R625 million with interest of three-month JIBAR plus 165 basis points, coupon rate payable quarterly on 18 June, 18 September, 18 December and 18 March of each year. The maturity date of the issue is 18 June 2024.

Subsequent events

Other than the matters disclosed, the directors are not aware of other matters or circumstances arising subsequent to the reporting date up to the date of this Report, which will require disclosure in these results.

Directors' Report *continued*

Acquisition of Lieben Logistics

Super Group Holdings acquired a 65% interest in Lieben Logistics and 51% interest in GLS on 1 July 2019. The purchase price for Lieben Logistics was R498.8 million and the purchase price of GLS was R96.3 million. These acquisitions will form part of the Supply Chain African segment.

Acquisition of TLT

inTime acquired an 80% interest in TLT on 5 July 2019 for R184.3 million. This acquisition will form part of the Supply Chain Europe segment.

Share capital

The authorised and issued share capital is detailed in note 13 of the Financial Statements.

Directors and Group Company Secretary

The names of the directors and Group Company Secretary who currently hold office are as follows:

- ▶ Phillip Vallet: *Independent Non-Executive Director and Chairman of the Company*
- ▶ John Newbury: *Independent Non-Executive Director*
- ▶ David Rose: *Independent Non-Executive Director*
- ▶ Mariam Cassim: *Independent Non-Executive Director*
- ▶ David Cathrall: *Independent Non-Executive Director*
- ▶ Valentine Chitalu: *Independent Non-Executive Director*
- ▶ Oyama Andrew Mabandla: *Independent Non-Executive Director*
- ▶ Peter Mountford: *Group CEO*
- ▶ Colin Brown: *Group CFO*
- ▶ Nigel Redford: *Group Company Secretary*

Other than the changes to the Board set out in this report, there were no other Board changes to the date of publishing the Integrated Report.

Details of directors' remuneration, share appreciation rights and options appear on pages 57 to 58.

Dividends

The Board has resolved not to declare a dividend for the current year. The dividend policy will be reviewed in the year ahead.

Resolutions

During the year, other than the resolutions passed at the Annual General Meeting on 27 November 2018, the shareholders of the Company passed no other resolutions. No special resolutions, the nature of which might be significant to members in the appreciation of the affairs of the Group, were passed by any subsidiary companies during the year covered by this Integrated Report.

Subsidiary companies

Details of the principal subsidiary companies appear on pages 103 and 104 of the Annual Financial Statements available on the website.

Share option schemes

Refer to note 37 of the Financial Statements for information relating to option schemes, share-based payments and the B-BBEE Staff Empowerment Scheme.

Litigation statement

Super Group is not involved in any material legal or arbitration proceedings or legal actions, nor are the directors aware of any proceedings that are pending or threatened, that may have, or have had, in the 12-month period preceding the date of this Integrated Report, a material adverse effect on the Group's financial position.

Material changes

There have been no material changes in the financial or trading position of the Company and its subsidiaries between 30 June 2019 and the date of this Integrated Report.

Going concern

The directors consider that the Group and Company have adequate resources to continue operating for the foreseeable future and that it is therefore appropriate to adopt the going concern basis in preparing the Company's financial statements. The directors have satisfied themselves that the Group and Company are in a sound financial position and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements.

Independent Auditor's Report

For the Independent Auditor's Report, please refer to the Annual Financial Statements published on the Group's website: www.supergroup.co.za.

Basis of preparation and accounting policies

The Summarised Consolidated Financial Statements for the year ended 30 June 2019 are prepared in accordance with the requirements of the JSE Limited Listings Requirements, the JSE Guidance Letter: Summary Financial Statements dated 25 July 2011, the requirements of the Companies Act of South Africa, in accordance with the framework concepts and the measurement and recognition requirements of International Financial Reporting Standards (IFRS) and the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Pronouncements as issued by the Financial Reporting Standards Council and to also, as a minimum, contain the information required by IAS 34 – Interim Financial Reporting.

The Summarised Consolidated Financial Statements are extracted from the Annual Financial Statements, but are not audited. The Financial Statements have been audited by KPMG Inc., who expressed an unmodified opinion thereon. The Financial Statements and the Independent Auditor's Report thereon are available for inspection at the Company's registered office. The directors take full responsibility for the preparation of the Summarised Consolidated Financial Statements and the financial information has been correctly extracted from the Annual Financial Statements.

The accounting policies applied in the preparation of the Summarised Consolidated Financial Statements are in terms of IFRS and are consistent with those applied in the previous Consolidated Financial Statements with the exception of the adoption of IFRS 9 – Financial instruments and IFRS 15 – Revenue from contracts with customers. The definitions of capital items, PPA, EBITA and related adjustments are included in the accounting policies in the June 2019 Annual Financial Statements. The new standards IFRS 9 – Financial instruments and IFRS 15 – Revenue from contracts with customers became effective for the first time in Super Group's financial year that commenced 1 July 2018.

IFRS 15 provides a single comprehensive model for revenue recognition based on the satisfaction of the performance obligations and requires additional disclosures in respect of revenue. IFRS 9 replaces the "incurred loss" impairment model in IAS 39 with a forward looking "expected credit loss" (ECL) model. Impairment is measured using a 12-month ECL method unless the credit risk on a financial instrument has increased significantly since initial recognition in which case the lifetime ECL method is adopted.

These new standards were adopted using the cumulative effect method resulting in a retrospective adjustment of R14 639 000 being recognised directly in equity on 1 July 2018 with no restatement of the comparative period presented. The only material impact on the 30 June 2019 results was an increase in Revenue of R2.0 billion in the SG Fleet segment with no material impact on Gross Profit, Operating Profit or Profit Before Tax. This material impact is due to the requirement to gross-up the end-of-lease income as revenue and show the corresponding expense as end-of-lease cost of sale.

If the prior year results were restated, an increase in revenue of R1 973 500 000 would be reflected on the Statement of Comprehensive Income with no material impact on Gross Profit, Operating Profit or Profit Before Tax. The effect on the Statement of Financial Position as at 30 June 2018 was an immaterial decrease in prepayments, deferred tax and contract liabilities.

Standards effective for reporting periods starting on or after 1 July 2019:

- ▶ IFRS 16 Leases
- ▶ IFRIC 23 Uncertainty over Income Tax Treatments

IFRS 16 – Leases replaces IAS 17 – Leases, introduced changes to lessee accounting, in particular, the requirement to recognise leases currently classified as operating leases on balance sheet. The standard requires a lessee to recognise a right-of-use asset, representing its rights to use the underlying lease asset, and a lease liability representing its obligation to make lease payments, with certain exceptions for short-term leases or leases of low-value assets, on the Summarised Consolidated Statement of Financial Position. The initial assessment indicates that the right-of-use asset as at 30 June 2020 will be approximately R1.6 billion, the right-of-use liability will be approximately R1.7 billion and an opening retained earnings adjustment of approximately R0.1 billion which will affect the Summarised Consolidated Statement of Financial Position. The lease expenses will decrease by approximately R0.5 billion, the depreciation expense will increase by approximately R0.4 billion and the finance costs will increase by approximately R0.1 billion in the Summarised Consolidated Statement of Comprehensive Income for the year ended 30 June 2020. The Group plans to adopt IFRS 16 – Leases on 1 July 2019, using the modified retrospective approach. Therefore, the cumulative effect of adopting this standard will be recognised as an adjustment to retained earnings on 1 July 2019 with no restatement of the comparable period presented.

The Board's initial view on the other standard not yet effective is that the impact is not expected to be material.

The Summarised Consolidated Financial Statements are presented in Rand, which is the Company's functional currency and the Group's presentation currency, rounded to the nearest thousand.

Notes to the Financial Statements

For the comprehensive notes to the Financial Statements, please refer to the Annual Financial Statements published on www.supergroup.co.za



Summarised Consolidated Statement of Comprehensive Income

	Year ended 30 June 2019 Audited R'000	Year ended 30 June 2018 Audited R'000
Revenue	37 861 772	35 662 856
Depreciation and amortisation (excluding amortisation of PPA intangibles)	(920 970)	(857 232)
Operating expenditure – excluding capital items and impairment of trade receivables	(34 086 725)	(32 109 546)
Operating expenditure – impairment of trade receivables	(11 205)	(44 802)
Operating expenditure – capital items (refer note 8 in salient features)	(68 278)	(38 450)
EBITA	2 774 594	2 612 826
Amortisation of PPA intangibles	(168 969)	(177 316)
Operating profit	2 605 625	2 435 510
Finance costs	(540 098)	(467 196)
Interest received and income from equity-accounted investees	193 585	136 727
Profit before income tax	2 259 112	2 105 041
Income tax expense	(636 806)	(612 848)
Profit for the year	1 622 306	1 492 193
Profit for the year attributable to:		
Non-controlling interests (NCI)	314 804	340 612
Equity holders of Super Group	1 307 502	1 151 581
	1 622 306	1 492 193
Other comprehensive income (OCI)		
Item which will be reclassified to profit or loss:	(109 460)	231 438
Translation adjustment	(88 780)	226 711
Effective portion of hedge	(29 036)	6 171
Tax effect of effective portion of hedge	8 356	(1 444)
Items which will not be reclassified to profit or loss:	47 203	59 299
Revaluation of land and buildings	62 562	73 987
Tax effect of revaluation of land and buildings	(15 359)	(14 688)
Other comprehensive income for the year (net of tax)	(62 257)	290 737
Total comprehensive income for the year	1 560 049	1 782 930
Total comprehensive income for the year attributable to:		
Non-controlling interests	280 857	391 109
Equity holders of Super Group	1 279 192	1 391 821
	1 560 049	1 782 930
RECONCILIATION OF HEADLINE EARNINGS		
Profit attributable to equity holders of Super Group	1 307 502	1 151 581
Capital items after tax and NCI (refer note 8 in salient features)	47 194	41 142
Headline earnings for the year	1 354 696	1 192 723
Earnings per share (cents)		
Basic	360.8	320.8
Diluted	360.4	319.9
Headline earnings per share (cents)		
Basic	373.8	332.2
Diluted	373.4	331.3

Summarised Consolidated Statement of Financial Position

	30 June 2019 Audited R'000	30 June 2018 Audited R'000
ASSETS		
Non-current assets	16 470 328	15 923 564
Property, plant and equipment	6 077 255	5 152 668
Investment property	164 200	151 000
Full maintenance lease assets	1 551 641	1 563 248
Intangible assets	1 149 735	1 327 523
Goodwill	7 305 094	7 434 221
Investments and other non-current assets	209 194	271 805
Deferred tax assets	13 209	23 099
Current assets	13 810 292	12 623 598
Inventories	4 488 869	4 179 607
Trade receivables	3 813 236	3 710 572
Sundry receivables	1 931 015	1 382 149
Cash and cash equivalents	3 577 172	3 351 270
Total assets	30 280 620	28 547 162
EQUITY AND LIABILITIES		
Capital and reserves		
Capital and reserves attributable to equity holders of Super Group	11 008 716	9 798 236
Non-controlling interests	1 604 302	1 578 889
Total equity	12 613 018	11 377 125
Non-current liabilities	6 279 891	6 245 750
Fund reserves	457 499	497 876
Non-controlling interest put options and other liabilities	101 196	317 466
Full maintenance lease borrowings	335 703	512 935
Interest-bearing borrowings	4 792 801	4 310 029
Provisions including employee-related benefits	61 951	65 496
Deferred tax liabilities	530 741	541 948
Current liabilities	11 387 711	10 924 287
Full maintenance lease borrowings	541 958	338 460
Interest-bearing borrowings	949 041	1 043 781
Trade and other payables	9 493 932	9 080 580
Income tax payable	46 321	92 911
Provisions including employee-related benefits	356 459	368 555
Total equity and liabilities	30 280 620	28 547 162

Summarised Consolidated Statement of Cash Flows

	Year ended 30 June 2019 Audited R'000	Year ended 30 June 2018 Audited R'000
Cash flows from operating activities		
Operating cash flow	3 792 588	3 776 728
Working capital outflow	(652 140)	(109 599)
Cash generated from operations	3 140 448	3 667 129
Finance costs paid	(535 029)	(465 894)
Interest received	170 787	132 990
Income tax paid	(663 038)	(612 330)
Dividends paid to non-controlling interests	(219 449)	(237 081)
Net cash generated from operating activities	1 893 719	2 484 814
Cash flows from investing activities		
Additions to property, plant and equipment	(1 578 505)	(1 178 701)
Additions to full maintenance lease assets	(739 511)	(569 757)
Additions to intangible assets	(85 552)	(74 645)
Proceeds on disposal of property, plant and equipment	240 144	223 936
Proceeds on disposal of full maintenance lease assets	398 054	289 039
Net acquisition of businesses (net of cash acquired)	(40 796)	(455 901)
Other investing activities	45 213	(55 874)
Net cash outflow from investing activities	(1 760 953)	(1 821 903)
Cash flows from financing activities		
Share issues net of expenses	–	497 150
Cash outflow on share movements	(393)	(34 029)
Additional investments in existing subsidiaries	(277 403)	(751 439)
Interest-bearing borrowings raised	4 040 958	1 163 138
Full maintenance lease borrowings raised	703 269	342 157
Interest-bearing borrowings repaid	(3 647 830)	(776 230)
Full maintenance lease borrowings repaid	(676 381)	(526 396)
Net cash inflow/(outflow) from financing activities	142 220	(85 649)
Net increase in cash and cash equivalents	274 986	577 262
Net cash and cash equivalents at beginning of the year	3 351 270	2 727 133
Effect of foreign exchange on cash and cash equivalents	(49 084)	46 875
Cash and cash equivalents at end of the year	3 577 172	3 351 270

Summarised Consolidated Statement of Changes in Equity

	Stated capital R'000	Other reserves R'000	Retained earnings R'000	Share buyback reserve R'000	Total R'000	Non-controlling interest R'000	Total equity R'000
Balance at 30 June 2017 – Audited	3 256 491	847 874	4 452 645	(201 196)	8 355 814	1 499 521	9 855 335
Other comprehensive income	-	240 240	-	-	240 240	50 497	290 737
Translation adjustment	-	178 328	-	-	178 328	48 383	226 711
Effective portion of hedge	-	3 411	-	-	3 411	2 760	6 171
Tax effect of effective portion of hedge	-	(798)	-	-	(798)	(646)	(1 444)
Revaluation of land and buildings	-	73 987	-	-	73 987	-	73 987
Tax effect of revaluation of land and buildings	-	(14 688)	-	-	(14 688)	-	(14 688)
Profit for the year	-	-	1 151 581	-	1 151 581	340 612	1 492 193
Total comprehensive income for the year	-	240 240	1 151 581	-	1 391 821	391 109	1 782 930
Transactions with shareholders recognised directly in equity	-	(54)	54	-	-	-	-
Realisation of revaluation reserve through depreciation	-	-	-	-	-	-	-
Bookbuild shares issued for cash ¹	500 000	-	-	-	500 000	-	500 000
Share issue expenses	(2 850)	-	-	-	(2 850)	-	(2 850)
Share-based payment reserve movement	-	-	42 418	-	42 418	5 448	47 866
Share options exercised – South Africa	-	-	(69 918)	-	(69 918)	-	(69 918)
Share options exercised – SG Fleet	-	-	(10 507)	-	(10 507)	(9 264)	(19 771)
B-BBEE good leaver options exercised ²	-	-	(1 843)	-	(1 843)	-	(1 843)
Movement in treasury shares	-	-	-	37 732	37 732	-	37 732
Dividends paid to NCI	-	-	-	-	-	(237 081)	(237 081)
Deferred tax recorded directly in equity on movement in options	-	-	(8 146)	-	(8 146)	(81)	(8 227)
NCI put option movement	-	-	103 015	-	103 015	-	103 015
Transactions with equity partners – increase in shareholdings	-	-	(535 711)	-	(535 711)	(218 319)	(754 030)
Transactions with equity partners – decrease in shareholdings	-	-	(3 589)	-	(3 589)	131 768	128 179
NCI recognised in respect of subsidiaries acquired	-	-	-	-	-	15 788	15 788
Balance at 30 June 2018 – Audited	3 753 641	1 088 060	5 119 999	(163 464)	9 798 236	1 578 889	11 377 125

	Stated capital R'000	Other reserves R'000	Retained earnings R'000	Share buyback reserve R'000	Total R'000	Non- controlling interest R'000	Total equity R'000
Adjustment on initial application of IFRS 9 and 15, net of tax	-	-	(9 514)	-	(9 514)	(5 125)	(14 639)
Restated balance as at 1 July 2018	3 753 641	1 088 060	5 110 485	(163 464)	9 788 722	1 573 764	11 362 486
Other comprehensive income	-	(28 310)	-	-	(28 310)	(33 947)	(62 257)
Translation adjustment	-	(63 317)	-	-	(63 317)	(25 463)	(88 780)
Effective portion of hedge	-	(17 134)	-	-	(17 134)	(11 902)	(29 036)
Tax effect of effective portion of hedge	-	4 938	-	-	4 938	3 418	8 356
Revaluation of land and buildings	-	62 562	-	-	62 562	-	62 562
Tax effect of revaluation of land and buildings	-	(15 359)	-	-	(15 359)	-	(15 359)
Profit for the year	-	-	1 307 502	-	1 307 502	314 804	1 622 306
Total comprehensive income for the year	-	(28 310)	1 307 502	-	1 279 192	280 857	1 560 049
Transactions with shareholders recognised directly in equity	-	(109)	109	-	-	-	-
Realisation of revaluation reserve through depreciation	-	-	43 878	-	43 878	2 258	46 136
Share-based payment reserve movement	-	-	(10 013)	-	(10 013)	(154)	(10 167)
Share options exercised – South Africa	-	-	(1 888)	-	(1 888)	(1 394)	(3 282)
Share options exercised – SG Fleet	-	-	(412)	-	(412)	-	(412)
B-BBEE good leaver options exercised ²	-	-	-	10 186	10 186	-	10 186
Movement in treasury shares	-	-	-	-	-	(238 320)	(238 320)
Dividends paid to NCI	-	-	-	-	-	-	-
Deferred tax recorded directly in equity	-	-	(7 821)	-	(7 821)	(92)	(7 913)
on movement in options	-	-	141 574	-	141 574	-	141 574
NCI put option movement	-	-	-	-	-	11 213	11 213
NCI recognised in respect of subsidiary acquired ³	-	-	(137 706)	-	(137 706)	(36 806)	(174 512)
Transactions with equity partners (Legend)	-	-	-	-	-	-	-
– increase in shareholdings ³	-	-	-	-	-	-	-
Transactions with equity partners (SG Fleet)	-	-	44 642	-	44 642	125 018	169 660
– decrease in shareholdings ³	-	-	(141 638)	-	(141 638)	(112 042)	(253 680)
Transactions with equity partners (SG Fleet)	-	-	-	-	-	-	-
– increase in shareholdings ³	-	-	-	-	-	-	-
Balance at 30 June 2019	3 753 641	1 059 641	6 348 712	(153 278)	11 008 716	1 604 302	12 613 018

¹ A bookbuild is an offer of shares to selected investors of the Company.

² A good leaver is an employee who participated in the Broad-Based Black Economic Empowerment Scheme whose employment was terminated due to their death, retirement, retrenchment or sale of the subsidiary or business which employed the participant.

³ Refer to business combinations note.

Operating segments

	Super Group		Supply Chain Africa		Supply Chain Europe	
	Year ended 30 June 2019 Audited R'000	Year ended 30 June 2018 Audited R'000	Year ended 30 June 2019 Audited R'000	Year ended 30 June 2018 Audited R'000	Year ended 30 June 2019 Audited R'000	Year ended 30 June 2018 Audited R'000
Revenue	37 861 772	35 662 856	11 290 502	9 484 107	2 866 810	3 103 273
South Africa	19 616 594	18 911 963				
United Kingdom	10 767 147	10 496 610				
Australia	3 927 992	2 519 712				
Europe	2 866 810	3 103 273				
Africa and other	683 229	631 298				
Depreciation and amortisation (excluding amortisation of PPA intangibles)	(920 970)	(857 232)	(426 136)	(377 065)	(19 428)	(15 920)
Net operating expenditure – excluding capital items	(34 097 930)	(32 154 348)	(9 852 963)	(8 417 545)	(2 723 463)	(2 871 095)
Operating expenditure – capital items	(68 278)	(38 450)	(12 362)	(7 838)	86	(1 500)
EBITA	2 774 594	2 612 826	999 041	681 659	124 005	214 758
Amortisation of PPA intangibles	(168 969)	(177 316)	(19 824)	(27 041)	(84 825)	(80 279)
Operating profit	2 605 625	2 435 510	979 217	654 618	39 180	134 479
Net finance charges	(346 513)	(330 469)	(90 648)	(46 973)	(45 240)	(49 561)
Profit before tax	2 259 112	2 105 041	888 569	607 645	(6 060)	84 918
Net capex	1 765 370	1 310 128	1 148 250	732 116	29 995	24 779
South Africa	1 453 137	963 578				
United Kingdom	48 085	99 213				
Australia	103 273	104 383				
Europe	29 995	24 779				
Africa and other	130 880	118 175				

	Fleet Africa		SG Fleet		Dealerships SA		Dealerships UK		Services	
	Year ended 30 June 2019 Audited R'000	Year ended 30 June 2018 Audited R'000	Year ended 30 June 2019 Audited R'000	Year ended 30 June 2018 Audited R'000	Year ended 30 June 2019 Audited R'000	Year ended 30 June 2018 Audited R'000	Year ended 30 June 2019 Audited R'000	Year ended 30 June 2018 Audited R'000	Year ended 30 June 2019 Audited R'000	Year ended 30 June 2018 Audited R'000
	698 087	621 300	5 153 016	3 163 135	8 134 059	9 356 603	9 704 591	9 925 263	14 707	9 175
	(194 197)	(183 791)	(213 521)	(219 513)	(19 875)	(19 613)	(25 530)	(21 953)	(22 283)	(19 377)
	(386 113)	(320 512)	(3 910 284)	(1 869 896)	(7 794 685)	(9 005 212)	(9 403 933)	(9 652 411)	(26 489)	(17 677)
	–	–	(58 671)	(139)	(8 999)	(9 157)	–	(18 427)	11 668	(1 389)
	117 777	116 997	970 540	1 073 587	310 500	322 621	275 128	232 472	(22 397)	(29 268)
	–	–	(58 815)	(64 806)	–	–	(5 505)	(5 190)	–	–
	117 777	116 997	911 725	1 008 781	310 500	322 621	269 623	227 282	(22 397)	(29 268)
	9 528	(8 851)	(79 442)	(85 227)	(87 871)	(91 617)	(95 062)	(94 420)	42 222	46 180
	127 305	108 146	832 283	923 554	222 629	231 004	174 561	132 862	19 825	16 912
	264 748	133 775	155 991	222 933	72 303	155 643	41 176	14 627	52 907	26 255

Operating segments continued

	Super Group		Supply Chain Africa		Supply Chain Europe	
	As at 30 June 2019 Audited R'000	As at 30 June 2018 Audited R'000	As at 30 June 2019 Audited R'000	As at 30 June 2018 Audited R'000	As at 30 June 2019 Audited R'000	As at 30 June 2018 Audited R'000
ASSETS						
Non-current assets						
Property, plant and equipment	6 077 255	5 152 668	3 164 107	2 383 179	65 023	61 663
Investment property	164 200	151 000	–	–	–	–
Full maintenance lease assets	1 551 641	1 563 248	–	–	–	–
Intangible assets	1 149 735	1 327 523	50 223	42 563	492 642	570 556
Goodwill	7 305 094	7 434 221	617 481	641 129	1 863 242	1 863 242
Investments and other non-current assets	209 194	271 805	55 326	74 771	2 881	2 824
Current assets						
Inventories	4 488 869	4 179 607	401 498	317 570	952	670
Trade receivables	3 813 236	3 710 572	1 886 747	1 492 215	557 854	736 715
Sundry receivables	1 931 015	1 382 149	1 176 291	884 938	33 070	20 785
Intercompany trade receivables	–	–	7 083	9 286	–	–
SEGMENT ASSETS	26 690 239	25 172 793	7 358 756	5 845 651	3 015 664	3 256 455
South Africa	12 430 320	10 680 233				
United Kingdom	5 725 378	6 036 848				
Australia	4 638 149	4 367 390				
Europe	3 015 664	3 256 455				
Africa and other	880 728	831 867				
LIABILITIES						
Non-current liabilities						
Long-term borrowings	5 128 504	4 822 964	913 391	636 413	–	874 271
Non-controlling interest put options and other liabilities	101 196	317 466	6 197	46 629	36 852	141 282
Fund reserves	457 499	497 876	–	–	–	–
Long-term provisions	61 951	65 496	–	–	3 682	3 241
Current liabilities						
Short-term borrowings	1 490 999	1 382 241	617 282	359 176	–	323
Trade and other payables and provisions	9 850 391	9 449 135	2 158 998	1 686 860	534 820	599 418
Intercompany trade payables	–	–	45 153	36 825	–	–
SEGMENT LIABILITIES	17 090 540	16 535 178	3 741 021	2 765 903	575 354	1 618 535
South Africa	8 859 335	6 222 846				
United Kingdom	4 599 203	5 135 796				
Australia	2 840 425	3 261 504				
Europe	575 354	1 618 535				
Africa and other	216 223	296 497				
Net operating assets	15 839 716	14 582 054	5 038 451	4 005 439	2 474 283	2 650 972

Fleet Africa		SG Fleet		Dealerships SA		Dealerships UK		Services and intercompany eliminations	
As at 30 June 2019 Audited R'000	As at 30 June 2018 Audited R'000	As at 30 June 2019 Audited R'000	As at 30 June 2018 Audited R'000	As at 30 June 2019 Audited R'000	As at 30 June 2018 Audited R'000	As at 30 June 2019 Audited R'000	As at 30 June 2018 Audited R'000	As at 30 June 2019 Audited R'000	As at 30 June 2018 Audited R'000
978	901	40 536	40 369	962 804	841 114	1 015 987	1 013 424	827 820	812 018
-	-	-	-	-	-	-	-	164 200	151 000
985 281	913 768	566 360	649 480	-	-	-	-	-	-
-	-	548 103	657 738	142	199	43 381	49 366	15 244	7 101
87 822	87 822	3 411 231	3 497 805	536 918	545 823	788 400	798 400	-	-
-	-	2 374	-	-	-	-	-	148 613	194 210
-	-	100 202	95 663	1 341 685	1 285 379	2 644 532	2 480 325	-	-
197 835	179 121	721 038	778 572	201 823	241 401	231 863	269 244	16 076	13 304
3 122	9 427	98 609	123 110	24 045	49 180	323 335	114 562	272 543	180 147
27 499	30	-	-	1 287	1 762	-	-	(35 869)	(11 078)
1 302 537	1 191 069	5 488 453	5 842 737	3 068 704	2 964 858	5 047 498	4 725 321	1 408 627	1 346 702
154 935	242 150	1 420 335	1 361 610	-	200 000	274 842	885 163	2 365 001	623 357
-	-	18 093	16 001	23 953	31 755	-	-	16 101	81 799
51 838	44 066	405 661	453 810	-	-	-	-	-	-
-	-	58 269	62 255	-	-	-	-	-	-
292 268	61 780	275 984	565 402	-	-	88 134	137 649	217 331	257 911
119 900	110 361	1 586 578	1 921 065	1 843 563	1 828 966	3 452 110	3 146 600	154 422	155 865
743	1 299	-	-	46	7 784	-	-	(45 942)	(45 908)
619 684	459 656	3 764 920	4 380 143	1 867 562	2 068 505	3 815 086	4 169 412	2 706 913	1 073 024
1 130 182	1 035 491	3 419 394	3 389 454	1 201 142	1 096 354	1 595 389	1 578 721	980 875	825 623

Business combinations

Subsidiaries and businesses acquired	Nature of business	Operating segment	Date acquired	Interest acquired (%)	Purchase price R'000
Cargo Works Proprietary Limited (Cargo Works)	Logistics	Supply Chain Africa	2 July 2018	80	49 540
Orbit Helderberg (a division of Rola Motors Proprietary Limited)	Dealership	Dealerships SA	1 October 2018	100	1 100
Purchase price					50 640

Net cost on acquisition of businesses	Cargo Works R'000	Orbit Helderberg R'000	Total R'000
Fair value of assets acquired and liabilities assumed at date of acquisition			
Assets			
Property, plant and equipment	(28 157)	(1 500)	(29 657)
Intangible assets	(27 444)	–	(27 444)
Goodwill	(4 685)	–	(4 685)
Inventories	(238)	(19 090)	(19 328)
Trade and other receivables	(19 022)	(2 136)	(21 158)
Cash and cash equivalents	(9 844)	–	(9 844)
	(89 390)	(22 726)	(112 116)
Liabilities			
Interest-bearing borrowings	8 356	–	8 356
Deferred tax liabilities	11 507	–	11 507
Trade and other payables	6 892	21 226	28 118
Income tax payable	1 882	–	1 882
Provisions	–	400	400
	28 637	21 626	50 263
Fair value of net assets acquired	(60 753)	(1 100)	(61 853)
Less: Non-controlling interest	11 213	–	11 213
Purchase price	(49 540)	(1 100)	(50 640)
Cash acquired	9 844	–	9 844
Cash outflow	(39 696)	(1 100)	(40 796)

The acquisition of Cargo Works Proprietary Limited has bolstered the Supply Chain Africa division. The Group performed a PPA exercise on Cargo Works whereby intangible assets acquired were separately valued. The valuation, using projected financial information, led to the recognition of a trade name and customer relationship intangible assets of R9.8 million and R17.6 million respectively.

The non-controlling interests have been calculated using the present ownership instruments' proportionate share in the recognised amounts of the acquiree's identifiable net assets.

The values identified in relation to Orbit Helderberg are provisional as at 30 June 2019.

The acquisition related costs of R0.8 million in respect of these acquisitions are included in profit or loss.

Impact of the acquisitions on the results of the Group**Cargo Works
R'000**

From the dates of acquisition, Cargo Works contributed:

Revenue

103 658Profit after tax and amortisation of PPA intangibles¹**10 683**Attributable profit to equity holders of Super Group¹**8 546**¹ Excluding acquisition related costs.

Due to the significant integration activities it is not practical to derive a meaningful contribution from Orbit Helderberg.

Net cost on increase in existing shareholding in subsidiaries**Legend
R'000****SG Fleet
R'000****Total
R'000**

Non-controlling interest

(36 806)**(112 042)****(148 848)**

Effect of transactions between equity partners on equity

(137 706)**(141 638)****(279 344)**

Dividend Reinvestment Plan

–**147 517****147 517****Cash outflow****(174 512)****(106 163)****(280 675)**

The Group purchased the remaining 10% non-controlling interest in Legend during the year.

The Group was issued 3 958 732 shares in SG Fleet as part of a Dividend Reinvestment Plan. During the year a further 4 366 928 shares were purchased in SG Fleet.

Net proceeds on decrease in existing shareholding in subsidiaries**SG Fleet
R'000**

Non-controlling interest

125 018

Effect of transactions between equity partners on equity

44 642

Dividend Reinvestment Plan

169 660**(166 388)****Cash inflow****3 272**

During the period share options in SG Fleet were issued and exercised as well as stock issued as part of a Dividend Reinvestment Plan. The Group's closing shareholding is 59.2%.

Salient features

	Year ended 30 June 2019 Audited R'000	Year ended 30 June 2018 Audited R'000
1. Interest-bearing borrowings		
Australia and New Zealand	1 015 414	1 102 826
Germany	–	755 459
South Africa	4 113 005	2 076 857
United Kingdom	613 423	1 299 533
Spain	–	119 135
	5 741 842	5 353 810
2. Share statistics		
Total issued less treasury shares ('000)	362 548	362 280
Weighted number of shares ('000)	362 431	359 012
Diluted weighted number of shares ('000)	362 836	360 035
Net asset value per share (cents) ¹	3 036.5	2 704.6
¹ Net asset value per share is calculated as the capital and reserves attributable to equity shareholders of Super Group divided by the total issued less treasury shares.		
3. Capital commitments		
Authorised but not yet contracted for capital commitments, excluding full maintenance lease assets.	1 310 491	1 058 602

Capital commitments will be funded from normal operating cash flows and the utilisation of existing borrowings facilities.

4. Related party transactions

The Group, in the ordinary course of business, entered into various sales and purchase transactions with related parties.

The Group utilises Fluxmans Attorneys, a director-related entity, to assist with corporate law advisory services in respect of various transactions and several other corporate and labour matters. These transactions are performed at an arm's length basis.

The Group encourages its employees and key management to purchase goods and services from Group companies. These transactions are generally conducted on terms no more favourable than those entered into with third parties on an arm's length basis although in some cases nominal discounts are granted. Transactions with key management personnel are conducted on similar terms. No abnormal or non-commercial credit terms are allowed and no impairments were recognised in relation to any transactions with key management personnel during the year nor have they resulted in any non-performing debts at year-end. Similar policies are applied to key management personnel at subsidiary level who are not defined as key management personnel at Group level.

5. Subsequent events

Other than the matters disclosed, the directors are not aware of other matters or circumstances arising subsequent to the reporting date up to the date of this report, which will require disclosure in these results.

Acquisition of Lieben Logistics

Super Group Holdings Proprietary Limited acquired 65% interest in Lieben Logistics Proprietary Limited (Lieben) and 51% interest in GLS Supply Chain Equipment Proprietary Limited (GLS) on 1 July 2019. The purchase price for Lieben was R498.8 million and the purchase price of GLS was R96.3 million. These acquisitions will form part of the Supply Chain African segment.

Acquisition of Trans-Logo-Tech (TLT) GmbH (Germany)

inTime Service GMBH acquired 80% interest in TLT on 5 July 2019 for R184.3 million. This acquisition will form part of the Supply Chain Europe segment.

6. Significant events

Acquisition of Cargo Works

The Group acquired a 80% interest in Cargo Works Proprietary Limited effective 2 July 2018 for a purchase consideration of R49.5 million. The Statement of Financial Position as at 30 June 2019 has been impacted by increases in property, plant and equipment of R26.4 million, intangible assets of R25.7 million, trade and other receivables of R19.7 million, deferred tax liability of R11.6 million and trade and other payables of R9.5 million as a result of this acquisition. Trading relating to the 12 months ended 30 June 2019 has been included in the Statement of Comprehensive Income.

Acquisition of an additional interest in SG Fleet

During the financial year ended 30 June 2019, Super Group acquired an additional 4 366 928 shares in SG Fleet for an amount of R106.2 million, increasing its effective shareholding to 59.2% (30 June 2018: 57%).

Acquisition of 10% interest in Legend

During the year Super Group Holdings Proprietary Limited acquired the remaining 10% interest in Legend Logistics Proprietary Limited for an amount of R174.5 million, increasing the Group's holding to 100%.

Raising of unsecured debt notes

The JSE listed Super Group's senior unsecured notes, in terms of its DMTN Programme dated 22 October 2013 as follows:

- ▶ SPG004 was listed on 27 September 2018. The value of the SPG004 issue was R450 million with interest of three-month Johannesburg Interbank Agreed Rate (JIBAR) plus 200 basis points, coupon rate payable quarterly on 27 March, 27 June, 27 September and 27 December of each year. The maturity date of the issue is 27 September 2023.
- ▶ SPG005 was listed on 15 March 2019. The value of the SPG005 issue was R300 million with interest of three-month JIBAR plus 175 basis points, coupon rate payable quarterly on 15 March, 15 June, 15 September and 15 December of each year. The maturity date of the issue is 15 March 2024.
- ▶ SPG006 was listed on 18 June 2019. The value of the SPG006 issue was R375 million with interest of three-month JIBAR plus 145 basis points, coupon rate payable quarterly on 18 June, 18 September, 18 December and 18 March of each year. The maturity date of the issue is 18 June 2022.
- ▶ SPG007 was listed on 18 June 2019. The value of the SPG007 issue was R625 million with interest of three-month JIBAR plus 165 basis points, coupon rate payable quarterly on 18 June, 18 September, 18 December and 18 March of each year. The maturity date of the issue is 18 June 2024.

Adoption of IFRS 15

The adoption of IFRS 15 resulted in the revenue in SG Fleet increasing by R1 987 million but there was no material impact on profit before tax.

Exchange rate movements

The Group operates in foreign countries which use currencies other than presentation currency. The main currencies used in the Group's foreign operations are Australian Dollar, US Dollar, Euro and the Pound Sterling. The fluctuation of the Rand against these currencies has had an effect on the Group's financial statements and has resulted in a foreign currency translation adjustment of R88.8 million decreasing total equity.

Salient features continued

6. Significant events (continued)

The table below reflects the movement in the exchange rates from the prior reporting periods:

	30 June 2019	30 June 2018	% Change
Average currency rate to the South African Rand			
Australian Dollar	10.14	9.93	2.1
US Dollar	14.18	12.85	10.4
Euro	16.18	15.31	5.7
Pound Sterling	18.35	17.30	6.1
Closing currency rate to the South African Rand			
Australian Dollar	9.89	10.16	(2.7)
US Dollar	14.09	13.72	2.7
Euro	16.03	16.03	–
Pound Sterling	17.89	18.11	(1.2)

The non-South African operations account for 55% (June 2018: 60%) and 49% (June 2018: 63%) of the Group's total assets and liabilities respectively.

The non-South African operations generated 48% (June 2018: 47%) and 50% (June 2018: 60%) of the Group's revenue and operating profit respectively.

7. Fair value

	Hierarchy		
	Level 2 R'000	Level 3 R'000	Valuation technique
Property, plant and equipment – Land, buildings and leasehold improvements		2 809 354	External valuations were performed during the year. The valuation model considers the present value of net cash flows to be generated from these properties, taking into account expected rental growth rate, void period, occupancy rate, lease incentive costs such as rent-free periods and other costs not paid by tenants and the rate per square metre allocated between showroom, workshop, display parking and parking. The expected net cash flows are discounted using risk-adjusted discount rates. Among other factors, the discount rate estimation considers the quality of a building and its location (prime vs secondary), tenant credit quality and lease terms.
Investment properties		164 200	
Deferred contingent purchase consideration receivable – GWM		60 000	Due to the sale of the GWM business in 2016 and the related profit warranties not being met, the amount receivable at year-end has been calculated according to the purchase agreement and has been assessed as recoverable.
FEC liabilities	733		The fair values are based on broker quotes. Similar contracts are traded in an active market and reflect the actual transactions in similar instruments.
FEC assets	1 048		
Interest rate swap receivable	26 576		The fair values are based on observable market rate. Similar contracts are traded in an active market and reflect the actual transactions in similar instruments. The valuation technique maximises the use of observable market data where it is available and relies as little as possible on entity specific estimates.
Interest rate swap payable	32 172		
inTime put option		36 852	This put option is calculated as the fair value determined by using the average EBITDA for the three years preceding the put option exercise date at a price earnings multiple of 7.5, adjusted for net debt. The present value has been determined using a pre-tax discount rate of 7.7%. The put option can be exercised from 30 June 2020 to 30 June 2025.

7. Fair value (continued)

The carrying value of all other financial instruments approximates the fair value of the financial instruments as at 30 June 2019.

The following table shows a reconciliation from the opening to closing balances of level 3 balances carried at fair value:

			30 June 2019 Audited R'000	30 June 2018 Audited R'000
Property, plant and equipment – Land and buildings and leasehold improvements				
Opening balance			2 589 415	2 120 365
Net additions			148 461	115 520
Acquisition of businesses			454	263 820
Revaluation			62 562	73 987
Other			8 462	15 723
			2 809 354	2 589 415
Investment properties				
Opening balance			151 000	149 800
Fair value adjustment recognised in profit and loss			13 200	1 200
Closing balance			164 200	151 000
Movement in level 3 financial instruments measured at fair value				
Financial assets – Put option liabilities				
Opening balance			177 412	270 784
Movement through statement of changes in equity			(140 560)	(93 372)
Exercised – Digistics			–	(102 665)
Exercised – Legend			(36 130)	(18 418)
Fair value adjustment			(105 444)	18 068
Foreign currency translation			1 014	9 643
			36 852	177 412
	GWM R'000	Legend R'000	30 June 2019 Audited R'000	30 June 2018 Audited R'000
Financial asset/(liability)				
– Deferred contingent purchase consideration				
Opening balance	60 000	(62 488)	(2 488)	35 499
Settled	–	62 488	62 488	–
Fair value adjustment to profit and loss	–	–	–	(37 987)
	60 000	–	60 000	(2 488)

Salient features continued

7. Fair value (continued)

Sensitivity analysis

Property, plant and equipment – Land and buildings and leasehold improvements and Investment properties

The estimated fair value would increase/(decrease) if:

Occupancy rate was higher/(lower), the rent-free periods were (increased)/decreased, the yield was lower/(higher) and rental growth was higher/(lower).

Deferred contingent purchase consideration

The deferred contingent purchase consideration has been calculated according to the purchase agreement and no further sensitivity analysis is required.

Put options

The significant assumption included in the fair value measurement of the put option liabilities relates to the projected income that is not observable in the market. The following table shows how the fair value of the liabilities would change if the earnings assumption was increased by 100bps:

	Fair value R'000	Increase in liability R'000
inTime	40 162	3 310

	Year ended 30 June 2019 Audited R'000	Year ended 30 June 2018 Audited R'000
8. Capital items		
Impairment of property, plant and equipment and intangible assets	59 754	23 818
Impairment of goodwill	38 905	37 155
Impairment of goodwill on equity-accounted investee	10 168	–
Profit on sale of property, plant and equipment	(27 349)	(23 946)
Loss on sale of business	–	2 623
Fair value adjustment to investment property	(13 200)	(1 200)
Capital items before tax and NCI	68 278	38 450
Tax effect of capital items	(7 289)	2 329
NCI effect of capital items	(13 795)	363
Capital items after tax and NCI	47 194	41 142

Shareholders' diary

Notice of AGM posted to shareholders	27 September 2019
Annual Financial Statements published and available on website	25 October 2019
2019 Integrated Report published and available on website	25 October 2019
Annual General Meeting	26 November 2019
Interim results for the six months ending 31 December 2019	February 2020
Final results for the year ending 30 June 2020	August 2020

Shareholders' analysis

	Number of Shareholder Accounts	% of Total Shareholder Accounts	Number of Shares	% of Issued Shares
Shareholder Spread				
1 – 1 000	3 498	52.15%	1 027 384	0.28%
1 001 – 10 000	2 285	34.06%	7 397 254	1.99%
10 001 – 100 000	599	8.93%	19 341 346	5.21%
100 001 – 1 000 000	266	3.97%	79 148 690	21.30%
Over 1 000 000	60	0.89%	264 593 120	71.22%
Total	6 708	100.00%	371 507 794	100.00%

	Number of Shareholder Accounts	% of Total Shareholder Accounts	Number of Shares	% of Issued Shares
Shareholder Types				
Banks, Brokers & Nominees	29	0.43%	2 332 519	0.63%
Close Corporations	57	0.85%	213 475	0.06%
Collective Investment Schemes	194	2.89%	126 832 874	34.14%
Control Accounts and Unclaimed Shares	7	0.11%	852	0.00%
Employee Share Plans	1	0.01%	8 677 759	2.33%
Hedge Funds	2	0.03%	550 654	0.15%
Insurance & Assurance Corporate Funds	18	0.27%	6 956 890	1.87%
Lending, Collateral & Pledged Accounts	18	0.27%	5 679 991	1.53%
Non-SA Custodians	32	0.48%	16 111 684	4.34%
Non-SA Organs of State & Public Funds	2	0.03%	69 557	0.02%
NPO & Charity Funds	36	0.54%	1 640 343	0.44%
Organs of State & Public Entities	17	0.25%	5 787 473	1.56%
Pooled & Mutual Funds	188	2.80%	67 698 895	18.22%
Private Companies	174	2.60%	2 364 991	0.64%
Retail Individuals	5 104	76.09%	11 864 279	3.19%
Retirement Benefit Funds	251	3.74%	110 881 274	29.85%
Transformation Investments	1	0.01%	56 688	0.01%
Treasury Holdings	1	0.01%	289 949	0.08%
Trusts & Investment Partnerships	576	8.59%	3 497 647	0.94%
Total	6 708	100.00%	371 507 794	100.00%

	Number of Shareholder Accounts	% of Total Shareholder Accounts	Number of Shares	% of Issued Shares
Key Shareholders				
Non-Public Shareholders				
	6	0.09%	9 139 200	2.46%
Employee Share Plans	1	0.01%	8 677 759	2.34%
Treasury Holdings	1	0.01%	289 949	0.08%
Directors and Associates	4	0.06%	171 492	0.05%
Public Shareholders				
	6 702	99.91%	362 368 594	97.54%
Total	6 708	100.00%	371 507 794	100.00%

	Number of Shares	% of Issued Shares
Beneficial Shareholders Holding > 3% of Issued Shares		
Allan Gray	59 614 653	16.05%
Government Employees Pension Fund	48 444 339	13.04%
PSG	29 130 146	7.84%
Old Mutual	21 686 626	5.84%
Alexander Forbes	16 938 149	4.56%
Dimensional Fund Advisors	15 744 475	4.24%
Vanguard Group	11 806 722	3.18%
Total	203 365 110	54.75%

	Number of Shares	% of Issued Shares
Fund Managers Holding > 3% of Issued Shares		
Allan Gray	102 256 456	27.52%
Public Investment Corporation	39 110 358	10.53%
PSG Asset Management	30 213 060	8.13%
Old Mutual Investments	23 766 832	6.40%
Prudential Investment Managers	20 160 100	5.43%
Dimensional Fund Advisors	18 441 715	4.96%
Vanguard Investment Management	11 872 864	3.20%
Total	245 821 385	66.17%

	Indicator
Share Price Performance	
Opening Price 02 July 2018	R35.84
Closing Price 28 June 2019	R32.89
Closing High for period (26 September 2018)	R40.87
Closing Low for period (26 June 2019)	R31.80
Number of shares in issue	371 507 794
Volume traded during period	166 943 844
Ratio of volume traded to shares issued	44.94%
Rand value traded during the period	R5 976 455 769
Earnings yield as at 28 June 2019	10.669
Price/Earnings Ratio as at 28 June 2019	9.370
Market capitalisation at 28 June 2019	R12 218 891 345

	Number of Shares	% of Issued Shares
Non-Public Shareholder Type		
Strategic Shareholders (>10%)	–	0.00%
Government Employees Pension Fund	35 443 815	9.54%
Employee Share Plans	8 677 759	2.34%
Super Group Share Incentive Scheme	8 677 759	2.34%
Treasury Holdings	289 949	0.08%
Super Group Trading (Pty) Ltd	289 949	0.08%
Directors and Associates	171 492	0.05%
Redford Nigel Stanley Mr	74 492	0.02%
Mountford Peter William Mr	35 000	0.01%
Smith Philip Alan Mr	34 500	0.01%
Newbury John Ernest Mr	27 500	0.01%
Non-Public Shareholder Totals	9 139 200	2.46%

Bondholders' analysis

	Number of Bondholder Accounts	% of Total Bondholder Accounts	Number of Bonds	% of Issued Bonds
Bondholder Spread	51	42.15%	21 780 000	1.11%
50 000 – 1 000 000 Bonds	70	57.85%	1 932 220 000	98.89%
1 000 001 Bonds and over				
Total	121	100.00%	1 954 000 000	100.00%

	Number of Bondholder Accounts	% of Total Bondholder Accounts	Number of Bonds	% of Issued Bonds
Bondholder Types				
Banks, Brokers & Nominees	7	5.79%	839 000 000	42.94%
Collective Investment Schemes	42	34.71%	541 070 000	27.69%
Insurance & Assurance Corporate Funds	6	4.96%	65 500 000	3.35%
Non-SA Organs of State & Public Funds	1	0.83%	200 000	0.01%
NPO & Charity Funds	7	5.78%	1 190 000	0.06%
Organs of State & Public Entities	2	1.65%	1 460 000	0.08%
Pooled & Mutual Funds	22	18.18%	397 870 000	20.36%
Retirement Benefit Funds	34	28.10%	107 710 000	5.51%
Total	121	100.00%	1 954 000 000	100.00%

	Number of Bondholder Accounts	% of Total Bondholder Accounts	Number of Bonds	% of Issued Bonds
Key Bondholders				
Non-Public Bondholders	24	19.83%	1 205 400 000	61.69%
Strategic Bondholders (>10%) - Momentum Metropolitan Holdings	14	11.57%	430 900 000	22.05%
Strategic Bondholders (>10%) - Nedbank Group	2	1.65%	391 000 000	20.01%
Strategic Bondholders (>10%) - Firstrand	8	6.61%	383 500 000	19.63%
Public Bondholders	97	80.17%	748 600 000	38.31%
Total	121	100.00%	1 954 000 000	100.00%

	Number of Bonds	% of Issued Bonds
Beneficial Bondholders Holding > 3% of Issued Bonds		
Momentum Metropolitan Holdings	430 900 000	22.05%
Nedbank Group	391 000 000	20.01%
Firstrand	383 500 000	19.63%
Standard Bank	138 000 000	7.06%
Absa Group	120 000 000	6.14%
Fairtree Capital	102 500 000	5.25%
Allan Gray	97 690 000	5.00%
Anchor Group	58 800 000	3.01%
Total	1 722 390 000	88.15%

	Number of Bonds	% of Issued Bonds
Fund Managers Holding > 3% of Issued Bonds		
Momentum Metropolitan Holdings	431 500 000	22.08%
Nedcor Capital	391 000 000	20.01%
RMB Capital Markets	305 000 000	15.61%
Standard Bank Capital Markets	138 000 000	7.06%
Allan Gray	121 400 000	6.21%
Absa Asset Management	120 000 000	6.14%
Fairtree	104 500 000	5.35%
Mergence Investment Managers	85 000 000	4.35%
Ashburton Investments	82 000 000	4.20%
Anchor Capital	71 200 000	3.64%
Total	1 849 600 000	94.65%

Number of bonds in issue	1 954 000 000
Number of bondholder accounts	121

Abbreviations and definitions

The following abbreviations and definitions listed below have been used throughout this Integrated Report.

“AARTO”	Administrative Adjudication of Road Traffic Offences
“Ader”	Servicios Empresariales Ader S.A
“AGM”	Annual General Meeting
“AUD”	Australian Dollar
“Basic EPS”	Earnings for the year attributable to equity holders of Super Group divided by the weighted average number of ordinary shares in issue during the year
“B-BBEE”	Broad-Based Black Economic Empowerment
“BEE”	Black Economic Empowerment
“CAGR”	Compound Annual Growth Rate
“CEO”	Chief Executive Officer
“CFO”	Chief Financial Officer
“CIO”	Chief Information Officer
“CIPC”	Companies and Intellectual Property Commission
“CJD”	Chrysler, Jeep, Dodge
“Closing earnings yield”	Headline earnings per share as a percentage of market value per share at 30 June
“Closing PE ratio”	Market value per share at 30 June divided by headline earnings per share
“Companies Act”	Companies Act No. 71 of 2008, as amended
“CSI”	Corporate Social Investment
“DMTN”	Domestic Medium Term Notes
“Earnings yield”	HEPS as a percentage of market value per share
“EBIT”	Earnings before interest and taxation
“EBITA”	Earnings before interest, taxation and amortisation of PPA intangibles
“EBITDA”	Earnings before interest, taxation, depreciation and amortisation of PPA intangibles
“EPS”	Earnings per share
“ESG”	Environmental, Social and Governance
“EU”	European Union
“EUR/€”	Euro
“Exco”	Executive Committee
“FMCG”	Fast Moving Consumer Goods
“FML”	Full Maintenance Leasing
“GDP”	Gross Domestic Product
“Gearing”	Interest-bearing borrowings less cash and cash equivalents as a ratio to total equity
“GLS”	GLS Supply Chain Equipment Proprietary Ltd
“GRC”	Group Risk Committee
“HEPS”	Headline earnings divided by the weighted average number of ordinary shares in issue during the year
“IAS”	International Auditing Standards
“IFRS”	International Financial Reporting Standards
“inTime”	inTime Holdings GmbH and its subsidiaries

"IT"	Information Technology
"JIBAR"	Johannesburg Interbank Agreed Rate
"JSE"	JSE Limited
"King IV"	The King Code of Corporate Governance Principles and the King Report on Governance for South Africa 2016
"KPI"	Key Performance Indicators
"Legend Logistics"	Legend Logistics Proprietary Limited
"Lieben Logistics"	Lieben Logistics Proprietary Limited
"Listings Requirements"	Listings Requirements of the JSE
"NAAMSA"	National Association of Automobile Manufacturers of South Africa
"NAV"	Net asset value
"NCI"	Non-controlling interests
"Net operating assets"	Total assets excluding cash and cash equivalents, deferred tax assets, equity accounted investees and interest-bearing receivables less total liabilities excluding bank overdrafts, interest-bearing borrowings, FML borrowings, deferred tax liabilities, interest bearing payables and income tax payable
"OEM"	Original Equipment Manufacturer
"Operating profit margin"	EBIT as a percentage of revenue
"PE"	Price earnings, market value per share divided by HEPS
"Pound Sterling/GBP/£"	Great British Pound
"PPA"	Purchase Price Allocation
"QSR"	Quick Service Restaurant
"R"	Rand, the South African currency
"Remco"	Remuneration Committee
"Return on equity"	Profit attributable to equity holders of Super Group as a percentage of average capital and reserves attributable to equity holders of Super Group
"Return on total assets"	EBIT as a percentage of average total assets
"RNOA"	Return on net operating assets, calculation being EBIT after tax as a percentage of average net operating assets
"S&P"	Standard and Poor's
"SA"	South Africa
"SARS"	Share Appreciation Rights Scheme
"SENS"	Stock Exchange News Service
"SG Fleet"	SG Fleet Group Limited
"SOC"	State-Owned Company
"Strate"	Strate Limited
"Super Group" or "the Group"	Super Group Limited and its subsidiaries
"Super Group Holdings"	Super Group Holdings Proprietary Limited, the holding company for the Group's South African businesses
"the Board"	the Board of directors of Super Group
"the Company"	Super Group Limited
"TLT"	Trans-Logo-Tech GmbH
"UK"	United Kingdom
"WACC"	Weighted Average Cost of Capital
"WLTP"	World-wide Harmonised Light Vehicle Test Procedure

Corporate information

Directors

Executive: P Mountford (CEO) and C Brown (CFO)

Non-executive: P Vallet* (Chairman of the Company), M Cassim*, DI Cathrall*, V Chitalu*[#], OA Mabandla*, J Newbury* and D Rose*

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