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<table>
<thead>
<tr>
<th></th>
<th>For the year ended 30 June</th>
<th>2021</th>
<th>2020</th>
<th>2019</th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>PROFIT INFORMATION</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revenue R'm</td>
<td></td>
<td>39 518</td>
<td>34 578</td>
<td>37 862</td>
<td>35 663</td>
<td>29 874</td>
</tr>
<tr>
<td>Operating profit R'm</td>
<td></td>
<td>2 273</td>
<td>1 578</td>
<td>2 674</td>
<td>2 474</td>
<td>2 134</td>
</tr>
<tr>
<td>Operating profit margin %</td>
<td></td>
<td>5.8</td>
<td>4.6</td>
<td>7.1</td>
<td>6.9</td>
<td>7.1</td>
</tr>
<tr>
<td>Profit/(loss) after tax R'm</td>
<td></td>
<td>1 269</td>
<td>(161)</td>
<td>1 622</td>
<td>1 492</td>
<td>1 333</td>
</tr>
<tr>
<td>Headline earnings R'm</td>
<td></td>
<td>1 027</td>
<td>547</td>
<td>1 355</td>
<td>1 193</td>
<td>1 005</td>
</tr>
<tr>
<td><strong>FINANCIAL POSITION</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total assets R'm</td>
<td></td>
<td>35 635</td>
<td>35 889</td>
<td>30 281</td>
<td>28 547</td>
<td>24 873</td>
</tr>
<tr>
<td>Total equity R'm</td>
<td></td>
<td>13 757</td>
<td>13 026</td>
<td>12 613</td>
<td>11 377</td>
<td>9 855</td>
</tr>
<tr>
<td>Total liabilities R'm</td>
<td></td>
<td>21 878</td>
<td>22 863</td>
<td>17 668</td>
<td>17 170</td>
<td>15 018</td>
</tr>
<tr>
<td>Net operating assets R'm</td>
<td></td>
<td>18 950</td>
<td>19 337</td>
<td>15 840</td>
<td>14 582</td>
<td>13 495</td>
</tr>
<tr>
<td>Net debt (excl IFRS 16) to equity %</td>
<td></td>
<td>16.8</td>
<td>24.1</td>
<td>24.1</td>
<td>25.1</td>
<td>31.5</td>
</tr>
<tr>
<td>Operating cash flow R'm</td>
<td></td>
<td>4 432</td>
<td>3 447</td>
<td>3 793</td>
<td>3 780</td>
<td>3 111</td>
</tr>
<tr>
<td><strong>ASSET MANAGEMENT</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Return on equity %</td>
<td></td>
<td>8.9</td>
<td>(1.7)</td>
<td>12.6</td>
<td>12.7</td>
<td>12.4</td>
</tr>
<tr>
<td>RNOA (after tax) %</td>
<td></td>
<td>9.2</td>
<td>6.1</td>
<td>12.6</td>
<td>12.4</td>
<td>11.5</td>
</tr>
<tr>
<td><strong>SHARE STATISTICS</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Basic EPS/(loss per share) cents</td>
<td></td>
<td>284.0</td>
<td>(52.1)</td>
<td>360.8</td>
<td>320.8</td>
<td>284.7</td>
</tr>
<tr>
<td>Basic HEPS cents</td>
<td></td>
<td>285.4</td>
<td>151.2</td>
<td>373.8</td>
<td>332.2</td>
<td>288.2</td>
</tr>
<tr>
<td>Diluted EPS/(loss per share) cents</td>
<td></td>
<td>283.9</td>
<td>(52.1)</td>
<td>360.4</td>
<td>319.9</td>
<td>282.6</td>
</tr>
<tr>
<td>Diluted HEPS cents</td>
<td></td>
<td>285.3</td>
<td>151.2</td>
<td>373.4</td>
<td>331.3</td>
<td>286.1</td>
</tr>
<tr>
<td>NAV per share cents</td>
<td></td>
<td>3 235.0</td>
<td>3 116.4</td>
<td>3 036.5</td>
<td>2 704.6</td>
<td>2 394.1</td>
</tr>
<tr>
<td><strong>STOCK EXCHANGE STATISTICS</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Market value per share</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>– At year-end cents</td>
<td></td>
<td>3 106</td>
<td>1 600</td>
<td>3 289</td>
<td>3 504</td>
<td>3 690</td>
</tr>
<tr>
<td>– Highest (year to 30 June) cents</td>
<td></td>
<td>3 261</td>
<td>3 455</td>
<td>4 087</td>
<td>4 670</td>
<td>4 350</td>
</tr>
<tr>
<td>– Lowest (year to 30 June) cents</td>
<td></td>
<td>1 521</td>
<td>1 119</td>
<td>3 180</td>
<td>3 300</td>
<td>3 324</td>
</tr>
<tr>
<td>Closing earnings yield %</td>
<td></td>
<td>9.2</td>
<td>9.5</td>
<td>11.4</td>
<td>9.5</td>
<td>7.8</td>
</tr>
<tr>
<td>Closing PE ratio times</td>
<td></td>
<td>10.9</td>
<td>10.6</td>
<td>8.8</td>
<td>10.5</td>
<td>12.8</td>
</tr>
<tr>
<td>Market capitalisation – close R'm</td>
<td></td>
<td>11 539</td>
<td>5 944</td>
<td>11 924</td>
<td>12 694</td>
<td>12 879</td>
</tr>
<tr>
<td>Shares in issue less treasury shares '000</td>
<td></td>
<td>360 349</td>
<td>359 764</td>
<td>362 548</td>
<td>362 280</td>
<td>349 013</td>
</tr>
<tr>
<td>Weighted number of shares '000</td>
<td></td>
<td>359 996</td>
<td>361 373</td>
<td>362 431</td>
<td>359 012</td>
<td>348 723</td>
</tr>
<tr>
<td>Diluted weighted number of shares '000</td>
<td></td>
<td>360 112</td>
<td>361 373</td>
<td>362 836</td>
<td>360 035</td>
<td>351 274</td>
</tr>
</tbody>
</table>

1 The previous years’ RNOA were restated to exclude the effects of IFRS 16.
Super Group reported an excellent set of results that reflect the hard work and dedication of all employees, despite the challenging macroeconomic and trading conditions experienced across the various geographies in which the Group operates. Cash generation has been good and we have maintained a strong balance sheet. Covid-19 continued to negatively impact certain of our operations and staff.

Colin Brown
Chief Financial Officer and Debt Officer
FINANCIAL PERFORMANCE

Group revenue increased by 14.3% to R39.5 billion (June 2020: R34.6 billion). Operating expenses were well contained, increasing below revenue growth, by 13.9% as operations started returning to more normal trading conditions. Operating profit increased by 44.0% to R2 273.0 million (June 2020: R1 578.0 million) with the operating profit margin increasing to a satisfactory 5.8% (June 2020: 4.6%).

The proportion of Super Group’s revenue and operating profit derived from its non-South African businesses was 51% (June 2020: 46%) and 51% (June 2020: 43%), respectively. The geographic diversity of the Group is illustrated below:

The divisional performance, excluding Services, in terms of revenue and operating profit by Supply Chain, Fleet Solutions and Dealerships is summarised in the graphs below. For more detail on the underlying operations, refer to the Divisional Overview that commences on page 50 of this Integrated Report.
Total capital items amounted to a gain of R10.0 million compared to an expense of R879.2 million for the year ended 30 June 2020, which included impairments against the carrying values of certain goodwill, intangible assets and properties. As a result, EPS grew to 284.0 cents per share (June 2020: loss of 52.1 cents, which included the capital impairments in the prior financial year). HEPS increased by 88.8% to 285.4 cents for the year ended 30 June 2021 (June 2020: 151.2 cents).

Net finance costs, excluding finance costs on ROU lease liabilities, decreased by 16.6% to R338.4 million (June 2020: R405.8 million). Profit before tax increased to R1 774.4 million (June 2020: R117.6 million).

A gross dividend of 47 cents (2020: Nil cents) per share has been declared out of income reserves in respect of the ordinary shares of no par value for the year ended 30 June 2021. Dividend withholding tax of 20% or 9.4 cents per share will be applicable, resulting in a net dividend of 37.6 cents per share, unless the shareholder concerned is exempt from paying dividend withholding tax or is entitled to a reduced rate in terms of an applicable double-tax agreement. The issued share capital at the declaration date is 371 507 794 ordinary shares.

**FINANCIAL POSITION**

The net asset value per share increased by 3.8% from R31.16 as at 30 June 2020 to R32.35 as at 30 June 2021. Total assets decreased marginally by 0.7% to R35.6 billion from R35.8 billion as at 30 June 2020. The Group’s RNOA (after tax), excluding the effect of IFRS 16, increased to 9.2% from 6.1% for the year to 30 June 2020 with the Group’s WACC being 8.2% (June 2020: 9.4%).

The net operating assets, RNOA and WACC for each division were as follows:

<table>
<thead>
<tr>
<th>Division</th>
<th>FY20</th>
<th>FY21</th>
<th>SC Africa</th>
<th>SC Europe</th>
<th>Fleet Africa</th>
<th>SG Fleet</th>
<th>Dealerships SA</th>
<th>Dealerships UK</th>
</tr>
</thead>
<tbody>
<tr>
<td>RNOA</td>
<td>8.7%</td>
<td>8.5%</td>
<td>(4.0%)</td>
<td>8.6%</td>
<td>8.2%</td>
<td>11.0%</td>
<td>14.7%</td>
<td>19.4%</td>
</tr>
<tr>
<td>WACC</td>
<td>12.6%</td>
<td>11.5%</td>
<td>4.7%</td>
<td>12.6%</td>
<td>11.5%</td>
<td>5.4%</td>
<td>4.9%</td>
<td>11.5%</td>
</tr>
</tbody>
</table>

Super Group’s net debt position, excluding IFRS 16’s ROU lease liabilities, at 30 June 2021 was R2 315.8 million, a decrease of R826.2 million, resulting in the net debt to equity (gearing) ratio, excluding SG Fleet and ROU lease liabilities, reducing to 16.8% at 30 June 2021 (30 June 2020: 24.1%). Below is a breakdown of our net borrowings as well as our debt maturity profile.
### Net Borrowings

<table>
<thead>
<tr>
<th>Region</th>
<th>Borrowings 30 June 2021</th>
<th>Cash 30 June 2021</th>
<th>Net borrowings/ (cash) 30 June 2021</th>
<th>Net borrowings/ (cash) 30 June 2020</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Africa</td>
<td>6 090.4</td>
<td>(2 904.0)</td>
<td>3 186.4</td>
<td>2 517.9</td>
<td>26.5%</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>1 145.9</td>
<td>(488.9)</td>
<td>657.0</td>
<td>841.8</td>
<td>(22.0%)</td>
</tr>
<tr>
<td>Australia</td>
<td>1 179.7</td>
<td>(2 337.1)</td>
<td>(1 157.4)</td>
<td>151.8</td>
<td>(862.5%)</td>
</tr>
<tr>
<td>Europe</td>
<td>31.1</td>
<td>(401.3)</td>
<td>(370.2)</td>
<td>(369.4)</td>
<td>0.2%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>8 447.1</strong></td>
<td>(6 131.3)</td>
<td><strong>2 315.8</strong></td>
<td><strong>3 142.1</strong></td>
<td><strong>(26.3%)</strong></td>
</tr>
</tbody>
</table>

#### Debt Maturity Profile

- **Year 1**: 1 752 R'million
- **Year 2**: 2 774 R'million
- **Year 3**: 2 196 R'million
- **Year 4**: 1 336 R'million
- **Year 5<**: 390 R'million

- **FML borrowings**: 13.6%
- **Corporate bond**: 14.0%
- **SG Fleet borrowings**: 0.3%
- **Secured property borrowings and other**: 72.1%
- **Secured asset-based borrowings**: 0.05%
- **United Kingdom**: 64.7%
- **Australia**: 39.0%
- **Europe**: 0.2%
- **Africa**: 7.1%
Debt Covenants
The Group met its debt covenants and has sufficient debt facilities to meet its current obligations. The covenants in the graphs below exclude SG Fleet and IFRS 16.

CASH AND CASH EQUIVALENTS
Cash generated from operations increased by 11.2% for the year to R4 784.5 million (June 2020: R4 301.9 million). Working capital inflow of R352.9 million was recorded, reflecting good working capital management across the Group. Super Group spent R2.5 billion in net additions and acquisitions.

The Group remains highly cash generative and continues to explore acquisition opportunities, both locally and internationally, that meet the Group’s strategic requirements and create shareholder value. Cost savings initiatives and asset management focus are continuing in the new financial year.

CORPORATE ACTIONS
The Group raised a total of R500 million on 27 November 2020 in terms of its DMTN Programme dated 29 April 2020 (as amended) and listed the following senior unsecured notes:
- SPG010 to the value of R213 million (3 years); and
- SPGC02 to the value of R287 million (12 months).

Super Group disposed of its 55% interest in SG Agility in February 2021.

During the year Bluefin, through SG International Holdings Ltd UK, acquired an additional 5.0% and 5.3% interest in inTime and Ader, respectively. As a result, the interests in inTime and Ader as at 30 June 2021 were 80% and 93.3%, respectively.

The Group, through its subsidiary Bluefin, took up its entire pro rata share under the Entitlement Offer for the LeasePlan ANZ transaction in April 2021, acquiring 21 188 171 shares at a price of AUD2.45 per share with a total value of AUD51.9 million (approximately R555.8 million).

On 23 August 2021, SG Fleet announced that all conditions precedent had been obtained with the effective implementation date being 1 September 2021. Super Group’s interest in SG Fleet diluted to 52.30% on date of completion. The purchase consideration increased to AUD 402.3 million (approximately R4.3 billion) as a result of the non-cash scrip consideration increasing from AUD114.4 million to AUD129.3 million).

APPRECIATION
I would like to thank my Board colleagues and the Group Executive Committee for their support and guidance during the current year. I would also like to extend my appreciation to the Finance Team for their commitment to the highest standards of integrity and financial discipline.

Colin Brown
Chief Financial Officer and Debt Officer
30 September 2021
Supply Chain in Focus

Revenue
R14.5bn

Operating profit
R813.2m

Profit before tax
R631.2m

Net operating assets
R9.5bn

Operating across southern Africa and Europe, the division combines operational excellence with market leading technology to design and deliver dynamic supply chain solutions.

Operating world class facilities, the division leverages an enviable geographic footprint and strong partnership network to service clients across a broad sphere of industries.

With a focus on integration and optimisation, our agile solutions improve efficiency, reduce costs and provide enviable competitive edge in unforgiving markets.

*Indicated as a percentage of Group contribution excluding Services
OPERATING ENVIRONMENT

SUPPLY CHAIN EUROPE
- Spain
- Germany
- Portugal
- Sweden
- Poland
- Hungary
- Czech Republic
- Romania

SUPPLY CHAIN AFRICA
- South Africa
- DRC
- Malawi
- Mozambique
- Zambia
- Zimbabwe
- Lesotho
- eSwatini

Employees
9,402
(2020: 9,764)

Vehicles/trucks
4,704
(2020: 4,511)

inTime subcontractors
8,467
(2020: 7,833)

Countries in which Supply Chain operates
16
(2020: 16)
Supply Chain Africa

Peter Mountford
BCom, BAcc, HDip Tax, MBA (with distinction, Warwick), CA(SA)

Appointed CEO in July 2009, Peter is responsible for the Group’s strategic trajectory and the alignment of more than 13 000 people across 16 countries. With an enviable track record for navigating demanding and complex environments, his unwavering focus is on the delivery of superior shareholder value, and on the ongoing creation of sustainable competitive edge for both the Super Group business and its clients.

Under his leadership, the business has grown into a formidable force in global supply chain and mobility solutions – testament to his commercial acumen and ability to anticipate and leverage changes in the technology, environmental, competitor and public policy space.

A qualified Chartered Accountant with an MBA from Warwick University, Peter’s expansive leadership experience includes the role of managing director of SAB Diversified Beverages (which included SAB’s supply chain services and logistics interests). He was also CEO of the Consumer Logistics Division at Imperial Holdings Limited, and Managing Director of Super Group’s Logistics and Transport Division.

Peter is a long-serving director and the current Deputy Chairman of the Road Freight Association and a Master Category Winner of the EY World Entrepreneur Award for southern Africa.

Philip Smith
B.Com, B.Acc, CA(SA)

An Executive Director of Super Group Trading (Pty) Ltd, Philip is the Group executive responsible for Fleet Solutions and Supply Chain Consumer. A long-standing member of the Group Executive Committee, he is also responsible for Group procurement, insurance and technology.

An early architect of the Group’s consumer supply chain business and its ground-breaking convenience offering, Philip has been instrumental in growing this business from humble beginnings to the multi-billion Rand business it is today. His foresight has also seen Super Group’s technology capabilities become a source of significant competitive advantage for both the business and its clients.

A qualified Chartered Accountant, Philip has led multiple acquisitions, disposals and integrations during his 25-year tenure with the Group – as well as spearheading the market and service offering diversifications that have been key to the business’ sustainable growth and resilience.

SERVICE OFFERING

- Transportation
- Primary and secondary distribution
- Third party distribution
- Multi-temperature-controlled product distribution
- Integrated distribution to the national convenience market
- Bonded cross-border transport
- Warehousing
- Supply chain optimisation
- Supply chain consulting
- Technology solutions
- Brand management
- Sales and merchandising
- Courier services
- Procurement

DIFFERENTIATORS

- World-class facilities.
- Strong operational footprint across the entire supply chain service offering.
- Market leading technology.
- Customised, scalable solutions that bolster agility and resilience in volatile markets.
- Deep industry and market experience.
- Leading market share in certain sectors.
- Longstanding supplier and customer relationships.
BUSINESS ACTIVITIES

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. Legend Logistics is a logistics services company that provides coal-hauling services to a range of clients. Super Group has an 85% and a 100% shareholding in SG Coal and Legend Logistics, respectively.

SG 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, re-tread tyres, polymers and soya meal as an add-on to transporting these commodities for its own use.

Industrial

SG Freight is a freight, dry bulk powder and liquids’ distribution business. SG Freight provides a national primary and secondary haulage service across the country with deliveries also being made into Botswana, eSwatini and Namibia. 80% of all tonnage moved is through long-term, dedicated and multi-principal contracts across a blue-chip customer base. Market sectors include timber, paper and pulp, packaging, building materials, food, beverages, appliances and plastics’ industries. It also provides short and long-haul tanker transportation to clients in the fuel, aviation, civil engineering, 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.

Phola Coaches is a 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. LuxLiner, a subsidiary of Phola Coaches, offers safe and reliable passenger transport solutions from small groups including churches, schools, society groups, sports groups to corporates. Super Group has a controlling 75% interest in Phola Coaches. The Phola Coaches business, other than LuxLiner, will be closed during the 2022 financial year.

Super Rent is the Group’s truck hire business with a national footprint covering all major centres across South Africa. Super Rent operates a wide range of vehicles available for short- medium- or long-term hire from light utility vehicles and 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, servicing both individuals and corporates. Super Group holds a 90% interest.

CargoWorks is a specialist overnight cargo business in which Super Group holds an 80% interest.

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.

Zultrans is an express freight and distribution business in which Super Group holds an 80% interest.
Super Group has a 67.4% interest in Lieben Logistics, a diversified logistics and supply chain management company. It is 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 owns a 51% interest in GLS, which is a leading supplier of returnable packaging solutions and outsourced equipment services. It optimally manages, stores and progresses products through different supply chain operations.

Digistics is a leading logistics provider that specialises in the QSR and Retail sectors, distributing to over 3 300 customers nationwide and 51 cross border destinations. Digistics currently services customers such as Burger King, Engen, Hungry Lion, KFC, Kauai, King Pie, McDonald’s, Ocean Basket, Pizza Hut and Vida e Caffé. As a strategic partner, the business leverages control tower technology to synchronise execution across importation, clearing, warehousing, procurement, distribution, key account management, promotions, business intelligence and a variety of other value-add services. Digistics has over 70 000m² under management, with distribution centres in Cape Town, Durban, Johannesburg and Port Elizabeth. This footprint enables a national, multi-temp, primary and secondary logistics service that encompasses frozen, chilled and ambient product delivery. Digistics is FSSC 22 000 accredited and is working towards ISO 14 000 accreditation.

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 delivers 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.

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 9 000 outlets nationwide. The Group has a 20 000m² distribution centre at Super Park in Johannesburg and a 14 000m² warehouse in Cape Town. The Port Elizabeth, Durban, Nelspruit and George distribution centres have sufficient space to meet current demand with a total of 54 000m². The business spread of SG Convenience is as follows: 65% to retail forecourt stores, 11% to retail shops and convenience stores, 15% to the hospitality industry and 9% to other entities such as schools, hospitals, gyms, golf clubs, hotels and resorts. 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 and ambient products, all in one delivery, anywhere in South Africa. The business serves as a one-stop shop for its customers and principals and adds both strategic and operational value.
Supply Chain Africa delivered a strong performance in challenging circumstances. Despite a 4.7% decrease in revenue to R11.0 billion, operating profit grew by 3.8% to R722.7 million, resulting in an overall operating profit margin increase from 6.0% to 6.5%.

The decrease in revenue can primarily be attributed to the sharp decline in the performance by African Logistics where commodity volumes were severely impacted by Covid-induced border closures and delays, especially at the Beitbridge border post between South Africa and Zimbabwe. Operating profit for African Logistics declined by 61% as a result of a foreign exchange loss of approximately $2.1 million. The South African Commodity businesses performed well, despite volumes also being under pressure due to load shedding and Covid-19.

The Consumer businesses, despite exposure to the liquor, QSR, forecourt and tourism industries, reaped the benefits of rightsizing and cost-saving initiatives. The SG Consumer and SG Convenience businesses contributed positively to the division’s overall performance. Digistics reported a good set of results on the back of securing new contracts at the end of the previous financial year. Lieben Logistics’ performance was unfortunately impacted by a customer going into business rescue. The GLS business, part of Lieben Logistics, incurred business start-up costs in Dubai, as a result of having secured a five-year contract with a major retail customer in that region.

The Industrial supply chain businesses, including SG Freight, SG Mobility and Super Rent, reported a good trading performance as a result of a modest recovery in the automotive industry and increased demand in the e-Commerce space. SG Freight was however negatively impacted by the intermittent liquor bans during the hard Covid lockdown levels as well as a decline in demand for fuel. SG Mobility recovered in line with the recovery in the automotive industry with the courier businesses, which include MDS, CargoWorks and Zultrans, performing very well as demand for e-Commerce trading services increased. Super Group sold its 55% interest in SG Agility during the year, thereby exiting this investment.

Unsurprisingly, Phola Coaches, including LuxLiner, continues to struggle in the face of significantly shrinking demand. The bus charter and passenger operations were downsized significantly this year, but the Group remains committed to contracts with a number of educational institutions.

The revenue and operating profit split by key industries:
Profit before tax increased by 53.0% to R607.5 million compared to R396.9 million in the prior year which was negatively impacted by capital items of R110.9 million raised, which mainly comprised an impairment of R77.5 million against the SG Convenience operation and the remaining goodwill of Phola Coaches of R34.2 million.

OUTLOOK FOR 2022
It is anticipated that the South African trading environment will remain challenging over the forthcoming year, although it is hoped that Covid related restrictions will continue to ease as the vaccination programme gains significant momentum. The division will continue to reap the benefits of rightsizing and cost-saving initiatives and will continue to focus closely on cost management and the realisation of operational efficiencies. New business opportunities, improved commodity volumes and the normalisation of the quick service restaurant environment should position the division for growth in the next financial year, with the realisation of operating margins of between 6.3 and 6.5% likely.

RISKS

<table>
<thead>
<tr>
<th>Risk</th>
<th>Mitigating actions</th>
<th>Related material issue*</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Load tracking. Ongoing specialised driver training.</td>
<td></td>
</tr>
<tr>
<td>Criminal syndicates</td>
<td>Well defined procedures and protocols, with multiple levels of authority.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Segregation of duties, limits of authority and system access.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Confidential whistle blower hotline.</td>
<td></td>
</tr>
<tr>
<td>Xenophobic attacks on foreign drivers</td>
<td>Employ South African nationals in South African operations.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Ongoing workplace education.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Work in partnership with the Road Freight Association to find a sustainable solution.</td>
<td></td>
</tr>
</tbody>
</table>

* Refer to page 34.
## Risk Mitigating actions Related material issue*

<table>
<thead>
<tr>
<th>Risk</th>
<th>Mitigating actions</th>
<th>Related material issue*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unstable commodity prices</td>
<td>Diversification of load types and transport routes</td>
<td></td>
</tr>
<tr>
<td>Non-compliance with POPIA</td>
<td>Group POPIA Steering Committee well established.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Group Information Officer appointed.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>All South African operations assessed in terms of compliance.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Security and compliance software and hardware in place.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Digital and print communication campaigns implemented to drive awareness and understanding.</td>
<td></td>
</tr>
<tr>
<td>Non-compliance with the AAROT Act</td>
<td>Ensure business fully understands the requirements of the AAROT Act and is administratively equipped to manage them.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Workplace education to raise awareness and help minimise infringements.</td>
<td></td>
</tr>
</tbody>
</table>

* Refer to page 34.

### OPPORTUNITIES

- The economic pressure experienced by smaller supply chain operators continues to create multiple acquisition opportunities that will be carefully evaluated in terms of our growth strategy and investment criteria.
- Further consolidation in the South African consumer logistics industry presents opportunities for new business acquisition and market share growth.
- Ongoing specialisation and diversification will enable entry to new markets and expansion of our client base and new business pipeline.
Supply Chain Europe

Torsten Prelle
BSc Business Administration

Torsten Prelle has held the position of CEO of inTime since 2001. An emphasis on quality, efficiency and innovation has seen the business grow under his leadership, with the introduction of market leading, proprietary software a key component of its resilience.

In addition to strategy development, Torsten is passionate about talent and leadership development and this is reflected in the dedication and proficiency of inTime’s people. His unerring focus on customer centricity and industry immersion has seen the enviable acquisition of market leading customers from a broad spectrum of industries.

Prior to joining inTime, Torsten gained a wide range of experience in the fields of auditing, tax consulting and management consulting.

SERVICE OFFERING
Headquartered in Germany, inTime has 13 (2020: 13) branches across Germany, Sweden, Hungary, Romania, the Czech Republic, Poland and the UK. Considered an industry leader in the niche logistics sector of time-critical delivery services, the business serves customers spanning the automotive, electronics, hazardous goods, life sciences and engineering industries in 45 European countries. inTime’s proprietary dispatching software and time-independent cargo network provide competitive edge in the form of flexible, secure and efficient logistics and courier solutions.

Super Group increased its interests in both inTime and Ader during the year and as at 30 June 2021 had an 80% equity interest in inTime, and a 93.3% interest in Ader, a Spanish courier and express transport operator. Ader has 18 (2020: 18) offices throughout Spain and specialises in the provision of dedicated and exclusive transport and logistics solutions.

inTime also holds an 80% interest in TLT, a Fifth Party Logistics provider focusing on organisational consulting and support, material flow planning, logistics, production, development and engineering services.

DIFFERENTIATORS
- Market leading technology and proprietary software.
- A time-independent cargo network.
- Geographic reach and scale.
- Customised, scalable solutions that bolster agility and resilience in volatile markets.
- Deep industry and market experience.
- Longstanding supplier and customer relationships.
RESULTS FOR 2021

Supply Chain Europe reported greatly improved results, growing revenue by 23.0% to R3.5 billion and operating profit by a significant 211.9% to R90.5 million. Revenue increased in Euro-terms by 16.2% on the back of a 14.5% increase in transport activities and a 21.1% increase in kilometres travelled.

Ader, the Spanish courier and express transport business, again reported an excellent performance off the back of a 36% increase in home delivery volumes. TLT was negatively impacted by the Covid pandemic and the unabated microchip crisis in the automotive industry.

Operating profit increased in Euro-terms by 322.2%. The restructuring and cost-saving initiatives positively contributed to the results, with the operating profit margin improving from a loss of 2.8% as at June 2020 to a profit of 2.6% as at June 2021.

The previous year’s profit before tax included once-off closure costs of R10.4 million and impairments of R599.4 million.

OUTLOOK FOR 2022

With German automotive manufacturing volumes beginning recovery, albeit at a slow rate due to the semi-conductor crisis, the European businesses are in a good position for further financial and profit improvement in the forthcoming year. The business will also continue to reap the benefits of a rationalised branch network and cost reductions undertaken in the year under review.

RISKS

<table>
<thead>
<tr>
<th>Risk</th>
<th>Mitigating actions</th>
<th>Related material issue*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Global semi-conductor shortage</td>
<td>Diversification of industry exposure and customer base.</td>
<td></td>
</tr>
<tr>
<td>Shortage of subcontractor drivers</td>
<td>Initiatives to recruit more subcontractor drivers from Eastern Europe.</td>
<td></td>
</tr>
</tbody>
</table>

* Refer to page 34.

OPPORTUNITIES

- Further diversification of industry base.
- Expansion of time-critical delivery and courier service businesses into Southern and Eastern Europe.
- Continued exploration of acquisition-based growth opportunities in the logistics sector.
The Fleet Solutions division has operations in South Africa, Kenya, Australia, New Zealand and the UK and provides world class fleet solutions.

Working with both the public and private sector, Fleet Africa and SG Fleet’s product offering ranges from fully maintained operating leases to traditional fleet management services.

Leveraging state-of-the-art fleet management technologies and specialist skills, these customised solutions lower operating risk, increase utilisation, improve efficiencies and reduce costs.
OPERATING ENVIRONMENT

- UNITED KINGDOM
- KENYA
- SOUTH AFRICA
- AUSTRALIA
- NEW ZEALAND

Employees: 866 (2020: 821)
One of Australasia’s leading fleet management companies
Countries in which Fleet Solutions operates: 5
Fleet Africa

Philip Smith

B.Com, B.Acc, CA(SA)

An Executive Director of Super Group Trading (Pty) Ltd, Philip is the Group executive responsible for Fleet Solutions and Supply Chain Consumer. A long-standing member of the Group Executive Committee, he is also responsible for Group procurement, insurance and technology.

An early architect of the Group’s consumer supply chain business and its ground-breaking convenience offering, Philip has been instrumental in growing this business from humble beginnings to the multi-billion Rand business it is today. His foresight has also seen Super Group’s technology capabilities become a source of significant competitive advantage for both the business and its clients.

A qualified Chartered Accountant, Philip has led multiple acquisitions, disposals and integrations during his 25-year tenure with the Group – as well as spearheading the market and service offering diversifications that have been key to the business’ sustainable growth and resilience.

Bonisile Makubalo

ND (Mech. Eng.), MBA

Appointed CEO of our Fleet Africa business in 2017, Bonisile has extensive experience in the logistics, transportation and automotive industries. This – together with his commercial acumen and strong executive management capabilities – sees him well placed to lead the growth of this exciting business across the African continent.

Holding a national diploma in mechanical engineering and an MBA from the Management College of Southern Africa, Bonisile also counts quality management, product development and design, strategic marketing, financial management and economics among his skill set. Passionate about the power of technology to unlock operational efficiencies and deliver customer value, he has led the strategic development of a business that now represents the perfect intersection of asset management and asset finance.

Bonisile has worked for the Delta Motor Corporation (Now GMSA); Goodyear Holdings, Imperial Logistics and Transaction Capital in roles ranging from product and project engineer and operations director to managing director. A key role player in the evolution of public transport legislation, he was a member of Taxi Working Group of SABRIC (South African Banks Risk and Information Council) and was the financial institutions’ representative at the Taxi Industry Stakeholder Forum. He was also a member of the task team formed by the Minister of Transport to investigate and validate the then new taxi industry operating licenses.

SERVICES

Acknowledged as an industry leader in southern Africa, Fleet Africa is a specialised fleet management solutions company – providing flexible, turnkey fleet management solutions designed to meet the specific transport and vehicle management needs of government and parastatal customers. Leveraging the latest technology and a highly specialised skill set, its customised solutions mitigate risk through off-balance sheet financing, improve fleet utilisation and increase efficiencies and cost savings.

Value-add services include:

- Driver, fuel and tyre management.
- Accident and insurance administration.
- Fleet optimisation and route planning.
- Vehicle tracking and recovery.
- A 24/7/365 call centre.
- A national service/repair network.

DIFFERENTIATORS

- Market leading technology.
- Customised, scalable solutions that bolster agility and resilience in volatile markets.
- Deep industry and market experience.
- Longstanding supplier and customer relationships.
- Strong B-BBEE credentials.
RESULTS FOR 2021

<table>
<thead>
<tr>
<th></th>
<th>Year ended 30 June</th>
<th>Year ended 30 June</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2021</td>
<td>2020</td>
</tr>
<tr>
<td>R’million</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revenue</td>
<td>15.3</td>
<td>808.7</td>
</tr>
<tr>
<td>Operating profit</td>
<td>19.0</td>
<td>143.4</td>
</tr>
<tr>
<td>Operating profit margin</td>
<td>18.3%</td>
<td>17.7%</td>
</tr>
<tr>
<td>Net finance costs</td>
<td>515.4</td>
<td>(14.2)</td>
</tr>
<tr>
<td>Profit before tax</td>
<td>10.9</td>
<td>156.5</td>
</tr>
<tr>
<td>Net operating assets</td>
<td>37.0</td>
<td>1 724.4</td>
</tr>
<tr>
<td>RNOA</td>
<td>8.2%</td>
<td>8.6%</td>
</tr>
<tr>
<td>WACC</td>
<td>11.5%</td>
<td>12.6%</td>
</tr>
</tbody>
</table>

Fleet Africa reported a positive set of results, growing revenue by 15.3% to R932.8 million and operating profit by 19.0% to R170.7 million. The operating profit margin increased from 17.7% to 18.3%. These results reflect strong growth in ad hoc rental volumes within a number of existing fleet contracts as well as the ongoing replacement of vehicles on a major long-term FML contract. Fleet Africa’s joint venture with the Co-operative Bank in Kenya continues to make good progress.

OUTLOOK FOR 2022

Fleet Africa has a good pipeline of tender opportunities. With strong B-BBEE credentials, competitive pricing and an excellent track record, the business is well positioned to secure and renew a number of FML contracts.

RISKS

<table>
<thead>
<tr>
<th>Risk</th>
<th>Mitigating actions</th>
<th>Related material issue*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dependency on large SOC contracts</td>
<td>Target private company tender providers.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Secure more long-term business opportunities.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Explore opportunities beyond the borders of South Africa.</td>
<td></td>
</tr>
<tr>
<td>Foreign exchange fluctuations</td>
<td>Invoicing in the same currency in which most costs are incurred.</td>
<td></td>
</tr>
</tbody>
</table>

* Refer to page 34.

OPPORTUNITIES

- Large corporate companies continue to outsource fleet management.
- Good growth opportunities in the public sector.
- Fleet management opportunities in sub-Saharan Africa.
- The provision of consulting services in the fleet management arena to existing and potential customers.
Robert Blau

B.Com, LLB (Cum Laude), HDip Tax Law

With significant experience in the fleet management and leasing industry, Robbie was appointed CEO of SG Fleet in July 2006. He is responsible for strategy development and manages relationships with financial services partners and strategic alliances, both overseas and in Australia.

Robbie is a director and past Chairman of Australia’s National Automotive Leasing and Salary Packaging Association (NALSPA), a platform on which he engages with industry and government on the future of the mobility sector. He is a member of the company’s Innovation & Technology Committee and has a strong interest in the power of innovation and technology to connect the physical and digital mobility world.

Robbie has led multiple acquisitions and integrations during his time at SG Fleet. This includes the recent acquisition of LeasePlan ANZ, which significantly strengthens the company’s fleet management and leasing offering across Australia and New Zealand.

Previously, Robbie was Managing Director of Nucleus Corporate Finance in South Africa, which he founded in 1999. Robbie remained in this role until his appointment to SG Fleet. During his time at Nucleus Corporate Finance, Robbie advised Super Group on corporate advisory and strategic projects. Prior to this, Robbie spent a year working with the Operations Director of South African Breweries Ltd and practised as a commercial attorney for five years at Werksmans Inc.

SERVICES

SG Fleet is a leading provider of integrated mobility solutions, including fleet management, vehicle leasing and salary packaging services. Listed on the Australian Securities Exchange in March 2014, the company has a presence across Australia, New Zealand and the UK.

Managing assets including passenger vehicles, light and heavy commercial vehicles, specialist plant equipment and yellow goods, SG Fleet prides itself on the strength of its relationships with blue chip corporate and government customers. These long-term relationships have been built on customer centricity, best-practice service delivery and the development of bespoke but scalable solutions to meet the needs of each customer.

SG Fleet actively contributes to the global discussion on the future of transport and is shaping the new mobility landscape in cooperation with all levels of government and corporate partners. The business continuously evolves its highly advanced fleet management capabilities and flexible mobility solutions – selectively investing in new technologies and business models that are changing the way people move.

DIFFERENTIATORS

• Market leading technology.
• Geographic reach and scale.
• Customised, scalable solutions that bolster agility and resilience in volatile markets.
• Deep industry and market experience.
• Longstanding supplier and customer relationships.
### RESULTS FOR 2021

<table>
<thead>
<tr>
<th>R’million</th>
<th>Year ended 30 June 2021</th>
<th>Year ended 30 June 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>17.2</td>
<td>5 522.7</td>
</tr>
<tr>
<td>Operating profit</td>
<td>35.2</td>
<td>783.3</td>
</tr>
<tr>
<td>Operating profit margin</td>
<td>14.2%</td>
<td>14.2%</td>
</tr>
<tr>
<td>Capital items</td>
<td>–</td>
<td>(0.7)</td>
</tr>
<tr>
<td>Finance costs – ROU</td>
<td>(4.3)</td>
<td>(5.7)</td>
</tr>
<tr>
<td>Net finance costs</td>
<td>86.5</td>
<td>(123.3)</td>
</tr>
<tr>
<td>Profit before tax</td>
<td>29.2</td>
<td>654.3</td>
</tr>
<tr>
<td>Net operating assets</td>
<td>(12.4)</td>
<td>3 589.1</td>
</tr>
<tr>
<td>RNOA</td>
<td>14.7%</td>
<td>14.7%</td>
</tr>
<tr>
<td>WACC</td>
<td>4.9%</td>
<td>4.9%</td>
</tr>
</tbody>
</table>

SG Fleet's overall results, in Rand-terms, reflect the improved trading conditions with revenue up 17.2% to R5.5 billion and operating profit up 35.2% to R783.3 million. In AUD-terms, revenue increased by 6.6% and operating profit by 25.9%. The operating profit margin increased from 12.3% to 14.2%.

SG Fleet’s Corporate businesses in Australia, the UK and New Zealand continued to perform strongly in the second half of the financial year, while activity levels in the Australian Novated and the UK Employment Benefits segments also improved significantly during the second half. With disruptions brought on by Covid lockdowns resulting in a worldwide shortage of new vehicle stocks, the demand for used vehicles was very high. This led to exceptionally high used vehicle values in all three countries, boosting end-of-lease income.

The weakening of the average Rand against the AUD positively impacted results by R59.7 million for the year under review.

On 31 March 2021, Super Group announced that SG Fleet, via a wholly owned subsidiary, SG Fleet Management (Pty) Ltd, entered into an agreement to acquire 100% of LeasePlan ANZ. Super Group holds 100% of the shares in Bluefin, which in turn holds 60.13% of the shares in SG Fleet.

LeasePlan ANZ is a provider of fleet management and leasing services in Australia and New Zealand to corporate businesses and governments. LeasePlan ANZ also offers novated leasing services in Australia.

The purchase consideration for the LeasePlan ANZ Acquisition increased from AUD387.4 million (R4.1 billion) at announcement date, end of March 2021, to AUD402.3 million (R4.3 billion) at completion date, which comprises AUD129.3 million (R1.4 billion) non-cash scrip consideration and AUD273.0 million (R2.9 billion) in cash. SG Fleet will fund the cash component of the LeasePlan ANZ Acquisition purchase consideration with AUD175.0 million (R1.9 billion) of new debt and AUD86.3 million (R0.92 billion) from the proceeds of the issue of 35.2 million new shares in SG Fleet at AUD2.45 per share (“Entitlement Offer”) and existing cash of AUD11.7 million (R125.3 million). Super Group, through its subsidiary Bluefin, took up its entire pro rata share under the Entitlement Offer in April 2021, acquiring 21 188 171 shares at a price of AUD2.45 per share with a total value of AUD51.9 million (R555.8 million). The exchange rate used to calculate the Rand amounts was the closing rate as at 30 June 2021 of R10.71 to AUD1.00. On 23 August 2021, SG Fleet announced that all conditions precedent to the LeasePlan ANZ Acquisition had been met and that it was completed on 1 September 2021. Bluefin’s interest in SG Fleet diluted to 52.30%.

Deal costs in relation to the LeasePlan ANZ Acquisition of R103.1 million were expensed in the current year, with R59.7 million included within operating expenses and R43.4 million in finance costs.
OUTLOOK FOR 2022

Strong order growth and continuing strong second-hand vehicle values should position this business well for the financial year to June 2022. As a consequence of the ongoing supply disruption, a significant pipeline of orders will move into the 2022 financial year. Further growth in new business opportunities is expected in both the Corporate and Novated segments. With the LeasePlan acquisition now complete, profits will accordingly accrue to SG Fleet.

In Australia, the positive impacts of several contract renewals and tender wins will be realised in the first half of the new financial year. Increasing interest in the company’s growing range of fleet efficiency and safety-related products and services will continue to yield positive results — as will the increased demand amongst larger customers for the eStart electric vehicle (EV) fleet transition solution. In the context of the demand growth experienced by both the Corporate and the Novated segment, delivering orders will remain a challenge as vehicle supply is yet to recover. In line with this constraint, second-hand vehicle values should remain strong.

Continued economic recovery is expected in New Zealand, with tender activity expected to remain steady. The business’ focus is on clearing its significant order pipeline. New vehicle supply issues are likely to persist and used vehicle pricing will accordingly remain at exceptional levels. The growing demand for EV and mobility solutions will continue — a trend from which SG Fleet is well positioned to benefit, based on its well-recognised expertise in this area.

In the UK, economic activity and the associated rebound in vehicle registrations will continue. Likewise, the strong demand for light commercial vehicles, will lead to further demand for the UK business’ niche offering in this segment. Tax breaks on lower emission vehicles will continue to bolster business and consumer interest in hybrids and EVs and heighten corresponding demand in the eStart solution. Several sizeable new employee benefits schemes were recently launched and decisions from several large customers are expected in the new financial year.

For further detail, refer to SG Fleet’s website: www.sgfleet.com.

RISKS

<table>
<thead>
<tr>
<th>Risk</th>
<th>Mitigating actions</th>
<th>Related material issue*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Inability to predict future market movements in the used vehicle market.</td>
<td>Strong manufacturer, dealer and wholesaler relationships.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Continue to develop innovative tool-of-trade business solutions through new business development and product penetration.</td>
<td></td>
</tr>
<tr>
<td>Failure to obtain funding or appropriately priced funding.</td>
<td>Diversify key funders to reduce dependencies and introduce on balance sheet funding.</td>
<td></td>
</tr>
</tbody>
</table>

* Refer to page 34.

OPPORTUNITIES

- Realise the benefits of the LeasePlan ANZ acquisition, such as increased scale, extended expertise and synergies.
- Continued product development and innovation to further competitive differentiation and enhance customer value-adds.
- Evolution into Mobility-as-a-Service provider.
The division operates franchised motor dealerships in South Africa and the UK. The South African dealership network represents most of the major vehicle brands in the country and offers a wide range of new and used passenger and commercial vehicles. In addition to representing Mazda and Kia, the UK business operates one of the largest independently owned Ford franchise dealer groups in the country.

Digital technology has fundamentally changed the way people buy cars and the division continues to innovate and invest in this area in order to simplify and enhance the customer experience. The use of digital tools such as used vehicle valuation algorithms and remote document “e-signing” capabilities, together with offsite delivery and collection options, directly addresses customer pain points in the vehicle-buying and selling process.
OPERATING ENVIRONMENT

DEALERSHIPS
UNITED KINGDOM

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

DEALERSHIPS
SOUTH AFRICA

Gauteng
North West
Mpumalanga
Western Cape

Employees
Dealerships SA
Dealerships UK
Key UK franchise areas

2 679
(2020: 2 850)
45
(2020: 44)
29
(2020: 28)
3
(2020: 3)
Dealerships SA

Graeme Watson
Appointed as CEO of the Dealerships Division in 2006, Graeme initially joined the business in 2000 as dealer principal for the Group’s Mercedes-Benz dealership in Midrand. His strategic and operational knowledge, together with a passion for motor retail, has been integral to the growth and success of the business and the longstanding partnerships in place with leading OEMs.

Under his leadership, the division has grown from 18 South African dealerships with a turnover of R2.8 billion to a network of over 70 dealerships across South Africa and the UK, with a turnover of c.R15.0 billion in 2021.

His understanding of consumer expectations and the importance of attracting and retaining the best people in the business have been cornerstones of the division’s success during his tenure, as well as its resilience in volatile times.

SERVICE OFFERING
As at 30 June 2021, the Dealerships business consisted of 45 (June 2020: 44) franchised motor dealerships, made up of 39 (June 2020: 38) passenger vehicle and six (June 2020: six) commercial vehicle dealerships, based in the Gauteng, North West, Mpumalanga and Western Cape Provinces. The business offers a comprehensive range of mobility services including vehicle finance, insurance, tracking devices, safety accessories and all related vehicle servicing and parts supply.

The division represents major brands including Nissan, Renault, Ford, Mazda, Toyota, Lexus, Mercedes-Benz, Land Rover, Jaguar, Volvo, Jeep, Datsun, Volkswagen, Audi, Isuzu, Haval, GWM, Suzuki, Alfa Romeo, Fiat (including Abarth), Peugeot, Citroen, Opel, 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 7.7% (June 2020: 7.7%) of new vehicle sales.

DIFFERENTIATORS
• Longstanding relationships with OEMs.
• Innovative and customer centric technology.
• Deep industry and market experience.
• Committed and motivated employees.
• Customer service excellence.
• Geographic footprint.

OEMs
AWARDS

Mercedes-Benz
- Chairman’s Award: Cars
- Chairman’s Award: Financial Services
- Dealer of the Year: Large Volume
- Dealer of the Year: Medium Volume
- Best Financial Services Agent
- Best Workshop Management

Ford
- Dealer of the Year
- Two Ford Protect Awards
- Best Ford Protect and Ford Credit F & I Department

Renault
- Medium Dealership of the Year 2020
- Sales Manager of the Year: Medium Dealerships
- Sales Consultant of the Year: Medium Dealerships

RESULTS FOR 2021

<table>
<thead>
<tr>
<th>R’million</th>
<th>Change</th>
<th>Audited 2021</th>
<th>Audited 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>19.4</td>
<td>8 234.3</td>
<td>6 894.3</td>
</tr>
<tr>
<td>Operating prof</td>
<td>85.8</td>
<td>272.3</td>
<td>146.6</td>
</tr>
<tr>
<td>Operating margin</td>
<td>3.3%</td>
<td>2.1%</td>
<td></td>
</tr>
<tr>
<td>Capital items (gain/(expense))</td>
<td>0.1</td>
<td>(183.8)</td>
<td></td>
</tr>
<tr>
<td>Finance costs – ROU</td>
<td>1.1</td>
<td>(42.5)</td>
<td>(42.0)</td>
</tr>
<tr>
<td>Net finance costs</td>
<td>(43.8)</td>
<td>(38.1)</td>
<td>(67.9)</td>
</tr>
<tr>
<td>Profit/(loss) before tax</td>
<td>230.4</td>
<td>191.8</td>
<td>(147.1)</td>
</tr>
<tr>
<td>Net operating assets</td>
<td>(12.3)</td>
<td>1 146.4</td>
<td>1 307.9</td>
</tr>
<tr>
<td>RNOA</td>
<td>19.4%</td>
<td>11.5%</td>
<td>7.6%</td>
</tr>
<tr>
<td>WACC</td>
<td>11.5%</td>
<td>12.6%</td>
<td></td>
</tr>
</tbody>
</table>

Dealerships SA increased revenue by 19.4% to R8.2 billion, largely due to a sharp increase in the average selling price of vehicles and an improvement of 15.7% in used vehicle sales volumes (June 2020: a decline of 13.9%). The Parts and Services business performed above expectation, in spite of the impact of delayed service and repair requirements, particularly in the period one year on from the first hard lockdown. New vehicle sales increased by 7.0% (June 2020: decline of 20.5%) compared to NAAMSA’s 9.7% increase mainly in less expensive vehicles. Although new vehicle sales volumes were significantly lower than pre-Covid levels, improved margins throughout the business and significant cost reductions achieved during the year, resulted in operating profit increasing by 85.8% to R272.3 million. This translated into an operating profit margin of 3.3%, increasing from 2.1% reported in the prior financial year.

One new dealership was opened during the year under review, with one existing dealership adding three OEM brands, creating a strong multi-franchise offering. The division’s online lead generation and facilitation platform performed well throughout the year and achieved total vehicle sales of 4 561 units, a 16.8% increase over the prior year.

The profit before tax for the prior year included a total impairment against goodwill of R171.0 million.

OUTLOOK FOR 2022

New vehicle stock shortages, a stressed consumer environment and the ongoing Covid-implications will make the South African dealership market challenging in the year ahead. The business will continue to reap the benefits of rightsizing and cost containment and will leverage the efficiencies inherent in multi-franchising. An ongoing focus on digital innovation, including an end-to-end digital market platform that integrates pre-purchase, purchase, and post-purchase activities, will bolster the sales pipeline and improve long-term customer retention. The expected short supply of new vehicles will support margin retention and together with anticipated ongoing strong used vehicles demand and service activity, Dealerships SA is expected to perform above the general NAAMSA trend in the year ahead.
RISKS

<table>
<thead>
<tr>
<th>Risk</th>
<th>Mitigating actions</th>
<th>Related material issue*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Environmental evolution of the automotive industry – and the growing shift to electric vehicles – often fails to consider the emerging market realities of Africa and other similar economies.</td>
<td>Strong OEM relationships ensure an understanding of their EV strategy. Ensure that we will be early adopters and supporters of OEM EV initiatives within our dealerships. Represent brands and product range that meets the value requirements of our consumers and economy.</td>
<td><img src="image.png" alt="Related Material Issue" /></td>
</tr>
<tr>
<td>“Right to repair” guidelines in South Africa where non-franchised workshops can work on cars under warranty.</td>
<td>Communication with customers on the strong benefits of a franchised network – including genuine parts, highly trained personnel and a national network.</td>
<td><img src="image.png" alt="Related Material Issue" /></td>
</tr>
<tr>
<td>Shortage of new vehicle stock driven by global semi-conductor chips and the Covid-19 affected supply chains.</td>
<td>Ensure that stock holdings and pipelines are balanced and stock procurement maximised. Able to supply portion of customer demand through late model, pre-owned vehicles. Maintain lean cost base.</td>
<td><img src="image.png" alt="Related Material Issue" /></td>
</tr>
<tr>
<td>Non-compliance with POPIA.</td>
<td>Group POPIA Steering Committee well established. Group Information Officer appointed. All South African operations assessed in terms of compliance. Security and compliance software and hardware in place. Digital and print communication campaigns implemented to drive awareness and understanding.</td>
<td><img src="image.png" alt="Related Material Issue" /></td>
</tr>
<tr>
<td>Non-compliance with the AARTO Act.</td>
<td>Ensure business fully understand the requirements of the AARTO Act and is administratively equipped to manage them. Workplace education to raise awareness and help minimise infringements.</td>
<td><img src="image.png" alt="Related Material Issue" /></td>
</tr>
</tbody>
</table>

* Refer to page 34.

OPPORTUNITIES

- Explore further multi-franchising opportunities with select OEMs.
- Continue to invest in strategic properties to reduce lease cost averaging and circumvent substantial rental escalations.
- Ongoing development of key individuals in line with transformation programme.
- Introduce innovative finance and insurance products.
- Enhance digital capabilities to augment the sales pipeline and customer retention.
Dealerships UK

Graeme Watson
Appointed as CEO of the Dealerships Division in 2006, Graeme initially joined the business in 2000 as dealer principal for the Group’s Mercedes-Benz dealership in Midrand. His strategic and operational knowledge, together with a passion for motor retail, has been integral to the growth and success of the business and the longstanding partnerships in place with leading OEMs.

Under his leadership, the division has grown from 18 South African dealerships with a turnover of R2.8 billion to a network of over 70 dealerships across South Africa and the UK, with a turnover of c.R15.0 billion in 2021.

His understanding of consumer expectations and the importance of attracting and retaining the best people in the business have been cornerstones of the division’s success during his tenure, as well as its resilience in volatile times.

Niall Hooper
Dip (ARM)
Appointed Group Managing Director of the Allen Motor Group UK business in 2019, Niall has extensive experience in automotive retailing gained across a lifetime in the industry working at board level for over 20 years. This, together with his commercial acumen and strong executive management capabilities - sees him well placed to lead the growth of this exciting business in the UK.

Holding a Diploma in Automotive Retail Management his speciality has been delivering significant M&A activities along with large scale transformation projects, through managing diverse multi-disciplined senior teams. Niall has also launched and managed a successful online automotive retail business. His experience has been with class leading premium brands, including Audi, Mercedes-Benz, BMW and Jaguar Land Rover.

The franchised nature of the automotive business means that Niall is familiar with managing highly complex networks of international stakeholders. He has directly managed colleagues at senior and board level from multiple disciplines and is used to moving between highly strategic projects and day to day operational issues. Niall is also used to managing complex financial and performance data that is often nuanced and multi-layered. He is familiar with presenting to very diverse audiences through to board level within global businesses.

SERVICE OFFERING
The Allen Motor Group comprises 29 franchised motor dealerships in key franchise and retail locations across the UK. It operates the second largest independently owned Ford franchise network in the UK, with 23 franchised Ford Motor dealerships, five franchised Kia dealerships and a Mazda dealership.

This includes Ford dealerships in Coventry, Rugby, Nuneaton and Warwick and a Kia dealership in Solihull in the Midlands. In Northampton County, Allen Motor Group has four Ford dealerships in Northampton, Daventry, Kettering and Bedford Road, with the latter being a commercial vehicle dealer. In Essex County, Allen Motor Group has seven Ford dealerships, two Kia dealerships with a third opening early 2021 together with one Mazda dealership. One of the Ford dealerships, situated in Basildon, is regarded as the largest flagship Ford Store in the UK and is immediately adjacent to the Ford UK Technical Centre where we also operate a pop-up store to serve the significant Ford employee market.

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

DIFFERENTIATORS
- As one of the UK’s leading Ford dealership companies, the Group can stock large volumes of new and used passenger and light commercial vehicles (vans) - a distinct competitive advantage in the high-volume new vehicle market.
- One of the UK’s largest Privilege dealers, the Group is uniquely positioned to sell a high volume of cars at preferential prices to Ford, Jaguar, Land Rover and Aston Martin employees and their families.
- The Group is also a Motability Premier Partner – the leading car scheme in the UK for disabled people, enabling them to use their government-funded mobility allowance to lease a new vehicle.
- Market leading technology.
- Deep industry and market experience.
- Customer service excellence.
- Geographic footprint.

OEMS

![Ford Logo](#)
![Kia Logo](#)
![Mazda Logo](#)
RESULTS FOR 2021

<table>
<thead>
<tr>
<th></th>
<th>Year ended</th>
<th>Year ended</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>30 June</td>
<td>30 June</td>
</tr>
<tr>
<td></td>
<td>2021</td>
<td>2020</td>
</tr>
<tr>
<td>Revenue</td>
<td>33.1</td>
<td>7 724.4</td>
</tr>
<tr>
<td>Audited</td>
<td>10 282.7</td>
<td>191.6</td>
</tr>
<tr>
<td>Operating profit</td>
<td>281.4</td>
<td>50.2</td>
</tr>
<tr>
<td>Operating margin</td>
<td>1.9%</td>
<td>0.7%</td>
</tr>
<tr>
<td>Capital items (expense)/gain</td>
<td>(1.6)</td>
<td>14.1</td>
</tr>
<tr>
<td>Finance costs – ROU</td>
<td>(2.3)</td>
<td>(16.4)</td>
</tr>
<tr>
<td>Net finance costs</td>
<td>(43.3)</td>
<td>(16.4)</td>
</tr>
<tr>
<td>Profit/(loss) before tax</td>
<td>350.4</td>
<td>119.6</td>
</tr>
<tr>
<td>Net operating assets</td>
<td>(10.8)</td>
<td>2 059.7</td>
</tr>
<tr>
<td>RNOA</td>
<td>8.5%</td>
<td>1.3%</td>
</tr>
<tr>
<td>WACC</td>
<td>4.6%</td>
<td>6.3%</td>
</tr>
</tbody>
</table>

Despite dealer showrooms across the UK being closed for almost five months of the financial year, Dealerships UK delivered commendable results. Showrooms reopened on 12 April 2021 and vehicle sales volumes in both new and used vehicles recovered rapidly, resulting in a very strong 4Q2021 result. Revenue in Rand-terms increased by 33.1% to R10.3 billion (in GBP-terms by 26.8%) and operating profit by 281.4% to R191.6 million (in GBP-terms by 211.5%).

The successful implementation of a new Click-and-Collect digital sales platform, that facilitated online sales during the months in which the showrooms were closed, contributed to a growth of 36.5% in used vehicle sales and a 6.6% growth in new vehicle sales over the prior year. During the year, the Parts and Services business continued to operate successfully, and despite slightly lower activity levels, the department exceeded prior year contribution levels. The business utilised the UK government furlough and rates assistance schemes, which aided in saving jobs and controlling the costs during this very disjointed year.

Allen Motor Group outperformed the Ford UK passenger vehicle sales by 4.2% and matched the growth in LCVs of 38%.

The weakening of the average Rand against the GBP positively impacted results by R6.6 million for the year under review.

OUTLOOK FOR 2022

The UK dealerships are expected to perform strongly post the recent hard lockdowns and provided the microchip inventory crisis continues to abate. A strong Ford and Kia presence remains key to the Group’s resilience and, in combination with a strong online digital sales strategy, will continue to positively position the Group in a rapidly evolving market.

RISKS

- **The onerous nature of UK property leases regarding the dilapidation process and cost at the end of a lease.**
  - Undertake detailed initial assessment of lease properties on commencement.
  - Ensure strict record keeping of alterations and maintenance.
  - Appropriate provisions are held on the balance sheet to counter the likely risks.

* Refer to page 34.

OPPORTUNITIES

- Leverage Ford’s market leading position and the Group’s flagship locations to drive new vehicles sales.
- Grow the Kia franchise.
- Leverage the Group’s geographic footprint and scale to drive growth in the fleet and commercial sectors.
- Availability of properties in the UK is limited and 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, which also mitigates an extremely landlord biased environment.
- A growing ageing vehicle car parc – with customers keeping their vehicles for longer periods – is expected to result in a greater opportunity for vehicle servicing, repairs and parts’ sales.
- Enhance digital capabilities to augment the sales’ pipeline and build brand equity.
SERVICES

The Services segment includes the Corporate and the Mauritius operations. The Corporate operations entail the Group Head Office and IT functions of the South African operations.

The Services segment performed well on the back of the solid performance by Treasury together with other recoveries. 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.