

Imperial Logistics explores exit plan of European business

Imperial Logistics said on Tuesday, 23 February, it will explore an exit plan for its international logistics business as part of its strategy to focus on Africa.

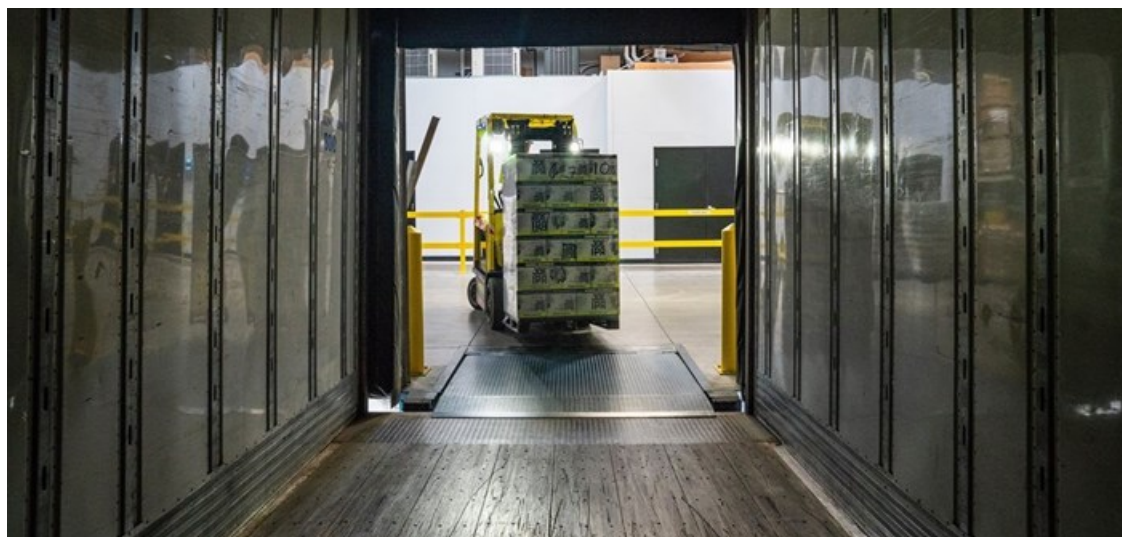


Photo by Eivate on Unsplash

The Johannesburg-based freight company is in the middle of a restructuring that includes exiting unprofitable contracts and non-core businesses and consolidating operations and properties as part of its plan to drive profits.

CEO of Imperial Logistics, Mohammed Akoojee, says: "We have concluded that Logistics International is non-core to our 'Gateway to Africa' strategy and we will explore an appropriate exit plan for this business."

He added given the current macro-economic uncertainty, this may take time to progress.

In November 2020 the company had said it was exploring all options for its international business, which is mainly Europe and the United Kingdom. The business has significant exposure to the automotive and industrial sectors, both of which have been severely impacted by the coronavirus pandemic.

Imperial, which traces its roots to a single-car showroom in Johannesburg in the 1940s, reported a 43% decline in headline earnings per share from continuing operations, down to 180c in the six months ended 31 December 2020, from a restated 315c a year earlier.

It also declared an interim dividend after not declaring a full-year dividend but slashed it by half to 83c.

Source: Reuters

(Reporting by Nqobile Dladla; editing by Promit Mukherjee)

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