

**Velogic demonstrates resilience in a context of reduced consumption in its main markets**

**PERFORMANCE FOR THE QUARTER ENDED 31 DECEMBER 2023**

FINANCIAL		OPERATIONAL				
<b>REVENUE</b>	<b>EBITDA</b>		<b>Air Freight (Tons)</b>	<b>Sea Freight (TEUs)</b>	<b>Express Courier (No. of Shipments)</b>	
MUR <b>848m</b> ▽ 1%	MUR <b>150m</b> △ 1%	<b>1,002</b> Dec 22: 1,140	<b>2,621</b> Dec 22: 2,710	<b>24,122</b> Dec 22: 28,854	<b>1,364</b> Dec 22: 1,765	
<b>PAT</b>	<b>NAVPS</b>		<b>Container Storage (K TEU Days)</b>	<b>Container Transport (No. of Trips)</b>	<b>Sugar Cane Transportation (K Tons)</b>	
MUR <b>74m</b> ▽ 4%	MUR <b>19.20</b> △ 3%	<b>125</b> Dec 22: 87	<b>17,822</b> Dec 22: 16,457	<b>294</b> Dec 22: 161		

\* comparatives do not include gain on business combination

**STATEMENT OF PROFIT OR LOSS**

MUR'000	THE GROUP				
	Unaudited 3 months ended 31 December 2023	Unaudited 3 months ended 31 December 2022	Unaudited 6 months ended 31 December 2023	Unaudited 6 months ended 31 December 2022	Audited year ended 30 June 2023
Revenue from sale of services	848,244	860,656	1,694,511	1,799,055	3,377,606
Gross profit	350,299	319,097	690,593	644,857	1,267,262
Share of (loss)/ profit of associate	(3,469)	(587)	(5,643)	88	(183)
Earnings before interest, tax, depreciation and amortisation	149,979	149,128	296,450	280,224	513,884
Depreciation and amortisation	(44,313)	(41,474)	(89,275)	(82,792)	(171,891)
Finance costs	(12,003)	(10,425)	(25,258)	(21,161)	(44,483)
Profit before taxation and exceptional item	93,663	97,229	181,917	176,271	297,510
Gain on business combination	-	38,168	-	38,168	52,973
Profit before taxation	93,663	135,397	181,917	214,439	350,483
Taxation	(19,559)	(20,142)	(39,080)	(36,397)	(75,114)
<b>PROFIT FOR THE PERIOD/YEAR</b>	<b>74,104</b>	<b>115,255</b>	<b>142,837</b>	<b>178,042</b>	<b>275,369</b>
<b>Attributable to:</b>					
Owners of the parent	69,469	112,944	134,466	172,804	264,935
Non-controlling interests	4,635	2,311	8,371	5,238	10,434
	<b>74,104</b>	<b>115,255</b>	<b>142,837</b>	<b>178,042</b>	<b>275,369</b>
Earnings per share (EPS)	MUR 0.74	1.21	1.44	1.85	2.83
Number of ordinary shares used in calculation	93,515,565	93,515,565	93,515,565	93,515,565	93,515,565
Interim dividend per ordinary share	MUR -	-	0.55	0.40	0.40
Final dividend per ordinary share	MUR -	-	-	-	0.80
Net asset value per share (NAVPS)	MUR -	-	19.20	18.71	18.88

**STATEMENT OF OTHER COMPREHENSIVE INCOME**

MUR'000	THE GROUP				
	Unaudited 3 months ended 31 December 2023	Unaudited 3 months ended 31 December 2022	Unaudited 6 months ended 31 December 2023	Unaudited 6 months ended 31 December 2022	Audited year ended 30 June 2023
Profit for the period/year	74,104	115,255	142,837	178,042	275,369
Other comprehensive loss for the period/ year, net of tax	(24,368)	(27,029)	(54,845)	(30,580)	(31,297)
<b>Total comprehensive income for the period/year</b>	<b>49,736</b>	<b>88,226</b>	<b>87,992</b>	<b>147,462</b>	<b>244,072</b>
<b>Attributable to:</b>					
Owners of the parent	45,516	86,166	80,711	142,626	233,837
Non-controlling interests	4,220	2,060	7,281	4,836	10,235
	<b>49,736</b>	<b>88,226</b>	<b>87,992</b>	<b>147,462</b>	<b>244,072</b>

**STATEMENT OF FINANCIAL POSITION**

MUR'000	THE GROUP		
	Unaudited 31 December 2023	Unaudited 31 December 2022	Audited 30 June 2023
<b>ASSETS</b>			
<b>Non-current assets</b>			
Non-current assets	1,661,136	1,669,564	1,686,869
Right-of-use assets	252,103	221,686	253,941
	<b>1,913,239</b>	<b>1,891,250</b>	<b>1,940,810</b>
<b>Current assets</b>			
Trade and other receivables	1,128,203	1,038,717	920,321
Other current assets	142,145	156,430	132,264
Cash and cash equivalents	287,130	423,577	489,068
	<b>1,557,478</b>	<b>1,618,724</b>	<b>1,541,653</b>
<b>Total assets</b>	<b>3,470,717</b>	<b>3,509,974</b>	<b>3,482,463</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Capital and reserves</b>			
Equity attributable to equity holders of the parent	1,795,112	1,749,435	1,765,834
Non-controlling interests	44,580	46,173	45,806
<b>Total equity</b>	<b>1,839,692</b>	<b>1,795,608</b>	<b>1,811,640</b>
<b>Non-current liabilities</b>			
Borrowings	308,062	367,151	283,647
Lease liabilities	228,368	172,758	216,846
Other non-current liabilities	140,751	137,940	136,171
	<b>677,181</b>	<b>677,849</b>	<b>636,664</b>
<b>Current liabilities</b>			
Trade and other payables	726,761	832,285	761,491
Borrowings	162,907	118,123	118,434
Lease liabilities	53,244	70,558	65,162
Other current liabilities	10,932	15,551	13,869
Dividend payable	-	-	75,203
	<b>953,844</b>	<b>1,036,517</b>	<b>1,034,159</b>
<b>Total liabilities</b>	<b>1,631,025</b>	<b>1,714,366</b>	<b>1,670,823</b>
<b>Total equity and liabilities</b>	<b>3,470,717</b>	<b>3,509,974</b>	<b>3,482,463</b>

**STATEMENT OF CASH FLOWS**

MUR'000	THE GROUP		
	Unaudited 6 months ended 31 December 2023	Unaudited 6 months ended 31 December 2022	Audited year ended 30 June 2023
Net cash (used in)/ generated from operating activities	(29,070)	175,395	394,416
Net cash used in investing activities	(59,501)	5,473	(22,562)
Net cash used in financing activities	(167,712)	(180,934)	(320,045)
Net (decrease)/ increase in cash and cash equivalents	(256,283)	(66)	51,809
Cash and cash equivalents - opening	466,063	408,587	408,587
Effects of exchange rate on cash and cash equivalents	(12,141)	(9,033)	5,667
Cash and cash equivalents - closing	<b>197,639</b>	<b>399,488</b>	<b>466,063</b>

**STATEMENT OF CHANGES IN EQUITY**

MUR'000	THE GROUP					
	Share capital	Other reserves	Retained earnings	Attributable to owners of the parent	Non-interests	Total
At 1 July 2022	1,019,294	232,630	392,291	1,644,215	44,651	1,688,866
Profit for the period	-	-	172,804	172,804	5,238	178,042
Other comprehensive loss for the period	-	(30,178)	-	(30,178)	(402)	(30,580)
<b>Total comprehensive (loss)/income for the period</b>	<b>-</b>	<b>(30,178)</b>	<b>172,804</b>	<b>142,626</b>	<b>4,836</b>	<b>147,462</b>
Dividends	-	-	(37,406)	(37,406)	(3,314)	(40,720)
<b>At 31 December 2022</b>	<b>1,019,294</b>	<b>202,452</b>	<b>527,689</b>	<b>1,749,435</b>	<b>46,173</b>	<b>1,795,608</b>
At 1 July 2023	1,019,294	201,532	545,008	1,765,834	45,806	1,811,640
Profit for the period	-	-	134,466	134,466	8,371	142,837
Other comprehensive loss for the period	-	(53,755)	-	(53,755)	(1,090)	(54,845)
<b>Total comprehensive (loss)/income for the period</b>	<b>-</b>	<b>(53,755)</b>	<b>134,466</b>	<b>80,711</b>	<b>7,281</b>	<b>87,992</b>
Dividends	-	-	(51,433)	(51,433)	(8,507)	(59,940)
<b>At 31 December 2023</b>	<b>1,019,294</b>	<b>147,777</b>	<b>628,041</b>	<b>1,795,112</b>	<b>44,580</b>	<b>1,839,692</b>

**Comments on Results**

**Group Performance for the Quarter Ended 31 December 2023**

Velogic reported a 1.4% decrease in revenue to MUR 848.2 m (Q2 FY23: MUR 860.7 m). The profit after tax stood at MUR 74.1 m (Q2 FY23: MUR 77.1 m) excluding the one-off gain arising from the acquisition of a business in Kenya). Lower revenue was mainly due to the drop-in freight rates and a decrease in volumes as a result of lower consumption in export markets. This was mitigated by upsides from the haulage businesses in Mauritius and Kenya, with the latter benefitting from the recognition of a full quarter's revenue after the acquisition in November 2022. Nonetheless, the overall profitability was impacted by several fuel price increases and the depreciation of the Shilling in Kenya.

**Highlights by Geography**

**Mauritius**

The total revenue fell slightly to MUR 469.3 m (Q2 FY23: MUR 470.8 m).

The Cross-Border Logistics activities reported a 22% decrease in revenue on the back of lower freight rates; decline in export shipments and express courier volumes. However, these downturns were partly mitigated by a rise in imports, resulting in an 8% drop in profit after tax to MUR 21.8m (Q2 FY23: MUR 23.6 m).

Landside Logistics' profitability rose by 27% to MUR 21.6 m benefiting from coal transportation which resumed in May 2023 and a higher tonnage of sugar cane transported. The container depot's result was broadly in line with last year with an increase in storage volume, offset by a fall in container modification projects. The warehousing activity maintained its progression due to higher storage.

Sugar packing posted significantly improved profitability due to the twin effects of higher prices for special sugars and the appreciation of the British Pound against the Mauritian Rupee. The Shipping activity's profitability improved due to an increase in agency work and hull cleaning services. The combined profit after tax for these activities increased significantly to MUR 10.1 m.

As a result, profit after tax outperformed last year with an increase of 32% to MUR 53.5 m (Q2 FY23: MUR 40.5 m).

**Overseas**

The Overseas Segment experienced the effects of exogenous factors leading to an overall revenue decrease to MUR 378.9 m (Q2 FY23: MUR 389.8 m).

In Kenya, the profit after tax dropped by MUR 9 m, mainly due to difficulties in passing the full amount of the fuel price increases to customers and the depreciation of the Kenyan Shilling (KSH) against the Mauritian Rupee.

Despite an upswing in air and sea freight volumes in India, the profitability was lower as gross profit per unit fell below last year in a competitive market.

Our share of associate's result in France was affected by lower volumes imported due to a slowdown in consumption.

The profitability of our cross-border logistics in Madagascar and Reunion were in line compared to last year. Consequently, profit after tax decreased to MUR 20.6 m (Q2 FY23: MUR 36.6 m).

**Results for the 6 months to December 2023**

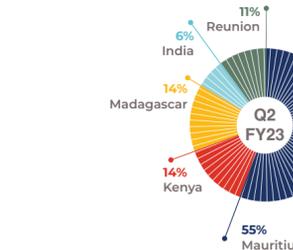
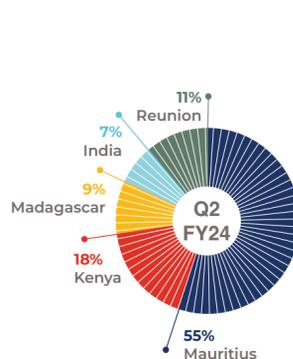
For the 6 months to December 2023, Group revenues reached MUR 1.69 bn (Dec-22: MUR 1.80 bn) and the profit after tax increased by 2% to MUR 142.8 m (Dec-22: MUR 139.9 m, excluding one-off gain on acquisition).

**Outlook**

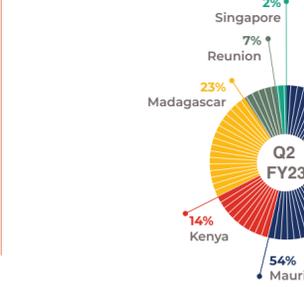
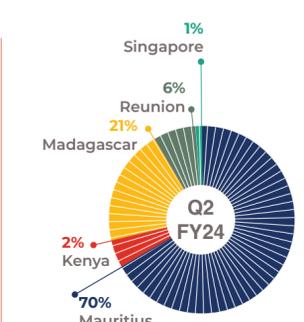
Amidst prevailing challenges in some of its market the Group's operational profitability for the financial year is expected to be in line with last year.

By order of the Board  
30 January 2024

**REVENUE BY GEOGRAPHY (%)**



**PAT BY GEOGRAPHY (%)**



**SECTOR ANALYSIS**

MUR'000	THE GROUP				
	Unaudited 3 months ended 31 December 2023	Unaudited 3 months ended 31 December 2022	Unaudited 6 months ended 31 December 2023	Unaudited 6 months ended 31 December 2022	Audited year ended 30 June 2023
<b>REVENUE</b>					
<b>Mauritius</b>					
Cross-border logistics	210,385	270,130	395,935	550,862	963,886
Landside logistics	217,382	170,083	423,590	365,625	597,322
Packing & shipping	41,559	30,620	83,223	71,090	144,220
<b>Sub-total Mauritius</b>	<b>469,326</b>	<b>470,833</b>	<b>902,748</b>	<b>987,577</b>	<b>1,705,428</b>
<b>Overseas</b>					
Cross-border logistics	252,896	301,008	533,365	656,470	1,241,247
Landside logistics	126,022	88,815	258,398	155,008	430,931
Packing & shipping	-	-	-	-	-
<b>Sub-total Overseas</b>	<b>378,918</b>	<b>389,823</b>	<b>791,763</b>	<b>811,478</b>	<b>1,672,178</b>
<b>Revenue from sale of services</b>	<b>848,244</b>	<b>860,656</b>	<b>1,694,511</b>	<b>1,799,055</b>	<b>3,377,606</b>
<b>PROFIT FOR THE PERIOD/YEAR</b>					
<b>Mauritius</b>					
Cross-border logistics	21,815	23,647	32,240	36,931	58,509
Landside logistics	21,600	16,998	50,144	45,805	34,967
Packing & shipping	10,070	(145)	16,005	3,767	10,636
<b>Sub-total Mauritius</b>	<b>53,485</b>	<b>40,500</b>	<b>98,389</b>	<b>86,503</b>	<b>104,112</b>
<b>Overseas</b>					
Cross-border logistics	13,815	21,832	26,360	32,279	58,923
Landside logistics	6,444	13,188	16,207	18,040	53,075
Packing & shipping	360	1,567	1,881	3,052	6,286
<b>Sub-total Overseas</b>	<b>20,619</b>	<b>36,587</b>	<b>44,448</b>	<b>53,371</b>	<b>118,284</b>
<b>PROFIT FOR THE PERIOD/YEAR*</b>	<b>74,104</b>	<b>77,087</b>	<b>142,837</b>	<b>139,874</b>	<b>222,396</b>

\*Excludes gain on business combination

The abridged financial statements of the Group are unaudited and have been prepared using the same accounting policies as the audited financial statements for the year ended 30 June 2023.

These financial statements are issued pursuant to DEM Rule 17 and the Securities Act 2005.

Copies of the statement of direct and indirect interests of Officers pursuant to rule 8(2)(m) of the Securities (Disclosure Obligations of Reporting Issuers) Rules 2007 and the financial statements are available free of charge upon request made to the Company Secretary at the registered office at Rogers House, No.5 President John Kennedy Street, Port Louis.

The Board of Directors of Velogic Holding Company Limited