

2018

R-LOGITECH HALF-YEAR REPORT





R-LOGITECH CONTENT

01 STRATEGIC REPORT

- 5 At a Glance
- 6 Business Performance
- 8 Outlook
- 10 Risks & Uncertainties

02 CONSOLIDATED FINANCIAL STATEMENTS

- 13 Consolidated statement of profit or loss
- 14 Consolidated statement of financial position
- 15 Notes to the financial statements

03 OTHER INFORMATION

- 16

R-LOGITECH KEY DATA

REVENUES
HY 2018

56 M€

GROSS PROFIT
HY 2018

27 M€

OPERATING
PROFIT
HY 2018

9 M€

EQUITY
HY 2018

33 M€



01

R-LOGITECH AT A GLANCE

R-LOGITECH AT A GLANCE

+ 40
YEARS

+ 1400
EMPLOYEES

+ 20
COUNTRIES

R-Logitech provides strategic logistics, procurement and maintenance services for transporting commodities in and out of Africa.

Our business is organised within two divisions:
Logistics and Technology.

LOGISTICS



We manage ports and terminals and provide logistics services

Our logistics division enables the import and export of natural products and raw materials through the management of ports and terminals, specialising in dry bulk handling, and the provision of logistics services including freight forwarding, Ship agency services and transportation.

TECHNOLOGY



We provide procurement solutions and maintenance

Our technology division provides technical solutions, procurement services, equipment and maintenance, as well as pipeline networks and technologies.

BUSINESS PERFORMANCE

During half year 2018, the Company focussed on the integration of the different subsidiaries that were acquired in 2017.

As a result a significant increase in activity could be achieved.

The company is on track to become a significant logistic provider within its markets.

The company was able to secure three terminals (two dry ports and one sea terminal) and is in advanced discussions concerning further six terminals.

We expect a full year turnover in 2018 above the upper target of EUR 120M and an expansion in further two additional African countries.

The table below provides a segmented overview of the Revenue and Gross profit ("GM") of the Company:

EUR 1.000	HY Revenue 2018	HY GM 2018
	HY 2018	HY 2018
R-Logitech	56 414	27 152
Total	56 614	27 152

The solvency (total group equity divided by the balance sheet total) at the balance sheet date is 33.4% in 2018. In order to view the actual solvency, management uses an "Adjusted Solvency" in which cash reserves are netted with overdraft facilities. This Adjusted Solvency rate amounts to 46.7%.

01 R-LOGITECH OUTLOOK



OUTLOOK

GENERAL

Despite the unpredictable global environment, the Company expects to realise further growth in 2018. Part of this is the result of the R-Logistic activities which will be included for 12 months compared to only 3 months in 2017. The other sources of growth are the further integration of the activities and the realisation of synergies with the larger Group.

FINANCING

Long term financing and short term bank facilities are in place and the relationships with these banks will be maintained.

In order to further grow the activities, additional finance capacity is being developed with the Group's current and new banking and capital market relationships.

EMPLOYEES

As over the last years, the Company will ensure that the organization remains lean in terms of headcount. Key management positions are filled in by personnel with the required experience, background, and the entrepreneurial spirit and drive to contribute to our growth and success. Additional personnel will be employed, when the growth in activities and further requires so.

RISKS & UNCERTAINTIES

The presentation of financial statements requires management to make estimates and assumptions which affect the reported amounts of assets and liabilities, and the disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Actual results could differ from those estimates impacted by the following risks:

FLUCTUATION IN CURRENCY EXCHANGE RATES

The Company finds its suppliers and customers across the globe, while operations and operating costs are spread across several different countries and currencies. Fluctuation in exchange rates, in particular, movements in US dollar against the Euro, may have a material impact on the Company's financial results. Note that our business is mainly executed on a dollar basis on the sales side, whereas the reporting currency is Euro. In case that foreign currency effects have a significant impact, the exposure is hedged through adequate instruments. The local expenditures are mainly covered in local African currencies that can fluctuate from the earnings that are in USD. Note that this exposure is limited.

FINANCING, CASH FLOWS AND LIQUIDITY

The Company's activities are dependent on sufficient availability of liquidity. We have significant overdraft lines with major local banks. These lines are committed on a short term by nature and, therefore, no guarantee can be given that these lines will be extended. However, all lines have been prolonged over the previous years and there is no imminent reason to assume that these lines will not be extended in the foreseeable future.

COUNTRY RISKS, POLITICAL, COMMUNITY AND FISCAL INTERVENTION

The Company's operations and projects span numerous countries, some of which have more complex, less stable political or social climates and consequently higher country risk. Political risks include changes in laws, taxes or royalties, expropriation of assets, currency restrictions or renegotiation of, or changes to, leases of property and permits. Similarly, communities in certain regions may oppose activities for various reasons. Any of these factors could have an adverse impact on the Company's profitability in a certain geographic region or at certain operations. However, so far the Company has not experienced those problems.

OTHER RISKS

Other risks facing the Company include performance risk on agreements; quality of work performed, competition, environmental and insurance risks and uncertainty of additional financing. These risks and the mitigating measures are monitored and managed by the company on a regular basis and appropriate action is taken whenever this is required.

02

R-LOGITECH CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

(before appropriation of result)

EUR 1.000	HY 2018
Continuing Operations	
Revenue	56 414
Cost of sales	-29 262
Gross profit	27 152
Operating expenses	
Selling expenses	-73
Administrative expenses	-18 252
	-18 325
Operating profit	8 827
Non-operating expenses	
Unrealized fair value changes	-
Financial income and expense	-1 912
Net finance cost	-1 912
Profit before tax	6 915

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(before appropriation of result)

EUR 1.000	HY 2018
Assets	
Non-current assets	
Property plant and equipment	9 012
Intangible fixed assets	10 673
Financial fixed assets	6 758
Total non-current assets	26 443
Current assets	
Inventories	3 473
Receivables, prepayments and accrued income	40 174
Cash and cash equivalents	27 983
Total current assets	71 631
Total assets	98 074
Equity and liabilities	
Equity	
Share capital	1 000
Reserves and retained earnings	15 698
Equity attributable to the owners of the company	16 698
Non-controlling interest	16 064
Total equity	32 762
Non-current liabilities	
Loans and borrowings	38 261
Provisions	4 502
Deferred tax liabilities	304
Total non-current liabilities	43 068
Current liabilities and accruals	22 245
Total current liabilities	22 245
Total equity and liabilities	98 074

NOTES TO THE FINANCIAL STATEMENTS

1.1 Corporate information

The activities of R-Logitech Sarl ("R-Logitech" or "the Company") and its group companies primarily consist of running ports and terminals, providing logistical services and transportation, procurement solutions and technical solutions. The Company has its legal seat at 7. Rue du Gabian, Monaco and is registered with the chamber of commerce under number 14S06452.

The Company was incorporated as a limited liability company under the laws of Monaco for the purpose of establishing a holding company for logistics and technological solutions.

The consolidated annual accounts comprise the financial information of the Company and of its investments in which it exercises a controlling interest. These investments are fully included in the consolidation.

1.2 Statement of compliance

Financial information relating to group companies and other legal entities which are controlled by the Company or where central management is conducted has been consolidated in the financial statements of the Company.

The consolidated financial statements have been prepared in accordance with the accounting principles of the Company. The financial information relating to the Company and its group companies is presented in the Consolidated Financial Statements. Financial information relating to the group companies and the other consolidated legal entities is fully included in the Consolidated Financial Statements, eliminating the intercompany relationships and transactions.

Third party shares in equity of group companies are separately disclosed.

The results of newly acquired group companies are consolidated from the acquisition date. At that date, the assets, provisions and liabilities are measured at fair values. Goodwill paid is capitalised and is subject to an annual impairment test. The results of participations sold during the year are recognised until the moment of disposal.

1.3 Basis of preparation

The consolidated financial statements have been prepared according to the same accounting principles as the Annual Report 2017 with the exception of securities and taxation, which are both accounted for on an annual basis.



OTHER INFORMATION

SUBSEQUENT EVENTS

No significant matters to be reported.

APPROPRIATION OF RESULT FOR THE FINANCIAL YEAR 2017

The Company-only annual report of 2017 was approved in the General Meeting of Shareholders. The General Meeting of Shareholders has determined that the appropriation of result is in accordance with the proposal being made to add the result of 2017 to the Other Reserves.

DISCLAIMER

The facts and information contained in this report contains information as known to the reporting date and is subject to future changes. Neither R-LOGITECH SARL (the "Company") or related companies, affiliates, subsidiaries or management, supervisory board members, employees or advisors nor any other person can be held liable for any misrepresentations and do not provide any warranties with regards to the completeness of this report.

Neither the Company or related company, affiliates, subsidiaries nor any of the previous mentioned persons shall have any liability for any loss arising from the use of this report, neither direct nor indirect nor consequential damages. Whilst all reasonable care has been taken to ensure that the facts stated herein is correct and the views expressed herein are fair and reasonable, no guarantee can be provided. With regards to quoted information from external sources, this information is not to be interpreted as if they have been accepted or confirmed by the Company.

This document contains forward-looking statements. Forward-looking statements include all statements that do not describe historic facts, but contains terms such as "believe", "assume", "expect", "anticipate", "estimate", "plan", "intend", "could" or similar wording. However, these statements are by nature subject to risk and uncertainties, as they are related to future events and are based on assumptions and estimates, which could not occur at all or do not occur as anticipated in the future. Therefore, no guarantee is provided for any future results or the performance of the Company, the actual financial situation and the actual results of the Company as well as the overall economic development and legal frameworks that may differ materially from the expectations reflected in the forward looking statements that are expressed or implied and may not fulfill.

Investors are therefore cautioned not to base their investment decisions regarding the Company on the expressed forward looking statements.



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