



Robust operational results in a challenging environment with a 25% increase in profitability

FINANCIAL PERFORMANCE

Revenue	PAT	NAVPS
Rs 2,450 m ▲ +27.4%	Rs 114 m ▲ +25.0%	Rs 17.61 ▲ +6.4%

OPERATIONAL PERFORMANCE

> FREIGHT FORWARDING

Total Air (Tons)	Total Sea (TEUs)
5,465	6,270
Dec 20: 4,586	Dec 20: 6,232

> PACKING

(Tons)
4,093
Dec 20: 4,358

> PORT RELATED AND TRANSPORT SERVICES

Container Storage (K TEU Days)	Container Transport (Number of Trips)	Sugar Transportation (K Tons)
434	29,075	562
Dec 20: 611	Dec 20: 34,296	Dec 20: 674

Comments for the 6 months period ended 31 December 2021

Group Performance

Velogic remained resilient during the period under review, despite operating in an environment marked by global uncertainty and supply chain disruptions. The Group's revenues increased by 27.4% to Rs 2,450m (H1 2020: Rs 1,992m). Profit After Tax (PAT) was 25.0% higher at Rs 114.1m (H1 2020: Rs 91.3m).

Sector Highlights

Freight Forwarding

Despite a drop in margin, Freight Forwarding PAT improved to Rs 62.6m (H1 2020: Rs 9.8m) on the back of an increase in Air Freight volumes across all geographies and also in the courier activity with growth of e-commerce.

Port Related and Transport Services

Port Related and Transport Services PAT was lower at Rs 33.8m (H1 2020: Rs 58.7m) due to: (i) volume decrease in the container depot activity following the expected internalisation of this operation by one of Velogic's customers. The appropriate measures have already been taken to mitigate the impact; and (ii) there were lower transport volumes due to less project-related work this year and lower sugar cane tonnage transported, following a poor harvest season.

Packing and Shipping

Sugar packing realised a PAT of Rs 6.4m (H1 2020: Rs 8.0m) with slightly lower volumes. Shipping achieved a reduced PAT of Rs 11.3m (H1 2020: Rs 14.7m) due to lower project-related work compared to last year.

Business Combination

During the period under review, the acquisition of the 49% stake in the Kenyan entities was completed successfully.

Interim dividend

The Board of Velogic has declared an interim dividend of Rs 0.29 per share on the 10th of February 2022.

Outlook

Based on the trend of the last 6 months, the profitability is expected to improve compared to last year.

By order of the Board
10 February 2022

STATEMENT OF PROFIT OR LOSS FOR THE PERIOD ENDED 31 DECEMBER 2021

In Rs 000	THE GROUP		
	Unaudited 6 months ended 31 December 2021	Unaudited 6 months ended 31 December 2020	Audited year ended 30 June 2021
Revenue from sale of services	2,449,817	1,922,388	3,707,755
Gross profit	694,450	665,845	1,267,813
Profit before finance costs and tax	165,417	140,817	254,784
Finance costs	(20,399)	(21,790)	(41,571)
Profit before taxation	145,018	119,027	213,213
Taxation	(30,950)	(27,764)	(62,161)
PROFIT FOR THE PERIOD/YEAR	114,068	91,263	151,052
Attributable to:			
Owners of the parent	106,465	74,792	114,943
Non-controlling interests	7,603	16,471	36,109
	114,068	91,263	151,052
Earnings per share (EPS)	Rs. 1.14	0.80	1.23
Number of ordinary shares used in calculation	93,515,565	93,515,565	93,515,565
Dividends per share	Rs. -	-	0.44
Net asset value per share (NAVPS)	Rs. 17.61	16.55	17.08

STATEMENT OF OTHER COMPREHENSIVE INCOME FOR THE PERIOD ENDED 31 DECEMBER 2021

In Rs 000	THE GROUP		
	Unaudited 6 months ended 31 December 2021	Unaudited 6 months ended 31 December 2020	Audited year ended 30 June 2021
Profit for the period/year	114,068	91,263	151,052
Other comprehensive (loss)/income	(13,650)	(24,017)	44,454
Total Comprehensive income	100,418	67,246	195,506
Attributable to:			
Owners of the parent	92,755	58,760	149,232
Non-controlling interests	7,663	8,486	46,274
	100,418	67,246	195,506

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2021

In Rs 000	THE GROUP		
	Unaudited 31 December 2021	Unaudited 31 December 2020	Audited 30 June 2021
ASSETS			
Non-current assets			
Non-current assets	1,601,618	1,568,277	1,587,897
Right-of-use assets	263,091	299,084	255,445
	1,864,709	1,867,361	1,843,342
Current assets			
Trade and other receivables	1,276,969	1,114,726	1,049,248
Other current assets	302,405	142,096	134,543
Cash and cash equivalent	377,310	422,016	473,681
	1,956,684	1,678,838	1,657,472
Total assets	3,821,393	3,546,199	3,500,814
EQUITY AND LIABILITIES			
Capital and reserves			
Equity attributable to equity holders of the parent	1,646,391	1,547,857	1,597,329
Non-controlling interests	39,963	179,794	213,429
Total equity	1,686,354	1,727,651	1,810,758
Non-current liabilities			
Borrowings	352,453	206,223	90,688
Lease liabilities	232,903	253,581	207,768
Other non-current liabilities	145,857	185,732	144,967
	731,213	645,536	443,423
Current liabilities			
Trade and other Payables	1,202,716	851,530	866,083
Borrowings	136,123	245,370	271,282
Lease liabilities	53,013	65,997	58,000
Other current liabilities	11,974	10,115	30,312
Dividend payable	-	-	20,956
	1,403,826	1,173,012	1,246,633
Total liabilities	2,135,039	1,818,548	1,690,056
Total equity and liabilities	3,821,393	3,546,199	3,500,814

STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 31 DECEMBER 2021

In Rs 000	THE GROUP		
	Unaudited 31 December 2021	Unaudited 31 December 2020	Audited 30 June 2021
Net cash generated from operating activities	124,899	240,142	519,417
Net cash used in investing activities	(310,808)	(24,763)	(87,278)
Net cash generated from/(used in) financing activities	108,186	(92,047)	(265,976)
Net (decrease)/increase in cash and cash equivalents	(77,723)	123,332	166,163
Cash and cash equivalents - opening	433,084	238,004	238,004
Effects of exchange rate on cash and cash equivalents	(4,980)	8,794	28,917
Cash and cash equivalents - closing	350,381	370,130	433,084

STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 DECEMBER 2021

In Rs 000	THE GROUP					
	Share capital	Other reserves	Retained earnings	Attributable to owners of the parent	Non-controlling interests	Total
At 1 July 2020	1,019,294	225,715	244,088	1,489,097	172,487	1,661,584
Profit for the period	-	-	74,792	74,792	16,471	91,263
Other comprehensive (loss)/income for the period	-	(16,032)	-	(16,032)	(7,985)	(24,017)
Total comprehensive income for the period	-	(16,032)	74,792	58,760	8,486	67,246
Dividends	-	-	-	-	(1,179)	(1,179)
At 31 December 2020	1,019,294	209,683	318,880	1,547,857	179,794	1,727,651
At 1 July 2021	1,019,294	260,004	318,031	1,597,329	213,429	1,810,758
Profit for the period	-	-	106,465	106,465	7,603	114,068
Other comprehensive (loss)/income for the period	-	(13,710)	-	(13,710)	60	(13,650)
Total comprehensive (loss)/income for the period	-	(13,710)	106,465	92,755	7,663	100,418
Acquisition of non-controlling interests	-	-	(43,693)	(43,693)	(175,321)	(219,014)
Dividends	-	-	-	-	(5,808)	(5,808)
At 31 December 2021	1,019,294	246,294	380,803	1,646,391	39,963	1,686,354

SECTOR ANALYSIS

In Rs 000	THE GROUP		
	Unaudited 31 December 2021	Unaudited 31 December 2020	Audited 30 June 2021
REVENUE			
Activity			
Freight forwarding	2,015,805	1,401,614	2,845,215
Port related and transport services	346,307	414,417	664,746
Packing & Shipping	87,705	106,357	197,794
Revenue from sale of services	2,449,817	1,922,388	3,707,755
PROFIT FOR THE PERIOD/YEAR			
Activity			
Freight forwarding	62,565	9,823	52,179
Port related and transport services	33,760	58,651	54,585
Packing & Shipping	17,743	22,789	44,288
Profit for the period/year	114,068	91,263	151,052

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 2021.

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 accepts full responsibility for the accuracy of the information contained in these financial statements.