

2019

R-LOGITECH
HALF-YEAR REPORT



R-LOGITECH

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R-LOGITECH

KEY DATA

REVENUES

87 M€

GROSS PROFIT

29 M€

OPERATING
PROFIT

12 M€

EQUITY

112 M€

EBITDA

12 M€



01 | R-LOGITECH **AT A GLANCE**

R-LOGITECH AT A GLANCE

**+ 19
COUNTRIES**

**+ 40
YEARS**

**+ 1400
EMPLOYEES**

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

Our business is organised within: 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

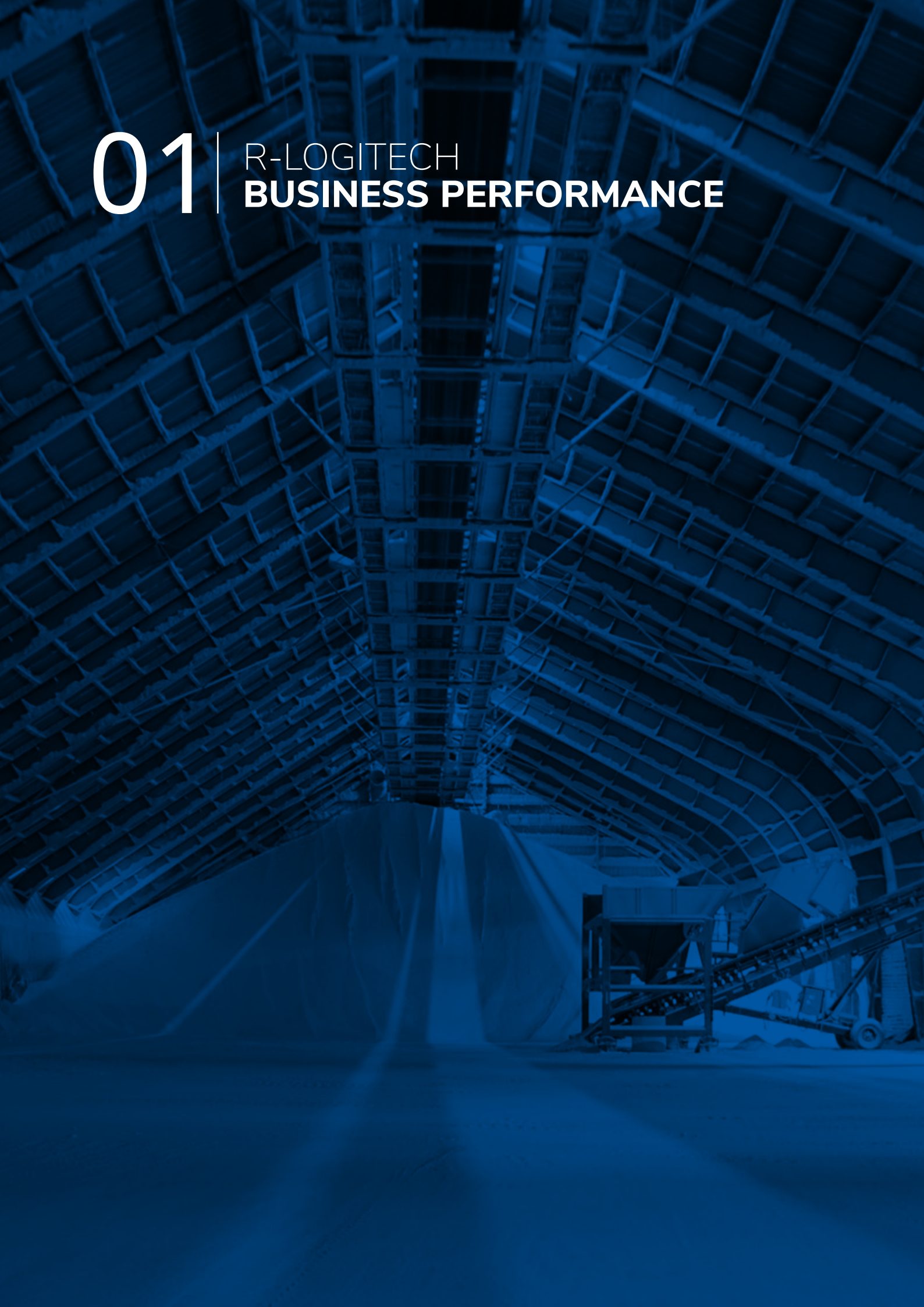


We provide procurement solutions and maintenance

Our technology division provides technical solutions, procurement services, equipment and maintenance,

01

R-LOGITECH
BUSINESS PERFORMANCE



BUSINESS PERFORMANCE

The Company commenced its activities in 2016. In 2017 the Company acquired significant activities in the logistics division: a controlling stake in Nectar and multiple (air)port operations in West-Africa through the acquisition of former Necotrans entities (now named "R-Logistic"). As a result, the income as well as the balance sheet have expanded significantly.

In 2018, due to a full year consolidation and dynamic business development, the turnover and results could be significantly increased.

In 2019 a significant acquisition took place - R-Logitech with its investment partners, the Belgian sovereign wealth funds FPIM and PMV acquired a majority stake in Ports & Terminals operator Euroports. R-Logitech took control of the company from 1st July 2019 onwards. Accordingly Euroports will be consolidated from 1st of July 2019.

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

EUR 1.000	HY Revenue		HY GM	
	HY 2019	HY 2018	HY 2019	HY 2018
Europe	46.915	31.028	15.495	14.934
Africa	39.965	25.380	13.200	12.218
Total	86.880	56.408	28.695	27.152

01 | R-LOGITECH OUTLOOK



OUTLOOK

GENERAL

Despite the unpredictable global environment, the Company expects to realise further growth in 2019. Part of this is a result of the R-Logistic activities and the further integration of the activities and the realization of synergies with the larger group.

FINANCING

The 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.

R-Logitech taped its bond listed on the Frankfurt exchange by €100Mio to secure its long term financing.

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 requires so.

01 | R-LOGITECH RISKS & UNCERTAINTIES



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 2019	HY 2018
Continuing Operations		
Revenue	86.880	56.414
Cost of sales	-58.185	-29.262
Gross profit	28.695	27.152
Operating expenses		
Selling expenses	-44	-73
Administrative expenses	-17.133	-18.252
Operating profit	11.519	8.827
Depreciation and similar	-1.612	-
Non-operating expenses		
Financial income and expense	-2.873	-1.912
Net finance cost	-4.485	-1.912
Profit before tax	7.033	6.915

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(before appropriation of result)

EUR 1.000	HY 2019	HY 2018
Assets		
Non-current assets		
Property plant and equipment	12.045	9.012
Intangible fixed assets	19.049	10.673
Financial fixed assets	3.697	6.758
Total non-current assets	34.791	26.443
Current assets		
Inventories	3.732	3.473
Receivables, prepayments and accrued income	75.118	40.174
Prepaid Acquisitions	131.737	-
Cash and cash equivalents	46.317	27.983
Total current assets	256.905	71.631
Total assets	291.696	98.074
Equity and liabilities		
Equity		
Share capital	1.000	1.000
Reserves and retained earnings	87.196	15.698
Equity attributable to the owners of the company	88.196	16.698
Non-controlling interest	24.176	16.064
Total equity	112.371	32.762
Non-current liabilities		
Loans and borrowings	136.293	38.261
Provisions	4.682	4.502
Deferred tax liabilities	513	304
Total non-current liabilities	141.488	43.068
Current liabilities and accruals	37.836	22.245
Total current liabilities	37.836	22.245
Total equity and liabilities	291.696	98 074

NOTES TO THE FINANCIAL STATEMENTS

1.1 Corporate information

The activities of R-Logitech S.A.M. ("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 15S06815.

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 inter-company 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 2018 with the exception of securities and taxation, which are both accounted for on an annual basis.

1.4 New IFRS

IFRS 16 – Leases supersedes IAS 17 „Leases“ and covers recognition, measurement, presentation and disclosure of leases. IFRS 16 modifies the prior lessee accounting to a single lessee accounting model, which requires lessee to recognise assets and liabilities from contract within scope of IFRS 16. The standard provides exemptions for lease terms 12 month or less or underlying assets have low value. Lessors lease accounting substantially is unchanged in IFRS 16.

Changes in accounting policies resulting from IFRS 16 have been applied as at 1 January 2019, with no restatement of comparative information for prior year following the transition requirements of IFRS 16 C 5b). Consequently, any effect of initial application of IFRS 16 has been recognized cumulative as an adjustment in the opening retained earnings as at date of initial application. This will be reflected in the Other Comprehensive Income (OCI).

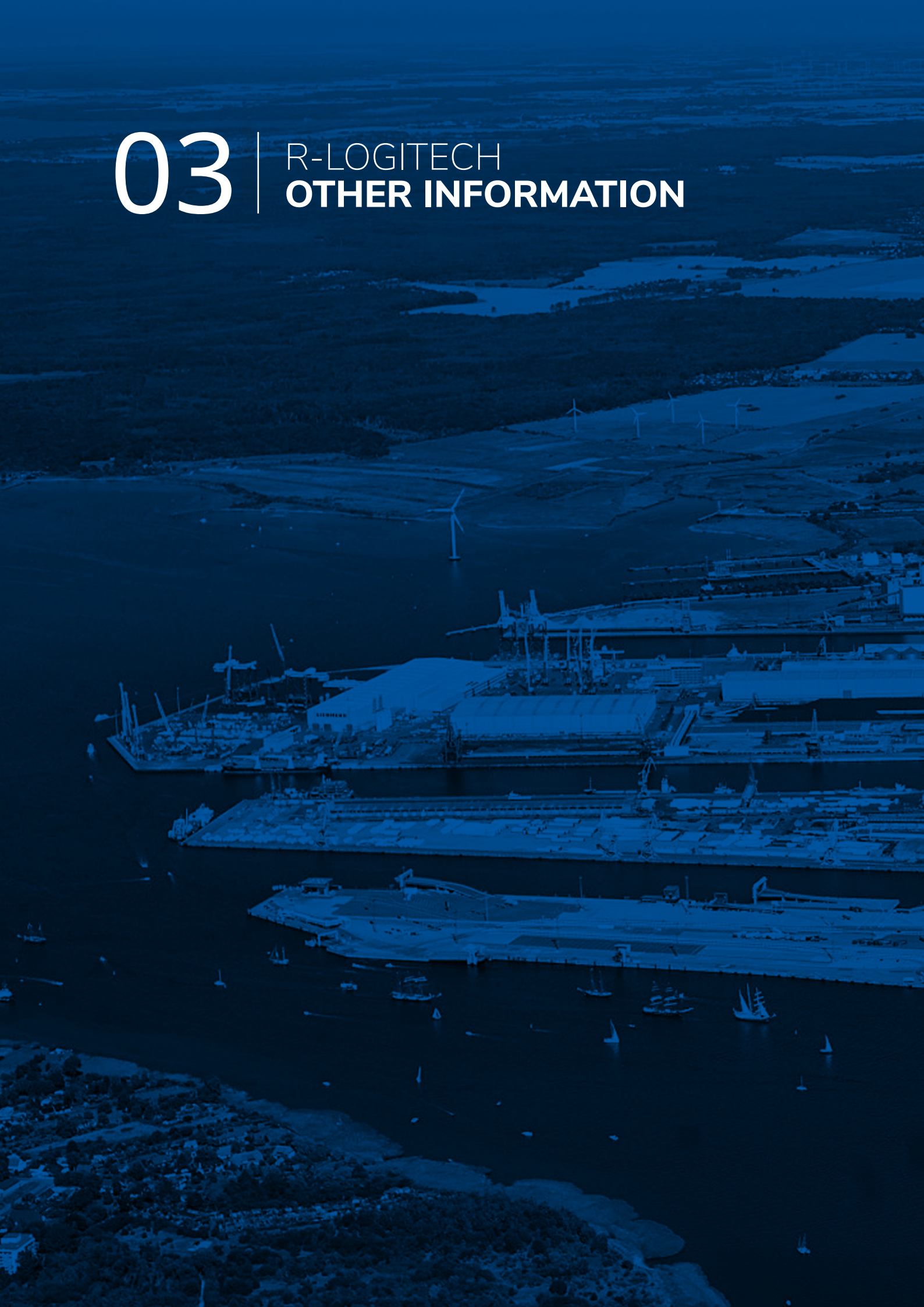
The following summarises the impact from adoption of IFRS 16:

- Presentation changes in the statement of Cash Flows
- Presentational changes in the property, plant and equipment (Note 6), Liabilities (Note 14) and corresponding supplementary note disclosures to reflect the business model and cash flow characteristics of these assets and liabilities and group them into their respective IAS 16 and IFRS 9 categories.
- Additional disclosures regarding classification, presentation, cash flow impacts and measurement of leases (Note 15 and table 1 below)
- The weighted average incremental borrowing rate of interest used in the calculation of the present value on first adoption was 8,5 %
- The company used the portfolio transition relief for right-of-use assets with similar characteristics

Table 1: Summary of changes in classification, presentation and measurement of leases under IFRS 16 and IAS 17 at the date of initial application, 1 January 2019:

EUR 1.000	Note	Original measurment under IAS 17	New measurement under IFRS 16	Original carrying amounts under IAS 17	Effect of IFRS 9 adoption	New carrying amount under IFRS 9
Non-current assets						
Property, plant and equipment	15	Operating leases	Right of use assets	0	436	436
Property, plant and equipment	15	Financial leases	Right of use assets	0	0	0
Financial liabilities						
Current liabilities and accruals	15	Operating leases liabilities	Leasing liability	Off-balance sheet 513	436	436
Current liabilities and accruals	15	Financial leases liabilities	Leasing liability	0	0	0

03 | R-LOGITECH **OTHER INFORMATION**



OTHER INFORMATION

SUBSEQUENT EVENTS

In 2019 a significant acquisition took place - R-Logitech with its investment partners, the Belgian sovereign wealth funds FPIM and PMV acquired a majority stake in Ports & Terminals operator Euroports. R-Logitech took control of the company from 1st July 2019 onwards. Accordingly Euroports will be consolidated from 1st of July 2019.

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APPROPRIATION OF RESULT FOR THE FINANCIAL YEAR 2018

The Company-only annual report of 2018 was approved in the General Meeting of Shareholders. The General Meeting of Shareholders has determined that the appropriation of result in accordance with the proposal being made to add the result of 2018 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 S.A.M. (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 fulfil.

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



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