

ONELOGIX GROUP LIMITED

(Incorporated in the Republic of South Africa)
(Registration number 1998/004519/06)
JSE share code: OLG ISIN: ZAE000026399
("OneLogix" or "the company" or "the group")



TRADING STATEMENT

Shareholders are advised that OneLogix expects earnings per share ("EPS"), headline earnings per share ("HEPS") and core headline earnings per share ("Core HEPS") for the year ended 31 May 2022 ("current year") to vary within the ranges reflected below:

	Previously reported 31 May 2021 (cents per share)	31 May 2022 expected range (%)	31 May 2022 expected range (cents per share)
EPS	12.5	Decrease of between 60% and 80%	2.5 to 5.0
HEPS	11.1	Decrease of between 55% and 75%	2.8 to 5.0
Core HEPS*	13.6	Decrease of between 50% and 70%	4.1 to 6.8

* Consistent with prior reporting, the company aims to present to shareholders the same information that management utilises to evaluate the performance of the group's operations. Accordingly, we present Core HEPS, which is headline earnings (as calculated based on SAICA Circular 1/2021) adjusted for the amortisation charge of intangible assets recognised on business combinations.

This financial year has been difficult for OneLogix. Despite the country's emergence from the restrictions of the protracted Covid-19 lockdowns, the local and regional economies remained comparatively listless. Within this sluggish economic environment, it has become increasingly costly to conduct a logistics business in South and southern Africa, primarily due to the inability to recover various rising costs from our value chain.

This trading scenario was exacerbated by the reduced economic activity during and after the civil unrest in KwaZulu-Natal in July 2021. This was later compounded by the cyber-attack on Transnet's operations which further curtailed the flow of goods into and out of South Africa. The persistent violent protests on South Africa's national road network continued to present a serious challenge, while the extensive infra-structural damage caused by flooding in KwaZulu-Natal in April 2022 further aggravated an already strained trading scenario.

As previously reported, the hailstorm during September 2021, which mainly affected OneLogix VDS, caused considerable damage to a few large shipments of passenger vehicles being processed into the Umlaas Road open staging facility at the time, resulting in the group having to carry the risk for all minor repairs. This incurred an expected claim cost, net of insurance proceeds, of R25 million.

In addition, OneLogix VDS and to a lesser extent OneLogix TruckLogix experienced reduced storage volumes resulting from global supply chain disruptions upon the completion of the new Umlaas Road phase 3 storage facility in January 2021. This contributed to an additional R66 million in lease related IFRS16 accounting costs in the year compared to the prior year.

Notwithstanding these considerable headwinds, some of the group's businesses performed above expectations and on balance each of the group's businesses remain well positioned in their respective markets with resilient and innovative management teams together with a strong customer base that will ensure sustainability.

Existing covenants with finance providers, based on the anticipated results used in the compiling of this trading statement and the expected results for the year ahead, are projected to be met with sufficient headroom and the group has adequate resources and access to facilities to fund operations for the foreseeable future.

The financial information on which this trading statement is based, has not been audited, reviewed or reported upon by the group's external auditor.

The group's audited results for the current year are expected to be released on or about 25 August 2022.

8 August 2022

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