

## SALIENT FEATURES

- Successful closure of all loss-making divisions
- Reduction of debt, contingent liabilities and commitments
- Successful completion of R10m rights issue underwritten by management

### AUDITED RESULTS FOR THE YEAR ENDED 31 MAY 2003

#### CONDENSED CONSOLIDATED INCOME STATEMENT

	Audited Year ended 31 May 2003 R'000	Audited Year ended 31 May 2002 R'000
<b>Revenue</b>	61 112	62 470
<b>Earnings before interest, taxation, depreciation and amortisation (EBITDA)</b>	15 011	18 263
Depreciation	3 448	1 036
<b>Operating profit</b>	11 563	17 227
Amortisation of goodwill	3 098	3 135
Net interest paid	3 948	633
Exceptional items	383	413
<b>Profit before taxation</b>	4 134	13 046
Taxation	2 537	5 290
<b>Profit from continuing operations</b>	1 597	7 756
Loss from discontinuing operations	5 519	10 154
Loss arising on discontinuance of operations	14 142	5 041
Impairment and amortisation of intangibles on discontinuing operations	-	24 441
<b>Net loss attributable to shareholders</b>	(18 064)	(31 880)
<b>Number of shares in issue ('000)</b>		
- Total	280 375	138 711
- Weighted	178 453	180 750
<b>Headline earnings per share from continuing operations (cents)</b>		
- Basic	2,9	6,3
<b>Headline (loss)/earnings per share (cents)</b>		
- Basic	(0,3)	0,6
<b>Earnings per share from continuing operations (cents)</b>		
- Basic	0,9	4,3
<b>Loss per share (cents)</b>		
- Basic	(10,1)	(17,6)
<b>Calculation of headline earnings</b>		
Net loss attributable to shareholders	(18 064)	(31 880)
<i>Adjusted for:</i>		
Amortisation of goodwill	3 098	3 135
Exceptional items	383	413
Loss arising on discontinuance of operations	14 142	5 041
Impairment and amortisation of intangibles on discontinuing operations	-	24 441
Headline (loss)/earnings	(441)	1 150
Loss from discontinuing operations	5 519	10 154
Headline earnings from continuing operations	5 078	11 304
<b>Analysis of exceptional items</b>		
Share trust write-down	752	413
Profit on sale of JV	(369)	-
	383	413
<b>Analysis of loss arising on discontinuance of operations</b>		
Closure costs and impairments	5 486	977
Negative goodwill written off	(347)	-
Loss on sale of X Press Net (Pty) Ltd	-	4 064
Reduction in amount owing by X Press Net (Pty) Ltd	9 003	0
	14 142	5 041

#### SEGMENTAL REPORTING

	Audited Year ended 31 May 2003 R'000	Audited Year ended 31 May 2002 R'000
<b>Revenue</b>		
<i>Continuing operations</i>		
Logistics	48 868	49 314
Services	12 244	13 156
Corporate	-	-
	61 112	62 470
<i>Discontinuing operations</i>		
Parcel distribution	-	70 224
Gologix Courier	12 942	26 179
Technology and other services	-	926
	12 942	97 329
<b>EBITDA</b>		
<i>Continuing operations</i>		
Logistics	15 533	17 403
Services	2 536	4 963
Corporate	(3 058)	(4 103)
	15 011	18 263
<i>Discontinuing operations</i>		
Parcel distribution	-	(4 414)
Gologix Courier	(7 056)	(6 038)
Technology and other services	-	(2 175)
	(7 056)	(12 627)
<b>Commitments</b>		
Operating lease commitments (not exceeding five years)	4 288	11 580
<b>Contingencies</b>		

OneLogix continues to guarantee certain of the asset-based operating lease commitments and finance facilities on behalf of X Press Net (Pty) Ltd, its former distribution business, amounting to approximately R3,4 million (not exceeding five years). Certain securities and sureties are in place to offset any such contingencies which may arise.

**Note:**  
1. The comparatives have been adjusted in order to reflect the results of Gologix Courier as a discontinued operation in the prior year.

#### CONDENSED CONSOLIDATED BALANCE SHEET

	Audited 31 May 2003 R'000	Audited 31 May 2002 R'000
<b>ASSETS</b>		
<b>Non-current assets</b>	37 612	50 696
Property, plant and equipment	10 585	7 870
Intangible assets	22 111	27 388
Other assets	-	12 533
Deferred tax	4 916	2 905
<b>Current assets</b>	17 513	30 570
Trade and other receivables	12 932	22 645
Cash resources	4 581	7 925
<b>Total assets</b>	55 125	81 266
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Ordinary shareholders' funds	29 716	38 180
<b>Liabilities</b>		
<b>Non-current liabilities</b>	7 404	13 935
Interest bearing borrowings	4 904	5 679
Vendor liabilities	2 500	8 256
<b>Current liabilities</b>	18 005	29 151
Trade and other payables	8 958	10 138
Interest bearing borrowings	4 292	2 176
Vendor liabilities	4 123	1 785
Bank overdraft	-	14 446
Taxation	632	606
<b>Total equity and liabilities</b>	55 125	81 266
Net asset value per share (cents)	10,6	27,5
Net tangible asset value per share (cents)	2,7	7,8

#### CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Audited Year ended 31 May 2003 R'000	Audited Year ended 31 May 2002 R'000
Opening equity	38 180	100 719
New shares issued less costs (including the issue of treasury shares)	9 600	9 119
Shares issued to vendor	-	7 000
Adjustment to goodwill previously written-off against share premium	-	7 607
Shares repurchased including costs	-	(54 385)
Net loss	(18 064)	(31 880)
Closing equity	29 716	38 180

#### CONDENSED CONSOLIDATED CASH FLOW STATEMENT

	Audited Year ended 31 May 2003 R'000	Audited Year ended 31 May 2002 R'000
Net cash generated from operations	6 839	918
Net cash flows from investing activities	(5 740)	(34 315)
Net cash flows from financing activities	10 003	(47 542)
Net increase/(decrease) in cash resources	11 102	(80 939)
Cash resources at beginning of year	(6 521)	74 418
Cash resources at end of year	4 581	(6 521)

## COMMENTS

### • INTRODUCTION

The annual financial statements have been audited by PricewaterhouseCoopers Inc. and the audit opinion is available for inspection at OneLogix's registered office. The audited annual financial statements have been prepared in accordance with South African Statements of Generally Accepted Accounting Practice. The accounting policies used in the preparation of these audited annual financial statements are consistent with those used in the audited annual financial statements for the year ended 31 May 2002.

Despite difficult trading conditions and substantial closure costs incurred in respect of the GoLogix Courier division, OneLogix managed to improve its cash position and to reduce its risk profile. Factors including prudent management of the closure and a reduction in debt across the group have contributed to the group's restored operational profitability post 30 November 2002.

### • THE YEAR

#### Operations

Although performances from Vehicle Delivery Services and GoLogix Media Express slowed during the year, these businesses continue to dominate their respective markets of auto-logistics and express distribution of print material. Strong cash generation and tightened working capital discipline enabled these businesses to maintain healthy margins and to reduce debt while remaining cash positive at year-end. PostNet's successful nationwide network continues to offer distinctive business and communication service solutions to an entrenched and expanding customer base.

#### Events

As announced on 26 May 2003 OneLogix successfully completed a R10 million rights issue, further entrenching management's ownership in the group.

#### Closure and Disposals

As reported in the group's interim results OneLogix closed the GoLogix Courier division with effect from 30 November 2002 resulting in an after-tax loss of R5,5 million, in addition to an after-tax trading loss of R5,5 million incurred for the interim period.

Shareholders' attention is drawn to the announcement dated 21 June 2002 recording the sale by OneLogix to a management-led consortium of its distribution business, X Press Net (Pty) Ltd ("X Press Net"), trading as GoLogix Distribution. On 3 June 2003 the group concluded a settlement agreement with X Press Net in terms of which the group reduced the sum owing by X Press Net by R9,0 million and received a R1,5 million immediate cash payment together with a R0,5 million cash payment due

over the first half of the current financial year. The settlement agreement further resulted in OneLogix reducing its commitments and undertakings.

### • FINANCIAL RESULTS

OneLogix's financial results for continuing operations for the year reflect a 2% decline in revenue to R61,1 million, an 18% decrease in EBITDA to R15 million and a 33% decrease in operating income to R11,6 million.

The total one-off after-tax losses in respect of the discontinuing operations amounted to R19,7 million for the year. Interest paid increased substantially to R3,9 million as a result of interest bearing debt incurred to expand the VDS fleet, finance the closures and disposals of loss-making divisions to date and pay vendor liabilities.

Exceptional items of R0,4 million relate primarily to the write-down of the OneLogix Share Trust loan.

### • PROSPECTS

The group will continue to focus on organic growth of its leading niche, high margin, cash generating businesses. Sustained positive cash flows expected from these operations, underpinned by the proceeds of the rights issue, will continue to bolster the group's balance sheet and enable OneLogix to pursue growth opportunities going forward.

### • PEOPLE

As reported in the group's interim results Ian Lourens, formerly OneLogix Chief Operating Officer, was appointed as Chief Executive Officer with effect from 1 October 2002.

The group thanks its management, employees, PostNet franchisees and business partners as well as its business advisors, shareholders and customers for their ongoing support.

### • DIVIDEND

In line with group policy no dividend has been declared for the year.

By order of the Board.

**Ian Lourens (CEO)**

**Cameron Mc Culloch (FD)**

22 August 2003