

STATEMENTS OF FINANCIAL POSITION

	GROUP	
	2017	2016
	Rs'000	Rs'000
ASSETS		
Non-current assets	2,432,345	2,689,880
Current assets	2,194,344	2,037,534
Total Assets	4,626,689	4,727,414
EQUITY AND LIABILITIES		
Share capital and reserves		
Owners' interest	1,773,582	1,711,983
Non controlling interests	296,680	276,315
Total Equity	2,070,262	1,988,298
Non-current liabilities	639,360	895,786
Current liabilities	1,917,067	1,843,330
Total Equity and Liabilities	4,626,689	4,727,414
Net assets per share(Rs)	157.52	152.05
Number of ordinary shares	11,259,388	11,259,388

STATEMENTS OF PROFIT OR LOSS

	GROUP	
	2017	2016
	Rs'000	Rs'000
Revenue	3,993,082	3,724,344
<i>Continuing operations</i>		
Profit before finance costs	45,568	126,703
Finance costs	(49,933)	(45,651)
Net profit on disposal of investments	104,506	-
Impairment	(21,982)	(16,192)
Net share of results of associates and joint ventures	132,001	50,019
Profit before tax	210,160	114,879
Income tax	(25,567)	(35,190)
Profit for the year from continuing operations	184,593	79,689
Post tax loss from discontinued operations	(69,296)	(157,233)
Profit/(loss) for the year	115,297	(77,544)
Attributable to:		
Owners of the parent	114,188	(33,693)
Non controlling interests	1,109	(43,851)
	115,297	(77,544)
Earnings per share from continuing operations(Rs/cents)	15.82	6.20
Loss per share from discontinued operations (Rs/cents)	(5.68)	(9.19)

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Profit/(loss) for the year	115,297	(77,544)
Other comprehensive (loss)/income for the year net of tax	(8,073)	126,114
Total comprehensive income for the year	107,224	48,570
Attributable to:		
Owners of the parent	106,335	63,539
Non controlling interests	889	(14,969)
	107,224	48,570

STATEMENTS OF CHANGES IN EQUITY

GROUP	Share Capital	Revaluation, Fair Value and Other Reserves	Actuarial Losses	Retained Earnings	Total	Non controlling Interests	Total
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
	Balance at 1 January 2017	112,594	566,327	(80,727)	1,113,789	1,711,983	276,315
Profit for the year	-	-	-	114,188	114,188	1,109	115,297
Other comprehensive income/(loss) for the year	-	7,689	(15,542)	-	(7,853)	(220)	(8,073)
Total comprehensive income/(loss) for the year	-	7,689	(15,542)	114,188	106,335	889	107,224
Non-controlling interests arising on business combination	-	-	-	-	-	79	79
Movement in reserves	-	-	-	13	13	2	15
Disposal of subsidiary	-	(118,399)	933	117,466	-	(28)	(28)
Change in ownership interest in subsidiaries that does not result in loss of control	-	-	-	5,388	5,388	(2,388)	3,000
Other movement	-	-	-	(29,870)	(29,870)	29,870	-
Dividends	-	-	-	(20,267)	(20,267)	-	(20,267)
Dividends payable to non controlling shareholders	-	-	-	-	-	(8,059)	(8,059)
	-	(118,399)	933	72,730	(44,736)	19,476	(25,260)
Balance at 31 December 2017	112,594	455,617	(95,336)	1,300,707	1,773,582	296,680	2,070,262
Balance at 1 January 2016	112,594	367,590	(51,545)	1,267,979	1,696,618	270,574	1,967,192
Loss for the year	-	-	-	(33,693)	(33,693)	(43,851)	(77,544)
Other comprehensive income/(loss) for the year	-	126,414	(29,182)	-	97,232	28,882	126,114
Total comprehensive income/(loss) for the year	-	126,414	(29,182)	(33,693)	63,539	(14,969)	48,570
Change in ownership interest in subsidiary that does not result in loss of control	-	74,037	-	(101,944)	(27,907)	27,907	-
Issue of shares to non-controlling shareholders	-	-	-	-	-	231	231
Movement in reserve	-	(1,714)	-	1,714	-	-	-
Dividends	-	-	-	(20,267)	(20,267)	-	(20,267)
Dividends payable to non controlling shareholders	-	-	-	-	-	(7,428)	(7,428)
	-	198,737	(29,182)	(154,190)	15,365	5,741	21,106
Balance at 31 December 2016	112,594	566,327	(80,727)	1,113,789	1,711,983	276,315	1,988,298

STATEMENTS OF CASH FLOWS

	GROUP	
	2017	2016
	Rs'000	Rs'000
Net cash generated from operating activities from continuing operations	996	108,985
Net cash generated from operating activities from discontinued operations	20,652	145,075
Net cash generated from/(absorbed in) investing activities from continuing operations	72,454	(67,827)
Net cash absorbed in investing activities from discontinued operations	(4,174)	(102,673)
Net cash absorbed in financing activities from continuing operations	(87,744)	(57,871)
Net cash generated from financing activities from discontinued operations	4,889	28,613
Net increase in cash and cash equivalents	7,073	54,302
Movement in cash and cash equivalents		
At 1 January	36,438	(33,290)
Increase	7,073	54,302
Effect of foreign exchange difference	11,063	15,426
At 31 December	54,574	36,438

The abridged financial statements, prepared in line with International Financial Reporting Standards and audited by BDO & Co., were authorised for issue by the Board of Directors on 22 March 2018.

Profile

Based in Mauritius, Harel Mallac (the Group) operates in six countries in Africa and the Indian Ocean, and employs some 1,100 people. It comprises three distinct clusters of operations: Manufacturing & Trading, Business Services and Asset Management.

Performance

The Group achieved a consolidated revenue from continuing operations of Rs 4 billion, representing an increase by 7% over 2016. This increase has been driven by the following sub-divisions: Technology Equipment, Chemicals & Hygiene, Chemicals & Fertilisers and Technology Integration Services.

Profit before finance costs ('PBFC') was however impacted by our Chemicals & Fertilisers sub-division, which experienced difficult trading conditions in its fertilisers' business and its contracting activities. Our Industrial Equipment & Technology Integration Services sub-divisions also performed below expectations in terms of PBFC.

The disposal of our investment in Compagnie des Magasins Populaires Limitée (CMPL) has generated a group profit on disposal of Rs 105 million and has freed up significant resources, enabling Harel Mallac to concentrate on the smooth rollout of its growth strategies.

Our net share of results of Associates and Joint Ventures increased by Rs 82 million compared to last year, driven by our investments in the hospitality sector. Our associate in the construction sector recovered from the losses it experienced in 2016.

Harel Mallac ended 2017 with a Profit after tax of Rs 115 million, compared to losses of Rs 78 million in 2016.

Outlook

In line with the strategy announced in 2016, Harel Mallac is, on one hand, actively re-engineering its traditional trading activities by integrating technology and seeking organic growth, and, on the other, expanding its Business Services. The key priority for 2018 is the improvement of our operational results, by offering solutions to our customers to make a difference for the better.

The statement of direct and indirect interests of officers of the Company required under the rule 8(2)(m) of the Securities (Disclosure Obligations of Reporting Issuers) Rules 2007 is available upon request from the Company Secretary, HM Secretaries Ltd, 18 Edith Cavell street, Port-Louis.

Copies of the abridged audited financial statements are available free of charge upon request at the Company's registered office, 18 Edith Cavell street, Port-Louis.

This report is issued pursuant to Listing Rule 12.14 and the Securities Act 2005. The Board of Directors of Harel Mallac & Co. Ltd accepts full responsibility for the accuracy of the information contained therein.

By order of the Board
HM Secretaries Ltd
Company Secretary
22 March 2018

STATEMENTS OF FINANCIAL POSITION

	GROUP	
	30 September 2017	31 December 2016
	Rs'000	Rs'000
ASSETS		
Non-current assets	2,403,957	2,689,880
Current assets	1,756,411	2,037,534
Total assets	4,160,368	4,727,414
EQUITY AND LIABILITIES		
Capital and reserves		
Owners' interest	1,735,142	1,711,983
Non controlling interests	269,586	276,315
Total equity	2,004,728	1,988,298
Non-current liabilities	645,523	895,786
Current liabilities	1,510,117	1,843,330
Total equity and liabilities	4,160,368	4,727,414
Net assets per share(Rs)	154.11	152.05
Number of ordinary shares	11,259,388	11,259,388

STATEMENTS OF PROFIT OR LOSS

	GROUP			
	Three months to 30 Sep 2017	Three months to 30 Sep 2016	Nine months to 30 Sep 2017	Nine months to 30 Sep 2016
	Rs'000	Rs'000	Rs'000	Rs'000
Revenue	973,150	963,354	2,701,540	2,651,936
(Loss)/profit before finance costs	(6,367)	38,812	(7,392)	69,363
Finance costs	(20,959)	(14,302)	(51,710)	(48,437)
Share of result of associates & joint ventures	22,067	10,925	72,815	15,354
Net impairment of asset	(20,500)	-	(20,500)	-
(Loss)/profit before tax	(25,759)	35,435	(6,787)	36,280
Income tax	(5,665)	(7,028)	(13,627)	(14,648)
(Loss)/profit for the period from continuing operations	(31,424)	28,407	(20,414)	21,632
Discontinued operations				
Post tax loss from discontinued operations	(12,305)	(32,935)	(60,396)	(88,120)
Profit on disposal of subsidiary	87,947	-	87,947	-
Profit/(loss) for the period	44,218	(4,528)	7,137	(66,488)
Attributable to:				
Owners of the parent	45,342	8,077	15,309	(22,231)
Non controlling interests	(1,124)	(12,605)	(8,172)	(44,257)
Profit/(loss) for the period	44,218	(4,528)	7,137	(66,488)
Basic (loss)/earnings per share from continuing operations (Rs/cents)	(2.47)	1.99	(1.57)	1.91
Earnings/(loss) per share from discontinued operations (Rs/cents)	6.50	(1.28)	2.93	(3.88)

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	30 September 2017	31 December 2016	30 September 2017	31 December 2016
	Rs'000	Rs'000	Rs'000	Rs'000
Profit/(loss) for the period	44,218	(4,528)	7,137	(66,488)
Other comprehensive income for the period net of tax	10,018	2,873	9,454	18,216
Total comprehensive income for the period	54,236	(1,655)	16,591	(48,272)
Other comprehensive income attributable to:				
Owners of the parent	10,307	(25,394)	7,850	(13,785)
Non controlling interests	(289)	28,267	1,604	32,001
	10,018	2,873	9,454	18,216

STATEMENTS OF CHANGES IN EQUITY

	Share Capital	Actuarial losses	Revaluation, Fair value and other Reserves	Retained Earnings	Total
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
GROUP					
Balance at 1 January 2017	112,594	(80,727)	566,327	1,113,789	1,711,983
Profit for the period	-	-	-	15,309	15,309
Other comprehensive income	-	-	7,850	-	7,850
Balance at 30 September 2017	112,594	(80,727)	574,177	1,129,098	1,735,142
Balance at 1 January 2016	112,594	(51,545)	367,590	1,267,979	1,696,618
Loss for the period	-	-	-	(22,231)	(22,231)
Effect of change in ownership not resulting in loss of control	-	-	74,036	(101,944)	(27,908)
Other comprehensive income	-	-	14,123	-	14,123
Balance at 30 September 2016	112,594	(51,545)	455,749	1,143,804	1,660,602

STATEMENTS OF CASH FLOWS

	GROUP	
	Nine months to 30 Sep 2017	Nine months to 30 Sep 2016
	Rs'000	Rs'000
Operating activities		
Net cash (absorbed in)/generated from operations from continuing operations	(140,566)	107,926
Net cash absorbed in from discontinued operations	(35,213)	(97,810)
Investing activities		
Net cash generated from investing activities from continuing operations	112,432	35,881
Net cash used in investing activities from discontinued operations	(5,280)	(57,270)
Financing activities		
Net cash absorbed in financing activities from continuing operations	(137,412)	(88,521)
Net cash absorbed in financing activities from discontinued operations	(2,367)	(32,487)
Decrease in cash and cash equivalents	(208,406)	(132,281)
Movement in cash and cash equivalents		
At 1 January	36,438	(33,290)
Decrease	(208,406)	(132,281)
Effect of foreign exchange difference	5,145	13,116
At 30 September	(166,823)	(152,455)

The quarterly condensed financial statements have been prepared using the same accounting policies as for the statutory financial statements for the year ended 31 December 2016, except for the adoption of published Standards that are now effective.

Profile
Based in Mauritius, Harel Mallac Group operates in six countries in Africa and the Indian Ocean, and employs some 1,100 people. It runs some 20 companies operating in three clusters of operations: Manufacturing & Trading, Business Services and Asset Management.

Business Review
For the nine months under review, revenue increased to Rs2,702m from Rs2,652m in the corresponding period last year.

Following its successful restructuring, our Technology Integration Services sub-division performed better than last year. Group profit before finance costs was however impacted by our Chemicals & Fertilisers sub-division, which experienced difficult trading conditions in its fertilisers' export and its contracting activities.

NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS

The reportable segments are strategic business units that offer different products and services.

	Investment, Corporate & Property	Business Services	Manufacturing & Trading	Consolidation adjustments	Total
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
Nine months ended 30 September 2017					
Total segment revenues	147,198	540,351	2,377,256	-	3,064,805
Inter-segment revenues	(138,786)	(24,694)	(199,785)	-	(363,265)
Revenues from external customers	8,412	515,657	2,177,471	-	2,701,540
Segment (loss)/profit	(32,274)	1,380	48,146	(24,644)	(7,392)
Share of results of associates & joint ventures	72,815	-	-	-	72,815
Net impairment of asset	(20,500)	-	-	-	(20,500)
Finance costs	(54,616)	(4,037)	(17,701)	24,644	(51,710)
(Loss)/profit before tax	(34,575)	(2,657)	30,445	-	(6,787)
Total assets					
30 September 2017	1,804,910	350,123	2,005,335	-	4,160,368
31 December 2016	1,844,542	340,010	2,542,862	-	4,727,414
Nine months ended 30 September 2016					
Total segment revenues	128,629	483,479	2,280,668	-	2,892,776
Inter-segment revenues	(118,723)	(39,478)	(82,639)	-	(240,840)
Revenues from external customers	9,906	444,001	2,198,029	-	2,651,936
Segment profit/(loss)	3,263	14,134	89,437	(37,471)	69,363
Share of results of associates & joint ventures	15,354	-	-	-	15,354
Finance costs	(54,890)	(4,935)	(26,083)	37,471	(48,437)
(Loss)/profit before tax	(36,273)	9,199	63,354	-	36,280
Total assets					
30 September 2016	1,666,297	355,637	2,321,156	-	4,343,090
31 December 2015	1,783,177	378,379	2,433,682	-	4,595,238

Our associates in general performed better than last year by Rs57m with notable improvements in the investments in the hospitality and construction sectors.

The ongoing restructuring of the Group, which generated an improvement in profit after tax from a loss of Rs66m in the corresponding period last year to a profit of Rs7m, includes:

- The disposal of our investment in Compagnie des Magasins Populaires Limitée ("CMPL") during the third quarter which generated a profit of Rs88m, and;
- The net impairment of disputed assets of Rs20m.

Outlook

The disposal of our investment in CMPL has freed up important resources, which were necessary for the Group to concentrate on the smooth rollout of its growth strategies.

Given the nature of our activities, revenue in the last quarter of 2017 is expected to be better than the previous individual quarters.

The statement of direct and indirect interests of officers of the Company required under the rule 8(2)m of the Securities (Disclosure Obligations of Reporting Issuers) Rules 2007 is available upon request from the Company Secretary, HM Secretaries Ltd, 18 Edith Cavell street, Port-Louis.

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By order of the Board
HM Secretaries Ltd
Company Secretary
14 November 2017

STATEMENTS OF FINANCIAL POSITION

	GROUP	
	30 June 2017	31 December 2016
	Rs'000	Rs'000
ASSETS		
Non-current assets	2,685,535	2,689,880
Current assets	1,826,746	2,037,534
Total Assets	4,512,281	4,727,414
EQUITY AND LIABILITIES		
Capital and reserves		
Owners' interest	1,685,114	1,711,983
Non controlling interests	273,522	276,315
Total Equity	1,958,636	1,988,298
Non-current liabilities	889,614	895,786
Current liabilities	1,664,031	1,843,330
Total Equity and Liabilities	4,512,281	4,727,414
Net assets per share(Rs)	149.66	152.05
Number of ordinary shares	11,259,388	11,259,388

STATEMENT OF PROFIT OR LOSS

	GROUP			
	Three months to 30 June 2017	Three months to 30 June 2016	Six months to 30 June 2017	Six months to 30 June 2016
	Rs'000	Rs'000	Rs'000	Rs'000
Revenue	1,127,820	1,122,860	2,210,096	2,131,811
(Loss)/profit before finance costs	(2,146)	6,710	(42,453)	(996)
Finance costs	(19,628)	(20,530)	(37,505)	(41,742)
Share of result of associates and joint ventures	23,474	(16,177)	50,748	4,429
Profit/(loss) before tax	1,700	(29,997)	(29,210)	(38,309)
Income tax	(6,136)	(4,482)	(7,962)	(7,620)
Loss for the period from continuing operations	(4,436)	(34,479)	(37,172)	(45,929)
Discontinued operations				
Post tax profit/(loss) from discontinued operations	683	(7,931)	91	(16,031)
	(3,753)	(42,410)	(37,081)	(61,960)
Attributable to:				
Owners of the parent	428	(17,247)	(30,033)	(30,308)
Non controlling interests	(4,181)	(25,163)	(7,048)	(31,652)
Loss for the year	(3,753)	(42,410)	(37,081)	(61,960)
Basic loss per share from continuing operations(Rs/cents)	(0.02)	(0.83)	(2.68)	(1.27)
Earnings/(loss) per share from discontinued operations(Rs/cents)	0.06	(0.70)	0.01	(1.42)

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Loss for the period	(3,753)	(42,410)	(37,081)	(61,960)
Other comprehensive income for the period net of tax	5,195	15,343	7,419	14,310
Total comprehensive income for the period	1,442	(27,067)	(29,662)	(47,650)
Other comprehensive income attributable to:				
Owners of the parent	1,516	11,609	3,164	10,186
Non controlling interests	3,679	3,734	4,255	4,124
	5,195	15,343	7,419	14,310

STATEMENTS OF CHANGES IN EQUITY

GROUP	Share Capital	Revaluation, Fair Value and Other Reserves	Actuarial Losses	Retained Earnings	Total
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
Balance at 1 January 2017	112,594	(80,727)	566,327	1,113,789	1,711,983
Loss for the period	-	-	-	(30,033)	(30,033)
Other comprehensive income	-	-	3,164	-	3,164
Balance at 30 June 2017	112,594	(80,727)	569,491	1,083,756	1,685,114
Balance at 1 January 2016	112,594	(51,545)	367,590	1,267,979	1,696,618
Loss for the period	-	-	-	(30,308)	(30,308)
Other comprehensive income	-	-	10,186	-	10,186
Balance at 30 June 2016	112,594	(51,545)	377,776	1,237,671	1,676,496

STATEMENTS OF CASH FLOWS

	GROUP	
	Six months to 30 June 2017	Six months to 30 June 2016
	Rs'000	Rs'000
Operating activities		
Net cash absorbed in operations from continuing operations	(131,140)	(67,790)
Cash generated from operations from discontinued operations	10,930	16,144
Investing activities		
Net cash (absorbed in)/generated from investing activities from continuing operations	(8,402)	39,152
Net cash generated from investing activities from discontinued operations	-	340
Financing activities		
Net cash absorbed in financing activities from continuing operations	(126,056)	(88,209)
Net cash absorbed in financing activities from discontinued operations	-	(5,130)
Decrease in cash and cash equivalents	(254,668)	(105,493)
Movement in cash and cash equivalents		
At 1 January	36,438	(33,290)
Decrease	(254,668)	(105,493)
Effect of foreign exchange difference	-	10,445
At 30 June	(218,230)	(128,338)

Profile

Based in Mauritius, Harel Mallac Group operates in six countries in Africa and the Indian Ocean, and employs some 1,380 people. It runs three clusters of operations: Manufacturing & Trading, Business Services and Asset Management.

Performance

For the six months ended 30 June 2017, Group revenue increased to Rs2.2 billion, an increase of 4% compared to the equivalent period of last year.

The share of results from our associates and joint ventures increased by Rs46 million compared to last year, driven by our investments in the hospitality sector, which continue to perform well. Our associate in the construction sector is gradually recovering from the losses it experienced in 2016.

The Group experienced losses of Rs37.1 million for the six months ended 30 June 2017, including the significant losses of the retail division (CMPL) of Rs48.2 million.

Harel Mallac & Co. Ltd has now successfully sold the shares it held in CMPL (which constituted 90.96% of the equity of CMPL) to Winhold Ltd, a subsidiary of IBL, for and in consideration of a purchase price of Rs141M. This transaction will have a positive impact on the Group's results going forward.

NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS

The reportable segments are strategic business units that offer different products and services.

	Investment, Corporate & Property	Business Services	Manufacturing & Trading	Consolidation adjustments	Total
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
Six months ended 30 June 2017					
Total segment revenues	87,680	376,660	1,993,168	-	2,457,508
Inter-segment revenues	(82,183)	(17,869)	(147,360)	-	(247,412)
Revenues from external customers	5,497	358,791	1,845,808	-	2,210,096
Segment (loss)/profit	(8,772)	1,748	(15,813)	(19,616)	(42,453)
Share of results of associates & joint ventures	50,748	-	-	-	50,748
Finance costs	(36,080)	(2,736)	(18,305)	19,616	(37,505)
Profit/(loss) before tax	5,896	(988)	(34,118)	-	(29,210)
Total assets 30 June 2017	1,764,513	343,893	2,403,875	-	4,512,281
31 December 2016	1,844,542	340,010	2,542,862	-	4,727,414
Six months ended 30 June 2016					
Total segment revenues	99,231	324,736	1,974,792	-	2,398,759
Inter-segment revenues	(90,776)	(42,431)	(133,741)	-	(266,948)
Revenues from external customers	8,455	282,305	1,841,051	-	2,131,811
Segment profit/(loss)	1,091	13,681	8,882	(24,650)	(996)
Share of results of associates & joint ventures	4,429	-	-	-	4,429
Finance costs	(36,471)	(3,378)	(26,543)	24,650	(41,742)
(Loss)/profit before tax	(30,951)	10,303	(17,661)	-	(38,309)
Total assets 30 June 2016	1,647,610	293,296	2,273,252	-	4,214,158
31 December 2015	1,686,709	378,379	2,433,682	-	4,498,770

The statement of direct and indirect interests of officers of the Company required under the rule 8(2)m of the Securities (Disclosure Obligations of Reporting Issuers) Rules 2007 is available upon request from the Company Secretary, HM Secretaries Ltd, 18 Edith Cavell street, Port-Louis.

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By order of the Board
HM Secretaries Ltd
Company Secretary
14 August 2017

STATEMENTS OF FINANCIAL POSITION

	GROUP	
	31 March 2017	31 December 2016
	Rs'000	Rs'000
ASSETS		
Non-current assets	2,720,187	2,689,880
Current assets	1,735,156	2,037,534
Total Assets	4,455,343	4,727,414
EQUITY AND LIABILITIES		
Capital and reserves		
Owners' interest	1,683,170	1,711,983
Non controlling interests	274,021	276,315
Total Equity	1,957,191	1,988,298
Non-current liabilities	919,470	895,786
Current liabilities	1,578,682	1,843,330
Total Equity and Liabilities	4,455,343	4,727,414
Net assets per share(Rs)	149.49	152.05
Number of ordinary shares	11,259,388	11,259,388

STATEMENTS OF PROFIT OR LOSS

	GROUP	
	Quarter to 31 March 2017	Quarter to 31 March 2016
	Rs'000	Rs'000
Revenue	1,082,276	1,008,951
Loss before finance costs	(40,307)	(7,706)
Finance costs	(17,877)	(21,212)
Share of results of associates	27,274	20,606
Loss before tax	(30,910)	(8,312)
Income tax	(1,826)	(3,138)
Loss for the period from continuing operations	(32,736)	(11,450)
Discontinued operations		
Post tax loss from discontinued operations	(592)	(8,100)
	(33,328)	(19,550)
Attributable to:		
Owners of the parent	(30,461)	(13,061)
Non controlling interests	(2,867)	(6,489)
	(33,328)	(19,550)
Loss per share per continuing operations(Rs/cents)	(2.65)	(0.44)
Loss per share from discontinued operations(Rs/cents)	(0.05)	(0.72)

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Loss for the period	(33,328)	(19,550)
Other comprehensive income for the period net of tax	2,224	(1,033)
Total comprehensive income for the period	(31,104)	(20,583)
Other comprehensive income attributable to:		
Owners of the parent	1,648	(1,423)
Non controlling interests	576	390
	2,224	(1,033)

STATEMENTS OF CHANGES IN EQUITY

GROUP	Share Capital Rs'000	Revaluation, Fair Value and Other Reserves Rs'000	Actuarial Losses Rs'000	Retained Earnings Rs'000	Total Rs'000						
						Balance at 1 January 2017	112,594	(80,727)	566,327	1,113,789	1,711,983
						Loss for the period	-	-	-	(30,461)	(30,461)
Other comprehensive income	-	-	1,648	-	1,648						
Balance at 31 March 2017	112,594	(80,727)	567,975	1,083,328	1,683,170						
Balance at 1 January 2016	112,594	(51,545)	367,590	1,267,979	1,696,618						
Loss for the period	-	-	-	(13,061)	(13,061)						
Other comprehensive income	-	-	(1,423)	-	(1,423)						
Balance at 31 March 2016	112,594	(51,545)	366,167	1,254,918	1,682,134						

	GROUP	
	Quarter to 31 March 2017	Quarter to 31 March 2016
	Rs'000	Rs'000
Operating activities		
Net cash absorbed in operating activities	(4,005)	(51,355)
Investing activities		
Net cash (used in)/ generated from investing activities	(11,058)	9,703
Financing activities		
Net cash absorbed in financing activities	(46,984)	(19,254)
Decrease in cash and cash equivalents	(62,047)	(60,906)
Movement in cash and cash equivalents		
At 1 January	36,438	(33,290)
Decrease	(62,047)	(60,906)
Effect of foreign exchange difference	(1,075)	(1,052)
At 31 March	(26,684)	(95,248)

Profile

Based in Mauritius, Harel Mallac Group operates in six countries in Africa and the Indian Ocean, and employs some 1,380 people. It runs three distinct clusters of operations: Manufacturing & Trading, Business Services and Asset Management.

Performance

During the quarter under review which remains the most difficult quarter of the year, Group revenue for the quarter increased to Rs1.1 billion, up by 7% compared to the first quarter of last year.

Finance costs decreased by Rs3.3million for the quarter under review compared to the equivalent period last year, driven by lower cost of borrowings.

The share of results from our associates and joint ventures for the quarter ended 31 March 2017 increased by Rs6.7million compared to the first quarter of 2016, driven by our investments in the hospitality sector, which continue to perform well.

The Group ended the first quarter of 2017 with a loss after tax of Rs33.3 million, including the significant losses of our retail division of Rs21.8 million.

NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS

The reportable segments are strategic business units that offer different products and services.

	Investment, Corporate & Property	Business Services	Manufacturing & Trading	Consolidation adjustments	Total
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
Quarter ended 31 March 2017					
Total segment revenues	33,470	169,086	987,611	-	1,190,167
Inter-segment revenues	-	(5,128)	(57,981)	(44,782)	(107,891)
Revenues from external customers	33,470	163,958	929,630	(44,782)	1,082,276
Continuing operations					
Segment profit/(loss)	(1,673)	(11,320)	(17,258)	(10,056)	(40,307)
Share of profit of associates	27,274	-	-	-	27,274
Finance costs	(17,960)	(1,031)	(8,942)	10,056	(17,877)
Profit/(loss) before tax	7,641	(12,351)	(26,200)	-	(30,910)
Total assets					
31 March 2017	1,811,825	287,646	2,355,872	-	4,455,343
31 December 2016	1,844,542	340,010	2,542,862	-	4,727,414
Quarter ended 31 March 2016					
Total segment revenues	38,686	161,678	902,896	-	1,103,260
Inter-segment revenues	-	(14,134)	(23,449)	(56,726)	(94,309)
Revenues from external customers	38,686	147,544	879,447	(56,726)	1,008,951
Continuing operations					
Segment profit/(loss)	3,522	(1,797)	(237)	(9,194)	(7,706)
Share of profit of associates	20,606	-	-	-	20,606
Finance costs	(17,712)	(2,651)	(13,479)	12,630	(21,212)
Profit/(loss) before tax	6,416	(4,448)	(13,716)	3,436	(8,312)
Total assets					
31 March 2016	1,735,319	282,529	2,238,036	-	4,255,884
31 December 2015	1,686,709	378,379	2,433,682	-	4,498,770

The statement of direct and indirect interests of officers of the Company required under the rule 8(2)m of the Securities (Disclosure Obligations of Reporting Issuers) Rules 2007 is available upon request from the Company Secretary, HM Secretaries Ltd, 18 Edith Cavell street, Port-Louis.

Copies of the abridged audited financial statements are available free of charge upon request at the Company's registered office, 18 Edith Cavell street, Port-Louis.

This report is issued pursuant to Listing Rule 12.14 and the Securities Act 2005. The Board of Directors of Harel Mallac & Co. Ltd accepts full responsibility for the accuracy of the information contained therein.

By order of the Board
HM Secretaries Ltd
Company Secretary
12 May 2017