

STATEMENTS OF FINANCIAL POSITION

	GROUP	
	31 March 2021	31 December 2020
	Rs'000	Rs'000
ASSETS		
Non-current assets	2,317,735	2,380,602
Current assets	1,488,403	1,449,814
Assets classified as held for sale	-	51,445
Total assets	3,806,138	3,881,861
EQUITY AND LIABILITIES		
Capital and reserves		
Owners' interest	1,233,195	1,263,866
Non controlling interests	149,222	150,755
Total equity	1,382,417	1,414,621
Non-current liabilities	749,120	784,843
Current liabilities	1,674,601	1,631,387
Liabilities directly associates with assets classified as held for sale	-	51,010
Total equity and liabilities	3,806,138	3,881,861
Net assets per share (Rs)	109.53	112.25
Number of ordinary shares	11,259,388	11,259,388

STATEMENTS OF PROFIT OR LOSS

	GROUP	
	Quarter to 31 March 2021	Quarter to 31 March 2020
	Rs'000	Rs'000
Revenue	692,298	676,708
Loss before finance costs	(25,818)	(46,510)
Finance costs	(15,543)	(20,697)
Share of results of associates & joint ventures	(11,924)	(23,985)
Profit on disposal of subsidiaries	24,418	-
Loss before tax	(28,867)	(91,192)
Income tax	(1,439)	6,090
Post tax loss from discontinued operations	-	(5,252)
Loss for the period	(30,306)	(90,354)
Attributable to:		
Owners of the parent	(28,063)	(79,850)
Non controlling interests	(2,243)	(10,504)
Loss for the period	(30,306)	(90,354)
Other comprehensive (loss)/income for the period net of tax	(1,898)	7,325
Total comprehensive loss for the period	(32,204)	(83,029)
Other comprehensive (loss)/income attributable to:		
Owners of the parent	(2,608)	5,495
Non controlling interests	710	1,830
	(1,898)	7,325
Loss per share from continuing operations(Rs/cents)	(2.49)	(6.86)
Loss per share from discontinued operations(Rs/cents)	-	(0.24)

PROFILE

Based in Mauritius, Harel Mallac (the Group) also operates in five countries in Africa and the Indian Ocean and employs some 900 persons. It comprises of four divisions: *Equipment & Systems, Chemicals, Technology and Investments & Corporate*.

OVERALL PERFORMANCE

Mauritius went into an unexpected second lockdown as from the 10th of March 2021, which put the Group in a very similar situation to last year, when the lockdown was declared on the 18th of March 2020. The Group was fortunately much better prepared this time; the switch to a full Work From Home mode and the Group's Covid-19 protocol aimed at safeguarding both the health of employees and business continuity were rolled out seamlessly.

The main difference, however, lies in the fact that most sectors of the Mauritian economy are still suffering from the aftermath of an unprecedentedly disrupted business

year in 2020; the Hospitality sector being, by far, the most affected one. For the first three months of 2021, which is traditionally one of our weakest quarters, the Group achieved a consolidated revenue from continuing operations of Rs 692 million, representing a marginal increase of 2%, compared to the same period last year. This positive variance is attributable to our Chemicals division. The Group's operations recorded a loss of Rs 26 million versus a loss of Rs 47 million last year. The same trend is noted in the net results as the losses have reduced from Rs 90 million to Rs 30 million for the quarter under review.

The Group's cash flow is also in a better position than last year with a net increase in cash and cash equivalents of Rs 66 million compared to a negative position of Rs 148 million in March 2020.

The **Investments & Corporate division** has generated less revenue (less dividends from associates and less rental income) than last year and has seen the share of results from associates and joint ventures reduced its

NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS

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

Quarter ended 31 March 2021

Total segment revenues
Inter-segment revenues
Revenues from external customers

Segment loss

Share of results of associates & joint ventures
Profit on disposal of subsidiaries
Finance costs
Loss before tax
Income tax
Net loss after tax

Total assets

31 March 2021
31 December 2020

Quarter ended 31 March 2020

Total segment revenues
Inter-segment revenues
Revenues from external customers

Segment loss

Share of results of associates & joint ventures
Finance costs
Loss before tax
Income tax
Loss from continuing operations
Post tax loss from discontinued operations
Loss for the period

Total assets

31 March 2020
31 December 2019

STATEMENTS OF CASH FLOWS

	GROUP	
	Quarter to 31 March 2021	Quarter to 31 March 2020
	Rs'000	Rs'000
Continuing operations		
Net cash absorbed in operating activities	(26,024)	(226,867)
Net cash generated from/(absorbed in) investing activities	45,211	(5,155)
Net cash generated from financing activities	46,900	83,148
Net increase/(decrease) in cash and cash equivalents	66,087	(148,874)
At 01 January	(167,273)	(84,740)
Effect of foreign exchange difference	(23)	(596)
At 31 March	(101,209)	(234,210)

	Investment & Corporate	Technology	Chemicals	Equipment & Systems	Consolidation adjustments	Total
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
Quarter ended 31 March 2021						
Total segment revenues	28,310	160,715	354,931	184,401	-	728,357
Inter-segment revenues	(673)	(8,279)	(1,418)	(6,326)	(19,363)	(36,059)
Revenues from external customers	27,637	152,436	353,513	178,075	(19,363)	692,298
Segment loss	(1,420)	(2,202)	(9,426)	(4,484)	(8,286)	(25,818)
Share of results of associates & joint ventures	(10,416)	-	(1,508)	-	-	(11,924)
Profit on disposal of subsidiaries	-	-	-	24,418	-	24,418
Finance costs	(5,287)	(1,079)	(8,128)	(4,540)	3,491	(15,543)
Loss before tax	(17,123)	(3,281)	(19,062)	15,394	(4,795)	(28,867)
Income tax	-	(655)	(594)	(190)	-	(1,439)
Net loss after tax	(17,123)	(3,936)	(19,656)	15,204	(4,795)	(30,306)
Total assets						
31 March 2021	1,597,782	323,903	1,350,090	534,363	-	3,806,138
31 December 2020	1,580,934	332,237	1,403,805	564,885	-	3,881,861
Quarter ended 31 March 2020						
Total segment revenues	39,768	177,836	346,454	198,916	-	762,974
Inter-segment revenues	(1,367)	(13,132)	(7,234)	(10,708)	(53,825)	(86,266)
Revenues from external customers	38,401	164,704	339,220	188,208	(53,825)	676,708
Segment loss	(3,827)	(505)	(19,663)	(17,374)	(5,141)	(46,510)
Share of results of associates & joint ventures	(13,064)	-	(10,921)	-	-	(23,985)
Finance costs	(12,506)	(1,638)	(8,040)	(5,544)	7,031	(20,697)
Loss before tax	(29,397)	(2,143)	(38,624)	(22,918)	1,890	(91,192)
Income tax	-	(272)	5,280	1,082	-	6,090
Loss from continuing operations	(29,397)	(2,415)	(33,344)	(21,836)	1,890	(85,102)
Post tax loss from discontinued operations	-	-	-	(5,252)	-	(5,252)
Loss for the period	(29,397)	(2,415)	(33,344)	(27,088)	1,890	(90,354)
Total assets						
31 March 2020	1,696,090	355,877	1,400,735	653,821	-	4,106,523
31 December 2019	1,797,349	381,882	1,520,486	640,975	-	4,340,692

STATEMENTS OF CHANGES IN EQUITY

	GROUP		Owners of the Non-controlling		
	Quarter to 31 March 2021	Quarter to 31 March 2020	parent	Interests	Total
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
Balance at 1 January 2021			1,263,866	150,755	1,414,621
Loss for the period			(28,063)	(2,243)	(30,306)
Other comprehensive (loss)/ income for the period			(2,608)	710	(1,898)
Total comprehensive loss for the period			(30,671)	(1,533)	(32,204)
Balance at 31 March 2021			1,233,195	149,222	1,382,417
Balance at 1 January 2020			1,582,294	178,722	1,761,016
Loss for the period			(79,850)	(10,504)	(90,354)
Other comprehensive income for the period			5,495	1,830	7,325
Total comprehensive loss for the period			(74,355)	(8,674)	(83,029)
Balance at 31 March 2020			1,507,939	170,048	1,677,987

The lockdown in March impacted more our **Equipment and Systems division**, which recorded lower revenues due to the postponement in the materialisation of several projects. The results of the division were, however, positively impacted by the disposal of Corexsol International in February, which generated a profit on disposal of Rs 24 million.

GROUP UPDATES

As a responsible employer, we reinforced our sanitary protocols and encourage vaccination amongst our employees. To date, 66% of our local workforce is vaccinated.

OUTLOOK

The economic outlook is still fraught with uncertainty given the impact of the pandemic across the globe, having ramifications at all levels from raw materials, supply chain to sales. The Group remains confident of the benefits it will reap from the restructuring efforts in the Chemicals sector

and its strategic reorientation in other divisions. The announced reopening of our borders, together with the increasing number of Mauritians wanting to be

vaccinated do bring some comfort that the Mauritian economy will soon start its vital, even though slow, journey to recovery.

These unaudited abridged financial statements, prepared in line with International Financial Reporting Standards were authorised for issue by the Board of Directors on 29 June 2021.

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 unaudited 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
29 June 2021