

GROUP UNAUDITED CONDENSED FINANCIAL STATEMENTS FOR THE SIX MONTHS AND QUARTER ENDED 30 JUNE 2024

GROUP CONSOLIDATED REVENUE

MUR 1,739M ▼ 10.87%
MUR 1,951M (JUN 23)

(LOSS)/PROFIT BEFORE FINANCE COST

MUR (99)M ▼ +100%
MUR 44M (JUN 23)

GROUP (LOSS)/PROFIT AFTER TAX

MUR (141)M ▼ +100%
MUR 30M (JUN 23)

CASH FLOW FROM OPERATING ACTIVITIES

MUR 43M ▼ 51.63%
MUR 89M (JUN 23)

OVERALL PERFORMANCE

- The Group posted a consolidated revenue from continuing operations of MUR 1,739 million representing a decrease of 11% compared to the same period last year.
- Our operating entities witnessed marked increases in their operational costs and their impact on the Group's profitability was even more significant during the semester under review which is traditionally the lowest due to the seasonality of our businesses.
- The Group's finance costs slightly decreased to MUR 55 million (HI 2023: MUR 59 million).
- The Group's share of results of associates and joint ventures stood at MUR 29 million (HI 2023: MUR 38 million). Following the spin-off of the Hospitality investments these did not contribute to this year's profit (HI 2023: MUR 18 million accounted for in post-tax profit from discontinued operations).
- The Group recorded a Loss After Tax of MUR 141 million (HI 2023: Profit After Tax of MUR 30 million).
- The Group generated a positive cash flow of MUR 43 million from its operating activities, which represents a decrease of MUR 46 million from the corresponding semester of 2023 (HI 2023: MUR 89 million).

SEGMENTAL COMMENTS

- Chemicals** reported reduced revenue of MUR 886 million (HI 2023: MUR 959 million), driven by MCFI where the agro and industrial segments suffered from pricing pressures while aqua and industrial segments were negatively impacted by disruption in the supply chain causing delayed supplies. This unfortunately offsets the commendable performance of its Chemical & Hygiene division where Revenue and Profit After Tax both grew significantly. The increase in the cost of doing business also fed through the bottom line, leading to a Loss After Tax of MUR 25 million (HI 2023: Profit After Tax of MUR 13 million).
- Equipment & Systems** experienced a decrease in revenue of 23% to MUR 572 million (HI 2023: MUR 740 million). The segment similarly suffered in HI 2024 from delays in the supply chain causing deferred projects' delivery and an increase in the cost of doing business. The segment recorded Losses After Tax of MUR 26 million for the period (HI 2023: Profit After Tax of MUR 2 million). Some companies within this segment were reorganised and it is expected that the new management will drive the progress of their entities.
- Technology** posted an increase in its revenue of MUR 7 million to reach MUR 281 million (HI 2024: MUR 274 million). However, profitability was adversely impacted by higher operational costs resulting from the investments in human capital. The Loss After Tax stood at MUR 27 million (HI 2023: Loss After Tax MUR 28 million).
- Investments & Corporate** showed an improved revenue of MUR 124 million (HI 2023: MUR 86 million) and a Profit After Tax of MUR 61 million (HI 2023: MUR 29 million) resulting from high returns from its investment portfolio.

OUTLOOK

The Group expects an improved second semester in line with the fact that historically it is the driver of our full year performance.

CONDENSED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	THE GROUP			
	Three months to 30 June 2024 MUR' 000	Three months to 30 June 2023 MUR' 000	Six months to 30 June 2024 MUR' 000	Six months to 30 June 2023 MUR' 000
Revenue	882,688	1,064,271	1,739,220	1,951,299
(Loss)/profit before finance costs	(69,073)	47,132	(98,903)	44,768
Finance costs	(34,506)	(30,124)	(55,397)	(58,787)
Share of results of associates & joint ventures	19,935	18,018	28,841	37,710
Impairment of receivables	(9,977)	(3,002)	(7,763)	(3,071)
(Loss)/profit before tax	(93,621)	32,024	(133,222)	20,620
Income tax	(3,358)	(5,659)	(8,189)	(8,365)
Post tax profit from discontinued operations	-	-	-	18,251
(Loss)/profit for the period	(96,979)	26,365	(141,411)	30,506
Attributable to:				
Owners of the parent	(90,939)	22,311	(134,083)	25,176
Non controlling interests	(6,040)	4,054	(7,328)	5,330
(Loss)/profit for the period	(96,979)	26,365	(141,411)	30,506
Other comprehensive (loss)/income for the period net of tax	(780)	1,788	10,792	(4,315)
Total comprehensive (loss)/income for the period	(97,759)	28,153	(130,619)	26,191
Other comprehensive (loss)/income attributable to:				
Owners of the parent	(507)	241	11,124	(2,961)
Non controlling interests	(273)	1,547	(332)	(1,354)
	(780)	1,788	10,792	(4,315)
(Loss)/ earnings per share from continuing operations (Rs/cents)	(8.08)	1.98	(11.91)	0.62
Earnings per share from discontinued operations (Rs/cents)	-	-	-	1.62

STATEMENTS OF CHANGES IN EQUITY

GROUP	THE GROUP		
	Owners of the Parent MUR' 000	Non-controlling interests MUR' 000	Total Equity MUR' 000
Balance at 1 January 2024	1,326,731	173,386	1,500,117
Loss for the period	(134,083)	(7,328)	(141,411)
Other comprehensive income/(loss)	11,124	(332)	10,792
Acquisition of additional interests in subsidiary company	10,379	(17,725)	(7,346)
Balance at 30 June 2024	1,214,151	148,001	1,362,152
Balance at 1 January 2023	1,703,602	201,378	1,904,980
Profit for the period	25,176	5,330	30,506
Other comprehensive income/(loss)	(2,961)	(1,354)	(4,315)
Other movements	(117,235)	-	(117,235)
Balance at 30 June 2023	1,608,582	205,354	1,813,936

STATEMENTS OF CASH FLOWS

	THE GROUP	
	Six months to 30 June 2024 MUR' 000	Six months to 30 June 2023 MUR' 000
Operating activities		
Net cash generated from operating activities	43,283	89,490
Investing activities		
Net cash absorbed in investing activities	(54,517)	(52,372)
Financing activities		
Net cash absorbed in financing activities	(93,713)	(95,941)
Decrease in cash and cash equivalents	(104,947)	(58,823)
Movement in cash and cash equivalents		
At 1 January	(136,351)	6,970
Net decrease in cash and cash equivalents	(104,947)	(58,823)
Effect of foreign exchange rate difference	(38)	202
At 30 June	(241,336)	(51,651)

These quarterly condensed financial statements have been prepared using the same accounting policies as for the statutory financial statements for the year ended 31 December 2023, except for the adoption of published Standards that are now effective. These interim financial statements have been prepared in accordance with IAS 34 "Interim financial Reporting."

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 12.20. The Board of Directors of Harel Mallac & Co. Ltd accepts full responsibility for the accuracy of the information contained therein.

CONDENSED STATEMENTS OF FINANCIAL POSITION

	THE GROUP		
	30 June 2024 MUR' 000	31 December 2023 MUR' 000	30 June 2023 MUR' 000
ASSETS			
Non-current assets	2,450,523	2,469,005	2,286,602
Current assets	1,943,364	2,026,664	1,843,379
Assets classified as held for distribution	-	-	447,800
Total assets	4,393,887	4,495,669	4,577,781
EQUITY AND LIABILITIES			
Capital and reserves			
Owners' interest	1,214,151	1,326,731	1,608,582
Non controlling interests	148,001	173,386	205,354
Total equity	1,362,152	1,500,117	1,813,936
Non-current liabilities	891,039	1,050,810	1,024,617
Current liabilities	2,140,696	1,944,742	1,739,228
Total equity and liabilities	4,393,887	4,495,669	4,577,781
Net assets per share (Rs)	107.83	117.83	142.87
Number of ordinary shares	11,259,388	11,259,388	11,259,388

SIX MONTHS (HI) ENDED 30 JUNE SEGMENTAL INFORMATION (MUR' M)

		THE GROUP					CONSOLIDATION ADJUSTMENTS	TOTAL
		CHEMICALS	EQUIPMENT AND SYSTEMS	TECHNOLOGY	INVESTMENTS AND CORPORATE	NON-RECURRING ITEMS		
REVENUE	2024	886	572	281	124	-	(124)	1,739
	2023	959	740	274	86	-	(108)	1,951
(LOSS)/PROFIT AFTER TAX	2024	(25)	(26)	(27)	61	-	(124)	(141)
	2023	13	2	(28)	29	18	(3)	31

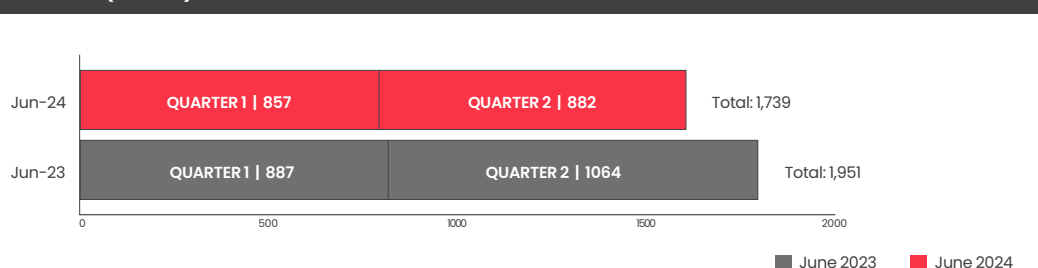
The reportable segments are strategic business units that offer different products and services.

THREE MONTHS QUARTER ENDED 30 JUNE SEGMENTAL INFORMATION (MUR' M)

		THE GROUP					CONSOLIDATION ADJUSTMENTS	TOTAL
		CHEMICALS	EQUIPMENT AND SYSTEMS	TECHNOLOGY	INVESTMENTS AND CORPORATE	NON-RECURRING ITEMS		
REVENUE	2024	435	306	142	87	-	(88)	882
	2023	494	444	136	52	-	(61)	1,064
(LOSS)/PROFIT AFTER TAX	2024	(20)	(1)	(10)	57	-	(123)	(97)
	2023	9	18	(16)	19	-	(3)	27

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

REVENUE (MUR' M)



6 MONTHS SEGMENTAL RESULTS (MUR' M)

