

STATEMENTS OF FINANCIAL POSITION

	GROUP	
	2014 Rs'000	2013 Rs'000
ASSETS		
Non-current assets	2,316,168	2,348,703
Current assets	2,199,776	1,986,025
Total Assets	4,515,944	4,334,728
EQUITY AND LIABILITIES		
Share capital and reserves		
Owners' interest	1,766,921	1,682,362
Non controlling interests	304,619	348,701
Total Equity	2,071,540	2,031,063
Non-current liabilities	862,035	876,859
Current liabilities	1,582,369	1,426,806
Total Equity and Liabilities	4,515,944	4,334,728
Net assets per share(Rs)	156.93	149.42
Number of ordinary shares	11,259,388	11,259,388

STATEMENTS OF PROFIT OR LOSS

	GROUP	
	2014 Rs'000	2013 Rs'000
Revenue	4,310,354	3,974,284
Continuing operations		
(Loss)/profit before finance costs	(18,067)	50,808
Finance costs	(84,827)	(81,328)
Profit on disposal of investments	150,948	6,640
Net impairment of assets	(27,752)	(40,034)
Reclassification of fair value gain on available for sale financial assets, net of expense	-	43,907
Impairment of goodwill	(16,421)	(12,397)
Share of profit of associates	65,820	13,688
Profit/(loss) before tax	69,701	(18,716)
Income tax	(2,611)	(16,418)
Profit/(loss) for the year from continuing operations	67,090	(35,134)
Post tax profit/(loss) from discontinued operations	6,341	(7,570)
Profit/(loss) for the year	73,431	(42,704)
Attributable to:		
Owners of the parent	104,250	(50,454)
Non controlling interests	(30,819)	7,750
	73,431	(42,704)
Earnings/(loss) per share from continuing operations(Rs/cents)	8.70	(3.81)
Earnings/(loss) per share from discontinued operations (Rs/cents)	0.56	(0.67)

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Profit/(loss) for the year	73,431	(42,704)
Other comprehensive income for the year net of tax	4,591	4,746
Total comprehensive income for the year	78,022	(37,958)
Attributable to:		
Owners of the parent	112,707	(64,386)
Non controlling interests	(34,685)	26,428
	78,022	(37,958)

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 2014	112,594	368,473	(31,775)	1,233,070	1,682,362	348,701	2,031,063
Total comprehensive income for the year	-	22,252	(13,795)	104,250	112,707	(34,685)	78,022
Movement in reserves	-	(770)	-	770	-	-	-
Issue of shares to non controlling shareholders	-	-	-	-	-	1,764	1,764
Dividends	-	-	-	(28,148)	(28,148)	-	(28,148)
Dividends payable to non controlling shareholders	-	-	-	-	-	(11,161)	(11,161)
	-	21,482	(13,795)	76,872	84,559	(44,082)	40,477
Balance at 31 December 2014	112,594	389,955	(45,570)	1,309,942	1,766,921	304,619	2,071,540
Balance at 1 January 2013-As restated	112,594	379,011	(28,056)	1,316,977	1,780,526	333,568	2,114,094
Total comprehensive income for the year	-	(10,213)	(3,719)	(50,454)	(64,386)	26,428	(37,958)
Movement in reserves	-	(325)	-	325	-	-	-
Dividends	-	-	-	(33,778)	(33,778)	-	(33,778)
Dividends payable to non controlling shareholders	-	-	-	-	-	(11,295)	(11,295)
	-	(10,538)	(3,719)	(83,907)	(98,164)	15,133	(83,031)
Balance at 31 December 2013	112,594	368,473	(31,775)	1,233,070	1,682,362	348,701	2,031,063

STATEMENTS OF CASH FLOWS

	GROUP	
	2014 Rs'000	2013 Rs'000
Net cash generated from operating activities	131,689	331,687
Net cash generated from/(used in) investing activities	191,545	(321,422)
Net cash(used in)/generated from financing activities	(230,265)	232,394
Net increase in cash and cash equivalents	92,969	242,659
Movement in cash and cash equivalents		
At 1 January	(10,950)	(249,087)
Increase	92,969	242,659
Effect of foreign exchange difference	(8,773)	(4,522)
At 31 December	73,246	(10,950)

General context

The Harel Mallac Group, with activities in Mauritius, Burundi, Madagascar, Rwanda, Tanzania and Zambia, employs over 1500 employees and represents over 250 brands. It is active in various key sectors of the local economy, namely Chemicals, Information Technology, Engineering, Agribusiness, Printing, Travel and Leisure, Retail and Hospitality amongst others.

Results

During 2014, the Harel Mallac Group focused on the implementation of its reviewed strategies for development.

Despite an increase in revenue of 8.5% to reach Rs4.3 billion and most activities of the Group showing an improvement in performance compared to last year, the Group had a challenging year. The Group's profitability was negatively impacted by the performance of Compagnie des Magasins Populaires Ltée (Monoprix) and by the difficulties faced by the Zambian and Tanzanian operations.

During the year, and in line with the strategy to refocus its investments on specific industries,

the Group disposed of its shares in Mauvilac Industries Ltd, Autolac Ltd and some other investments, for a profit of Rs150.9 million. Furthermore the Group's 2013 strategy of reinforcing its investments in the hospitality industry is already yielding positive results. Consequently, the share of profit of associates for the year increased substantially to reach Rs65.8 million.

As a result of the above-mentioned items, the Group ended 2014 with a profit after tax of Rs73.4 million after impairments, compared to a loss of Rs42.7 million for the previous year.

Prospects

Although significant challenges remain, management is confident that the further implementation of the Group's strategies throughout 2015 will better position Harel Mallac for sustainable growth.

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.

By order of the Board HM Secretaries Ltd.

Company Secretary
11 March 2015