

### GROUP STATEMENTS OF FINANCIAL POSITION

	As at 31 Dec 16 Unaudited	As at 30 Jun 16 Audited	As at 31 Dec 15 Unaudited
	Rs '000	Rs '000	Rs '000
<b>ASSETS</b>			
Non-current assets	2,110,081	2,110,086	2,165,043
Current assets	15,938	8,966	11,698
<b>Total assets</b>	<b>2,126,019</b>	<b>2,119,052</b>	<b>2,176,741</b>
<b>EQUITY</b>			
Equity attributable to equity holders of the parent	1,954,976	1,961,299	1,976,399
Non-controlling interests	-	-	(99)
<b>Total equity</b>	<b>1,954,976</b>	<b>1,961,299</b>	<b>1,976,300</b>
<b>LIABILITIES</b>			
Non-current liabilities	66,432	31,913	19,978
Current liabilities	104,611	125,840	180,463
Total liabilities	171,043	157,753	200,441
<b>Total equity and liabilities</b>	<b>2,126,019</b>	<b>2,119,052</b>	<b>2,176,741</b>

### GROUP STATEMENTS OF CHANGES IN EQUITY

	Attributable to equity holders of the parent						
	Share Capital	Share Premium	Other Reserves	Retained Earnings	Total	Non-Controlling Interest	Total
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
At July 1, 2016	105,600	24,632	101,461	1,729,606	1,961,299	-	1,961,299
Other comprehensive income for the period	-	-	-	-	-	-	-
Loss for the period	-	-	-	(6,323)	(6,323)	-	(6,323)
Total comprehensive loss for the period	-	-	-	(6,323)	(6,323)	-	(6,323)
At December 31, 2016	<b>105,600</b>	<b>24,632</b>	<b>101,461</b>	<b>1,723,283</b>	<b>1,954,976</b>	-	<b>1,954,976</b>
At July 1, 2015	105,600	24,632	126,088	1,724,052	1,980,372	(96)	1,980,276
Other comprehensive income for the period	-	-	1,414	-	1,414	-	1,414
Loss for the period	-	-	-	(5,387)	(5,387)	(3)	(5,390)
Total comprehensive loss for the period	-	-	1,414	(5,387)	(3,973)	(3)	(3,976)
At December 31, 2015	<b>105,600</b>	<b>24,632</b>	<b>127,502</b>	<b>1,718,665</b>	<b>1,976,399</b>	<b>(99)</b>	<b>1,976,300</b>

### GROUP STATEMENTS OF COMPREHENSIVE INCOME

	3 Months to 31 Dec 16 Unaudited	3 Months to 31 Dec 15 Unaudited	6 Months to 31 Dec 16 Unaudited	6 Months to 31 Dec 15 Unaudited
	Rs '000	Rs '000	Rs '000	Rs '000
Revenue	4,839	6,198	9,517	12,013
Operating expenses	(5,573)	(5,920)	(10,250)	(9,700)
<b>Operating profit</b>	<b>(734)</b>	<b>278</b>	<b>(733)</b>	<b>2,313</b>
Finance costs	(2,798)	(3,791)	(5,590)	(7,702)
<b>Loss before tax</b>	<b>(3,532)</b>	<b>(3,513)</b>	<b>(6,323)</b>	<b>(5,389)</b>
Income tax expense	-	-	-	(1)
<b>Loss for the period</b>	<b>(3,532)</b>	<b>(3,513)</b>	<b>(6,323)</b>	<b>(5,390)</b>
<b>OTHER COMPREHENSIVE INCOME</b>				
Movement for the period	-	(889)	-	1,414
	-	(889)	-	1,414
<b>TOTAL COMPREHENSIVE LOSS FOR THE PERIOD</b>	<b>(3,532)</b>	<b>(4,402)</b>	<b>(6,323)</b>	<b>(3,976)</b>
<b>Loss attributable to:</b>				
Equity holders of the company	(3,532)	(3,512)	(6,323)	(5,387)
Non-controlling interests	-	(1)	-	(3)
	(3,532)	(3,513)	(6,323)	(5,390)
<b>Total comprehensive loss attributable to:</b>				
Equity holders of the company	(3,532)	(4,401)	(6,323)	(3,973)
Non-controlling interests	-	(1)	-	(3)
	(3,532)	(4,402)	(6,323)	(3,976)

### GROUP STATEMENTS OF CASH FLOWS

	6 Months to 31 Dec 16 Unaudited	6 Months to 31 Dec 15 Unaudited
	Rs'000	Rs'000
Net cash flows (used in)/generated from operating activities	(8,384)	8,824
Net cash flows used in investing activities	(272)	(189)
Net cash flows generated from/(used in) financing activities	29,285	(8,920)
<b>Increase/(decrease) in cash and cash equivalents</b>	<b>20,629</b>	<b>(285)</b>
Opening cash and cash equivalents	(110,494)	(99,780)
Closing cash and cash equivalents	<b>(89,865)</b>	<b>(100,065)</b>

### Investment Properties:

Investment properties which consist of freehold land and buildings were revalued on 18 August 2015 by Noor Dilmohamed & Associates, Chartered Practising Valuer. Fair value of the properties was determined by using open market value. This means that valuations performed by the valuer are based on active market prices, significantly adjusted for difference in the nature, location or conditions of the specific property. This valuation amounted to Rs. 2,117,689,200 on a vacant possession basis and Rs. 1,683,387,280 on the current use basis. Based on the letter of comfort of Noor Dilmohamed & Associates dated 16 August 2016, the Directors considered that the reported open market values of the investment properties are still valid and appear to be fair and reasonable as at 30 June 2016. The independent valuer is a well-known established and experienced land surveyor in Mauritius performing valuations on freehold land and building. He is a Certified Practising Valuer of the Fellow Australian Property Institute and a registered valuer under the laws of Mauritius.

### Available-for-sale Investments:

The fair value of shares quoted on the SEM and the DEM are based on the prices prevailing at the reporting date.

There are 2 disputes currently pending before the Supreme Court of Mauritius with respect to the shareholding of the UDL Group in Société Libra. The first dispute relates to what the UDL Group considers to be breaches of the shareholders agreement, "Pacte de Sociétaires" agreed upon by UDL Group and Société Pronema pertaining to their investment in Société Libra. The UDL Group is seeking the dissolution of Société Libra. The other dispute (initiated by Société Pronema) relates to the entitlement of the Group to maintain its shareholding in Société Libra and also to the Group's right and ability to appoint representatives on the administrative organs of the entity. As the Group is currently unable to exercise its rights as members of Société Libra, the Directors consider that it would not be appropriate to classify the "parts sociales" as investment in associate. However, the Directors have been advised that the Group should at the very least be able to re-instate the right of the Group. Accordingly, the investment has since 30 June 2007 been classified as available-for-sale investment and shall remain so until the final resolution of the dispute. Since the beginning of the dispute, the Group has been prevented from having access to any financial information of Société Libra. As a result, the Directors have not been able to determine the fair value and have measured the investment at cost. The investment has also not been assessed for impairment as the Directors are not able to determine the estimated future cash flows expected to arise from the investment in Société Libra.

The Group holds 49.9% in Société Libra. Through its investment in Société Libra the Group holds an effective interest of 13.41% in Harel Mallac Ltd, a listed company. The directors are of the opinion that the fair value is significantly higher than its carrying value of Rs.134,997,906, which is also its initial cost. The Directors wish to highlight that on June 26, 2006, the date of acquisition of the shares in Société Libra, the cost of acquisition carried a premium of 40% over the relevant share of market capitalisation of Harel Mallac Ltd and represented a discount of 18% over the relevant share of net assets as at that date. At June 30, 2016, the share of market capitalisation was below the cost of acquisition by 7% and was at a 48% discount over the share of net asset.

The Company owns 99,503 shares in AXYS Group Ltd, representing a 20% shareholding, with an original cost of Rs. 23,932,462. On 30 June 2010, the Board of Directors accepted an offer of exchange for shares in AXYS Group Ltd for shares in United Investment Ltd (UIL). Consequently, the investment in AXYS Group Ltd was classified as held for sale at 30 June 2010. However, there is a legal dispute with respect to the Company's shareholding in AXYS Group Ltd. The shareholders of AXYS Group Ltd, having lost their case before the Supreme Court, have applied to the Supreme Court for leave to appeal to the Judicial Committee of the Privy Council. However, the Directors, acting on the basis of legal advice, consider that, even in the event of a favourable judgment before the Privy Council, the investment in AXYS Group Ltd should be maintained as available for sale and valued at fair value at 30 June 2016. Further, the Company will start procedures to reinstate its full rights on its shares in AXYS Group Ltd. In the event of an adverse ruling against the Company, the Company would be entitled to be paid the fair value of the shares in AXYS Group Ltd as at December 2006, which may be different from the value at which it is currently recorded. Management does have access to the latest financial information AXYS Group Ltd as at 30 June 2016. The most recent information that the Directors have on hand is the audited accounts of the investee company as at 30 June 2015. This is the most updated information available based on which the Directors have used to determine the most appropriate fair value. Hence, the fair value of AXYS Group Ltd as at 30 June 2016 was calculated using the net asset value of the investee company as at 30 June 2015.

### Data per share:

	31-Dec-16	30-Jun-16	31-Dec-15
Number of shares in issue ('000)	10,560	10,560	10,560
Net Assets (Rs/Cs)	185.13	185.73	187.15
(Loss)/Profit { Basic and diluted (Rs/Cs) }	(0.60)	0.94	(0.38)

### Others:

The interim reports for the period ended 31 December 2016 and 2015 have been prepared in accordance with International Financial Reporting Standards and the accounting policies used in the preparation of the financial statements for the years ended June 30, 2016 and 2015.

The interim reports for the period ended December 31, 2016 are unaudited.

By Order of the Board

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14 February 2017