INTEGRATED ANNUAL REPORT 2018

Ascencia

Shaping singular places

a Rogers enterprise

SHAPING SINGULAR PLACES

Dear Shareholders,
Your Board of Directors is pleased to present the Integrated Annual Report of Ascencia Group for the financial year ending 30 June 2018. This report was approved by the Board on 05 September 2018.

Philippe Espitalier-Noël
Chairman

Frédéric Tyack
Chief Executive Officer

OUR REPORTING SUITE

For our Integrated Annual Report (IAR) 2018, we are proud to present to our stakeholders our corporate reporting suite, and hope that it will enhance the understanding of Ascencia Group.

IR — INTEGRATED REPORT	RMR — RISK MANAGEMENT REPORT	CGR — CORPORATE GOVERNANCE REPORT	AFS — GROUP ANNUAL FINANCIAL STATEMENTS	AMS — NOTICE OF ANNUAL MEETING OF SHAREHOLDERS
Integrated Report in terms of six capitals which aim to facilitate the overall understanding of the Group by our stakeholders.	A detailed Integrated Risk Management Framework and an analysis of the Group's strategic, financial, operational and compliance risks.	Corporate Governance structures, committees and Board performances, remuneration and others matters relating to good governance of the Group.	A detailed set of Audited Group Financial Statements.	Information, proxy, corporate resolution and FAQs, for shareholders to participate in the annual meeting of shareholders.

FRAMEWORKS APPLIED

IIRC Framework | Companies Act 2001 | DEM Rules | Securities Act 2005 | IFRS | NCCG

Towards Integrated Reporting

We are pleased to present the IAR 2018 of Ascencia Group. This report was developed to communicate with the providers of financial capital, while taking into consideration the needs of all our stakeholders. We have therefore produced a set of reports embedding the guiding principles and fundamental concepts contained in the International Integrated Reporting Council's (IIRC) framework.

Forward-Looking Statements

This report may contain forward-looking statements. Words such as 'believe', 'anticipate", 'intend', 'seek', 'will', 'plan', 'could', 'may', 'endeavour' and similar expressions are intended to identify such forward-looking statements, but are not the exclusive means of identifying such statements.

While these forward-looking statements represent our judgements and future expectations, a number of risks, uncertainties and other important factors could cause actual developments and results to differ materially from our expectations.

We are not under any obligation (and expressly disclaim any such obligation) to update or alter our forward-looking statements, whether as a result of new information, future events or otherwise. Investors are cautioned not to place undue reliance on any forward-looking statements contained herein, as they have not been reviewed or reported on by Ascencia's independent external auditors

Feedback

Your feedback is important to us and will help us enhance our reporting processes and ensure that we report on issues that matter to you. Visit www.ascenciamalls.com or email us at info@byascencia.com

Board Responsibility Statement

Ascencia's Board of Directors acknowledges its responsibility to ensure the integrity of the integrated report. The Board has accordingly applied its collective mind and, in its opinion, this integrated report addresses all material matters, offers a balanced view of its strategy, and how it relates to the organisation's ability to create value in the short, medium and long term. The report adequately addresses the use of and effects on the capitals and the manner in which the availability of these capitals is impacting on Ascencia's strategy and business model. We, as the Board, believe that this report has been prepared in accordance with the IIRC.

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CONTENTS RECEIPT

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ABOUT OUR REPORT

Navigation Panel

Throughout our Integrated Report, the following icons are used to show the connectivity between sections.

The concept of the six Capitals transcends the basic needs of reporting; it challenges the way we think about creating value. Throughout our report, the impact of the six Capitals has been reflected by these icons.

Any business is dependent on its surroundings to achieve its potential. Identifying and establishing solid relations with our key partners are essential for the survival of our company.

A thorough analysis of our relationship with our stakeholders can be found on pages 12-13.

Our report highlights Ascencia's ambition for the short, medium and long terms. We abide by these three strategic pillars as they form part of Ascencia's DNA.

GLOSSARY OF TERMS

In this document, the following terms shall have the meanings set out below:

AFS - Annual Financial Statements

AMC - Atterbury Mauritius Consortium Proprietary Ltd, a private company incorporated in the Republic of South Africa, bearing registration number 2005/042785/07

Ascencia the Company or the Group - Ascencia Limited, a public company incorporated in Mauritius, bearing business registration number C07072304

Bagaprop - Bagaprop Ltd, a public company incorporated in Mauritius, bearing business registration number C10094368

Board - The Board of Directors of Ascencia

Cap rates – Capitalisation rate

CDS - Central Depository & Settlement Co. Ltd

CEO - Chief Executive Officer

CGC - Corporate Governance Report

CSI - Corporate Social Investment

CSR - Corporate Social Responsibility

DEM - Development & Enterprise Market of the Stock Exchange of Mauritius Ltd

DPS - Dividend per share

EBITDA - Earnings before interest, tax, depreciation and amortisation

EnAtt - EnAtt Ltd, a private company incorporated in Mauritius, bearing business registration number C09089590

ENL - ENL Ltd, a public company incorporated in Mauritius, bearing business registration number C06000648 and listed on the DEM

ENLP - ENL Property Ltd, a private company incorporated in Mauritius, bearing business registration number C10093455

EPS - Earnings Per Share

FAQ - Frequently Asked Questions

FCCL - Floreal Commercial Centre Ltd, a private company incorporated in Mauritius bearing business registration number C15131857

FPHL - Foresite Property Holding Ltd, a private company incorporated in Mauritius, bearing business registration number C07025317

FSC - Financial Services Commission

FY - Financial Year

GLA - Gross Lettable Area

GDP - Gross Domestic Product

GOB - The Gardens of Bagatelle Ltd, a private company incorporated in Mauritius bearing business registration number C09089333

IAR- Integrated Annual Report

IFRS - International Financial Reporting Standard

IP - Investment Property

IR - Integrated Report

K - Thousands

LTV - Loan to Value

MCB - Mauritius Commercial Bank Ltd

MUR or Rs - Mauritian Rupees

MoM - Mall of (Mauritius) at Bagatelle Ltd

NAV - Net Asset Value

NAVPS - Net Asset Value Per Share

NGO - Non Governmental Organisation

NOI - Net Operational Income

NPF - National Pensions Fund

PAT - Profit After Tax

PIE - Public Interest Entity

RMAC - Risk Management and Audit Committee

RPF - Rogers Pension Fund

RMR - Risk Management Report

ROE - Return on Equity

Rogers - Rogers and Company Limited, a public company incorporated in Mauritius bearing business registration number C06000706 and listed on the Official Market of the SEM

SC - Strategic Committee

SEM - The Stock Exchange of Mauritius Ltd

Sqft - Square Feet

Sqm - Square Metres

US - United States of America

VWAP - Volume Weighted Average Price of Class A Ordinary shares

WIP - Work in Progress

YoY - Year on Year

SECTION

01

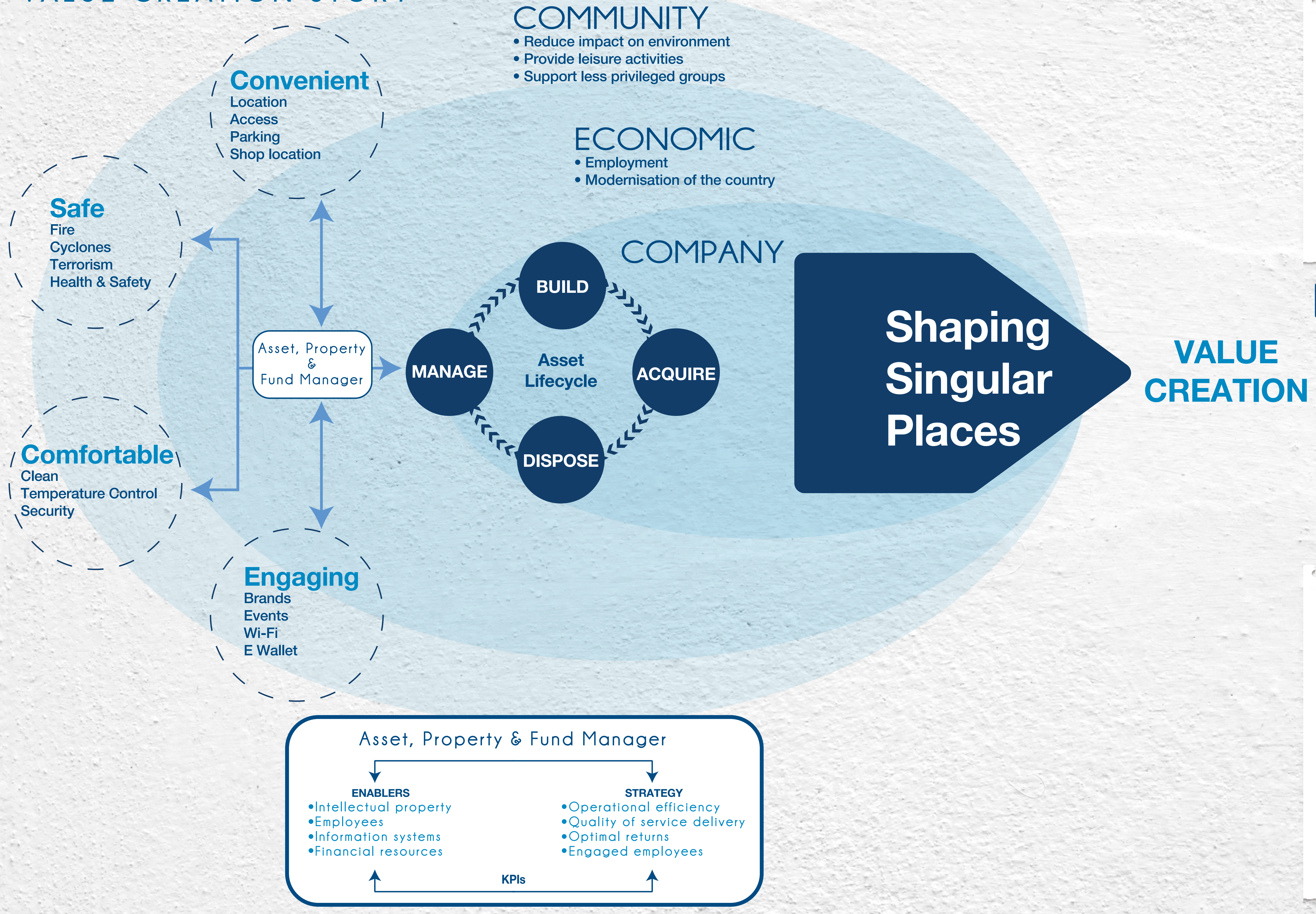
OVERVIEW

SHAPING SINGULAR PLACES

"Everything we do is driven by a constant desire to make our visitors' experience better. Why? Simply put, without them, our success would be short-lived."

Frédéric Tyack, CEO

VALUE CREATION STORY



Our value creation model illustrates the interaction between the various factors that influence our ability to achieve the goals of our various stakeholders.

Our aim is to create value by designing a relevant offer for our shoppers, selecting and building long lasting relationships with reputable operators and service providers and recognising the importance of giving back to the community. Supported by a team of seasoned professionals, our ultimate goal is to deliver superior returns to our shareholders.

In order to do so, we analyse the context in which we operate, listen to our stakeholders, identify the risks and opportunities present in our sector and take into consideration our strengths and limitations (Enablers). This is used to formulate a stretched but yet realistic strategy. This strategy takes into consideration the life cycle of our assets and is built around our customer promise **Shaping Singular Places.** Our promise focuses on four pillars, namely properties that are **convenient, safe, comfortable** with an offer that is relevant and **engaging.** The strong involvement of our Board ensures that every initiative goes through a stringent governance process to optimise our chances of success.

STAKEHOLDER ANALYSIS

We believe that our relationships with our stakeholders are vital in our value creation process. Establishing constructive relationships and ways of communicating with them is essential and crucial in our business. This help us identify and address the current issues, future risks and opportunities.

The aim of the surveys sent to respective stakeholders is to identify potential weak links in our chain of value creation, all the while strengthening what we already do well. We notably wish to know how we perform with respect to our Customer Promise, our strategic aims, and the progress we have made compared to last year as a responsible citizen of the Mauritian community.

Quality of the relationship between Ascencia and its stakeholders

1. No existing relationship.
2. Poor relationship established between parties. Important effort to be done to improve its quality.
3. Relationship established, but still room for improvement.
4. Strong relationship, with some room for improvement.
5. Excellent quality of the relationship.

Shoppers

3.2/5

Appreciation

- Attractive shopfronts
- Tenant mix and International brands
- Clean and safe environment, good temperature control, bright & spacious
- Location & Parking
- Green initiatives

Room for Improvement

- Wi-Fi
- Exhibitions & Events
- Press Releases

Overall, visitors remain rather satisfied with our delivery, notably in terms of our Customer Promise. Our efforts to improve the shopping experience were well received.
The survey revealed several weaknesses, and the team welcomed the feedback. The mall Wi-Fi notably was pointed out, with 90+ percent of the survey population finding the service average or less than average.
The number and quality of Exhibitions & Events will further keep our teams on their feet, with almost a quarter of reviews wishing for a Kid's Corner and more green spaces.

Our Response
We strongly believe that the feedback provided will enable us to deliver a more complete shopper experience. The results were made available to the respective teams, who set out to implement projects already in the pipeline and explore new possibilities. The BagaKids initiative at Bagatelle Mall is opening a kids playground in November 2018, in an effort to enhance the shopping experience of both the parents and the younger visitors.

Tenants

3.8/5

Appreciation

- Quality of Service from Ascencia
- Opening and Closing hours of our malls
- Sales scheduled
- Strong Operators
- Clean and safe environment
- Location & Parking

Room for Improvement

- Wi-Fi
- Exhibitions & Events

Wi-Fi services remains a common issue among key stakeholders, with 76% of the survey population unsatisfied with its quality. Exhibitions and events organised during the year were popular. However, tenants would like to see more impact from these events.

Our Response
The results of the survey showed that we have made significant steps towards resolving the issues raised, with the majority of our tenants expressing their satisfaction on the day to day running of the malls.

Investors

4.1/5

Appreciation

- Latest investments and developments
- Dividends paid
- Transparency of information
- Newly introduced quarterly managements reports
- Share liquidity over the year

Room for Improvement

- Press Releases
- Maintain share liquidity
- More updates on the website

Our shareholders were most impressed by our financial performance this year. This was, in fact, reflected in the share price. Investors notably welcomed the new quarterly management reports, relying on these to get a better understanding of the Company.

Our Response
The positive results reinforced our belief that we are on the right path to effectively improve our relations with our shareholders. We will continue improving on the quality of information disseminated, all the while remaining open to the feedback from our investors.

Service Providers

3.8/5

Appreciation

- Quality of service
- Clear and professional guidance

Room for Improvement

- Contract Extension

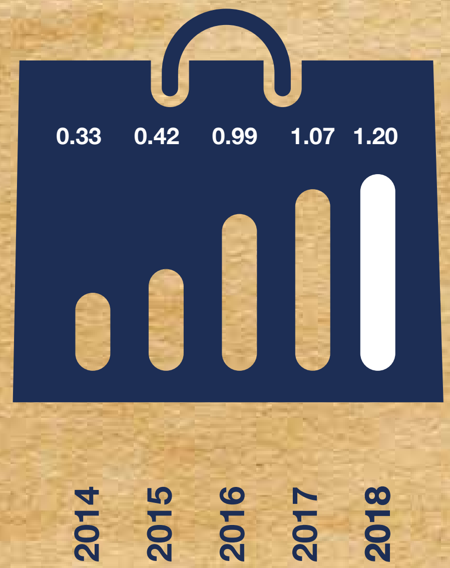
Overall, our service providers are satisfied with the way we carry business with them. We believe in their input for creating better ways of handling the operations, with over 75% of the survey population agreeing on the quality of service we offer.

Our Response
Over the coming year, we will keep working with them to deliver better solutions in terms of security, cleaning and utility services.

FIVE YEARS REVIEW

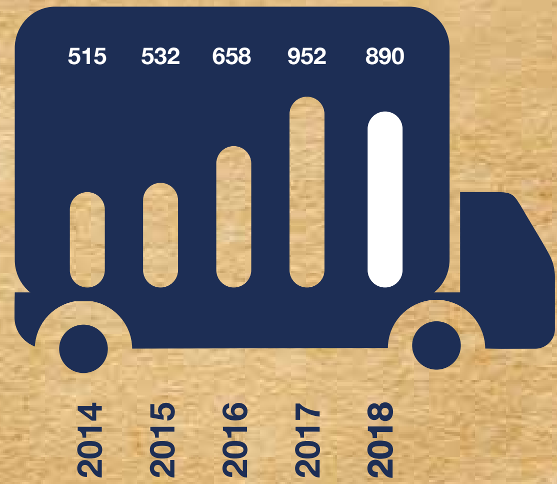
During the financial year under review, we continued to build Ascencia's reputation as a careful acquirer of quality assets and a deliverer of superior returns.

Revenue
in Rs bn

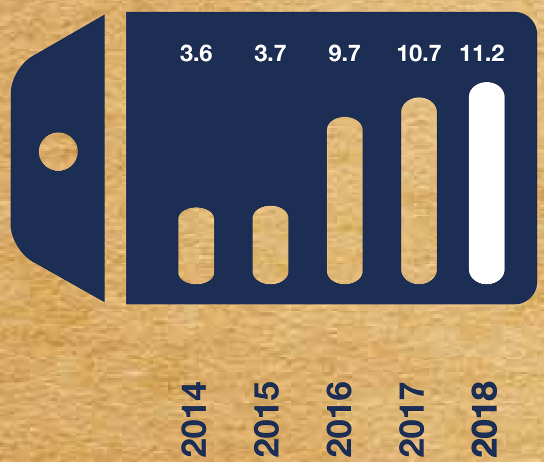


Operating Profit
in Rs m

PAT
in Rs m



Investment Property value
in Rs bn



NAVPS
in Rs

Dividend per Class A Ordinary Shares
in Rs

Note: The results are based on continuing operations for the financial year ended 30 June 2018.

WHAT ARE YOUR VIEWS ON THE MAURITIAN ECONOMIC CONTEXT?

The country's economy continues to improve even if the recovery is fragile. The GDP growth rate is expected to reach 4% and unemployment 7% for 2018 (Table 1). As for inflation, it has increased significantly since 2016 but mainly on account of one-off events. Notwithstanding the recent increase in the price of oil, the consensus is that inflation will remain below 4% over the medium term. Government is banking on two main levers to fuel growth over the medium term:

Investment

Investment is picking up after having achieved an all-time low in 2014. There are a number of large government projects that are in the pipeline (e.g. the Metro Express Project and the Road Decongestion Programme). As for private sector investment, it will largely depend on the scale and timing of the implementation of the Smart Cities. Demand, though, may well limit the pace of these developments over the short to medium term.

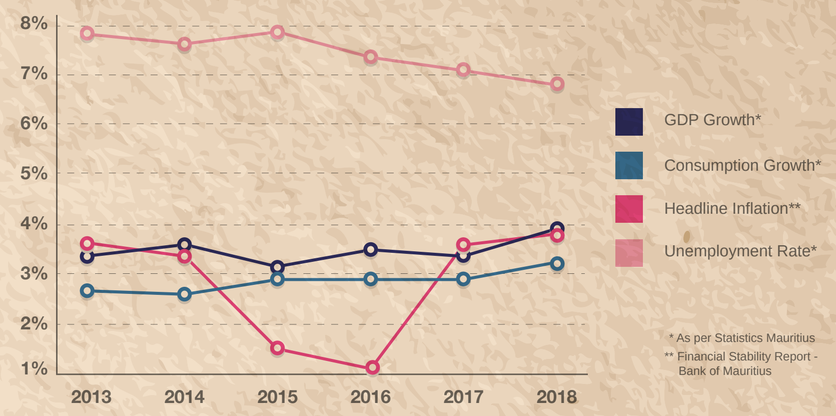
Consumption

Consumption is on the rise, driven by an increase in household disposable income. On the other hand, the debt service to disposable income ratio of households is high (Table 2) compared to other countries.

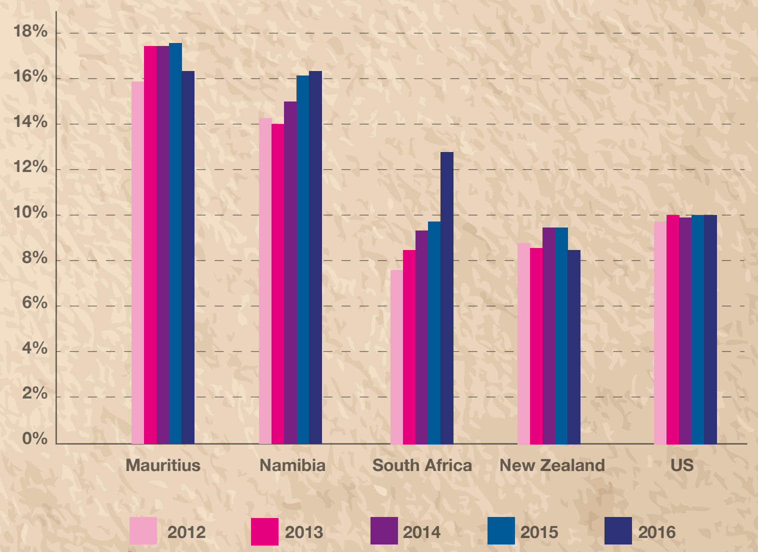
The introduction of the minimum wage and the reduction of income tax for the lower income group are likely to boost consumption over the short term. However, we believe that these initiatives have their limitations and that, ultimately, the household debt service ratio will readjust to a more sustainable level.

In this context, we believe that any increase in interest rate would stall the fragile growth of the economy and favour a low interest rate environment.

1. Main economic indicators of the economy



2. Household debt service/disposable income



WHAT ABOUT THE SECTOR IN WHICH YOU OPERATE?

Retail Market

The formal retail market has expanded by approximately 10% p.a over the last 8 years (Table 3). Retail GLA could grow by as much as 25% over the next five years based on advertised projects. The total estimated GLA of these projects is in excess of 100,000 m² with a majority of the supply being concentrated in the Plaine Wilhems.

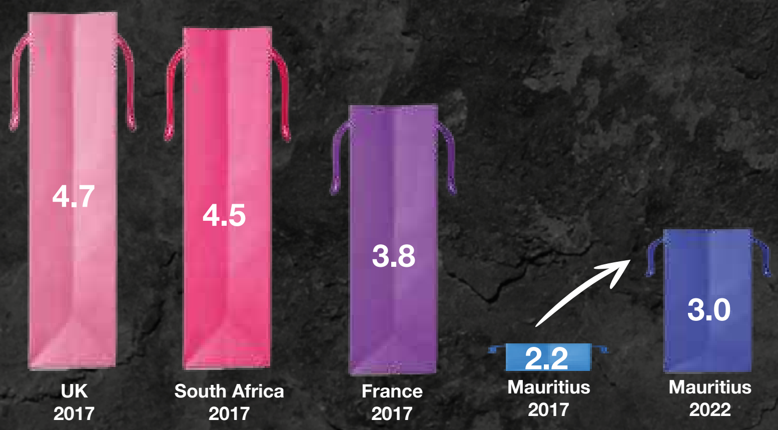
The market sentiment is that local consumption is insufficient to absorb additional GLA. Whilst GLA per capita is low compared to other countries (Table 4), these benchmarks should be used with caution as differences in purchasing power are not factored in.

The growth in retail sales, since 2011, has mostly absorbed the additional supply of GLA. If a reserve has been built, it remains small. We estimate this reserve to be in the region of 25% to 30% of the pipeline, of which 10,000 m² is represented by our project in Beau Vallon.

This increase, if it does materialise, may well place downward pressure on rentals and increase the casualty rate of retailers as they overextend their growth capacity. However, it will affect, primarily, non-prime existing retail assets as the main Malls (e.g. Bagatelle Mall, Phoenix Mall, La Croisette) will show a higher degree of resilience due to their capacity to attract a large number of visitors.

3. Evolution of Formal Retail in Mauritius

4. Formal Retail per Capita between countries



HOW DID ASCENCIA PERFORM THIS YEAR?

Mall Performance

In view of the economic context of the last 12 months, our assets have shown a high degree of resilience. Footfall has increased by 10% across the portfolio whilst trading densities have exceeded 5% except in Kendra and Phoenix Mall (Table 5). Phoenix Mall has been performing well since reopening, but is still not at our level of expectations. However, Rent to turnover ratio in Phoenix Mall remained healthy and we are confident that the Mall will continue to trade well. Kendra also witnessed a lower than expected trading density mainly due to one category of tenant but we have already initiated discussions with alternative occupants to address this issue.

The other malls traded well. As a case in point, Riche Terre Mall recorded an 8.5% increase in trading density, the best performance in the portfolio.

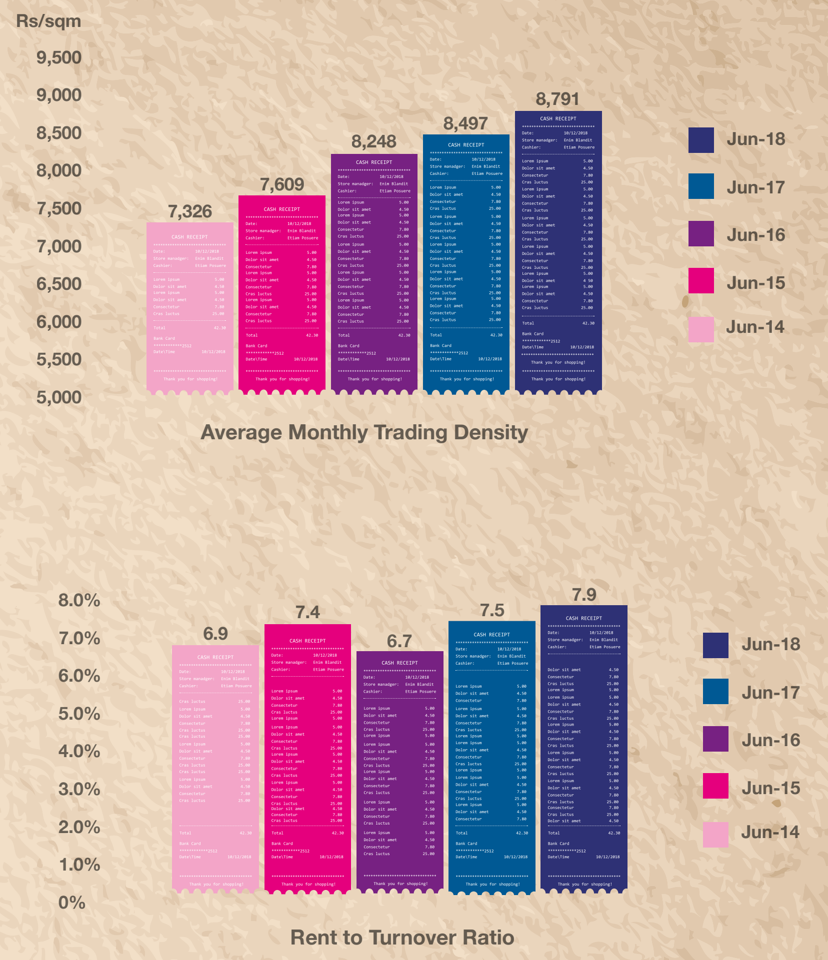
With regards to vacancies, excluding So'flo, they stand at 1.4% this year (2017:1.6%), reflecting the strong demand for spaces in our malls. We anticipate an improvement in vacancy in Riche Terre Mall and So'flo, during the first semester of FY 2019, with the arrival of Moving (a gym) in Riche Terre Mall (1,288 sqm: 6.2% of the Mall) and Paul Restaurant and Vogue (fashion department store - 692 sqm: 9.4% of the Mall)) in So'flo.

Financial Performance

This performance underpins a robust increase in total income (+12%) and an equivalent increase in Operating Profit the more so that this has been achieved whilst containing the operating expenses related to the various initiatives implemented in the wake of our newly developed customer promise.

This strong operational performance, coupled with the restructuring of our debt and a strict management of debtors, has resulted in an increase in recurrent cash flow after servicing of debt (2018: Rs 590m; 2017: Rs 182m). As a result, and in line with our objective of increasing dividend yield, dividend distribution per share increased by 50% to Rs 0.75 (2017: Rs 0.50).

5. Trading Densities and Rent to turnover ratios across our properties



WHAT IS THE AMOUNT OF THE FAIR VALUE GAINS THIS YEAR?

Fair value gains stand at Rs 497m (2017: Rs 657m) with a reserve of Rs 176m taken in anticipation of the additional infrastructures to be built in Bagatelle and the new accesses in Phoenix Mall. Excluding this reserve, fair value gains would be in line with last year.

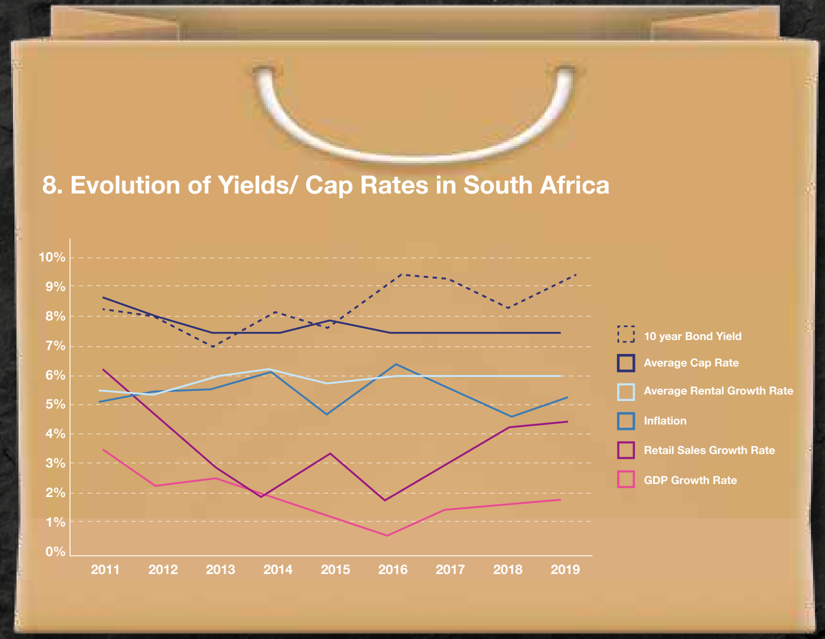
The valuation of our properties was performed by JLL, a global company with a strong record in property valuation. The valuation is based on a number of assumptions, the main ones being Cap Rates and contractual income growth. We have reviewed these assumptions and believe them to be appropriate. The weighted average income yield of our properties is in the region of 8%. This is higher than recent transactions in the hospitality sector where yields hover around 7% (Table 6). At this level, the spread is in line with the US and Continental Europe (Table 7) and well above South Africa. Moreover, if one compares Mauritius to South Africa (Table 8), a country with similar disposable income than Mauritius, Cap Rates are at similar levels even if the performance of our economy has been stronger.

6. Sector Estimated Income Yields

Segment	Gross Asset Value	Average Income Yield p.a
Ascencia	11,200	8.0%
Retail Properties	18,200	6.6%
Hospitality Properties	10,700	7.7%

7. Cross Country Analysis of spread between Cap Rates and risks free rate for 2017

	South Africa	Mauritius	USA	France
Average Cap Rate	7.58%	7.35%	6.00%	3.45%
10 year Bond Yield	9.28%	4.47%	2.40%	0.69%
Spread	-1.70%	2.88%	3.60%	2.76%



8. Evolution of Yields/ Cap Rates in South Africa

CAN THE CHANGES IN THE ECONOMIC LANDSCAPE CREATE VOLATILITY IN PROPERTY VALUES?

Property tends to fare well during economic downturns as it is seen as a Safe Haven Investment.
Cap Rates – and income yields – follow the state of the economy and do not react to short term changes in the long term bond yield.
The sector net income growth rate reflects the nature of the asset class. It is resilient during economic downturns, partly because of the structure and tenure of the leases. It picks up as the economy recovers and retailers' performance improves. The result is that property values do not vary widely: during economic downturns, the reduced net income growth rate is mitigated by a reduction in Cap Rate.

Similarly, as the economy picks up, the rise in Cap Rate is compensated by an improved net income growth.

We are, therefore, confident that the value of our properties is sustainable even if we recognise the fact that they could be affected, temporarily, by an oversupply of retail space.

WHAT WERE THE MAJOR EVENTS OVER THE YEAR?

This year was, once again, marked by a number of important developments. We concluded most of the sale of our properties earmarked for resale. Net proceeds from the sale of these properties stand at Rs 459m. These proceeds will be reinvested in the Beau Vallon Mall and the upgrading works in Phoenix Mall and Bagatelle Mall.
So'flo opened, as planned, in December 2017. Footfall is encouraging and, even if some adjustments are still required, the centre is well set to achieve commercial success.

As mentioned last year, we welcomed Atterbury as a strategic partner in Ascencia. Atterbury is now the third biggest shareholder of the company with circa 10% of the shareholding. The first initiatives have already materialised with a joint venture between EnAtt – our sister company – and Atterbury. They have set up an Asset & Property Management Company to manage two Malls in Namibia: the Grove, a 55,000 sqm mall in Windhoek and the Dunes, a 30,000 sqm mall in Walvis Bay. We have also invested alongside EnAtt and Atterbury in the Beau Vallon Mall.

WHAT WILL YOUR AREA OF FOCUS FOR 2019 BE?

Making our Customer Promise a reality
The emphasis will be on accessibility, comfort and safety. We are working on an exciting project in Bagatelle Mall in order to increase the number of parking spaces, create an entrance from the back of the Mall and add around 10,000 sqms of GLA. This will give us the opportunity to welcome some new international brands in our Mall and further strengthen the appeal of the centre. The project is planned to start at the beginning of 2019 with an expected opening at the end of the year. Simultaneously, we will be working on new accesses to the Phoenix Mall following the latest compulsory acquisition by Government. Concurrently, we are continuously reviewing our operations in order to improve the safety of our visitors, tenants and suppliers. As such, we have tightened our procedures in collaboration with the Fire Services, following the Shoprite incident, and have initiated discussions with an international company to elevate the safety standards in our malls. This will cover both building safety as well as occupational health and safety standards.

Accelerating our green initiatives
We have already commissioned the photovoltaic farm in Phoenix. The farms in Les Allées, Kendra and Bagatelle Mall will follow. These farms will be installed during the course of the year and by 30th of June 2019, the four farms will have a total capacity of 3 MW, representing circa 30% of our consumption. Simultaneously, we are working on an Energy Efficiency Programme in our malls in order to reduce energy consumption. As far as waste recycling is concerned, we are working with our service providers to recycle 50% of our waste and 70% of our waste water. This will represent approximately 3 Tons of waste and 161 cubic meters of water per day.

Growing our footprint
Last but not least, we have approved an investment in the Beau Vallon Mall. Promoted and developed by EnAtt and Atterbury, the Mall will offer 10,000 sqms of retail space anchored by Kingsavers, one of the dominant supermarkets of the region and Espace Maison. Bulk earthworks have already started and opening planned for the 30th of September 2019. As for the first listing of the company, the project will be evaluated next year.

THANK YOU NOTE

Our continued success would not be possible without our Directors, Management teams and stakeholders. We want to formally acknowledge their contribution and thank them for their dedication and efforts. We will carry on with consolidating our market position while remaining alert to opportunities that may arise both locally and internationally. We are confident we will continue to improve further on what is already the highest quality retail portfolio in Mauritius.

Philippe Espitalier-Noël
Chairman

Frédéric Tyack
Chief Executive Officer

RISK MANAGEMENT REPORT

RISK OVERVIEW

"The Risk Management and Audit Committee provides the overall risk management policies and processes that support Ascencia's strategic objectives. Given the challenging environment in which the Company operates, the performance during this financial year is a good reflection of the risk profile."

DEAN LAM
CHAIRMAN, RISK MANAGEMENT AND AUDIT COMMITTEE

During the financial year under review, Ascencia has continued to strengthen its risk management culture and governance.

The key achievements during the year were as follows:

- Independent directors have been appointed with the aim to render the composition of the Risk Management and Audit Committee (RMAC) more diverse and effective in its role to assist the Board in managing the business risks faced by the Company.
- The RMAC's charter has also been reviewed in light of the training workshop on the new National Code of Corporate Governance (NCCG) which was provided to directors and management team.
- A risk management exercise was carried out with the involvement of middle and top Management as well as Directors to identify the key business risks faced by Ascencia. This exercise also included the evaluation of the effectiveness of internal controls as well as recommendations on mitigating actions.

The key risks identified were:

- Sector concentration
- Entrance of new players
- Acquisition and project risks
- Non-compliance of tenants with health & safety regulations
- Poaching of key staff by competitors
- Country risk
- Increases in interest rates
- Terrorism threats and fire

The results of this exercise have been discussed at the level of the RMAC and reported to the Board.

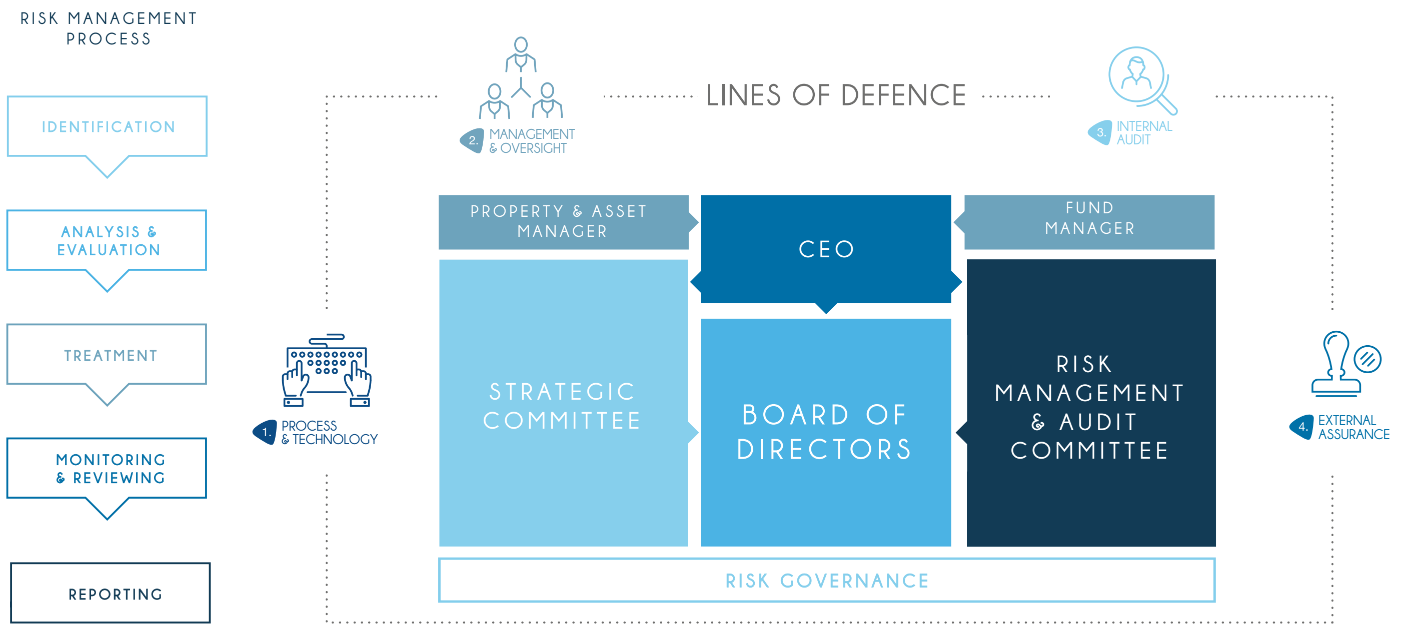
Other key deliverables of the RMAC during the financial year were the review of quarterly financial results, external audit report and the internal audit thematic management reports.

The RMAC has considered and is satisfied with/that:

- The overall appropriateness of the finance function's resources, experience and expertise as well as the experience and expertise of the Head of Finance, who is responsible for the financial function;
- The appropriate financial reporting procedures are in place and are operating. The external audit process has been reviewed by the Chairman of the RMAC and all critical policies, judgements and estimations including the fair value of investment properties, have been discussed with the external auditor, who has been in tenure since 2008;
- All significant areas of risks were covered by internal controls and there were no major risks or deficiencies in Ascencia's system of internal controls. There were no restrictions placed over the rights of access by internal audit to the records, management or employees of the service providers of Ascencia; and
- In addition to the above duties, the RMAC also considers concerns raised from employees of service providers and subcontractors (whistleblowing). No major concerns were raised during this financial year.

INTEGRATED RISK MANAGEMENT FRAMEWORK

At Ascencia, the integrated and risk management framework which includes the risk process, lines of defence and risk governance structure is as follows:



Risk Management Process

Identification

Our well-established risk management process allows management to design, issue and implement appropriate policies and procedures to manage existing business risks and to identify emerging risks during the financial year. The major business risks identified were categorised as follows:

Monitoring

Regular monitoring of these key risks provides management with timely information on the risks faced by the Company and on the effectiveness of the risk management processes.

To manage and mitigate the risks, action plans are implemented by management based on likelihood, significance and potential impact on the financial and operational performance of Ascencia.

Reporting

Depending upon the materiality, risk appetite and the committee's responsibilities, risks, issues and other matters requiring escalation are reported to management through formal and informal meetings; and/or formally reported to RMAC and ultimately to the Board on a quarterly basis.

The Board's review takes into account material changes and trends in the Company's risk profile and considers whether the control regime, including reporting, adequately supports the Board in achieving its risk management objectives. The Board is satisfied that the risk management policies and procedures are ongoing and have been effective and operational during the reporting period.

Board of Directors

- The Board of Ascencia is responsible for ensuring that risks are managed effectively within the Group. This reponsibility has been delegated to the RMAC.

The Risk Management and Audit Committee

- The RMAC reports the key findings to the Board, on a quarterly basis on the effectiveness of its risk management policies and procedures. In doing so, the RMAC also considers any recommendations of the Company's external and internal auditors arising from the ongoing monitoring and reporting processes and management reports.
- Oversight of audit issues and other tasks delegated by the Board.

Duties of the RMAC include:

- Evaluation of the effectiveness of the internal control and risk management framework;
- Review of related party transactions, financial reporting, audit issues and fair valuation of investment properties; and
- Management and external auditors have reviewed and validated the underlying key assumptions used in the calculation of fair value by the independent specialist in their valuation report. These assumptions were reviewed in light of the current economic context and discussed with the Independent Directors in the RMAC.

Strategic Committee

- Responsible for the assessment of the strategic risks related to the investments / projects and divestment opportunities.

Property & Asset Manager

- Reports to the CEO and is responsible for the management of operational, people and financial risks faced by Ascencia.

Fund Manager

Reports to the CEO, RMAC and Strategic Commitee on:

- The assessment of the strategic risks related to the investments/ projects and divestment opportunities.
- The management/escalation of strategic and compliance risks.

Lines of Defence

Our lines of defence are embedded in our integrated risk management framework and provide comfort and assurance on internal controls, risk management, and governance.

1. Process & Technology

Processes, systems and controls in place are designed to manage risks and exploit opportunities. These controls have been designed by Management and are operated by employees of the Property & Asset Manager through the use of technology in their day-to-day activities.

2. Management & Oversight

New and emerging risks pertaining to specific projects or new strategies are reported by the CEO and Head of Internal Audit and Risk Management to the RMAC and Board on a quarterly basis. As a result, this allows the Board to:

- Determine the nature and extent of the principal risks it is willing to take in achieving its strategic objectives;
- Oversee the management of those risks and provide challenge to Executive Management where appropriate; and
- Express an informed opinion on the long-term viability of the Company.

3. Internal Audit

The internal audit function is outsourced to Rogers' Risk & Audit department. An internal audit plan is prepared using a risk-based approach taking into account the changes in risk profiles and emergence of new risks. The plan is set for three years and is reviewed on an annual basis by the RMAC to incorporate the changing risk landscape.

Internal audit findings and progress on implementation of recommendations are reported to the RMAC to ensure a continuous improvement culture.

During this financial year, risk areas covered by internal audit were as follows:

- Concentration risk;
- Debtors' management;
- Tenant categorisation;
- Safety review in all malls;
- Insurance review; and
- IT Audit.

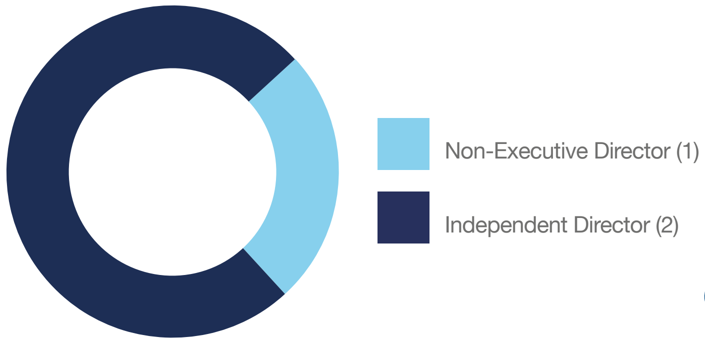
4. External Assurance

External assurance is obtained from the appointment of independent experts and their opinions provide additional assurance on:

- Fair value of investment properties;
- True and fair view of financial statements; and
- Risk management and internal control environment.

Risk Management and Audit Committee

3 MEMBERS



6 MEETINGS HELD

Review of Financial statements, Related Party transactions and other financial issues.

PROGRESS/ACHIEVEMENTS AND EMERGING RISKS

RISKS	PROGESS/ACHIEVEMENTS
• **Business Continuity**	• **Risk assessment done by external parties.**
- Safety, Security and Health	• Recommendations for fire safety implemented in December 2017. • Implementation of other safety measures in progress. • Flooding: cleaning of all drains is being monitored.
- IT infrastructure	• Existing IT set-up has been upgraded. • IT disaster recovery plan reviewed and implemented.
• Liquidity/ Funding	• Sales of non-core assets. • Restructuring of bank debts with Moratorium on Capital.
• **Stakeholder engagement**	
- Employees of service providers	• Monitor staff turnover. • Monitor staff engagement.
- Shoppers	• Upgrade Tenant mix across properties. • Opening of So'flo Mall. • Free Wi-Fi in centres.
- Tenants	• Improved trading density.
- Investor	• Upgraded website.
- Market/Economic / External factors	Renovation and extension of Properties.

EMERGING RISKS

Loss of key employees by service providers

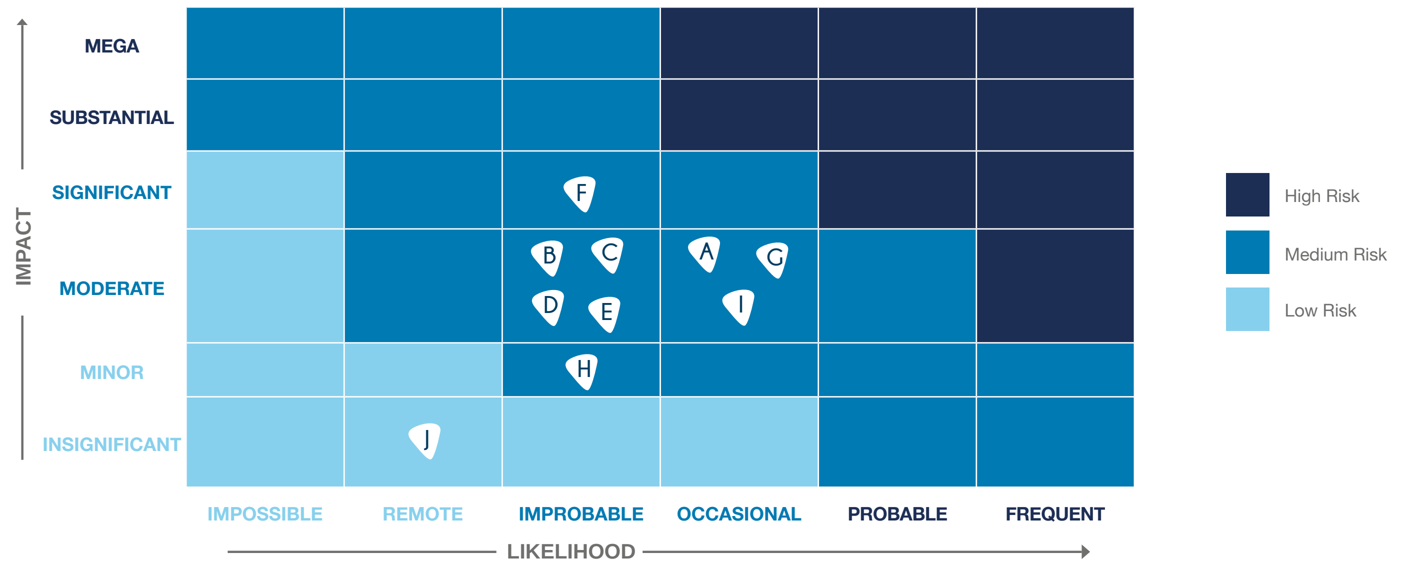
The contribution of the employees of key service providers is vital to Ascencia as they form the frontline to existing and potential tenants and to a smaller extent, to shoppers. There has been, and there is, a scarcity of talent for the retail property sector in Mauritius given that it is a small market. Thus, there is a risk that employees of service providers might be poached by competitors, in turn affecting/causing disruptions in the service levels to tenants and shoppers.

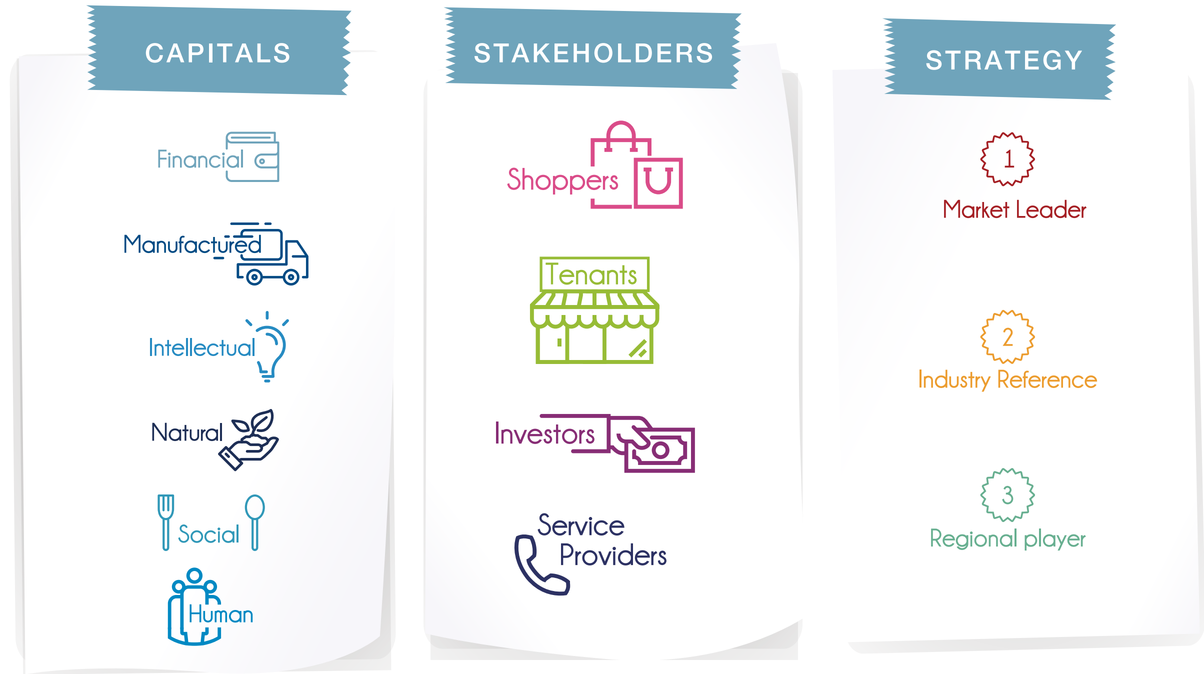
TOP RISKS, OPPORTUNITIES AND RESPONSES

Risks, Opportunities and Strategic Responses

The top ten residual risks, opportunities, strategic responses and their respective impact on capital, strategies and stakeholder goals are described in the following table. The Risk Heat below provides an overview of the top 10 residual risks when existing mitigating controls are applied.

Figure 2: Risk Heat Map - Residual Risks





TOP RISKS		DESCRIPTION & RISK CONTEXT	OPPORTUNITIES & STRATEGIC RESPONSE TO RISKS	CAPITALS IMPACTED	STRATEGIES IMPACTED	STAKEHOLDERS IMPACTED
Strategic Risks	**Movement**					
A. Country / Geographical	↔	• Inability to expand due to limited availability of locations within the country.	• Extension of existing malls (Bagatelle, Kendra, Phoenix Malls) and development of new malls (So'flo and Beau Vallon)	Financial, Intellectual, Manufactured	1	Investors, Shoppers, Tenants
B. Sector concentration	↔	• Inability of the group to expand due to concentration in retail sector.	• Regular monitoring of the challenges in commercial retail sector at management and board levels.	Financial	1	Investors
C. Acquisition and project	↔	• Inadequate due diligence on acquisitions and development projects.	**Acquisition risk** • Pursuing strategy to grow and expand our portfolio locally through acquisitions. • Investments based on strict KPIs (market survey, pre-let levels, development yield, strength of location, anchors and sub anchors). **Project risk** • Working with existing Strategic Partner and Property & Asset Manager, acquisition in projects at value to reduce development risk and proper due diligence checks to review the financial, technical, legal and risk aspects of each project; and • Ensuring that proper contractual agreements exist between parties involved.	Manufactured, Financial, Intellectual, Social, Natural	1, 2	Investors, Shoppers, Service Providers, Tenants
Financial Risks						
D. Fundraising/Liquidity	↔	• Limited share liquidity. • Inability to meet financial obligations in the medium term. • Uncompetitive investment returns and inability to further gear up the fund.	**Liquidity** • Maintaining strategic liquidity and improving recoveries and reduction in arrears through stringent debtors' management. **Fundraising** • Maintaining attractive investment returns and focusing on increasing shareholder value through improved dividend yield and liquidity of shares. • Issuing new sophisticated investment products and listing on the main market of the Stock Exchange of Mauritius. • Sale of non-core assets and non-related contracts. • Value creation through proper management, maintenance and continuous upgrade / renovation of the properties to increase goodwill / reputation. • Independent valuation specialists engaged to determine fair value of the investment properties. • Review of independent properties valuation report by RMAC and external auditors.	Manufactured, Financial, Social	1, 2	Investors

TOP RISKS, OPPORTUNITIES AND RESPONSES

TOP RISKS		DESCRIPTION & RISK CONTEXT	OPPORTUNITIES & STRATEGIC RESPONSE TO RISKS	CAPITAL IMPACTED	STRATEGIES IMPACTED	STAKEHOLDERS IMPACTED
Operational/Process Risks	**Movement**					
E. Real estate valuation	↔	• Fall in value of investment properties due to change in economic outlook. • Lack of depth & participants in the commercial retail sector; hence valuation may be inherently subjective.	• Value creation through proper management, maintenance and continuous upgrade / renovation of the properties to increase goodwill / reputation. • Independent valuation specialists engaged to determine fair value of the investment properties. • Review of independent valuation by RMAC and external auditors.	Manufactured Financial Intellectual	2	Investors Shoppers Service Providers Tenants
F. Business continuity • Health, Safety & Security • IT infrastructure	↔	Breakdown in operations due to: • Major health and safety incident / accidents (such as fire, cyclone, flooding and terrorism) causing injury to employees, contractors, tenants and shoppers. • No proper Business Continuity Plan. • IT system breakdown, cyber threats, loss of key data.	• Proper monitoring and cleaning of drains and security of facilities. • Insurance covers. • Continuous monitoring of tenants to ensure compliance with health & safety regulations. Recruitment of a Health & Safety Officer. • Regular assessment, review and implementation of Business Continuity plan, disaster recovery plan across properties. • Security (including terrorism): Surveillance cameras and security agents. • IT Infrastructure: Review and upgrade of IT set up and ensure logical and physical access to IT resources are secured.	Financial Manufactured Social	1 2 3	Shoppers Tenants Service Providers
G. Market / Economic / External factors	↔	• Changes in opportunities and threats and change in competitive landscape. • Difficulty in sustaining consistent growth in rentals due to adverse economic conditions. • Rise in interest rates. • Other conditions affecting the industry threaten the attractiveness or long-term viability of that industry.	• Pricing of shops linked to inflation rate coupled with action plan to increase trading densities. • Renegotiation of interest rates with providers of finance and possibility of raising fixed rate instrument on all new projects immediately and on existing debt. • Extending and diversifying lease portfolio to maintain competitiveness.	Financial Manufactured	1 2	Investors Tenants
Compliance Risks						
H. Legal and regulatory compliance	↔	• Non-compliance with legal & regulatory framework. • Compliance procedures not being adhered to.	• Vetting of legal documents by legal advisors and constant monitoring of the litigation registers. • Encouraging awareness through attendance to workshops/seminars on changes in legislation and regulations. • Ensuring implementation of new Code of Corporate Governance.	Financial Social	1 2	Tenants Service Providers Investors
People Risks						
I. Stakeholder engagement J. Tenants	↑ ↓	Investors • Lack of investors' confidence. Employees of service providers (Property & Asset Manager) • Staff retention and attraction. • Poor relationship / communication with regards to ethics and controls with employees of service providers. Other service providers (suppliers) • Failure to secure agreements / inadequate contract management with subcontractors. • Poor relationship with suppliers and the latter not aligned with our values. Shoppers • Inability to provide comfortable, convenient and engaging shopping experience. • The trend towards online shopping may adversely affect consumer footfall in shopping centres. Tenants • Impact of disruptive technologies. • Inadequate contract management with tenants. • Increase in vacancy. • Inconsistent service levels throughout the tenant lifecycle. • High exposure to a particular group of tenants across all malls.	• Ensuring existence of effective lines of communication with our stakeholders and maintaining a constructive relationship with them. Investors • Providing continuous feedback meetings to investors Tenants • Regular tenants' meetings to understand their needs. • Risk analysis on existing tenants and pipeline for replacement of tenants. Employees of service providers (Property & Asset Manager) and other service providers (suppliers) • Retention plan through internal promotions, succession planning and more focus on staff. Reviewing and implementing the culture of the company. Shoppers Implementing customer promise (comfort, convenience & appeal of malls) and improving service level and focus on client centricity by: • Continuous upgrade of our properties (painting, waterproofing and improving accesses and parking) to ensure shopping malls remain attractive. • Organising events and installing WIFI / Mobile apps to act as crowd-pullers. • Improving and diversifying tenant mix in existing malls.	Manufactured Social Financial Natural	1 2	Investors Shoppers Tenants Service Providers

Financial

Value Creation

Creating value depends on how we critically manage our balance sheet as well as how we respond to the expectations of the investing community and the business environment as a whole. Without the trust of our stakeholders, it would have indeed been a tough task to achieve what we have done over the past decade.

Rs 15.10 ^+7.5%
NAVPS [2017: Rs14.05]

Rs 17.15 ^+50%
SharePrice [2017:Rs11.40]

Rs 0.75 ^+50%
Dividends Per Share [2017: Rs0.50]

38%
LTV [2017:38%]

2018 in retrospective

1. Increase our dividend yield

For the financial year ended 30 June 2018, total dividend distribution amounted to Rs 359m. The dividend per share rose by 50% compared to last year, while the dividend yield stood at 4.4%.

2. Entry of Atterbury in the share capital

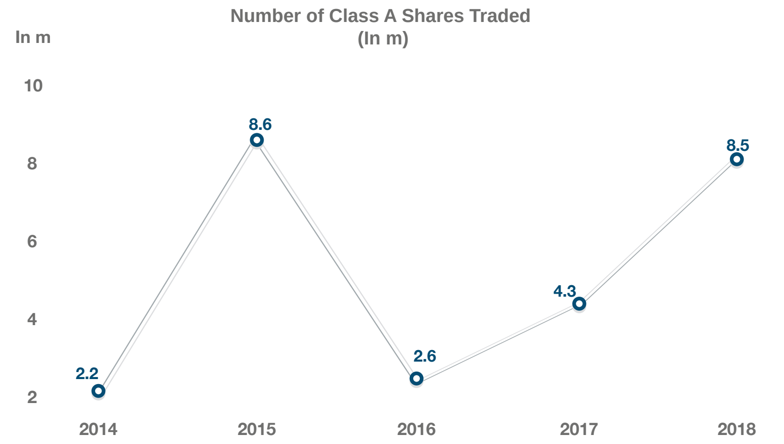
We were pleased to announce earlier this year that the Supreme Court of Mauritius has sanctioned the scheme of arrangement between Atterbury Mauritius Consortium (Pty) Ltd, Bagaprop Ltd and Ascencia. Consequently, Atterbury became a strategic partner as from 22nd of January 2018 and Bagaprop Limited a fully owned subsidiary of Ascencia.

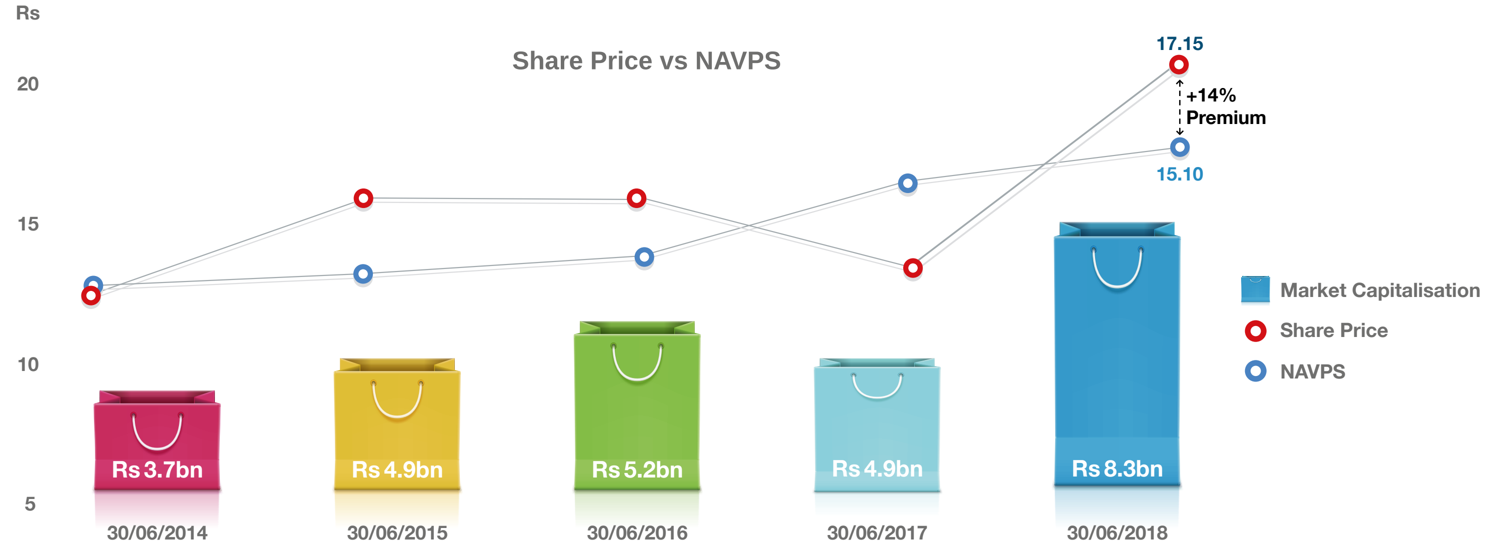
For more details on shareholding structure please refer to page 54.

3. Improve Shares liquidity

Investors were quite bullish on Ascencia which reached its all-time high at Rs 17.45 during the year ended June 2018 before closing at Rs 17.15 on 30 June 2018. As at 30 June 2018, Ascencia share price was trading at a 14% premium to Net Asset Value per Share. Volume Traded for the year under review has increased by almost 100% to 8.5 million shares traded.

The market capitalisation as at 30 June 2018 was Rs 8.3bn. (2017:Rs4.9bn). This was mainly due to the strong capital appreciation over the year, coupled with the entry of Atterbury Mauritius Consortium (Pty) Limited in our share capital.

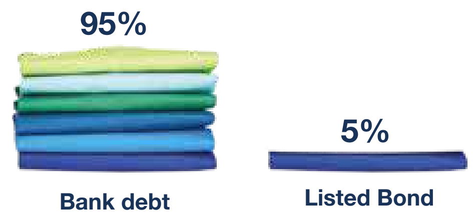




4. Explore new investment opportunities while maintaining LTV below 45% - Cost of debt funding maintained to Prime Lending Rate (PLR)

We strived to maintain an average LTV target below 45%, as we believe this is the optimal level of gearing over the long term. Our Investment properties generate income through both capital appreciation and rentals.

LTV was maintained to 38%. We don't expect a significant increase in LTV as future investment and development will be mainly finance by the Rs 459m of net cash proceeded from sale of non-core assets during the year.



Financial

"Our value creation for Shareholders is measured through the increase in distribution per share and the growth in Net Asset Value. This year, our strong operational performance resulted in a 50% increase in our dividend per share and a 50% increase in the Share price to Rs 17.15, making Ascencia the largest capitalisation on the DEM."

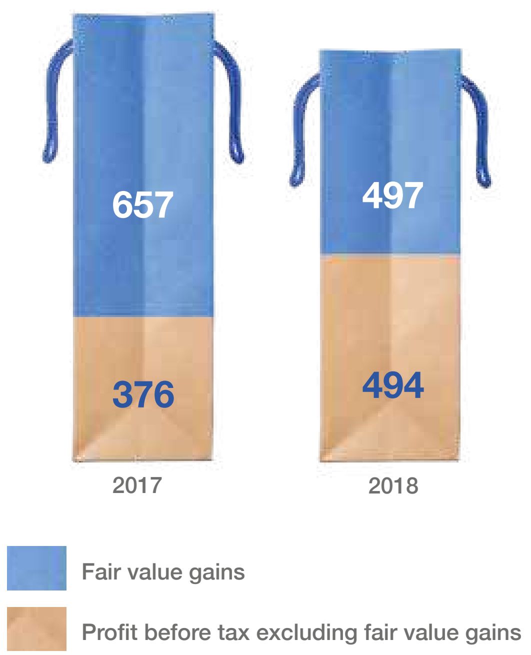
Robert Boullé (Fund Manager)

5. Improve corporate and investor visibility and educate the market about our industry

As an investor, transparency of information is an absolute requirement. The newly introduced quarterly management reports have heightened investor awareness on the recent developments during each quarter and also became more familiar with the key metrics of a retail business company.

Profit breakdown

Rs m



2019 in perspective

The 2018 year has been remarkable in terms of achievements and we shall continue to work on a number of exciting challenges. For the forthcoming financial year, in line with the ambition, we will keep our focus on the following:

1. Exploring new investment opportunities.
2. Managing cash resources.
3. Increasing share liquidity.
4. Increasing our dividend per share.
5. Improving corporate and investor relations.
6. Maintaining a low LTV (at or below 45%).

Other Information:

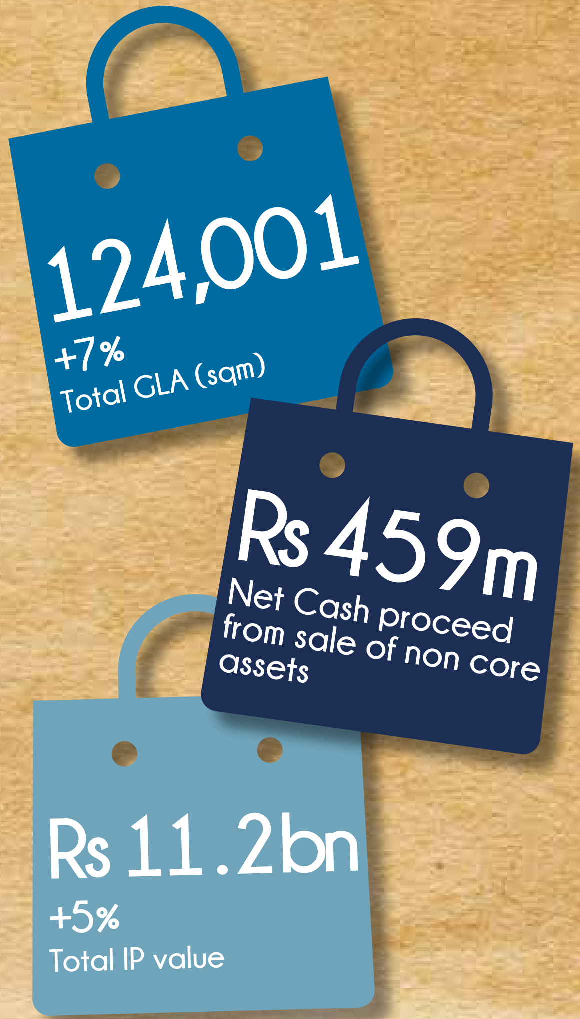
	2018	2017
Total Instruments in issue		
Class A Ordinary Shares (#)	482,019,385	432,770,316
Weighted Average No. of Class A Ordinary Shares in issue (#)	452,776,447	423,325,161
Convertible Non-Voting Preference Shares post conversion of 30 June (#)	7,373,818	11,587,406
Redeemable Bonds (#)	17,556,676	17,556,676
Trading Activity of Class A Ordinary Shares		
Market Price per share (Rs)		
High	17.45	12.50
Low	11.15	11.25
Average	15.07	12.11
Closing	17.15	11.40
Volume traded during the year (#)	8,479,048	4,318,098
Ratio of volume traded to number of shares in issue (%)	2%	1%
Ratio of volume traded to weighted average number of shares in issue (%)	1.7%	1%
Market Capitalisation at 30 June (Rs bn)	8.2	4.9
Number of shareholders (#)	691	597
Shareholders' Value		
Dividend yield of Class A Ordinary Shares (%)	4.4%	4.4%
DPS of Class A Ordinary Shares (Rs)	0.75	0.50
EPS	1.91	2.04
Diluted EPS (Rs)	1.89	1.99
NAVPS (Rs)	15.10	14.05

****

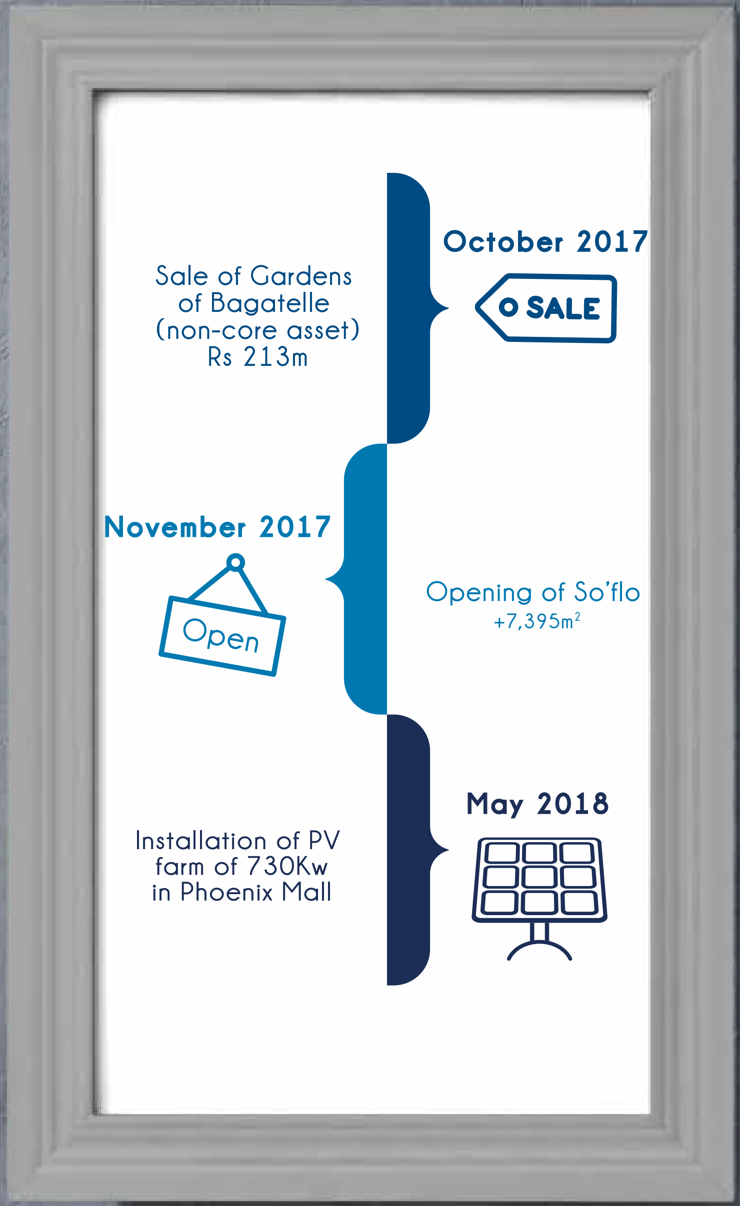
Manufactured

Value Creation

We allocate capital where we believe sustained stakeholder value can be created. The geographical positions of our malls not only imply convenient accesses, but also comfortable spaces and engaging tenant mixes, to the delight of our tenants and visitors.



2018 in retrospective



The retail market faces new challenges every year, and the past period brought about significant changes to the landscape of Mauritius. So'flo is one of the latest additions to the Mauritian landscape.
Our portfolio of properties is currently valued at Rs 11.2 bn and comprises Bagatelle Mall, the largest shopping mall in Mauritius, Phoenix Mall and Riche Terre Mall, two popular regional malls, and three convenience shopping centres namely, Kendra and Les Allées. Of note, our investment property value excludes So'flo, the latter being a joint venture as at 30 June 2018.
With an experienced management team and a vigorous risk and corporate governance structure, we diligently manage our portfolio and Shape Singular Places thus delivering the best quality services and experiences to the visitors, as there are the key to our success.

Increase our Gross Lettable Area (GLA)
GLA increase to 124,001 sqm mainly due to the inclusion of So'flo (+7,395 sqm), a joint venture, in our portfolio. The latter is proving to be most convenient to its surroundings, and we expect its performance to continue to improve.

Renewals & Vacancies
As for vacancies, excluding So'flo, they stand at 1.4% this year (2017:1.6%) reflecting the strong demand for space in our malls.
The Weighted Average Lease Expiry (WALE) for the portfolio stands at 4.98 years (2017: 3.90 years). This increase was mainly explained by the renewal of our Anchor tenant in Riche Terre mall and Phoenix Mall, representing 21,072 sqm.

Green initiatives developments
We proceeded with the installation of a photovoltaic farm in Phoenix Mall.
More details in our Natural Capital on pages 42-43.

Recycle capital to sustain future growth
The sale of our non-core assets generated Rs459m of net cash. The sale of the remaining asset held for sale shall be completed by the end of next quarter. The cash will be used to finance the upgrading of Bagatelle Mall, new accesses in Phoenix Mall and our investment in Beau Vallon Mall.

Development
Ascencia Board has approved a 33% stake in Beau Vallon Mall. Promoted and developed by EnAtt and Atterbury, the project has already started and is due to open in September 2019. The cost of this development is in the region of Rs 800m.

2019 in perspective

We plan to further consolidate our position in Mauritius. We are working on an exciting project in Bagatelle Mall in order to increase the number of parking spaces, create an entrance from the back of the mall and add around 10,000 sqm of GLA. As for Phoenix Mall we are currently working on new accesses to the mall adapting to the Metro Express circuit. As mentioned above, The Beau Vallon Mall will be fully operational by end of 2019, with a GLA of 10,000 sqm. Furthermore, we aim to transform our malls by adopting 'green infrastructures', with higher rates of energy efficiency and better control over our environmental impact. Photovoltaic farms at Kendra, Les Allées and Bagatelle Mall, are also in the pipeline for 2019 with more details covered in our Natural Capital on pages 42-43.

Manufactured

Bagatelle Mall
by Ascencia

GLA (sqm)	56,859
NOI (Rs m)	484
IP Value (Rs bn)	6.6
Yield (%)	7.7
Vacancy (%)	0.5
Average Monthly Footfall (#)	685,628
WALE (yrs)	3.84

Riche Terre Mall
by Ascencia

GLA (sqm)	20,863
NOI (Rs m)	107
IP Value (Rs bn)	1.4
Yield (%)	8.5
Vacancy (%)	6.3
Average Monthly Footfall (#)	305,605
WALE (yrs)	7.18

Phoenix Mall
by Ascencia

GLA (sqm)	29,092
NOI (Rs m)	190
IP Value (Rs bn)	2.37
Yield (%)	8.4
Vacancy (%)	0.0
Average Monthly Footfall (#)	557,128
WALE (yrs)	5.95

So'flo
by Ascencia

GLA (sqm)	7,395
NOI (Rs m)	26*
IP Value (Rs m)	628
Yield (%)	-
Vacancy (%)	11.2
Average Monthly Footfall (#)	124,410
WALE (yrs)	5.74

* 7 months of operation

Kendra
by Ascencia

GLA (sqm)	5,234
NOI (Rs m)	38
IP Value (Rs m)	470
Yield (%)	8.3
Vacancy (%)	1.0
Average Monthly Footfall (#)	204,208
WALE (yrs)	3.09

Les Allées
by Ascencia

GLA (sqm)	2,655
NOI (Rs m)	16
IP Value (Rs m)	194
Yield (%)	8.8
Vacancy (%)	2.2
Average Monthly Footfall (#)	-
WALE (yrs)	2.86

Intellectual

Value Creation

In a highly dynamic market, our competitive advantage relies on our experience, expertise and knowledge of our organisation and industry. Our intellectual capital thus encompasses anything other than the traditional "brick & mortar" assets, ranging from our corporate culture that drives our management approach towards risk and investment to the profound knowledge we have of our stakeholder needs.

76%
Stakeholders' satisfaction

+200,000
Unique Facebook followers across portfolio

Average Length of Tenure of Management
Property & Asset Management 3.7 years
Fund Management 2.1 years

Leveraging on partnership experience

Since 2008, EnAtt and Rogers have been the core skeleton of our Company.

EnAtt, acting as the Property and Asset manager, has extensive knowledge and experience in that industry. EnAtt is responsible for the day-to-day running of our Malls operation.

The Asset management services encompasses the general administration, the leasing services and insurance cover of our portfolio of properties. While the Property management services provide the general maintenance, the letting, accounting and budget preparation for our Company.

Rogers, acting as the Fund manager, implements the investment strategies of the Company, advising on investment/disinvestment, monitoring and analysing performance of business unit and provide management, financial, compliance and other administrative services to our Company.

2018 in retrospective

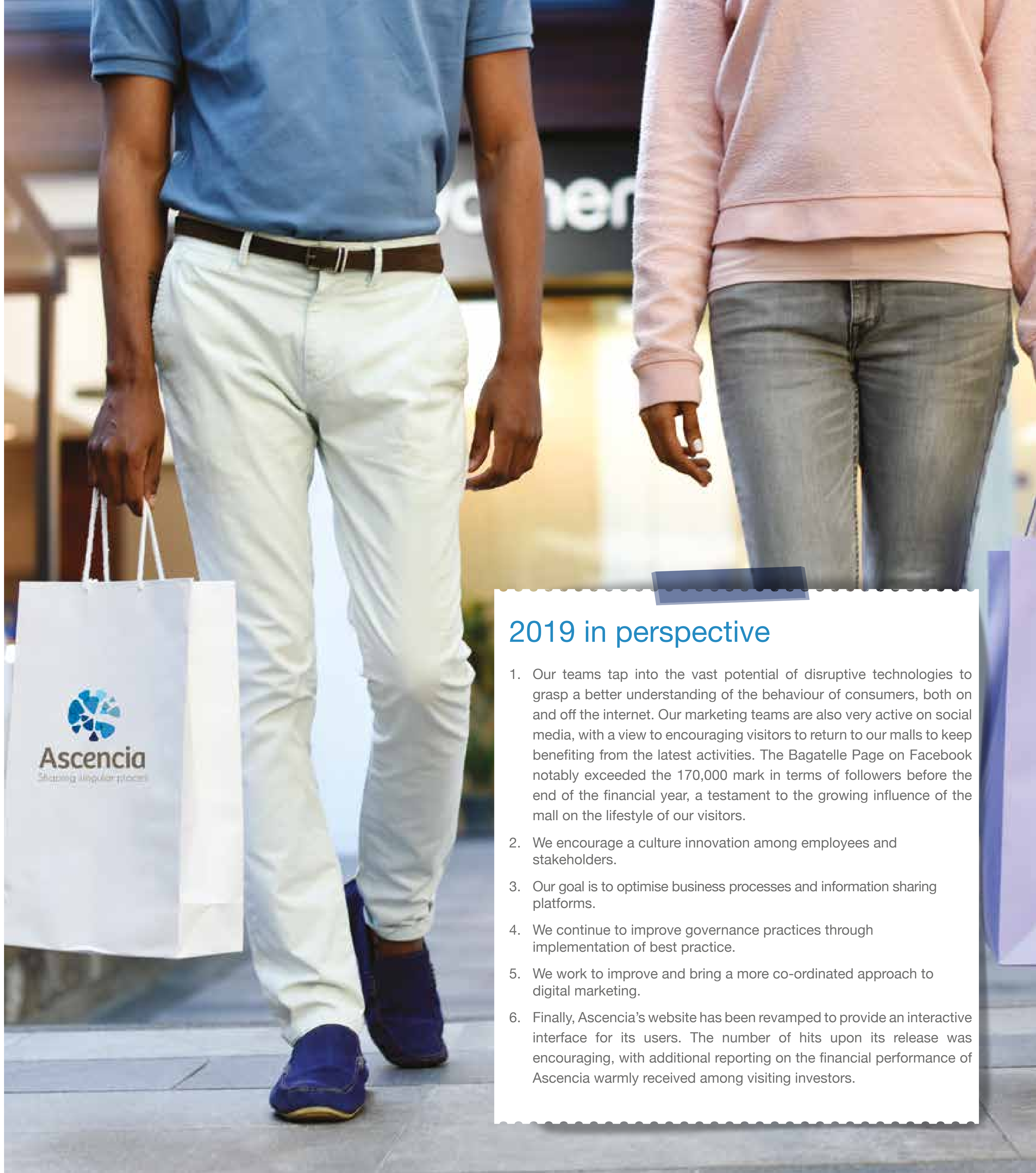
Customer behaviour and tenant mix

Our teams strive to find the right tenant mix across our malls and have over the year welcomed new notable crowd-pullers into our portfolio. PAUL Café and Komiko Comedy Artclub opened their doors in January and February respectively at Bagatelle. Kendra and Riche Terre Mall added new restaurants in line with our tenant mix strategy. Furthermore, FATTI was introduced in 2016 and has so far allowed us to enhance our understanding of shopping behaviour across Bagatelle Mall and Phoenix

Mall. The use of WiFi to monitor the habits of shoppers help our tenants adapt their strategies to convert more visitors and improve trading densities.

Translating learnings from stakeholders' surveys into sustainable business practices

We achieved an overall stakeholder satisfaction rating of 76%. At a time when customer expectations are increasing, this information has helped us understand how we meet our shoppers' needs and deepen our knowledge on what matters most to them. We analysed in depth the survey results in our Stakeholder analysis section on pages 12-13. It goes without saying that an increase in mall events and better accessibility over the malls shall improve customer experience and footfall even if the latter is up to expectations.



2019 in perspective

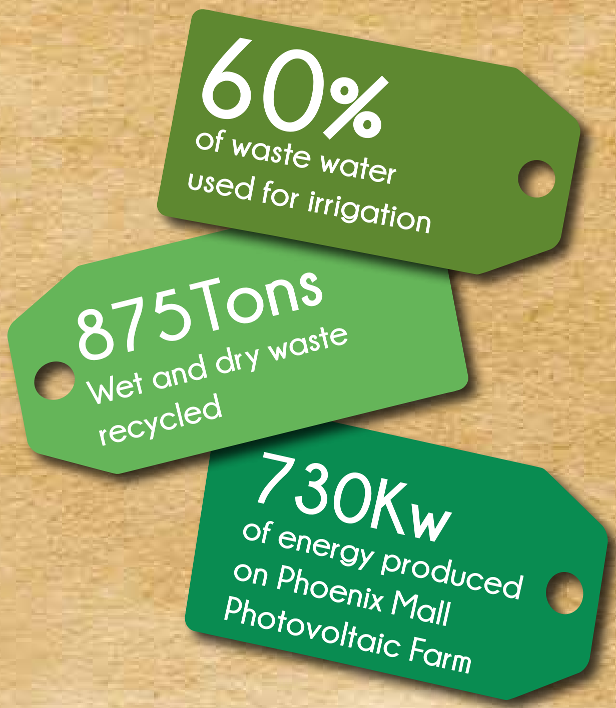
1. Our teams tap into the vast potential of disruptive technologies to grasp a better understanding of the behaviour of consumers, both on and off the internet. Our marketing teams are also very active on social media, with a view to encouraging visitors to return to our malls to keep benefiting from the latest activities. The Bagatelle Page on Facebook notably exceeded the 170,000 mark in terms of followers before the end of the financial year, a testament to the growing influence of the mall on the lifestyle of our visitors.
2. We encourage a culture innovation among employees and stakeholders.
3. Our goal is to optimise business processes and information sharing platforms.
4. We continue to improve governance practices through implementation of best practice.
5. We work to improve and bring a more co-ordinated approach to digital marketing.
6. Finally, Ascencia's website has been revamped to provide an interactive interface for its users. The number of hits upon its release was encouraging, with additional reporting on the financial performance of Ascencia warmly received among visiting investors.

Natural

Value Creation

Strategies to reflect our initiative for greener places into our Customer Promise are well in place and the team will further explore greener, cleaner possibilities to enhance value on and around our properties.

"The Greenest watt is the one that doesn't have to be produced."



Reflecting on 2018

Wet and Dry Waste Recycling

Waste is mainly divided into two categories, dry waste and wet waste. Both need to be disposed and recycled differently. Waste management is key in our objective of becoming green. This year, over our portfolio of properties, we managed to recycle 25% of malls wastage representing waste consumed by approximately 113 households in Mauritius. Wastage consists of animal feed, plastic, glass and paper recycling.

Waste Water Recycling

Water consumption in all our Malls is constantly being monitored via KPI's set and we ensure that 60% of recycle water representing the consumption of more than 161 Households per annum is essentially used for irrigation. The remaining 40% is used for other plant treatments.

Photovoltaic Farm

Following connection agreement with the Medium Scale Distributed Generation (MSDG) Scheme of the CEB, we have already started installation of Photovoltaic Farm at Phoenix for a capacity of 730Kw. This represents energy used by approximately 156 households per annum. We shall then proceed with Kendra and Les Allées followed by our biggest plant at Bagatelle Mall.

Use of Green products

During the year, we continued to use Green products for cleaning purposes over the Malls. The main products used are certified by the National Science Foundation (NSF) which is an American testing institution for public health and safety standard. The aim is to enhance, promote and encourage the usage of Green Products between the various stakeholders.

2019 in perspective

The Oil Audit Program set up this year will enable us to accompany our tenants and monitor their consumption where we target to handle 7,000 liters on a monthly basis, representing 50% of total Oil used in our Malls. The oil collected will then be sent to a third party for a second life cycle and used as bio fuel for agricultural use.

Furthermore, we look forward to perfecting our control of waste recycling across the whole portfolio with an aim to recycle 50% or more of total Malls wastage.

We planned to start the operation of photovoltaic farms at Kendra, Les Allées and Bagatelle Mall; this will represent 30% of our daily consumption produced by solar energy. The remaining 7,122 panels (representing 26,602sqm in terms of GLA) will cumulate about 2.2 Mw equivalent to energy attributed to +470 households.

We shall implement an integrated platform where various clusters of operation will be consolidated for a better insight on energy consumption, foot counts, building management and vendor's management for both the Malls and for the tenants as well. Upgrading our sewer treatment plant capacity by nearly 40% will allow us to recycle more water and use it for irrigation purposes.

	Realised		Energy saved equivalent to		Water saved equivalent to	
Initiatives	Qty p.a	%	Households	CO_2	Households	5 Year Target
Wet and Dry Waste Recycling	875 Tons	25%	113	810,174m³	116	50%
Waste Water Recycling	59,000 m³	60%	-	-	161	70%
Used Oil Recycling	-	-	-	-	-	50%
Clean Power (PV Farms)	730 Kwp	24%	156	-	-	3Mw
Energy Efficiency	-	-	-	-	-	10%

Social

Value Creation

We are committed to all aspects of our day-to-day mall operations with a main objective of enhancing the shopper experience. This experience does not start only when the shopper is in our malls, but becomes part of their lives. We contribute to society through different initiatives we undertake during the year across the portfolio. We place great value in not only creating awareness around social welfare, but also bringing together the community to participate and help their neighbors, whether it be by donations, activities or sharing of information.

2018 in retrospective

Corporate social responsibility contribution

We contributed to the association of "Les Amis de Don Bosco". This association is a non-governmental organization inspired by Don Bosco. Founded in 2010, they are committed to fight against poverty and promote education, in popular circles and places of great poverty. Their projects principally aim to provide houses and shelter for rehabilitation of young boys and girls coming from extreme poverty backgrounds. They also provide an education that principally aims at the development of human body, heart, intelligence and spirit as a whole.

Environmental Sustainability program

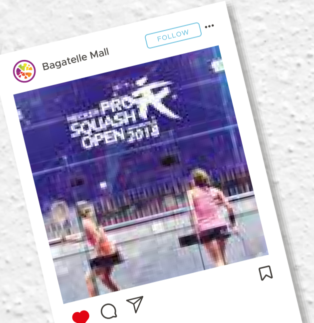
We have started our environmental sustainability program over the year with an aim to inspire our customers and partners to join us in doing the right thing for the environment. Our challenge was to ensure that the relevance of this concept remains in our everyday dealings. For more information, turn to Natural Capital section on pages 42-43.

Bagatelle Mall

On the 05 June 2018, World environment day, Ascencia launched a new concept: The Green market. This first edition, held at Bagatelle Mall, was aimed primarily at educating and creating awareness to Mauritians on simple habits. Whether it's recycling, upcycling or zero waste, there are many alternatives to commit to a responsible way of life. We believe that a little caution from their part can make a lot of difference.

Furthermore, The Social Mall campaigns at Bagatelle Mall were promoted with activities and sport events, providing support to different NGOs:

1. The Necker Pro Squash tournament held at Bagatelle Mall from 21 May to 02 June. Bagatelle Mall welcomed the top world ranking players,giving the opportunity for Mauritian squash players and fans to enjoy some very entertaining matches.
2. The Road safety campaign raised awareness about security on the road and tips for careful driving.
3. The Ovarian Cancer awareness campaign.
4. We also partnered with ForMe Pharmacy to deliver free preventive health tips by Medical Advisors.
5. Creating awareness about cancer also encourages the shoppers to give back to the community. With the sale of handmade bracelets, Bagatelle Mall was able to donate towards therapies that benefited 35 link to life cancer patients. The Annual Christmas Donation Box initiative allowed Bagatelle Mall to once again engage shoppers, as well as Bagatelle Mall Staff to donate gifts which were distributed to Chrysalide and Reve et Espoir et Etoile de L'Esperance associations.



"That's a great campaign keep up with the good work and together we shall build a greener world"

"Great initiative Phoenix Mall!!!"

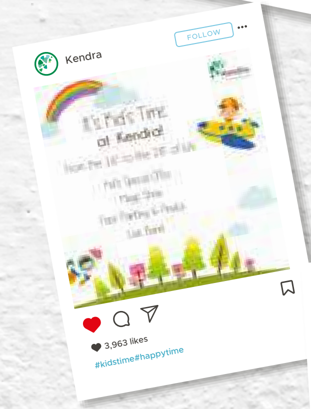
Phoenix Mall

Caring for the environment remains at the heart of the social activities showcased at Phoenix Mall. To celebrate the World Environment Day, Phoenix Mall launched a one free plant for a minimum spend of Rs500 in any of its shops on the 9th and 10th of June 2018. The campaign was met with great success; more than 900 plants were distributed over the 2 days.

Phoenix mall also supported different NGO's during their flag days, an exhibition hosted by Reef Conservation and Mauritius Marine Conservation Society, blood donations, SOS Village awareness campaigns, and the Marché Solidaire de Noel.

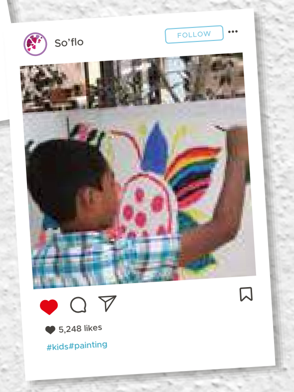
Riche Terre Mall

With the objective of giving back to the community, Riche Terre Mall took the engagement to put a smile on children's faces by offering them gifts at the mall, as well as supporting two associations; Groupe Feminine Mere Theresa and Maison d'accueil. The online campaign was successful with 3,288 people engaged in the activities and 3,207 likes on the Facebook platform.



Kendra, Les Allées and So'flo

Kendra, Les Allees and So'flo are part of Ascencia's convenience malls. They have developed strong partnerships with different NGO's as well as corporate foundations by providing a platform for them to carry out their activities and awareness campaigns. The respective malls have been actively present on social media through various awareness campaigns addressing issues as breast cancer awareness and health awareness campaigns.



2019 in perspective

For the upcoming financial year, Ascencia will continue its Green sustainability program through various eco-friendly awareness campaigns. The Malls will further create awareness campaigns regarding other social issues that affect the communities within which they work, support causes through fund raising and strategic collaborations with NGO's and corporate foundations. We will also keep building on our online presence to reach a greater number of visitors, with an aim to boost awareness about our activities across our malls.

Human

Value Creation

We, at Ascencia, are not only made of bricks and mortar. Although we do not directly employ any personnel, we operate under two management agreements, namely the Property and Asset Management represented by EnAtt and the Fund Management agreement represented by Rogers & Co limited. Through these service providers, represented by +70 employees, the Company's day-to-day operations and management are taken care of.
By leveraging on their experience, employees are encouraged to deliver sustainable organisational performance while achieving personal growth.

+70
EnAtt & Rogers employees

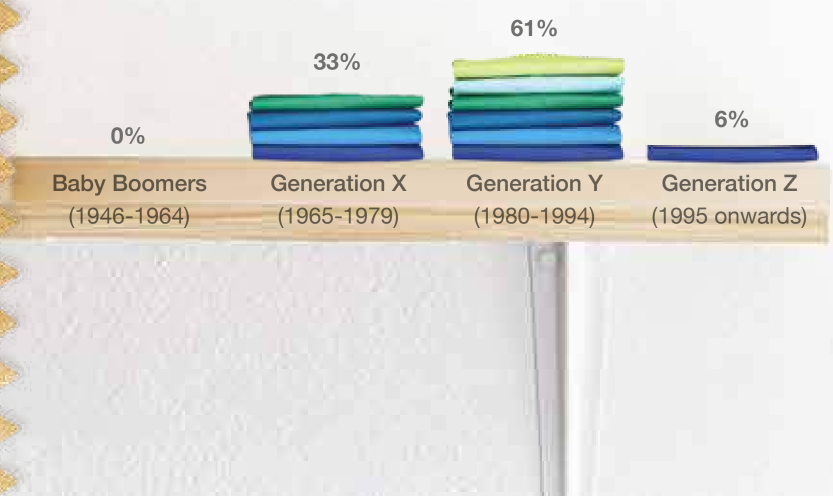
Gender diversity
42% Female

Training & development
Rs 615k

"The 70 people bring experience, talent and capabilities relevant to all aspects of our business, from shoppers and tenants' relations to the innovative thinking necessary to drive value growth and efficiency of our business."

Retrospective on 2018

We are committed to encouraging diversity through all levels of our organisation, up to and including leadership. During the year, we made progress in attaining our transformation objectives at all levels, supported by a comprehensive employment plan with specific implementation goals and targets. Furthermore, we remain focused on increasing the number of employees mainly in the Property and Asset Manager cluster and continue to proactively seek and develop the right candidates, who best support our overall business objectives.



Years of service

2019 in perspective

This year we will focus on Employee Engagement, as we believe that highly engaged employees can transform your Company by increasing efficiency, encouraging staff collaboration and boosting Innovation. We will also aim to develop our people, more specifically our Managers, with training and individual coaching.

We will continue to work on employee retention and building a more positive workplace environment.

SECTION

02

GOVERNANCE

CORPORATE GOVERNANCE REPORT

1. Compliance statement

Ascencia is a public interest entity and is required to adopt and report on Corporate Governance principles in accordance with the National Code of Corporate Governance (2016) (the ‘Code’).

2. Governance structure

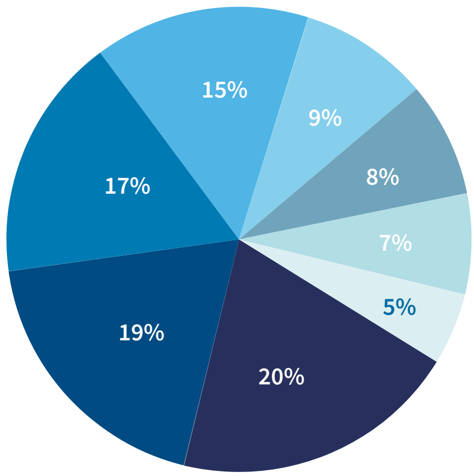
The Board

Ascencia is headed by a unitary board comprising of 12 directors.

Their profiles and their full directorship lists are set out on pages 56 and 63 of the Annual Report.

The Board assumes responsibility for leading and controlling the organisation and meeting all legal and regulatory requirements.

The category of Directors and their respective balance of skills as at 30 June 2018 are set out below. Except for Mr. Louis Van Der Watt, all the Directors reside in Mauritius.



Finance	19%
Risk & Audit	9%
Communication & HR skills	8%
Administration	7%
Corporate Governance	15%
Business & Strategic development	17%
Legal Skills	5%
Leadership	20%

	Board of Directors	Risk Management and Audit Committee “RMAC”	Corporate Governance Committee “CGC”	Strategic Committee “SC”
Executive Directors				
Frédéric TYACK	Member	-	-	Member
Sharona RAMDOSS	Member	-	-	-
Non-Executive Independent Directors				
Dominique GALEA	Member	-	Chairman	-
Dean LAM KIN TENG	Member	Chairman	-	-
Pierre Yves PASCAL	Member	Member	Member	-
Koosiram CONHYE	Member	-	-	-
Non-Executive Directors				
Philippe ESPITALIER-NOËL	Chairman	-	Member	Chairman
Marc AH CHING	Member	Member	-	-
Louis VAN DER WATT	Member	-	-	-
Lucille Helen LOUW (Alternate to Louis VAN DER WATT)	Member	-	-	-
Damien MAMET	Member	-	-	Member
Hector ESPITALIER-NOËL	Member	-	-	-
Naderasen Pillay VEERASAMY	Member	-	Member	-

With respect to the implementation of the Code, the Board has approved the following documents:

- Organisational chart (www.ascenciamalls.com)
- Position statements of key senior governance positions (www.ascenciamalls.com)
- Statement of accountabilities:
  The Board is equally accountable to the shareholders for the proper stewardship of Ascencia affairs; whilst ensuring that the Company takes into account the wider community of interests represented by other stakeholders.(www.ascenciamalls.com)
- Code of Ethics, adopted post 30 June 2018. The Board will regularly monitor and evaluate compliance with the Code of Ethics (www.ascenciamalls.com)

With regard to the Board Charter, the Board is of the view that its content is already found in the Company’s constitution and the prevailing legislation, rules and regulations. The Board has consequently resolved not to adopt a charter for the financial year ended 30 June 2018.

CORPORATE GOVERNANCE REPORT

Board committees

In line with the Code, the board has set up a Corporate Governance Committee and a Risk Management and Audit Committee to assist it in the discharge of its duties. The membership and terms of reference of these committees, which have been approved by the Board, are available on: www.ascenciamalls.com

Directors' attendance at Board and Committee meetings during the financial year ended 30 June 2018 was as follows:

Board and Committee meetings	Board of Directors	Risk Management and Audit Committee	Corporate Governance Committee	Strategic Committee	Annual Meeting of Shareholders	Special Meeting of Shareholders	Independent Commitee
Total number of meetings for the year	6	7	3	3	1	1	1
Executive Directors							
Frederic TYACK	6	n/a	n/a	3	1	1	-
Belinda WONG VACHER[1]	4	n/a	n/a	3	1	1	-
Sharona RAMDOSS[2]	-	n/a	n/a	n/a	-	-	-
Non-Executive Independent Directors							
Dominique GALEA	4	1 (co-opted)	3	n/a	1	-	1
Dean LAM KIN TENG[6]	6	5	n/a	n/a	-	-	1
Pierre Yves PASCAL[3]	3	3	n/a	n/a	1	1	1
Bojrazsingh BOYRAMBOLI[4]	4	n/a	n/a	n/a	-	-	-
Koosiram CONHYE[2]	-	n/a	n/a	n/a	-	-	-
Non-Executive Directors							
Philippe ESPITALIER-NOËL	6	n/a	3	3	1	1	-
Marc AH CHING	5	6	n/a	n/a	-	-	-
Louis VAN DER WATT	5	n/a	n/a	n/a	-	-	-
Lucille Helen LOUW[5]	1	n/a	n/a	n/a	-	-	-
Damien MAMET	4	1 (co-opted)	2	3	1	-	-
Hector ESPITALIER-NOËL	6	n/a	n/a	n/a	1	-	-
Naderasen Pillay VEERASAMY	6	n/a	2	n/a	1	-	-

1. Resigned on 22 March 2018.
2. Appointed on 20 June 2018.
3. Appointed on 09 October 2017.
4. Resigned on 07 May 2018.
5. Alternate Director (alternate to Louis VAN DER WATT)
6. Appointed on 03 August 2017.

Appointment

The Board assumes the responsibilities for succession planning and for the appointment and induction of new Directors to the Board.

During the year under review, the Corporate Governance Committee of the Company, acting in its capacity as Nomination Committee, recommended to the Board the appointment of Ms. Sharona Ramdoss and Mr. Koosiram Conhye as directors of the Company, following the resignation of Mrs. Belinda Wong-Vacher and Mr. Bojrazsingh Boyramboli respectively.
All Directors will stand for re-election at the Annual Meeting of Shareholders of the Company scheduled for 24 October 2018.

Induction and Orientation

Upon their appointment, the new Directors attended and participated in an induction and orientation process. They received an induction pack from the Company Secretary and had a briefing session with the Chief Executive Officer.

Professional Development

The Board reviews the professional development and ongoing education of Directors. On 28 February 2018, the Directors attended a training workshop facilitated by Dr. Chris Pierce on the New Code of Corporate Governance.

3. Directors' duties, remuneration and performance

The Directors are aware of their legal duties and may seek independent professional or legal advice, at the expense of the Company, in respect of any aspect of their duties and responsibilities.

Interests of Directors and conflicts of interest

Ascencia applies the requirements of the DEM Rules pertaining to the Disclosure of Corporate Transactions, including related-party transactions, as approved by the Board.
All Directors are expected to declare their direct and indirect interests in the securities of the Company. They also follow the Model Code for Securities Transactions as detailed in **Appendix 6 of the Stock Exchange of Mauritius Listing Rules** whenever they deal in the shares of the Company.
The Company Secretary maintains an interests register which is available for consultation to shareholders, upon written request to the Company Secretary.

Information, information technology and information security policy

With the coming into force of the Data Protection Act 2017 in January 2018, the Company has endeavoured to reinforce the safety and security measures in place to protect the data it collects, stores and processes. It has thus adopted the following documents, which may be consulted on its website: www.ascenciamalls.com

- A Data Protection Policy, which summarises the principles which will be applied by the Company when processing data.
- A Data Protection Notice, which explains in detail to data subjects the purpose for and manner in which the Company processes data, as well as the rights of data subjects relating to same; and
- An Information Technology Policy, which sets out the IT safeguards which have been put in place to ensure security of data.

Ascencia has also adopted a Data Protection Compliance Manual, which sets out in detail all the measures which have been or are being put in place regarding security of data. Regular audits will be carried out to ensure compliance with the said Manual.

Board evaluation

The Board resolved that no Board evaluation be conducted for the financial year ended 30 June 2018. It is contemplating an evaluation carried out by an experienced external evaluator for the financial year ending 30 June 2019.

CORPORATE GOVERNANCE REPORT

Directors' remuneration

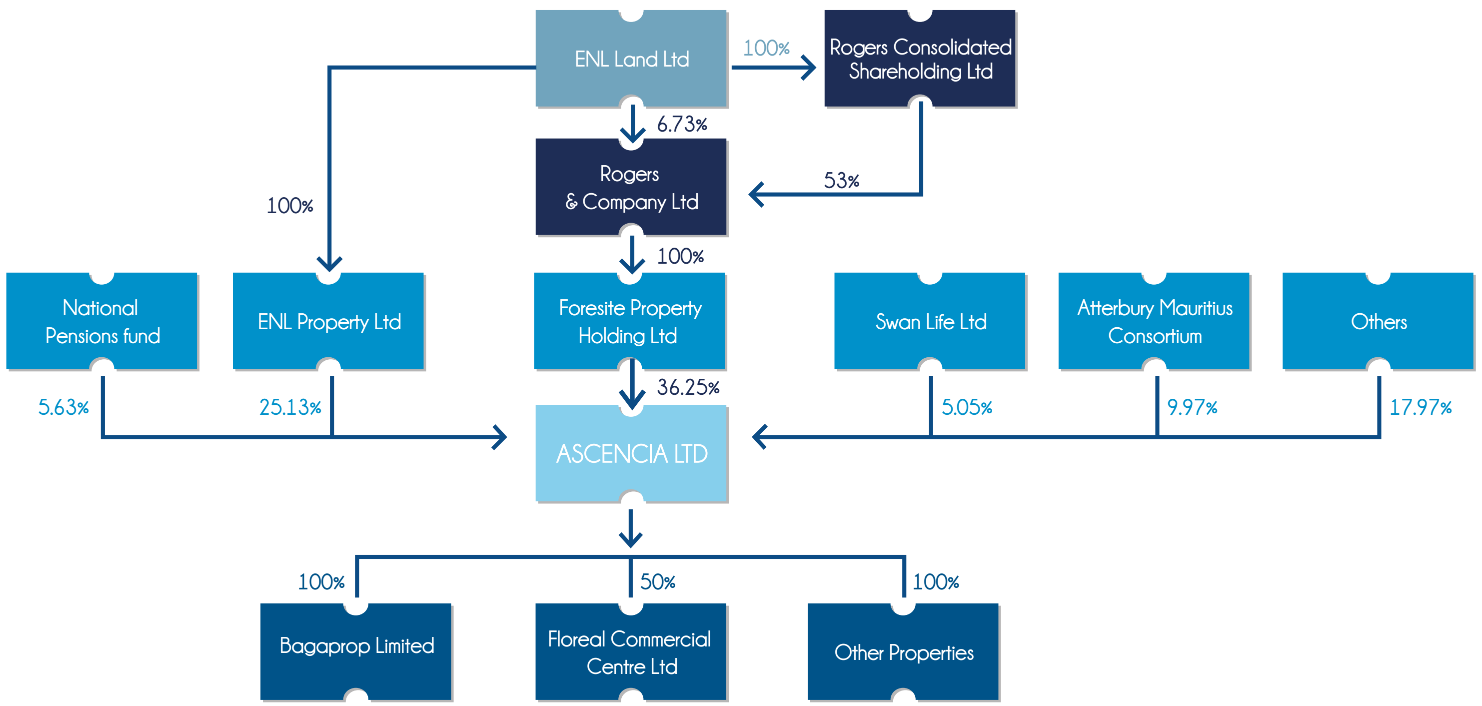
As a principle, the Executive and Non-Executive Directors of the Company who are employed by either the Rogers Group or the ENL Group are not entitled to any directors' fees. The Non-Executive Directors have not received any remuneration in the form of share options or bonuses associated with the performance of the Company.

The Directors' fees are made up of two components: (a) a basic, fixed monthly fee; and (b) a variable attendance fee. The Chairmen of the Board committees are paid a higher fee.

Members entitled to Directors Fees	Fees in Rs '000
Dominique GALEA	358
Dean LAM KIN TENG	392
Pierre Yves PASCAL	256
Bojrazsingh BOYRAMBOLI	204
Louis VAN DER WATT	199
Naderasen Pillay VEERASAMY	295

4. Relations with shareholders and other stakeholders

The shareholding structure of Ascencia as at 30 June 2018 is as follows:



Communication with shareholders and stakeholders has been mainly through the Annual Report, Investors' Briefings, Quarterly Unaudited Abridged results, the Annual Meeting of Shareholders, dividends declarations, press communiqués and the website.

On the 25 September 2017, Ascencia held its usual Investors' briefing on the Company's strategy, financial performance and investment philosophy.

The share ownership analysis per holding percentage and categories of shareholders as at 30 June 2018 is as follows:

Class A Ordinary Shares	Convertible Non-Voting Preference Shares	Bonds
• Foresite Property Holding Ltd ("FPHL"): 36.25% • ENL Property Ltd ("EPL"): 25.13% • Atterbury Mauritius Consortium Ltd: 9.97% • National Pensions Fund ("NPF"): 5.63% • Swan Life Ltd ("SLL"): 5.05%	• FPHL: 26.51% • SLL: 16.63% • The MCB Ltd (a/c MCB Superannuation Fund) ("MCB"): 11.12% • NPF: 7.74%	• SLL: 16.79% • Rogers Money Purchase Retirement Fund : 14.20% • The MCB Ltd (a/c MCB Superannuation Fund) ("MCB"): 12.04% • NPF: 7.74% • The MCB Ltd (a/c IBL Pension Fund): 5.14%

5. Other matters

5.1 Corporate and Social Responsibilities
The Company did not make any political donations for the year under review.
Please refer to pages 44-45 Section Social Capital for more details.

5.2. Environmental Responsibilities
Please refer to pages 42-43 Section Natural Capital for more details.

5.3 Financial Responsibilities
Please refer to pages 32-35 Section Financial Capital for more details.

5.4 Outlook
Please refer to page 21 of the Chairman's and CEO's Report for more details.

BOARD OF DIRECTORS

1. VEERASAMY Naderasen Pillay
2. ESPITALIER-NOËL Hector
3. VAN DER WATT Louis
4. TYACK Frédéric
5. ESPITALIER-NOËL Philippe
6. LAM KIN TENG Dean

BOARD OF DIRECTORS

1 ESPITALIER-NOËL, Philippe
CHAIRMAN AND NON-EXECUTIVE DIRECTOR

Date of Appointment: 28 June 2007
SC and CGC – Member

Qualifications
- BSc in Agricultural Economics (University of Natal, South Africa)
- MBA (London Business School)

Professional Journey
- Worked for CSC Index in London as Management Consultant from 1994 to 1997
- Joined Rogers in 1997
- Was appointed Chief Executive Officer in 2007

Skills
- Proven experience of mergers and acquisitions, business turnaround and transformation
- Extensive expertise with strategy development and execution
- Inspiring leadership with senior management in the Rogers Group's four served markets, FinTech, Hospitality, Logistics and Property

2 LAM KIN TENG, Dean
INDEPENDENT DIRECTOR

Date of Appointment: 01 August 2017
RMAC – Chairman (since 01 August 2017)

Qualifications
- BSc (Hons) degree in Accounting and Finance from the London School of Economics and Political Science
- Fellow Member of the Institute of Chartered Accountants in England and Wales

Professional Journey
- Worked at Coopers & Lybrand in London between 1991 and 1995 in the Audit Department, specialising in the financial services sector
- Joined the Audit & Business Advisory Department of De Chazal du Mée in Mauritius in 1995 with exposure to certain Africa countries
- In 2000, he joined HSBC Mauritius as Chief Financial Officer before moving to the HSBC Regional Office in Hong Kong in 2007 in the International Department overseeing the Northern Asia countries
- Returned to HSBC Mauritius in 2009 as Head of Corporate Banking
- Since 2013, he is the Managing Director of HSBC Bank (Mauritius) Limited where he is responsible for the Commercial Banking and Global Banking businesses
- He is also a director of a number of subsidiary companies forming part of the HSBC Group
- Dean was the Vice-Chairman of the Mauritius Bankers Association from 2015 to 2017

Skills
- Proven experience in banking, global business, corporate finance, acquisitions & business integration
- Extensive expertise with strategy development and execution

3 ESPITALIER-NOËL, Hector
NON-EXECUTIVE DIRECTOR

Date of Appointment: 03 April 2014

Qualifications
- Member of the Institute of Chartered Accountants in England and Wales

Professional Journey
- Worked for Coopers and Lybrand in London
- Worked with De Chazal du Mée in Mauritius
- Past Chairman of the Board of Rogers and Company Limited
- Past President of the Mauritius Chamber of Agriculture
- Past President of the Mauritius Sugar Producers' Association
- Past President of the Mauritius Sugar Syndicate

Skills
- CEO experience across diversified sectors
- Significant experience in alliances, ventures and partnerships
- Strong financial skills and strategic understanding

4 TYACK, Frédéric
CEO AND EXECUTIVE DIRECTOR

Date of Appointment: 03 April 2014
SC – Member

Qualifications
- BSc (Hons) degree in Accounting and Finance from the London School of Economics
- Member of the Institute of Chartered Accountants in England and Wales

Professional journey
- Joined the Rogers Group in 1997 and was appointed Managing Director of the Logistics Sub-Cluster
- In 2004, he left the Rogers Group and joined Plastinax Austral Ltd as General Manager for four years
- He then moved to ENL and was appointed Managing Director of EnAtt Ltd, the Asset and Property Management Company of ENL Group in 2011
- Became the CEO of Ascencia in 2015

Skills
- Strong financial skills
- Strategic and commercial understanding
- Well versed in property and asset management

5 VAN DER WATT, Louis
NON-EXECUTIVE DIRECTOR

Date of Appointment: 06 September 2017

Qualifications
- CA (SA), CIMA (UK)

Professional Journey
- At the age of 16, he received the Beeld and Johannesburg Chamber of Commerce's Young Entrepreneurs Award
- In 1994, he co-founded Atterbury Group
- In 2005, he created the property investment company Attacq Limited, listed on the main board of the Johannesburg Stock Exchange in October 2013
- From 2009 to 2015, he won a number of awards such as the Christo Wiese Medal for outstanding entrepreneurship from the South African Academy of Science and Arts and Business Leader of the Year Award from the Capital City Business Chamber
- He served on the boards of Hyprop Investment Limited and Attacq Limited for a number of years, both being listed companies
- Under his leadership, Atterbury has become the largest developer in South Africa with offices in Pretoria, Stellenbosch, Ghana and the Netherlands. It is also developing shopping centres in Serbia, Romania and Cyprus
- Atterbury was awarded several awards such as the prestigious ICSC (International Council of Shopping centres) VIVA Honoree Award for Mall of Africa in 2017, various SACSC Retail Design and Development Awards (RDDA) Awards, SAPOA Excellence Awards as well as PMR Diamond Awards

Skills
- Proven leadership qualities
- Significant experience in property and asset management sector
- Innovative and challenge-driven
- Extensive expertise with strategy development and execution

6 VEERASAMY, Naderasen Pillay
NON-EXECUTIVE DIRECTOR

Date of Appointment: 26 August 2014
CGC – Member

Qualifications
- LLB (University of Buckingham, United Kingdom)
- Master's degree in Private Law (University of Paris II Assas)
- Called to the Bar (Middle Temple, UK)
- Called as "Avocat à la Cour d'Appel de Paris"

Professional Journey
- Practised as a Barrister-at-Law in Mauritius from 1982 to 1987
- Joined the law firms, SCP J.C Goldsmith & Associates, and thereafter SCP Azema Sells in Paris, France
- In 1995, he created his own Chambers in Paris exercising mainly in Business Law.
- Participated in the setting up of the Chambers, "Fourmentin Le Quintrec Veerasamy et Associés" in 1997 (now FLV& Associés (aarpi)), currently comprising 9 partners and dealing with Litigation, Arbitration and Business Law
- Since 2014, he is based in Mauritius as responsible partner of the Mauritius office of FLV & Associés (aarpi) and has resumed practice at the Mauritian Bar on a permanent basis

Skills
- Sustained experience as director of listed companies in Mauritius
- Significant experience in alliances, ventures, partnerships and arbitration
- Strong strategic and financial skills

Current External Commitments of Directors can be viewed on our website: www.ascenciamalls.com

BOARD OF DIRECTORS

7 GALEA Dominique

8 AH CHING Marc*

9 CONHYE Koosiram

10 MAMET Damien

11 PASCAL Pierre-Yves

12 RAMDOSS Sharona

*Director not present on the picture

BOARD OF DIRECTORS

7 GALEA, Dominique
INDEPENDENT DIRECTOR

Date of Appointment: 13 July 2012
CGC – Chairman

Qualifications
- HEC, Paris

Professional Journey
- Started his career in the textile industry by founding an agency business, Kasa Textile & Co. Ltd in the early 1980s
- Diversified his activities by acquiring stakes in companies in various sectors of the economy

Skills
- NED experience across diversified sectors.
- Commendable knowledge of corporate governance.
- Strong commercial skills

8 AH CHING, Marc
NON-EXECUTIVE DIRECTOR

Date of Appointment: 16 October 2007
RMAC – Chairman (up to 31 July 2017) – Member

Qualifications
- Member of the Chartered Institute of Management Accountants (CIMA)
- Member of the Chartered Institute of Bankers UK (ACIB)

Professional Journey
- Started his career with Crédit du Nord in London in 1994
- In 1998, he moved to the Nedbank Group in Mauritius
- Joined Rogers and Company Limited as Managing Director – Finance for the Tourism and Logistics Services sectors in 2005
- Was appointed as Chief Finance Executive of the Rogers Group in 2007
- In 2011, he joined a management company operating in the Global Business Sector as Director – Business Development
- In 2016, he joined Rogers Capital as Chief Finance and Investment Officer

Skills
- Corporate finance – deal structuring and financing
- Risk assessment and management
- International banking and trade finance

9 CONHYE Koosiram
INDEPENDENT DIRECTOR

Date of Appointment: 20 June 2018

Qualifications
- Associate Member of the Institute of Chartered Secretaries and Administrators (ACIS) - (U.K.)
- Diploma in Marketing, Chartered Institute of Marketing (CIM) (U.K.)
- MSc (Finance) – University of Mauritius

Professional journey
- Joined the Public Administration in the early 1980's and has served in various Ministries and Departments at senior management level;
- Has been the Administrative Secretary of the Export Processing Zones Development Authority (EPZDA) and Director (Corporate Affairs) at the Board of Investment;
- Presently the Permanent Secretary of the Ministry of Social Security, National Solidarity, and Environment and Sustainable Development (Social Security and National Solidarity Division)

Skills
- Strong finance, HR, communication skills and expertise with strategy development
- Significant experience in Public Administration
- Well versed in Corporate Governance

Current External Commitments of Directors can be viewed on our website: www.ascenciamalls.com

10 MAMET, Damien
NON-EXECUTIVE DIRECTOR

Date of Appointment: 25 June 2015
CGC and SC – Member

Qualifications
- Member of the Institute of Chartered Accountants in England and Wales

Professional Journey
- Started his career in 1999 with Ernst & Young (now EY) in London
- In 2003, he moved to BDO De Chazal du Mée (Mauritius)
- In 2006, he was appointed Manager of Corporate Finance at PWC
- Joined the Rogers Group where he was appointed Managing Director of Foresite Property Fund Management Ltd in 2009 and Chief Projects & Development Executive of Rogers in 2014
- He was appointed Chief Finance Executive of Rogers in 2017

Skills
- Detailed knowledge of the Company's activities and business, having previously occupied the position of Fund Manager
- Strategic and commercial understanding
- Team management skills

11 PASCAL, Pierre-Yves
INDEPENDENT DIRECTOR

RMAC- Member

Qualifications
- BSc (Hons) Actuarial Science (City University, London)
- Diploma in Actuarial Techniques (Institute of Actuaries, UK)
- Certificate in Finance and Investment (Institute of Actuaries, UK)

Professional Journey
- Started his career as an Associate with Bacon & Woodrow Epsom in England from 1999-2002
- From May 2002 to July 2004, he joined Hewitt LY Ltd in Mauritius as a Consulting Assistant
- In July 2004- December 2015, he joined Confident Asset Management Ltd as a Portfolio Manager
- In January 2014- December 2015, he worked as a Business Development Manager in Confident Asset Management Ltd
- Since January 2016, he started to work as a Private Banker & Senior Wealth Manager in AfrAsia Bank
- On 1st July 2017, he was appointed Head of Wealth Management in AfrAsia Bank

Skills
- Significant understanding in business and financial strategies
- Extensive experience with strategy development and execution
- Team management skills

12 RAMDOSS, Sharona
EXECUTIVE DIRECTOR

Date of Appointment:

Qualifications
- Master's degree in International Financial Analysis from l'Ecole Supérieure des Affaires, Lille 2 University.
- Master's degree in Management from the University of Science and Technology of Lille.
- CFA Charterholder

Professional journey
- May 2018 – to date: Chief Advisory and Development Officer at Rogers Capital.
- February 2016 – May 2018: Senior Manager – International Business Development at ABAX.
- July 2013 – December 2015: Chief Investment Officer at PSG Wealth.
- August 2010 – June 2013: Portfolio Manager at Investment Professionals.
- July 2007 – July 2010: Senior Associate in the Advisory Deals line of service at PricewaterhouseCoopers Mauritius.

Skills
- Financial analysis
- Fund and portfolio management
- Corporate finance
- Business development

Current External Commitments of Directors can be viewed on our website: www.ascenciamalls.com

SENIOR MANAGEMENT

1 **AH-HONG, Sarah**
ASSET MANAGER
Born in 1977, Sarah Ah-Hong has acquired her experience in accounts and sales after completing a "BTS Assistant de Gestion PME/PMI". She joined the property sector in 2012 as Centre Manager of Cap Tamarin and held the same position at Cascavelle Shopping Mall from 2014. She joined Ascencia Ltd in August 2017 as Centre Manager of Phoenix Mall. She was promoted to the position of Asset Manager.

2 **BOULLÉ, Robert**
FUND MANAGER
Born in 1991, Robert Boullé holds a Bachelor of Commerce majoring in Financial Accounting, Finance Investment and Finance Corporate from the University of Western Australia. He is currently completing the ACCA programme. He started his career in 2013 as Auditor with BDO De Chazal du Mée before joining the Rogers Group in 2015 as Project Coordinator. Since October 2015, he has been working on the fund management of Ascencia and on several projects within the Group. Since 01 July 2017, Robert has been appointed Fund Manager of Ascencia.

3 **CALEECHURN, Kristy**
HEAD OF ASSET MANAGEMENT
Born in 1977, Kristy Caleechurn is a Fellow Chartered and Certified Accountant. He joined the Rogers Group in 2008 and has held the position of Finance Manager with Bel Ombre Sugar Estate. He has previously gained vast experience in the field of finance with multinational companies operating in various sectors. Kristy started with EnAtt Ltd in August 2014 as Finance Manager responsible for overseeing all aspects of the finance function. He currently holds the position of Head of Assets.

4 **CHATOORSING, Ashvin**
HEAD OF FINANCE
Born in 1983, Ashvin Chatoorsing is a Fellow Chartered and Certified Accountants. He started his career in the audit and assurance field with BDO De Chazal du Mée in 2003 and moved to Ernst & Young Abu Dhabi in 2006, where he acquired extensive experience in the oil & gas industry and real estate sector. In 2009, he returned to the Mauritius office as Audit Manager before joining the finance division of ENL Property in June 2010. He was appointed Finance Manager of EnAtt Ltd in June 2015 and promoted to Head of Finance of Ascencia in July 2017.

5 **DALAIS, Melissa**
HEAD OF MARKETING – ASCENCIA PORTFOLIO
Born in 1984, Melissa Dalais has gathered her experience in Marketing and Events management for 10 years. She joined the property sector in 2012 as Marketing Coordinator of Kendra commercial centre. Melissa then went on to look after the marketing of the Ascencia Portfolio since 2014 to date.

6 **SCOTT, Vanessa**
HEAD OF HUMAN RESOURCES
Born in 1990, Vanessa Scott has a degree in Economic and Social Administration from Pantheon-Sorbonne University, France. She joined ENL Property as Human Resources Assistant in 2013 and currently holds the position of Human Resources Manager at EnAtt Ltd.

7 **KOENIG, Anabelle M.**
PROPERTY MANAGER – ROGERS HOUSE
Anabelle Koenig holds a degree in arts, sports and health, and has held position of Centre Manager at Equilibre – Centre de Sports et de Santé for 23 years. She joined EnAtt Ltd in 2016 as Centre Manager at Kendra and Les Allées. Since 01 September 2017, Anabelle holds the position of Centre Manager at So'flo.

SENIOR MANAGEMENT

9

MARIE-JEANNE, Valérie
CENTRE MANAGER – RICHE TERRE MALL
Born in Switzerland in May 1971, Valérie Marie-Jeanne holds a Bachelor's degree in Marketing and Communication and a Master's degree in Business Administration. She joined EnAtt in June 2016 as General Manager of Retail Lab. Since 01 September 2017, Valérie holds the position of Centre Manager at Riche Terre Mall.

10

LAMUSSE, Maeva
CENTRE MANAGER - SO'FLO
Born in 1983, Maeva Lamusse credits her leadership and management experience to an unwavering commitment towards her company goals and to being involved in every aspects of the business. She joined Ascencia Ltd in May 2018 and is currently working as the Centre Manager at So'flo.

11

MUTHOORA, Ashish
CENTRE MANAGER - PHOENIX MALL
Born in 1978, Ashish Muthoora holds an Executive Masters in Business Administration and a Post Graduate Diploma in Software Engineering. He started his career in the Retail Industry with Massdiscounters t.a Game in Mauritius as Administrative Manager. In 2005, he moved to Nigeria to participate in the great launch of the company in Western Africa as IT & Admin Manager.
He made his debut in the property sector with Flacq Shopping Mall as Centre Manager in 2012. He joined Ascencia in October 2017 and was Centre Manager of Kendra & Les Allées. He currently holds the position of Centre Manager at Phoenix Mall.

12

TALLAVIGNES, Valérie
PORTFOLIO EXHIBITION MANAGER
Born in 1975. Valérie Tallavignes has an HND in International Trade, a Master's degree in Information and Communication with 15 years' experience in sales and management for service companies and retail businesses. She joined EnAtt Ltd in December 2012 as Sales & Exhibitions Coordinator. Valérie currently holds the position of Portfolio Exhibition Manager.

13

SANASEE, Gino
CENTRE MANAGER - BAGATELLE MALL
Born in 1971, Gino pursued his studies in France. He holds a Diploma of law (University of Strasbourg) and retail trade (bts commerce de distribution). Gino has 24 years of experience in the Commercial, Operations and Consulting fields. He has worked as Country manager and Consultant for Auchan, Kingfisher & Casino Group of Companies in France and Reunion Island. Gino has joined our Property Management Team in March 2018 in the capacity of Centre Manager for Bagatelle Mall and Bagatelle Home and Leisure.

14

SABAPATHEE, Parama
PORTFOLIO ACCOUNTANT
Born in 1982, Parama Sabapathee is a member of the Association of Chartered Certified Accountants. He has more than 12 years' experience in finance with local companies operating in the insurance and medical fields. He joined EnAtt Ltd in July 2015 as Accountant and has since been responsible for the finance function for several properties. Parama currently holds the position of Portfolio Accountant.

15

THOMAS, Julio
PORTFOLIO OPERATIONS MANAGER
Born in 1980, Julio Thomas holds a Master's Degree in International Management from IAE Poitiers, France. He started his career in the construction sector and went through the hospitality sector working for a well-known hotel in the north, and also worked for Velogic Ltd. In 2013, he was appointed as Facilities Manager for Sotravic Limitee and Board member for Sotravic Property in 2017. He joined Ascencia in January 2018 as Portfolio Operations Manager.

CORPORATE INFORMATION

Board of Directors:

ESPITALIER-NOËL, Philippe	Chairman and Non-Executive Director
LAM KIN TENG, Dean[3]	Independent Director
GALEA, Dominique	Independent Director
AH CHING, Marc	Non-Executive Director
CONHYE, Koosiram[1]	Independent Director
ESPITALIER-NOËL, Hector	Non-Executive Director
MAMET, Damien	Non-Executive Director
PASCAL, Pierre-Yves[2]	Independent Director
RAMDOSS, Sharona[1]	Executive Director
TYACK, Frédéric	Chief Executive Officer and Executive Director
VAN DER WATT, Louis	Non-Executive Director
VEERASAWMY, Nadrasen Pillay	Non-Executive Director

1. Appointed on 20 June 2018.
2. Appointed on 09 October 2017.
3. Appointed on 03 August 2017.

Registrar and Transfer Agent Services

MCB Registry & Securities Ltd
Raymond Lamusse Building
9-11, Sir William Newton Street
Port Louis

Telephone: (230) 202 5397
Fax: (230) 208 1167
Email: mcbrs@mcbcm.mu

Bond Representative

Swan General Ltd
Swan Centre
10, Intendance Street
Port Louis

Telephone: (230) 207 3500
Email: info@swanforlife.com

Company Secretary

SEEPURSAUND, Kunal

Management

EnAtt Ltd	The Property and Asset Manager
Rogers & Co. Ltd	The Fund Manager

Auditors

BDO

STATEMENT OF COMPLIANCE

(Section 75(3) of the Financial Reporting Act)

Name of Public Interest Entity ("PIE"): ASCENCIA LIMITED

Reporting Period: 01 July 2017 – 30 June 2018

Throughout the year ended 30 June 2018, to the best of the Board's knowledge, Ascencia has complied with the Corporate Governance Code of Mauritius (2016).

Ascencia has applied all of the principles set out in the Code and explained how these principles have been applied.

SIGNED BY:

Philippe Espitalier-Noël	Frédéric Tyack
Chairman	Chief Executive Officer

05 September 2018

SECRETARY'S CERTIFICATE

(Section 166(d) of the Companies Act 2001)

In my capacity as Company Secretary of ASCENCIA LIMITED (the 'Company'), I hereby confirm that, to the best of my knowledge and belief, the Company has filed with the Registrar of Companies, for the financial year ended 30 June 2018, all such returns as are required of the Company under the Companies Act 2001.

SEEPURSAUND, Kunal
Company Secretary

05 September 2018

SECTION

03

STATUTORY DISCLOSURES

OTHER STATUTORY DISCLOSURES

1. **Principal activity**

   The principal activity of the Group is to hold investment properties for capital appreciation and to derive rental income.

2. **Contract of significance**

   The Group has existing agreements with its intermediate holding and fellow subsidiary companies for provision of services.

	Group		Company	
	2018	2017	**2018**	2017
	Rs'000	Rs'000	**Rs'000**	Rs'000
Management fees	**133,267**	118,834	**72,745**	63,217

3. **Directors' service contracts**

   None of the directors of the Group has service contracts that need to be disclosed under Section 221 of the Companies Act 2001.

	Group		Company	
4. Directors' remuneration	**2018**	2017	**2018**	2017
	Rs'000	Rs'000	**Rs'000**	Rs'000
Executive (nil)	**-**	-	**-**	-
Non-Executive	**1,705**	1,117	**1,705**	1,117

There were 10 non-executive directors at 30 June 2018 (2017: 7).

	Group		Company	
5. Donations and social contributions	**2018**	2017	**2018**	2017
	Rs'000	Rs'000	**Rs'000**	Rs'000
Donations	**-**	50	**-**	50
Social contributions	**2,902**	**1,261**	**1,282**	1,261

	Group		Company	
6. Auditors' Remuneration	**2018**	2017	**2018**	2017
Fees payable to BDO & Co.:	**Rs'000**	Rs'000	**Rs'000**	Rs'000
Audit services	**953**	974	**640**	610
Fees for technical assistance	**-**	-	**-**	-

7. Directors of Subsidiary and Joint Venture Companies	Caesens Koenig Amaury Bruno	Espitalier- Noël Marie Maxime Hector	Espitalier- Noël Marie Hector Philippe	Lagesse Loic Gérard Gaëtan	Louw Lucille Helen	Mamet J. E. Damien	Pilot Joseph Marie Johan	Tyack Frédéric Gérard	Van Der Watt Louis Lukas Stephanus*	Wong Leung Pak Vacher Belinda	Robert Boullé
The Gardens of Bagatelle Ltd	**A** appointed 30.03.18	**X**					**A** appointed 30.03.18	**X** resigned 30.03.18			
Bagaprop Limited			**X**		**X**	**X**		**X**	**X**		
Floreal Commercial Centre Ltd	**X**			**X**		**X**	**X**	**X**		**X** resigned 21.03.18	**A** appointed 12.06.18

X-In office as Director **A** - newly appointed as Director * Alternate Director to Lucille Louw

DIRECTORS' REPORT

(a) Financial Statements

The Directors of Ascencia Limited are responsible for the integrity of the audited financial statements of the Group and the Company and the objectivity of the other information presented in these statements.

The Board confirms that, in preparing the audited financial statements, it has:
(i) selected suitable accounting policies and applied them consistently;
(ii) made judgements and estimates that are reasonable and prudent;
(iii) stated whether International Financial Reporting Standards have been followed,
(iv) kept proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company;
(v) safeguarded the assets of the Company by maintaining internal accounting and administrative control systems and procedures; and
(vi) taken reasonable steps for the prevention and detection of fraud and other irregularities.

(b) Going Concern Statement

On the basis of current projections, we are confident that the Company has adequate resources to continue operating for the foreseeable future and consider that it is appropriate that the going concern basis in preparing the financial statements be adopted.

(c) Internal Control and Risk Management

The Board is responsible for the system of Internal Control and Risk Management of the Company. It is committed to continuously maintain a sound system of risk management and adequate control procedures with a view to safeguarding assets. The board believes that the Company's system of Internal Control and Risk Management provides reasonable assurance that control and risk issues are identified, reported on and dealt with appropriately.

(d) Donations and Social Contributions

Social contributions amounting to Rs.1,281,652 (2017: Rs 1,261,110) were made by the Company.

(e) Audited Financial Statements

The audited financial statements which appear on pages 79 to 117 were approved by the Board on 05 September 2018 and are signed on their behalf by:

Philippe Espitalier-Noël
Chairman

Fréderic Tyack
Chief Executive Officer

05 September 2018

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF ASCENCIA LIMITED

Opinion

We have audited the consolidated financial statements of Ascencia Limited and its subsidiary (the Group), and the Company's separate financial statements on pages 79 to 117 which comprise the statements of financial position as at June 30, 2018, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements on pages 79 to 117 give a true and fair view of the financial position of the Group and of the Company as at June 30, 2018, and of their financial performance and their cash flows for the year then ended in accordance with International Financial Reporting Standards and comply with the Companies Act 2001.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Group and of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Mauritius, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

1. INVESTMENT PROPERTIES

At June 30, 2018, the Group had investment properties amounting to Rs.11.2Bn. The significance of investment properties on the statement of financial position resulted in them being identified as a key audit matter. Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are carried at fair value as determined annually by the directors subsequent to the valuation carried out by external valuers, which is mainly based on discounted cash flow model.

Key Audit Matter

Related Disclosures
Refer to note 11 of the accompanying financial statements.

Audit Response

The following tests were performed:
Tested the key inputs to the valuation of the Group's investment properties through the following:

- Assessment and discussion of management's process for the valuation exercise and appointment of the external valuers. We also assessed the competence, independence and integrity of the external valuers.

- Obtained the external valuation reports and discussed with the external valuers about the results of their work on a sample of properties. We discussed and challenged the valuation process, performance of the portfolio, significant judgements and assumptions applied to the valuation model, including yields, ccupancy rates, capitalisation rates and lease incentives. We benchmarked and challenged the key assumptions to external industry data and comparable property valuation.

- Testing the integrity of a sample of the data provided to the external valuers. This included verifying a sample of information provided to the external valuers to underlying lease agreements.

Other information

The Directors are responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF ASCENCIA LIMITED

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (Cont'd)

Responsibilities of Directors and Those Charged with Governance for the Financial Statements

The directors are responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards and in compliance with the requirements of the Companies Act 2001, and for such internal control as the directors determine is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Group and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group and the Company or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group and the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group and the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by directors.

- Conclude on the appropriateness of directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group and the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and the Company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF ASCENCIA LIMITED

Report on Other Legal and Regulatory Requirements

Companies Act 2001

We have no relationship with, or interests in, the Company or its subsidiary, other than in our capacity as auditors and dealings in the ordinary course of business.

We have obtained all information and explanations we have required.

In our opinion, proper accounting records have been kept by the Company as far as it appears from our examination of those records.

Financial Reporting Act 2004

The Directors are responsible for preparing the corporate governance report. Our responsibility is to report the extent of compliance with the Code of Corporate Governance as disclosed in the annual report and on whether the disclosure is consistent with the requirements of the Code.

In our opinion, the disclosure in the annual report is consistent with the requirements of the Code.

Other Matter

This report is made solely to the members of Ascencia Limited (the "Company"), as a body, in accordance with Section 205 of the Companies Act 2001. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

BDO & CO
Chartered Accountant

Ameenah Ramdin, FCCA, ACA
Licensed by FRC

Port Louis,
Mauritius.

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

YEAR ENDED 30 JUNE 2018

	Notes	Group		Company	
		2018	Restated 2017	2018	Restated 2017
Continuing operations		Rs'000	Rs'000	Rs'000	Rs'000
Revenue					
Rental income	5(a)	**839,155**	747,020	**351,082**	293,687
Recoveries	5(a)	**335,288**	305,065	**136,374**	117,721
Other operating income	5(a)	**28,514**	19,002	**14,405**	10,010
Total revenue		**1,202,957**	1,071,087	**501,861**	421,418
Direct operating expenses arising from investment properties	6	**(359,524)**	(328,653)	**(141,893)**	(124,628)
Net operational income		**843,433**	742,434	**359,968**	296,790
Investment and other income	5(b)	**17,693**	14,239	**220,855**	167,267
Administrative expenses	7	**(136,120)**	(110,838)	**(86,061)**	(66,492)
Operating profit		**725,006**	645,835	**494,762**	397,565
Profit on disposal of investment properties		**-**	2,303	**-**	2,303
Increase in fair value of investment properties	11	**497,163**	657,007	**286,118**	300,980
Share of profit/(loss) in joint venture	14	**30,553**	(6,422)	**-**	-
Profit before finance costs		**1,252,722**	1,298,723	**780,880**	700,848
Finance costs	8	**(261,232)**	(265,617)	**(130,997)**	(127,707)
Profit before tax		**991,490**	1,033,106	**649,883**	573,141
Income tax expense	9	**(83,595)**	(74,233)	**(30,750)**	(35,549)
Profit for the year from continuing operations		**907,895**	958,873	**619,133**	537,592
Discontinued operations					
Post tax (loss)/profit from discontinued operations	26(b)	**(18,351)**	(7,358)	**30,590**	(44,079)
Profit for the year		**889,544**	951,515	**649,723**	493,513
Other comprehensive income		**-**	-	**-**	-
Total comprehensive income for the year		**889,544**	951,515	**649,723**	493,513
Total comprehensive income attributable to:					
Ordinary equity holders of the parent		**870,226**	864,359		
Non-controlling interests		**19,318**	87,156		
		889,544	951,515		
Earnings per share:					
Basic (Rs.)					
- Class A :	10	**1.91**	2.04		
Diluted (Rs.)					
- Class A :	10	**1.89**	1.99		

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The notes on pages 83 to 117 form an integral part of these financial statements. Auditor's report on pages 76 to 78.

STATEMENTS OF FINANCIAL POSITION

YEAR ENDED 30 JUNE 2018

	Notes	Group			Company		
		2018	Restated 2017	Restated 01 July 2016	2018	Restated 2017	Restated 01 July 2016
ASSETS		Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
Non-current assets							
Investment properties	11	**11,160,054**	10,663,787	10,287,159	**4,600,142**	4,319,230	3,891,758
Equipment	12	**24,622**	19,812	10,010	**6,971**	5,664	2,311
Investment in subsidiary	13	**-**	-	-	**2,764,022**	2,156,413	2,414,413
Investment in joint venture	14	**130,478**	99,925	64,347	**106,347**	106,347	64,347
Intangible assets	15	**-**	12,554	12,554	**-**	-	-
		11,315,154	10,796,078	10,374,070	**7,477,482**	6,587,654	6,372,829
Current assets							
Trade and other receivables	16	**105,938**	112,947	135,412	**46,778**	58,161	55,451
Amount receivable from related companies	17	**592,859**	163,056	122,182	**453,186**	131,564	175,333
Cash and Cash equivalents	24	**399,678**	68,589	209,101	**334,189**	49,055	82,177
		1,098,475	344,592	466,695	**834,153**	238,780	312,961
Non-current assets classified as held for sale	26 (d)	**71,567**	657,785	-	**71,567**	462,622	-
Total assets		**12,485,196**	11,798,455	10,840,765	**8,383,202**	7,289,056	6,685,790
EQUITY AND LIABILITIES							
Shareholders' Equity							
Stated capital	18	**4,362,734**	3,699,505	3,602,171	**4,362,734**	3,699,505	3,602,171
Retained earnings		**2,914,455**	2,380,432	1,727,723	**1,352,417**	1,047,799	765,936
Equity attributable to the ordinary equity holders of the parent		**7,277,189**	6,079,937	5,329,894	**5,715,151**	4,747,304	4,368,107
Non-controlling interests		**-**	610,878	549,972	**-**	-	-
Total equity		**7,277,189**	6,690,815	5,879,866	**5,715,151**	4,747,304	4,368,107
LIABILITIES							
Non-current liabilities							
Borrowings	19	**4,101,464**	3,908,250	3,656,436	**1,866,790**	1,740,655	1,368,048
Trade and other payables	21	**113,676**	113,001	102,885	**48,850**	59,164	34,877
Convertible preference shares	19	**48,667**	97,334	152,954	**48,667**	97,334	152,954
Debentures	19	**210,680**	210,680	210,680	**210,680**	210,680	210,680
Deferred tax liabilities	20	**291,645**	231,322	160,557	**124,183**	102,934	72,532
		4,766,132	4,560,587	4,283,512	**2,299,170**	2,210,767	1,839,091
Current liabilities							
Trade and other payables	21	**132,939**	126,715	181,221	**64,722**	61,152	73,048
Borrowings	19	**5,385**	50,571	261,766	**608**	50,571	159,129
Convertible preference shares	19	**48,667**	55,620	97,334	**48,667**	55,620	97,334
Amount payable to related companies	22	**-**	10,680	25,822	**-**	18,921	37,837
Proposed dividend	23	**215,274**	126,990	111,244	**215,274**	126,990	111,244
		402,265	370,576	677,387	**329,271**	313,254	478,592
Liabilities directly associated with non-current assets classified as held for sale	26(e)	**39,610**	176,477	-	**39,610**	17,731	-
Total Liabilities		**5,208,007**	5,107,640	4,960,899	**2,668,051**	2,541,752	2,317,683
Total equity and liabilities		**12,485,196**	11,798,455	10,840,765	**8,383,202**	7,289,056	6,685,790

The notes on pages 83 to 117 form an integral part of these financial statements. Auditor's report on pages 76 to 78.

STATEMENTS OF CHANGES IN EQUITY

YEAR ENDED 30 JUNE 2018

	Notes	Attributable to owners of the parent			Non-Controlling Interests	Total Equity
		Stated Capital	Retained Earnings	Total		
		Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
GROUP						
Balance at 01 July, 2017						
As previously reported		3,699,505	2,407,835	6,107,340	610,878	6,718,218
- Prior year adjustment		-	(27,403)	(27,403)	-	(27,403)
As restated	30	3,699,505	2,380,432	6,079,937	610,878	6,690,815
Issue of shares		607,609	-	607,609	-	607,609
Conversion of preference shares	18	55,620	-	55,620	-	55,620
Profit for the year		-	870,226	870,226	19,318	889,544
Dividends	23	-	(345,105)	(345,105)	-	(345,105)
Dividends to non-controlling interest		-	-	-	(13,685)	(13,685)
Acquisition of non-controlling interest	25(a)	-	8,902	8,902	(616,511)	(607,609)
At 30 June, 2018		**4,362,734**	**2,914,455**	**7,277,189**	**-**	**7,277,189**
GROUP						
Balance at 01 July, 2016						
As previously reported		3,602,171	1,746,612	5,348,783	549,972	5,898,755
- Prior year adjustment	30	-	(18,889)	(18,889)	-	(18,889)
As restated		3,602,171	1,727,723	5,329,894	549,972	5,879,866
Conversion of preference shares	18	97,334	-	97,334	-	97,334
Profit for the year - restated		-	864,359	864,359	87,156	951,515
Dividends	23	-	(211,650)	(211,650)	-	(211,650)
Dividends to non-controlling interest		-	-	-	(26,250)	(26,250)
At 30 June, 2017		**3,699,505**	**2,380,432**	**6,079,937**	**610,878**	**6,690,815**

COMPANY	Notes	Stated Capital	Retained Earnings	Total Equity
		Rs'000	Rs'000	Rs'000
Balance at 01 July, 2017				
As previously reported		3,699,505	1,060,098	4,759,603
- Prior year adjustment	30	-	(12,299)	(12,299)
As restated		3,699,505	1,047,799	4,747,304
Issue of shares		607,609	-	607,609
Conversion of preference shares	18	55,620	-	55,620
Profit for the year		-	649,723	649,723
Dividends	23	-	(345,105)	(345,105)
At 30 June, 2018		**4,362,734**	**1,352,417**	**5,715,151**
COMPANY				
Balance at 01 July, 2016				
As previously reported		3,602,171	774,469	4,376,640
- Prior year adjustment	30	-	(8,533)	(8,533)
As restated		3,602,171	765,936	4,368,107
Conversion of preference shares	18	97,334	-	97,334
Profit for the year - restated		-	493,513	493,513
Dividends	23	-	(211,650)	(211,650)
At 30 June, 2017		**3,699,505**	**1,047,799**	**4,747,304**

The notes on pages 83 to 117 form an integral part of these financial statements. Auditor's report on pages 76 to 78.

STATEMENTS OF CASH FLOWS
YEAR ENDED 30 JUNE 2018

	Notes	Group		Company	
		2018	Restated 2017	2018	Restated 2017
OPERATING ACTIVITIES		Rs'000	Rs'000	Rs'000	Rs'000
Profit before tax		991,490	1,033,106	649,883	573,141
Share of (profit)/loss of joint venture		(30,553)	6,422	-	-
		960,937	1,039,528	649,883	573,141
Increase in fair value of investment properties		(497,163)	(657,007)	(286,118)	(300,980)
Provision for impairment and write offs		12,764	9,851	10,321	5,729
Depreciation		5,705	4,030	1,847	1,330
Profit on sale of properties		-	(2,303)	-	(2,303)
Dividend income		-	-	(211,315)	(148,750)
Interest expense		261,232	265,617	130,997	127,707
		743,475	659,716	295,615	255,874
Changes in working capital:					
- Trade and other receivables		(23,140)	18,375	(3,675)	(2,057)
- Trade and other payables		15,422	(9,649)	(13,218)	13,275
- Amount receivable from related companies		3,488	42,343	737	12,367
- Amount payable to related companies		(10,681)	(18,378)	(18,921)	(18,916)
Cash generated from operations		728,564	692,407	260,538	260,543
Income tax paid		(4,766)	(9,459)	(4,766)	(9,459)
Net cash generated from operating activities		723,798	682,948	255,772	251,084
INVESTING ACTIVITIES					
Acquisition of joint venture		-	(42,000)	-	(42,000)
Expenditure on investment properties		(9,017)	(378,463)	(3,618)	(330,947)
Purchase of equipment		(10,515)	(15,325)	(3,154)	(4,683)
Net proceeds from sales of properties		-	20,578	-	20,578
Dividend received		-	-	162,548	157,250
Net cash (used in)/generated from investing activities		(19,532)	(415,210)	155,776	(199,802)
FINANCING ACTIVITIES					
Proceeds from borrowings		2,550,730	1,470,235	383,000	1,437,250
Repayment of borrowings		(2,402,702)	(1,269,687)	(306,828)	(1,173,201)
Interest paid		(261,232)	(265,617)	(130,997)	(127,707)
Dividends paid		(256,821)	(195,904)	(256,821)	(195,904)
Dividends paid to non-controlling interest		(28,685)	(27,750)	-	-
Net cash used in financing activities		(398,710)	(288,723)	(311,646)	(59,562)
Net cash flows from discontinued operations	26(c)	458,825	(47,909)	458,825	(47,743)
Net increase/(decrease) in cash and cash equivalents		764,381	(68,894)	558,727	(56,023)
Cash and cash equivalents - opening		228,156	297,050	94,881	150,904
Cash and cash equivalents - closing	24(a)	992,537	228,156	653,608	94,881

The notes on pages 83 to 117 form an integral part of these financial statements. Auditor's report on pages 76 to 78.

ASCENCIA LIMITED AND ITS SUBSIDIARY
NOTES TO THE FINANCIAL STATEMENTS - FOR THE YEAR ENDED 30 JUNE 2018

1.GENERAL INFORMATION

Ascencia Limited is a public Company, limited by shares incorporated in the Republic of Mauritius on June 28, 2007 under the Companies Act 2001. The principal activity of the Company is to hold investment properties and its registered office is situated at No. 5, President John Kennedy Street, Port Louis. The immediate holding company is Foresite Property Holding Ltd, the intermediate holding company is Rogers and Company Limited and its ultimate holding company is Société Caredas, all incorporated in the Republic of Mauritius.

The financial statements presented herewith are for the year ended 30 June 2018 and will be submitted for consideration and approval at the forthcoming Annual Meeting of Shareholders of the Company.

2.SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of these financial statements are set out below.

(a) Basis of preparation

The financial statements of Ascencia Limited comply with the Companies Act 2001 and have been prepared in accordance with International Financial Reporting Standards (IFRS). These policies have been consistently applied to all years presented, unless otherwise stated and where necessary, comparative figures have been amended to conform with change in presentation in the current year.

The financial statements are prepared under historical cost convention, except for investment properties which are stated at fair value.

Amendments to published Standards effective in the reporting period

Recognition of Deferred Tax Assets for Unrealised Losses (Amendments to IAS 12). The amendments clarify the accounting for deferred tax where an asset is measured at fair value and that fair value is below the asset's tax base. The amendment has no impact on the Group's financial statements.

Disclosure Initiative (Amendments to IAS 7). The amendments require the entity to explain changes in its liabilities arising from financing activities. This includes changes arising from cash flows (e.g. drawdowns and repayments of borrowings) and non-cash changes such as acquisitions, disposals, accretion of interest and unrealised exchange differences. A reconciliation of the opening and closing carrying amounts for each item for which cash flows have been or would be classified as financial activities is presented in note 24.

Annual Improvements to IFRSs 2014-2016 Cycle

IFRS 12 Disclosure of Interests in Other Entities. The amendments clarify that entities are not exempt from all of the disclosure requirements in IFRS 12 when entities have been classified as held for sale or as discontinued operations. The amendment has no impact on the Group's financial statements.

Standards, Amendments to published Standards and Interpretations issued but not yet effective

Certain standards, amendments to published standards and interpretations have been issued that are mandatory for accounting periods beginning on or after January 1, 2018 or later periods, but which the Group has not early adopted.

At the reporting date of these financial statements, the following were in issue but not yet effective:

IFRS 9 Financial Instruments
IFRS 15 Revenue from Contracts with Customers
Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28)
IFRS 16 Leases
Clarifications to IFRS 15 Revenue from Contracts with Customers
Classification and Measurement of Share-based Payment Transactions (Amendments to IFRS 2)
Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts (Amendments to IFRS 4)
Annual Improvements to IFRSs 2014-2016 Cycle
IFRIC 22 Foreign Currency Transactions and Advance Consideration
Transfers of Investment Property (Amendments to IAS 40)
IFRS 17 Insurance Contracts
IFRIC 23 Uncertainty over Income Tax Treatments
Prepayment Features with negative compensation (Amendments to IFRS 9)
Long-term Interests in Associates and Joint Ventures (Amendments to IAS 28)
Annual Improvements to IFRSs 2015-2017 Cycle
Plan Amendment, Curtailment or Settlement (Amendments to IAS 19)

Where relevant, the Group is still evaluating the effect of these Standards, amendments to published Standards and Interpretations issued but not yet effective, on the presentation of its financial statements.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in Note 4.

ASCENCIA LIMITED AND ITS SUBSIDIARY

NOTES TO THE FINANCIAL STATEMENTS - FOR THE YEAR ENDED 30 JUNE 2018

IFRS 9 Financial Instruments - effective 1 January 2018

In July 2014, the IASB issued IFRS 9 'Financial Instruments', which is the comprehensive standard to replace IAS 39 'Financial Instruments: Recognition and Measurement', and includes requirements for classification and measurement of financial assets and liabilities, impairment of financial assets and hedge accounting.

Classification and measurement

The classification and measurement of financial assets will depend on how these are managed (the entity's business model) and their contractual cash flow characteristics. These factors determine whether the financial assets are measured at amortised cost, fair value through other comprehensive income ('FVOCI') or fair value through profit or loss ('FVPL'). In many instances, the classification and measurement outcomes will be similar to IAS 39, although differences may arise. The combined effect of the application of the business model and the contractual cash flow characteristics tests may result in some differences in the population of financial assets measured at amortised cost or fair value compared with IAS 39.

The classification of financial liabilities is essentially unchanged. For certain liabilities measured at fair value, gains or losses relating to changes in the entity's own credit risk are to be included in other comprehensive income.

Impairment

The impairment requirements apply to financial assets measured at amortised cost, lease receivables and certain loan commitments and financial guarantee contracts. At initial recognition, allowance (or provision in the case of commitments and guarantees) is required for expected credit losses ('ECL') resulting from default events that are possible within the next 12 months ('12-month ECL'). In the event of a significant increase in credit risk, allowance (or provision) is required for ECL resulting from all possible default events over the expected life of the financial instrument ('lifetime ECL').

Financial assets where 12-month ECL is recognised are considered to be 'stage 1'; financial assets which are considered to have experienced a significant increase in credit risk are in 'stage 2'; and financial assets for which there is objective evidence of impairment are considered to be in default or otherwise credit impaired are in 'stage 3'.

The assessment of whether credit risk has increased significantly since initial recognition is performed at the end of each reporting period by considering the change in the risk of default occurring over the remaining life of the financial instrument, rather than by considering an increase in ECL.

At the level of Ascencia Group, the simplified model is being applied. An entity measures the loss allowance at an amount equal to lifetime expected credit losses for trade receivables or contract assets that result from transactions that are within the scope of IFRS 15 and that do not contain a significant financing component in accordance to IFRS 15. The measurement of expected credit losses reflects an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes, time value of money and reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

Transitional impact

The requirements of IFRS 9 'Financial Instruments' will be adopted by the Group from July 1 , 2018. The classification and measurement and impairment requirements are applied retrospectively by adjusting the opening balance sheet at the date of initial application, with no requirement to restate comparative periods. The Group does not intend to restate comparatives.

The Group does not expect changes in the classification and measurement of its financial assets and financial liabilities as compared to IAS 39.

The adoption of IFRS 9 is not expected to affect significantly the net assets at July 1, 2018.

These estimates are based on accounting policies, assumptions, judgements and estimation technique that remain subject to change until the Group finalises its financial statements for the year ending 30 June 2019.

IFRS 15 Revenue from Contracts with Customers (effective for annual periods beginning on or after 1 January 2018)

IFRS 15 defines principles for recognising revenue and will be applicable to all contracts with customers. However, interest and fee income integral to financial instruments and leases will continue to fall outside the scope of IFRS 15 and will be regulated by the other applicable standards (e.g., IFRS 9, and IFRS 16 Leases). IFRS 15 provides a single, principle based five-step model to be applied to all contracts with customers and revenue under will need to be recognised as goods and services are transferred, to the extent that the transferor anticipates entitlement to goods and services. The standard will also specify a comprehensive set of disclosure requirements regarding the nature, extent and timing as well as any uncertainty of revenue and corresponding cash flows with customers. The amendment has no impact on the Group's financial statements.

(b) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using Mauritian Rupees, the currency of the primary economic environment in which the entity operates ("functional currency"). The consolidated financial statements are presented in Mauritian Rupees, which is the Company's functional and presentation currency.

3. FINANCIAL RISK FACTORS

The Group's activities expose it to a varitety of financial risks. A description of the significant risk factors is given below together with the risk management policy applicable.

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's trade receivables.

The amounts presented on the 'Statement of financial position' are net of allowances for doubtful receivables, estimated by the Company's management based on prior experience and the current economic environment. The Company has no significant concentration of credit risk, with exposure spread over a large number of counterparties and customers.

The carrying value of trade receivables that have been impaired and the ageing of financial assets that are past due but not impaired is shown in Note 16 to the financial statements.

Cash flow and fair value interest risk

As the Group has no significant interest-bearing assets, the Group's income and operating cash flows are substantially independent of changes in market interest rates. The Group's interest rate risk arises from non-current borrowings. Borrowings issued at variable rates expose the Group to cash flow interest rate risk. The Group does not have any fixed interest borrowings.

As at June 30, 2018, if interest rates on borrowings had been 50 basis points higher/lower with all other variables held constant, post-tax profit for the year would have been lower/higher as shown below, mainly as a result of higher/lower interest expense on floating rate borrowings:

	Group		Company	
Rupee-denominated borrowings	**2018**	2017	**2018**	2017
	Rs' 000	Rs' 000	**Rs' 000**	Rs' 000
Effect higher/lower on post tax profit	**20,534**	19,794	**9,337**	8,956

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivery of cash or another financial asset.

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities. The Group aims at maintaining flexibility in funding by keeping committed credit lines available. The Company has also the financial support of its shareholders.

Management monitors rolling forecasts of the Group's liquidity reserve on the basis of expected cash flow and does not foresee any major liquidity risk over the next two years.

ASCENCIA LIMITED AND ITS SUBSIDIARY

NOTES TO THE FINANCIAL STATEMENTS - FOR THE YEAR ENDED 30 JUNE 2018

Liquidity risk (cont'd)

The table below analyses the Group's net financial liabilities into relevant maturity groupings based on the remaining period at the end of the reporting period to the contractual maturity date.

	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
GROUP	Rs' 000	Rs' 000	Rs' 000	Rs' 000
At June 30, 2018				
Bank loans	5,385	6,065	418,523	3,676,876
Convertible preference shares	48,667	48,667	-	-
Debentures	-	-	52,670	158,010
Trade and other payables	132,939	-	-	-
Amounts payable to related companies	-	-	-	-
GROUP				
At June 30, 2017				
Bank loans	50,571	50,608	299,568	3,558,074
Convertible preference shares	55,620	48,667	48,667	-
Debentures	-	-	-	210,680
Trade and other payables	126,685	-	-	-
Amounts payable to related companies	10,680	-	-	-
COMPANY				
At June 30, 2018				
Bank loans	608	647	184,482	1,681,661
Convertible preference shares	48,667	48,667	-	-
Debentures	-	-	52,670	158,010
Trade and other payables	64,722	-	-	-
Amounts payable to related companies	-	-	-	-
COMPANY				
At June 30, 2017				
Bank loans	50,571	50,608	299,568	1,390,479
Convertible preference shares	55,620	48,667	48,667	-
Debentures	-	-	-	210,680
Trade and other payables	61,152	-	-	-
Amounts payable to related companies	18,921	-	-	-

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Fair value estimation

The nominal value less estimated credit adjustments of trade receivables and payables are assumed to approximate their fair values.

3.1 Capital risk management

The Group's objectives when managing capital are:

- to safeguard the Company's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, and
- to provide an adequate return to shareholders by pricing products and services commensurately with the level of risk.

The Company and its subsidiary companies set the amount of capital in proportion to risk. The Company and its subsidiaries manage the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the company may adjust the amount of dividends paid to shareholders, return, capital to shareholders, issue new shares, or sell assets to reduce debt.

During 2018, the Group's strategy is to maintain the asset-cover ratio at the lower end in order to secure access to finance at a reasonable cost. The asset-cover ratios at 30 June 2018 and at 30 June 2017 were as follows:

	Group		Company	
	2018	2017	**2018**	2017
	Rs' 000	Rs' 000	**Rs' 000**	Rs' 000
Total investment properties	**11,160,054**	10,663,787	**4,600,142**	4,319,230
Borrowings including convertible preference shares and debentures				
Non-current	**4,360,811**	4,216,264	**2,126,137**	2,048,669
Current	**54,052**	106,191	**49,275**	106,191
	4,414,863	4,322,455	**2,175,412**	2,154,860
Asset-cover ratio	**2.53**	2.47	**2.11**	2.00

There were no changes in the Group's approach to capital risk management during the year.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continuously evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing material adjustment to this carrying amounts of assets and liabilities within the next financial year are discussed in appropriate notes.

Limitation of sensitivity analysis

Sensitivity analysis in respect of market risk demonstrates the effect of a change in a key assumption while other assumptions remain unchanged. In reality, there is a corelation between the assumptions and the other factors. It should also be noted that these sensitivities are non-linear and larger or smaller impacts should not be interpolated or extrapolated from these results.

Sensitivity analysis does not take into consideration that the Company's assets and liabilities are managed. Other limitations include the use of hypothetical market movements to demonstrate potential risks that only represent the Company's view of possible near-term market changes that cannot be predicted with any certainty.

ASCENCIA LIMITED AND ITS SUBSIDIARY

NOTES TO THE FINANCIAL STATEMENTS - FOR THE YEAR ENDED 30 JUNE 2018

5. REVENUE AND OTHER INCOME

Accounting policy

Revenue is measured at the fair value of the consideration received or receivable, and represents amounts receivable for services provided, stated net of discounts, returns, value added taxes, rebates and other similar allowances.

Revenues earned by the Group are recognised on the following bases:

- Rental income, recoveries, exhibition and advertising income - on an accruals basis in accordance with the substance of the relevant agreements with its tenants.

- Interest income - on a time-proportion basis unless collectibility is in doubt. When a receivable is impaired, the Company reduces the carrying amount to its recoverable amount, being the estimated future cash flows discounted at the original effective rate.

(a)

Total Revenue	Group		Company	
	2018	2017	2018	2017
	Rs' 000	Rs' 000	Rs' 000	Rs' 000
Rental income and recoveries	1,174,443	1,052,085	487,456	411,408
Exhibition and advertising	28,514	19,002	14,405	10,010
	1,202,957	1,071,087	501,861	421,418

(b)

Investment and Other Income	Group		Company	
	2018	2017	2018	2017
	Rs' 000	Rs' 000	Rs' 000	Rs' 000
Dividend income	-	-	211,315	148,750
Interest income	14,737	8,878	9,212	2,954
Underwriting fee	-	-	-	15,494
Others	2,956	5,361	328	69
	17,693	14,239	220,855	167,267

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6. DIRECT OPERATING EXPENSES

	Group		Company	
	2018	2017	2018	2017
	Rs' 000	Rs' 000	Rs' 000	Rs' 000
Utilities and other recharges	203,764	191,853	62,191	58,254
Property management fees	43,975	38,587	18,418	15,289
Exhibition and marketing	35,972	29,759	18,613	15,623
Cleaning	28,845	24,577	16,398	12,495
Security fees	16,004	15,168	9,779	9,528
Insurance	7,576	8,606	3,560	4,762
Rent, taxes and licences	2,502	2,611	2,403	2,611
Others	20,886	17,492	10,531	6,066
	359,524	328,653	141,893	124,628

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7. ADMINISTRATIVE EXPENSES

	Group		Company	
	2018	2017	2018	2017
	Rs' 000	Rs' 000	Rs' 000	Rs' 000
Fund management fees	30,320	26,289	30,320	26,289
Asset management fees	58,471	52,207	23,504	19,889
Compensation	300	5,139	300	5,139
Professional fees	9,174	7,053	8,183	4,623
Letting commission	13,029	6,402	7,722	1,289
Provision for impairment	13,695	177	10,321	2,667
Depreciation	5,737	4,057	1,847	1,330
Others	5,394	9,514	3,864	5,266
	136,120	110,838	86,061	66,492

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ASCENCIA LIMITED AND ITS SUBSIDIARY

NOTES TO THE FINANCIAL STATEMENTS - FOR THE YEAR ENDED 30 JUNE 2018

8. FINANCE COSTS

	Group		Company	
	2018	2017	**2018**	2017
	Rs' 000	Rs' 000	**Rs' 000**	Rs' 000
Interest on bank loans and other loans repayable by instalments	**239,414**	237,959	**109,039**	99,429
Interest on other loans not repayable by instalments	**-**	-	**141**	620
Interest on preference shares	**9,177**	15,017	**9,177**	15,017
Interest on debentures	**12,641**	12,641	**12,640**	12,641
	261,232	265,617	**130,997**	127,707

9. INCOME TAX EXPENSE

	Group		Company	
	2018	2017	**2018**	2017
	Rs' 000	Rs' 000	**Rs' 000**	Rs' 000
Current tax on the adjusted profit for the year at 15% (2017: 15%) (note 16 (c))	**17,315**	1,711	**5,164**	1,711
Deferred tax (note 20(b) & 26(b))	**60,323**	69,086	**21,249**	30,402
Corporate social responsibility tax	**2,902**	1,261	**1,282**	1,261
Underprovision	**3,055**	2,175	**3,055**	2,175
	83,595	74,233	**30,750**	35,549

The tax on the profit before tax differs from the theoretical amount that would arise using the basic tax rate as follows:

	Group		Company	
	2018	Restated 2017	**2018**	Restated 2017
	Rs' 000	Rs' 000	**Rs' 000**	Rs' 000
Profit before tax	**971,530**	1,028,806	**678,864**	530,671
Share of (profit)/loss of joint venture	**(30,553)**	6,422	**-**	-
	940,977	1,035,228	**678,864**	530,671
Tax calculated at 15% (2017: 15%)	**141,147**	155,284	**101,830**	79,601
Expenses not deductible for tax purposes	**8,486**	5,356	**8,159**	5,029
Income not subject to tax	**(79,038)**	(97,967)	**(86,075)**	(56,094)
Corporate social responsibility tax	**2,902**	1,261	**1,282**	1,261
Deferred tax rate differential on corporate social responsibility tax	**7,043**	8,124	**2,499**	3,577
Underprovision	**3,055**	2,175	**3,055**	2,175
Tax charge	**83,595**	74,233	**30,750**	35,549

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10. EARNINGS PER SHARE

	Group		Company	
	2018	Restated 2017	**2018**	Restated 2017
	Rs' 000	Rs' 000	**Rs' 000**	Rs' 000
Profit attributable to equityholders of the company	**870,226**	864,359	**649,723**	493,513
Number of ordinary shares in issue				
- Class A	**482,019,385**	432,770,316	**482,019,385**	432,770,316
Earnings per share - Basic (Rs.)				
- Class A	**1.91**	2.04		
Earnings per share - Diluted (Rs.)				
- Class A	**1.89**	1.99		

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ASCENCIA LIMITED AND ITS SUBSIDIARY

NOTES TO THE FINANCIAL STATEMENTS - FOR THE YEAR ENDED 30 JUNE 2018

11. INVESTMENT PROPERTIES

Accounting policy

Investment properties which are properties held to earn rentals and/or for capital appreciation, are stated at fair value at the end of reporting period. Gains and losses arising from changes in the fair value are included in the profit or loss for the period in which they arise. Properties that are being constructed or developed for future use as investment properties are treated as investment properties.

Investment properties are derecognised when they are disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in the Statement of profit or loss and other comprehensive income in the period of derecognition.

Fair value model	Group		Company	
	2018	2017	**2018**	2017
	Rs' 000	Rs' 000	**Rs' 000**	Rs' 000
At 01 July,	**10,663,787**	10,287,159	**4,319,230**	3,891,758
Acquisition	**15,493**	419,790	**10,094**	406,111
Disposal	**-**	(18,275)	**-**	(18,275)
Increase in fair value	**497,163**	628,629	**286,118**	242,885
Write off	**(1,089)**	-	**-**	-
Transfer to non-current asset held for sale (note 26(d))	**(15,300)**	(653,516)	**(15,300)**	(203,249)
At 30 June	**11,160,054**	10,663,787	**4,600,142**	4,319,230

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(a) The investment properties were valued at year end by Jones Lang LaSalle, an independent professionally qualified valuer for the purpose of the valuation in accordance with the RICS Valuation – Professional Standards and are RICS Registered Valuers.

(b) The investment properties are classified as level 3 on the fair value hierarchy.
The basis of valuation is 'Market Value' and this is defined by the Royal Institution of Chartered Surveyor, South African Institute of Valuers and International Valuation Standards Committee.

The fair value of the properties have been computed using the discounted cash flow method. The expected future net income for 5 years has been discounted at an appropriate discount rate and added to the estimated reversionary value. The reversionary value has been computed by capitalising the net income prevailing at the end of the cash flow projections and discounting at an appropriate rate.

The DCF valuation is also the approach by which private, institutional, local and overseas investors analyse property for investment purposes to estimate the market value. This methodology also takes into account the time value of money between the valuation date and the date when the income stream theoretically reverts to market levels.

Main assumptions used in the valuation of the properties are:

Reversionary rate	7.5%-9.25%
Discount rate	12.5%-13.5%
Market Rental Growth	5%
Expense Growth	5%
Net operating income from properties	Rs.24m - Rs.483m
DCF period	5 years

(c) The following amounts have been recognised in profit or loss:

	Group		Company	
	2018	2017	**2018**	2017
	Rs' 000	Rs' 000	**Rs' 000**	Rs' 000
Rental income	**839,155**	747,020	**351,082**	293,687
Recoveries	**335,288**	305,065	**136,374**	117,721
Direct operating expenses arising from investment properties that generate rental income	**(335,288)**	(305,065)	**(136,374)**	(117,721)
Direct operating expenses that did not generate rental income	**(24,236)**	(23,588)	**(5,519)**	(6,907)

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(d) Bank borrowings are secured by floating charges on the assets of the Group and of the Company, including investment properties.

(e) **Critical accounting estimates**

Fair value of investment properties

The Group carries its investment properties at fair value, with changes in fair value being recognised in the statement of profit or loss and other comprehensive income. The company engaged independent valuation specialists to determine fair value of the investment properties. Valuation was based on a discounted cash flow model. The determined fair value of the investment properties is most sensitive to the estimated yield as well as the long term vacancy rate.

Deferred tax on investment properties

For the purposes of measuring deferred tax liabilities or deferred tax assets arising from investment properties, the Directors reviewed the Group's investment property portfolio and concluded that none of the Group's investment properties are held under a business model whose objective is to consume substantially all of the economic benefits embodied in the investment properties over time, rather than through sale.

Therefore, in determining the Group's deferred taxation on investment properties, the Directors have determined that the presumption that the carrying amounts of investment properties measured using the fair value model are recovered entirely through sale is not rebutted. As a result, the Group has not recognised any deferred taxes on changes in fair value of investment properties as the Group is not subject to any capital gain taxes on disposal of its investment properties.

ASCENCIA LIMITED AND ITS SUBSIDIARY

NOTES TO THE FINANCIAL STATEMENTS - FOR THE YEAR ENDED 30 JUNE 2018

12. EQUIPMENT

Accounting policy

All equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the assets' carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Depreciation is calculated on the straight-line method to write off the cost of the assets to their residual values over their estimated useful lives as follows:

	Years
Machinery and equipment	5
Furniture and fittings	4

The assets' residual values and useful lives are reviewed and adjusted, if appropriate, at the end of each reporting period.

Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount.

Gains and losses on disposals of plant and equipment are determined by comparing proceeds with carrying amount and are included in profit or loss.

(b) THE GROUP

2018	Assets in progress	Machinery and equipment	Furniture and fittings	Total
	Rs' 000	Rs' 000	Rs' 000	Rs' 000
COST				
At July 01, 2017	2,661	27,718	2,700	33,079
Additions	989	9,526	-	10,515
Transfer	(2,159)	2,159	-	-
At June 30, 2018	1,491	39,403	2,700	43,594
DEPRECIATION				
At July 01, 2017	-	11,524	1,743	13,267
Transfer	-	(86)	86	-
Charge for the year	.	5,568	137	5,705
At June 30, 2018	-	17,006	1,966	18,972
NET BOOK VALUE				
At June 30, 2018	1,491	22,397	734	24,622

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Depreciation of Rs. 5,705k (2017:Rs.4,552k) has been charged to administrative expenses.
Bank borrowings are secured by floating charges on the assets of the Company, including equipment.

THE GROUP

2017	Assets in progress	Machinery and equipment	Furniture and fittings	Total
	Rs' 000	Rs' 000	Rs' 000	Rs' 000
COST				
At July 01, 2016	1,256	15,446	2,545	19,247
Transfer	(349)	349	-	-
Additions	2,727	12,713	155	15,595
'Transfer to non-current assets held for sale (note 26(d))	(973)	(790)	-	(1,763)
At June 30, 2017	2,661	27,718	2,700	33,079
DEPRECIATION				
At July 01, 2016	-	7,527	1,710	9,237
Charge for the year	324	4,195	33	4,552
'Transfer to non-current assets held for sale (note 26(d))	(324)	(198)	-	(522)
At June 30, 2017	-	11,524	1,743	13,267
NET BOOK VALUE				
At June 30, 2017	2,661	16,194	957	19,812

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(c) THE COMPANY

2018	Office equipment	Other equipment	Total
	Rs' 000	Rs' 000	Rs' 000
COST			
At July 01, 2017	1,649	7,439	9,088
Additions	111	3,043	3,154
At June 30, 2018	1,760	10,482	12,242
DEPRECIATION			
At July 01, 2017	1,465	1,959	3,424
Charge for the year	270	1,577	1,847
At June 30, 2018	1,735	3,536	5,271
NET BOOK VALUE			
At June 30, 2018	25	6,946	6,971

Depreciation of Rs. 1,847k (2017: Rs. 1,351k) has been charged to administrative expenses.

ASCENCIA LIMITED AND ITS SUBSIDIARY

NOTES TO THE FINANCIAL STATEMENTS - FOR THE YEAR ENDED 30 JUNE 2018

12. EQUIPMENT (CONT'D)

(c) THE COMPANY (Cont'd)

2017	Office equipment	Other equipment	Total
	Rs' 000	Rs' 000	Rs' 000
COST			
At July 1, 2016	1,649	2,756	4,405
Additions	-	5,010	5,010
Transfer to non-current assets held for sale (note 26(d))	-	(327)	(327)
At June 30, 2017	1,649	7,439	9,088
DEPRECIATION			
At July 1, 2016	1,154	940	2,094
Charge for the year	311	1,040	1,351
Transfer to non-current assets held for sale (note 26(d))	-	(21)	(21)
At June 30, 2017	1,465	1,959	3,424
NET BOOK VALUE			
At June 30, 2017	184	5,480	5,664

(d) Critical accounting estimates and assumptions

Depreciation policies - Asset lives and residual values

Equipment is depreciated over its useful life taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In reassessing asset lives, factors such as technological innovation, and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

Consideration is also given to the extent of current profits and losses on the disposal of similar assets.

The directors make estimates based on historical experience and use best judgement to assess the useful lives of assets and to forecast the expected residual values of the assets at the end of their expected useful lives.

13. INVESTMENT IN SUBSIDIARY COMPANIES - COST

Accounting policy

The consolidated financial statements include the company and its subsidiaries. The results of subsidiaries acquired or disposed of during the period are included in the consolidated Statements of Profit or Loss from the date of their acquisition or up to the date of their disposal. The consolidated financial statements have been prepared in accordance with the acquisition method. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred plus costs directly attributable to the acquisition. The excess of the cost of acquisition over the fair value of the net assets acquired is recorded as goodwill. If the cost of acquisition is less than the fair value of the net assets acquired, the difference is recognised in the Statement of Profit or Loss of the current year. The consideration for the acquisition includes contingent consideration arrangement.

The results of subsidiaries which are not consolidated are brought into the financial statements to the extent of dividends received. Where a business combination is achieved in stages, the Group's previously held interests in the acquired entity are remeasured to fair value, with the resulting gain or loss recognised in Statement of Profit or Loss. When the Group disposes or loses control of a subsidiary, the profit or loss is calculated as the difference between the consideration received, grossed up for any fair value of assets (including goodwill) and liabilities. Amounts previously recognised in Other Comprehensive Income are reclassified to profit or loss.

In preparing consolidated financial statements, the Group combines the financial statements of the parent and its subsidiaries on a line by line by adding together like items of assets, liabilities, equity, income and expenses. Intragroup balances and transactions, including income, expenses and dividends are eliminated in full.

Subsidiaries are all entities, including structured entities, over which the Group has control. The Group controls an entity when it is exposed to, or has rights to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

	THE COMPANY	
	2018	2017
	Rs' 000	Rs' 000
At 01 July,	**2,156,413**	2,414,413
Acquisition (note 25)	**607,609**	-
Transfer to non-current assets held for sale (note 26(d))	**-**	(258,000)
At 30 June,	**2,764,022**	2,156,413

The subsidiary company of Ascencia Limited (which is incorporated and operates in Mauritius) is as follows:

Name	Class of shares held	Year end	Stated capital Rs'000	Proportion of ownership interest		Main business
				2018	2017	
Bagaprop Limited	Ordinary shares	30 June	1,252,101	100%	85%	Investment properties

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14. INVESTMENT IN JOINT VENTURE

Accounting policy

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

Joint venture is accounted for using the equity method and under this method, the investment is initially recognised at cost and the carrying amount is increased or decreased to recognise the Group's share of the profit or loss of the joint venture after the date of acquisition. The Group's share of its joint venture post acquisition profits or losses is recognised in the Statement of Profit or Loss and its share of post acquisition movements in reserves in Other Comprehensive Income.

Goodwill arising on the acquisition of a joint venture entity is included with the carrying amount of the joint venture and tested annually for impairment. When the Group's share of losses exceeds the carrying amount of the investment, the latter is reported at nil value. Recognition of the Group's share of losses is discontinued except to the extent of the Group's legal and constructive obligations contracted by the joint venture. If the associate subsequently reports profits, the Group resumes 'recognising its share of those profits after accounting for its share of unrecognised past losses. Unrealised profits and losses are eliminated to the extent of the Group's interest in the joint venture.

In the separate financial statements of the Company, investments in subsidiary, joint venture are carried at cost. The carrying amount is reduced to recognise any impairment in the value of individual investments.

ASCENCIA LIMITED AND ITS SUBSIDIARY

NOTES TO THE FINANCIAL STATEMENTS - FOR THE YEAR ENDED 30 JUNE 2018

14. INVESTMENT IN JOINT VENTURE (CONT'D)

	Group		Company	
	2018	2017	2018	2017
	Rs' 000	Rs' 000	Rs' 000	Rs' 000
At 01 July,	99,925	64,347	106,347	64,347
Additions	-	42,000	-	42,000
Share of profit/(loss)	30,553	(6,422)	-	-
At 30 June	130,478	99,925	106,347	106,347

(a) Details of the joint venture at the end of the reporting period are as follows:

Name	Year end	Principal activity	Country of incorporation and place of business	Proportion of interest and voting rights held	
				2018	2017
Floreal Commercial Centre Limited	June 30,	Investment properties	Mauritius	50%	50%

Floreal Commercial Centre Limited is a private company and there is no quoted market price available for its shares.

(b) Summarised financial information

Summarised financial information in respect of the joint venture is set out below.

The summarised financial information below represents amounts shown in the joint venture's financial statements prepared in accordance with IFRSs.

Summarised statement of financial position	2018	2017
	Rs' 000	Rs' 000
Current assets	27,175	25,913
Non-current assets	627,931	362,660
Current liabilities	34,032	51,123
Non-current liabilities	443,898	221,600

****

Summarised financial information	2018	2017
The above amounts of assets and liabilities include the following:	Rs' 000	Rs' 000
Cash and cash equivalents	11,453	4,594
Current financial liabilities (excluding trade and other payables and provisions)	23,443	19,856
Non-current financial liabilities (excluding trade and other payables and provisions)	443,898	221,600

****

Summarised statement of profit or loss and other comprehensive income	2018	2017
	Rs' 000	Rs' 000
Revenue	41,291	-
Profit/(loss) for the year/total comprehensive income for the year	61,106	(12,844)
The above profit for the year include the following:		
Depreciation	7	-
Interest income	-	-
Interest expense	10,123	-
Income tax expense	-	-

****

Reconciliation of summarised financial information	2018	2017
Reconciliation of the above summarised financial information to the carrying amount of the interest in the joint venture recognised in the financial statements:	Rs' 000	Rs' 000
Opening net assets of the joint venture	115,851	128,695
Profit/(loss) for the year	61,106	(12,844)
	176,957	115,851
Shareholders' loan	84,000	84,000
Closing net assets	260,957	199,851
Carrying amount of Group's interest in joint venture (50%)	130,478	99,925

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ASCENCIA LIMITED AND ITS SUBSIDIARY
NOTES TO THE FINANCIAL STATEMENTS - FOR THE YEAR ENDED 30 JUNE 2018

15. INTANGIBLE ASSETS

Accounting policy

Goodwill

Goodwill arising on acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any.

Goodwill is tested annually for impairment. On disposal of a subsidiary, the attributable amount of goodwill is included in the determination of the gains and losses on disposal.

Goodwill arose on the acquisition of 100% of the share capital of Gardens of Bagatelle Ltd. The Group disposed its subsidiary to ENL Property Ltd on July 1, 2017, being the effective date.

	Group
	2018
	Rs' 000
At 01 July,	**12,554**
Disposal of subsidiary (note 25)	**(12,554)**
At 30 June,	**-**

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16. TRADE AND OTHER RECEIVABLES

(a) **Accounting policy**

Trade receivables are measured initially at fair value and are subsequently stated at amortised cost using the effective interest method less provision for impairment. A provision for trade receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of receivables.

The amount of provision is recognised in profit or loss.

	Group		Company	
	2018	2017	2018	2017
	Rs' 000	Rs' 000	Rs' 000	Rs' 000
Trade receivables (note (b))	47,464	41,890	29,724	31,349
Less: provision for impairment (note (b))	(11,136)	(16,868)	(7,959)	(12,126)
Trade receivables - net	36,328	25,022	21,765	19,223
Input VAT receivables	-	4,021	-	4,021
Net tax assets (note (c))	23,298	47,740	11,217	23,132
Prepayments	6,273	2,067	2,819	1,461
Other receivables	40,039	34,097	10,977	10,324
	105,938	112,947	46,778	58,161

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The carrying amounts of trade and other receivables approximates their fair value.

(b)

	Group		Company	
	2018	2017	2018	2017
Ageing of trade receivables	Rs' 000	Rs' 000	Rs' 000	Rs' 000
Less than 1 month	6,956	17,717	4,867	15,348
Impairment	(2,545)	(843)	(1,621)	(843)
	4,411	16,874	3,246	14,505
More than 1 month and less than 3 months	9,678	7,509	5,298	5,621
Impairment	(2,307)	(1,876)	(1,025)	(1,876)
	7,371	5,633	4,273	3,745
More than 3 months	30,830	16,664	19,559	10,380
Impairment	(6,284)	(14,149)	(5,313)	(9,407)
	24,546	2,515	14,246	973
	36,328	25,022	21,765	19,223
Movements on the provision for impairment of trade receivables are as follows:				
At 01 July,	16,868	56,651	12,126	16,054
Charge/(release) for the year	1,064	9,851	(1,752)	5,729
Bad debts recovered	(531)	(9,674)	-	(3,062)
Write off	(6,265)	(39,657)	(2,415)	(6,292)
Transfer to non current assets held for sale	-	(303)	-	(303)
At 30 June,	11,136	16,868	7,959	12,126

The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable mentioned above.

(c)

	Group		Company	
	2018	2017	2018	2017
Net tax assetst	Rs' 000	Rs' 000	Rs' 000	Rs' 000
At 01 July,	47,740	38,663	23,132	16,171
Tax deducted at source movement for the year	33,592	15,426	11,428	13,310
TDS refundable	(35,853)	(14,097)	(14,933)	(14,097)
Tax paid	4,766	9,459	4,766	9,459
Current tax liability (note 9)	(17,315)	(1,711)	(5,164)	(1,711)
Corporate social responsibility tax (note 9)	(2,902)	-	(1,282)	-
Provision for tax deducted at source	(6,730)	-	(6,730)	-
At 30 June,	23,298	47,740	11,217	23,132

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ASCENCIA LIMITED AND ITS SUBSIDIARY

NOTES TO THE FINANCIAL STATEMENTS - FOR THE YEAR ENDED 30 JUNE 2018

17. AMOUNT RECEIVABLE FROM RELATED COMPANIES

	Group		Company	
	2018	2017	2018	2017
	Rs' 000	Rs' 000	Rs' 000	Rs' 000
Short term deposits with intermediate holding company (note 24)	572,859	159,567	299,419	45,826
Amount receivable from subsidiary company	-	-	133,767	85,738
Short term deposits with significant influence (note 24)	20,000	-	20,000	-
Amount receivable from fellow subsidiary	-	3,489	-	-
	592,859	163,056	453,186	131,564

The carrying amounts of receivables from related companies approximate their fair values.

18. STATED CAPITAL

Accounting policy

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax from proceeds.

	Issued number of shares		Issued and fully paid	
	2018	2017	2018	2017
			Rs' 000	Rs' 000
At 01 July,	432,770,316	423,299,213	3,699,505	3,602,171
Issue of Class A shares	45,616,281	-	607,609	-
Conversion of preference shares	3,632,788	9,471,103	55,620	97,334
At 30 June,	482,019,385	432,770,316	4,362,734	3,699,505

19. BORROWINGS

Accounting policy

Interest bearing bank loans and overdrafts are recorded at the proceeds received. Finance charges are accounted for on an accrual basis.

Preference shares, which are mandatorily non-voting convertible on a specific date, are classified as liablities. The dividends on these specific preference shares are recognised in profit or loss as interest expense.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least twelve months after the end of the reporting period.

	Group		Company	
	2018	2017	2018	2017
Non-Current	Rs' 000	Rs' 000	Rs' 000	Rs' 000
Bank loans (note (a))	4,101,464	3,908,250	1,866,790	1,740,655
Convertible preference shares (note (b))	48,667	97,334	48,667	97,334
Debentures (note (c))	210,680	210,680	210,680	210,680
Total	4,360,811	4,216,264	2,126,137	2,048,669
Current				
Bank loans (note (a))	5,385	50,571	608	50,571
Convertible preference shares (note (b))	48,667	55,620	48,667	55,620
	54,052	106,191	49,275	106,191

ASCENCIA LIMITED AND ITS SUBSIDIARY

NOTES TO THE FINANCIAL STATEMENTS - FOR THE YEAR ENDED 30 JUNE 2018

19. BORROWINGS (CONT'D)

(a) Bank borrowings

The bank loans are secured by floating charges over assets of the Group. The Group Rs 4,107m (2017:Rs 3,959m), Company Rs 1,867m (2017:Rs 1,792m). The rates of interest on these loans is 5.75% and 6.25%. (2017: 6.25% and 6.70%).

(b) Convertible preference shares

On 30 June 2018, 4,213,602 (2017: 7,373,804) preference shares amounting to Rs. 55,619,550 (2017: Rs. 97,334,212) were converted into Class A ordinary shares at a conversion rate of 0.862159027 (2017: 1.284423752), representing 3,632,788 (2017: 9,471,103) ordinary shares.

Sailent features of the convertible preference shares are as follows:

- Preference shares shall be converted mandatorily on the 30th June of every financial year over 5 consecutive years into Class A ordinary shares of the Company without paying any additional fee.

- The preference shares yield a dividend of 6.0% per financial year over 5 consecutive years, payable out of the profits of the Company and in priority to dividends payable to Class A ordinary shareholders. Dividend distribution shall be paid in June of each financial year.

- Preference shareholders will not have the right to receive notice of, or attend, or vote on a poll at the shareholders' meetings of the Company.

- The right to an equal share in the distribution of surplus assets among non-convertible preference shareholders on winding up, payable in priority to the holders of ordinary shares.

- The convertible non-voting preference shares shall constitute unsecured and subordinated obligations of the Company and shall accordingly rank junior to all secured and unsubordinated creditors of the Company but ahead of Class A ordinary shares.

(c) Debentures

In the financial year 2016, the Company issued 17,556,676 redeemable bonds at an issue price of Rs 12.00 each, totalling Rs 210,680,112.

Sailent features of the debentures are as follows:

- A coupon rate of 6.0% per annum in respect of each financial year over 10 consecutive years, will be paid to Bondholders out of the profits of the Company. This will be paid in priority to dividends payable to Class A ordinary shareholders and preference shareholders. Coupon payment shall be paid in June of each financial year.

- Bondholders will not have the right to receive notice of, or attend, or vote on a poll at the shareholders' meetings of the Company

- Bonds shall be redeemed automatically on the 30th June of every financial year over 5 consecutive years starting 30 June 2021, without paying any additional fee.

The maturity of non-current borrowings is as follows:

	Group		Company	
	2018	2017	**2018**	2017
	Rs' 000	Rs' 000	**Rs' 000**	Rs' 000
Between 1 and 2 years	**54,693**	99,275	**49,275**	99,275
Between 2 and 5 years	**256,437**	348,235	**22,404**	348,235
Greater than 5 years	**4,049,681**	3,768,754	**2,054,458**	1,601,159
	4,360,811	4,216,264	**2,126,137**	2,048,669

Financial assets and financial liabilities are recognised in the Groups's Statement of Financial Position when the Group has become a party to the contractual provisions of the instrument.

20. DEFERRED INCOME TAX

Accounting policy

The tax expense for the period comprises of current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current tax
The current income tax charge is based on taxable income for the year calculated on the basis of tax laws enacted or substantively enacted by the end of the reporting period.

Deferred income tax is calculated on all temporary differences under the liability method at 17% (2017: 17%).

Deferred tax
Deferred income tax is provided in full, using the liability method, for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, if the deferred income tax arises from initial recognition of an asset or liability in a transaction, other than a business combination, that at the time of the transaction affects neither accounting nor taxable profit or loss, it is not accounted for.

Deferred income tax is determined using tax rates that have been enacted or substantively enacted by the end of the reporting period and are expected to apply in the period when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which deductible temporary differences and tax losses can be utilised.

'For the purposes of measuring deferred tax liabilities and deferred tax assets for investment properties that are measured using the fair value model, the carrying amount of such properties are presumed to be recovered entirely through sale, unless the presumption is rebutted. The presumption is rebutted when the investment property is depreciable and is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the investment property over time rather than through sale.

(a) There is a legally enforceable right to offset current tax assets against current tax liabilities and deferred income tax assets and liabilities

ASCENCIA LIMITED AND ITS SUBSIDIARY

NOTES TO THE FINANCIAL STATEMENTS - FOR THE YEAR ENDED 30 JUNE 2018

20. DEFERRED INCOME TAX (CONT'D)

when the deferred income taxes relate to the same fiscal authority on the same entity. The following amounts are shown in the statement of financial position.

	Group		Company	
	2018	Restated 2017	2018	Restated 2017
	Rs' 000	Rs' 000	Rs' 000	Rs' 000
Deferred tax liabilities	291,645	238,536	124,183	102,934
Deferred tax assets	-	(7,214)	-	-
	291,645	231,322	124,183	102,934

(b) The movement on the deferred income tax account is as follows:

	Group		Company	
	2018	Restated 2017	2018	Restated 2017
	Rs' 000	Rs' 000	Rs' 000	Rs' 000
At 01 July,				
- As previously reported	204,108	141,668	90,824	63,999
- Prior year adjustment	27,214	18,889	12,110	8,533
- As restated	231,322	160,557	102,934	72,532
Charged to profit or loss (note 9)	58,714	72,114	19,640	32,011
Transfer from non current assets held for sale (note 26(b))	1,609	(1,349)	1,609	(1,609)
At 30 June,	291,645	231,322	124,183	102,934

	Group		Company	
	2018	Restated 2017	2018	Restated 2017
	Rs' 000	Rs' 000	Rs' 000	Rs' 000
Made up of:				
Accelerated capital allowances	291,645	238,536	124,183	102,934
Tax losses	-	(7,214)	-	-
	291,645	231,322	124,183	102,934

At the end of the reporting period, the Group did not have unused tax losses (2017: Rs.42,435k) available for offset against future profits.

	Accelerated tax depreciation	Tax losses	Total
	Rs'000	Rs'000	Rs'000
GROUP			
At 01 July, 2017			
- As previously reported	210,473	(6,365)	204,108
- Prior year adjustment	28,063	(849)	27,214
- As restated	238,536	(7,214)	231,322
Charged to profit or loss (note 9)	51,500	7,214	58,714
Transfer from non current assets held for sale(note26(e))	1,609	-	1,609
At 30 June, 2018	291,645	-	291,645
COMPANY			
At 01 July, 2017			
- As previously reported	90,824	-	90,824
- Prior year adjustment	12,110	-	12,110
- As restated	102,934	-	102,934
Charged to profit or loss (note 9)	19,640	-	19,640
Transfer from non current assets held for sale(note26(e))	1,609	-	1,609
At 30 June, 2018	124,183	-	124,183

ASCENCIA LIMITED AND ITS SUBSIDIARY

NOTES TO THE FINANCIAL STATEMENTS - FOR THE YEAR ENDED 30 JUNE 2018

21. TRADE AND OTHER PAYABLES

Accounting policy

Trade and other payables are stated at fair value and are subsequently measured at amortised cost using the effective interest method.

Trade and other payables are stated at fair value and are subsequently measured at amortised cost using the effective interest method.

	Group		Company	
	2018	2017	2018	2017
	Rs' 000	Rs' 000	Rs' 000	Rs' 000
Current				
Trade payables	1,569	804	1,569	804
Accrued expenses	60,196	69,396	29,611	33,546
Project cost payable	7,929	21,496	7,929	21,496
Deposits	39,150	9,147	23,506	5,296
Other payables	24,095	25,872	2,107	10
	132,939	126,715	64,722	61,152
Non-current				
Deposits	113,676	113,001	48,850	59,164

The carrying amounts of trade and other payables approximate their fair values.

22. AMOUNT PAYABLE TO RELATED COMPANIES

	Group		Company	
	2018	2017	2018	2017
	Rs' 000	Rs' 000	Rs' 000	Rs' 000
Amount payable to intermediate holding company	-	6.671	-	6.671
Amount payable to immediate holding company	-	737	-	-
Amount payable to subsidiary company	-	-	-	12,250
Amount payable to fellow subsidiary companies	-	3,272	-	-
	-	10,680	-	18,921

The carrying amounts of payables to related companies approximate their fair values.

23. DIVIDENDS

Accounting policy

Dividend distribution to the Company's shareholders is recognised as a liability in the Company's financial statements in the period in which the dividends are declared.

	Group		Company	
	2018	2017	2018	2017
Amounts recognised as distributions to equity holders:	Rs' 000	Rs' 000	Rs' 000	Rs' 000
Declared and paid interim dividend of Rs.0.30 per share (2017-Rs0.20 per share)	129,831	84,660	129,831	84,660
Declared and payable final dividend of Rs.0.45 per share (2017-Rs.0.30 per share)	215,274	126,990	215,274	126,990
	345,105	211,650	345,105	211,650

24. CASH AND CASH EQUIVALENTS

Accounting policy

Cash and cash equivalents include cash in hand, deposits with original maturities of three months or less and bank overdrafts.

Bank overdrafts are shown within borrowings in current liabilities in the statements of financial position.

(a) Cash and cash equivalents and bank overdraft include the following for the purpose of the statement of cash flows:

	Group		Company	
	2018	2017	2018	2017
	Rs' 000	Rs' 000	Rs' 000	Rs' 000
Bank balance and cash	399,678	68,589	334,189	49,055
Short term deposits (note 17)	592,859	159,567	319,419	45,826
	992,537	228,156	653,608	94,881
(b) The principal non cash transactions are as follows:				
(i) Acquisition of additional investment in subsidiary	-	-	607,609	-
(ii) Mandatory conversion of preference shares	55,620	97,334	55,620	97,334
(iii) Accruals for construction cost	6,476	21,496	6,476	21,496

ASCENCIA LIMITED AND ITS SUBSIDIARY

NOTES TO THE FINANCIAL STATEMENTS - FOR THE YEAR ENDED 30 JUNE 2018

24. CASH AND CASH EQUIVALENTS (CONT'D)

(c) Reconciliation of liabilities arising from financing activities:

THE GROUP	2017	Net cash flows 2018	2017	Net cash flows 2018
	Rs' 000	Rs' 000	Rs' 000	Rs' 000
Bank loans	3,958,821	148,028	-	4,106,849
Convertible preference shares	152,954	-	(55,620)	97,334
Debentures	210,680	-	-	210,680
	4,322,455	148,028	(55,620)	4,414,863
THE COMPANY				
Bank loans	1,791,226	76,172	-	1,867,398
Convertible preference shares	152,954	-	(55,620)	97,334
Debentures	210,680	-	-	210,680
	2,154,860	76,172	(55,620)	2,175,412

****

25. BUSINESS COMBINATION

(a) Acquisition of additional interest in Bagaprop Limited, the subsidiary company

In December 2017, the Group acquired an additional 15% interest in Bagaprop Limited for Rs 607,609k through an exchange of shares; that is 187,830 shares held by Atterbury in exchange for the issue of 45,616,281 new Class A shares in Ascencia in favour of Atterbury at an issue price of Rs 13.32 per share, increasing its ownership from 85% to 100%. The carrying amount of Bagaprop Limited's net assets at date of acquisition was Rs 4,110,073k. The Group recognised a decrease in non-controlling interests of Rs 616,511k and an increase in retained earnings of Rs 8,902k respectively.

The following summarises the effect of changes in the Group's (parent) ownership interest:

	2018
	Rs' 000
Parent's ownership interest at beginning of period	6,079,937
Effect of increase in parent's ownership interest	616,511
Share of comprehensive income	580,741
Parent's ownership interest at end of period	7,277,189

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25. BUSINESS COMBINATION (CONT"D)

(b) Disposal of Gardens of Bagatelle Ltd

On 01 July 2017, the Group disposed of Gardens of Bagatelle Ltd, a subsidiary company.

Consideration received	2018
	Rs' 000
Consideration received in cash and cash equivalents	293,107
Total consideration received	293,107

Analysis of asset and liabilities over which control was lost

	2018
	Rs' 000
Current assets	
Cash and cash equivalents	261
Other receivables	1,757
Non-current assets	
Plant and equipment	936
Investment property	450,267
Deferred tax assets	230
Current liablities	
Trade and other payables	(9,419)
Borrowings	(1,285)
Non-current liabilities	
Borrowings	(148,360)
Net assets disposed of	294,387

Loss on disposal of Gardens of Bagatelle Ltd	2018
	Rs' 000
Consideration received	293,107
Net assets disposed of	(294,387)
Goodwill (note 15)	(12,554)
Loss on disposal	(13,834)

The loss on disposal is included in the loss for the year from discontinued operations in the consolidated financial statement.

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ASCENCIA LIMITED AND ITS SUBSIDIARY

NOTES TO THE FINANCIAL STATEMENTS - FOR THE YEAR ENDED 30 JUNE 2018

25. BUSINESS COMBINATION (CONT'D)

Net cash inflow on disposal of subsidiary	2018 Rs' 000
Consideration received in cash and cash equivalents	293,107
Less: cash and cash equivalents balances disposed of	(25)
Total consideration received	293,082

26. NON-CURRENT ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS

Accounting policy

Non-current assets (or disposal groups) classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell if their carrying amount is recovered principally through a sale transaction rather than through a continuing use. This condition is regarded as met only, when the sale is highly probable and the asset (or disposal group) is available for immediate sale in its present condition.

When the Group is committed to a sale plan involving loss of control of a subsidiary, all of the assets and liabilities of that subsidiary are classified as held for sale when the criteria describe above are met, regardless of whether the Group will retain a non-controlling interest in its former subsidiary after the sale.

(a) As at 30 June 2018, the Group disposed of its fully owned subsidiary Gardens of Bagatelle Ltd and several investment properties held at Group and Company level for a loss of Rs 8,203k and a profit of Rs 40,738k respectively. The disposal is in line with the strategic plans of the Group and expansion of the Company's main business.

(b) An analysis of the result of discontinued operations, and the result recognised on the re-measurement of assets or disposal group is as follows:

	Group		Company	
	2018	Restated 2017	**2018**	Restated 2017
	Rs' 000	Rs' 000	**Rs' 000**	Rs' 000
Revenue	**9,115**	55,169	**9,115**	23,751
Expenses	**(20,872)**	(31,091)	**(20,872)**	(8,126)
(Loss)/profit before tax and fair value of discontinued operations	**(11,757)**	24,078	**(11,757)**	15,625
Net loss on fair value of investment properties	**-**	(28,378)	**-**	(58,095)
Profit on disposal of investment properties	**5,631**	-	**5,631**	-
(Loss)/profit on disposal of subsidiary (note 25 (b))	**(13,834)**	-	**35,107**	-
(Loss)/profit before tax of discontinued operations	**(19,960)**	(4,300)	**28,981**	(42,470)
Income tax expense	**1,609**	(3,058)	**1,609**	(1,609)
(Loss)/profit for the year from discontinued operations	**(18,351)**	(7,358)	**30,590**	(44,079)

26. NON-CURRENT ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS (CONT'D)

Accounting policy (cont'd)

		Group		Company	
		2018	Restated 2017	**2018**	Restated 2017
		Rs' 000	Rs' 000	**Rs' 000**	Rs' 000
(c)	Operating cash flows	**17,799**	48,434	**17,799**	27,747
	Investing cash flows	**441,026**	(75,775)	**441,026**	(75,490)
	Financing cash flows	**-**	(20,568)	**-**	-
	Total cash flows	**458,825**	(47,909)	**458,825**	(47,743)

	Non-current assets classified as held for sale	Group		Company	
(d)		**2018**	2017	**2018**	2017
		Rs' 000	Rs' 000	**Rs' 000**	Rs' 000
	Non current assets				
	Investment properties	**69,486**	653,516	**69,486**	203,249
	Investment in subsidiary	**-**	-	**-**	258,000
	Equipment (note 12)	**493**	1,241	**493**	306
	Deferred tax assets (note 20)	**-**	261	**-**	-
		69,979	655,018	**69,979**	461,555
	Current assets				
	Trade and other receivables	**1,584**	2,741	**1,584**	1,067
	Cash and cash equivalents	**4**	26	**4**	-
		1,588	2,767	**1,588**	1,067
	Non-current assets classified as held for sale	71,567	657,785	71,567	462,622

	Liabilities directly associated with non-current assets classified as held for sale	Group		Company	
(e)		**2018**	Restated 2017	**2018**	Restated 2017
		Rs' 000	Rs' 000	**Rs' 000**	Rs' 000
	Trade and other payables	**39,610**	25,458	**39,610**	16,122
	Borrowings	**-**	149,410	**-**	-
	Deferred Tax Liabilities (note 20)	**-**	1,609	**-**	1,609
		39,610	176,477	**39,610**	17,731

ASCENCIA LIMITED AND ITS SUBSIDIARY

NOTES TO THE FINANCIAL STATEMENTS - FOR THE YEAR ENDED 30 JUNE 2018

27. CONTINGENT LIABIITIES

At 30 June 2018, the Company had contingent liabilities in respect of bank guarantees arising in the ordinary course of business from which it is anticipated that no material liabilities would arise. The Company has not given guarantees in the ordinary course of business to thrid parties (2017 : Rs 170m) to third parties.

28. CAPITAL COMMITMENTS

There were no capital expenditure contracted for at end of reporting period in respect of investment properties.

29. EVENTS AFTER THE REPORTING PERIOD

On 5 September 2018, the Board of Ascencia Limited (Ascencia), a subsidiary company, has approved the acquisition of the remaining stake in The Floreal Commercial Centre Ltd (FCCL), the holding entity of the property So'flo.

Ascencia will increase its current 50% stake to 100% for a consideration of Rs 121.2m based on an independent valuation. The seller is ENL Property Ltd, a private company incorporated in Mauritius.

The impact of the additional 50% stake in FCCL for the year ended 30 June 2018 would have increased the profit of the Group by Rs 30.5m.

30. PRIOR YEAR ADJUSTMENT

In prior years, the Group and the Company used to calculate deferred tax for its Mauritian Entities on the actual corporate tax rate prevailing in Mauritius which is at 15%. However, following several consultation and discussions, it was agreed that the 2% Corporate Social Responsibility (CSR) contribution as imposed by the Government should also be considered in the computation of deferred tax.

The effect on the deferred tax adjustment is set out below:

THE GROUP
Statement of Financial Position

	2017			2016		
	As previously reported	Adjustment	As restated	**As previously reported**	Adjustment	As restated
	Rs' 000	Rs' 000	Rs' 000	**Rs' 000**	Rs' 000	Rs' 000
Retained earnings	**2,407,835**	(27,403)	2,380,432	**1,746,612**	(18,889)	1,727,723
Deferred tax liabilities	**204,108**	27,403	231,511	**141,668**	18,889	160,557
Net assets	**2,611,943**	-	2,611,943	**1,888,280**	-	1,888,280
Deferred tax liabilities						
Continuing operations (note 20(b))	**204,108**	27,214	231,322	**141,668**	18,889	160,557
Discontinued operations (note 26 (e))	**1,420**	189	1,609	**-**	-	-
	205,528	27,403	232,931	**141,668**	18,889	160,557

30. PRIOR YEAR ADJUSTMENT (CONT'D)

Statement of Profit or Loss and Other Comprehensive Income

	2017			
	As previously reported	Adjustment	**Tax Charge**	As restated
	Rs' 000	Rs' 000	**Rs' 000**	Rs' 000
Income tax expense				
Continuing operations (note 9)	**60,932**	8,154	**5,147**	74,233
Discontinued operations (note 26(b))	**2,698**	360	**-**	3,058
	63,630	8,514	**5,147**	77,291

Statement of Changes Equity

	2017		
	As previously reported	Adjustment	**As restated**
	Rs' 000	Rs' 000	**Rs' 000**
Retained earnings	**2,407,835**	(27,403)	**2,380,432**
Profit for the year	**872,873**	(8,514)	**864,359**

ASCENCIA LIMITED AND ITS SUBSIDIARY

NOTES TO THE FINANCIAL STATEMENTS - FOR THE YEAR ENDED 30 JUNE 2018

30. PRIOR YEAR ADJUSTMENT (CONT'D)

THE COMPANY
Statement of Financial Position

	2017			2016		
	As previously reported	Adjustment	As restated	**As previously reported**	Adjustment	As restated
	Rs' 000	Rs' 000	Rs' 000	**Rs' 000**	Rs' 000	Rs' 000
Retained earnings	**1,060,098**	(12,299)	1,047,799	**774,469**	(8,533)	765,936
Deferred tax liabilities	**63,999**	12,299	76,298	**63,999**	8,533	72,532
Net assets	**1,124,097**	-	1,124,097	**838,468**	-	838,468
Deferred tax liabilities						
Continuing operations (note 20(b))	**90,824**	12,110	102,934	**63,999**	8,533	72,532
Discontinued operations (note 26 (e))	**1,420**	189	1,609	**-**	-	-
	92,244	12,299	104,543	**63,999**	8,533	72,532

Statement of Profit or Loss and Other Comprehensive Income

	2017			
	As previously reported	Adjustment	**Tax Charge**	As restated
	Rs' 000	Rs' 000	**Rs' 000**	Rs' 000
Income tax expense				
Continuing operations (note 9)	**26,825**	3,577	**5,147**	35,549
Discontinued operations (note 26(b))	**1,420**	189	**-**	1,609
	28,245	3,766	**5,147**	37,158

Statement of Changes Equity

	2017		
	As previously reported	Adjustment	**As restated**
	Rs' 000	Rs' 000	**Rs' 000**
Retained earnings	**1,060,098**	(12,299)	**1,047,799**
Profit for the year	**497,279**	(3,766)	**493,513**

31. RELATED PARTY TRANSACTIONS

	Group		Company	
	2018	2017	**2018**	2017
	Rs' 000	Rs' 000	**Rs' 000**	Rs' 000
Management and Secretarial Fees				
- Intermediate holding company	**(32,651)**	(29,056)	**(32,358)**	(28,249)
- Fellow subsidiaries	**(102,444)**	(95,572)	**(42,425)**	(36,928)
Interest Income				
- Intermediate holding company	**13,221**	-	**6,554**	1,523
Investment and Other Income				
- Subsidiary company	**-**	-	**211,315**	164,242
Other expenses				
- Subsidiary company	**-**	-	**(141)**	(620)
- Fellow subsidiaries	**(22,256)**	(6,883)	**(16,949)**	(905)
Dividend payable to				
- Holding company	**(130,317)**	(51,374)	**(130,317)**	(51,374)
- Entity with significant influence	**(112,467)**	(36,337)	**(112,467)**	(36,337)
Amount owed to				
- Intermediate holding company	**-**	(6,671)	**-**	(6,671)
- Immediate holding company	**-**	(737)	**-**	-
- Subsidiary company	**-**	-	**-**	(12,250)
- Fellow subsidiary	**(984)**	(3,272)	**(509)**	-
Amount receivable from				
- Intermediate holding company	**299,419**	159,567	**299,419**	45,826
- Subsidiary company	**-**	-	**133,767**	85,738
- Entity with significant influence	**20,000**	-	**20,000**	-
- Fellow subsidiary	**-**	3,489	**-**	-

The above transactions have been made in the normal course of business. Amounts owed to/by related parties are unsecured. There has been no guarantees provided or received for any related party receivables/payables. The company has not recorded any impairment of receivables during the year. This assessment is undertaken each year through examining the financial position of the related party.

SECTION

04

OTHER CORPORATE INFORMATION

FREQUENTLY ASKED QUESTIONS

1. What is an Annual Meeting of Shareholders (AMS)?

An AMS is a meeting of the shareholders of a company. The law provides that it should be held not more than once in each calendar year and not later than 6 months after the balance sheet date of a company.

2. Who may attend the AMS?

In compliance with Section 120(3) of the Companies Act 2001, the Board has resolved that only the shareholders of the Company registered in the share register of the Company as at 26 September 2018 are entitled to attend the AMS.

3. Why should a shareholder attend the AMS?

Shareholders are encouraged to attend the AMS as it:

- provides them with a direct contact with the Board and management of the Company;
- enables them to have more insight into the operations, strategy and performance of the Company;
- provides them with reasonable opportunity to discuss and comment on the management of the Company; and
- allows them to participate in the election of the Directors of the Company.

4. What matters are discussed at the AMS?

Usually, the following business is transacted at the AMS:

- the approval of the audited accounts of the Company;
- the receiving of the auditors' report;
- the consideration of the Annual Report; and
- the appointment of Directors.

5. What if a shareholder cannot attend the AMS?

An individual shareholder who cannot attend the meeting may appoint a proxy. A corporate shareholder may, on the other hand, appoint a representative to attend the AMS and to act on its behalf.

6. What is a proxy?

A proxy is the person appointed by an individual shareholder to represent him/her at the AMS. Such person, who need not necessarily be a shareholder of the Company, may be heard at the meeting as if he/she were the shareholder.

7. How does a shareholder appoint a proxy/representative?

Individual shareholders are requested to fill in the Proxy Form sent to them with the notice convening the meeting. Corporate shareholders are requested to fill in the Corporate Resolution Form to appoint their representative.

Should a shareholder wish his/her proxy/representative to vote at the meeting in a particular manner, he/she is requested to fill in the resolution boxes provided on the appropriate forms.

The appropriate forms should reach the Company Secretary no later than 24 hours before the start of the meeting.

8. Once a proxy/representative has been appointed, can another proxy/representative be appointed?

A shareholder can change the proxy/representative appointed by him/her, provided such amended Proxy Form/Corporate Resolution reaches the Company Secretary no later than 24 hours before the start of the meeting. Shareholders are advised to attach an explanatory note to such amended Proxy Form/Corporate Resolution to explain the purpose of the amended document and expressly revoke the Proxy Form/Corporate Resolution previously signed by them.

9. After appointing a proxy, can a shareholder still attend the AMS?

Yes, but he/she is requested to make himself/herself known to the Company Secretary as soon as he/she arrives at the meeting. The proxy will consequently have no right to be heard and to vote at the meeting.

10. How many votes does a shareholder have?

Every shareholder, present in person or by proxy/representative, shall have one vote on a show of hands.

Where a poll is taken, each shareholder shall have the number of votes that corresponds to the number of shares held by him/her in the Company.

11. What is the voting procedure?

Voting at the AMS is generally by show of hands. However, if a poll is demanded for a particular resolution, then ballot papers shall be distributed and shareholders will be requested to cast their votes thereon.

12. How are the votes counted?

On a show of hands, the Chairman shall count the votes. However, if a poll is demanded, the counting will be done by management under the supervision of the auditor of the Company who will be acting as scrutineer.

13. How to obtain a copy of the minutes of proceedings of the last AMS of the Company?

A shareholder may make such a request to the Company Secretary prior to the AMS.

14. How to put questions to the Board and/or management at the AMS?

Before each resolution is put to the vote, the Chairman may invite shareholders to put questions on that particular resolution. When all the items on the Agenda of the AMS have been tacked, there will be a question time when the Chairman shall invite shareholders to put questions to the Board and/or to management if they so wish.

15. What should a shareholder do if he/she would like to propose a candidate for appointment to the Board of Directors of the Company?

Shareholders are encouraged to forward their requests in writing to the Chairman of the Board of Ascencia via the Company Secretary.

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

Notice is hereby given that the Annual Meeting of Shareholders of Ascencia Limited (the "Company") will be held in the **"Ebony 2 Boardroom" Ground Floor, Hennessy Hotel, Ebene** on Wednesday 24 October 2018 at 10:00 a.m. to transact the following business:

1. To consider the 2018 Annual Report of the Company.
2. To receive the report of Messrs BDO & Co., the auditor of the Company.
3. To consider and approve the audited financial statements of the Company for the year ended 30 June 2018.

Ordinary Resolution I

"Resolved that the audited financial statements of the Company for the year ended 30 June 2018 be hereby approved."

4. To re-elect by way of separate resolutions, the following directors, who are seeking annual re-election:
Biographies of the Directors are available on pages 56 and 63 of the Annual Report and also on our website, http://www.ascenciamalls.com

Ordinary Resolution II to X

"Resolved that Mr. [*] be hereby re-elected as Director of the Company."

II	Marc Ah Ching
III	Hector Espitalier-Noël
IV	Philippe Espitalier-Noël
V	Dominique Galea
VI	Damien Mamet
VII	Frédéric Tyack
VIII	Naderasen Pillay Veerasamy
IX	Dean Lam Kin Teng
X	Louis Van der Watt

5. To appoint by way of separate resolutions, the following persons, who have been nominated by the Board of the Company.

Ordinary Resolutions XI to XIII

"Resolved that Mr/Ms [*], who has been nominated by the Board, be hereby appointed as Director of the Company."

XI	Pierre-Yves Pascal
XII	Sharona Ramdoss
XIII	Koosiram Conhye

6. To re-appoint Messrs BDO & Co. as auditor of the Company to hold office until the next Annual Meeting of Shareholders and to authorise the Board to fix its remuneration for the 2018/2019 financial year.

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

Ordinary Resolution XIII

"Resolved that Messrs BDO & Co. be hereby appointed as auditor of the Company to hold office until the next Annual Meeting of Shareholders and that the Board of Directors of the Company be hereby authorised to fix the auditor's remuneration for the 2018/2019 financial year."

6. Shareholders' question time.

By order of the Board
Company Secretary
05 September 2018

Note 1: A shareholder of the Company entitled to attend and vote at this meeting may appoint a proxy (in the case of an individual shareholder) or a representative (in the case of a shareholder company and by way of a corporate resolution), whether a shareholder of the Company or not, to attend and vote on his/her/its behalf.

Note 2: The instrument appointing the proxy or the corporate resolution appointing a representative should reach The Company Secretary, Ascencia Limited, 5th floor, Rogers House, No. 5, President John Kennedy Street, Port Louis by Tuesday 23 October 2018 at 10:00 a.m.

Note 3: The Directors of the Company have resolved that, for the purposes of the 2018 Annual Meeting of Shareholders and in compliance with Section 120(3) of the Companies Act 2001, only those shareholders whose names are registered in the share register of the Company as at 26 September 2018 would be entitled to receive this Notice and would accordingly be allowed to attend and vote at such meeting.

Note 4: A proxy form and corporate resolution form are included in the 2018 Annual Report.

Note 5: The minutes of proceedings of the Annual Meeting of Shareholders held on 25 October 2017 are available free of charge on request. Kindly contact the Company Secretary.

CORPORATE RESOLUTION

NAME OF SHAREHOLDER COMPANY: ……………………………………………………………………………………………………….
WRITTEN RESOLUTION IN LIEU OF HOLDING A BOARD MEETING [IN ACCORDANCE WITH ARTICLE .... OF THE CONSTITUTION OF THE COMPANY/AS PER SECTION 7 OF THE EIGHTH SCHEDULE OF THE COMPANIES ACT 2001] – DATED THIS...............................

We, the undersigned, being directors of …………………………………………………………………………
[Name of the shareholder company], who at the date of this written resolution are entitled to attend and vote at a Board meeting of the Company, hereby certify that the following written resolution for entry in the Minutes Book of the Company has been delivered to and approved by us.

Resolved that Mr/Mrs/Ms…...…………………………………………………...
failing him/her, the Chairman of the Annual Meeting of Shareholders of ASCENCIA LIMITED (the "Company"), to be held on Wednesday 24 October 2018 at 10:00 a.m. in the **''Ebony 2 Boardroom" Ground Floor, Hennessy Hotel, Ebene** and any adjournment thereof, be authorised to act as the representative of the shareholder company and to vote on its behalf at the said Annual Meeting of Shareholders and at any adjournment thereof and that its vote on the resolution set out below be cast as follows:

RESOLUTIONS	For	Against	Abstain
I. Resolved that the audited financial statements of the Company for the year ended 30 June 2018 be hereby approved.	☐	☐	☐
II. Resolved that Mr Marc Ah Ching be hereby re-elected as Director of the Company.	☐	☐	☐
III. Resolved that Mr Hector Espitalier-Noël be hereby re-elected as Director of the Company.	☐	☐	☐
IV. Resolved that Mr Philippe Espitalier-Noël be hereby re-elected as Director of the Company.	☐	☐	☐
V. Resolved that Mr Dominique Galea be hereby re-elected as Director of the Company.	☐	☐	☐
VI. Resolved that Mr Damien Mamet be hereby re-elected as Director of the Company.	☐	☐	☐
VII. Resolved that Mr Frédéric Tyack be hereby re-elected as Director of the Company.	☐	☐	☐
VIII. Resolved that Mr. Dean Lam Kin Teng be hereby re-elected as Director of the Company.	☐	☐	☐
IX. Resolved that Mr. Louis Van der Watt be hereby re-elected as Director of the Company.	☐	☐	☐
X. Resolved that Mr Naderasen Pillay Veerasamy be hereby re-elected as Director of the Company.	☐	☐	☐
XI. Resolved that Ms Sharona Ramdoss who has been nominated by the Board, be hereby appointed as Director of the Company.	☐	☐	☐
XII. Resolved that Mr Koosiram Conhye, who has been nominated by the Board, be hereby appointed as Director of the Company.	☐	☐	☐
XIII. Resolved that Mr. Pierre-Yves Pascal who has been nominated by the Board, be hereby appointed as Director of the Company.	☐	☐	☐
XIV. Resolved that Messrs BDO & Co. be hereby appointed as auditor of the Company to hold office until the next Annual Meeting of Shareholders and that the Board of Directors of the Company be hereby authorised to fix the auditor's remuneration for the 2018/2019 financial year.	☐	☐	☐

CORPORATE RESOLUTION

Director ……………………………………………………… ……………………………………

Director ……………………………………………………… ……………………………………

Director ……………………………………………………… ……………………………………

Director ……………………………………………………… ……………………………………

Director ……………………………………………………… ……………………………………

Note 1. A shareholder company, entitled to attend and vote at this meeting, may appoint a representative (whether a shareholder of the Company or not) to attend and vote on its behalf.

Note 2. If the corporate resolution appointing the representative is returned without an indication as to how the representative shall vote on any particular resolution, the representative will exercise his/her discretion as to whether, and if so how, he/she votes.

Note 3. The corporate resolution appointing the representative should reach the Company Secretary, Ascencia Limited, 5th Floor, Rogers House, No. 5, President John Kennedy Street, Port Louis by Tuesday 23 October 2018 at 10:00 a.m.

Note 4. The minutes of proceedings of the Annual Meeting of Shareholders held on 25 October 2017 are available free of charge on request. Kindly contact the Company Secretary.

PROXY FORM

I/We……

……………………………………of……………………………………………………………………………………

being a shareholder/shareholders of Ascencia Limited (the "Company") hereby appoint Mr/Mrs/Ms……………………………………

of……

or failing him/her the Chairman of the Company as my/our proxy to attend and vote for me/us and on my/our behalf at an Annual Meeting of Shareholders of the Company to be held in the **''Ebony 2 Boardroom" Ground Floor, Hennessy Hotel, Ebene** on Wednesday 24 October 2018 at 10:00 a.m. and at any adjournment thereof.

I/We desire my/our vote(s) to be cast on the resolutions set out below as follows:

RESOLUTIONS	For	Against	Abstain
I. Resolved that the audited financial statements of the Company for the year ended 30 June 2018 be hereby approved.	☐	☐	☐
II. Resolved that Mr Marc Ah Ching be hereby re-elected as Director of the Company.	☐	☐	☐
III. Resolved that Mr Hector Espitalier-Noël be hereby re-elected as Director of the Company.	☐	☐	☐
IV. Resolved that Mr Philippe Espitalier-Noël be hereby re-elected as Director of the Company.	☐	☐	☐
V. Resolved that Mr Dominique Galea be hereby re-elected as Director of the Company.	☐	☐	☐
VI. Resolved that Mr Damien Mamet be hereby re-elected as Director of the Company.	☐	☐	☐
VII. Resolved that Mr Frédéric Tyack be hereby re-elected as Director of the Company.	☐	☐	☐
VIII. Resolved that Mr. Dean Lam Kin Teng be hereby re-elected as Director of the Company.	☐	☐	☐
IX. Resolved that Mr. Louis Van der Watt be hereby re-elected as Director of the Company.	☐	☐	☐
X. Resolved that Mr Naderasen Pillay Veerasamy be hereby re-elected as Director of the Company.	☐	☐	☐
XI. Resolved that Ms Sharona Ramdoss who has been nominated by the Board, be hereby appointed as Director of the Company.	☐	☐	☐
XII. Resolved that Mr Koosiram Conhye, who has been nominated by the Board, be hereby appointed as Director of the Company.	☐	☐	☐
XIII. Resolved that Mr. Pierre-Yves Pascal who has been nominated by the Board, be hereby appointed as Director of the Company.	☐	☐	☐
XIV. Resolved that Messrs BDO & Co. be hereby appointed as auditor of the Company to hold office until the next Annual Meeting of Shareholders and that the Board of Directors of the Company be hereby authorised to fix the auditor's remuneration for the 2018/2019 financial year.	☐	☐	☐

PROXY FORM

Signed this .... day of ....

Signature(s)... ....

Note 1: A shareholder of the Company entitled to attend and vote at this meeting may appoint a proxy (in the case of an individual shareholder) or a representative (in the case of a shareholder company and by way of a corporate resolution), whether a shareholder of the Company or not, to attend and vote on his/her/its behalf.

Note 2: The instrument appointing the proxy or the corporate resolution appointing a representative should reach The Company Secretary, Ascencia Limited, 5th floor, Rogers House, No. 5, President John Kennedy Street, Port Louis by Tuesday 23 October 2018 at 10:00 a.m.

Note 3: The Directors of the Company have resolved that, for the purposes of the 2018 Annual Meeting of Shareholders and in compliance with Section 120(3) of the Companies Act 2001, only those shareholders whose names are registered in the share register of the Company as at 26 September 2018 would be entitled to receive this Notice and would accordingly be allowed to attend and vote at such meeting.

Note 4: A proxy form and corporate resolution form are included in the 2018 Annual Report.

Note 5: The minutes of proceedings of the Annual Meeting of Shareholders held on 25 October 2017 are available free of charge on **request.** Kindly contact the Company Secretary.

NOTES

NOTES

This publication was printed on Lenza Green paper 100% recycled pulp.

The star-rating classification system under the Check Your Paper scheme, created by World Wildlife Fund, describes the environmental performance levels of paper products. This scheme raises awareness on key environmental parameters to evaluate the forest, climate and water footprint of pulp and paper products. It assesses the environmental impacts of the pulp and paper produced.

Lenza Green paper is rated five stars with regards to environmental performance: forests, climate change and aquatic ecosystems.

Forest performance: ★★★★★
Climate performance: ★★★★★
Water performance: ★★★★★

Source: WWF-Check Your Paper (2010).
http://checkyourpaper.panda.org Accessed 07 September 2018.

This publication was printed on Cocoon Silk paper 100% recycled pulp.

The star-rating classification system under the Check Your Paper scheme, created by World Wildlife Fund, describes the environmental performance levels of paper products. This scheme raises awareness on key environmental parameters to evaluate the forest, climate and water footprint of pulp and paper products. It assesses the environmental impacts of the pulp and paper produced.

Cocoon Silk paper is rated five stars with regards to environmental performance: forests, climate change and aquatic ecosystems.

Forest performance: ★★★★★
Climate performance: ★★★★☆
Water performance: ★★★★★

Source: WWF-Check Your Paper (2010).
http://checkyourpaper.panda.org Accessed 07 September 2018.

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