Ascencia
Shaping singular places

a Rogers enterprise

An Ascencial Journey

Integrated Annual Report
2019

An Ascencial Journey

Dear Shareholders,

Your Board of Directors is pleased to present the Integrated Annual Report of the Ascencia Group for the financial year ended 30 June 2019.

This report was approved by the Board on 13 September 2019.

Philippe Espitalier-Noël
Chairman

Frédéric Tyack
Chief Executive Officer

Our Reporting Suite

For our Integrated Annual Report (IAR) 2019, we are proud to present our stakeholders with our corporate reporting suite and hope it will enhance understanding of the Ascencia Group.

INTEGRATED REPORT

RISK MANAGEMENT REPORT

CORPORATE GOVERNANCE REPORT

GROUP ANNUAL FINANCIAL STATEMENTS

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

Towards Integrated Reporting

We are pleased to bring you the IAR 2019 of Ascencia Group. This report was developed to communicate with the providers of financial capital while addressing the needs of all our stakeholders.

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.

Feedback

Your feedback is important to us and will help us enhance our reporting processes while ensuring that we report on issues that matter to you.

Board Responsibility Statement

The Board of Directors of Ascencia 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 deals with 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's integrated reporting framework.

Report Map

Ascencia
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Reporting Tools

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

The Six Capitals

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 is highlighted with these icons.

Financial Capital

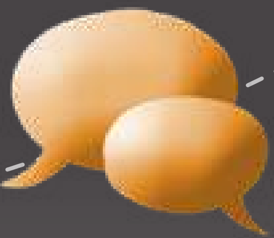
Equity, debt, recycling of capital and reinvestment, among others, which serve as an essential basis for sustaining and creating further value across the whole market.

Manufactured Capital

Our investment in the purchase, development and maintenance of our properties.

Natural Capital

Our business model involves converting natural resources and going green in our day-to-day activities.

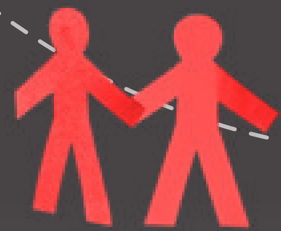


Social and Relationship Capital

Maintaining strong and unique relationships with shoppers and tenants is essential to securing our reputation and enabling us to deliver on our ambitions.

Intellectual Capital

Our business model depends on having effective management systems and achieving operational excellence.



Human Capital

Everything we do leverages the skills, productivity, motivation and behaviour of our employees, leadership team, contractors and service providers.

Stakeholders

Any business is dependent on its surroundings to achieve its potential. It is essential to identify and establish solid relations with our key partners for the survival of our Company.

A thorough analysis of our relationship with our stakeholders is available on page 28.

Shoppers

Tenants

Investors

Service Providers

Strategy

Our report highlights the key decisions made to unlock our strategic approach over the year as well as our vision for the business in the coming year.

Market Leader

Industry Reference

Regional Player

Ascencia
Shaping singular places

Reporting Tools cont'd

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
AMS	Annual Meeting of Shareholders
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
Bo'Valon Mall	The Beauvallon Shopping Mall Ltd
CDS	Central Depository & Settlement Co. Ltd
CEO	Chief Executive Officer
CGC	Corporate Governance Committee
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
IIRC	International Integrated Reporting Council
IP	Investment Property
K	Thousands
LTV	Loan-to-Value
MCB	Mauritius Commercial Bank Ltd
MUR or Rs	Mauritian rupees
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
Property LTV	Property LTV - Borrowings / IP Values (exclude cash reserves)
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

Chapter 1

Business Overview

Because peace of mind is the first requirement to enjoying an enchanting shopping experience.

Shaping Singular Places

We are listed on the Development and Enterprise Market of the Stock Exchange of Mauritius (DEM) and are included in the DEMEX.

We actively manage a retail property asset platform with a value of Rs 12.3 billion locally.

Our shares are actively traded and are the best-performing stocks on the DEM, making them an excellent entry point for gaining exposure to the multiple and finest malls in Mauritius.

We differentiate ourselves and create value by Shaping Singular Places.

Established and listed in 2008 on the Development and Enterprise Market of the Stock Exchange of Mauritius, Ascencia is the leading retail property company in Mauritius with assets currently valued at more than Rs12.3 bn.

Ascencia has developed shopping malls, each with their own identity and inspired by the local history and culture. Bagatelle Mall, Phoenix Mall, Riche Terre Mall, Kendra, Les Allées and So'flo are professionally managed by a focused, talented and passionate team that is geared to achieve stakeholder goals. Ascencia aims at creating shopping and entertainment areas for everyone based on their customer promise, "Shaping Singular Places".

The financial year under review marked Ascencia's 10th anniversary.

Our Journey So Far

2008
- Acquisition of Phoenix Mall & Riche Terre
- Listing on DEM

2010
Extension of Phoenix Mall

2013
Bagatelle Mall
50.1% Acquisition

+ Acquisition of Kendra & Les Allées

Extension of Phoenix Mall and Riche Terre

2014
Extension of Riche Terre Mall

+ Extension of Phoenix Mall

2016
Extension of Bagatelle Mall (Home & Leisure)

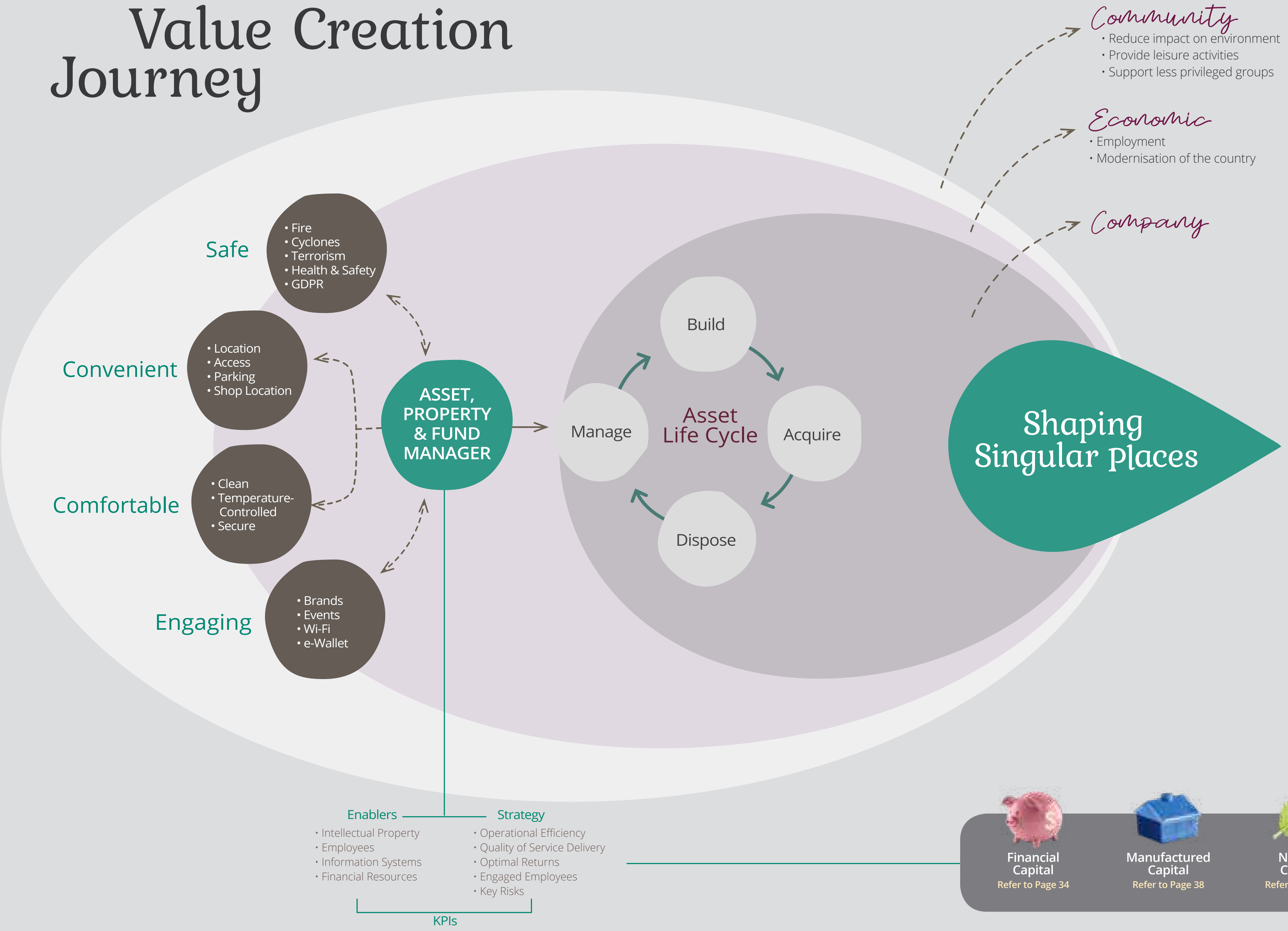
2017
Opening of So'flo

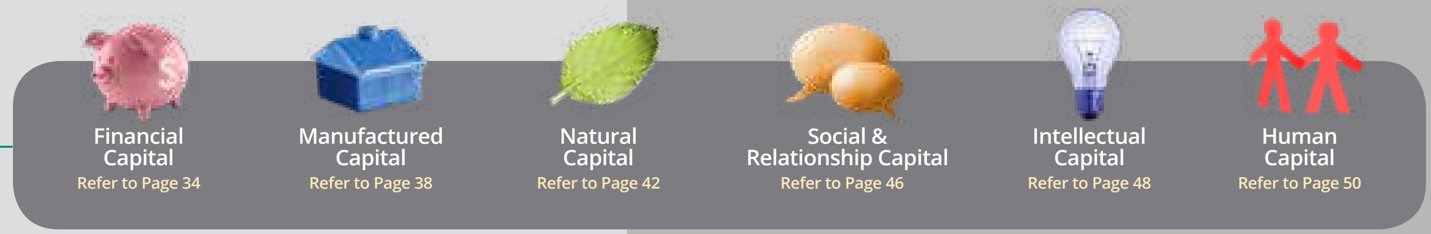
+ Refurbishment of Phoenix Mall

2019
Opening of Bo'Valon Mall

2020
Extension of Bagatelle Mall

Value Creation Journey





Value Created

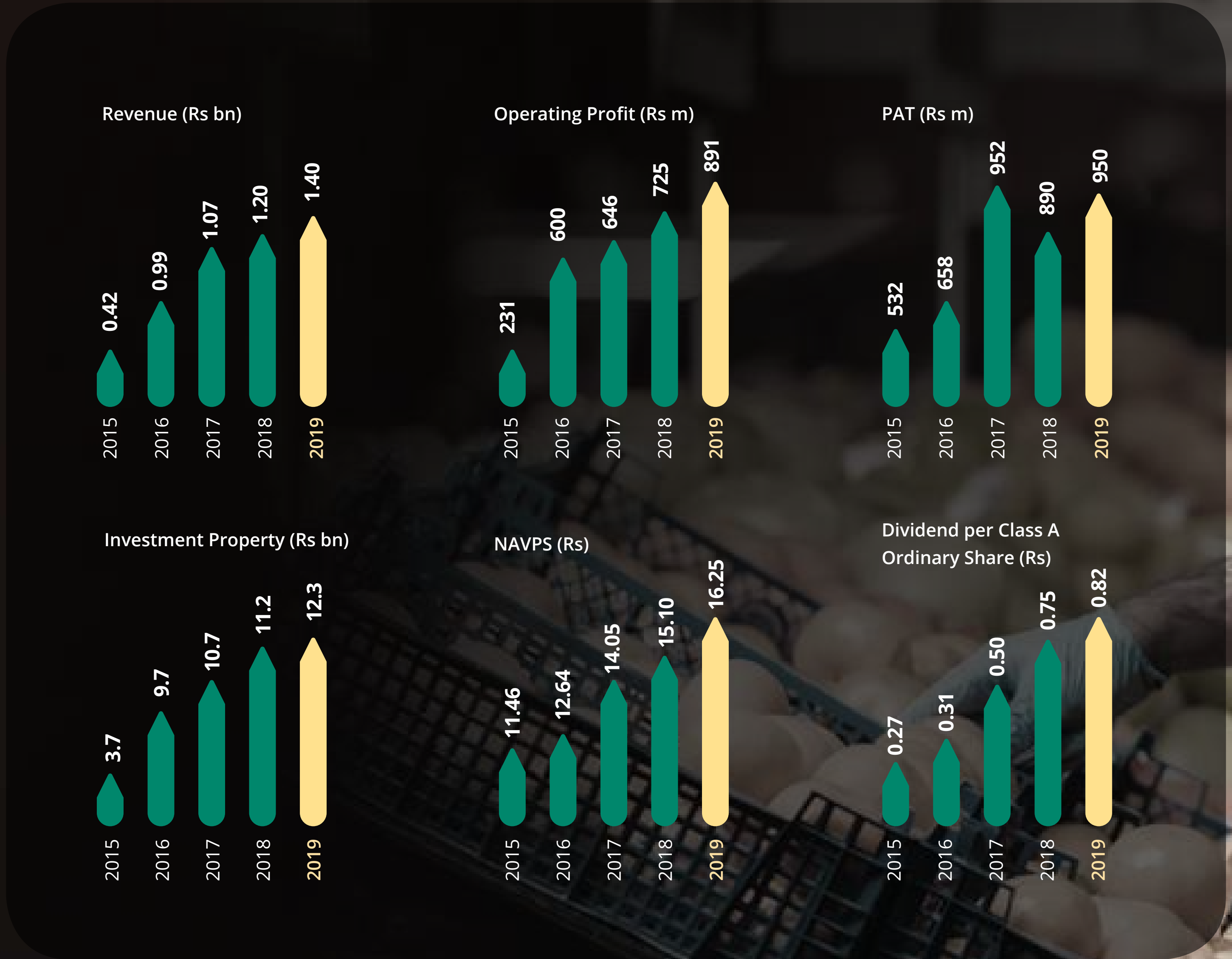
Our value creation model illustrates the interaction between the various factors that influence our ability to achieve the goals of our various stakeholders.

Our aim is to create value by providing 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, including properties that are convenient, safe and 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.

Five-Year Review

During the financial year 2019, we continued to build Ascencia's reputation as a careful acquirer of quality assets and a deliverer of superior returns.



Chapter 2

Leadership Review

comfort

Because it’s the little details that make the difference, we go the extra mile when it comes to meeting your needs.

Chairman's Message

Dear Shareholders,

As we celebrate Ascencia's 10th listing anniversary on the Stock Exchange of Mauritius, your trust and confidence in our business has allowed us to grow together and make room for more tenants, service providers and other partners.

In 2008, the Company started with an asset base of Rs 880 million, consisting of some legacy assets of Rogers and an acquisition for the two "Jumbo" commercial centres and three "Spar" supermarkets. The subsequent amalgamation of Bagatelle Mall, Kendra and Les Allées in 2013 brought phenomenal growth and profitability to Ascencia. Bagatelle Mall, which emerged out of an exceptional partnership between the Atterbury Group South Africa and ENL Property, quickly became "The Place to Go".

In fact, when we started, consumer habits were still centred around convenience stores and traditional shopping outlets, especially in urban areas. Customers had not yet associated the concept of leisure and lifestyle with their shopping routines. We anticipated changing consumer behaviour by designing places where shopping would become commensurate with good times and gratification. Local shopping, like anywhere else, was part of a cumbersome and tedious routine. Nowadays, shopping is strongly associated with enjoyment, discovery, entertainment and experience.

We have always made every effort to improve our customer promise and provide comfortable, convenient and welcoming places. In line with the Company's signature - "Shaping Singular Places", we also capitalized on Ascencia's ability to offer a unique bouquet of features in each of our centres.

During those years, we relied on the strong expertise of Atterbury and several other professionals to consolidate our position as a key local player in the retail property landscape. With a clear strategic vision and dynamic teams, Ascencia is on track towards greater accomplishments.

Financial Performance

Today, our market capitalisation stands at Rs 9.4 billion and our property portfolio is worth Rs 12.3 billion. We can speak of phenomenal Ascension!! We finished the year with solid results amounting to Rs 950 million and the various key performance indicators are reporting positive trends. Total dividend was Re 0.82 per share, a 9.3% improvement compared to last year, together with a capital growth of 13% on the share price to Rs 19.35 as at 30 June 2019. In total, Rs 395m were distributed to the various shareholders of Ascencia. Overall, we remain confident that our facilities will continue to perform well and that financial results will maintain their progression over the coming periods.

Development

Ascencia proceeded with a number of projects to enhance and expand its offering with the commencement of work at Bo'Valon Mall and improved access to Phoenix Mall in the wake of the Road Decongestion Programme. Bo'Valon Mall is scheduled to open in November 2019, with a GLA of 10,000 sqm. We are also on track for an ambitious expansion project at Bagatelle Mall, with completion scheduled for the end of the 2020 calendar year.

Sustainability

As part of Ascencia's daily operations, we are fully aware of the need to implement sound practices on all our premises, thereby enabling us to conduct our business in a more sustainable manner, with our ultimate objective of becoming greener.

As such, we proceeded with additional initiatives, including wet and dry waste, waste water and used oil recycling, as well as the commissioning and installation of photovoltaic farms on the rooftops of some of our malls. During the year, the Rogers Foundation, the vehicle that furthers corporate social initiatives across the Group, supported Ascencia in its INI'Vert campaign launched in the surrounds of each of our malls. This initiative is aimed at creating individual awareness about our waste footprint in Mauritius and our responsibility to protect our environment and quality of life.

ASCE Project

This programme is going to change the way we look, work, perform and deliver, and challenge our core principles of Customer Promise and Operations Excellence to a new industry benchmark. Under this initiative, we are undertaking a business process mapping and re-engineering exercise, as well as automation assessments across all our businesses. Undoubtedly, this is going to be the new way of operating for all of us at Ascencia in the medium term.

Appreciation

On behalf of the Board, I would like to thank our executives, staff, tenants, suppliers of credit facilities, shareholders, and other stakeholders for their continued loyalty, guidance and support during the year. We aim to continuously optimise the quality of our existing portfolio and help improve the performance of our retailers, as well as the shopping experience for all our visitors.

Philippe Espitalier-Noël
Chairman

Eric Weirich
Chief Financial Officer

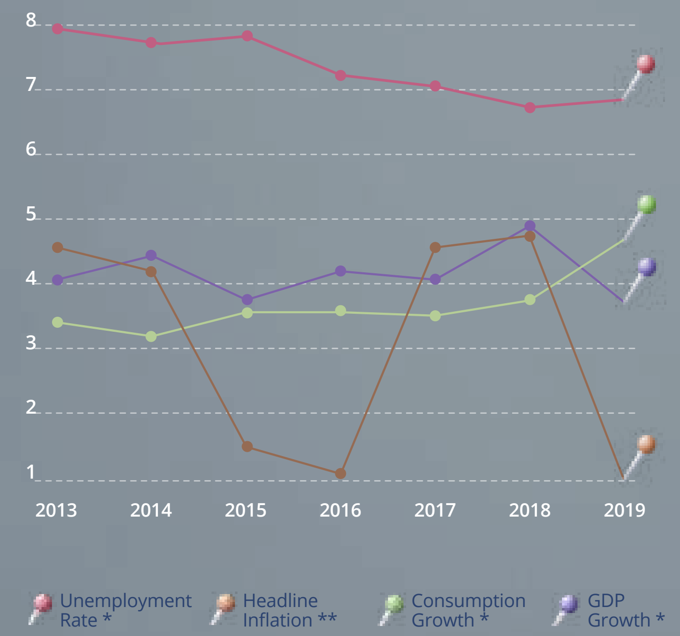
Frédéric Tyack
Chief Executive Officer

Leadership Review

Can you provide an update on the Mauritian economy with specific focus on consumption?

The country's economy continues to improve even if recovery is fragile, with the GDP growth rate expected to reach 4% and unemployment to remain at 7% (Table 1).

1- Main Economic Indicators (%)



* As per Statistics Mauritius ** Financial Stability Report of the Bank of Mauritius

Consumption

Consumption is on the rise, driven by an increase in household disposable income. While household consumption increased by 5% in the year, exceeding the rate of inflation, largely due to the impact of the introduction of the minimum wage and reduction of income tax for the lower income group. We expect this to be a short-term phenomenon and ultimately, the household debt service ratio will readjust to a more sustainable level, resulting in a decrease in consumer spending in the medium to long term.

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.

Leadership Review cont'd

How did Ascencia perform this year?

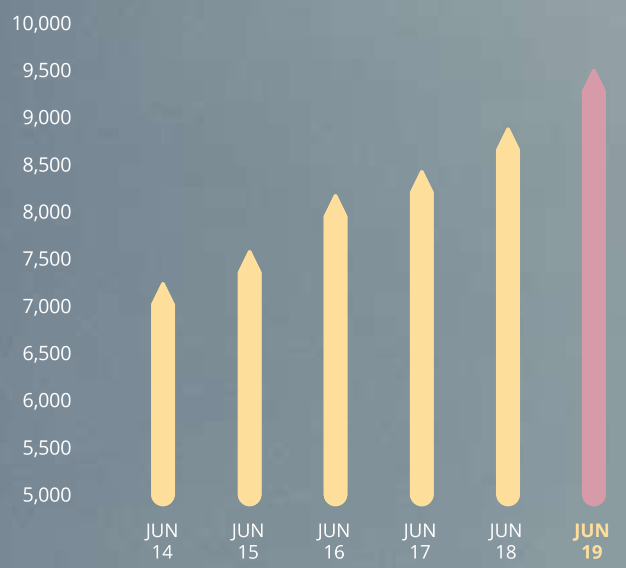
The Group has delivered a 13% return on net asset value (NAV) through a 5.4% dividend yield and 7.6% growth in NAV in the period. This was achieved through the various initiatives discussed below.

Mall Performance

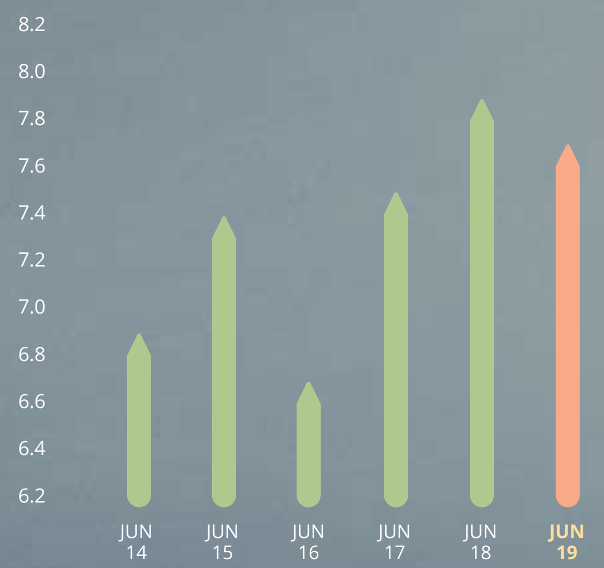
Our assets have shown a high degree of resilience and delivered strong results across the board. Footfall has remained stable whilst trading densities have shown strong growth due to improved conversion across the portfolio. Phoenix Mall has recovered as predicted last year after the 2017 renovation work and trading density has improved by 11% due to the increase in footfall in the year. So'flo has also achieved significant growth of 11% as it is maturing and growing a loyal customer base. Trading density and rent to turnover ratio remain healthy for the other Malls. Vacancies remained stable at 2.0%, reflecting the strong demand for space in our Malls. Significant progress has been made to reduce vacancies at So'flo and Riche Terre Mall by 7.5% and 5.4% respectively. Improved access to Phoenix Mall, due to Road Decongestion Program, has resulted in an increase of 5% in short-term vacancy, and is expected to reduce to below 1% by January 2020.

2. Trading Densities and Rent to Turnover Ratio across our Properties

Average Monthly Trading Density (Rs/sqm)



Rent to Turnover Ratio (%)



Financial Performance

This performance underpins a robust 17% increase in total income and a 23% increase in Operating Profit. Excluding the effect of straightlining of leases, the latter equates to an 11% improvement. The rise is due to the full-year impact of the acquisition of So'flo (3%), achieving contractual rental escalations of 5% and reducing vacancies while containing operating expenses.

Strong operational performance has enabled the Group to maintain a dividend yield in line with its target, with 10% growth in total amount distributed from Rs 359m to Rs 395m while maintaining a healthy cash balance and a low level with the loan-to-value (LTV) ratio of 30% (2018: 28%). A total dividend of Re 0.82 per share represents a cash return on opening net asset value (NAV) of 5.4% and is in line with the Group's intention to maintain a dividend yield of 5% of closing NAV.

	2016	2017	2018	2019
NAVPS (Rs)	12.64	14.05	15.10	16.25
NAV Growth %	10.3%	11.2%	7.5%	7.6%
Dividend per Share (Rs)	0.31	0.50	0.75	0.82
Dividend % on NAV	2.5%	4.0%	5.3%	5.4%
Total Return	13.0%	15.1%	12.8%	13.0%

What is the amount of the fair value gains this year?

Fair value gains stand at Rs 400m for the year, amounting to a total valuation increase of 4%. The fair value gains were recognised in the year across the portfolio. They included provisions for significant investments at Phoenix Mall and Riche Terre Mall in the 2020 and 2021 financial periods. The gains reflect the strength of the malls, the low level of vacancies and the Group's ability to successfully negotiate lease renewals at competitive rates.

The valuation of our properties was performed by JLL, a global company with a strong record in property valuation. They are 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 has remained stable in the region of 8%.

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

Leadership Review cont'd

What were the major events for the year?

This year, the Group celebrated its 10th birthday and reflected on the achievements of the last decade. This has, been a year where the Group has again invested in long-term strategic initiatives. We invested over Rs 332m in the year to acquire the including the remaining 50% stake in So'flo, acquired a significant stake in the Bo'Valon Mall and strategic land in the Bagatelle precinct. The Group also provides short term funding to Bo'Valon Mall Ltd out of cash reserves. These investments will not only allow the Group to increase its retail GLA, but also unlock the potential for future expansions and investments.

The Bo'Valon Mall is promoted and developed by EnAtt and Attterbury and will offer 10,000 sqm of retail space anchored by King Savers, one of the dominant supermarkets of the region, and Espace Maison. Significant progress has been made and the opening is planned for November 2019.
In 2019, So'flo's footfall increased by 64% on a like-for-like basis and vacancy in the mall stood at 3.7% at year-end compared to over 11.2% in 2018. This all indicates that the centre is maturing as expected.

What will be the area of focus for the next 1-2 years?

Making our Customer Promise a reality

Our Customer Promise focuses on accessibility, comfort and safety with an offer that is relevant and engaging. The Group is working on multiple strategies to achieve these targets, including delivery of a software solution called ASCE that will increase operational efficiency and improve service delivery across all areas of our interaction with customers and strategic partners. We are also running a programme that is aimed at supporting our tenants to achieve their maximum potential while improving the customer experience.

Accelerating our green initiatives

We have already commissioned photovoltaic farms at Phoenix Mall, Les Allées and Kendra, aggregating to nearly 970kWp of installed capacity. We are nearing completion of installation at Bagatelle Mall, which will increase capacity to 3 MW, representing circa 30% of our consumption. As far as wastewater management is concerned, we are working with our service providers to recycle 50% of our waste and 75% of our wastewater. The upgrade to the sewage treatment plant at Bagatelle Mall is expected to be completed by March 2020 that will help the Group to deliver on its targets. In total the initiatives above will represent approximately 3 tons of waste and 200 cubic metres of water per day. The team has also partnered with tenants and service providers to collect over 3 tonnes of trash in our "Trash is Treasure" initiative across 4 regions. This project also raised awareness of the impact of plastic and waste on the environment through graphic displays across the Malls.

Grow the business through continuous investment

We are working on an exciting project in order to increase parking space, create an entrance from the back and add around 13,000 sqm of GLA at Bagatelle Mall. This will give us the opportunity to welcome some new international brands and further strengthen the appeal of the mall. The project is planned to start in the second half of 2019 with an expected opening in late calendar year 2020.

Simultaneously, we are working on new accesses to Phoenix Mall following the latest compulsory acquisition by Government. This is expected to improve the traffic flow and customer experience as a whole. We are envisaging a major renovation at Riche Terre Mall in 2021 that will ensure the mall maintains its competitive edge in the market and continues to deliver on our Customer Promise.

The Group is also considering to embark on a bond note programme to raise funds on a medium- to long-term basis to meet the capital requirements of our various projects. The strength of the balance sheet, combined with the low LTV, will enable us to raise funds to meet the strategic priorities of the Group. We plan to utilise this opportunity to reduce the exposure we have to floating interest rates. Having low level of gearing allows the Group to leverage the strength of its balance sheet to expand the business without diluting shareholders.

Furthermore, the Group intends to list on the Official Market of the Stock Exchange of Mauritius in the next financial period.

Frédéric Tyack
Chief Executive Officer

Eric Weirich
Chief Financial Officer

Stakeholder Analysis

We believe that our relationships with our stakeholders are vital to our value creation process. It is essential and crucial for our business to establish constructive relationships and ways of communicating with them. This helps us identify and address current issues, future risks and opportunities.

Annual surveys ensure we address any issues concerning Shopper experiences, Investor expectations and Tenant & Service provider relationships. We analyse the results and take action for improvement.

Relationship Meter

The following rating system has been used to measure the quality of the relationship between Ascencia and its stakeholders

- **5** Excellent quality of the relationship.
- **4** Strong relationship, with some room for improvement.
- **3** Relationship established, but still room for improvement.
- **2** Poor relationship established between parties. Significant effort required to improve its quality.
- **1** Almost no existing relationship.
- **0** No existing relationship.

	Shoppers	Tenants	Investors	Service Providers
Rating	4.0	3.8	4.2	4.0
ON THE RIGHT TRACK	• Attractive shopfronts • Tenant mix and International brands • Cleanliness, temperature control, safety, light & space • Access & location	• Quality of service from Ascencia • Strong operators • Cleanliness, temperature control & safety	• Latest investments & developments • Dividends paid • Quarterly Management Reports	• Quality of service • Guidance
CAN DO BETTER	• Wi-Fi • Food court space at Les Allées • Anchor tenants' trading hours • Events Our fair practice survey indicated that 80% of shoppers currently feel that the Company has delivered on its Customer Promise. The survey also highlighted some areas for improvement, including our malls' Wi-Fi connection and availability of food court space at Les Allées.	• Wi-Fi • Events • Anchor tenants' trading hours Wi-Fi access remains a common issue among key stakeholders and tenants would wish to see more impact and benefits from events held throughout the year.	• Maintain share liquidity • More updates on the website	• Longer contract
OUR RESPONSE	We strongly believe that the feedback provided will enable us to deliver a more complete shopper experience. Management will focus on the different areas mentioned as we believe that entertainment and food are key drivers of footfall and spending. The BagaKids initiative at Bagatelle Mall is well on track with a planned opening at the end of the 2019 calendar year.	We addressed most of the issues that were pointed out last year and believe the majority of our tenants are satisfied with the day-to-day activities of Ascencia.	Ascencia was one of the most notable positive contributors to absolute returns on the local market for the period. Share price and dividend paid have been on the rise and shareholders were pleased with the results achieved. The Quarterly Management Reports provide investors with a better understanding of industry metrics and the Company's operational performance. Results followed the trends observed in the previous period and we are looking forward to continue improving the quality of information available.	Over the coming year, we will keep working with them and will implement new policies to add efficiency-enhancing value and benefit the environment and facilities.

Chapter 3

Value Creation

Because it is a combination of choice brands, exciting events and wondrous features that bring the most fulfilling shopping experiences.

Performance by Capital

Financial

- Largest capitalisation on the DEM with Rs 9.4bn (2018: Rs 8.3bn)
- 10% growth in dividend distribution to Rs 395m (2018: Rs 359m)
- 7.6% growth in NAVPS to Rs 16.25 (2018: Rs 15.11)
- Property LTV maintained at 38%

Manufactured

- Development of Bo'Valon Mall
- Additional GLA at Riche Terre Mall
- Acquisition of additional land at Bagatelle and Beau Vallon in anticipation of future development
- Vacancy remained stable at 2.0% across the portfolio
- Total investment property value of Rs 12.3bn

Natural

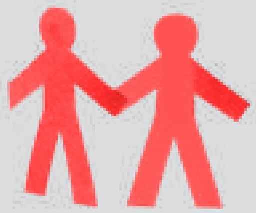
- Photovoltaic farms fully operational at Phoenix Mall, Kendra & Les Allées – 30% of consumption produced from energy efficiency initiatives
- 11,120 kilolitres of water saved (2018: 8,917 kilolitres)
- 83% of waste in Ascencia's portfolio recycled (2018: 79%)

Social & Relationship

- Community events hosted at our shopping venues
- INI'Vert by Ascencia – these Green Star initiatives were funded from our CSR contributions
- Trends Magazine to promote stakeholder engagement
- Loyal tenants with retention on target

Intellectual

- + 23m visits across the portfolio
- Operational excellence – ASCE project well on track
- 80% overall stakeholder satisfaction



Human

- 41% of female employees
- Rewards & Recognition Programme
- 7.8% of employees promoted

Financial Capital

Property LTV

2018: 38% ▶ 2019: 38%

Remains Stable

Profit before tax excluding F.V. gains

2018: 494m ▶ 2019: 582m

+18%

NAVPS (Rs)

2018: 15.10 ▶ 2019: 16.25

+7.6%

Share Price (Rs)

2018: 17.15 ▶ 2019: 19.35

+12.8%

Dividend per Share (Rs)

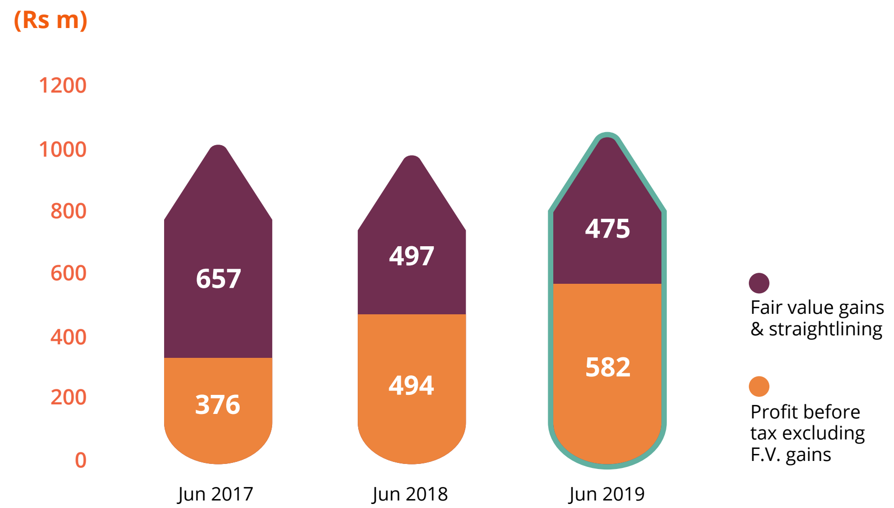
2018: 0.75 ▶ 2019: 0.82

+ 9.3%

Our financial capital is the pool of funds available to us for deployment where the best opportunities lie, which includes debt and equity funding, as well as capital profits from the recycling of assets no longer in our core business activities.

1. Profit breakdown

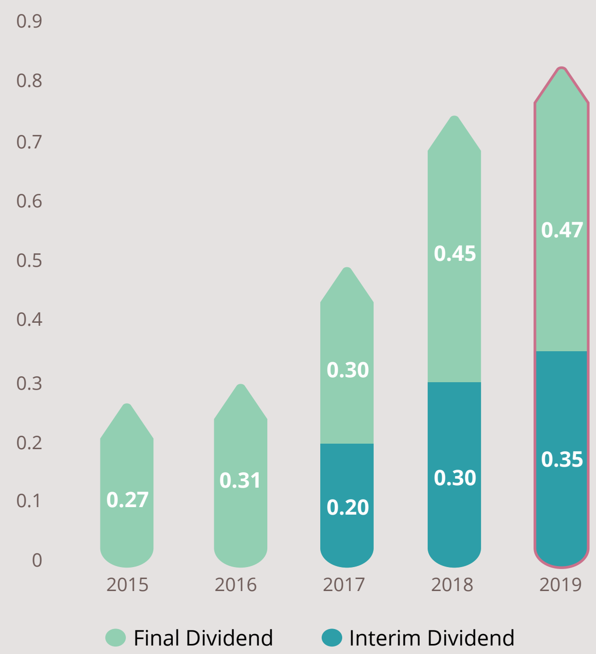
The breakdown reflects the benefit of our margin enhancement strategy. The improvement in Profit before tax cascades from strong NOI growth resulting from the full contribution of So'flo, annual increase in contractual leases and a better margin of cost to income.



2. Delivered superior return

Delivered distributions of Re 0.82 per share, amounting to Rs 395m during the year. The dividend per share rose by 9.3% compared to last year, despite increase in number of shares in issue following conversion of preference shares on 30 June 2018. The dividend yield remains strong at 4.2% on the closing share price, and 5% on the closing NAVPS, taking into consideration the strong capital appreciation during the year under review.

Dividend per share (Rs)



3. Drivers of NAVPS growth

The increase in NAVPS to Rs 16.25 per share (+7.6%) in 2019 was largely driven by the profit and revaluation of properties which benefited the strong operations performance during the period.

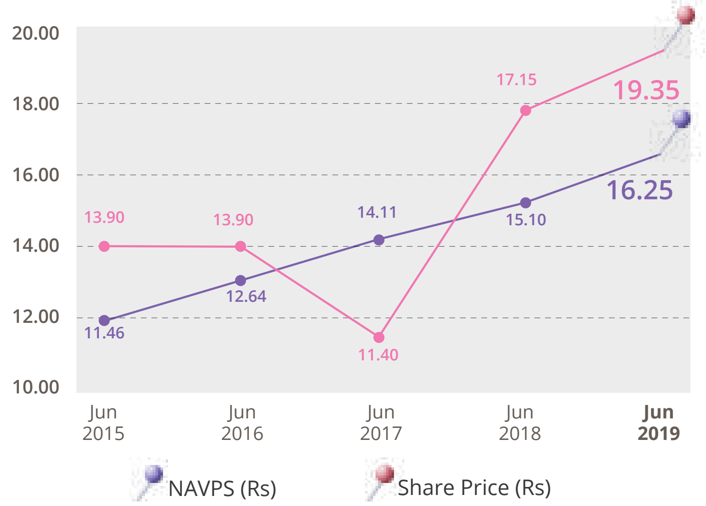
Drivers of NAVPS growth

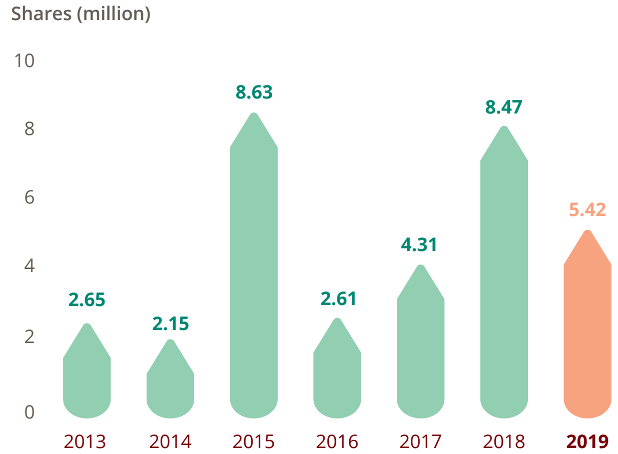
Financial Capital cont'd

4. Share price performance

We were one of the most notable positive contributors to absolute returns on the local market for the period. Share price has been on the rise and closed at Rs 19.35 as at 30 June 2019, a 13% increase compared to last year, and a 19% premium to Net Asset Value per share. On another note, trading on the stock market was encouraging.

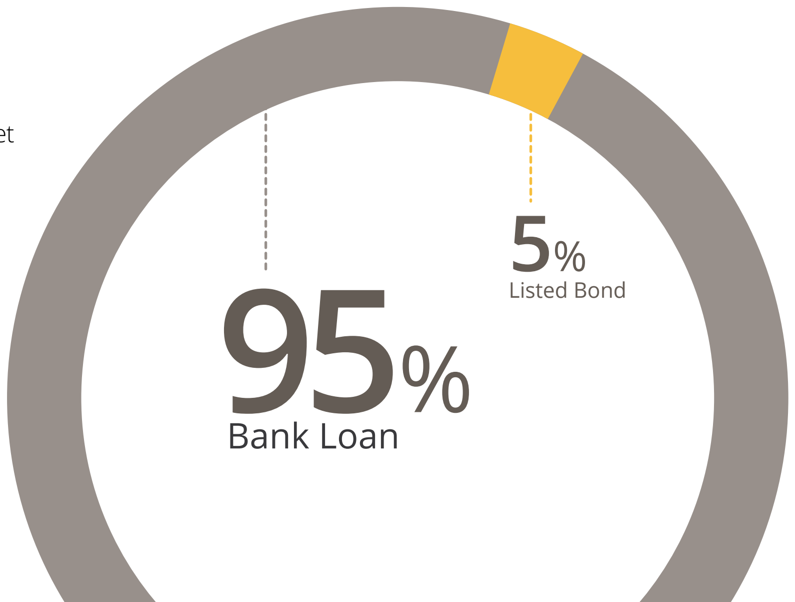
Share price vs NAVPS





5. Source of debt

Our funding strategy focuses on protecting our balance sheet and optimising cost of capital. 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 rental income. Property LTV stood at 38%. We are looking to increase slightly the level of secured borrowings with some ambitious projects ahead. This will have the further benefit of providing superior returns with additional operational income.



Priorities for 2020

- Fundraising for the extension of Bagatelle Mall
- Increase our NAVPS
- Maintain dividend growth
- Maintain a Low Property LTV

Other info

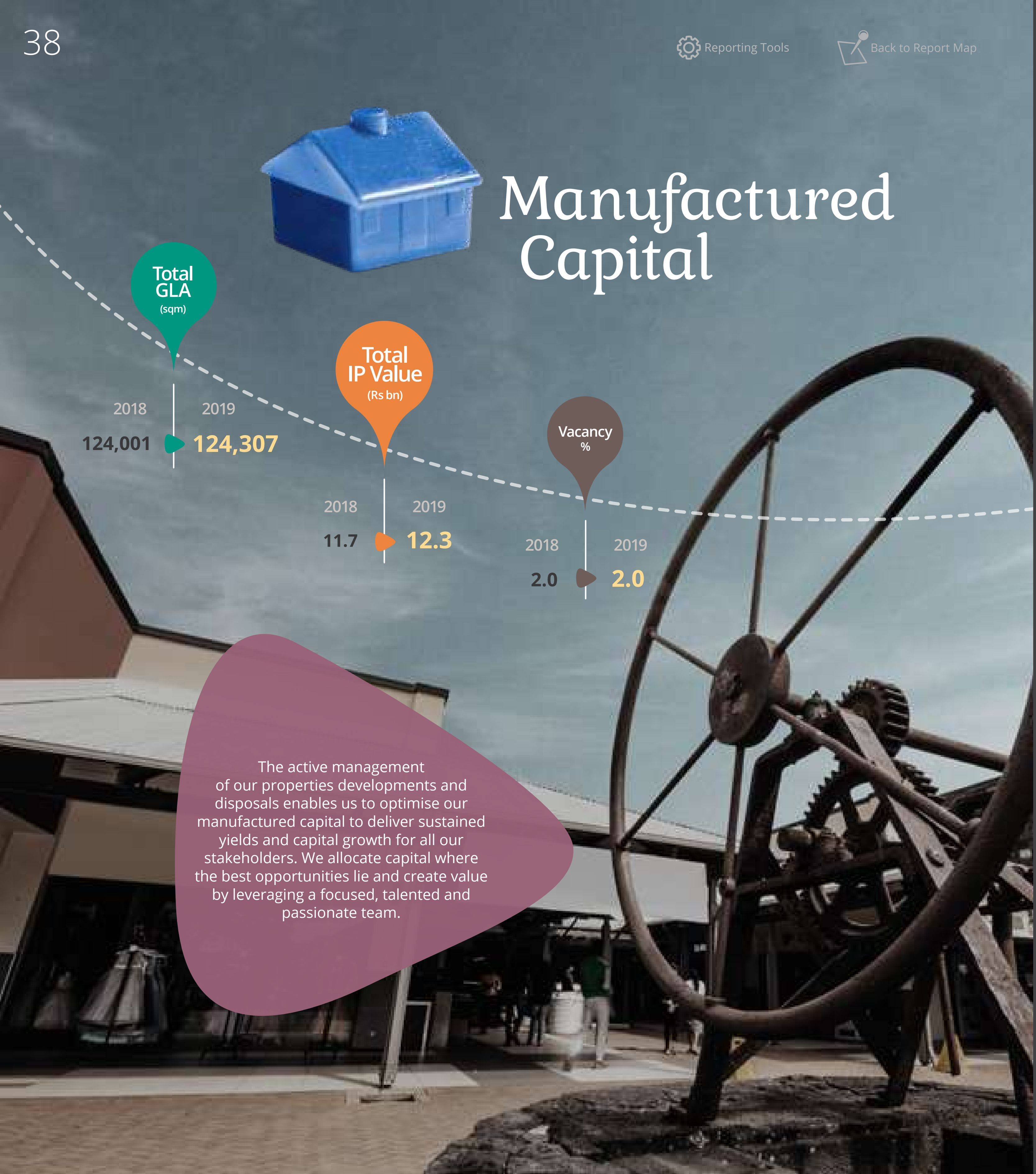
Total Instruments in Issue	2019	2018
Class A Ordinary Shares (#)	484,817,301	482,019,385
Weighted Average No. of Class A Ordinary Shares in issue (#)	482,034,716	452,776,447
Convertible Non-Voting Preference Shares post-conversion of 30 June (#)	3,686,912	7,373,818
Redeemable Bonds (#)	17,556,676	17,556,676

Trading Activity of Class A Ordinary Shares

Market price per share (Rs)		
High	20.00	17.45
Low	16.50	11.15
Average	18.16	15.07
Closing	19.35	17.15
Volume traded during the year (#)	5,422,739	8,479,048
Ratio of volume traded to No. of shares in issue (%)	1.1%	1.8%
Market capitalisation at 30 June (Rs bn)	9.4	8.2

Shareholders' Value

Dividend yield of Class A Ordinary Shares (%)	4.2%	4.4%
DPS of Class A Ordinary Shares (Rs)	0.82	0.75
EPS	1.97	1.91
Diluted EPS (Rs)	1.96	1.89
NAVPS (Rs)	16.25	15.10
Return on equity (%)	13%	12%



Manufactured Capital

Total GLA (sqm)

2018	2019
124,001	124,307

Total IP Value (Rs bn)

2018	2019
11.7	12.3

Vacancy %

2018	2019
2.0	2.0

The active management of our properties developments and disposals enables us to optimise our manufactured capital to deliver sustained yields and capital growth for all our stakeholders. We allocate capital where the best opportunities lie and create value by leveraging a focused, talented and passionate team.

Reflections on 2019

We aim to continuously optimise the quality of our existing portfolio through redevelopments and extensions. Redevelopments include extensive refurbishment to modernise our shopping centres in order to meet evolving shopper and retailer needs. Extensions include tenant-driven enlargement of existing stores or the introduction of new stores.

Developments

We remain focused on the strategic levers with the best opportunities to contribute to value creation over the period. Ascencia proceeded with a number of projects to enhance and expand its offering with the commencement of work at Bo'Valon Mall, improved access to Phoenix Mall in the wake of the Road Decongestion Programme and the securing of new tenants at So'flo and Les Allées.

Bo'Valon Mall is scheduled to open in November 2019, with a GLA of 10,000 sqm. Given Ascencia's expertise in the retail market, we are well-positioned to grow the KPIs strongly once the mall is operational, while the region will gain from improved consumer confidence and become a must for visitors.

Furthermore, Bagatelle Mall, Phoenix Mall, Kendra and Les Allées are set to reduce our CO_2 consumption by some 1,645 tonnes per year, representing around 30% of our malls' current energy consumption. This is in continuity of our journey to achieve Green Star rating for our existing buildings, in addition to the newly developed Bo'Valon Mall.

Acquisition

The Group purchased plots of land to allow for the expansion of Bagatelle Mall. The land in question will be utilised to build a structure that will house the Decathlon shop. We also proceeded with the purchase of additional land adjacent to the mall under development in Beau Vallon. This is in anticipation of any extension, drive-through or opening of petrol station following the opening.

Priorities for 2020

We are on track for an ambitious expansion project at Bagatelle Mall, with completion scheduled for the end of the 2020 calendar year. This will not only increase the attractiveness of the mall, but also consolidate and strengthen our leading position.

So'flo has planned an upgrade of its food court that will start to trade in the coming period. We are also working on a new initiative, the ASCE project, which will drive our operational excellence (more details in the Intellectual Capital section, pg 48). These are in line with the continued implementation of our long-term strategy and execution of asset strategies to incorporate new ideas and alternate space uses. On another note, we will continue our organic growth by enhancing the tenant mix, focusing on vacancy management, space optimisation and marketing initiatives to consolidate our position on customer experience.

Manufactured Capital cont'd

Retail Portfolio

Bagatelle Mall

GLA (sqm)	56,859
NOI (Rs m)	512
IP Value (Rs bn)	6.8
Yield (%)	7.8
Vacancy (%)	0.2
Average Monthly Footfall (#)	697,122
WALE (yrs)	4.3

Phoenix Mall

GLA (sqm)	29,092
NOI (Rs m)	197
IP Value (Rs bn)	2.5
Yield (%)	8.3
Vacancy (%)	6.5
Average Monthly Footfall (#)	484,916
WALE (yrs)	6.1

Riche Terre Mall

GLA (sqm)	21,105
NOI (Rs m)	112
IP Value (Rs bn)	1.4
Yield (%)	8.0
Vacancy (%)	0.9
Average Monthly Footfall (#)	310,722
WALE (yrs)	7.0

So'flo

GLA (sqm)	7,422
NOI (Rs m)	52
IP Value (Rs m)	656
Yield (%)	8.3
Vacancy (%)	3.7
Average Monthly Footfall (#)	175,850
WALE (yrs)	4.7

Kendra

GLA (sqm)	5,271
NOI (Rs m)	42
IP Value (Rs m)	595
Yield (%)	8.9
Vacancy (%)	1.0
Average Monthly Footfall (#)	209,682
WALE (yrs)	2.6

Les Allées

GLA (sqm)	2,655
NOI (Rs m)	17
IP Value (Rs m)	192
Yield (%)	8.6
Vacancy (%)	0.0
Average Monthly Footfall (#)	-
WALE (yrs)	2.5

Natural Capital

our green commitment

Results Achieved

Initiatives	Realised		Energy Saved (equivalent to)		Water Saved (equivalent to)			
	Qty p.a.	%	Households	CO_2	Litres	Households	Trees Saved	5Yr Target
Wet & Dry Waste Recycling	893 tonnes	35%	119	842,177m³	11,120,247	119	7,233	50%
Waste Water Recycling	45,000L	20%	-	-	-	123	-	70%
Used Oil Recycling	13,822L	-	-	-	-	-	-	50%
Clean Power (PV Farms)	1.2MWp	-	7,827	720 tonnes	-	-	4,317	3Mw
Energy Efficiency	-	-	-	-	-	-	-	10%

35% Malls wastage recycled

970kWp Capacity of fully operational PV farms in 3 Malls

2,000L Monthly used oil recycling

Natural Capital cont'd

Our Green Commitment

Reflections on 2019

Wet and Dry Waste Recycling

- As part of our daily operations, we fully recognise the need to ensure that sound practices are implemented to recycle waste generated across our portfolio of premises, thereby enabling us to conduct our business in a more sustainable manner, with the ultimate objective of becoming green. Generally divided into two broad categories – dry and wet – waste, including animal feed, paper, glass and plastic is disposed and recycled in different ways.
- This year, we managed to recycle 35% of our malls' wastage, equivalent to the consumption of almost 160 Mauritian households. This results from the implementation of enhanced sorting techniques and more so, the constant monitoring of on-site operations with a stringent monthly performance review by our Green Committee.

Waste Water Recycling

- While water consumption at our Malls is constantly monitored, we faced certain operational challenges at our sewage treatment plant in the review year, with the recycling of only about 20% of waste water generated for irrigation purposes. This represents the annual water consumption of approximately 123 households in Mauritius.

Photovoltaic Farms

- Leveraging the connection agreement with the Central Electricity Board with regard to the Medium-Scale Distributed Generation (MSDG) Scheme, we have successfully commissioned and implemented photovoltaic farms at Phoenix Mall, Kendra and Les Allées, aggregating to nearly 970kWp of installed capacity. This represents the annual energy consumption of approximately 7,287 Mauritian households.

Furthermore, we have reduced our carbon footprint and diesel consumption by 720 tonnes and 123m³ respectively with this setup.

- Besides, we are nearing completion of one of the largest rooftop installations in the southern hemisphere, with a 2MWp photovoltaic farm system at Bagatelle Mall. With this milestone, total installed capacity across our portfolio will be just below 3MWp.

Used Oil Recycling

- In continuation of our quest to conduct our operations in a sustainable manner, we implemented an initiative to collect used oil from food service tenants at Bagatelle Mall in December 2018. This has enabled us to retrieve nearly 2,000 litres of used oil on a monthly basis, which is subsequently used as fuel for heavy machinery equipment. It is our firm intent to increase this figure as the system gathers momentum.

Trash is Treasure

- Another noteworthy initiative implemented across our portfolio was the campaign 'Trash is Treasure'. With the participation of our staff members alongside our tenants, we managed to collect 3,274kg of waste in four chosen regions.

Use of Green Products

- Despite the relatively high cost factor, we maintained our stand to encourage and enhance the use of green products among our various stakeholders. We continued to use green products across our malls, the main ones being certified by the American-based National Science Foundation, a reference in testing products to ensure they meet public health and safety standards.

Priorities for 2020

Energy Consumption

- In an attempt to reduce our energy consumption paying particular attention to the common loads of our malls, we are planning to review the light fittings under our responsibility to move towards energy efficient lamps without compromising the comfort of our guests and the ambience of our premises, both in internal and external areas.
- The primary objective is to reduce the lighting load of our common areas over the next two years by 25% across the portfolio.

Photovoltaic Farms

- Our focus invariably remains upon Riche Terre Mall and we shall initiate relevant steps to proceed with the installation of the Photovoltaic Farm system.
- We will reconsider our current photovoltaic systems should the relevant new legislation have an impact on previously installed PV Farms and also monitor proactively the performance of existing systems to ensure optimal performance.

Waste Recycling

- In our pursuit of maintaining at least the current percentage of waste being recycled taking into account the current difficult operating environment of recyclers in the local context and the low price of cardboard on the international market, we will explore other opportunities to increase the percentage of other recyclable waste.
- We will commence the sorting at source initiative primarily in food outlets at Kendra prior to rolling out at our other malls thereafter.

Waste Water Recycling

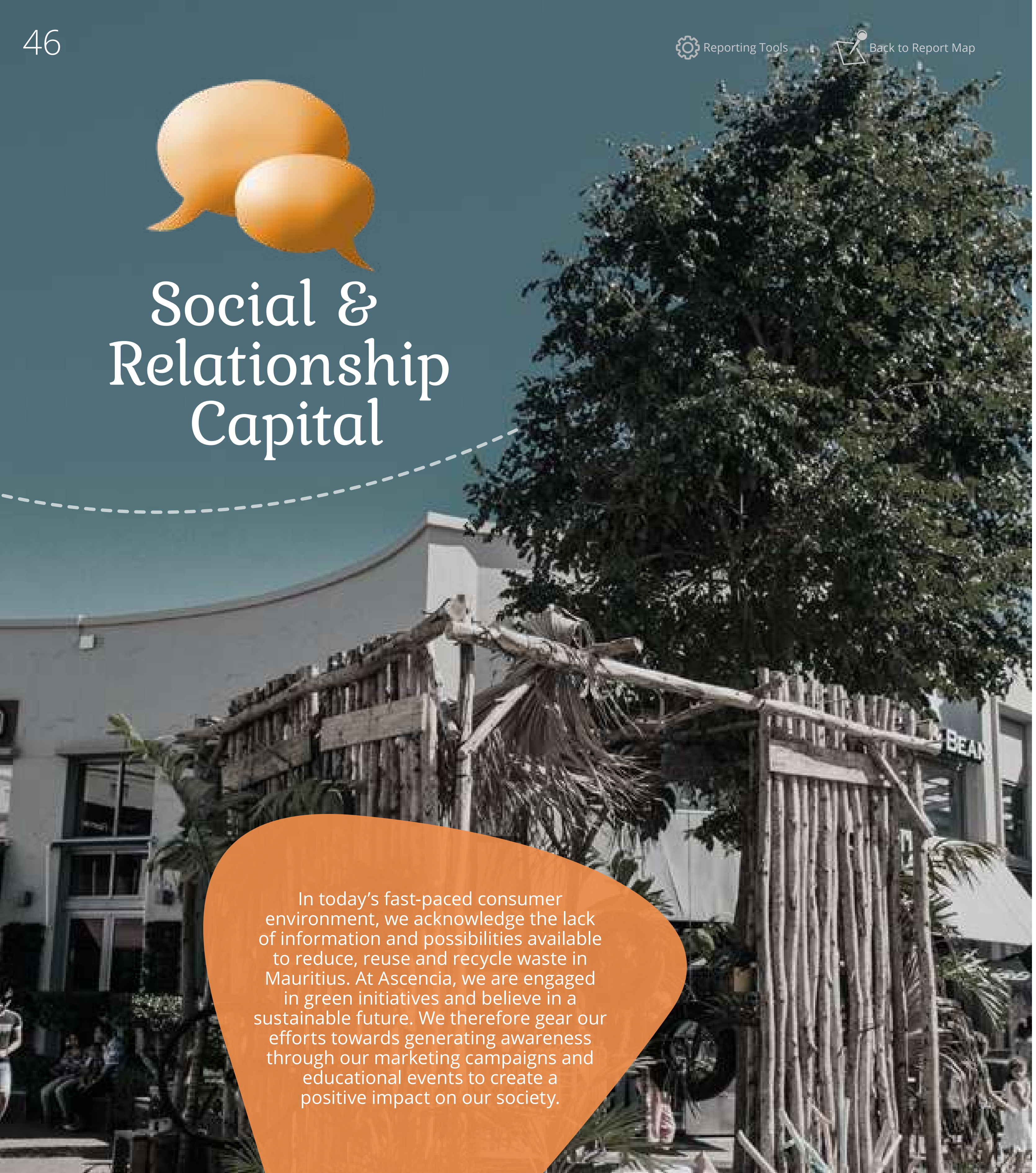
- We have initiated relevant steps to review the sewage treatment plant as part of the Bagatelle Mall extension project with the assistance of specialist consultants. We are confident to address this long-standing issue and at the same time improve the percentage of waste water being recycled.

Used Oil Recycling

- Our objective is to implement the oil audit programme at our different malls, where feasible. We target to recycle 5,000 litres of used oil on a monthly basis upon full implementation. The used oil will be re-processed for another life cycle and used as biofuel for agricultural applications.

Trash is Treasure

- We will build up on the momentum gathered during the previous financial year and organise a Mega Clean-Up campaign.



Social & Relationship Capital

In today's fast-paced consumer environment, we acknowledge the lack of information and possibilities available to reduce, reuse and recycle waste in Mauritius. At Ascencia, we are engaged in green initiatives and believe in a sustainable future. We therefore gear our efforts towards generating awareness through our marketing campaigns and educational events to create a positive impact on our society.

Reflections on 2019

Value Creation

We embarked on our INI'Vert by Ascencia campaign across the portfolio in June 2019. This initiative is aimed at creating awareness about our waste footprint in Mauritius as individuals and our waste journey. We raised awareness through social media campaigns, press releases and in-mall events like Green Markets and DIY workshops on how to reduce, reuse and recycle waste. INI'Vert by Ascencia also created exhibition opportunities for recyclers to promote their companies and channels available for individuals to recycle their waste.

Funding

Ascencia channels 80% of its CSR contribution through the Rogers Foundation, which supported us mainly in our event, 'Trash is Treasure ' held around our malls.

Furthermore, in partnership with the ENL Foundation, we donated backpacks made from recycled billboard flexes used for our advertising campaigns to underprivileged children from the Moka and Pailles regions.

"Trends" Lifestyle Magazine

Inspired by our shoppers, Trends by Ascencia adds value to our portfolio as well as for our partners. The quarterly magazine provides our shoppers with relevant and engaging articles, bringing to life our malls and commercial centres as well as the energy around our retail environment. Trends is supported by a blog focusing on the topics covered in the printed magazine; the articles are also shared across the portfolio's social media channels.

Trash is Treasure

Trash is Treasure successfully brought together the centre management teams and service providers in a waste collection initiative in the surroundings of our malls. Asce the turtle, our mascot designed to raise awareness about the impact of plastic on our marine life, participated in a month-long road show around our portfolio.

Results

We collected a total of 3,274kg of waste in the surroundings of our malls.

The Green Markets saw the participation of 59 exhibitors at Bagatelle Mall, Phoenix Mall and Les Allées, and 8 exhibitors at the Kendra signature plant market.

Various DIY workshops and awareness programmes were carried out across the portfolio:

- **L'Assiette Palmiste:** making plates using palm leaves
- **Off M Creations:** jewellery making from natural and recycled products
- **The Good Shop:** helping people "buy more consciously" by learning how to reuse/recycle old clothes
- **Enn losean vivab:** a collective of artists showing how to make recycled musical instruments from ordinary waste

Olivier
Operations Officer
"This is a really good activity that we have done as a team. I am waiting for the next edition."

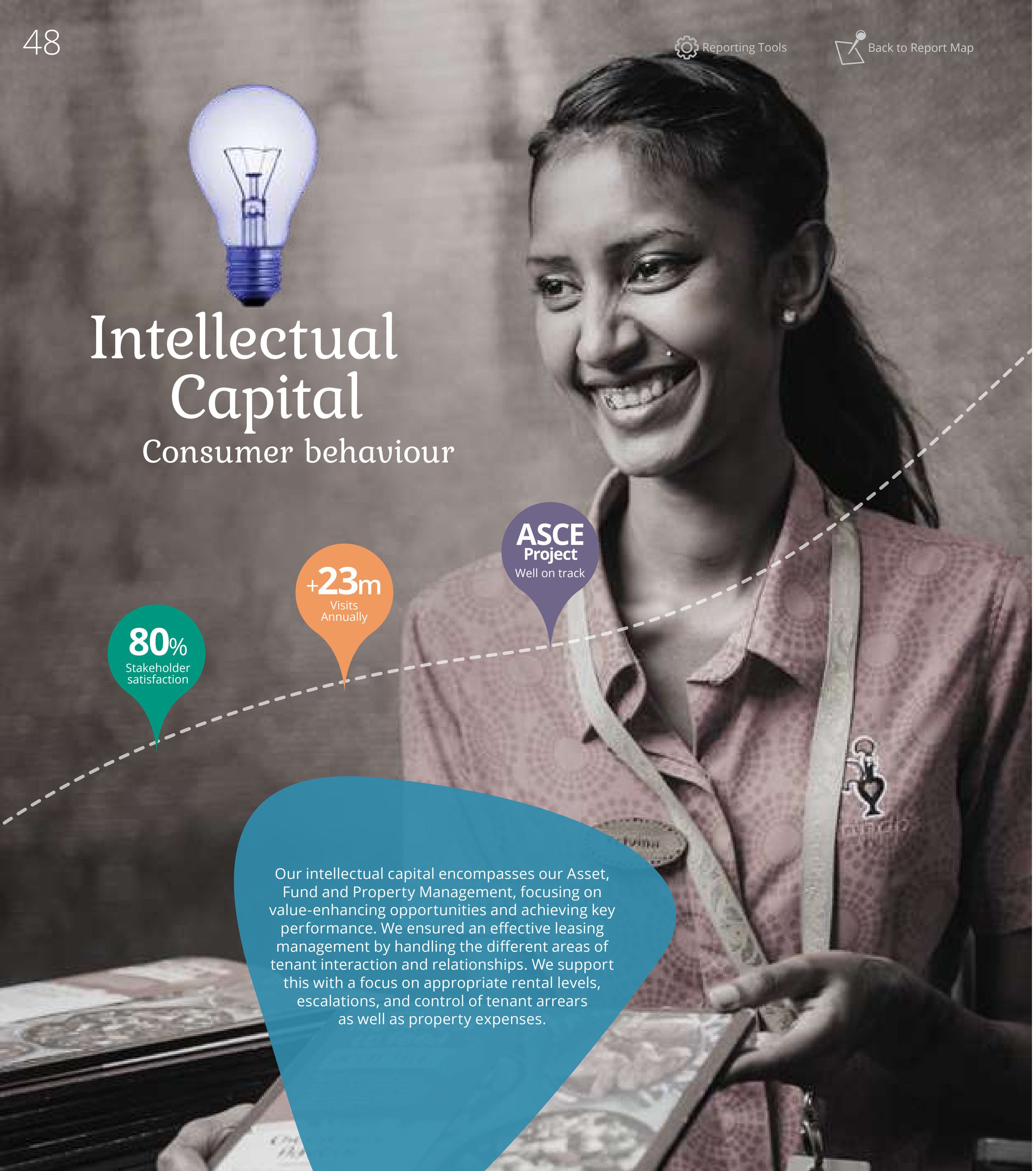
ESP Landscapers Team
"This is a very good initiative from Ascencia; we were surprised by the amount of waste collected within a few hours."

Alisha
Marketing Coordinator
"This event made us aware of the amount of waste dumped in nature and its effects on the world. It was also like a team-building session."

Jessica
Receptionist
"I really appreciated coming to Riche Terre Mall. The team was welcoming and motivated. This made me realise that we should stop saying that others are polluting and not us, because it is not true. We all pollute; we all need to reduce our waste in order to reduce pollution. This is something that we need to organise again!"

Priorities for 2020

We will continue our contribution to the green sustainability programme through INI'Vert by Ascencia awareness campaign. We will also maintain our awareness campaigns regarding other social issues affecting the communities within which we operate and support causes through fundraising as well as strategic collaborations with NGOs and corporate foundations.



Intellectual Capital

Consumer behaviour

Our intellectual capital encompasses our Asset, Fund and Property Management, focusing on value-enhancing opportunities and achieving key performance. We ensured an effective leasing management by handling the different areas of tenant interaction and relationships. We support this with a focus on appropriate rental levels, escalations, and control of tenant arrears as well as property expenses.

Asset and Fund Management

Established in 2008, Ascencia has achieved excellence by focusing on and leveraging the expertise of EnAtt, acting as Property and Asset Manager and Rogers, acting as Fund Manager.

EnAtt is responsible for the day-to-day operation and maintenance of the malls, financial accounting services, leasing of retail space and various developments. Rogers and Company Limited provides Fund Management services with main responsibilities to advise, coordinate and raise finance on competitive terms, general administration and investor relations.

Ongoing Portfolio Enhancement

We always aim to improve, develop constantly our high-quality shopping malls and deliver a positive, meaningful experience to our shoppers in a clean and safe environment. Extension and refurbishment anticipation consolidates our position, ensures tenant loyalty and we thus continue to deliver on our customer promise.

Through the Binoculars

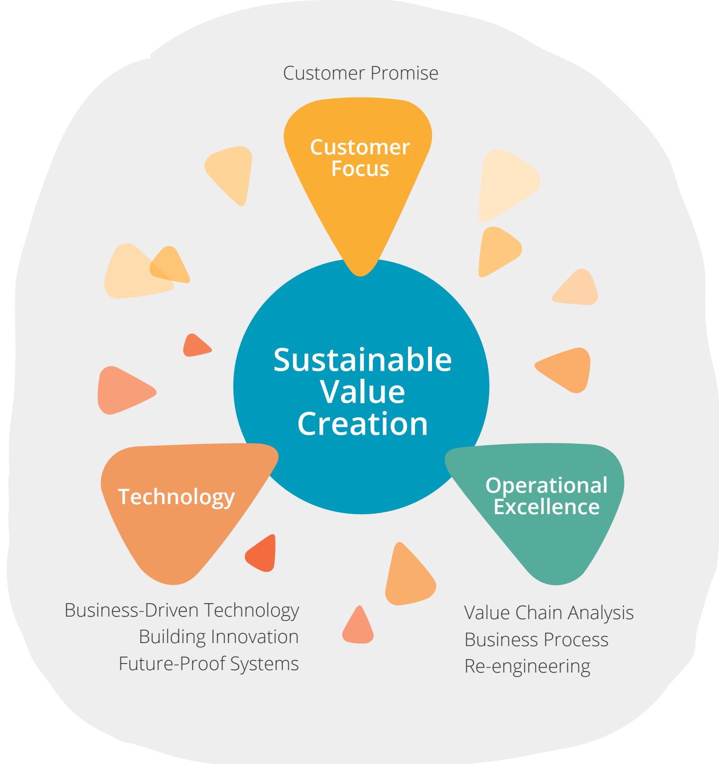
Our teams tap into the vast potential of disruptive technologies to better understand the behaviour of consumers, both on and off the internet.

The FATTI system 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 Wi-Fi to monitor shopper habits helps our tenants adapt their strategies and achieve better conversion.

Improving Customer Experience

Annual stakeholder surveys ensure we address any issues concerning the customer experience, productivity and turnover. The latest one conducted during the year aimed at adding value and identifying improvement opportunities between different parties, i.e. Shoppers, Tenants, Service Providers and Investors.

We achieved an overall customer satisfaction rating of 80%. On average, our customers are satisfied with the quality of service they receive from our malls. At a time when customer expectations are increasing, this information has helped us understand how we meet our shoppers' needs and deepen our knowledge of what matters most to them. We will then develop action plans that focus on engagement and collaboration.



Priorities for 2020

ASCE Platform

The Paradigm Shift
Taking Mall Management Operations to the Next Level

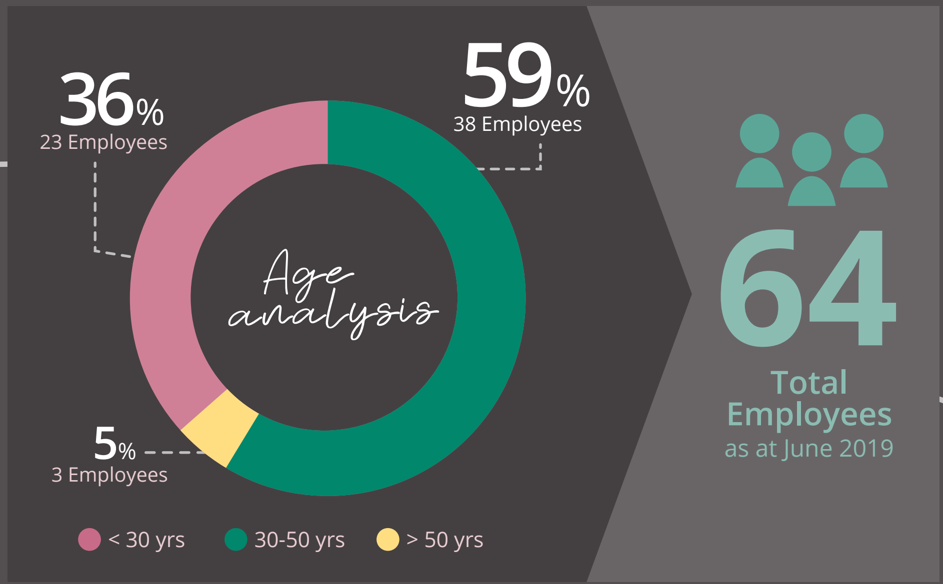
- Leveraging the inherent technical capital within the organisation and with our Customer Promise at the centre of our operations, we have commenced a journey by developing an operational platform which will bring mall management operations to the next level. In essence, various clusters of our operations will be integrated into a common platform deriving operational and business insights – the main areas of focus at the outset will include energy consumption, building infrastructure, asset management, business continuity and vendor management.

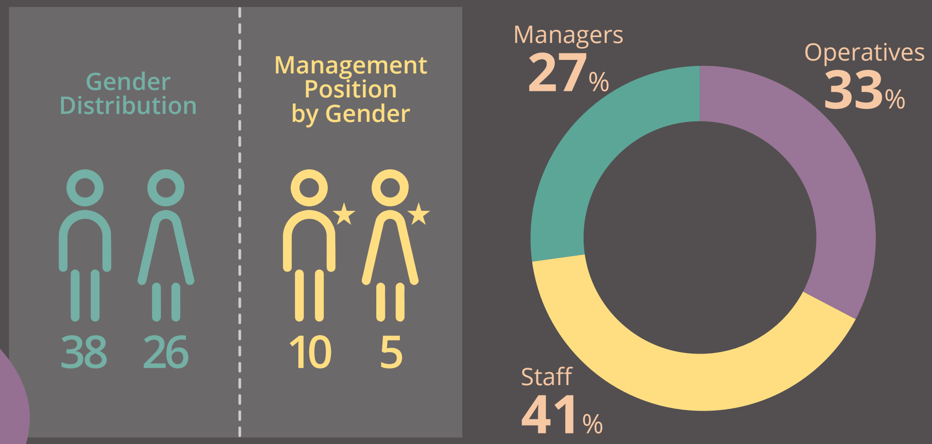
- We earnestly believe the platform will revolutionize the way we conduct business, moving towards an operational excellence-driven model with a strong focus on our Customer Promise.

Human Capital

In a fast-paced labour market, we believe that Human Capital creates value and lies at the heart of Ascencia's competitiveness. Although we do not have any employees, we operate under two management agreements, including for Property and Asset Management with EnAtt and Fund Management with Rogers and Company Limited. Those 64 people are core to all day-to-day operations and are engaged in achieving the Company's strategic vision.

Our diversified and professional workforce (as at 30 June 2019)





Length of service (as at June 2019)

	< 1	1 - 5	6 - 10	11 - 15	16 - 19	>20
% as at June 2019	39%	41%	15%	3%	2%	0%

Reflections on 2019

We at Ascencia support and enable our business growth by developing our internal capabilities with the necessary means to achieve our Customer Promise. We brought a number of important changes to the organisational structure with the objective of strengthening the senior management team and preparing us for the strategic challenges that lie ahead. Moreover, we remained focused on developing our human capital, a key enabler for success. In this respect, we launched a leadership coaching programme with the intent to support the strategic business ambitions. Among others, this programme will lead to a more robust leadership team, equipped with best practices in talent development, performance management and operational effectiveness.

Creating and Promoting our engaged workforce

Internal mobility plays an important role in retaining expertise, experience and talent by enabling employees to pursue individual career goals. It contributes to operational stability and business performance while helping to mitigate succession risk. As of year-end, 7.8% of employees were promoted based on performance and engagement.

Reward Performance Excellence

As part of our remuneration strategy, we introduced a new Reward & Recognition framework in 2019, named 5 Stars R&R programme, which aims to promote and reward sustainable performance and recognise our employees' contributions.

Health and Safety

Our policy is to create a safe and healthy working environment, with procedures to manage occupational incidents and compensation claims in line with legislation.

Priorities for 2020

Key objectives

- **Living our Customer Promise**
  Setting up of workshops with a consultant to Inspire-Educate-Reinforce our management team regarding our Customer Promise.
- **Training & Development**
  Training needs identified during employee reviews will be processed in the year ahead.
- **Foster a Safe Work Environment**
  Revamping of the Occupational Health and Safety (OHS) Policy to ensure a safe and healthy working environment, work system and equipment for employees.
- **Promotion of Staff Welfare**
  Deploy a wellness programme with the aim of promoting a healthy balance of the mind, body and spirit among our employees.
- **Support inclusiveness**
  Ascencia is committed to an inclusive culture that respects and embraces the diversity of employees, customers and communities. Diversity and inclusion impact our workforce, workplace and marketplace by: building talented and diverse teams to drive business results; and creating a respectful and inclusive environment where people can succeed. We aim to attract, develop and retain the right candidates for the right position regardless culture, race, gender, sexual orientation, abilities, beliefs, background and experience. While less visible at first glance, technology and digital disparities due to education factor can however be an obstacle to people's access to career mobility. To counter these inequalities, Ascencia pursues initiatives such as upskilling employees via personal development with the aim to become better versed in IT. In parallel, these initiatives will be beneficial and ensure an inclusive culture, especially with the introduction of the ASCE project.
- **Gender Equality in the Workplace**
  Ascencia is firmly convinced that diversity, in all roles and at all levels, guarantees fairness and economic performance. Therefore, we are committed in promoting a balanced representation of women and men; ensure women have an equal treatment when accessing jobs with high responsibility; and establish equal pay. To fight the glass ceiling which can hold back growth in women's careers, we identify and support female talent, with an ambitious goal to reach 30% of women in senior management roles by 2021. We believe that we are on the right track with 14% at the senior management level and 50% of women in management roles.

Our employees are our most important asset and our target will continuously remain to retain them. We are not scared to review and adapt our HR strategies to the challenges arising and consequently be agile.

Chapter 4
Governance

Because there is no life without nature, Ascencia is dedicated to implementing eco-friendly systems and green projects.

Corporate Governance Report

Ascencia Limited (the 'Company' or 'Ascencia') is a Public Interest Entity and is therefore required to apply the eight principles set out in the National Code of Corporate Governance for Mauritius (2016) (the 'Code').

Principle 1 - Governance Structure

The Board assumes responsibility for leading and controlling the Company and is collectively responsible for its long-term success, reputation and governance while meeting all legal and regulatory requirements. The Board has applied Principle 1 by:

a developing and adopting a Board Charter, which is available on the Ascencia website at www.ascenciamalls.com;
b approving an organisational chart and a statement of accountabilities, which are available on the Ascencia website at www.ascenciamalls.com;
c adopting the Code of Ethics of the parent company, Rogers and Company Limited ('Rogers'). The document is available by clicking on the button; and

Click HERE

d identifying the key senior governance positions within the Company, namely:

- i the Chief Executive Officer;
- ii the Chief Financial Officer;
- iii the Fund Manager;
- iv the Head of Asset Management;
- v the Head of Systems and Procedures; and
- vi the Head of Marketing and Communication.

Their position statements can be found on the Ascencia website at www.ascenciamalls.com.

Principle 2 - The Structure of the Board and its Committees

As at 30 June 2019, the Company was headed by a unitary Board comprising twelve Directors, including a female Director. Save for Mr Armond Boshoff, the Directors of the Company reside in Mauritius. The size of the Board is determined by Ascencia's Constitution, a copy of which is available on the Company's website at www.ascenciamalls.com.

The Company has ensured that the Board includes an appropriate combination of Executive, Non-Executive and Independent Directors.

The categories of Directors are listed on pages 66 to 69 of the Annual Report.

The definitions of Executive, Independent and Non-Executive Directors are in line with those provided by the Code.

Following the assessment of the independence of the Non-executive Directors as at 30 June 2019, Mr Naderasen Pillay Veerasamy was re-classified as an Independent Director, based on criterion of Principle 2 of the Code. In the same vein, Ms Sharona Ramdoss' category shifted from Executive Director to Non-Executive Director. The Board therefore consisted of one Executive Director, namely Mr Frédéric Tyack. The Board believes that nonetheless, it had a strong executive management presence, given that he is associated with the day-to-day activities of Ascencia, although he is not an employee of the Company.

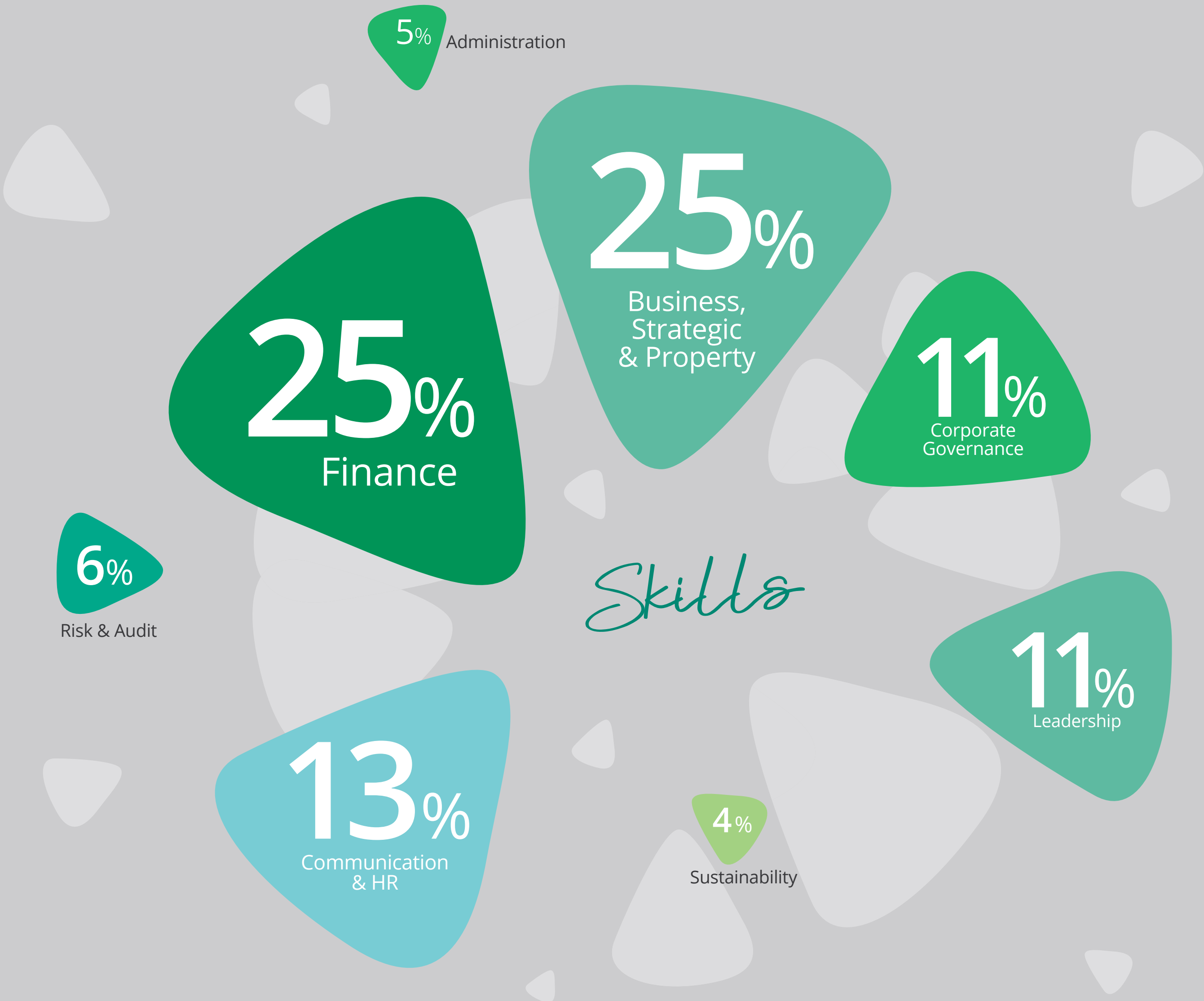
On 02 August 2019, Ms Sharona Ramdoss resigned as Director of the Company. On 05 September 2019, upon the recommendation of the Nomination Committee of the Company, Mr Eric Weirich was appointed as Executive Director of the Company.

Following a review of the Board skills matrix of the Company, the Nomination Committee will consider the appointment of a suitable female Director candidate.

For more information on directorships held by the Directors, please refer to www.ascenciamalls.com.

Corporate Governance Report cont'd

The balance of skills of the Board is set out below:



In addition to the skill sets and competences of the Directors, the principles of age diversity and regional representation are now widely accepted in the composition of the Board.

Age Diversity

The Board is of the view that the size and level of diversity are commensurate with the sophistication and scale of the Company.

The Chairman of the Board, Mr Philippe Espitalier-Noël, does not have any executive responsibilities. The Chief Executive Officer, Mr Frédéric Tyack, has executive responsibilities and oversees the day-to-day management of the Company. The function and role of the Chairman and that of the Chief Executive Officer are separate. The position statement of the Chairman is available on the Company's website at www.ascenciamalls.com.

Board Committees

In line with the Code, the Board has set up a Corporate Governance Committee ('CGC'), which also acts as Nomination and Remuneration Committee, and a Risk Management and Audit Committee ('RMAC') to support the Board in fulfilling its duties. Each committee is governed by terms of reference defining its duties and responsibilities. The terms of reference of each committee have been reviewed to ensure alignment with the Code. The membership, position statement of the Chairpersons and terms of reference of these committees are available on the Company's website at www.ascenciamalls.com.

A Strategic Committee has further been established to assist the Board in the development of the strategy of the Ascencia Group and the assessment of the viability of projects.

Corporate Governance Report cont'd

The attendance of Directors at Board and committee meetings held during the period 01 July 2018 to 30 June 2019 is shown in Table 1.

Table 1

Directors	Board	Annual Meeting of Shareholders	RMAC	CGC	Strategic Committee	Remuneration (Rs)
ESPITALIER-NOËL, Philippe	5/5	1/1	n/a	2/2	1/1	n/a
AH CHING, Marc	5/5	0/1	5/6	n/a	n/a	n/a
GALEA, Dominique	4/5	1/1	n/a	2/2	n/a	297,124
TYACK, Frédéric Gérard	5/5	1/1	n/a	n/a	1/1	n/a
ESPITALIER-NOËL, Hector	5/5	0/1	n/a	n/a	1/1	n/a
VEERASAMY, Naderasen Pillay	4/5	1/1	n/a	0/2	n/a	236,486
MAMET, Damien[1]	3/5	1/1	2/3	n/a	0/1	n/a
LAM KIN TENG, Dean	4/5	0/1	6/6	n/a	n/a	400,208
VAN DER WATT, Louis[2]	1/3	0/1	n/a	n/a	n/a	-
PASCAL, Pierre-Yves	5/5	0/1	6/6	2/2	n/a	382,016
LOUW, Lucille[3]	3/5	0/1	n/a	n/a	n/a	-
RAMDOSS, Sharona	4/5	1/1	n/a	n/a	n/a	n/a
CONHYE, Koosiram	1/5	0/1	n/a	n/a	n/a	163,721
BOSHOFF, Armond[4]	3/4	0/1	n/a	n/a	n/a	236,486

[1] Appointed as RMAC member on 22 January 2019
[2] Resigned on 08 May 2019
[3] Alternate Director to Mr Louis Van der Watt up to 08 May 2019 and alternate Director to Mr Armond Boshoff from 08 May 2019
[4] Alternate Director to Mr Louis Van der Watt up to 08 May 2019 and appointed as Director on 08 May 2019

The Company Secretaries of Ascencia are Ms Sharon Ah Lin and Mr Kunal Seepursaund. Their position statement and profiles are available on the Company's website at www.ascenciamalls.com.

Principle 3 - Director Appointment Procedures

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

The Corporate Governance Committee, acting in its capacity as Nomination Committee, recommends the appointment of new Directors for approval by the Board. Details of the nomination and appointment process are available on the Company's website at www.ascenciamalls.com.

When appointing Directors, the Board takes cognizance of its needs in terms of skills, experience, diversity and size.

The terms and conditions of appointment of Non-Executive Directors are available on the Company's website at www.ascenciamalls.com.

All Directors stand for re-election at the Annual Meeting of Shareholders of the Company.

All new Directors, upon joining the Board, attend and participate in an induction and orientation process. They also receive a comprehensive induction pack from the Company Secretary.

Directors are further encouraged to attend courses to refresh their knowledge and keep abreast of latest developments relating to their duties, responsibilities, powers and potential liabilities.

Changes to the Board during the financial year

During the year under review and upon the recommendation of the Corporate Governance Committee, Mr Armond Boshoff was nominated as Director of the Company in replacement of Mr Louis Van der Watt, who had resigned. Mrs Lucille Louw was appointed as his alternate.

On 02 August 2019, Ms Sharona Ramdoss resigned as Director of the Company. The Board has, on 05 September 2019, approved the appointment of Mr Eric Weirich as Director of the Company, in line with the nomination and appointment process.

In line with the Code, Mr Boshoff and Mr Weirich will be appointed by the shareholders at the forthcoming Annual Meeting of Shareholders of the Company.

Principle 4 - Director's Duties, Remuneration and Performance

Legal duties

All Directors are familiar with their legal duties. They are required to exercise that degree of care, skill and diligence which a reasonably prudent and competent Director in his/her position would exercise. A Director may seek independent professional or legal advice, at the expense of the Company, in respect of any aspect of their duties. The Board has delegated to the RMAC its duty to regularly monitor and ensure compliance with the Code of Ethics.

Related party transactions

Ascencia applies the requirements of the DEM Rules pertaining to the disclosure of corporate transactions, including related party transactions. Such transactions are adequately addressed through proper monitoring, approval and disclosure, in line with the approval process of the Company.

The related party transactions approved by the Board for the year under review relate to the acquisition of:

- a 50% stake in Floreal Commercial Centre Limited from ENL Property Ltd; and
- three portions of land from Moka City Ltd for a development in the vicinity of Bagatelle Mall.

Corporate Governance Report cont'd

Conflict of interest

Upon election to the Board, Directors are requested to declare their interest in the Company. Such interest is recorded in an interest register which is updated as and when the Directors deal in the shares of the Company and in any event once yearly. Directors also follow the Model Code for Securities Transactions whenever they deal in the shares of the Company.

Any Director conflicted by virtue of a particular transaction declares his/her interests and does not take part in decision-making. The Company Secretary maintains a conflict of interest register and updates the register as and when required. The interest register is available for consultation by shareholders upon request to the Company Secretary.

For the year under review, Mr Naderasen Pillay Veerasamy acquired 19,400 Class A ordinary shares and Ms Sharona Ramdoss acquired 20,000 Class A ordinary shares of the Company.

Information, information technology and information security policy

The Company is a registered controller with the Data Protection Office. In keeping with the Data Protection Act 2017, Ascencia has endeavoured to reinforce the safety and security measures to protect the personal data it collects, stores and processes. It has thus developed the following documents:

- 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 the data processed; and
- an Information, Security and Technology Policy which sets out the IT safeguards to ensure data security.

These documents are available on the Company's website at www.ascenciamalls.com.

A Data Protection Compliance Manual describing the comprehensive approach of the Company to personal data protection has also been developed. Regular audits and training of the personnel will be carried out to ensure compliance with the document.

The Board monitors and evaluates the major expenditure on information technology. Technology has allowed Ascencia to gather data in real time, making it possible to react immediately to customer trends and new habits. The need to be agile and to embrace change is considered vital for Ascencia, in keeping with its Customer Promise. Shopping experiences have been enhanced with the introduction of free Wi-Fi at Bagatelle Mall and Phoenix Mall while ensuring data security. Stakeholders will be kept informed of any further development in this respect.

Board evaluation

A Board evaluation will shortly be conducted for the financial year ended 30 June 2019. Furthermore, the Independent Director evaluation is yet to be finalised as appropriate timing and suitable technique to conduct same remain to be agreed.

Directors' remuneration

As a principle, Directors employed by the Rogers or ENL Groups are not entitled to any Directors' fees.

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

During the year under review, the Corporate Governance Committee acting in its capacity as Remuneration Committee recommended a 5% increase in the Directors' fees for the financial year ended 30 June 2019. The Board thereafter approved the said increase. Table 1 shows the remuneration of Directors for the year ended 30 June 2019.

The Company has not put in place any long-term incentive plan, share options or bonus schemes associated with organisational performance.

A Directors' and Officers' liability insurance policy has been subscribed to and renewed by Rogers. The policy provides cover for risks arising out of the acts or omissions of the Directors and officers of the Rogers Group. The cover does not provide insurance against fraudulent, malicious or wilful acts or omissions.

Principle 5 - Risk governance and internal control

For more information on risk governance and internal control of the Company, please refer to pages 78 to 87 of the Annual Report.

Principle 6 - Reporting with integrity

During the year under review, the main Board deliberations were as follows:

	Capital Impacted
Acquisition of a 50% stake in Floreal Commercial Centre Limited from ENL Property Ltd	
Review of the valuation of investment properties	
Consideration of replacement options for outgoing tenants, including Monoprix at Bagatelle Mall	
Declaration of interim dividends payable to Class A ordinary shareholders	
Reconstitution of the Risk Management and Audit Committee	
Approval of capital expenditure for the refurbishment of Riche Terre Mall	
Disposal of non-core assets	
Approval of the Data Protection Compliance Manual	
Alteration of access to Phoenix Mall triggered by the implementation of the Metro Express and Road Decongestion programmes	
Acquisition of three portions of land from Moka City Ltd for a development in the vicinity of Bagatelle Mall	
Extension of Bagatelle Mall	
Acquisition of additional land in Beau Vallon	
Development of serviced apartments near Voilà Hotel	
Consideration of few projects in the pipeline	
Contribution to green initiatives, namely INI'Vert	
Conversion of 14% of non-voting preference shares into Class A ordinary shares	
Declaration of final dividends payable to non-voting preference shareholders, Class A ordinary shareholders and interest payment to bondholders of the Company	

Having taken all the matters considered by the Board and brought to the attention of the Board during the year into account, the Board is satisfied that the Annual Report and accounts taken as a whole are fair, balanced and understandable.

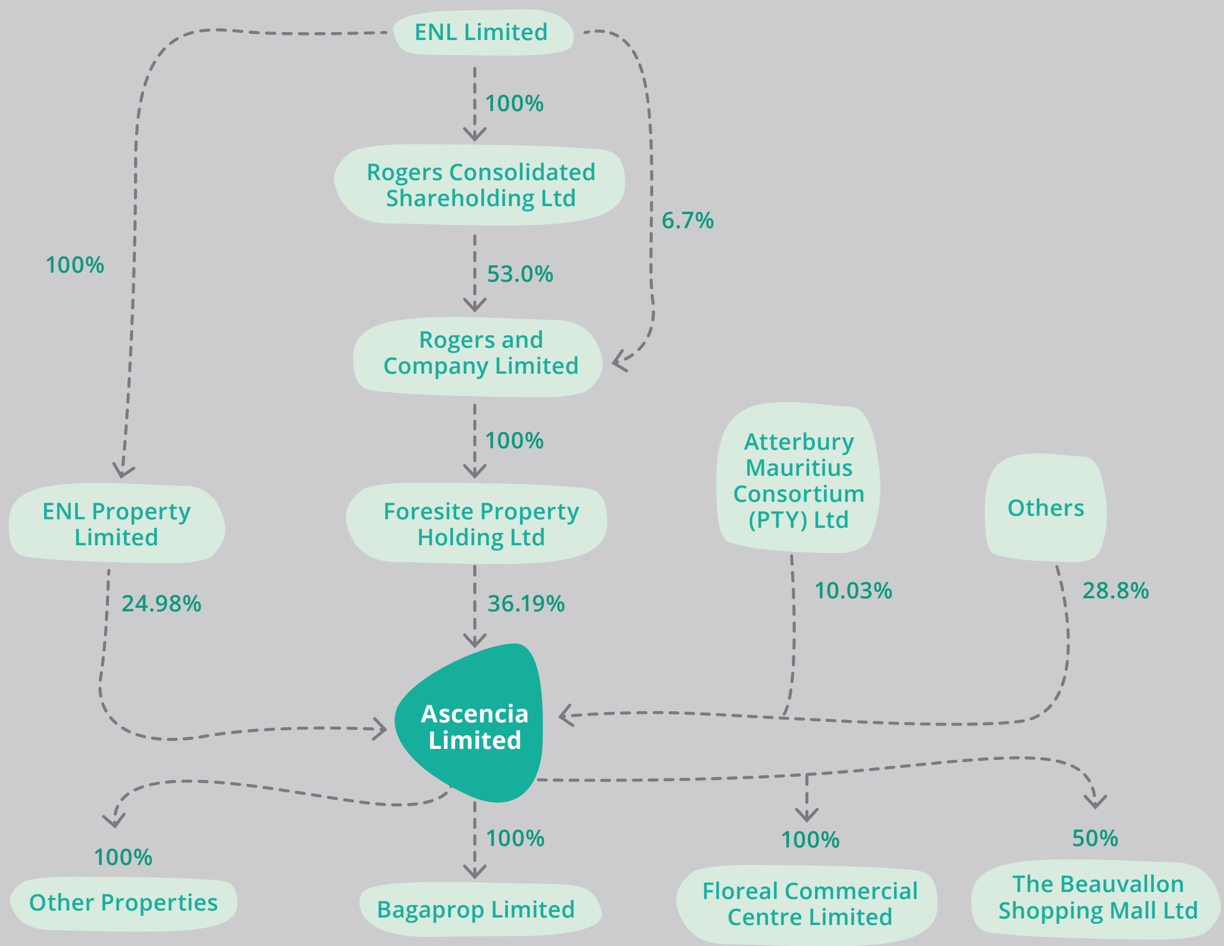
Corporate Governance Report cont'd

Principle 7 - Audit

For more information on the audit process of the Company, please refer to pages 88 to 143 of the Annual Report.

Principle 8 - Relations with shareholders and other key stakeholders

The shareholding structure of Ascencia as at 30 June 2019 is set out below:



The substantial Class A shareholders (holding voting rights) of Ascencia as at 30 June 2019 are Foresite Property Holding Ltd, ENL Property Ltd, Atterbury Mauritius Consortium (PTY) Ltd and the National Pensions Fund.

The Company maintains a constant dialogue with its shareholders and incorporates their valuable feedback into its governance framework. Communication with all stakeholders is carried out through:

- the Annual Report;
- investor briefings;
- quarterly Unaudited Financial Statements;
- meetings of shareholders;
- press communiques;
- magazines, including Trends by Ascencia (also available by clicking on the button on the right); Click HERE
- social media; and
- the Company's website.

In line with Principle 8 of the Code, the proxy report and voting result(s) of any Meeting of Shareholders of the Company are uploaded on Ascencia's website at www.ascenciamalls.com

9. OTHER MATTERS

9.1 Corporate and social responsibilities

The Company did not make any political donations for the year under review. Please refer to the Social Capital section of this report on pages 46 to 47 for more details.

9.2 Environmental responsibilities

Please refer to the Natural Capital section of this report on pages 42 to 45 for more details.

9.3 Financial responsibilities

Please refer to the Financial Capital section of this report on pages 34 to 37 for more details.

9.4 Outlook

Please refer to the Leadership Review section of this report on pages 22 to 27 for more details.

10. COMPLIANCE STATEMENT

Throughout the year ended 30 June 2019, to the best of the Board's knowledge, the Company has applied all the principles of the Code and explained how these principles have been applied.

Board of Directors

*Director not present in the picture.

Board of Directors

ESPITALIER-NOËL, Philippe (54)
Chairman and Non-Executive Director

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

Qualifications

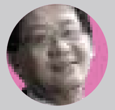
- BSc in Agricultural Economics (University of Natal, South Africa)
- MBA (London Business School)

Professional Journey

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

Value added to the Board

- 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



LAM KIN TENG, Dean (51)
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 African 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

Value added to the Board

- Banking, global business, corporate finance, acquisitions & business integration, strategic insight

ESPITALIER-NOËL, Hector (61)
Non-Executive Director

Date of Appointment: 03 April 2014
SC – Member

Qualifications

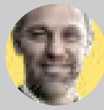
- Member of the Institute of Chartered Accountants in England and Wales

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
- Currently the Group CEO of ENL Limited

Value added to the Board

- Significant experience in alliances, ventures and partnerships, strong financial skills and strategic understanding



TYACK, Frédéric (50)
Chief Executive Officer and Executive Director

Date of Appointment: 03 April 2014
SC – Member

Qualifications

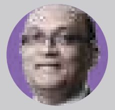
- BSc (Hons) degree in Accounting and Finance from the London School of Economics
- Member of the Institute of Chartered Accountants in England and Wales

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

Value added to the Board

- Strong financial acumen, strong strategic and commercial understanding, property and asset management



CONHYE, Koosiram (59)
Independent Director

Date of Appointment: 20 June 2018

Qualifications

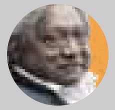
- Associate Member of the Institute of Chartered Secretaries and Administrators (ACIS) - (UK)
- Diploma in Marketing, Chartered Institute of Marketing (CIM) (UK)
- MSc (Finance) – University of Mauritius

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; was appointed as Secretary of the Commission of Inquiry on Drug Trafficking in Mauritius in July 2015;
- Presently the Permanent Secretary of the Ministry of Social Security, National Solidarity, and Environment and Sustainable Development (Social Security and National Solidarity Division)

Value added to the Board

- Human resource, communication skills and expertise with strategy development, corporate governance



VEERASAMY, Naderasen Pillay (62)
Independent 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"

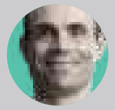
Professional Journey

- 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

Value added to the Board

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

Board of Directors



BOSHOFF, Armond (33)
Non-Executive Director

Date of Appointment: 08 May 2019

Qualifications

- BSc Actuarial and Financial Mathematics
- Technical Member of the Actuarial Society of South Africa (TASSA)
- Master's Degree in Business Administration (cum laude) – University of Oxford

Professional Journey

- Started his career with Rand Merchant Bank in Johannesburg in 2008
- Joined Atterbury Europe in 2015 as Head: Corporate Finance and Treasury
- In July 2017, Armond was appointed as Deputy Chief Executive Officer of Atterbury Property Holdings, a South Africa-based property development company
- Appointed as Chief Executive Officer of Atterbury Property Holdings in January 2019

Value added to the Board

- Corporate finance, strategic and leadership insight

MAMET, Damien (42)
Non-Executive Director

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

Qualifications

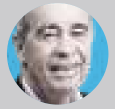
- Member of the Institute of Chartered Accountants in England & Wales

Professional Journey

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

Value added to the Board

- Fund management, strategic and commercial insight, leadership and financial acumen



GALEA, Dominique (67)
Independent Director

Date of Appointment: 13 July 2012
CGC – Chairman

Qualifications

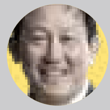
- HEC, Paris

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

Value added to the Board

- Corporate governance and strong commercial skills



AH CHING, Marc (52)
Non-Executive Director

Date of Appointment: 16 October 2007
RMAC – Member

Qualifications

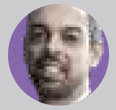
- Member of the Chartered Institute of Management Accountants (CIMA)
- Member of the Chartered Institute of Bankers, UK (ACIB)

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
- 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
- In 2018, appointed as Managing Director of Rogers Capital Financial for its Consumer Finance & Leasing activities

Value added to the Board

- Corporate finance, risk assessment and management, international banking, familiarity with the Rogers Group



PASCAL, Pierre-Yves (42)
Independent Director

Date of Appointment – 09 October 2017
RMAC and CGC – Member

Qualifications

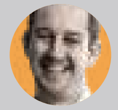
- BSc (Hons) Actuarial Science (City University, London)
- Diploma in Actuarial Techniques (Institute of Actuaries, UK)
- Certificate in Finance and Investment (Institute of Actuaries, UK)

Professional Journey

- Started his career as an Associate with Bacon & Woodrow Epsom in England in 1999
- In May 2002, he joined Hewitt LY Ltd in Mauritius as a Consulting Assistant
- From July 2004 to December 2015, he worked as Portfolio Manager for Confident Asset Management Ltd where he was also the Business Development Manager between January 2014 and December 2015
- Since January 2016, he started to work as a Private Banker & Senior Wealth Manager with AfrAsia Bank
- On 01 July 2017, he was appointed Head of Wealth Management of AfrAsia Bank
- Since April 2019, Pierre-Yves is the Acting CEO of AfrAsia Capital Management

Value added to the Board

- Portfolio management, corporate finance, strategy development, leadership



WEIRICH, Eric (37)
Chief Financial Officer and Executive Director

Date of Appointment: 05 September 2019

Qualifications

- BCompt (Hons) degree in Accounting and Finance from the University of South Africa
- Member of the South African Institute of Chartered Accountants

Professional Journey

- Joined PwC in 2006 and worked in the Assurance Department in South Africa and the United Kingdom
- In 2011, he left PwC UK and joined Doosan Power Systems as Finance Manager for two years
- He then moved to Gazprom Marketing and Trading in 2013 and was appointed Head of Planning and Reporting before joining Grit Real Estate Income Group as Finance Director in 2018
- Became the CFO of Ascencia in 2019

Value added to the Board

- Strong financial skills
- Strong financial processes and systems knowledge
- Well versed in corporate financing and liquidity management

Management Team

Property Management Team

1. Robert BOULLÉ
   Centre Manager
2. Anabelle M. KOENIG
   Property Manager
3. Antish SEEGOBIN
   Centre Manager
4. Maeva LAMUSSE
   Centre Manager
5. Gregory BECHARD
   Centre Manager

Asset Management Team

6. Haidar SOOGUND
   Asset Manager
7. Sarah AH-HONG
   Asset Manager
8. Valérie TALLAVIGNES
   Portfolio Exhibitions Manager

Executive Team

9. Frédéric TYACK
   Chief Executive Officer and Acting Head of Asset Management
10. Hemant Kumar DURSUN
    Head of Systems and Procedures
11. Eric WEIRICH
    Chief Financial Officer
12. Melissa DALAIS
    Head of Marketing and Communications

Corporate Information

Board of Directors
(as at 30 June 2019)

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

Company Secretary
AH LIN, Sharon
SEEPURSAUND, Kunal

Management

Rogers and Company Limited	Fund Manager
EnAtt Ltd	Property and Asset Manager

Auditors
Messrs BDO & Co.

Registrar and Transfer Agent Services

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

Bond Representative

Swan General Ltd
Swan Centre
10, Intendance Street,
Port Louis

[1] Appointed on 08 May 2019 - [2] Resigned on 02 August 2019 - [3] Resigned on 08 May 2019

Statement of Compliance

Name of Public Interest Entity ('PIE'): ASCENCIA LIMITED
Reporting Period: 01 July 2018 – 30 June 2019

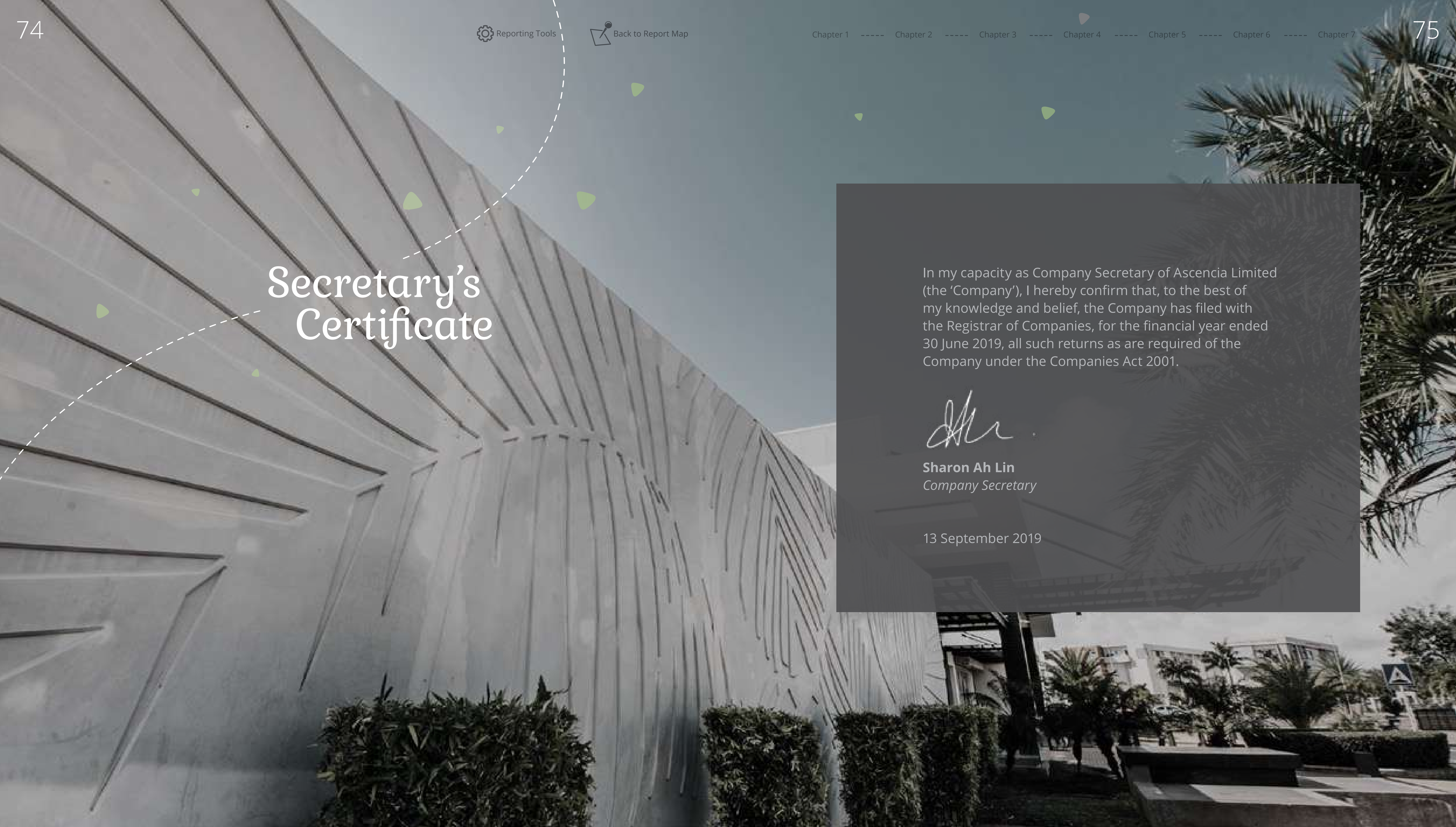
We, the Directors of Ascencia Limited, confirm that, to the best of our knowledge, the PIE has complied with all of its obligations and requirements under the Code of Corporate Governance for Mauritius (2016).

Date: 13 September 2019

Signed by:

Philippe Espitalier-Noël
Chairman

Frédéric Tyack
Chief Executive Officer



Secretary's Certificate

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 2019, all such returns as are required of the Company under the Companies Act 2001.

Sharon Ah Lin
Company Secretary

13 September 2019

Chapter 5

Risk Management Report

Managing Risk

Risk management is critical to the achievement of Ascencia's strategic objectives and is at the core of everything we do. Ascencia monitors risks related to capital employed and future opportunities to ensure alignment with the Company's risk appetite and long-term sustainability goals.

The Risk Management and Audit Committee ('RMAC') recognises that the implementation of a fully integrated and effective risk management framework is a continuous journey. During the year, satisfactory progress was made, enabling Ascencia to reach a higher maturity level in terms of risk management. While we have made progress, we are aware that continuous efforts are required to meet our objectives.

The RMAC continues to play a key oversight role for the Board of Directors in risk management. The Company appointed two additional Directors (an Independent and a Non-Independent Director) during the 2018 and 2019 financial years respectively, with the main objective to strengthen the committee. The RMAC Charter was also reviewed and updated in line with the National Code of Corporate Governance.

RMAC composition and meetings held:

4 MEMBERS

100% FINANCIAL BACKGROUND

4 YRS AVERAGE TENURE

50% INDEPENDENT DIRECTORS

5 MEETINGS HELD

Dean Lam

Chairman, Risk Management and Audit Committee

"Risk Management is critical to the achievement of Ascencia's strategic objectives and is at the core of everything we do."

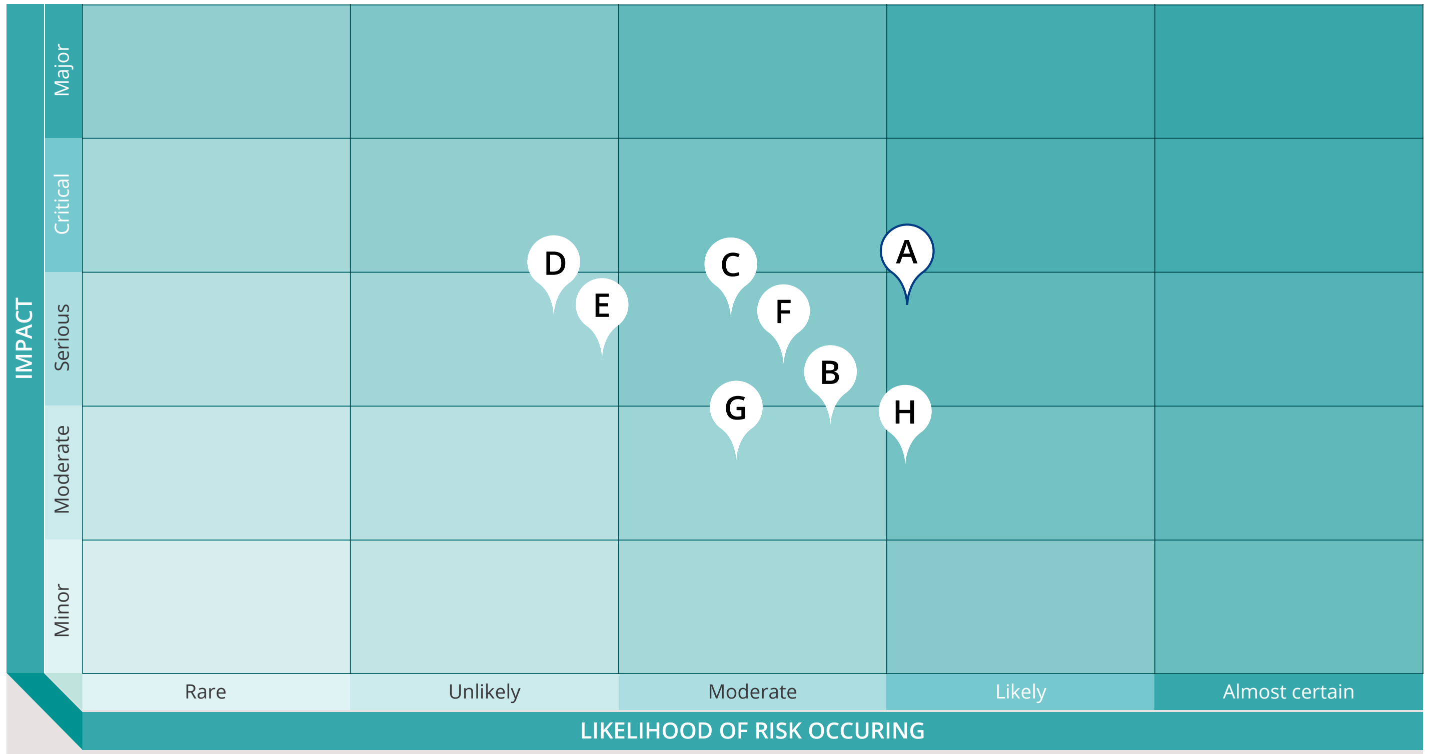
Risk Management Report

Achievements

Following the risk management exercise which was carried out with a bottom-up and top-down approach to identify the principal business risks Ascencia is exposed to, senior management performed an assessment and evaluation of the key risks together with strategic opportunities and responses. These risks were reported and further discussed with the RMAC and Board of Directors.

The risk heat map below provides an overview of the principal residual risks impacting Ascencia.

HEAT MAP



Risks

STRATEGIC
- A Market Concentration
- B Acquisition and Project Development
- C Disruptive Technologies

OPERATIONAL
- D Business Continuity
- E Information Security

FINANCIAL
- F Funding/ Liquidity/ Interest Rate

COMPLIANCE
- G Compliance: Internal and Legal

PEOPLE
- H Skills retention and performance

During the financial year, management has reviewed and implemented mitigating actions such as revised policies/ procedures and controls. The diagram below illustrates the risk management journey Ascencia has embarked on and provides details on focus areas over the current and future financial years.

Focus risk areas

Financial Year 2019

- **Market Concentration (A)** - monitoring.
- **Acquisition and Project Development (B)** - limits set.
- **Business Continuity (D)** - Fire and flooding.
- **Information Security (E)** - risk assessment carried out.
- **Compliance (G)** - Internal operating procedures, Fire Code and National Code of Corporate Governance

Financial Years 2020 and 2021

Risk areas being managed by Service Providers on which focus will be placed in the next two financial years:

- **Disruptive Technologies (C)**
- **Information Security (E)** - IT security plan.
- **Liquidity (F)** - review treasury management.
- **Compliance (G)** - review internal procedures and comply with new legislations such as general data protection regulations.
- **Recruitment and Retention Policy (H)**

The next section provides details of risk areas, mitigating actions currently in place, opportunities and strategic responses.

Risk Management Report cont'd

Key Risks and Response

Areas of focus during the current financial year

RISKS	MITIGATING ACTIONS ALREADY IMPLEMENTED	STRATEGIES IMPACTED	STRATEGIC RESPONSE AND OPPORTUNITIES	CAPITAL IMPACTED
Market Concentration A The risk of being concentrated in the commercial retail sector within Mauritius is rising as the increase in the level of current and expected competition may lead to a situation whereby the supply of space rented may exceed the demand for space and consumption.	Performance of the sector is being monitored regularly at senior management level. Challenges in this sector were highlighted to the RMAC, the Strategic Committee and the Board. At a country level, the Directors are well versed with developments in the country and Mauritius is deemed as a low risk.	Market Leader Industry Reference Regional Player	Monitoring risk level through macroeconomic conditions, key performance indicators and reassessment of the decision next year, while also considering future opportunities.	
Acquisition and Project Development B Inadequate due diligence and feasibility study on acquisitions and development projects.	Investments and development projects selected were reviewed and approved by Strategic committee and RMAC. Limits have been set on Initial Investment which is based on strict KPIs.Worked with existing and known partners for acquisitions and projects.	Market Leader Industry Reference Regional Player	Internal audit of development projects. Further acquisitions in projects at fair value.	
Business Continuity D Breakdown in operations may be caused by fire, natural calamities, and effects of climate change, terrorist threats and IT breakdown.	Ascencia relies on well-known service providers (Property & Asset Manager) with whom we have a long term relationship. Specialist consultants are also contracted with on a case to case basis. **Fire and Security** • Audits performed by Fire Services and Internal Audit department. A follow up on implementation of mitigating controls was performed and satisfactory improvement was noted. • International consulting firm has been appointed for reviews. **Floods** • Cleaning of all drains monitored regularly in Kendra and Riche Terre Mall. **IT Breakdown** - Disaster recovery plan reviewed by group IT team and implemented.	Market Leader Industry Reference	Tighter safety measures. Review of IT System and testing of disaster recovery plan. Monitoring and follow up of previous audit recommendations. Review of service providers' performance.	
Information Security E The number of cyberthreats is on a rising trend in today's digital world and managing that risk has become more important as Information is a valuable asset and needs to be protected.	IT security audit performed by Internal Audit and implementation is in progress.	Industry Reference	IT and cybersecurity plan Monitoring and follow up of previous audit recommendations.	
Compliance: Internal and Legal G Non-compliance with internal procedures and legislations. During the year, the key changes that had an impact were the revised Fire Code and the Data Protection Act. Going forward with our plans to list on the Stock Exchange of Mauritius, we will have added regulations to comply with.	**Second Line of Defence** Process in place for the review of related party transactions. **Third Line of Defence: Internal Auditors** Processes reviewed during the year for which some improvement needed were: • Leasing • Procurement • Invoicing • Payments **Fourth Line of Defence** Qualified independent valuers compute fair value of investment properties and reviewed by external auditors and RMAC.	Market Leader Industry Reference Regional Player	**Second Line of Defence** • Implementation of updated payment process. • Assessment of compliance with new legislations. **Third Line of Defence** Internal audit review of: • Payment process; and • Ethics, fraud and whistleblowing policy.	

Risk Management Report cont'd

Key Risks and Response

Risk areas on which focus will be placed in the next two financial years (2020 & 2021)

RISKS	STRATEGIES IMPACTED	STRATEGIC RESPONSE AND OPPORTUNITIES	CAPITAL IMPACTED
C **Disruptive Technologies** Shoppers' expectations and behaviours are evolving and partly shaped by developments in technology such as e-commerce. Should these expectations not be met, this may result in a decline in footfall and in turn impact on tenants.	Market Leader, Industry Reference	Continue to focus on the shoppers' experience and have key measures planned for the coming years to assist us enhancing the experience. • Constantly reviewing tenant mix and attracting new brands to maintain attractiveness of malls. • Enhancing our digital capabilities within our malls. • Renovating and expanding certain malls.	
F **Financial** • Liquidity • Funding • Default • Interest rate	Market Leader, Industry Reference, Regional Player	**Second and Third lines of defence:** **Management oversight** With expansion and organic growth, the Treasury Management process will be enhanced by management and reviewed by Internal Audit. The RMAC will continue to review the financial risks through: • Quarterly and annual review of financial results. • Quarterly review of high-risk debtors and provision for impairment.	
H **Skills Retention & Performance** Property & Asset Manager and Fund Manager services are outsourced. Performance and retention of their employees impact Ascencia.	Market Leader, Industry Reference, Regional Player	With the shortage of skilled workforce within the property sector in Mauritius, emphasis will be placed on people management through the following measures: • Improved staff welfare plan and onboarding process. • Retention plan through internal promotions, succession planning and long-term benefit plan. • Restructuring of organisational structure. **Third line of defence** Review of hiring and onboarding process by Internal Audit planned next year.	

Risk Management Report cont'd

Risk Management Framework

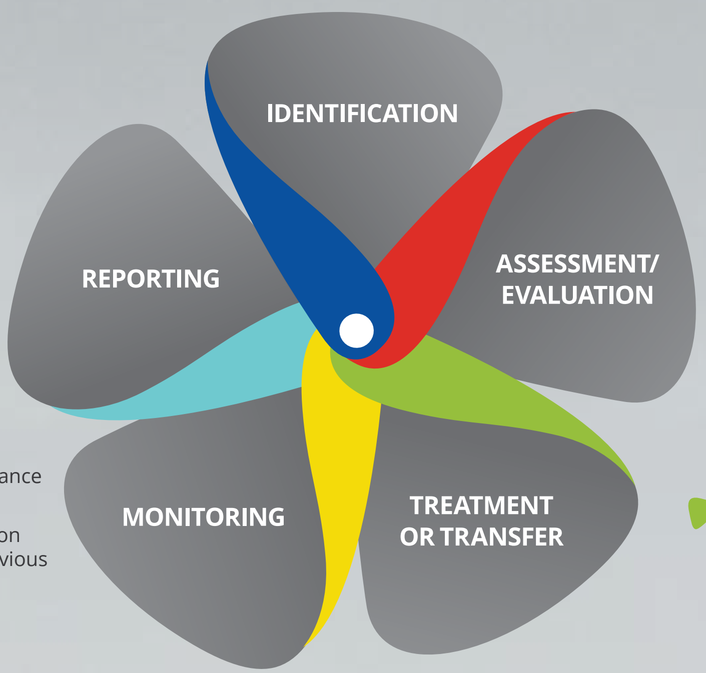
Our current risk management process and the four lines of defence which form part of the framework are disclosed below and on the website (www.ascenciamalls.com). The Risk Governance structure is disclosed in the Corporate Governance Report on pages 54 to 63.

At Ascencia, the Risk Management process and lines of defence are as follows:

Risk Management Process

- Centre and Operation Managers in malls.
- Safety checks and audits carried out.
- Review of complaints by tenants and shoppers.
- Periodic risk reviews.
- At time of preparation of Budget and Strategic Plan.

Risks are reported to the CEO and Chairman of the RMAC on a regular basis and discussed at both the RMAC and Board level.



Performed during the following meetings:

- Management meetings.
- Quarterly Risk and Audit Committee.
- Board of Directors.

- Review of key performance and risk indicators.
- Follow-up of progress on implementation of previous recommendations of Internal auditors.

Implementation of:

- Amended policies and procedures.
- Updated Strategic Plan.
- Recommendations of auditors on improvement of controls.
- Transfer to Insurance companies.

Lines of Defence

Our four lines of defence provide assurance to senior management, the RMAC and the Board of the effectiveness of the Risk Management Framework.

01 Controls are set at operations level and each shopping mall.

02
- Health & Safety checks
- Compliance checks
- Management review

03 Independent audit function which reports to the RMAC. Areas of risk are covered in a three-year plan which is reviewed annually to incorporate the changes in the risk landscape.

04 Independent experts who provide assurance on:
- Fair value of investment properties
- Financial statements
- Internal control environment

Our Way forward

The current risk management framework will also be reviewed and enhanced to allow closer collaboration between the four lines of defence and working towards an integrated risk process and a combined assurance model.

Management will also continue to focus on key risks identified and discussed above and the three-year audit plan will be executed. The risk culture will also be enhanced across the organisation through risk awareness sessions and workshops.

Chapter 6
Statutory Disclosures

Other Statutory Disclosures

Ascencia Limited

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

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

	Group		Company	
	2019	2018	2019	2018
	Rs'000	Rs'000	Rs'000	Rs'000
Management fees	145,195	133,267	75,325	72,745

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.

4. Directors' remuneration

	Group		Company	
	2019	2018	2019	2018
	Rs'000	Rs'000	Rs'000	Rs'000
Executive (nil)	-	-	-	-
Non-Executive	1,716	1,705	1,716	1,705

There were 11 Non-Executive Directors at 30 June 2019 (2018: 10).

5. Donations and social responsibility

	Group		Company	
	2019	2018	2019	2018
	Rs'000	Rs'000	Rs'000	Rs'000
Donations	-	-	-	-
Corporate Social Contributions	5,037	2,902	1,783	1,282

6. Auditor's Remuneration

	Group		Company	
	2019	2018	2019	2018
Fees payable to BDO & Co.:	Rs'000	Rs'000	Rs'000	Rs'000
Audit services	1,233	953	665	640

7. Directors of Subsidiary Companies

	Floreal Commercial Centre Limited	Bagaprop Limited
Boullé Robert	X	
Boshoff Armond		A
Caesens Koenig Amaury Bruno	R	
Espitalier-Noël Marie Hector Philippe		X
Lagesse Loïc Gérard Gaëtan	R	
Louw Lucille Helen		X
Mamet J. E. Damien	X	X
Pilot Joseph Marie Johan	R	
Tyack Frédéric Gérard	X	X
Van der Watt Louis Lukas Stephanus		R

X - In office as Director **A** - Appointed as Director **R** - Resigned as Director

Ascencia
Shaping singular places

Independent Auditor's Report

To the Shareholders of Ascencia Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the consolidated financial statements of Ascencia Limited and its subsidiaries (the 'Group'), and the Company's separate financial statements on pages 94 to 147, which comprise the statements of financial position as at 30 June 2019, 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 94 to 147 give a true and fair view of the financial position of the Group and of the Company as at 30 June 2019, and of their financial performance and their cash flows for the year then ended in accordance with the 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 for 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.

Investment Properties

As at 30 June 2019, the Group had investment properties amounting to Rs 12,294m. Investment properties are measured initially at cost, including transaction costs. Following 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 the discounted cash flow model. The significance of investment properties on the statements of financial position and the judgements and assumptions applied in arriving at the fair value resulted in them being identified as a key audit matter.

Related Disclosures

Refer to Note 11 of the accompanying financial statements.

Audit Response

We 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.
- Obtaining the external valuation reports and discussion with the external valuers about the results of their work on a sample of properties. We discussed and challenged the valuation process, forecasted performance of the portfolio, significant judgements and assumptions applied to the valuation model, including yields, occupancy rates, capitalisation rates and lease incentives. We benchmarked and challenged the key assumptions against 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 the information provided to the external valuers with underlying lease agreements.
- Testing land values by comparing the values used by the valuers to land values of similar characteristics.

Other information

The Directors are responsible for the other information. The other information comprises information included in the Chairman's Message, Leadership Review, Risk Management Report, Integrated Report, Corporate Governance Report, Secretary's Certificate, 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.

When we read the Integrated Report, if we conclude there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Corporate Governance Report

Our responsibility under the Financial Reporting Act is to report on the compliance with the Code of Corporate Governance disclosed in the Integrated Report and assess the explanations given for non-compliance with any requirement of the Code. From our assessment of the disclosures made on corporate governance in the Integrated Report, the public interest entity has, pursuant to Section 75 of the Financial Reporting Act, complied with the requirements of the Code.

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 the 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 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's 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 the 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 the ISAs, we exercise professional judgement and maintain professional scepticism 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's and the Company's internal control.

Independent Auditor's Report cont'd

To the Shareholders of Ascencia Limited

Auditor's Responsibilities for the Audit of the Financial Statements (cont'd)

- 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's 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.

Report on Other Legal and Regulatory Requirements

Companies Act 2001

We have no relationship with, or interests in, the Company or its subsidiaries, 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.

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

Port Louis,
Mauritius.

Ameenah Ramdin, FCCA, ACA
Licensed by FRC

13 September 2019

Directors' Report

(a) Financial Statements

The Directors of Ascencia Limited are responsible for the integrity of the audited financial statements of the Group and 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 Corporate Social Responsibilities

Social contributions amounting to Rs 1,783k (2018: Rs 1,282k) were made by the Company.

(e) Audited Financial Statements

The audited financial statements which appear on pages 94 to 147 were approved by the Board on 13 September 2019 and are signed on their behalf by:

Philippe Espitalier-Noël
Chairman

Frédéric Tyack
Chief Executive Officer

Date: 13 September 2019

Statements Of Profit Or Loss And Other Comprehensive Income
Year Ended 30 June 2019

		Group		Company	
	Notes	2019	2018	2019	2018
Continuing operations		Rs'000	Rs'000	Rs'000	Rs'000
Revenue					
Rental income	5(a)	999,599	839,155	382,282	351,082
Recoveries	5(a)	369,151	335,288	137,268	136,374
Other operating income	5(a)	32,834	28,514	17,361	14,405
Total revenue		1,401,584	1,202,957	536,911	501,861
Direct operating expenses arising from investment properties	6	(396,244)	(359,524)	(145,368)	(141,893)
Net operational income		1,005,340	843,433	391,543	359,968
Investment and other income	5(b)	27,516	17,693	293,327	220,855
Administrative expenses	7	(141,885)	(136,120)	(88,848)	(86,061)
Operating profit		890,971	725,006	596,022	494,762
Profit on disposal of investment properties		298	-	298	-
Increase in fair value of investment properties	11	400,569	497,163	146,625	286,118
Share of profit in joint venture	14	24,224	30,553	-	-
Loss on remeasurement of joint venture to subsidiary		(9,208)	-	-	-
Gain on bargain purchase		18,416	-	-	-
Profit before finance costs		1,325,270	1,252,722	742,945	780,880
Finance costs	8	(277,765)	(261,232)	(127,518)	(130,997)
Profit before tax		1,047,505	991,490	615,427	649,883
Income tax expense	9	(107,282)	(83,595)	(43,492)	(30,750)
Profit for the year from continuing operations		940,223	907,895	571,935	619,133

Statements Of Profit Or Loss And Other Comprehensive Income (cont'd)
Year Ended 30 June 2019

		Group		Company	
	Notes	2019	2018	2019	2018
Discontinued operations		Rs'000	Rs'000	Rs'000	Rs'000
Post tax profit/(loss) from discontinued operations	26(b)	9,869	(18,351)	9,869	30,590
Profit for the year		950,092	889,544	581,804	649,723
Other comprehensive income		-	-	-	-
Total comprehensive income for the year		950,092	889,544	581,804	649,723
Total comprehensive income attributable to:					
Ordinary equity holders of the parent		950,092	870,226		
Non-controlling interests		-	19,318		
		950,092	889,544		
Earnings per share:					
Basic (Rs)					
- Class A :	10	1.97	1.91		
Diluted (Rs)					
- Class A :	10	1.96	1.89		

The notes on pages 102 to 147 form an integral part of these financial statements.
Auditor's report on pages 90 to 92.

Statements Of Financial Position
Year Ended 30 June 2019

		Group		Company	
	Notes	2019	2018	2019	2018
ASSETS		Rs'000	Rs'000	Rs'000	Rs'000
Non-current assets					
Investment properties	11	12,293,927	11,160,054	4,795,753	4,600,142
Equipment	12	26,832	24,622	5,939	6,971
Investment in subsidiary companies	13	-	-	2,991,640	2,764,022
Investment in joint venture	14	128,424	130,478	104,200	106,347
Deferred tax assets	20	4,006	-	-	-
		12,453,189	11,315,154	7,897,532	7,477,482
Current assets					
Trade receivables	16	46,968	36,328	25,628	21,765
Prepayments		6,461	6,273	3,480	2,819
Financial assets at amortised costs	17	780,783	656,196	514,032	475,380
Cash and cash equivalents	24	101,073	399,678	61,112	334,189
		935,285	1,098,475	604,252	834,153
Non-current assets classified as held for sale	26(d)	119,144	71,567	119,144	71,567
Total assets		13,507,618	12,485,196	8,620,928	8,383,202
EQUITY AND LIABILITIES					
Shareholders' Equity					
Stated capital	18	4,411,401	4,362,734	4,411,401	4,362,734
Retained earnings		3,469,291	2,914,455	1,538,965	1,352,417
Equity attributable to the ordinary equity holders of the parent		7,880,692	7,277,189	5,950,366	5,715,151

Statements Of Financial Position (cont'd)
Year Ended 30 June 2019

		Group		Company	
	Notes	2019	2018	2019	2018
LIABILITIES		Rs'000	Rs'000	Rs'000	Rs'000
Non-current liabilities					
Trade and other payables	21	121,167	113,676	50,162	48,850
Borrowings	19	4,465,209	4,101,464	1,866,143	1,866,790
Convertible preference shares	19	-	48,667	-	48,667
Debentures	19	210,680	210,680	210,680	210,680
Deferred tax liabilities	20	363,047	291,645	155,165	124,183
		5,160,103	4,766,132	2,282,150	2,299,170
CURRENT LIABILITIES					
Trade and other payables	21	154,134	132,939	72,924	64,722
Borrowings	19	11,471	5,385	647	608
Convertible preference shares	19	48,667	48,667	48,667	48,667
Amount payable to related companies	22	23,320	-	36,943	-
Proposed dividend	23	226,549	215,274	226,549	215,274
		464,141	402,265	385,730	329,271
Liabilities directly associated with non-current assets classified as held for sale	26(e)	2,682	39,610	2,682	39,610
Total liabilities		5,626,926	5,208,007	2,670,562	2,668,051
Total equity and liabilities		13,507,618	12,485,196	8,620,928	8,383,202

The notes on pages 102 to 147 form an integral part of these financial statements.
Auditor's report on pages 90 to 92.

Statements Of Changes In Equity
Year Ended 30 June 2019

		Attributable to owners of the parent		
	Notes	Stated Capital	Retained Earnings	Total Equity
GROUP		Rs'000	Rs'000	Rs'000
Balance at 01 July, 2018		4,362,734	2,914,455	7,277,189
Conversion of preference shares	18	48,667	-	48,667
Profit for the year		-	950,092	950,092
Dividends	23	-	(395,256)	(395,256)
At 30 June, 2019		4,411,401	3,469,291	7,880,692

		Attributable to owners of the parent				
	Notes	Stated Capital	Retained Earnings	Total	Non-Controlling Interests	Total Equity
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		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		-	8,902	8,902	(616,511)	(607,609)
At 30 June, 2018		4,362,734	2,914,455	7,277,189	-	7,277,189

Statements Of Changes In Equity (cont'd)
Year Ended 30 June 2019

		Attributable to owners of the parent		
	Notes	Stated Capital	Retained Earnings	Total Equity
COMPANY		Rs'000	Rs'000	Rs'000
Balance at 01 July, 2018		4,362,734	1,352,417	5,715,151
Conversion of preference shares	18	48,667	-	48,667
Profit for the year		-	581,804	581,804
Dividends	23	-	(395,256)	(395,256)
At 30 June, 2019		4,411,401	1,538,965	5,950,366
COMPANY				
Balance at 01 July, 2017				
As previously reported		3,699,505	1,060,098	4,759,603
- Prior year adjustment		-	(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

The notes on pages 102 to 147 form an integral part of these financial statements.
Auditor's report on pages 90 to 92.

Statements Of Cash Flows
Year Ended 30 June 2019

		Group		Company	
	Notes	2019	2018	2019	2018
OPERATING ACTIVITIES		Rs'000	Rs'000	Rs'000	Rs'000
Profit before tax		1,047,505	991,490	615,427	649,883
Share of profit of joint venture	14	(24,224)	(30,553)	-	-
		1,023,281	960,937	615,427	649,883
Increase in fair value of investment properties		(400,569)	(497,163)	(146,625)	(286,118)
Straightlining of rental income		(74,475)	-	(24,672)	-
Provision for impairment and write-offs		2,751	12,764	3,131	10,321
Depreciation		7,479	5,705	2,036	1,847
Profit on sale of properties		(9,506)	-	-	-
Dividend income		-	-	(275,000)	(211,315)
Interest expense		277,765	261,232	127,518	130,997
		826,726	743,475	301,815	295,615
Changes in working capital:					
Trade receivables		(28,649)	(23,140)	(6,529)	(3,675)
Trade and other payables		(10,629)	15,422	4,290	(13,218)
Financial Assets held at ammortised cost		(41,191)	3,488	(60,669)	737
Amount payable to related companies		23,320	(10,681)	36,943	(18,921)
Cash generated from operations		769,577	728,564	275,850	260,538
Income tax paid		(17,299)	(4,766)	(5,208)	(4,766)
Net cash generated from operating activities		752,278	723,798	270,642	255,772

Statements Of Cash Flows (cont'd)
Year Ended 30 June 2019

		Group		Company	
	Notes	2019	2018	2019	2018
INVESTING ACTIVITIES		Rs'000	Rs'000	Rs'000	Rs'000
Acquisition of joint venture		(104,200)	-	(104,200)	-
Acquisition of subsidiary	25	(121,270)	-	(121,270)	-
Expenditure on investment properties		(131,146)	(9,017)	(124,411)	(3,618)
Purchase of equipment		(9,538)	(10,515)	(1,004)	(3,154)
Net proceeds from sales of properties		8,120	-	8,120	-
Dividend received		-	-	268,767	162,548
Net cash (used in)/generated from investing activities		(358,034)	(19,532)	(73,998)	155,776
FINANCING ACTIVITIES					
Proceeds from borrowings		15,320	2,550,730	-	383,000
Repayment of borrowings		(5,385)	(2,402,702)	(608)	(306,828)
Interest paid		(277,765)	(261,232)	(127,518)	(130,997)
Dividends paid		(383,981)	(256,821)	(383,981)	(256,821)
Dividends paid to non-controlling interest		-	(28,685)	-	-
Net cash used in financing activities		(651,811)	(398,710)	(512,107)	(311,646)
Net cash flows from discontinued operations	26(c)	16,429	458,825	16,429	458,825
Net (decrease)/increase in cash and cash equivalents		(241,138)	764,381	(299,034)	558,727
Cash and cash equivalents - opening		992,537	228,156	653,608	94,881
Cash acquired through business combinations	25	11,453	-	-	-
Cash and cash equivalents - closing	24(a)	762,852	992,537	354,574	653,608

The notes on pages 102 to 147 form an integral part of these financial statements.
Auditor's report on pages 90 to 92.

Notes to the Financial Statements

For the year ended 30 June 2019

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 the 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 2019 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 the International Financial Reporting Standards (IFRS). The financial statements include the consolidated financial statements of the parent company and its subsidiary companies ("The Group") and the separate financial statements of the Company ("The Company"). The financial statements are presented in Mauritian rupees and all values are rounded to the nearest thousand (Rs 000), except when otherwise indicated.

Where necessary, comparative figures have been amended to conform with change in presentation in the current year. The financial statements are prepared under the historical cost convention, except that:

(i) investment properties are stated at fair value;
(ii) relevant financial assets are stated at amortised cost; and
(iii) financial liabilities are stated at amortised cost.

2. Significant Accounting Policies (cont'd)

Standards, Amendments to published Standards and Interpretations effective in the reporting period

IFRS 9 replaces the provisions of IAS 39 that relate to the recognition, classification and measurement of financial assets and financial liabilities, derecognition of financial instruments, impairment of financial assets and hedge accounting. The adoption of IFRS 9 Financial instruments from 01 July 2018 resulted in changes in accounting policies and adjustments to the amounts recognised in the financial statements. This has fundamentally changed the Group's accounting for loss impairment of its financial assets by replacing IAS 39 incurred loss approach with a forward looking expected credit loss (ECL) approach. IFRS 9 requires the Group to record an allowance for ECLs for all its financial assets not held at fair value through profit or loss together with the loans. The new accounting policies are set out in note16. The Group has elected to apply the exemption in IFRS 9 paragraph 7.2.15 not to restate prior periods in the year of initial application of the Standard. The Group has chosen to adopt the simplified expected credit loss model for trade receivables in accordance with IFRS 9 paragraph 5.5.15.

IFRS 15 Revenue from Contracts with Customers is based on the principle that revenue is recognised when control of a good or service transfers to a customer. The Group has adopted IFRS 15 Revenue from Contracts with Customers from 01 July 2018 which resulted in changes in accounting policies and adjustments to the amounts recognised in the financial statements. The new accounting policies are set out in Note 5. In accordance with the transition provisions in IFRS 15, the Group has not restated comparatives for the previous financial year ended 30 June 2018.

To reflect the differences between IFRS 9 and IAS 39, IFRS 7 Financial Instruments: Disclosures were updated, and the Company has adopted it, together with IFRS 9, for the year beginning 1 July 2018. Changes include transition disclosures as shown in Note 30, detailed qualitative and quantitative information about the ECL calculations such as the assumptions and inputs used are set out in Note 16.

Classification and Measurement of Share-Based Payment Transactions (Amendments to IFRS 2)
The amendments clarify the measurement basis for cash-settled share-based payments and the accounting for modifications that change an award from cash-settled to equity-settled. The amendment has no impact on the Group's financial statements.

Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts (Amendments to IFRS 4)
The amendment provides two different solutions for insurance companies: a temporary exemption from IFRS 9 for entities that meet specific requirements (applied at the reporting entity level), and the 'overlay approach'. Both approaches are optional. The amendment has no impact on the Group's financial statements.

Annual Improvements to IFRSs 2014-2016 Cycle

- IFRS 1 - deleted short-term exemptions covering transition provisions of IFRS 7, IAS 19 and IFRS 10 which are no longer relevant.

- IAS 28 - clarifies that the election by venture capital organisations, mutual funds, unit trusts and similar entities to measure investments in associates or joint ventures at fair value through profit or loss should be made separately for each associate or joint venture at initial recognition. The amendment has no impact on the Group's financial statements.

Ascencia Limited And Its Subsidiaries

Notes To The Financial Statements - For The Year Ended 30 June 2019

2. Significant Accounting Policies (cont'd)

Standards, Amendments to published Standards and Interpretations effective in the reporting period (cont'd)

Annual Improvements to IFRSs 2014-2016 Cycle (cont'd)

IFRIC 22 Foreign Currency Transactions and Advance Consideration. The interpretation clarifies how to determine the date of transaction for the exchange rate to be used on initial recognition of a related asset, expense or income where an entity pays or receives consideration in advance for foreign currency-denominated contracts. The amendment has no impact on the Group's financial statements.

Transfers of Investment Property (Amendments to IAS 40). The amendments clarify that transfers to, or from, investment property can only be made if there has been a change in use that is supported by evidence. A change in use occurs when the property meets, or ceases to meet, the definition of investment property. A change in intention alone is not sufficient to support a transfer. 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 01 January 2019 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:
Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28)
IFRS 16 Leases
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)
Definition of a Business (Amendments to IFRS 3)
Definition of Material (Amendments to IAS 1 and IAS 8)

IFRS 16 - Leases will replace the existing lease standards, IAS 17 Leases. IFRS 16 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lessee accounting model for lessees. A lessee recognises right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. The standard also contains enhanced disclosure requirements for lessees. IFRS 16 substantially carries forward the lessor accounting requirements in IAS 17, hence no significant impact on the Group's financial statements.

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 Subsidiaries

Notes To The Financial Statements - For The Year Ended 30 June 2019

2. Significant Accounting Policies (cont'd)

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 variety of financial risks.

A description of the significant risk factors is given below, together with the risk management policy applicable.

Credit risk

The Group's credit risk arises mainly from financial assets at amortised costs, trade receivables and cash and cash equivalents. In view of managing its credit risk, the Group has an established credit policy whereby new customers are individually analysed for credit worthiness for each business activity before offering any standard payment delivery terms and conditions. Based on the assessment, the Group may require the customers to lodge a bank guarantee as a security document.

In the previous year, the amounts presented in the statements 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. There are no significant concentrations 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 are 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, 2019, 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	**2019**	2018	**2019**	2018
Effect higher/lower on post tax profit	**22,383**	20,534	**9,334**	9,337

Ascencia Limited And Its Subsidiaries
Notes To The Financial Statements - For The Year Ended 30 June 2019

3. Financial Risk Factors (cont'd)

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 parent companies.

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.

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.

GROUP	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
At June 30, 2019	**Rs'000**	Rs'000	**Rs'000**	Rs'000
Bank loans	11,471	40,894	818,460	3,605,855
Convertible preference shares	48,667	-	-	-
Debentures	-	21,068	126,408	63,204
Trade and other payables	154,134	23,695	78,175	19,297
Amounts payable to related companies	23,320	-	-	-
GROUP				
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	11,600	87,849	14,227

Ascencia Limited And Its Subsidiaries
Notes To The Financial Statements - For The Year Ended 30 June 2019

3. Financial Risk Factors (cont'd)

Liquidity risk (cont'd)

COMPANY	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
At June 30, 2019	**Rs'000**	Rs'000	**Rs'000**	Rs'000
Bank loans	647	630	320,481	1,545,032
Convertible preference shares	48,667	-	-	-
Debentures	-	21,068	126,408	63,204
Trade and other payables	72,924	8,581	38,816	2,765
Amounts payable to related companies	36,943	-	-	-
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	7,873	35,702	5,275

Fair value estimation

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

Ascencia Limited And Its Subsidiaries

Notes To The Financial Statements - For The Year Ended 30 June 2019

3. Financial Risk Factors (cont'd)

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 make necessary adjustments 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 2019, 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 2019 and at 30 June 2018 were as follows:

	Group		Company	
	2019	2018	**2019**	2018
	Rs'000	Rs'000	**Rs'000**	Rs'000
Total investment properties	**12,293,927**	11,160,054	**4,795,753**	4,600,142
Borrowings including convertible preference shares and debentures				
Non-current	**4,675,889**	4,360,811	**2,076,823**	2,126,137
Current	**60,138**	54,052	**49,314**	49,275
	4,736,027	4,414,863	**2,126,137**	2,175,412
Asset-cover ratio	**2.60**	2.53	**2.26**	2.11

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

Ascencia Limited And Its Subsidiaries

Notes To The Financial Statements - For The Year Ended 30 June 2019

4. Critical Accounting Estimates And Judgements

Estimates and judgements are continually 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 the 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 correlation 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 Group's assets and liabilities are managed. Other limitations include the use of hypothetical market movements to demonstrate potential risks that only represent the Group's view of possible near-term market changes that cannot be predicted with any certainty.

5. Revenue and Other Income

Accounting policy

(i) Revenue from contracts with customers
Performance obligations and timing of revenue recognition

The majority of the revenue is derived from rental and recoveries income with revenue recognised at a point in time on signature of the lease contract and in accordance with the substance of the relevant agreement.

Determining the transaction price

Most of the revenue is derived from fixed price contracts and therefore the amount of revenue to be earned from each contract is determined by reference to those fixed prices.

Allocating amounts to performance obligations

For most contracts, there is a fixed price; therefore, there is no judgement involved in allocating the contract price to the confirmation of such contracts. The revenue is measured at the transaction price agreed under the contract. In most cases, the consideration is due upon signature of the contract. While deferred payment terms may be agreed in rare circumstances, the deferral is usually within twelve months. The transaction price is therefore not adjusted for the effects of a significant financing component.

(ii) Other revenues earned by the Group are recognised on the following bases:

- Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets, the Company reduces the carrying amount to its recoverable amount, being the estimated future cash flows discounted at the original effective rate.

- Dividend income - when the shareholder's right to receive payment is established.

Ascencia Limited And Its Subsidiaries

Notes To The Financial Statements - For The Year Ended 30 June 2019

5. Revenue and Other Income (cont'd)

	Group		Company	
(a) Total Revenue	**2019**	2018	**2019**	2018
	Rs'000	Rs'000	**Rs'000**	Rs'000
Rental income and recoveries	**1,294,275**	1,174,443	**494,878**	487,456
Straight-line rental accrual	**74,475**	-	**24,672**	-
Exhibition and advertising	**32,834**	28,514	**17,361**	14,405
	1,401,584	1,202,957	**536,911**	501,861
Timing of revenue recognition At a point in time	**1,401,584**	1,202,957	**536,911**	501,861
(b) Investment and Other Income				
Dividend income	**-**	-	**275,000**	211,315
Interest income	**27,516**	14,737	**18,327**	9,212
Others	**-**	2,956	**-**	328
	27,516	17,693	**293,327**	220,855

Ascencia Limited And Its Subsidiaries

Notes To The Financial Statements - For The Year Ended 30 June 2019

6. Direct Operating Expenses

	Group		Company	
	2019	2018	**2019**	2018
	Rs'000	Rs'000	**Rs'000**	Rs'000
Utilities and other recharges	**222,575**	203,764	**62,971**	62,191
Property management fees	**48,827**	43,975	**18,828**	18,418
Exhibition and marketing	**37,710**	35,972	**18,430**	18,613
Cleaning	**35,109**	28,845	**18,920**	16,398
Security fees	**17,968**	16,004	**9,834**	9,779
Insurance	**8,241**	7,576	**3,567**	3,560
Rent, taxes and licences	**2,423**	2,502	**2,334**	2,403
Others	**23,391**	20,886	**10,484**	10,531
	396,244	359,524	**145,368**	141,893

7. Administrative Expenses

Fund management fees	**31,417**	30,320	**31,417**	30,320
Asset management fees	**64,027**	58,471	**24,231**	23,504
Professional fees	**11,898**	9,174	**9,337**	8,183
Letting commission	**13,395**	13,029	**7,431**	7,722
Provision for impairment	**2,751**	13,695	**3,131**	10,321
Depreciation	**7,479**	5,737	**2,036**	1,847
Others	**10,918**	5,694	**11,265**	4,164
	141,885	136,120	**88,848**	86,061

Ascencia Limited And Its Subsidiaries

Notes To The Financial Statements - For The Year Ended 30 June 2019

8. Finance Costs

	Group		Company	
	2019	2018	2019	2018
	Rs'000	Rs'000	Rs'000	Rs'000
Interest on bank loans and other loans repayable by instalments	258,150	239,414	107,903	109,039
Interest on other loans not repayable by instalments	1,134	-	1,134	141
Interest on preference shares	5,840	9,177	5,840	9,177
Interest on debentures	12,641	12,641	12,641	12,640
	277,765	261,232	127,518	130,997

9. Income Tax Expense

	Group 2019	Group 2018	Company 2019	Company 2018
Current tax on the adjusted profit for the year at 15% (2018: 15%) (note 17 (a))	35,098	17,315	10,758	5,164
Deferred tax (note 20(b) & 26(b))	67,147	60,323	30,951	21,249
Corporate social responsibility tax (note 17(a))	5,037	2,902	1,783	1,282
Underprovision	-	3,055	-	3,055
	107,282	83,595	43,492	30,750

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

	Group 2019	Group 2018	Company 2019	Company 2018
Profit before tax	1,047,505	971,530	615,427	678,864
Share of profit in joint venture (note 14)	(24,224)	(30,553)	-	-
	1,023,281	940,977	615,427	678,864
Tax calculated at 15% (2018: 15%)	153,492	141,147	92,314	101,830
Expenses not deductible for tax purposes	12,154	8,486	8,998	8,159
Income not subject to tax	(71,301)	(79,038)	(63,244)	(86,075)
Corporate social responsibility tax	5,037	2,902	1,783	1,282
Deferred tax rate differential on corporate social responsibility tax	7,900	7,043	3,641	2,499
Underprovision	-	3,055	-	3,055
Tax charge	107,282	83,595	43,492	30,750

Ascencia Limited And Its Subsidiaries

Notes To The Financial Statements - For The Year Ended 30 June 2019

10. Earnings per Share

	Group		Company	
	2019	2018	2019	2018
	Rs'000	Rs'000	Rs'000	Rs'000
Profit attributable to equity holders of the parent	950,092	870,226	581,804	649,723
Number of ordinary shares in issue - Class A	484,817,301	482,019,385	484,817,301	482,019,385
Earnings per share Basic (Rs) - Class A	1.97	1.91		
Diluted (Rs) - Class A	1.96	1.89		

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 the reporting period. Gains and losses arising from changes in the fair values 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.

Ascencia Limited And Its Subsidiaries

Notes To The Financial Statements - For The Year Ended 30 June 2019

11. Investment Properties (cont'd)

Fair value model

	Group		Company	
	2019	2018	**2019**	2018
	Rs'000	Rs'000	**Rs'000**	Rs'000
At 01 July,	**11,160,054**	10,663,787	**4,600,142**	4,319,230
Acquisition through business combination (note 25)	**627,780**	-	**-**	-
Acquisition	**136,429**	15,493	**129,694**	10,094
Straight-lining of rental income	**74,475**	-	**24,672**	-
Disposal	**(8,120)**	-	**(8,120)**	-
Increase in fair value	**400,569**	497,163	**146,625**	286,118
Write-off	**-**	(1,089)	**-**	-
Transfer to non-current assets held for sale (note 26(d))	**(97,260)**	(15,300)	**(97,260)**	(15,300)
At 30 June,	**12,293,927**	11,160,054	**4,795,753**	4,600,142

(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 Surveyors, the South African Institute of Valuers and the International Valuation Standards Committee.

The fair value of the properties has 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.

Ascencia Limited And Its Subsidiaries

Notes To The Financial Statements - For The Year Ended 30 June 2019

11. Investment Properties (cont'd)

Fair value model (cont'd)

Main assumptions used in the valuation of the properties are:

Reversionary rate	7.5% - 9.25%
Discount rate	12.0% - 13.5%
Market Rental Growth	5%
Expense Growth	3.5%
Net operating income from properties	Rs 17m - Rs 526m
DCF period	5 years

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

	Group		Company	
	2019	2018	**2019**	2018
	Rs'000	Rs'000	**Rs'000**	Rs'000
Rental income	**999,599**	839,155	**382,282**	351,082
Recoveries	**369,151**	335,288	**137,268**	136,374
Direct operating expenses arising from investment properties that generate rental income	**(369,151)**	(335,288)	**(137,268)**	(136,374)
Direct operating expenses that did not generate rental income	**(27,093)**	(24,236)	**(8,100)**	(5,519)

(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 the 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 gains tax on disposal of its investment properties.

Ascencia Limited And Its Subsidiaries

Notes To The Financial Statements - For The Year Ended 30 June 2019

12. Equipment

(a) 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	3

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

	Assets in progress	Machinery and equipment	Furniture and fittings	Total
Cost	Rs'000	Rs'000	Rs'000	Rs'000
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
Additions through business combination	-	158	-	158
Additions	1,542	7,996	-	9,538
Transfer	(914)	914	-	-
At June 30, 2019	2,119	48,471	2,700	53,290

Ascencia Limited And Its Subsidiaries

Notes To The Financial Statements - For The Year Ended 30 June 2019

12. Equipment (cont'd)

	Assets in progress	Machinery and equipment	Furniture and fittings	Total
	Rs'000	Rs'000	Rs'000	Rs'000
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
Additions through business combination	-	7	-	7
Charge for the year	-	7,342	137	7,479
At June 30, 2019	-	24,355	2,103	26,458
Net Book Value				
At June 30, 2019	2,119	24,116	597	26,832
At June 30, 2018	1,491	22,397	734	24,622

Depreciation of Rs 7,479k (2018: Rs 5,705k) has been charged to administrative expenses.

Bank borrowings are secured by floating charges on the assets of the Company, including equipment.

Ascencia Limited And Its Subsidiaries
Notes To The Financial Statements - For The Year Ended 30 June 2019

12. Equipment (cont'd)

(c) The Company	Office equipment	Other equipment	Total
Cost	Rs'000	Rs'000	Rs'000
At July 01, 2017	1,649	7,439	9,088
Additions	6	3,148	3,154
At June 30, 2018	1,655	10,587	12,242
Additions	-	1,004	1,004
At June 30, 2019	1,655	11,591	13,246
Depreciation			
At July 01, 2017	1,465	1,959	3,424
Charge for the year	190	1,657	1,847
At June 30, 2018	1,655	3,616	5,271
Charge for the year	-	2,036	2,036
At June 30, 2019	1,655	5,652	7,307
Net Book Value			
At June 30, 2019	-	5,939	5,939
At June 30, 2018	-	6,971	6,971

Depreciation of Rs 2,036k (2018: Rs 1,847k) has been charged to administrative expenses.

(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.

Ascencia Limited And Its Subsidiaries
Notes To The Financial Statements - For The Year Ended 30 June 2019

13. Investment in Subsidiaries - 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 for the current year. The consideration for the acquisition includes contingent consideration arrangement.

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 subsidiary on a line-by-line basis 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 subsidiary companies of Ascencia Limited (which are incorporated and operate in Mauritius) are as follows:

	Company	
	2019	2018
	Rs'000	Rs'000
At 01 July,	2,764,022	2,156,413
Acquisition	-	607,609
Transfer from joint ventures (note 14)	227,618	-
At 30 June,	2,991,640	2,764,022

Ascencia Limited And Its Subsidiaries
Notes To The Financial Statements - For The Year Ended 30 June 2019

13. Investment in Subsidiaries - Cost (cont'd)

The subsidiary companies of Ascencia Limited (which are incorporated and operate in Mauritius) are as follows:

Name	Class of shares held	Year end	Stated Capital Rs'000	Proportion of ownership interest		Main business
				2019	2018	
Bagaprop Limited	Ordinary shares	30 June	1,252,101	100%	100%	Investment properties
Floreal Commercial Centre Limited*	Ordinary shares	30 June	324,000	100%	-	Investment properties

* The Company acquired an additional 50% stake in Floreal Commercial Centre Limited during the year, increasing its ownership interest from 50% to 100%.

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. It 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. 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's post-acquisition profits or losses is recognised in the Statements 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 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 joint venture 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 subsidiaries and 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 Subsidiaries
Notes To The Financial Statements - For The Year Ended 30 June 2019

14. Investment in joint venture (cont'd)

	Group		Company	
	2019	2018	2019	2018
	Rs'000	Rs'000	Rs'000	Rs'000
At 01 July,	130,478	99,925	106,347	106,347
Additions	104,200	-	225,471	-
Share of profit	24,224	30,553	-	-
Transfer to investment in subsidiary companies (Note 13)	(130,478)	-	(227,618)	-
At 30 June,	128,424	130,478	104,200	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	
				2019	2018
Floreal Commercial Centre Limited (FCCL)*	30 June,	Investment properties	Mauritius	-	50%
Beauvallon Shopping Mall Limited	30 June,	Investment properties	Mauritius	50%	-

The Beauvallon Shopping Mall Limited in a private company and there is no quoted market price available for its shares.
* The Company acquired an additional 50% stake in FCCL during the year and was thus reclassified as a subsidiary.

Ascencia Limited And Its Subsidiaries

Notes To The Financial Statements - For The Year Ended 30 June 2019

14. Investment in joint venture (cont'd)

(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 the IFRS.

Summarised statement of financial position

	Beauvallon Shopping Mall Limited	Floreal Commercial Centre Limited
	2019	2018
	Rs'000	Rs'000
Current assets	44,955	27,175
Non-current assets	478,006	627,931
Current liabilities	220,823	34,032
Non-current liabilities	21,083	443,898

Summarised financial information

The above amounts of assets and liabilities include the following:

Cash and cash equivalents	-	11,453
Current financial liabilities (excluding trade and other payables and provisions)	179,351	23,443
Non-current financial liabilities (excluding trade and other payables and provisions)	-	443,898

Ascencia Limited And Its Subsidiaries

Notes To The Financial Statements - For The Year Ended 30 June 2019

14. Investment in joint venture (cont'd)

Summarised statement of profit or loss and other comprehensive income

The above profit for the year include the following:

	Beauvallon Shopping Mall Limited	Floreal Commercial Centre Limited
	2019	2018
	Rs'000	Rs'000
Revenue	-	41,291
Profit for the year/total comprehensive income for the year	72,655	61,106
Depreciation	-	7
Interest expense	17	10,123

Reconciliation of summarised financial information

Reconciliation of the above summarised financial information to the carrying amount of the interest in the joint venture recognised in the financial statements:

Opening net assets of the joint venture	-	115,851
Issue of shares	208,400	-
Profit for the period	72,655	61,106
	281,055	176,957
Shareholders' loan	-	84,000
Closing net assets	281,055	260,957
Carrying amount of Group's interest in joint venture	128,424	130,478

Ascencia Limited And Its Subsidiaries
Notes To The Financial Statements - For The Year Ended 30 June 2019

14. Investment in joint venture (cont'd)

The Beauvallon Shopping Mall Ltd (Bo'Valon) is a limited liability and private company whose legal form confers separation between the parties to the joint arrangement and the Company itself. Furthermore, there are no contractual arrangements or any other facts and circumstances that indicate that the parties to the joint arrangement have rights to the assets and obligations for the liabilities of the joint arrangement. Accordingly, Bo'Valon is classified as a joint venture.

(c) In the prior year, the Company held a 50% interest in Floreal Commercial Centre Limited (FCCL) and accounted for the investment as a joint venture. During the year, the Company acquired the remaining 50% interest in FCCL, thus increasing the Company's interest to 100%. The investment was thus reclassified as an investment in subsidiary.

(d) Critical accounting estimates and assumptions

Significant judgements and assumptions are made in determining whether an entity has joint control or significant influence over another entity and the type of joint arrangement. In considering the classification, management considers whether control exists, the nature and structure of the relationship and other facts and circumstances.

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 01 July, 2017, being the effective date.

Ascencia Limited And Its Subsidiaries
Notes To The Financial Statements - For The Year Ended 30 June 2019

15. Intangible assets (cont'd)

	Group	
	2019	2018
	Rs'000	Rs'000
At 01 July,	-	12,554
Disposal of subsidiary	-	(12,554)
At 30 June,	-	-

16. Trade and Other Receivables

Accounting policy

(a) Trade receivables are measured initially at fair value and are subsequently stated at amortised cost using the effective interest method less loss allowance (2018: Trade receivables initially recognised at fair value and subsequently measured at amortised costs less provision for impairment).

(b) Impairment of trade receivables
The Group applies the IFRS 9 simplified approach to measure expected credit losses which uses a lifetime expected loss allowance for all trade and other receivables. To measure the expected credit losses, trade and other receivables have been grouped based on shared credit risk characteristics and the days past due. The credit loss calculation is determined by the components listed below:

Ascencia Limited And Its Subsidiaries

Notes To The Financial Statements - For The Year Ended 30 June 2019

16. Trade and Other Receivables (cont'd)

Component	Definition
Probability of default (PD)	The probability that a counterparty will default over the next 12 months from the reporting date (stage 1) or over the lifetime of the product (stage 2) and incorporating the impact of forward-looking economic assumptions that have an effect on credit risk, such as interest rates, unemployment rates and GDP forecasts. The PD estimates will fluctuate in line with the economic cycle. The lifetime (or term structure) PDs are based on global historical loss models of Standard & Poor's (S&P) and adjusted to incorporate forward-looking economic assumptions where required. Credit quality is assessed when determining the credit risk and PD. The Group has allocated a default internal mapping to all tenants and then mapped to the S&P external ratings equivalent. The internal counterparties were mapped using the following parameters:

S&P external rating equivalent	Judgement applied
AAAA to BBB-	Large multinationals with proven track record
BB+ to B-	Large nationals with proven track record
C to Unrated	All other tenants

The majority of tenants have been rated as "C"

Loss given default (LGD)	The loss that is expected to arise on default, incorporating the impact of forward-looking economic assumptions where relevant, which represents the difference between the contractual cash flows due and those that the Group expects to receive. The Group estimates LGD based on the history of recovery rates and considers the recovery of any collateral that is integral to the financial asset, taking into account forward-looking economic assumptions where relevant. The Group applied deposits received from tenants as collateral to determine the net credit exposure by tenant.
Exposure at default (EAD)	The expected balance sheet exposure at the time of default, taking into account the expected change in exposure over the lifetime of the exposure. This incorporates the impact of amortisation and prepayments, together with the impact of forward-looking economic assumptions where relevant.

Ascencia Limited And Its Subsidiaries

Notes To The Financial Statements - For The Year Ended 30 June 2019

16. Trade and other receivables (cont'd)

(b) Impairment of trade receivables (cont'd)

To determine the expected credit loss, these components are multiplied together (PD for the reference period (up to 12 months or lifetime) x LGD at the beginning of the period x EAD at the beginning of the period) and discounted to the balance sheet date using the effective interest rate as the discount rate.

On that basis, the loss allowance as at 30 June 2019 (2018: Nil) in compliance with IFRS 9 was not deemed material for the Group or Company.

In previous years, the impairment of trade receivables was assessed based on the incurred loss model. Individual receivables which were known to be uncollectible were written off by reducing the carrying amount directly. The other receivables were assessed collectively to determine whether there was objective evidence that an impairment had been incurred but not yet been identified. For these receivables, the estimated impairment losses were recognised in a separate provision for impairment.

The amount of provision is recognised in profit or loss.

	Group		Company	
	2019	2018	**2019**	2018
	Rs'000	Rs'000	**Rs'000**	Rs'000
Trace receivables (note (b))	**63,737**	47,464	**36,080**	29,724
Less: provision for impairment (note (b))	**(16,769)**	(11,136)	**(10,452)**	(7,959)
	46,968	36,328	**25,628**	21,765

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

	Group		Company	
	2019	2018	**2019**	2018
(b) Ageing of trade receivables	**Rs'000**	Rs'000	**Rs'000**	Rs'000
Less than 1 month	**19,752**	6,956	**9,832**	4,867
Impairment	**(818)**	(2,545)	**-**	(1,621)
	18,934	4,411	**9,832**	3,246

Ascencia Limited And Its Subsidiaries

Notes To The Financial Statements - For The Year Ended 30 June 2019

16. Trade and other receivables (cont'd)

	Group		Company	
	2019	2018	2019	2018
(b) Ageing of trade receivables (cont'd)	Rs'000	Rs'000	Rs'000	Rs'000
More than 1 month and less than 3 months	5,303	9,678	2,917	5,298
Impairment	(151)	(2,307)	-	(1,025)
	5,152	7,371	2,917	4,273
More than 3 months	38,682	30,830	23,331	19,559
Impairment	(15,800)	(6,284)	(10,452)	(5,313)
	22,882	24,546	12,879	14,246
	46,968	36,328	25,628	21,765
Movements on the provision for impairment of trade receivables are as follows:				
At 01 July,	11,136	16,868	7,959	12,126
Charge/(release) for the year	4,778	1,064	5,139	(1,752)
Bad debts recovered	(2,828)	(531)	(2,384)	-
Write-off	(262)	(6,265)	(262)	(2,415)
Acquired during the year	3,945	-	-	-
At 30 June,	16,769	11,136	10,452	7,959

Trade receivables are not secured, non-interest-bearing and are generally on 30 days' term.

17. Financial Assets at Amortised Cost

Accounting policy

Financial assets at amortised costs include those assets held with a view of collecting contractual cash flows and contractual cash flows are solely payments of principal and interest. They are initially recognised at fair value plus transactions costs that are directly attributable to their acquisition or issue, and are subsequently carried at amortised cost using the effective interest rate method less any provision from impairment.

Ascencia Limited And Its Subsidiaries

Notes To The Financial Statements - For The Year Ended 30 June 2019

17. Financial Assets at Amortised Cost (cont'd)

Other receivables generally arise from transactions outside the usual operating activities of the Group. Interest may be charged at commercial rates where the terms of repayment exceed six months. Collateral is not normally obtained. Other receivables are current and repayable within the next financial year.

The Group has made an impairment by considering the previous repayment behaviours and assessing the future cash flow forecasts covering the contractual period of the loan. The Group does not expect any default from them and is certain of their ability to pay their debts as they become due in the normal course of business and/or in any adverse economic and business conditions. Consequently, the probability of default is negligible and the Group has not accounted for any impairment loss.

In 2018, loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method less any impairment.

	Group		Company	
	2019	2018	2019	2018
	Rs'000	Rs'000	Rs'000	Rs'000
Short-term deposits with intermediate holding company (note 24)	641,779	572,859	273,462	299,419
Amount receivable from intermediate holding company	843	-	843	-
Amount receivable from subsidiary company	-	-	141,352	133,767
Short-term deposits with entity with significant influence (note 24)	20,000	20,000	20,000	20,000
Amount receivable from entity with significant influence	195	-	195	-
Amount receivable from other related companies	-	-	-	-
Short-term loans to joint venture	55,000	-	55,000	-
Amount receivable from joint venture	433	-	933	-
Other receivables	60,567	40,039	18,589	10,977
Net tax assets (note (a))	1,966	23,298	3,658	11,217
	780,783	656,196	514,032	475,380

Ascencia Limited And Its Subsidiaries

Notes To The Financial Statements - For The Year Ended 30 June 2019

17. Financial Assets at Amortised Cost (cont'd)

The carrying amount of loans receivable approximates their fair values. The loan is unsecured and is repayable by instalments within one year.

	Group		Company	
	2019	2018	2019	2018
(a) Net tax assets	Rs'000	Rs'000	Rs'000	Rs'000
At 01 July,	23,298	47,740	11,217	23,132
Tax deducted at source movement for the year	40,853	33,592	16,921	11,428
TDS refundable	(39,211)	(35,853)	(17,009)	(14,933)
Tax paid	17,299	4,766	5,208	4,766
Current tax liability (note 9)	(35,098)	(17,315)	(10,758)	(5,164)
Corporate social responsibility tax (note 9)	(5,037)	(2,902)	(1,783)	(1,282)
Provision for tax deducted at source	(138)	(6,730)	(138)	(6,730)
At 30 June,	1,966	23,298	3,658	11,217

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	
	2019	2018	2019	2018
	Rs'000	Rs'000	Rs'000	Rs'000
At 01 July,	482,019,385	432,770,316	4,362,734	3,699,505
Issue of Class A shares	-	45,616,281	-	607,609
Conversion of preference shares (note 19(b))	2,797,916	3,632,788	48,667	55,620
At 30 June,	484,817,301	482,019,385	4,411,401	4,362,734

Ascencia Limited And Its Subsidiaries

Notes To The Financial Statements - For The Year Ended 30 June 2019

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 liabilities. 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	
	2019	2018	2019	2018
Non-Current	Rs'000	Rs'000	Rs'000	Rs'000
Bank loans (note (a))	4,465,209	4,101,464	1,866,143	1,866,790
Convertible preference shares (note (b))	-	48,667	-	48,667
Debentures (note (c))	210,680	210,680	210,680	210,680
Total	4,675,889	4,360,811	2,076,823	2,126,137
Current	11,471	5,385	647	608
Bank loans (note (a))	48,667	48,667	48,667	48,667
Convertible preference shares (note (b))	60,138	54,052	49,314	49,275
Total	4,736,027	4,414,863	2,126,137	2,175,412

(a) Bank borrowings

The bank loans are secured by floating charges over assets of the Group. The Group Rs 4,477m (2018: Rs 4,107m), Company Rs 1,869m (2018: Rs 1,867m). The rates of interest on these loans is 5.75% and 6.25%. (2018: 5.75% and 6.25%).

(b) Convertible preference shares

On 30 June 2019, 3,696,909 (2018: 4,213,602) preference shares amounting to Rs 48,667,199 (2018: Rs 55,619,550) were converted into Class A ordinary shares at a conversion rate of 0.7589 (2018: 0.8622), representing 2,797,916 (2018: 3,632,788) ordinary shares.

Ascencia Limited And Its Subsidiaries
Notes To The Financial Statements - For The Year Ended 30 June 2019

19. Borrowings (cont'd)

Salient 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.
- They have 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.

Salient 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.

Ascencia Limited And Its Subsidiaries
Notes To The Financial Statements - For The Year Ended 30 June 2019

19. Borrowings (cont'd)

The maturity of non-current borrowings is as follows:

	Group		Company	
	2019	2018	2019	2018
	Rs'000	Rs'000	Rs'000	Rs'000
Between 1 and 2 years	61,962	54,693	21,698	49,275
Between 2 and 5 years	944,868	309,107	446,889	75,074
Greater than 5 years	3,669,069	3,997,011	1,608,236	2,001,788
	4,675,889	4,360,811	2,076,823	2,126,137

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 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% (2018:17%).

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. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Ascencia Limited And Its Subsidiaries

Notes To The Financial Statements - For The Year Ended 30 June 2019

20. Deferred Income Tax (cont'd)

Corporate Social Responsibility (CSR)

Every Mauritian company is required to set up a CSR fund equivalent to 2% of its chargeable income of the preceding year and the company should remit 75% of the fund respectively to the Mauritian Revenue Authority. This practice is being interpreted and CSR is classified as taxation.

(a) There is a legally enforceable right to offset current tax assets against current tax liabilities and deferred income tax assets and liabilities 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	
	2019	2018	2019	2018
	Rs'000	Rs'000	Rs'000	Rs'000
Deferred tax liabilities	363,047	291,645	155,165	124,183
Deferred tax assets	(4,006)	-	-	-
	359,041	291,645	155,165	124,183

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

	Group		Company	
	2019	2018	2019	2018
	Rs'000	Rs'000	Rs'000	Rs'000
At 01 July,				
- As previously reported	291,645	204,108	124,183	90,824
- Prior year adjustment	-	27,214	-	12,110
- As restated	291,645	231,322	124,183	102,934
Charged to profit or loss (note 9)	67,147	58,714	30,951	19,640
Acquired through a business combination (note 25)	218	-	-	-
Transfer from/(to) non-current assets held for sale (note 26(b))	31	1,609	31	1,609
At 30 June,	359,041	291,645	155,165	124,183

Ascencia Limited And Its Subsidiaries

Notes To The Financial Statements - For The Year Ended 30 June 2019

20. Deferred Income Tax (cont'd)

	Group		Company	
	2019	2018	2019	2018
Made up of:	Rs'000	Rs'000	Rs'000	Rs'000
Accelerated capital allowances	363,047	291,645	155,165	124,183
Tax losses	(4,006)	-	-	-
	359,041	291,645	155,165	124,183

At the end of the reporting period, the Group had Rs 23,568k unused tax losses (2018: Nil) available for offset against future profits. A deferred tax asset has been recognised in respect of Rs 23,568k (2018: Nil). Tax losses expired on a rolling basis every 5 years.

(c) The movement in deferred tax assets and liabilities during the year without taking into consideration the offsetting of balances within the same fiscal authority on the same entity is as follows:

(i) Deferred tax liabilities	Accelerated tax depreciation	Total
	Rs'000	Rs'000
GROUP		
At 01 July, 2017		
- As previously reported	210,473	210,473
- Prior year adjustment	28,063	28,063
- As restated	238,536	238,536
Charged to profit or loss (note 9)	51,500	51,500
Transfer from non-current assets held for sale(note26(e))	1,609	1,609
At 30 June 2018	**291,645**	**291,645**
Acquired through a business combination	4,308	4,308
Charged to profit or loss (note 9)	67,063	67,063
Transfer from non-current assets held for sale(note26(e))	31	31
At 30 June, 2019	**363,047**	**363,047**

Ascencia Limited And Its Subsidiaries
Notes To The Financial Statements - For The Year Ended 30 June 2019

20. Deferred Income Tax (cont'd)

(ii) Deferred tax assets	Tax Losses	Total
	Rs'000	Rs'000
GROUP		
At 01 July, 2017		
- As previously reported	(6,365)	(6,365)
- Prior year adjustment	(849)	(849)
- As restated	(7,214)	(7,214)
Charged to profit or loss (note 9)	7,214	7,214
At 30 June 2018	-	-
Charged to profit or loss (note 9)	83	83
Acquired through a business combination	(4,089)	(4,089)
At 30 June, 2019	**(4,006)**	**(4,006)**

COMPANY	Accelerated tax depreciation	Total
At 01 July, 2017	Rs'000	Rs'000
- 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**
Charged to profit or loss (note 9)	30,951	30,951
Transfer from non-current assets held for sale(note26(e))	31	31
At 30 June, 2019	**155,165**	**155,165**

Ascencia Limited And Its Subsidiaries
Notes To The Financial Statements - For The Year Ended 30 June 2019

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.

	Group		Company	
	2019	2018	2019	2018
	Rs'000	Rs'000	Rs'000	Rs'000
Current				
Trade payables	**2,505**	1,569	**2,505**	1,569
Accrued expenses	**101,924**	60,196	**43,228**	29,611
Project cost payable	**5,283**	7,929	**5,283**	7,929
Deposits	**33,528**	39,150	**19,836**	23,506
Other payables	**10,894**	24,095	**2,072**	2,107
	154,134	132,939	**72,924**	64,722
Non-current				
Deposits	**121,167**	113,676	**50,162**	48,850

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

22. Amount payable to related companies

	Group		Company	
	2019	2018	2019	2018
	Rs'000	Rs'000	Rs'000	Rs'000
Amount payable to subsidiary company	-	-	**30,012**	-
Amount payable to fellow subsidiary companies	**23,320**	-	**6,931**	-
	23,320	-	**36,943**	-

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

Ascencia Limited And Its Subsidiaries
Notes To The Financial Statements - For The Year Ended 30 June 2019

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	
	2019	2018	2019	2018
	Rs'000	Rs'000	Rs'000	Rs'000
Amounts recognised as distributions to equity holders:				
Declared and paid interim dividend of Re 0.35 per share (2018: Re 0.30 per share)	168,707	129,831	168,707	129,831
Declared and payable final dividend of Re 0.47 per share (2018: Re 0.45 per share)	226,549	215,274	226,549	215,274
	395,256	345,105	395,256	345,105

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	
	2019	2018	2019	2018
	Rs'000	Rs'000	Rs'000	Rs'000
Bank balance and cash	101,073	399,678	61,112	334,189
Short term deposits (note 17)	661,779	592,859	293,462	319,419
	762,852	992,537	354,574	653,608

Ascencia Limited And Its Subsidiaries
Notes To The Financial Statements - For The Year Ended 30 June 2019

24. Cash and cash equivalents (cont'd)

	Group		Company	
	2019	2018	2019	2018
	Rs'000	Rs'000	Rs'000	Rs'000
(b) The principal non-cash transactions are as follows:				
(i) Acquisition of additional investment in subsidiary	-	-	-	607,609
(ii) Mandatory conversion of reference shares	48,667	55,620	48,667	55,620
(iii) Accruals for construction cost	5,283	6,476	5,283	6,476

(c) Reconciliation of liabilities arising from financing activities:

THE GROUP

		Additions through business acquisition	Net cash flows	Non-cash changes	
	2018	2019	2019	2019	2019
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
Bank loans	4,106,849	359,898	9,933	-	4,476,680
Convertible preference shares	97,334	-	-	(48,667)	48,667
Debentures	210,680	-	-	-	210,680
Dividends	215,274	-	11,275	-	226,549
	4,630,137	359,898	21,208	(48,667)	4,962,576

THE COMPANY

		Net cash flows	Non-cash changes	
	2018	2019	2019	2019
	Rs'000	Rs'000	Rs'000	Rs'000
Bank loans	1,867,398	(608)	-	1,866,790
Convertible preference shares	97,334	-	(48,667)	48,667
Debentures	210,680	-	-	210,680
Dividends	215,274	11,275	-	226,549
	2,390,686	10,667	(48,667)	2,352,686

25. Business combination

(a) Acquisition of additional interest in Floreal Commercial Centre Limited

At 30 June 2018, the Group held 50% of the share capital and voting rights of Floreal Commercial Centre Limited ("FCCL"), the holding company of the property, So'flo. On 05 September 2018, the Group acquired the remaining 50% of the share capital and voting rights of FCCL, thus increasing Ascencia's holding in FCCL to 100%, thereby obtaining control. The consideration paid was of Rs 121m settled in cash, based on an independent valuation. The seller is ENL Property Ltd, a private company incorporated in Mauritius.

The transaction has resulted in the recognition of a loss in profit or loss as follows:

	2019
Fair value of interest held before the business combination	121,270
Less : carrying value of equity interest held before business combination	(130,478)
Loss on remeasurement of joint venture to subsidiary	(9,208)

The following table summarises the purchase consideration and the fair value of the separately identifiable of the assets acquired and liabilities assumed at the acquisition date.

	2019
Total Consideration	242,540
Total fair value of assets acquired	(260,956)
Gain on bargain purchase	(18,416)

Ascencia Limited And Its Subsidiaries
Notes To The Financial Statements - For The Year Ended 30 June 2019

25. Business combination (cont'd)

Acquisition of additional interest in Floreal Commercial Centre Limited (cont'd)	
Net effect of business combination:	
Gain on bargain purchase	18,416
Loss on deemed disposal	(9,208)
Gain on remeasurement of joint venture to subsidiary	9,208
Recognised amounts of identifiable assets acquired and liabilities assumed:	
Cash and cash equivalents	11,453
Property, plant and equipment	151
Investment property	627,780
Deferred tax asset	4,089
Trade receivables	15,722
Borrowings	(359,898)
Deferred tax liabilities	(4,308)
Current liabilities	(34,032)
Fair value of net assets acquired	260,957
Net cash outflow on acquisition of subsidiary	
Consideration paid in cash	121,270
Less: cash and cash equivalent balances acquired	(11,453)
	109,817

26. Non-Current Assets Held for Sale and Discontinued Operations

Accounting policy

Non-current assets 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 continuing use. This condition is regarded as met only when the sale is highly probable and the asset 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.

Ascencia Limited And Its Subsidiaries

Notes To The Financial Statements - For The Year Ended 30 June 2019

26. Non-Current Assets Held for Sale and Discontinued Operations (cont'd)

(a) As at 30 July 2019, the Group disposed of investment properties held at Group and Company level for a gain of Rs 3.2m

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 8.2m and a profit of Rs 40.7m respectively. The disposals are in line with the strategic plans of the Group and the expansion of the Group's main business.

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

	Group		Company	
	2019	2018	**2019**	2018
	Rs'000	Rs'000	**Rs'000**	Rs'000
Revenue	**10,954**	9,115	**10,954**	9,115
Expenses	**(4,591)**	(20,872)	**(4,591)**	(20,872)
Profit / (loss) before tax and fair value of discontinued operations	**6,363**	(11,757)	**6,363**	(11,757)
Profit on disposal of investment properties	**3,537**	5,631	**3,537**	5,631
Profit / (loss) on disposal of subsidiary	**-**	(13,834)	**-**	(13,834)
Profit / (loss) before tax of discontinued operations	**9,900**	(19,960)	**9,900**	(19,960)
Income tax expense	**(31)**	1,609	**(31)**	1,609
Profit / (loss) for the year from discontinued operations	**9,869**	(18,351)	**9,869**	(18,351)

	Group		Company	
	2019	Restated 2018	**2019**	Restated 2018
	Rs'000	Rs'000	**Rs'000**	Rs'000
(c) Operating cash flows	**3,942**	17,799	**3,942**	17,799
Investing cash flows	**12,487**	441,026	**12,487**	441,026
Total cash flows	**16,429**	458,825	**16,429**	458,825

Ascencia Limited And Its Subsidiaries

Notes To The Financial Statements - For The Year Ended 30 June 2019

26. Non-Current Assets Held for Sale and Discontinued Operations (cont'd)

	Group		Company	
(d) Non-current assets classified as held for sale				
Investment properties	**117,210**	69,486	**117,210**	69,486
Equipment	**-**	493	**-**	493
	117,210	69,979	**117,210**	69,979
Current assets				
Trade and other receivables	**1,934**	1,584	**1,934**	1,584
Cash and cash equivalents	**-**	4	**-**	4
	1,934	1,588	**1,934**	1,588
Non-current assets classified as held for sale	**119,144**	71,567	**119,144**	71,567
(e) Liabilities directly associated with non-current assets classified as held for sale				
Trade and other payables	**2,682**	39,610	**2,682**	39,610

27. Contingent Liabilities

At 30 June 2019, the Group had no 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 Group has not given guarantees in the ordinary course of business to third parties (2018: nil).

28. Capital Commitments

The Group entered into contractual commitments amounting to Rs150m related to the redevelopment of the entrance at Phoenix Mall between July and December 2019.

Ascencia Limited And Its Subsidiaries

Notes To The Financial Statements - For The Year Ended 30 June 2019

29. Related party transactions

Accounting policy

Parties are considered to be related to the Group if they have the ability to, directly and indirectly, control the Group or exercise significant influence over the Group's financial and operating decisions, or vice versa, or if they and the Group are subject to common control. Goods and services are sold at market-related prices in force and terms that would be available to third parties.

(a) During the year, the Group transacted with related parties. Transactions which are not dealt with elsewhere in the financial statements are as follows:

	Group		Company	
	2019	2018	2019	2018
	Rs'000	Rs'000	Rs'000	Rs'000
Management and Secreterial Fees				
- Intermediate holding company	(33,849)	(32,651)	(33,556)	(32,358)
- Fellow subsidiaries	(112,854)	(102,444)	(43,059)	(42,425)
Interest Income				
- Intermediate holding company	22,434	13,221	13,227	6,554
- Entity with joint controlling interest	506	-	506	-
- Entity with significant influence	776	-	776	-
Investment and Other Income				
- Subsidiary company	-	-	275,000	211,315
Other expenses				
- Subsidiary company	-	-	(12)	(141)
- Fellow subsidiaries	(13,478)	(22,256)	(8,511)	(16,949)
- Entity with joint controlling interest	(55)	-	(55)	-
Dividend payable to				
- Holding company	(82,118)	(130,317)	(82,118)	(130,317)
- Entity with significant influence	(79,787)	(112,467)	(79,787)	(112,467)

Ascencia Limited And Its Subsidiaries

Notes To The Financial Statements - For The Year Ended 30 June 2019

29. Related party transactions (cont'd)

	Group		Company	
	2019	2018	2019	2018
	Rs'000	Rs'000	Rs'000	Rs'000
Amount owed to				
- Intermediate holding company	(3,272)	-	(3,272)	-
- Subsidiary companies (note (b))	-	-	(30,012)	-
- Fellow subsidiaries	(15,331)	(984)	(665)	(509)
- Other related companies	(4,717)	-	(2,994)	-
Amount receivable from				
- Intermediate holding company	642,622	572,859	274,305	299,419
- Subsidiary company	-	-	141,352	133,767
- Entity with significant influence	20,195	20,000	20,195	20,000
- Fellow subsidiaries	55,933	-	55,933	-
- Other related party	700	-	700	-

(b) These represent loans payable to subsidiary companies for which there is no fixed repayment terms, security or guarantee. All other transactions have been made on commercial terms and in the normal course of business.

(c) There have been no guarantees provided or received for any related party receivables or payables.

(d) For the year ended 30 June 2019, the Group has not recorded any impairment of receivables relating to amounts owed by related parties (2018: nil).

(e) Outstanding balances at year-end are unsecured. Settlement occurs in cash. The Group has made an impairment assessment by considering the previous repayment behaviours and the future cash flow forecasts covering the contractual period of receivables from related parties. The Group does not expect any default from them and is certain of their ability to pay their debts as they become due in the normal course of business and/or in any adverse economic and business conditions. Consequently, the probability of default is negligible and the Group has not accounted for any impairment loss.

Ascencia Limited And Its Subsidiaries

Notes To The Financial Statements - For The Year Ended 30 June 2019

30. Changes in accounting policies

This note explains the impact of the adoption of IFRS 9 – Financial Instruments and IFRS 15 – Revenue from Contracts with Customers on the Group's financial statements.

(a) Impact on the financial statements

The Group has adopted IFRS 9 – Financial Instruments and IFRS 15 – Revenue from Contracts with Customers without restating comparative information. Adjustments arising from the adoption of the new accounting policies have not been reflected in the comparatives for the year ended 30 June 2018 but are recognised during the year ended 30 June 2019 due to the insignificance of the items.

(i) The following tables show the adjustments recognised for each individual line item. Line items that were not affected by the changes have not been included.

Statement of Financial Position (extract)

GROUP	30 June 2018 as previously reported	IFRS 9 Reclassification	IFRS Reclassification	01 July 2018 Restated
	Rs'000	Rs'000	Rs'000	Rs'000
Current assets				
Trade and other receivables	105,938	(69,610)	-	36,328
Amount receivable from related companies	592,859	(592,859)	-	-
Financial assets at amortised cost	-	656,196	-	656,196
Prepayments	-	6,273	-	6,273
COMPANY				
Current assets				
Trade and other receivables	46,778	(25,013)	-	21,765
Amount receivable from related companies	453,186	(453,186)	-	-
Financial assets at amortised cost	-	475,380	-	475,380
Prepayments	-	2,819	-	2,819

Ascencia Limited And Its Subsidiaries

Notes To The Financial Statements - For The Year Ended 30 June 2019

30. Changes in accounting policies (cont'd)

(b) IFRS 9 – Financial Instruments

Impairment of financial assets

The Group's financial asset which is subject to IFRS 9's new expected credit loss model:

- Trade receivables from the tenant lease contracts, group loans and current accounts.

The Group was required to revise its impairment methodology under IFRS 9 for the above financial assets. The impact of the change in impairment methodology on the Group was not material and has been accounted in profit or loss for the year ended 30 June 2019.

While cash and cash equivalents are also subject to the impairment requirements of IFRS 9, the identified impairment loss was immaterial.

Trade receivables

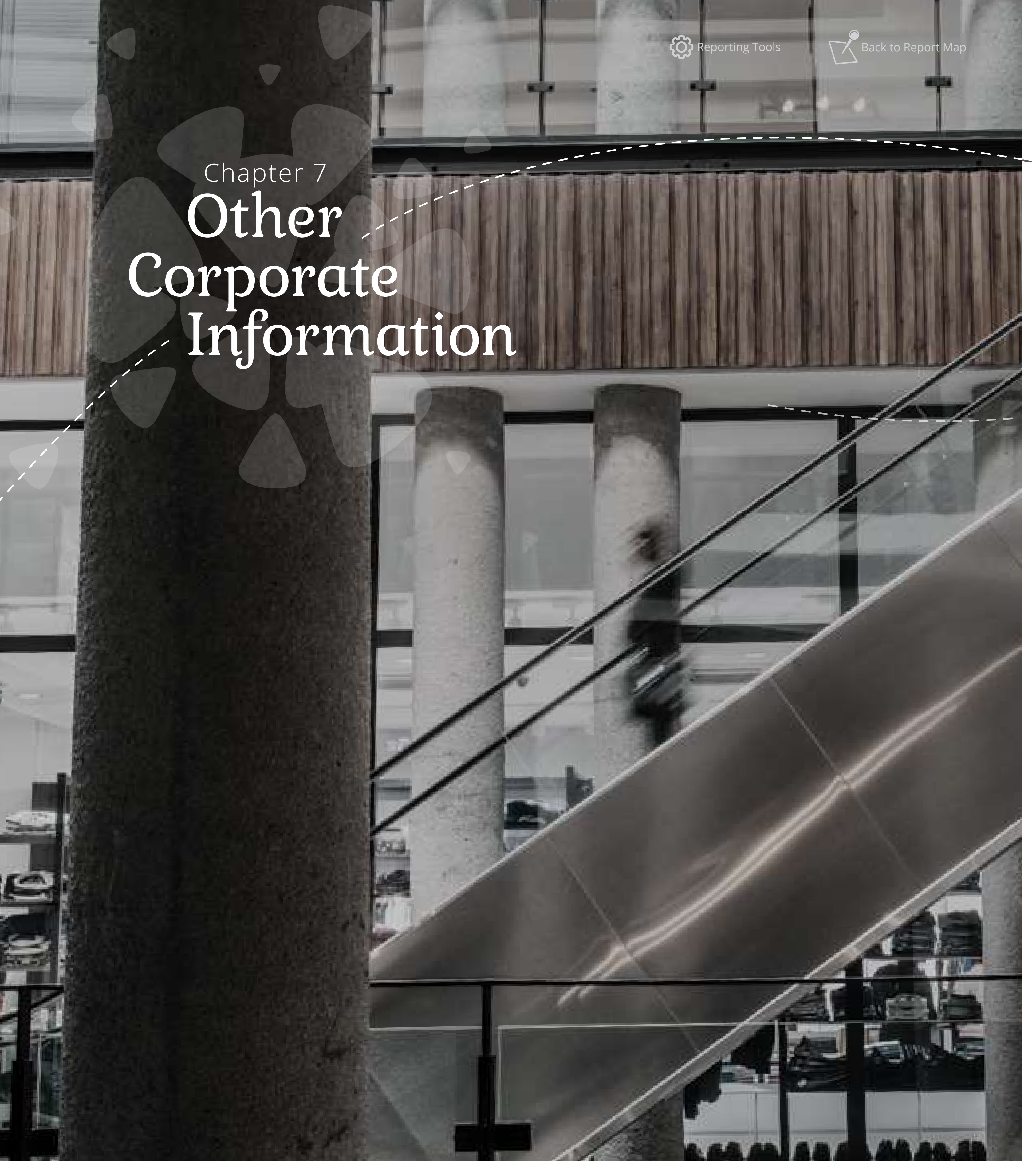
The Group applies IFRS 9's simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables. The restatement on transition to IFRS 9 as a result of applying the expected credit loss model was immaterial; the cummulative increase of the loss allowance is not material and is included in Administrative Expenses within provision for impairment in Note 7.

(c) IFRS 15 – Revenue From Contracts With Customers

The main revenue streams of the Group are from rental and recoveries income. The performance obligation achieved is based on the terms of the relevant agreements with the tenants accounted for at a point in time on a monthly basis, hence no change from IAS 18.

31. Events after the reporting period

At 30 June, the Group holds 50% of the share capital of Beauvallon Shopping Mall Ltd ("Bo'Valon"). As part of the capital structure of Bo'Valon, the Group will be equal shareholders with EnAtt Ltd and Atterbury Property Holdings Ltd, a company incorporated in South Africa. The investment from Atterbury Property Holdings Ltd is subject to the Prime Minister's Office approval and the required application was submitted in July 2019. Once approval is obtained, the shareholding of Ascencia in Bo'Valon will be diluted from 50% to 33.3%. The dilution of the shareholding is not expected to have a material impact on the results of the Group in the next financial year and the investment in Bo'Valon will be accounted for as investment in associated company in the Financial Year 2020 financial statements.



Chapter 7

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 registered in the share register of the Company as at 01 October 2019 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 auditor's 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.

Other Corporate Information cont'd

Frequently Asked Questions (cont'd)

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

Yes, but he/she is requested to make him/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 a 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 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 request 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 'Educator' boardroom, 4th floor, Voilà Hotel, Bagatelle Mall, Reduit, on Wednesday, 30 October 2019 at 11H30 to transact the following business:

1. To consider the 2019 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 2019.

Ordinary Resolution I

"Resolved that the audited financial statements of the Company for the year ended 30 June 2019 be hereby approved."

4. To re-elect the following persons by way of separate resolutions, as Directors of the Company: Messrs Marc Ah Ching, Koosiram Conhye, Hector Espitalier-Noël, Philippe Espitalier-Noël, Dominique Galea, Damien Mamet, Frédéric Tyack, Naderasen Pillay Veerasamy, Dean Lam Kin Teng and Pierre-Yves Pascal.

Ordinary Resolutions II to XI

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

II Marc Ah Ching
III Koosiram Conhye
IV Hector Espitalier-Noël
V Philippe Espitalier-Noël
VI Dominique Galea
VII Damien Mamet
VIII Frédéric Tyack
IX Naderasen Pillay Veerasamy
X Dean Lam Kin Teng
XI Pierre-Yves Pascal

NB: The profiles and categories of Directors proposed for re-election and appointment are set out on pages 66 to 69 of the 2019 Annual Report of the Company or on the Company's website at www.ascenciamalls.com.

5. To appoint Mr Armond Boshoff, who has been nominated by the Board, as Director of the Company.

Other Corporate Information cont'd

Notice of Annual Meeting of Shareholders (cont'd)

Ordinary Resolution XII

"Resolved that Mr Armond Boshoff be hereby appointed as Director of the Company."

6. To appoint Mr Eric Weirich, who has been nominated by the Board, as Director of the Company.

Ordinary Resolution XIII

"Resolved that Mr Eric Weirich be hereby appointed as Director of the Company."

7. To appoint KPMG 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 2019/2020 financial year.

Ordinary Resolution XIV

"Resolved that KPMG 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 2019/2020 financial year."

8. Shareholders' question time.

By order of the Board
Company Secretary
13 September 2019

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, 29 October 2019 at 11H30.

Note 3: The Directors of the Company have resolved that, for the purposes of the 2019 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 01 October 2019 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 are included in the 2019 Annual Report.

Note 5: The minutes of proceedings of the Annual Meeting of Shareholders held on 24 October 2018 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 'Educator' boardroom, 4th floor, Voilà Hotel, Bagatelle Mall, Réduit, on Wednesday, 30 October 2019 at 11H30 and at any adjournment thereof.

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

Resolutions

	Resolution	For	Against	Abstain
I	**Resolved that** the audited financial statements of the Company for the year ended 30 June 2019 be hereby approved.			
II	**Resolved that** Mr Marc Ah Ching be hereby re-elected as Director of the Company.			
III	**Resolved that** Mr Koosiram Conhye be hereby re-elected as Director of the Company.			
IV	**Resolved that** Mr Hector Espitalier-Noël be hereby re-elected as Director of the Company.			
V	**Resolved that** Mr Philippe Espitalier-Noël be hereby re-elected as Director of the Company.			
VI	**Resolved that** Mr Dominique Galea be hereby re-elected as Director of the Company.			
VII	**Resolved that** Mr Damien Mamet be hereby re-elected as Director of the Company.			
VIII	**Resolved that** Mr Frédéric Tyack be hereby re-elected as Director of the Company.			
IX	**Resolved that** Mr Naderasen Pillay Veerasamy be hereby re-elected as Director of the Company.			
X	**Resolved that** Mr Dean Lam Kin Teng be hereby re-elected as Director of the Company.			
XI	**Resolved that** Mr Pierre-Yves Pascal be hereby re-elected as Director of the Company.			
XII	**Resolved that** Mr Armond Boshoff be hereby appointed as Director of the Company.			
XIII	**Resolved that** Mr Eric Weirich be hereby appointed as Director of the Company.			
XIV	**Resolved that** KPMG 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 2019/2020 financial year.			

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

Signature(s) ....

Note 1: An individual shareholder of the Company, entitled to attend and vote at this meeting, may appoint a proxy (whether a shareholder or not) to attend and vote on his/her behalf.

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

Note 3: The instrument appointing the proxy should reach the Company Secretary, Ascencia Limited, 5th floor, Rogers House, No. 5, President John Kennedy Street, Port Louis, by Tuesday, 29 October 2019 at 11H30.

Note 4: The minutes of proceedings of the Annual Meeting of Shareholders held on 24 October 2018 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, 30 October 2019 at 11h30 in the 'Educator' boardroom, 4th floor, Voilà Hotel, Bagatelle Mall, Réduit and any adjournment thereof, be authorised to act as the representative of the above-named 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

	Resolutions	For	Against	Abstain
I	**Resolved that** the audited financial statements of the Company for the year ended 30 June 2019 be hereby approved.			
II	**Resolved that** Mr Marc Ah Ching be hereby re-elected as Director of the Company.			
III	**Resolved that** Mr Koosiram Conhye be hereby re-elected as Director of the Company.			
IV	**Resolved that** Mr Hector Espitalier-Noël be hereby re-elected as Director of the Company.			
V	**Resolved that** Mr Philippe Espitalier-Noël be hereby re-elected as Director of the Company.			
VI	**Resolved that** Mr Dominique Galéa be hereby re-elected as Director of the Company.			
VII	**Resolved that** Mr Damien Mamet be hereby re-elected as Director of the Company.			

	For	Against	Abstain
VIII **Resolved that** Mr Frédéric Tyack be hereby re-elected as Director of the Company.			
IX **Resolved that** Mr Naderasen Pillay Veerasamy be hereby re-elected as Director of the Company.			
X **Resolved that** Mr Dean Lam Kin Teng be hereby re-elected as Director of the Company.			
XI **Resolved that** Mr Pierre-Yves Pascal be hereby re-elected as Director of the Company.			
XII **Resolved that** Mr Armond Boshoff be hereby appointed as Director of the Company.			
XIII **Resolved that** Mr Eric Weirich be hereby appointed as Director of the Company.			
XIV **Resolved that** KPMG be hereby appointed as auditor of the Company to hold office until the next Annual Meeting of Shareholders and that theBoard of Directors of the Company be hereby authorised to fix the auditor's remuneration for the 2019/2020 financial year.			

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, 29 October 2019 at 11H30.

Note 4: The minutes of proceedings of the Annual Meeting of Shareholders held on 24 October 2018 are available free of charge on request. Kindly contact the Company Secretary.

Made with care and concern for the environment.

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Ascencia

Shaping singular places

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