

“We continue to focus on improving the quality of earnings delivered organically resulting in an NAV per share growth of 7% year on year.”

Key figures for the quarter

(compared to same period last year)

Rs 8,786 per sqm
AVERAGE TRADING DENSITIES ▲+2%

Rs 238 m
NET OPERATIONAL INCOME ▲+5%
*Excluding straight line rental accrual

2.0%
VACANCY Sep 2018:2.9%

Rs 16.51
NET ASSET VALUE PER SHARE ▲+7%

1,807,019
AVERAGE MONTHLY FOOTFALL ▲+1%

Rs 10.3 bn
MARKET CAPITALISATION ▲+26%

COMMENTS ON THE QUARTER ended 30 September 2019

Operational review

Ascencia continues to build a solid platform for sustainable growth and value creation in a context of increasing competition. Results for the quarter were in line with expectations with Total revenue and Net operational income growing by 3% and 5% respectively (excluding the impact of Straight line of rental accrual). We recorded a Rs -1m movement to straight line rental accrual. Of note, the recognition of this item as a deferred asset was done for the first time last year for the quarter ended 30 September 2018. Rental levels remained healthy on the back of an improved Rent to turnover of 8.1% (September 2018: 8.3%) as well as a 1% increase in footfall.

Share Price

Ascencia share price reached an all-time high at Rs 22.00 in August 2019 before closing at Rs 21.30 at the end of the quarter, a 29% premium to its NAV per share.

Latest updates on Malls

Bo'Valon Mall is opening as planned on 21st November 2019 with King Savers and Espace Maison as anchor tenants. Furthermore, new entrances to Phoenix Mall shall be fully operational by December 2019. Our green commitments remain a must to our value creation and customer promise. We are pleased to announce that the photovoltaic farm system at Bagatelle Mall is now fully operational.

Outlook

ASCE Platform

The phase 1 of the ASCE project is expected to be completed by early 2020. This new operational platform will take mall management to another level. The main areas of focus at the outset will include energy consumption, building infrastructure, asset management, business continuity and vendor management.

Developments

We will continue to grow our business through continuous investment. The expansion project at Bagatelle Mall is on track and will add around 13,000 sqm of Gross lettable area and improve accessibility through an entrance at the back of the Mall. Likewise, we are pleased to welcome Decathlon at Bagatelle Mall. These developments are set to be completed by the end of calendar year 2020.

By order of the Board
04 November 2019

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

In Rs 000	Unaudited quarter ended 30 September 2019	Unaudited quarter ended 30 September 2018	Audited year ended 30 June 2019
Continuing operations			
Revenue			
Operational revenue	314,246	309,284	1,294,275
Other operating income	10,068	6,469	32,835
Straight line rental accrual	(1)	21,173	74,475
Total revenue	324,313	336,926	1,401,585
Direct operating expenses arising from investment properties	(87,757)	(90,493)	(396,244)
Net operational income	236,556	246,433	1,005,341
Investment and other income	6,846	7,384	27,516
Administrative expenses	(35,177)	(31,389)	(141,886)
Operating profit	208,225	222,428	890,971
Share of profit from associates	(70)	-	24,224
Increase in fair value of investment properties	-	-	400,569
Net effect on business combinations	-	9,208	9,506
Profit before finance costs	208,155	231,636	1,325,270
Finance costs	(69,561)	(70,189)	(277,765)
Profit before tax	138,594	161,447	1,047,505
Income tax expense	(18,307)	(22,067)	(107,282)
Profit for the quarter/year from continuing operations	120,287	139,380	940,223
Discontinued operations			
Post tax profit/(loss) from discontinued operations	2,371	(56)	9,869
Profit for the quarter/year	122,658	139,324	950,092
Other comprehensive income	-	-	-
Total comprehensive income for the quarter/year	122,658	139,324	950,092
Total comprehensive income attributable to:			
- Ordinary equity holders of the parent	122,658	139,324	950,092
	122,658	139,324	950,092
Number of ordinary shares in issue	484,817,301	482,019,385	484,817,301
Weighted average number of ordinary shares in issue	484,817,301	482,019,385	482,034,716
Basic earnings per share (Rs)	0.25	0.29	1.97
Diluted earnings per share (Rs)	-	-	1.96
Interim dividend per share (Rs)	-	-	0.35
Final dividend per share (Rs)	-	-	0.47
Net asset value per share (Rs)	16.51	15.39	16.25

STATEMENTS OF FINANCIAL POSITION

In Rs 000	Unaudited quarter ended 30 September 2019	Unaudited quarter ended 30 September 2018	Audited year ended 30 June 2019
ASSETS			
Investment properties	12,296,421	11,793,007	12,293,927
Equipment	24,825	23,736	26,832
Investment in joint venture	128,354	-	128,424
Deferred tax assets	4,006	-	4,006
Current assets	821,870	1,090,191	935,285
Non-current assets classified as held for sale	116,259	71,569	119,144
Total assets	13,391,735	12,978,503	13,507,618
EQUITY AND LIABILITIES			
Shareholders' Equity			
Stated capital	4,411,401	4,362,734	4,411,401
Retained earnings	3,591,949	3,053,779	3,469,291
Total equity	8,003,350	7,416,513	7,880,692
Non-current liabilities			
Borrowings	4,454,783	4,686,140	4,465,209
Other liabilities	692,892	467,439	694,894
Total non-current liabilities	5,147,675	5,153,579	5,160,103
Current liabilities			
Borrowings	20,465	5,385	11,471
Other liabilities	215,948	363,118	452,670
Total current liabilities	236,413	368,503	464,141
Liabilities directly associated with non-current assets classified as held for sale	4,297	39,908	2,682
Total equity and liabilities	13,391,735	12,978,503	13,507,618

STATEMENTS OF CASH FLOWS

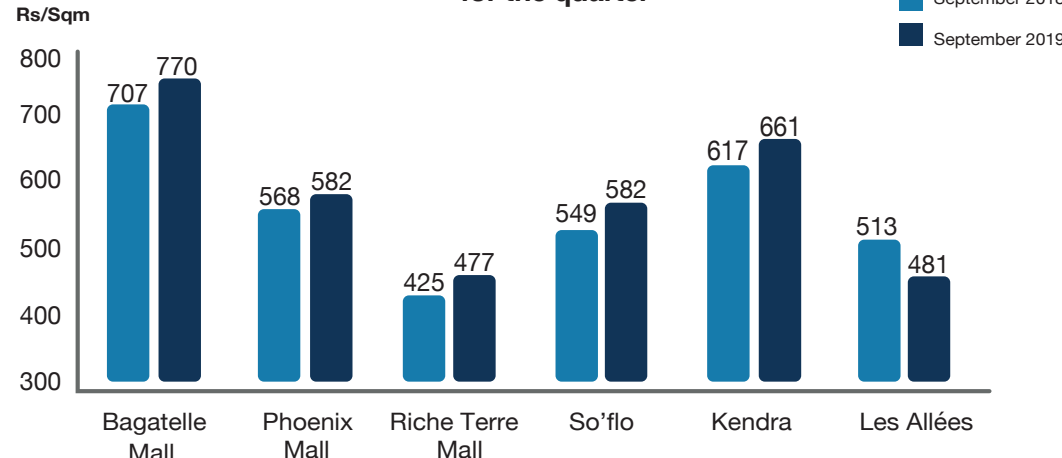
In Rs 000	Unaudited quarter ended 30 September 2019	Unaudited quarter ended 30 September 2018	Audited year ended 30 June 2019
Net cash generated from operating activities	117,700	216,437	757,096
Net cash (used in) investing activities	(5,200)	(5,866)	(362,852)
Net cash (used in) financing activities	(297,500)	(271,366)	(651,811)
Net cash flows from discontinued operations	-	236	16,429
Net (decrease) in cash and cash equivalents	(185,000)	(60,559)	(241,138)
Cash and cash equivalents - opening	762,852	992,537	992,537
Cash flow from acquisition of subsidiary company	-	11,458	11,453
Cash and cash equivalents - closing	577,852	943,436	762,852

STATEMENTS OF CHANGES IN EQUITY

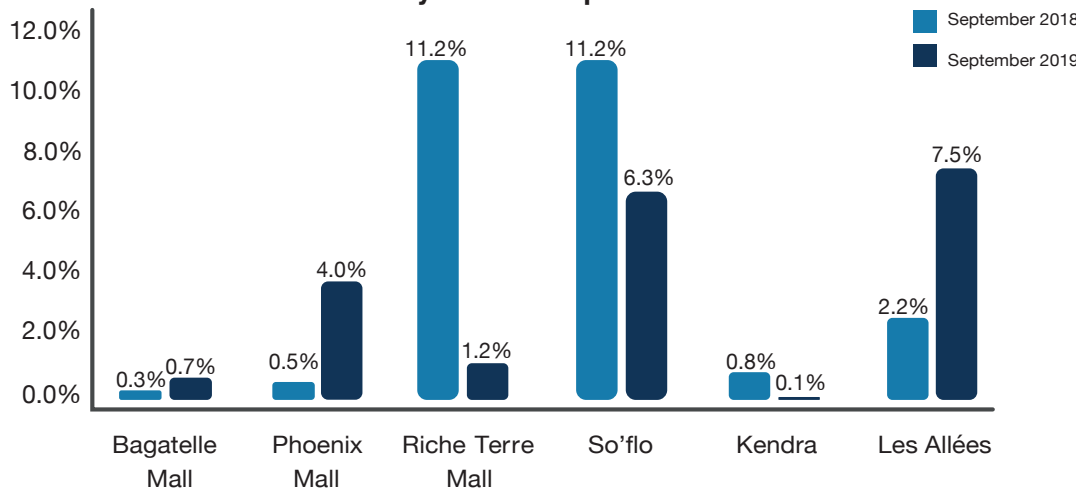
In Rs 000	Stated Capital	Retained Earnings	Total Equity
GROUP			
Balance at 01 July, 2018	4,362,734	2,914,455	7,277,189
Total comprehensive income for the quarter	-	139,324	139,324
At 30 September, 2018	4,362,734	3,053,779	7,416,513
Balance at 01 July, 2019	4,411,401	3,469,291	7,880,692
Total comprehensive income for the quarter	-	122,658	122,658
At 30 September, 2019	4,411,401	3,591,949	8,003,350

The Board of Directors of Ascencia Limited accepts full responsibility for the accuracy of the information contained in this report. The abridged financial statements are unaudited and have been prepared using same accounting policies as the audited financial statements for the year ended 30 June 2019 except for the adoption of new International Financial Reporting Standards issued which are now effective. Copies of this report are available free of charge and upon request from the Company Secretary at the registered office of Ascencia Limited. The abridged unaudited financial statements are issued pursuant to DEM Rule 17. The statement of direct and indirect interests of Officers pursuant to rule 8(2)(m) of the Securities (Disclosure Obligations of Reporting Issuers) Rules 2007 is available, free of charge at the registered office: No. 5, President John Kennedy Street, Port Louis.

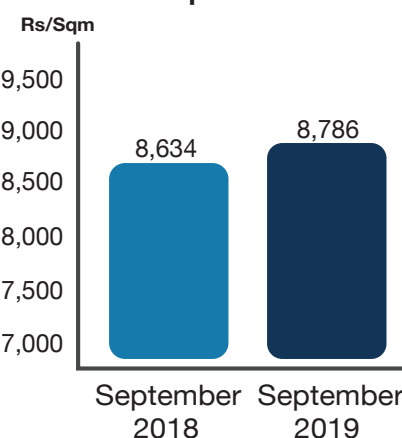
Average net operational income per month per sqm for the quarter



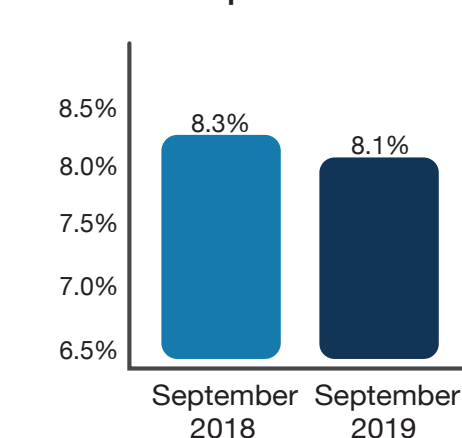
Vacancy as at 30 September 2019



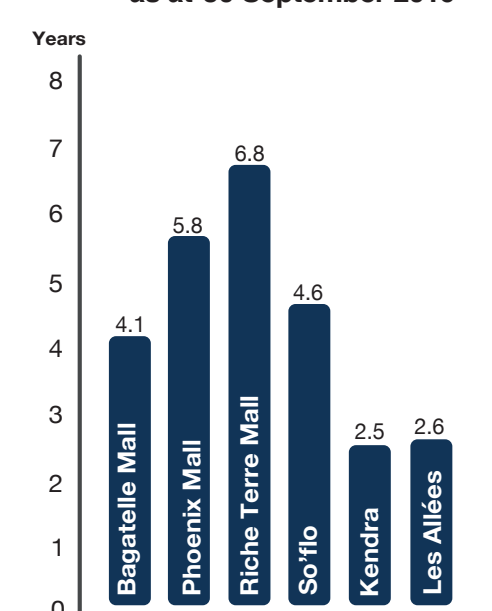
Tenant turnover per square metre for the quarter ended 30 September 2019



Ratio of gross rental to tenant turnover for the quarter ended 30 September 2019



Weighted average lease expiry as at 30 September 2019



Breakdown of net operational income per properties in % for the quarter

