



**Ascencia**

Shaping singular places

**ASCENCIA INVESTORS' BRIEFING**

12 September 2019

# Today's agenda

**Section 1:** Market Review

**Section 2:** Our Journey so far

**Section 3:** Performance

- Highlights
- Operational KPIs
- Financial KPIs
- Stock Information

**Section 4:** Achievements

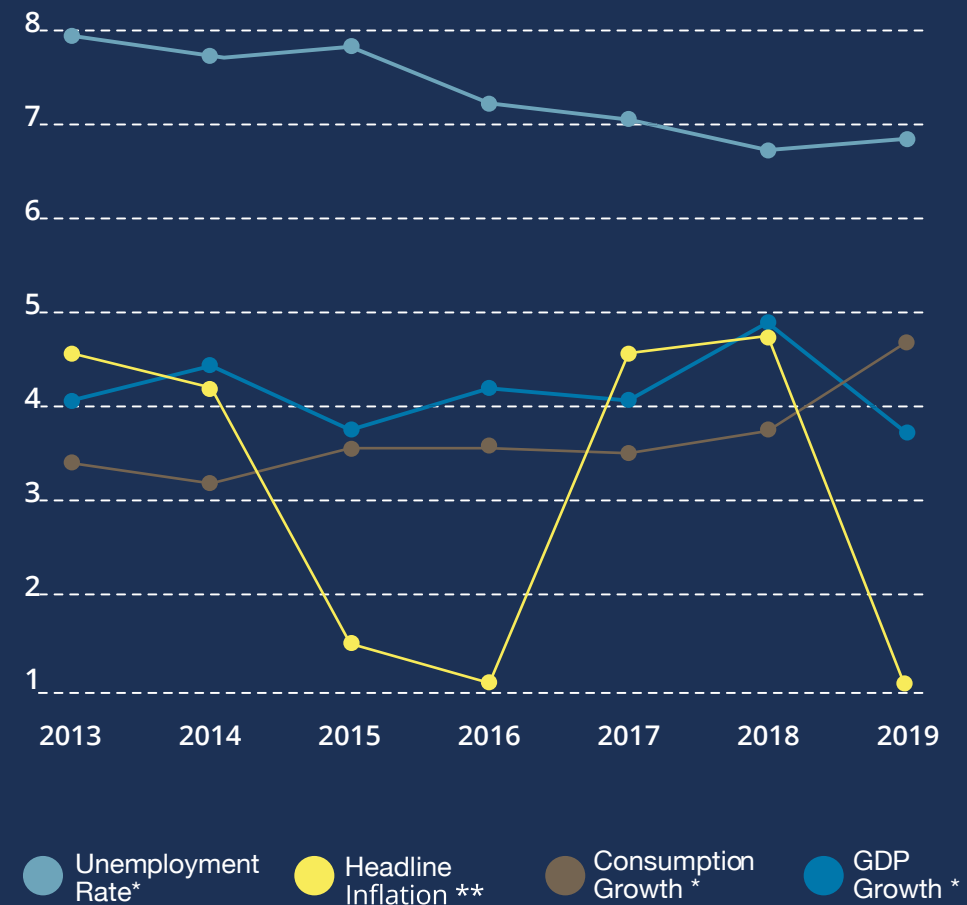
**Section 5:** Outlook



# Section 1: Market Review

- 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%.
- Household consumption increased by 4.8% in the year, exceeding the rate of inflation, largely due to the impact of the introduction of minimum wage and reduction of income tax for the lower income group.
- Repo rate and PLR were down to 3.35% and 5.60% respectively in August 2019 following last monetary policy meeting.

1- Main Economic Indicators of the Economy (%)



\* As per statistics of Mauritius

\*\* Financial Stability Report Bank of Mauritius



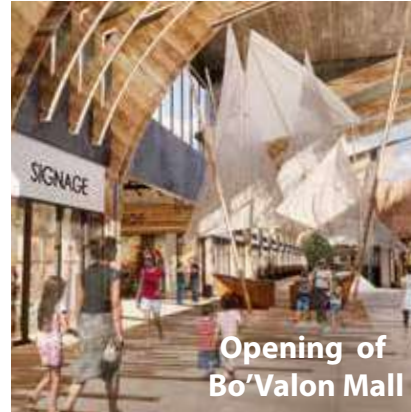
## Section 2 : Our Journey so far

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2020



2019



2017



2016



2014



2013



2010



2008



## Section 2: Our Portfolio of Properties

Bagatelle Mall



Phoenix Mall

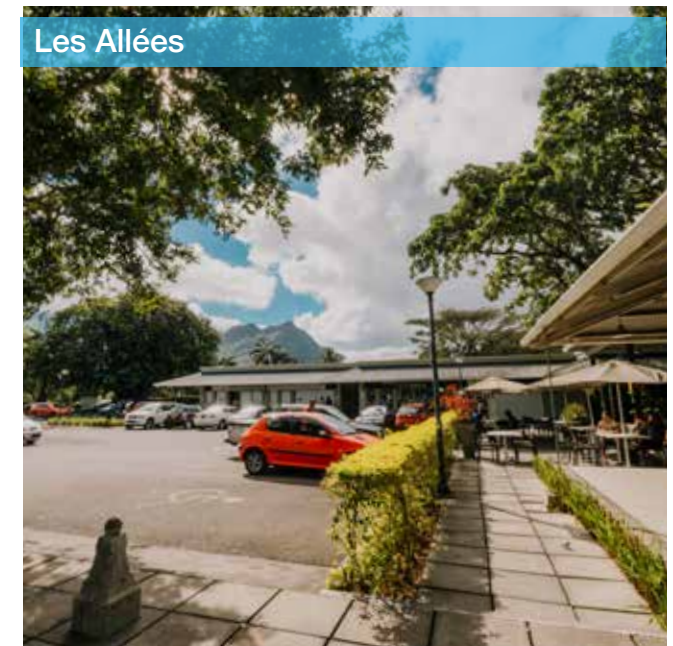
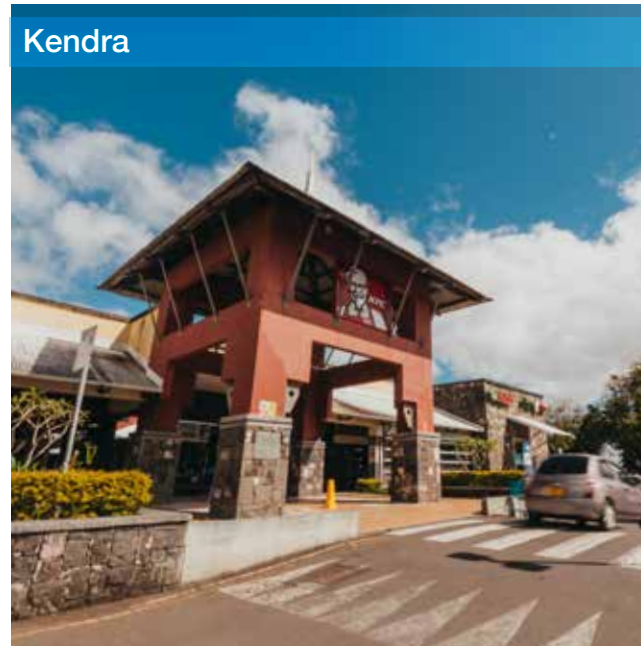


Riche Terre Mall



|                              |         |                              |         |                              |         |
|------------------------------|---------|------------------------------|---------|------------------------------|---------|
| GLA (sqm)                    | 56,859  | GLA (sqm)                    | 29,092  | GLA (sqm)                    | 21,105  |
| NOI (Rs m)                   | 512     | NOI (Rs m)                   | 197     | NOI (Rs m)                   | 112     |
| IP Value (Rs bn)             | 6.8     | IP Value (Rs bn)             | 2.5     | IP Value (Rs bn)             | 1.4     |
| Yield (%)                    | 7.8     | Yield (%)                    | 8.3     | Yield (%)                    | 8.0     |
| Vacancy (%)                  | 0.3     | Vacancy (%)                  | 6.5     | Vacancy (%)                  | 0.9     |
| Average Monthly Footfall (#) | 697,122 | Average Monthly Footfall (#) | 484,916 | Average Monthly Footfall (#) | 310,722 |
| WALE (yrs)                   | 4.3     | WALE (yrs)                   | 6.1     | WALE (yrs)                   | 7.0     |

## Section 2: Our Portfolio of Properties



|                              |         |
|------------------------------|---------|
| 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     |

|                              |         |
|------------------------------|---------|
| GLA (sqm)                    | 5,271   |
| NOI (Rs m)                   | 42      |
| IP Value (Rs m)              | 595     |
| Yield (%)                    | 8.1     |
| Vacancy (%)                  | 1.0     |
| Average Monthly Footfall (#) | 209,682 |
| WALE (yrs)                   | 2.6     |

|                              |       |
|------------------------------|-------|
| 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   |



## Section 3: Performance



# Highlights

+8.2%

**Rs 9,578**

AVERAGE TRADING  
DENSITIES

[2018 : 7.9%]

**7.7%**

RENT TO TURNOVER

[2018 : 1,876,980]

**1,878,293**

AVERAGE MONTHLY FOOTFALL

+19%

**Rs 1,005m<sup>\*</sup>**

NET OPERATIONAL  
INCOME

+7.6%

**Rs 16.25**

NET ASSET VALUE PER SHARE

+9.3%

**Rs 0.82**

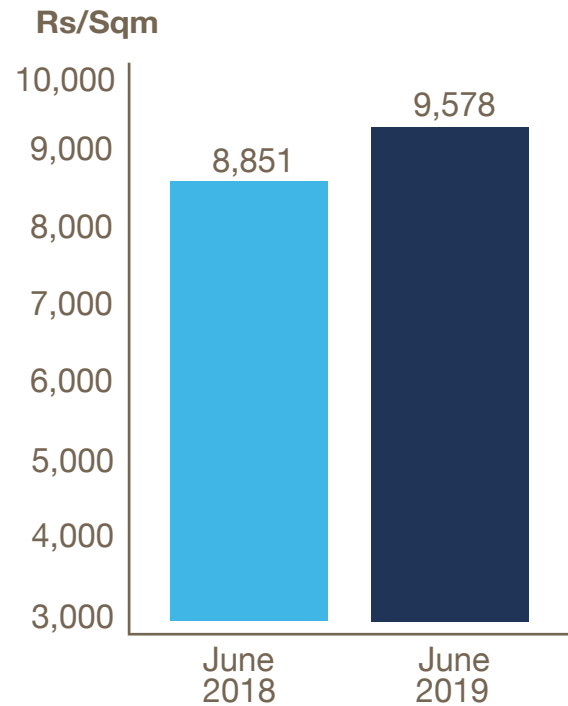
DIVIDEND PER SHARE

\*including straightlining of  
rental accrual of Rs 74m

# Operational KPIs

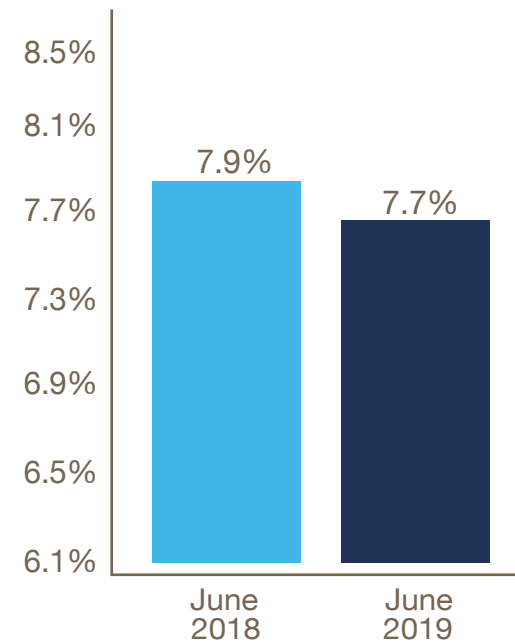
Driving sales growth to support rental levels

Average Trading Densities



- Average trading densities rose 8.2% over the year

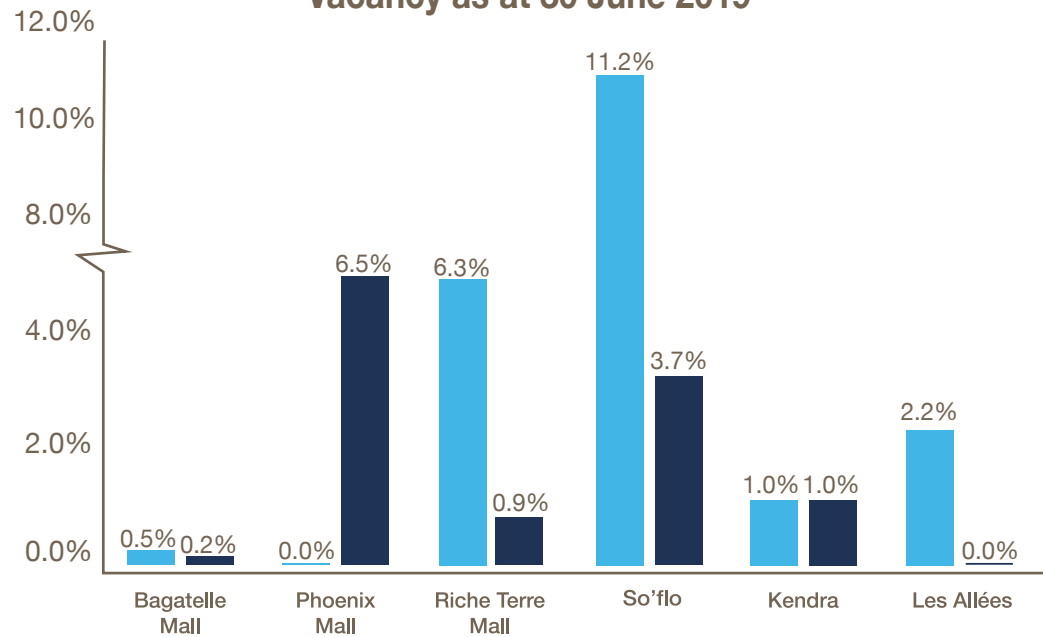
Rent to Turnover



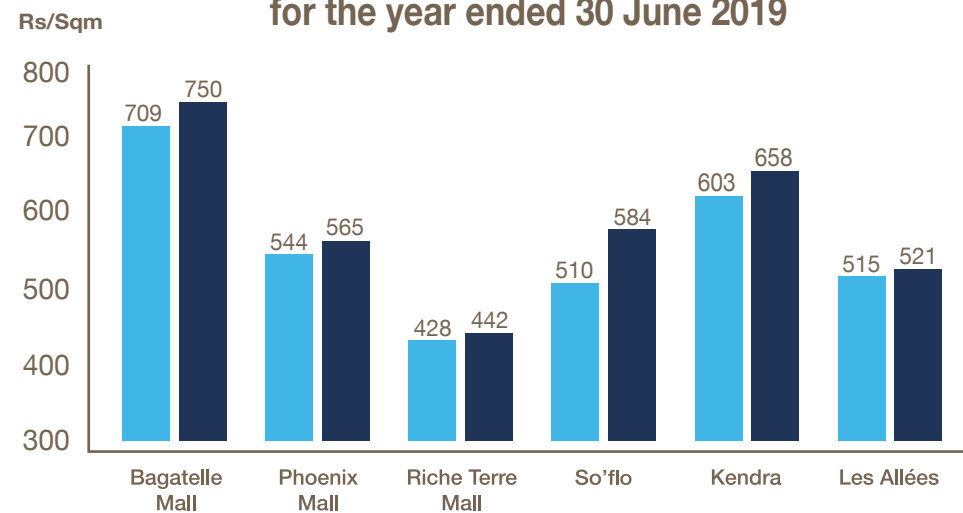
- Rent to turnover ratio was down to 7.7%, confirming the financial strength of our tenants

# Operational KPIs

Vacancy as at 30 June 2019



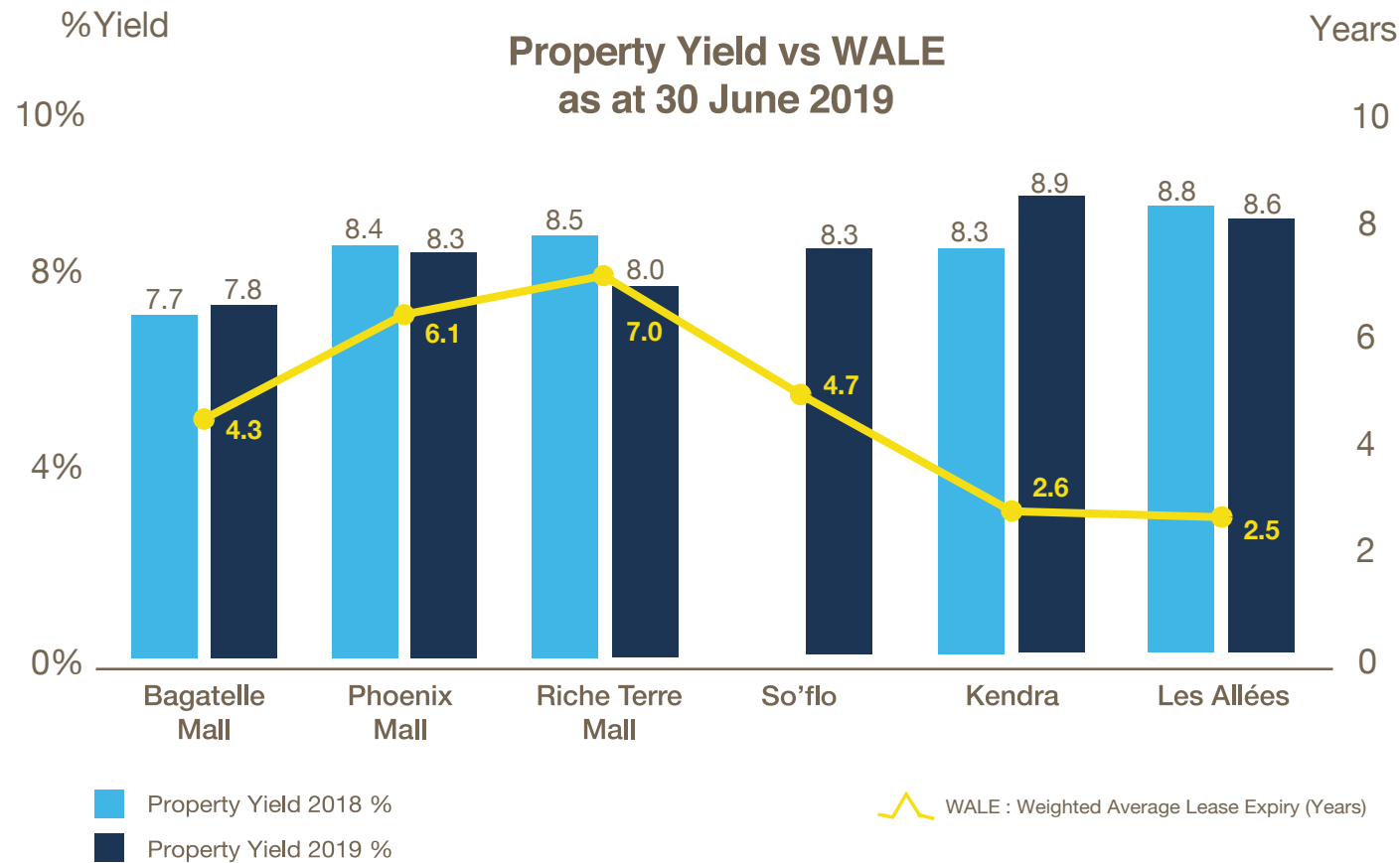
Average net operational income per square metre for the year ended 30 June 2019



2018  
2019

\*Note: So'flo figures are over 7 months of operation in 2018.  
Excluding Straight line of rental increase

# Operational KPIs



- Riche Terre Mall yield was down to 8.0% mainly because Anchor was renewed in 2018 – diluted impact on 2019.
- Average yield on investment properties remains strong at 8.0%, taking into consideration the capital upside as a result of fair value gains reported at the end of each financial year.

# Financial KPIs

## Revenue

Revenue increased by 17% to Rs 1,402m, key drivers being:

- annual contractual increase in leases;
- full contribution of So'flo;
- impact of straight line rental accrual.

## Profit

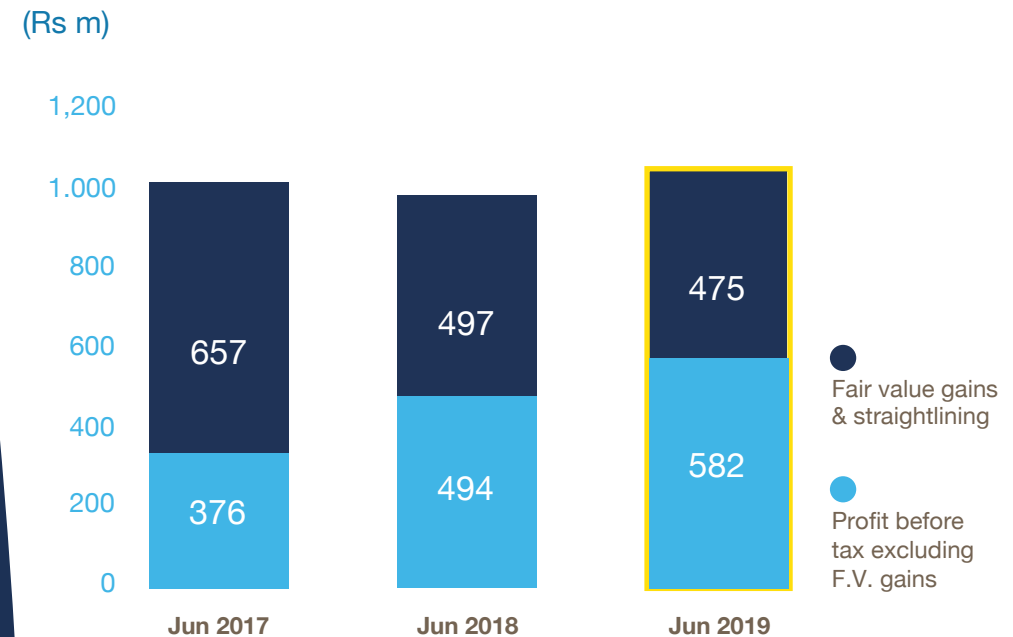
Profit Before Tax excluding fair values rose by 18% to Rs 582m.

## Investment Property Value (Rs Bn)

Portfolio of properties is currently valued at Rs 12.3bn (+10%), mainly due to fair value gains and the consolidation of So'flo.

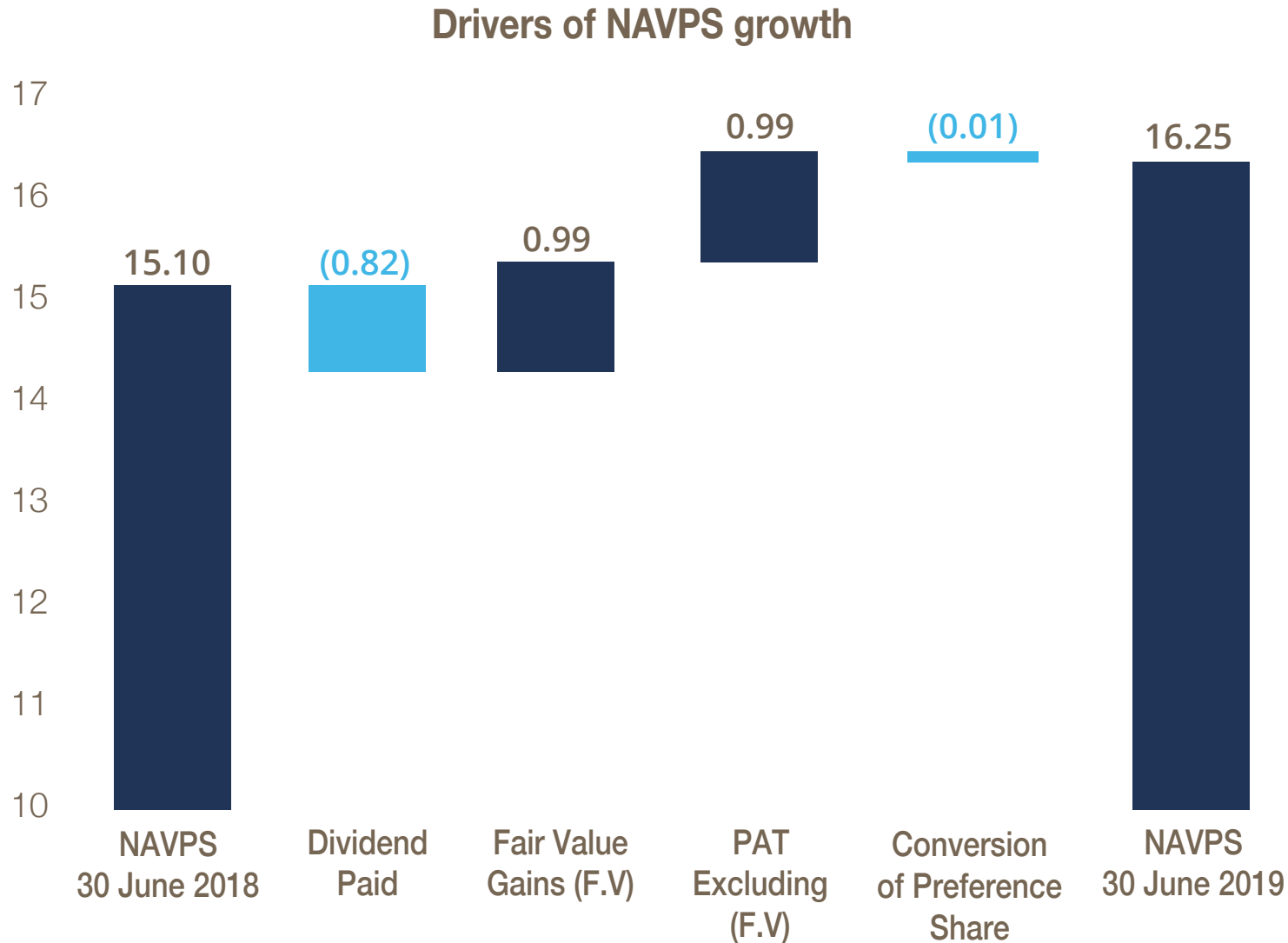
## Fair Value Gains

Fair value gains stand at Rs 400m for the year, amounting to a total valuation increase of 4%. Included provisions for significant investments at Phoenix Mall and Riche Terre Mall in the 2020 and 2021 financial periods.



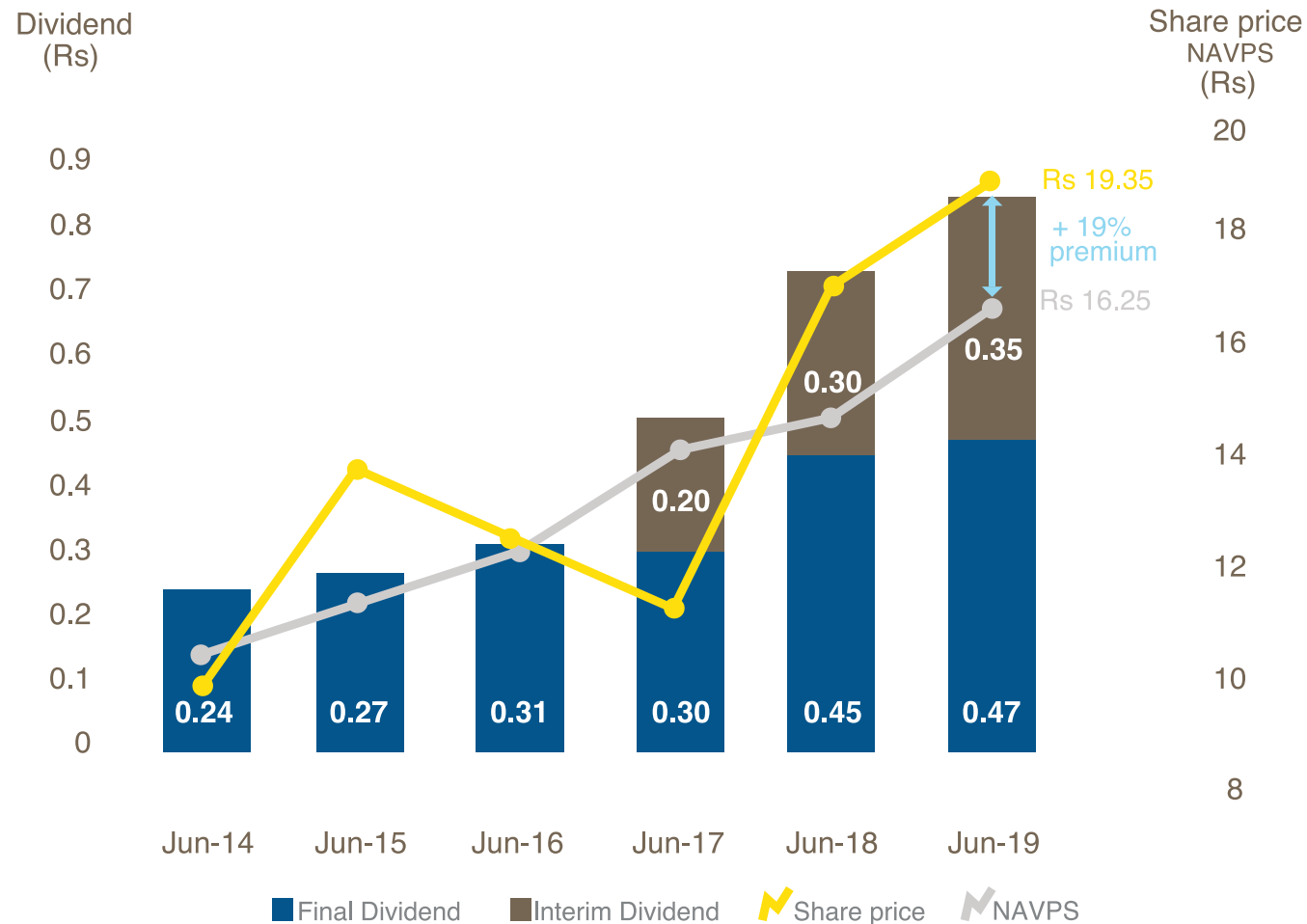
The breakdown reflects benefit of margin enhancement strategy in distributable income.

# Stock Information



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 from the strong operational performance during the period.

# Stock Information



- Total return of 13 % achieved through strong operational performance and dividend growth.
- Share price trading at 19% premium to NAV as at 30 June 2019.
- A final dividend of Rs 0.47 per share (2018: Rs 0.45).
- 5% dividend on closing NAVPS.



**PST**  
créateur de richesses

**Achievements** |



## Section 4: Achievements

**Consolidating our position in Mauritius by investing where the best opportunities lie**

### **So'flo**

We acquired the remaining 50% stake of So'flo – Investment of Rs 121m.

### **Bo'Valon**

Bo'Valon Shopping 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.

### **Land Acquisition**

We 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 - Investment of Rs 131m.

### **Installation of PV farms**

We have successfully commissioned and implemented photovoltaic farms at Phoenix Mall, Kendra and Les Allées, aggregating to nearly 970kWp of installed capacity.



Outlook |

## Section5: Outlook

### A focus on organic growth

#### Extension of Bagatelle Mall

The expansion project at Bagatelle Mall including Decathlon project is on track with completion scheduled for the end of the 2020 calendar year. This will significantly increase the attractiveness of the Mall with the arrival of popular international and local brands, a new visitor's entrance and 400 additional parking bays.

#### So'flo

We are planning to upgrade the food hall to accommodate some new well-known local restaurants. These outlets are to open before December 2019.

#### New accesses to the Phoenix Mall

Works on the new entrances at Phoenix Mall in the wake of the Road Decongestion Programme should be completed by December 2019.

#### ASCE. Platform

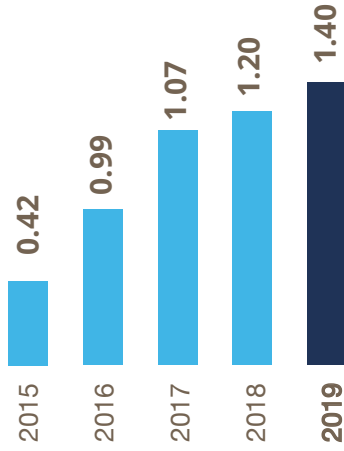
This project aims at further establishing our brand through enhanced operational excellence and, ultimately, a better and consistent delivery of our customer promise "*Shaping Singular Places*".



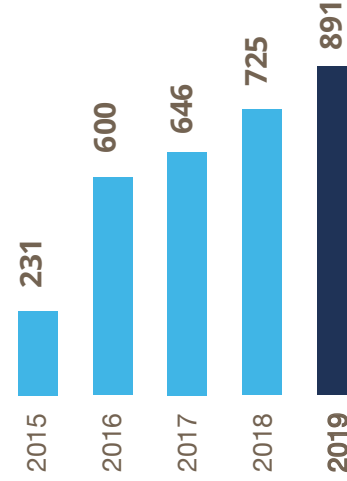
**Five Year Reviews** |

# FIVE YEAR REVIEWS

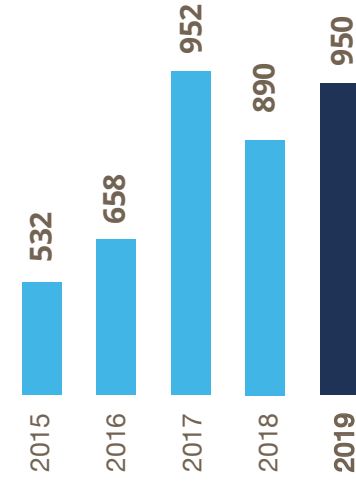
Revenue (Rs bn)



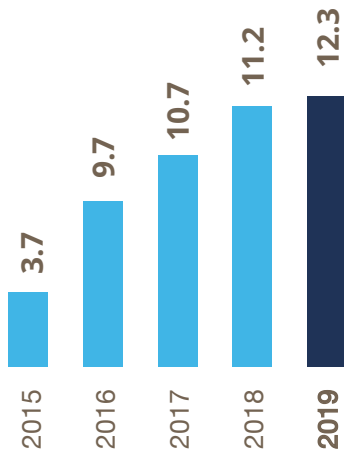
Operating Profits (Rs m)



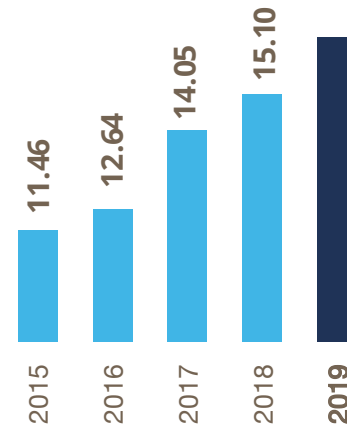
PAT (Rs m)



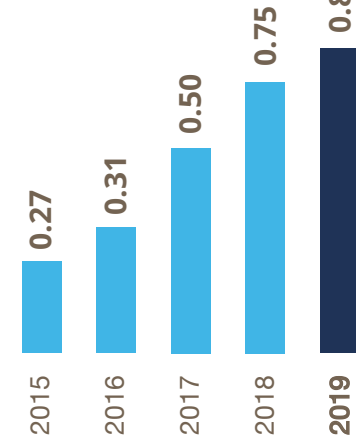
Investment Property (Rs bn)



NAVPS (Rs)



Dividend per Class A Ordinary Shares (Rs)



**THANK YOU**

