



Ascencia Ltd reports a set of strong operating results with an increased stake in Bagaprop Ltd.

Key figures as at 30 June 2016

Rs **658m**
PROFIT AFTER TAX

Rs **10.8bn**
TOTAL ASSETS

1,604,092
AVERAGE MONTHLY FOOTCOUNT

Rs **5.2bn**
MARKET CAPITALISATION
Both Class A and Class B shares

Rs **12.64**
NET ASSET VALUE
PER SHARE

AUDITED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

In Rs 000	GROUP 30-Jun-16	COMPANY 30-Jun-16	COMPANY 30-Jun-15
Revenue			
Operational revenue	1,015,440	403,160	409,396
Other income	27,137	12,996	8,248
Total revenue	1,042,577	416,156	417,644
Direct operating expenses arising from investment properties	(315,296)	(114,277)	(117,830)
Net operational income	727,281	301,879	299,814
Investment and other income	38,740	126,742	-
Administrative expenses	(135,691)	(68,599)	(68,161)
Operating profit	630,330	360,022	231,653
Increase in fair value of investment properties	379,598	101,153	41,972
Share of (loss) / profit of joint venture	(55,653)	-	379,586
Impairment loss on joint venture	-	(55,653)	-
Profit before finance costs	954,275	405,522	653,211
Finance costs	(306,760)	(138,846)	(92,487)
Net effect of business combinations	63,093	-	-
Profit before taxation	710,608	266,676	560,724
Income tax expense	(52,807)	(20,025)	(28,924)
Profit for the year	657,801	246,651	531,800
Other comprehensive income	-	-	-
Total comprehensive income for the year	657,801	246,651	531,800
Total comprehensive income attributable to:			
- Ordinary equity holders of the parent	593,375	-	-
- Non-controlling interests	64,426	-	-
	657,801	-	-
Number of ordinary shares in issue			
Class A	266,036,963	-	213,500,550
Class B	157,262,250	-	157,262,250
	423,299,213	-	370,762,800
Weighted average number of ordinary shares in issue	395,558,233	-	-
Earnings per share (Rs)			
Basic			
Class A	1.53	-	-
Class B	1.42	-	-
Diluted			
Class A	1.49	-	-
Class B	1.38	-	-
Dividend per share (Rs)			
Class A	0.31	-	0.27
Class B	0.20	-	0.17
Net asset value per share (Rs)	12.64	-	11.46

AUDITED STATEMENTS OF FINANCIAL POSITION

In Rs 000	GROUP 30-Jun-16	COMPANY 30-Jun-16	COMPANY 30-Jun-15
ASSETS			
Investment properties	10,287,159	3,891,758	3,678,821
Equipment	10,983	2,311	-
Investment in subsidiary companies	-	2,414,413	-
Investment in joint venture	64,347	64,347	1,676,832
Goodwill	12,554	-	-
Current assets	465,722	312,961	180,419
Total assets	10,840,765	6,685,790	5,536,072
EQUITY AND LIABILITIES			
Shareholders' equity			
Stated capital	3,602,171	3,602,171	2,985,536
Retained earnings	1,746,612	774,469	1,264,481
Non-controlling interests	549,972	-	-
Total equity	5,898,755	4,376,640	4,250,017
Non-current liabilities	4,161,738	1,795,681	930,334
Current liabilities	780,272	513,469	355,721
Total equity and liabilities	10,840,765	6,685,790	5,536,072

COMMENTS ON THE FINANCIAL YEAR ended 30 June 2016

Corporate developments

The results for the financial year ended 30 June 2016 reflect major corporate developments namely:

- The acquisition of an additional controlling interest of 34.9% in Bagaprop Ltd; the holding entity of Bagatelle Mall of Mauritius;
- The acquisition of 100% of The Gardens of Bagatelle Ltd; the holding entity of Bagatelle Office Park;
- The acquisition of a 50% stake in Floreal Commercial Centre; the holding entity of So'Flo Boutique Mall (joint venture);
- The fund raising of Rs 1.1bn by way of a private placement to sophisticated investors;
- The launching of the Home & Leisure node at Bagatelle Mall of Mauritius; and
- The uplifting of Centre Commercial Phoenix which shall be fully operational before the year end festivities.

Operational review

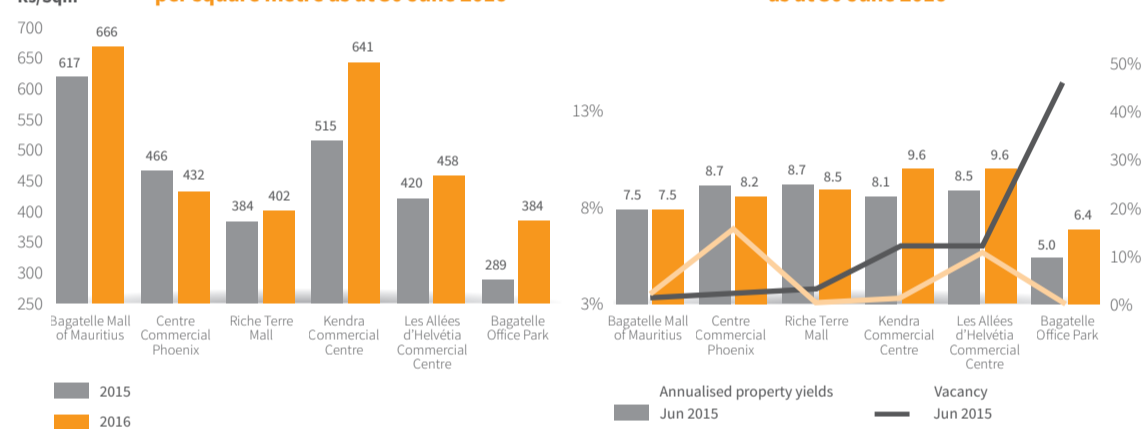
Group financial statements have been prepared for the financial year 2016 and reflects the above mentioned acquisitions. The overall results of Ascencia, this year have been marked by an increase in foot count and trading densities across most of our commercial centres. On a comparable basis, this performance has translated into an overall improvement in group revenue (+8%) and net operational income (+18%) as compared to last year. Bagatelle Mall of Mauritius continues to perform well. The review of the tenant mix at Riche Terre Mall, Kendra Commercial Centre and Les Allées d'Helvétia Commercial Centre has contributed to the improvement of the Group's net operational income. The loss of rentals during the ongoing renovation works at Centre Commercial Phoenix has been mitigated through a proper planning of works that has reduced the number of closed shops and the temporary leasing of some boxes during the refurbishment. After having taken a few years to establish itself as a premier office destination, Bagatelle Office Park has also experienced an increased interests from Grade A Tenants with the resulting impact that it is now full with achieved rentals in line with the original price positioning of the property. The increase in administrative expenses and finance costs are explained by one-off payments associated with the above acquisitions. A revaluation gain on properties totaling Rs 380m (including Rs 267m for Bagatelle Mall of Mauritius) was accounted for in the results. Group profit after tax for the year closed at Rs 658m.

Prospects

For the next financial year, the main areas of focus will be completion of works and opening of So'Flo Boutique Mall and the re-opening of Centre Commercial Phoenix. Furthermore, the management is currently undertaking feasibility studies in view of developing a second office building at Bagatelle Office Park and another shopping centre in the south of the island. A brand audit of Ascencia is currently in progress to allow for a better positioning of the entity and improved stakeholder communication.

By order of the Board
07 September 2016

Average net operational income per month per square metre as at 30 June 2016



AUDITED STATEMENTS OF CASH FLOWS

In Rs 000	GROUP 30-Jun-16	COMPANY 30-Jun-16	COMPANY 30-Jun-15
Net cash flow generated from operating activities	307,074	93,685	167,093
Net cash flow used in investing activities	(1,780,030)	(1,595,318)	(86,096)
Net cash flow generated from / (used in) financing activities	1,649,000	1,531,531	(79,401)
Net increase in cash and cash equivalents	176,044	29,898	1,596
Opening cash and cash equivalents	121,006	121,006	94,401
Cash flow acquired on amalgamation	-	-	25,009
Closing cash and cash equivalents	297,050	150,904	121,006

AUDITED STATEMENTS OF CHANGES IN EQUITY

In Rs 000	Stated capital	Retained earnings	Attributable to owners of the parent	Non controlling interest	Total equity
COMPANY					
At 01 July 2014	2,985,536	559,607	3,545,143	-	3,545,143
Amalgamation adjustment	-	11,621	11,621	-	11,621
Equity accounting adjustment for joint venture	-	245,833	245,833	-	245,833
Profit for the year	-	531,800	531,800	-	531,800
Dividends paid to shareholders	-	(84,380)	(84,380)	-	(84,380)
Balance at 30 June 2015	2,985,536	1,264,481	4,250,017	-	4,250,017
At 01 July 2015	2,985,536	1,264,481	4,250,017	-	4,250,017
Issue of shares	519,301	-	519,301	-	519,301
Conversion of preference shares	97,334	-	97,334	-	97,334
Equity accounting adjustment for joint venture	-	(625,419)	(625,419)	-	(625,419)
Profit for the year	-	246,651	246,651	-	246,651
Dividends paid to shareholders	-	(111,244)	(111,244)	-	(111,244)
Balance at 30 June 2016	3,602,171	774,469	4,376,640	-	4,376,640
GROUP					
At 01 July 2015	2,985,536	1,264,481	4,250,017	-	4,250,017
Issue of shares	519,301	-	519,301	-	519,301
Conversion of preference shares	97,334	-	97,334	-	97,334
Non controlling interest acquired on business combination	-	-	-	502,046	502,046
Profit for the year	-	593,375	593,375	64,426	657,801
Dividends paid	-	(111,244)	(111,244)	(16,500)	(127,744)
Balance at 30 June 2016	3,602,171	1,746,612	5,348,783	549,972	5,898,755

