

NINE MONTHS REVIEW MARCH 2018

Rs 629_m ▲+18%
NET OPERATIONAL INCOME

Rs 8.0bn ▲+55%
MARKET CAPITALISATION

2.02% [Q3-2017 : 2.43%]
VACANCY

Rs 9,368 per sqm ▲+4%
AVERAGE TRADING DENSITIES

Rs 14.31 ▲+11%
NET ASSET VALUE PER SHARE

1,942,549 ▲+10%
AVERAGE MONTHLY FOOTFALL

Sector Review

During the period under review, we saw an upward trend in the inflation rate mired by unprecedented weather conditions and higher prices of petroleum products since the 21st of December 2017.

According to Mauritius Chamber of Commerce and Industry, a growth rate of 3.6% in consumption and an economic growth rate of 3.9% for 2018 are expected. These indicators are both driven by improved expectations of consumers and policies adopted by the government to stimulate demand.

In parallel, the BoM further pursued its active Open Market Operations strategy with a view to mopping up excess liquidity on the market. Recent yields on medium and long-term bonds issued by the Government of Mauritius showed an upside trend which could potentially lead to a hike in interest rate in the coming quarters.

Ascencia Performance

The Group continues to perform well with a notable 18% increase in net operational income compared to the same period last year. This performance was particularly driven by the increase in gross contractual rental during the period. In total, leases covering 25,519 sqm were renewed during the period, improving our Weighted Average Lease Expiry (WALE) from 3.97 years to 5.19 years.

Furthermore, the 10% increase in footfall, lower vacancies and higher trading densities across our portfolio, ultimately improved our tenants' performances. The ratio of gross rental to tenant turnover moved up to 7.5% (March 2017: 7.3%).

Profit After Tax gained 15% for the nine months period despite the one off costs on taxation and the deconsolidation of Garden of Bagatelle following its sale.

The Group further focused on delivering on its customer promise. The increase of 51% in exhibition and advertising revenues reflects our commitment to put our shoppers at the centre of our strategy. We remain focus on delivering convenient, comfortable and engaging Malls in order to constantly improve their experience across our properties.

Macroeconomic Indicators

	Mar-18	Mar-17
Headline Inflation	5.00%	1.30%
Repo rate	3.50%	4.00%
10yrs GOM bonds yield	5.58%	4.95%

Source: Bank of Mauritius & Statistic Mauritius

Financial KPIs

	Q3 FY 18	Q3 FY 17	9M FY 18	9M FY 17	Full Year FY 17
Revenue (Rs m)	314	285	893	773	1,083
NOI (Rs m)	219	195	629	535	754
PAT (Rs m)	81	93	272	237	960
LTV (%)	40	37	40	37	38

NOI: Net Operational Income

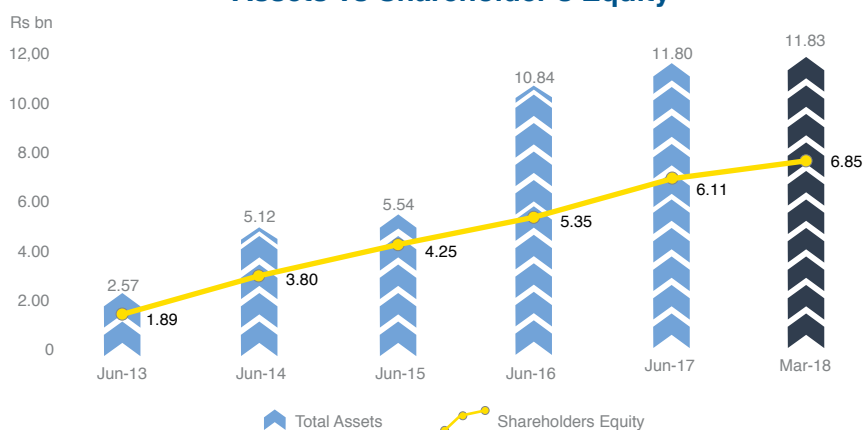
PAT: Profit After Tax

LTV: Loan To Value

Operational KPIs

	Mar-18	Mar-17
Weighted Average Lease Expiry (Yrs)	5.19	3.97
Vacancy (%)	2.02	2.43
Average Monthly Footfall (N#)	1,942,549	1,768,320
Malls (N#)	6	5
Trading Densities	9,368	8,977

Assets vs Shareholder's Equity



Current Data

	Mar-18	Mar-17
Share price (Rs)	16.75	12.25
NAVPS (Rs)	14.31	12.94
P/NAVPS	1.17	0.95
Market capitalisation (Rs m)	8,013	5,185
Ascencia Preference Shares (Rs)	19.55	14.00
Bond price (Rs)	12.81	13.00
Bond Yield (%)	4.88	4.75

Operational Review

KPIs Breakdown

Mall	Bagatelle		Phoenix		Riche Terre		Kendra		Les Allées		So'flo	
	Mar-18	Mar-17	Mar-18	Mar-17	Mar-18	Mar-17	Mar-18	Mar-17	Mar-18	Mar-17	Mar-18	Mar-17
GLA (sqm)	56,836	56,249	29,050	27,083	20,870	20,439	5,234	4,506	2,655	2,655	7,395	-
WALE (yrs)	4.08	4.60	6.15	3.60	7.40	2.86	3.03	3.62	2.99	3.63	6.03	-
Vacancy(%)	0.47	1.70	0.22	0.23	6.42	7.15	0.96	0.96	1.47	6.55	9.52	-

Bagatelle Mall

Bagatelle Mall remains a prized attraction among consumers and continues to set the trend on the market. Average monthly footfall was up by 3.3%. Trading densities followed the rising trend of the previous periods and increased by 4.2% compared to same period last year while vacancy rate fell down to 0.47% (March 2017: 1.70%).

Phoenix Mall

The Mall net operational income gained 58.2% for the nine months ended 31 March 2018. Of note, the Mall was closed for five months in the previous financial year. The vacancy rate remained constant compared to same period last year, while trading densities improved by 2.7%.

Riche Terre Mall

The Mall recorded significant positive results over the period. The Anchor tenant has renewed its lease for another period of 10 year and increased the Mall WALE to 7.40 years, the highest in the portfolio. Trading density was up by 10.5% mainly explained by a rise in footfall and lower vacancy compared to same period last year. The latter dropped to 6.42% and is expected to improve further in the near future due to the welcoming of a gym in our vacant space.

Kendra

The Mall continued to deliver up to expectations with average monthly footfall gaining 2.7%. The trading densities and vacancy rate remained constant compared to same period last year.

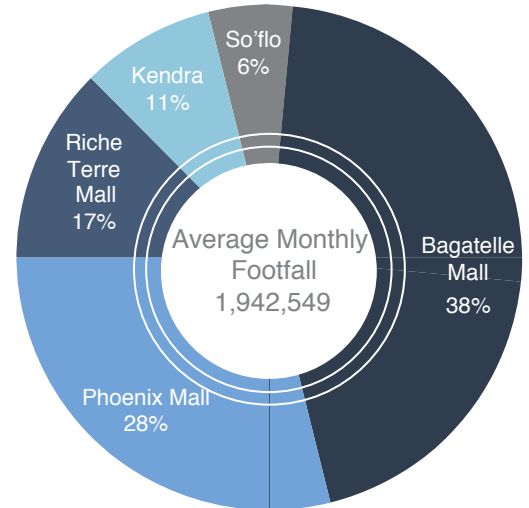
Les Allées

Although being our smallest asset in terms of GLA, Les Allées recorded strong performance for the period. Trading density significantly improved by 14.6% and vacancy rate fell to 1.47% (March 2017: 6.55%).

So'flo

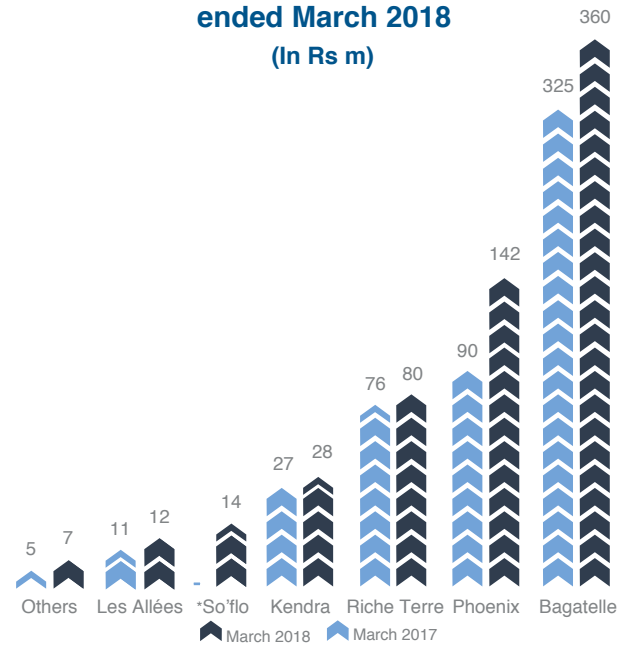
So'flo results are as expected. The Mall is delivering on our customer promise and management is actively fine tuning its tenant mix. So'flo is proving to be a most convenient Mall for the surroundings. Footfall was encouraging over the past four months and WALE stood at 6.03 years.

Footfall Breakdown



Net Operational Income for the 9 months ended March 2018

(In Rs m)

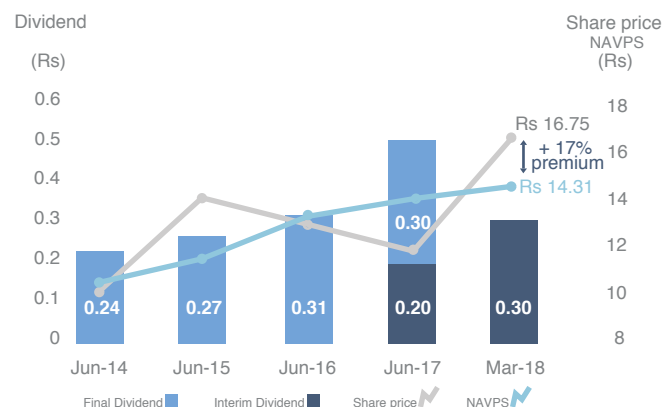


Stock Information

Share price

Investors reacted positively on Ascencia stock which reached its all-time high at Rs 17.10 during the last quarter ended March 2018 before being settled at Rs 16.75. This, together with an additional 45,616,281 new Class A Ordinary Shares issued at no par value to Atterbury Mauritius Consortium (Pty) Ltd, contributed to a 55% increase in our Market Capitalisation compared to same period last year.

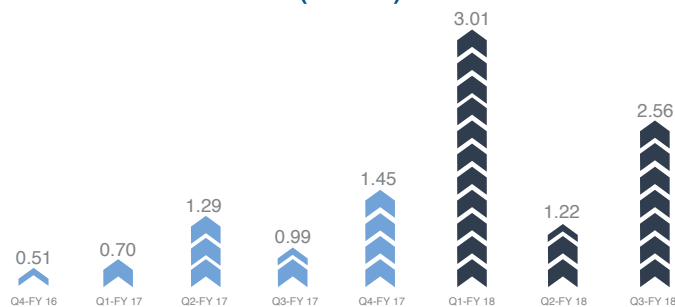
Share price vs NAVPS vs Dividend



Share liquidity

Over the past months, the Class A Ordinary Shares listed on the DEM became highly demanded by the investing community. Value Traded for the nine months ended 30 March 2018 totalled Rs 97m, compared to Rs 35m in the previous period.

Volume Traded (In Rs m)



Convertible non-voting preference shares

The 3rd conversion of the preference share will take place on the 30th June 2018. The number of preference shares converted annually is based on their nominal value of Rs 13.20. The effective number of shares attributable to the Shareholder is calculated using the Yearly Effective Conversion Factor of the Shareholder multiplied by the residual number of non-convertible preference shares in issue and the unit nominal value of the non-convertible preference share.

The result is then divided by the VWAP of the Class A ordinary shares after applying the applicable discount for that year during a 90 business days period prior to the conversion notice. Please refer to our Further Admission Document dated the 15th September 2015.

For more information:

www.ascenciamalls.com -> Investors -> Communiqués

Mall Events

Activities over the period ranged from the usual promotional sales to singular events, with the celebration of the 50th Independence of Mauritius and the first Black Friday campaign worth mentioning. The popularity of these fairs reflected the efforts management and marketing contributed in enhancing the consumer experience across our malls.

Our teams strive to find the right tenant mix across our malls and have over the past nine months welcomed new notable crowd-pullers into our portfolio. PAUL Café and Komiko Comedy Artclub opened their doors in mid-January and mid-February at Bagatelle. Furthermore, the Mall will host an upcoming International squash tournament from the 21st of May to the 2nd of June, with four of the top ten international players coming to town.

Kendra and Riche Terre Mall added new restaurants in the likes of Royal Saffron and the Greedy Dragon. Finally, So'flo now has an up and running MCB cashpoint, and will in the next weeks welcome Fitness Flo, PAUL Café and 1952.

Outlook

The Board has approved the following projects:

1. Extension of Bagatelle Mall: This extension will comprise a Sports / Wellness Centre managed by a leading operator and serviced apartments managed by Voila. The cost of this extension is in the region of Rs 300 m and will be fully financed by Ascencia.
2. A 33% stake in the Beau Vallon Mall: This project will be developed by EnAtt and Atterbury. The cost of this development is in the region of Rs 800 m, of which bank debt will represent 60% and Ascencia's contribution will be Rs 100 m.

Works on both projects are due to start in August 2018 for a planned opening in the second quarter of the financial year 2020.

Green initiatives:

Bagatelle Mall & Phoenix Mall are set to see their lighting system turn towards sustainable options. Notably, the installation of photovoltaic cells with capacity of 2,000kWp and 730kWp respectively are set to reduce our Co2 consumption by some 1,645 tonnes per year, representing around 30% of the Malls actual energy consumption.

The photovoltaic systems are set to be fully operational by August 2018 for Phoenix Mall and January 2019 for Bagatelle Mall.

Website:

A new comprehensive website will be finalised over the coming weeks. The aim is to extend the customer promise, being convenient, comfortable and engaging to investors and consumers onto our online platform.

