

Rs **409_m** ▲+21%
NET OPERATIONAL INCOME

1.9% [2016: 1.6%]
INTERIM DIVIDEND YIELD

1.67% [Q2-2016: 2.2%]
VACANCY

SO'FLO
GRAND OPENING...

Rs **6.8** bn ▲+31%
MARKET CAPITALISATION

1,782,049 ▲+3%
AVERAGE MONTHLY FOOTFALL

Sector review

While the economic context in Mauritius remains challenging, the period under review showed a much-improved consumption expenditure compared to last year (data released by Statistic Mauritius). The introduction of national minimum wage and the negative income tax are two government measures that should help maintain consumption. The delinquency rate in the consumer finance segment is showing signs of deterioration. This, together with upward pressures on fuel cost and interest rates, could lead into a rebalancing in consumption patterns.

Headline inflation has posted a rising trend to reach 3.7% as at December 2017. A GDP growth rate of 4% in 2018 is expected by most analysts.

Ascencia performance

Despite the competitive operating environment, Ascencia has delivered a strong performance during the half year ended December 2017. Rental income and profit after tax gained 17.9% and 32.7% respectively compared to same period last year. The company declared an interim dividend of Rs 0.30 per share [2016: Rs 0.20] which is in direct line with our promise of a rewarding yield strategy.

- ▶ So'Flo opened as planned on the 29 November 2017. Footfall is as expected and trading over December was encouraging.
- ▶ Lease covering 5,219 sqm were renewed during the 6 months period.
- ▶ The Supreme Court has sanctioned our scheme of arrangement on the 15 January 2018. Consequently, Atterbury is, as from 22 of January 2018, a 9.54% shareholder of Ascencia and Bagaprop Limited a fully owned subsidiary of Ascencia.

We will continue to dispose our non-core assets during the next two quarters which will generate in excess of Rs 400m in cash and concentrate ourselves in the retail segments thus maintaining our leading position as a unique retail property company in Mauritius.

Macroeconomic Indicators

	Dec-17	Dec-16
Headline Inflation	3.70%	1.00%
Repo rate	3.50%	4.00%
10yrs GOM bonds yield	4.47%	5.04%

Source: Bank of Mauritius & Statistic Mauritius

Financial KPIs

	Q2 FY 18	Q2 FY 17	6M FY 18	6M FY 17	Full Year FY 17
Revenue (Rs m)	296	258	579	488	1,083
NOI (Rs m)	208	179	409	340	754
PAT (Rs m)	98	73	191	144	960
LTV (%)	40	40	40	40	38

NOI: Net Operational Income

PAT: Profit After Tax

LTV: Loan To Value

Operational KPIs

	Dec-17	Dec-16
Weighted Average Lease Expiry (Yrs)	5.26	3.68
Vacancy (%)	1.67	2.20
Average Monthly Footfall (N#)	1,782,049	1,730,153
Malls (N#)	6	5
Trading Densities	9,853	9,089

Current Data

	Dec-17	Dec-16
Share price (Rs)	15.65	12.20
Interim Dividend Yield (%)	1.92	1.64
Interim Dividend (Rs)	0.30	0.20*
NAVPS (Rs)	14.21	12.94
P/NAVPS	1.10	0.94
Market capitalisation (Rs m)	6,773	5,164
Ascencia Preference Shares (Rs)	19.00	13.95
Bond price (Rs)	12.83	12.57
Bond Yield (%)	4.88	5.28

*Interim Dividend for financial year 2017 was declared in February 2017

Operational Review

KPIs Breakdown

Mall	Bagatelle		Phoenix		Riche Terre		Kendra		Les Allées		So'Flo	
	Dec-17	Dec-16	Dec-17	Dec-16	Dec-17	Dec-16	Dec-17	Dec-16	Dec-17	Dec-16	Dec-17	Dec-16
GLA (sqm)	56,836	56,249	29,050	29,050	20,870	20,870	5,234	4,506	2,655	2,655	7,435	-
WALE (yrs)	4.31	4.54	6.34	2.88	7.09	2.70	3.26	3.75	3.14	2.00	5.60	-
Vacancy(%)	0.62	1.40	0.42	0.77	6.67	6.97	0.96	0.00	0.00	2.16	9.00	-

Bagatelle Mall

The Mall has delivered sustainable return during the period. Trading Densities gained 3.0% for the 6 months ended December 2017 compared to same period last year. Of note, the footfall at Bagatelle in December reached its all-time high to 1,026,862.

Phoenix Mall

The main contributor to our operating income growth for the 6 months is Phoenix Mall with an additional contribution of Rs 45m compared to last year when the Mall was only partially opened. Furthermore, we noted that the average Trading Densities surged 16.6%.

Riche Terre Mall

The renewal of our Anchor tenants explained the surge in the average WALE to 7.09 years. Management is actively working towards reducing the vacancy rate. The average Trading Densities increased by 8.7% for the 6 months ended December 2017.

Kendra

Despite a small change in the vacancy rate from 0% to 1%, the Mall remains one of the top performers in terms of return per sqm. Average monthly footfall was up by 4.5% and average Trading Densities remained constant for the 6 months ended December 2017.

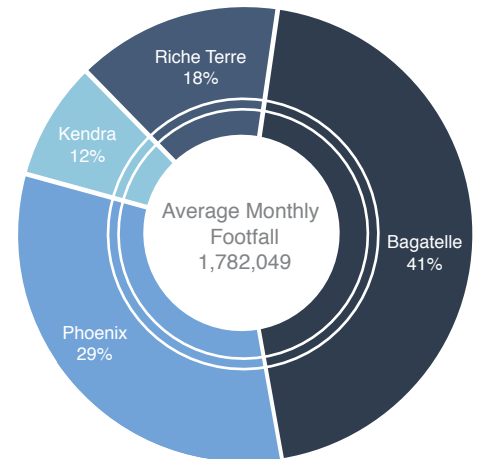
Les Allées

Average Trading Densities edged up 7.7% for the 6 months ended December 2017. We noted the successful renewal of some of our tenants which improved our WALE to 3.14 years as at December 2017 compared to 2.00 years as at December 2016.

So'Flo

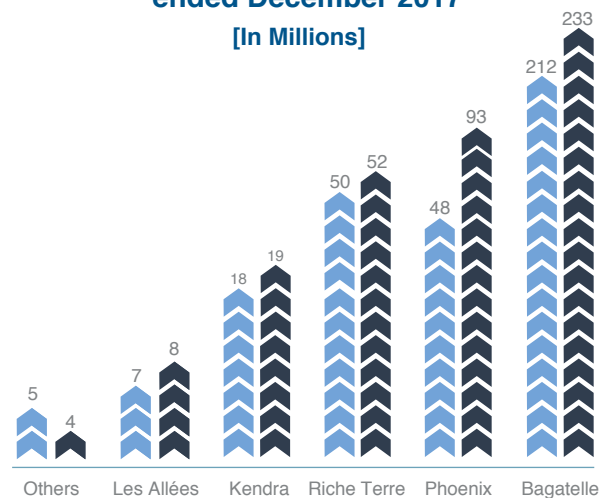
So'Flo opened as planned on the 29 November 2017. 7,435 sqm were added to the portfolio GLA. Footfall is as expected and trading over December was encouraging. Results should follow over the next quarters.

Footfall Breakdown



Net Operational Income for the 6 months ended December 2017

[In Millions]



Financial Review

Rental Income

Rental income increased 17.9% to Rs 563m over the half year ended December 2017 compared to same period last year, mainly on account of successful budgeted renewal of tenants and of five months renovation of the Phoenix Mall last year which impacted the figures of the financial year 2017.

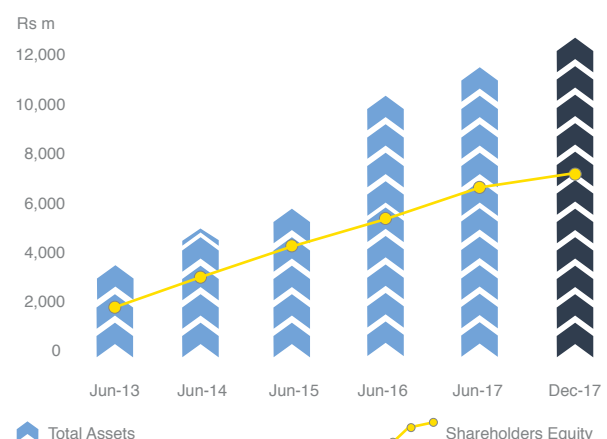
Loan to Value

Loan to Value remains at 40% compared to same period last year.

Rent to Turnover

The decrease in the average Rent to Turnover from 7.5% to 7.2% together with an improved average Trade Densities of 6.9% for the 6 months ended December 2017 confirmed the financial strength of our tenants and further decrease our leasing risk.

Total Assets vs Shareholder's Equity



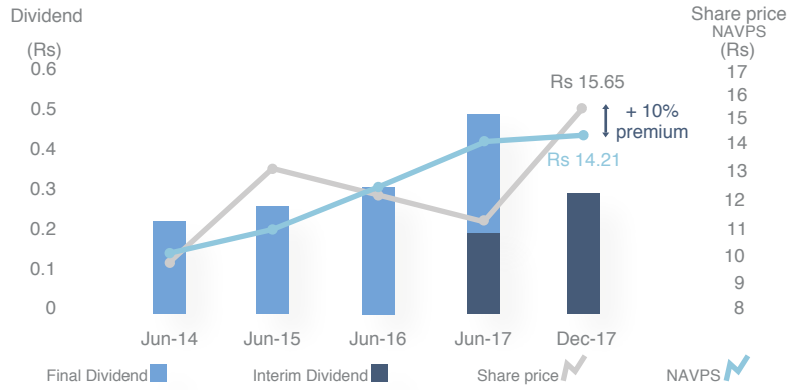
Stock Information

Investors were quite bullish on Ascencia which reached its all-time high at Rs 17.00 during the last quarter ended December 2017 before closing at MUR 15.65 on 29 December 2017.

Ascencia Interim dividend increased by 50% to Rs 0.30 per share (2016: Rs 0.20). As at 31 December 2017, Ascencia share price was trading at a 10% premium to Net Asset Value per Shares.

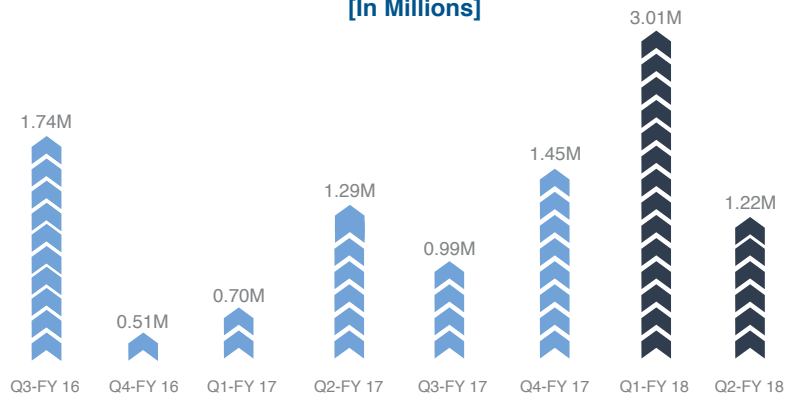
We are also happy to present a favourable chart in terms of the Volume Traded during each corresponding period. This is encouraging on our effort to further improve the liquidity of Ascencia.

Share price vs NAVPS vs Dividend



Volume Traded

[In Millions]



Outlook

We are working on extension projects at Bagatelle Mall. This should contribute approximately 6,000 sqm of additional GLA to our portfolio. Construction works are expected to start in the first quarter of financial year 2019.

We strive to understand and reduce the impact that external environmental factors such as climate change, energy, water shortages and waste proliferation on business operations. We consequently identified material issues that require continuous attention.

The Greenfield project in Beau Vallon that we are considering with our partner Enatt is well on course with construction due to start during the 2018 calendar year with a planned opening in the third quarter of the 2019 calendar year.



Extension of Bagatelle



Greenfield project in Beau Vallon



Photovoltaic farms

Website