Abridged Unaudited Group Financial Statements

for the quarter ended 31 March 2018

Ascencia
Shaping singular places

"Ascencia reported a 15% increase in operating profit compared to same quarter last year"

Key figures for the quarter

(compared to same period last year)

+12% Rs 219m NET OPERATIONAL INCOME	[Q3-2017: 2.43%] 2.02% VACANCY	+ 10% 1,759,450 AVERAGE MONTHLY FOOTFALL
+55% Rs 8.0bn MARKET CAPITALISATION	+11% Rs 14.31 NET ASSET VALUE PER SHARE	+7% 11.8bn TOTAL ASSETS

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

In Rs 000	Unaudited quarter ended 31 March 2018	Unaudited quarter ended 31 March 2017	Unaudited 9 months ended 31 March 2018	Unaudited 9 months ended 31 March 2017	Audited year ended 30 June 2017
Continuing operations					
Revenue					
Operational revenue	307,550	281,419	871,070	759,560	1,054,219
Other operating income	5,979	3,855	21,503	13,840	28,723
Total revenue	**313,529**	**285,274**	**892,573**	**773,400**	**1,082,942**
Direct operating expenses arising from investment properties	(94,198)	(90,205)	(263,814)	(238,703)	(329,160)
Net operational income	**219,331**	**195,069**	**628,759**	**534,697**	**753,782**
Investment and other income	3,140	36	10,199	6,970	5,125
Administrative expenses	(30,597)	(28,657)	(104,171)	(72,903)	(112,233)
Operating profit	**191,874**	**166,448**	**534,787**	**468,764**	**646,674**
Profit on disposal of investment properties	-	-	-	-	2,303
Increase in fair value of investment properties	-	-	-	-	647,407
Share of profit/(loss) in joint venture	2,437	(310)	2,439	(2,823)	(6,422)
Profit before finance costs	**194,311**	**166,138**	**537,226**	**465,941**	**1,289,962**
Finance costs	(64,422)	(66,843)	(196,854)	(197,490)	(266,237)
Profit before exceptional item and taxation	**129,889**	**99,295**	**340,372**	**268,451**	**1,023,725**
Exceptional item	(13,834)	-	(13,834)	-	-
Profit before tax	**116,055**	**99,295**	**326,538**	**268,451**	**1,023,725**
Income tax expense	(25,708)	(14,744)	(48,094)	(50,642)	(64,818)
Profit for the quarter/period from continuing operations	**90,347**	**84,551**	**278,444**	**217,809**	**958,907**
Discontinued operations					
(Loss) / profit from discontinued operations	(9,409)	8,619	(6,235)	19,462	1,122
Profit for the quarter/period	**80,938**	**93,170**	**272,209**	**237,271**	**960,029**
Other comprehensive income	-	-	-	-	-
Total comprehensive income for the quarter/period	**80,938**	**93,170**	**272,209**	**237,271**	**960,029**
Total comprehensive income attributable to:					
- Ordinary equity holders of the parent	80,938	85,117	252,891	213,822	872,873
- Non-controlling interests	-	8,053	19,318	23,449	87,156
	80,938	**93,170**	**272,209**	**237,271**	**960,029**
Class A ordinary share					
Number of ordinary shares in issue	478,386,597	423,299,213	478,386,597	423,299,213	432,770,316
Weighted average number of ordinary shares in issue	444,299,706	423,299,213	444,299,706	423,299,213	423,325,161
Basic earnings per share (Rs)	-	-	0.57	0.51	2.06
Diluted earnings per share (Rs)	-	-	-	-	2.04
Interim dividend per share (Rs)	-	0.20	0.30	0.20	0.20
Final dividend per share (Rs)	-	-	-	-	0.30
Net asset value per share (Rs)	-	-	14.31	12.94	14.11

STATEMENTS OF FINANCIAL POSITION

In Rs 000	Unaudited 9 months ended 31 March 2018	Unaudited 9 months ended 31 March 2017	Audited year ended 30 June 2017
ASSETS			
Investment properties	10,661,600	10,564,166	10,663,787
Equipment	24,082	19,461	21,002
Investment in joint venture	102,364	61,524	99,925
Goodwill	-	12,554	12,554
Current assets	970,158	264,061	343,402
Non-current assets classified as held for sale	70,370	123,400	657,755
Total assets	**11,828,574**	**11,045,166**	**11,798,425**
EQUITY AND LIABILITIES			
Shareholders' equity			
Stated capital	4,307,113	3,602,171	3,699,505
Retained earnings	2,539,798	1,875,774	2,407,835
Non-controlling interests	-	562,171	610,878
Total equity	**6,846,911**	**6,040,116**	**6,718,218**
Non-current liabilities	**4,768,366**	**4,483,754**	**4,533,373**
Current liabilities	**206,247**	**521,296**	**370,546**
Liabilities directly associated with non-current assets classified as held for sale	7,050	-	176,288
Total equity and liabilities	**11,828,574**	**11,045,166**	**11,798,425**

STATEMENTS OF CASH FLOWS

In Rs 000	Unaudited 9 months ended 31 March 2018	Unaudited 9 months ended 31 March 2017	Audited year ended 30 June 2017
Net cash generated from operating activities	543,298	347,336	698,632
Net cash generated from / (used in) investing activities	271,618	(409,776)	(415,237)
Net cash used in financing activities	(333,108)	(73,488)	(304,161)
Net cash flows from discontinued operations	134,252	-	(48,128)
Net increase/(decrease) in cash and cash equivalents	**616,060**	**(135,928)**	**(68,894)**
Cash and cash equivalents - opening	228,156	297,050	297,050
Cash and cash equivalents - closing	**844,216**	**161,122**	**228,156**

STATEMENTS OF CHANGES IN EQUITY

In Rs 000	Stated Capital	Retained Earnings	Non-Controlling Interests	Total Equity
Balance at 01 July 2016	3,602,171	1,746,612	549,972	5,898,755
Total comprehensive income for the period	-	213,822	23,449	237,271
Dividends	-	(84,660)	(11,250)	(95,910)
At 31 March 2017	**3,602,171**	**1,875,774**	**562,171**	**6,040,116**
Balance at 01 July 2017	3,699,505	2,407,835	610,878	6,718,218
Issue of shares	607,609	-	-	607,609
Total comprehensive income for the period	-	252,891	19,318	272,209
Dividends	-	(129,831)	(13,686)	(143,517)
Acquisition of non-controlling interests	-	8,903	(616,512)	(607,609)
At 31 March 2018	**4,307,114**	**2,539,798**	**-**	**6,846,911**

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 2017. 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.

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COMMENTS ON THE QUARTER ended 31 March 2018

Operational review:

Results for the 3rd quarter remain robust with an increase of 10% in turnover compared to the same period last year. The increase in turnover is mainly attributable to a gain of 10.4% in gross contractual income coupled with higher exhibition and advertising revenues which rose by 51%. It reflects our commitment to put our shoppers at the centre of our strategy in order to constantly improve their experience across our properties. Excluding So'flo and compared to the same period last year, the higher footfall (+2.9%), reduced vacancies (down by 0.7%), higher spending per head and, ultimately, improved tenant performance (+ 6.6%) are encouraging.

In line with this commitment, we have initiated an in-depth review of our service level. We are glad to report that the resulting impact on operating cost has been contained to 4.4% compared to the same period last year.

This has resulted in a notable increase of 15% in operating profit for the quarter.
Profit after tax ended lower than last year due to one off costs in taxation (under provision in previous quarters) and the deconsolidation of Gardens of Bagatelle following its sale.

Major events:

1. Sale of non-core assets

We have completed the sale of two properties during the quarter. The sale of Stich and our units in Medcor and Orchard are due to be finalised in the forthcoming quarter.

2. Market Capitalisation

During the three months, there were signs of improved liquidity on the share of Ascencia with more than Rs 42m worth of stock traded on the market. The share price traded at a premium to its NAV reaching a peak at Rs 17.10 before settling at 16.75 at the end of the quarter. This, together with an additional 45,616,281 new Class A Ordinary Shares issued to Atterbury Mauritius Consortium (Pty) Ltd on 23 January 2018, contributed to a 55% increase in the Market Capitalisation of Ascencia.

3. Green initiatives

The setting up of the photovoltaic farm in Phoenix Mall is under way and will be fully operational in August 2018. With a capacity of 730 KWP, the farm will produce up to 30% of the Mall consumption.

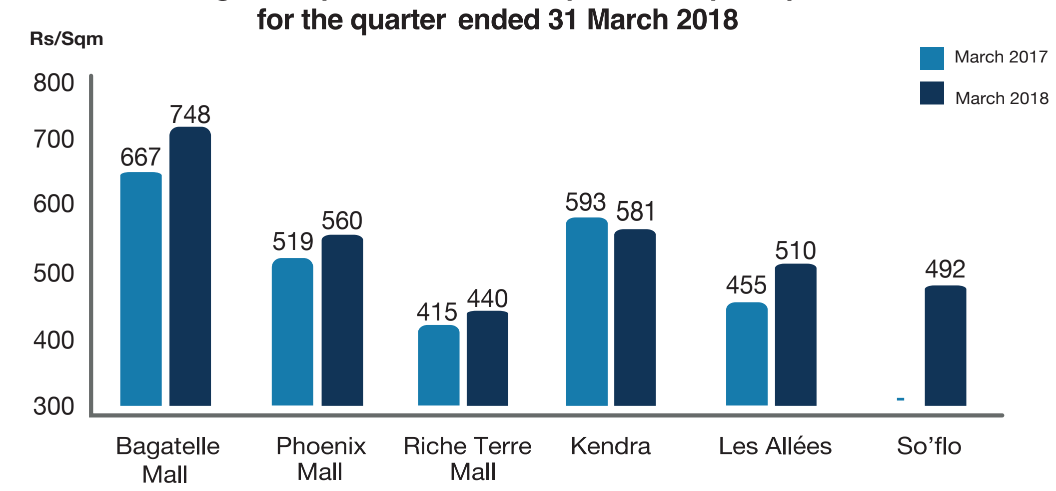
Prospects:

The Board has given its in principle approval for the extension project in Bagatelle and a minority stake in the Beau Vallon Mall project. The extension in Bagatelle will comprise of a sports / wellness centre managed by a leading local operator and serviced apartments managed by Voila. As for the Beau Vallon Mall, it will be developed by Enatt and Atterbury and will be anchored by Kingsavers and Espace Maison. Works on both projects are due to start in August 2018 for an opening planned during the first quarter of financial year 2020. Total investment for these two projects will be in the region of Rs 1bn of which Ascencia's contribution will be 400m.

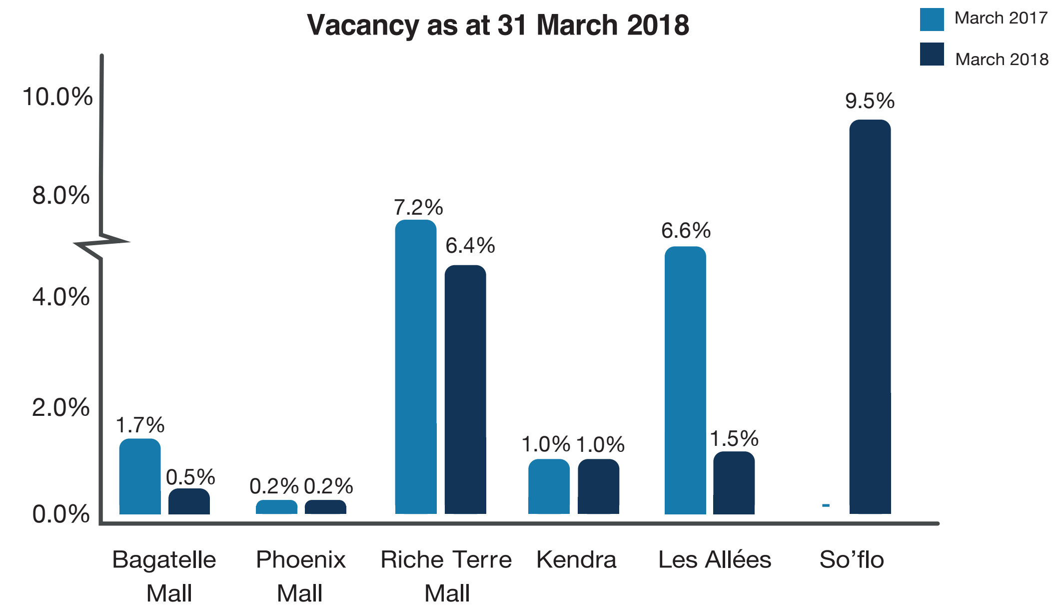
As for the operating properties, the management is confident that the performance of the assets will remain strong and that the performance of the Group for the financial year 2018 will be on target.

By order of the Board
09 May 2018

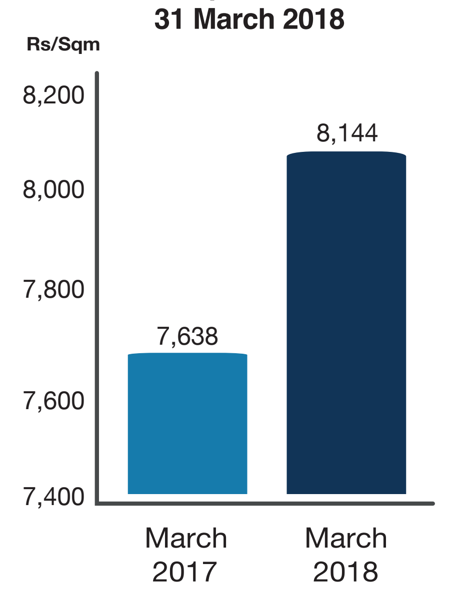
Average net operational income per month per square metre for the quarter ended 31 March 2018



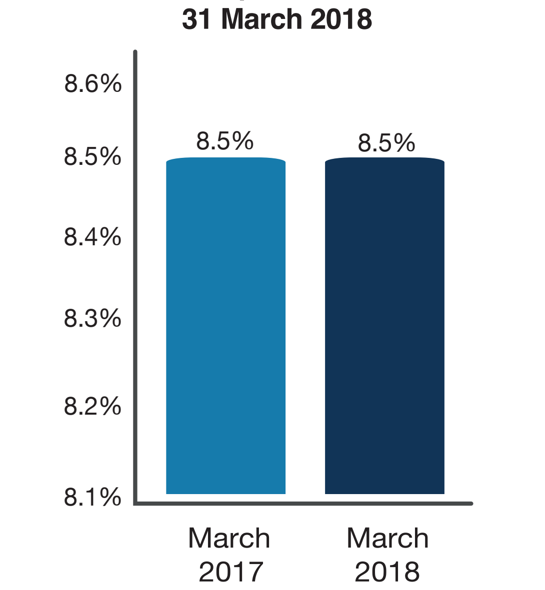
Vacancy as at 31 March 2018



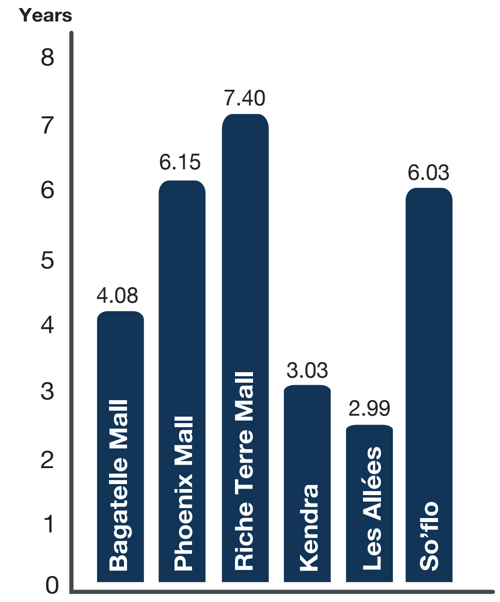
Tenant turnover per square metre for the quarter ended 31 March 2018



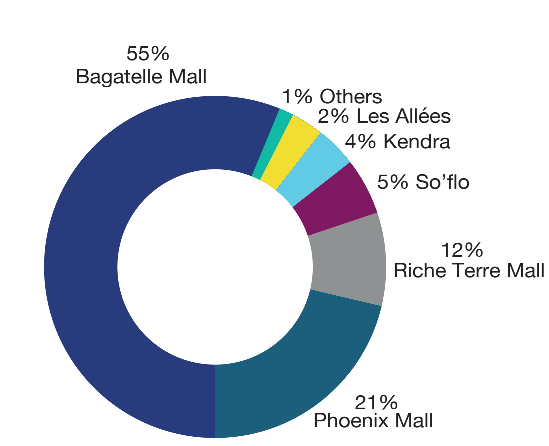
Ratio of gross rental to tenant turnover for the quarter ended 31 March 2018



Weighted average lease expiry as at 31 March 2018



Breakdown of net operational income per properties in % for the quarter ended 31 March 2018



a Rogers enterprise