



COMMENTS FOR THE PERIOD ended 31 March 2020

Operational review:

During the period under review (pre-COVID 19), the key performance indicators of every property have been in line with our expectation with healthy trading densities, rent to turnover ratios, and lower vacancies. COVID-19 has generated a great deal of uncertainty for retailers across the globe and the prolonged lockdown will have an impact across the whole sector. We have recorded a loss of Rs 95m during the quarter as a consequence of the COVID-19 pandemic.

Development review:

Construction works at Decathlon and Bagatelle Mall, which started in November 2019, will resume once the authorities allow the construction industry to re-mobilize in order to complete these projects.

Our response:

Partnering with our tenants

Mindful of the difficulties faced by our tenants, we introduced, in early April, a series of measures to alleviate the cash flow situation of our tenants and allow us to propose a joint paper to the authorities on the appropriate measures for the Retail Sector for the next 24 months. As such, we provided a moratorium for April 2020 and May 2020 rentals and waived marketing fees and operating costs for the tenants most severely impacted by the pandemic.

In parallel, we engaged with the "Collectif des Locataires" under the auspices of the Mauritius Chamber of Commerce and industry and submitted to the authorities a report at the beginning of May 2020.

We will now engage jointly with the authorities to finalize a Tenant Relief Plan with a burden sharing scheme amongst the various actors of the sector that is fair and equitable.

Preparing for the deconfinement

Consumer confidence will be the key factor in determining the speed of the recovery. As such, we have since the beginning of the confinement, prepared a detailed plan to reassure our shoppers. This plan is in three phases:

1. #safeshopping

We will be introducing exceptional measures to control the access to and the sanitary conditions in the Malls. This will involve, inter alia, automatic temperature checks and the wearing of masks for visitors, employees and service providers; daily fumigation of all parts of the Mall; social distancing and other measures recommended by the OMS. This plan has been submitted to the relevant authorities for approval.

2. Additional Events

We will be organizing additional events during the three months following confinement.

3. Online platform

We will be launching an online platform for our tenants. This platform will be free of charge for the foreseeable future and will allow tenants that do not have the means to have their own infrastructure to use ours.

This will involve investments in excess of Rs 100m and will be financed by Ascencia to show our commitment towards helping our tenants during these testing times.

Helping the more vulnerable citizens of Mauritius

In these uncertain times, some are more exposed than others. True to our longstanding commitment to support the communities in which we operate, our teams are addressing the needs of vulnerable populations, including the elderly, underprivileged families, and children in urgent need of food and other daily necessities. In April, we have donated Rs3m to ENL Foundation, National Solidarity Fund and the Solidarity Fund under the Rogers Vivacis Initiative.

Way forward

It is difficult at this stage to evaluate the impact of the pandemic on consumer behavior. We have put in place a series of measures to prepare for the deconfinement. We, however, do expect a sharp decrease in trading densities especially on non-essential categories until the end of the calendar year.

By order of the Board

12 May 2020

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

In Rs 000	Unaudited quarter ended 31 March 2020	Unaudited 9 months ended 31 March 2019	Unaudited 9 months ended 31 March 2020	Unaudited 9 months ended 31 March 2019	Audited year ended 30 June 2019
Continuing operations					
Operational revenue	222,211	338,009	860,965	962,074	1,294,275
Other operating income	6,339	6,239	29,035	23,415	32,834
Straight line rental accrual	(5,214)	8,375	(7,658)	50,492	74,476
Total revenue	223,336	352,623	882,342	1,035,981	1,401,585
Direct operating expenses arising from investment properties	(106,223)	(104,563)	(291,675)	(294,184)	(396,244)
Net operational income	117,113	248,060	590,667	741,797	1,005,341
Investment and other income	4,883	6,219	17,912	18,796	27,516
Administrative expenses	(39,848)	(36,390)	(113,381)	(107,348)	(141,886)
Operating profit	82,148	217,889	495,198	653,245	890,971
Share of profit from joint ventures	3,314	-	5,620	-	24,224
(Decr./Incr. in fair value of investment properties)	(100,000)	-	(100,000)	-	400,569
Net effect on business combinations	-	-	-	9,208	9,506
(Loss)/Profit before finance costs	(14,538)	217,889	400,818	662,453	1,325,270
Finance costs	(66,016)	(67,769)	(203,196)	(209,070)	(277,765)
(Loss)/Profit before tax	(80,554)	150,120	197,622	453,383	1,047,505
Income tax expense	(14,772)	(25,053)	(50,092)	(66,213)	(107,282)
(Loss)/Profit for the quarter/period from continuing operations	(95,326)	125,067	147,530	387,170	940,223
Discontinued operations					
Post tax profit from discontinued operations	283	1,229	5,228	2,534	9,869
(Loss)/Profit for the quarter/period	(95,043)	126,296	152,758	389,704	950,092
Other comprehensive income	-	-	-	-	-
Total comprehensive income for the quarter/period	(95,043)	126,296	152,758	389,704	950,092
Total comprehensive income attributable to:					
- Ordinary equity holders of the parent	(95,043)	126,296	152,758	389,704	950,092
	(95,043)	126,296	152,758	389,704	950,092
Class A ordinary share					
Number of shares in issue	484,817,301	482,019,385	484,817,301	482,019,385	484,817,301
Weighted average number of ordinary shares in issue	484,817,301	482,019,385	484,817,301	482,019,385	482,034,716
Basic earnings per share (Rs)	(0.20)	0.26	0.32	0.81	1.97
Diluted earnings per share (Rs)	-	-	-	-	1.96
Interim dividend per share (Rs)	0.37	0.35	0.37	0.35	0.35
Final dividend per share (Rs)	-	-	-	-	0.47
Net asset value per share (Rs)	16.20	15.56	16.20	15.56	16.25

STATEMENTS OF FINANCIAL POSITION

In Rs 000	Unaudited 9 months ended 31 March 2020	Unaudited 9 months ended 31 March 2019	Audited year ended 30 June 2019
ASSETS			
Investment properties	12,399,763	11,858,316	12,293,927
Equipment	23,985	26,007	26,832
Investment in joint venture	134,044	104,200	128,424
Goodwill	4,006	-	4,006
Current assets	760,644	982,341	935,285
Non-current assets classified as held for sale	20,946	55,652	119,144
Total assets	13,333,787	13,026,516	13,507,618
EQUITY AND LIABILITIES			
Shareholders' equity			
Stated capital	4,411,401	4,362,734	4,411,401
Retained earnings	3,442,667	3,135,452	3,469,291
Total equity	7,854,068	7,498,186	7,880,692
Non-current liabilities			
Borrowings	4,440,277	4,472,671	4,465,209
Other liabilities	659,968	710,414	694,894
Total Non-current liabilities	5,100,245	5,183,085	5,160,103
Current liabilities			
Borrowings	31,949	5,385	11,471
Other liabilities	344,698	302,845	452,670
Total current liabilities	376,647	308,230	464,141
Liabilities directly associated with non-current assets classified as held for sale	2,828	37,015	2,682
Total equity and liabilities	13,333,787	13,026,516	13,507,618

STATEMENTS OF CASH FLOWS

In Rs 000	Unaudited 9 months ended 31 March 2020	Unaudited 9 months ended 31 March 2019	Audited year ended 30 June 2019
Net cash generated from operating activities	486,100	631,219	757,096
Net cash (used in) investing activities	(216,800)	(252,177)	(362,852)
Net cash (used in) financing activities	(605,800)	(581,743)	(651,811)
Net cash flows from discontinued operations	99,400	17,138	16,429
Net (decrease) in cash and cash equivalents	(237,100)	(185,563)	(241,138)
Cash and cash equivalents - opening	762,852	992,537	992,537
Cash flow from acquisition of subsidiary company	-	11,458	11,453
Cash and cash equivalents - closing	525,752	818,432	762,852

STATEMENTS OF CHANGES IN EQUITY

In Rs 000	Stated Capital	Retained Earnings	Total Equity
Balance at 01 July 2018	4,362,734	2,914,455	7,277,189
Total comprehensive income for the period	-	389,704	389,704
Dividends	-	(168,707)	(168,707)
At 31 March 2019	4,362,734	3,135,452	7,498,186
Balance at 01 July 2019	4,411,401	3,469,291	7,880,692
Total comprehensive income for the period	-	152,758	152,758
Dividends	-	(179,382)	(179,382)
At 31 March 2020	4,411,401	3,442,667	7,854,068

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 2019 except for the adoption of new International Financial Reporting Standards issued which are now effective. Soft copies of this report are available free of charge and upon request from the Company Secretary 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 will be made available after lockdown, free of charge at the registered office: No. 5, President John Kennedy Street, Port Louis.

