

## ASTORIA INVESTMENTS LTD

(Incorporated in the Republic of Mauritius)

(Registration number 1297585 C1/GBL)

SEM share code: ATIL.N0000

JSE share code: ARA NSX share code: ARO

ISIN: MU0499N00007

("Astoria" or "the Company" or "the Group")



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## ABRIDGED UNAUDITED CONSOLIDATED RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 30 SEPTEMBER 2016

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Astoria was established in Mauritius on 20 April 2015 as a public company, limited by shares, holding a Category 1 Global Business Licence. The Company has its primary listing on the Stock Exchange of Mauritius ("SEM") and secondary listings on both the Alternative Exchange ("AltX") of the Johannesburg Stock Exchange ("JSE") and the Namibian Stock Exchange ("NSX").

The principal objective of the Company is to achieve strong USD capital appreciation over the medium-to-long-term by investing in global, equity-dominated holdings of primarily direct, high-quality listed businesses that are located primarily in developed markets.

### BUSINESS REVIEW

As at 30 September 2016, the net asset value ("NAV") per Astoria share was USD 1.03 (30 June 2016: USD 0.95).

The board of directors of Astoria ("the board") believes that this is a satisfactory outcome given the volatility experienced in global markets during this third quarter of 2016.

At 30 September 2016, Astoria's funds were deployed as follows: listed global equities 63%, niche funds 3%, private equity 2% and USD cash 32%.

Astoria's top 10 equity positions as at 30 September 2016 were: Echo Polska Properties ("EPP"), Blackstone Group, Amazon, Apple, Facebook, Activision Blizzard, Fedex, Johnson & Johnson, Unilever and Admiral Group. With the exception of the holding in EPP, none of the equity positions individually comprise more than 4.5% of Astoria's total assets.

EPP listed on the Luxembourg Stock Exchange Euro MTF market on 31 August 2016 followed by a successful capital raising and listing on the JSE on 13 September 2016. The listings are joint primary listings. The capital was raised on the JSE at the equivalent price of EUR 1.45 per share against the effective price of EUR 1.00 per share paid by Astoria. This is an outstanding result for Astoria. The EPP investment is now categorized as listed equity rather than private equity. The holding in EPP is clearly a very large weighting for Astoria but it does offer a dividend yield to Astoria of approximately 10% based on cost. This holding is under constant review by the board and the investment manager. The board is pleased that the asset class diversification within the portfolio has demonstrated its value in difficult markets for listed equities. Moreover, Astoria's structural benefits have allowed it to take advantage of an opportunity which many of its shareholders would not have been able to access on their own.

As at 30 September 2016, Astoria had committed to Apollo Natural Resources Partners II, L.P. (USD 5 million), DSG Consumer Partners II (USD 750 000), CS Capital Partners (USD 4.6 million) and STAR Strategic Assets Fund III (EUR 4.5 million). The total drawn down in respect of these commitments as at 30 September 2016 was approximately USD 2.1 million. These investments are held in 100% owned companies with Category 1 Global Business Licences and hence we now have consolidated accounts for this quarter.

As previously communicated, the board, on consideration, has decided to increase the allocation of capital to private equity to a level which is likely to exceed the originally intended 20% of net asset value based on the opportunity set presented. The underlying belief of Astoria's investment manager is that the outlook for global equity markets remains uncertain in the short-to medium-term. The board believes that the objectives of Astoria are more likely to be met via increasing capital allocation to carefully considered direct private equity opportunities at this stage of the market cycle.

The investment manager, together with the board, have considered a number of unlisted investment opportunities over the last few months and will continue to do so. The investment manager and the board have adopted a conservative approach and seek to invest in only those opportunities that meet strict investment criteria.

The outlook for global equities in the fourth quarter of the year remains uncertain. There is increasing anxiety about macro-economic issues, in particular: the UK Brexit decision, the trajectory of US interest rates and the associated issues of US and global economic growth as well as the uncertainty surrounding a particularly acrimonious US Presidential campaign. The investment manager will continue in its cautious approach.

Operational expenses amounted to USD 122 000 for the quarter, still in line with the annual budget of USD 500 000.

A more comprehensive investment manager's report is available at [www.astoria.mu](http://www.astoria.mu).

#### **NET ASSET VALUE ("NAV")**

The NAV per share at 30 September 2016 was USD 1.03 (30 June 2016: USD 0.95). The board is still of the view that Astoria itself is an excellent investment for the Company if its shares can be purchased at a material discount to NAV. We have engaged with the SEM to determine the mechanics of making a share repurchase. The board is assessing feedback from shareholders and continues to consider the benefits of a share repurchase. The necessary announcements will be made in this regard in due course.

#### **DIVIDEND**

No dividend has been declared for the period under review.

#### **BASIS OF PREPARATION**

These abridged unaudited consolidated results for the quarter and nine months ended 30 September 2016 have been prepared in accordance with the measurement recognition requirements of IFRS, IAS34 – Interim Financial Reporting the SEM Listing Rules, and the Securities Act of Mauritius 2005.

#### **ACCOUNTING POLICIES**

These financial statements were approved by the board on 17 October 2016. The results below have not been audited by the Group's external auditors, KPMG (Mauritius). The accounting policies adopted are consistent with those published in the audited financial statements for the period ended 31 December 2015, except for new standards and interpretations effective as from 1 January 2016.

By order of the Board

**Osiris Corporate Solutions (Mauritius) Limited**  
**Company secretary**

17 October 2016

#### **NOTES**

Copies of this report are available to the public at the registered office of the Company, 3rd Floor, La Croisette, Grand Baie, Republic of Mauritius.

Copies of the statement of direct or indirect interest of the Senior Officers of the Company pursuant to rule 8(2)(m) of the Securities (Disclosure of Obligations of Reporting Issuers) Rules 2007 are available to the public upon request to the Company Secretary at the Registered Office of the Company at 3rd Floor, La Croisette, Grand Baie, Republic of Mauritius.

This announcement is issued pursuant to Listing Rules 12.20 and 12.21 and Section 88 of the Securities Act 2005. The Board of Astoria Investments Ltd accepts full responsibility for the accuracy of the information in this announcement.

For further information, please contact:

JSE sponsor

**Java Capital**

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Company secretary

**Osiris Corporate Solutions (Mauritius) Limited**

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# ASTORIA INVESTMENTS LTD

## ABRIDGED UNAUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

|   | Unaudited<br>As at<br>30 September 2016<br>USD'000 | Audited<br>As at<br>31 December 2015<br>USD'000 |
|---|--|---|
| <b>ASSETS</b>   |  |   |
| <b>Non-current assets</b>                             |  |   |
| Financial assets at fair value through profit or loss | 88,686   | 34,730  |
| <b>Current assets</b>                                 |  |   |
| Advance on investment                                 | -  | 5,000   |
| Cash and cash equivalents                             | 41,925   | 83,437  |
| Trade and other receivables                           | 90   | 24  |
| <b>Total current assets</b>                           | <b>42,015</b>                                      | <b>88,461</b>                                   |
| <b>Total assets</b>                                   | <b>130,701</b>                                     | <b>123,191</b>                                  |
| <b>EQUITY AND LIABILITIES</b>                         |  |   |
| <b>EQUITY</b>   |  |   |
| Stated capital  | 124,504  | 124,504   |
| Accumulated profits/(losses)                          | 6,049  | (1,671)   |
| <b>Total equity</b>                                   | <b>130,553</b>                                     | <b>122,833</b>                                  |
| <b>LIABILITIES</b>                                    |  |   |
| <b>Current liabilities</b>                            |  |   |
| Trade and other payables                              | 148  | 358   |
| <b>Total current liabilities</b>                      | <b>148</b>   | <b>358</b>                                      |
| <b>Total equity and liabilities</b>                   | <b>130,701</b>                                     | <b>123,191</b>                                  |

## ASTORIA INVESTMENTS LTD

### ABRIDGED UNAUDITED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE QUARTER AND NINE MONTHS ENDED 30 SEPTEMBER 2016

|  | Unaudited for<br>the quarter ended<br>30 September 2016<br>USD'000 | Unaudited for<br>the 9 months ended<br>30 September 2016<br>USD'000 | Audited for<br>the period from<br>20 April 2015 to<br>31 December 2015<br>USD'000 |
|--|--|---|---|
| <b>REVENUE</b>   |  |   |   |
| Dividend income  | 133  | 644   | 6   |
| Interest income  | 57   | 190   | 16  |
| Net gain from financial assets at<br>fair value through profit or loss             |  |   | 121   |
| <b>Total revenue</b>   | <b>190</b>   | <b>834</b>  | <b>143</b>  |
| <b>EXPENSES</b>  |  |   |   |
| Management fees  | (324)  | (937)   | (104)   |
| General and administrative<br>expenses   | (122)  | (372)   | (256)   |
| <b>OPERATING PROFIT/(LOSS)</b>   | <b>(256)</b>   | <b>(475)</b>  | <b>(217)</b>  |
| Net profit/(loss) from financial<br>assets at fair value through profit or<br>loss | 10,268   | 9,200   | (1,454)   |
| Net foreign exchange gain/(loss)   | 147  | (295)   | -   |
| Realised loss on disposal of<br>investments  | (602)  | (710)   | -   |
| <b>PROFIT/(LOSS) FOR THE<br/>PERIOD BEFORE TAX</b>                                 | <b>9,557</b>   | <b>7,720</b>  | <b>(1,671)</b>  |
| Taxation   | -  | -   | -   |
| <b>PROFIT/(LOSS) FOR THE<br/>PERIOD AFTER TAX</b>                                  | <b>9,557</b>   | <b>7,720</b>  | <b>(1,671)</b>  |
| <b>TOTAL COMPREHENSIVE<br/>INCOME FOR THE PERIOD</b>                               | <b>9,557</b>   | <b>7,720</b>  | <b>(1,671)</b>  |
| <b>Profit/(Loss) per share from<br/>continuing operations</b>                      |  |   |   |
| Basic profit/(loss) per share (cents)  | <b>8</b>   | <b>6</b>  | <b>(3)</b>  |
| Headline profit/(loss) per share<br>(cents)  | <b>8</b>   | <b>6</b>  | <b>(3)</b>  |

## ASTORIA INVESTMENTS LTD

### RECONCILIATION OF PROFIT TO HEADLINE EARNINGS

|  | Unaudited<br>For the<br>quarter ended<br>30 September<br>2016<br><u>USD'000</u> | Unaudited<br>For the<br>9 months ended<br>30 September<br>2016<br><u>USD'000</u> | Audited for<br>the period from<br>20 April 2015 to<br>31 December<br>2015<br><u>USD'000</u> |
|--|---|--|---|
| Basic profit/(loss) from continuing operations attributable to equity holders of the Company | 9,557   | 7,720  | (1,671)   |
| Net gain from financial assets at fair value through profit or loss                          | -   | -  | -   |
| Exchange loss arising on retranslation of foreign currency                                   | 147   | (296)  | -   |
| Headline loss from continuing operations attributable to equity holders of the Group         | <u>9,704</u>  | <u>7,424</u>   | <u>(1,671)</u>  |
| Basic loss from discontinued operations  | -   | -  | -   |
| Fair value loss on investment property   | -   | -  | -   |
| Headline earnings from discontinued operations   | <u>-</u>  | <u>-</u>   | <u>-</u>  |
| Weighted average number of shares  | <u>126,809,944</u>  | <u>126,809,944</u>   | <u>55,605,092</u>   |
| Basic profit/(loss) per share (cents)  | <u>8</u>  | <u>6</u>   | <u>(3)</u>  |
| Headline profit/(loss) per share (cents)   | <u>8</u>  | <u>6</u>   | <u>(3)</u>  |

Astoria has no dilutive instruments in issue.

**ASTORIA INVESTMENTS LTD**

**ABRIDGED UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2016**

|   | <u>Stated<br/>capital</u><br>USD'000 | <u>Accumulated<br/>profits and losses</u><br>USD'000 | <u>Total</u><br>USD'000 |
|---|--------------------------------------|--|-------------------------|
| <b>Balance at 01 January 2016</b>                       | 124,504                              | (1,671)  | 122,833                 |
| <i><b>Total comprehensive income for the period</b></i> |                                      |  |                         |
| Loss for the period                                     | -                                    | <b>(762)</b>   | <b>(762)</b>            |
| <b>Total comprehensive income</b>                       | <b>-</b>                             | <b>(762)</b>   | <b>(762)</b>            |
| <b>Balance at 31 March 2016 (Unaudited)</b>             | <b>124,504</b>                       | <b>(2,433)</b>                                       | <b>122,071</b>          |
| <b>Balance at 01 April 2016</b>                         | 124,504                              | (2,433)  | 122,071                 |
| <i><b>Total comprehensive income for the period</b></i> |                                      |  |                         |
| Loss for the period                                     | -                                    | <b>(1,075)</b>                                       | <b>(1,075)</b>          |
| <b>Total comprehensive income</b>                       | <b>-</b>                             | <b>(1,075)</b>                                       | <b>(1,075)</b>          |
| <b>Balance at 30 June 2016 (Unaudited)</b>              | <b>124,504</b>                       | <b>(3,508)</b>                                       | <b>120,996</b>          |
| <b>Balance at 01 July 2016</b>                          | 124,504                              | (3,508)  | 120,996                 |
| <i><b>Total comprehensive income for the period</b></i> |                                      |  |                         |
| Profit/(Loss) for the period                            | -                                    | <b>9,557</b>   | <b>9,557</b>            |
| <b>Total comprehensive income</b>                       | <b>-</b>                             | <b>9,557</b>   | <b>9,557</b>            |
| <b>Balance at 30 September 2016 (Unaudited)</b>         | <b>124,504</b>                       | <b>6,049</b>   | <b>130,553</b>          |

# ASTORIA INVESTMENTS LTD

## ABRIDGED UNAUDITED STATEMENT OF CASH FLOWS FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2016

|  | Unaudited for<br>the 9 months<br>ended<br>30 September 2016<br>USD'000 | Audited for<br>the period from<br>20 April 2015 to<br>31 December 2015<br>USD'000 |
|--|--|---|
| <b>Cash flows from operating activities</b>  |  |   |
| Profit/ (Loss) before tax  | 7,720  | (1,671)   |
| <i>Adjustments for:</i>  |  |   |
| Net loss/(gain) from revaluation of financial assets at<br>fair value through profit or loss | (9,200)  | (121)   |
| Net foreign exchange loss/(gain)   | 295  | 1,454   |
| Realised loss on disposal of financial asset   | 710  | -   |
|  | (475)  | (338)   |
| <i>Changes in working capital:</i>   |  |   |
| Decrease/(Increase) in trade and other receivables   | (65)   | (24)  |
| (Decrease)/ Increase in trade and other payables   | (210)  | 358   |
| <b>Net cash used in operating activities</b>   | <b>(750)</b>   | <b>(4)</b>  |
| <b>Cash flows from investing activities</b>  |  |   |
| Acquisition of financial assets designated at fair value<br>through profit or loss           | (46,436)   | (34,609)  |
| Disposal of financial assets   | 6,135  | -   |
| Advance made on investment   | -  | (5,000)   |
| <b>Net cash used in investing activities</b>   | <b>(40,301)</b>  | <b>(39,609)</b>   |
| <b>Cash flows from financing activities</b>  |  |   |
| Proceeds from issue of ordinary shares   | -  | 126,810   |
| Share issue costs  | -  | (2,306)   |
| <b>Net cash from financing activities</b>  | <b>-</b>   | <b>124,504</b>  |
| <b>Net (decrease)/ increase in cash and cash<br/>equivalents</b>                             | <b>(41,051)</b>  | <b>84,891</b>   |
| Cash and cash equivalents at beginning of period   | 83,437   | -   |
| Effect on exchange rate fluctuations on cash and cash<br>equivalents                         | (461)  | (1,454)   |
| <b>Cash and cash equivalents at end of period</b>  | <b>41,925</b>  | <b>83,437</b>   |



## ASTORIA INVESTMENTS LTD

### ABRIDGED UNAUDITED SEGMENTAL INFORMATION FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2016

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The Company reports segment information in terms of geographical location. Geographical location is split between United States, Europe, Asia, South Africa and Mauritius. The Company has investments in high-quality global growth businesses.

|                                  | Unaudited for<br>the quarter ended<br>30 September 2016 | Unaudited for<br>the 9 months ended<br>30 September 2016 | Audited for<br>the period from<br>20 April 2015 to<br>31 December 2015 |
|----------------------------------|---|--|--|
|                                  | USD'000   | USD'000  | USD'000  |
| <b>Profit/ (Loss) before tax</b> |   |  |  |
| Asia                             | -   | (16)   | 1  |
| Europe                           | 6,980   | 5,944  | (9)  |
| Mauritius                        | (271)   | (828)  | (141)  |
| South Africa                     | (10)  | (53)   | (1,555)  |
| United States                    | 2,858   | 2,673  | 33   |
|                                  | <u>9,557</u>  | <u>7,720</u>   | <u>(1,671)</u>   |

|                        | Unaudited as at<br>30 September 2016<br>USD'000 | Audited as at<br>31 December 2015<br>USD'000 |
|------------------------|---|--|
| <b>Total Assets</b>    |   |  |
| Asia                   | 223   | 76   |
| British Virgin Islands | 407   | -  |
| Europe                 | 46,534  | 16,011                                       |
| Mauritius              | 33,915  | 77,185                                       |
| South Africa           | 2   | 13   |
| United States          | 49,620  | 29,906                                       |
|                        | <u>130,701</u>                                  | <u>123,191</u>                               |