

# MAINLAND REAL ESTATE LTD

Incorporated in the Republic of Mauritius  
 Registration number 135891 C1/GBL  
 SEM share code MAIN.N0000 JSE share code MLD ISIN MU0520N00000  
 ("Mainland" or "the Company")

## ABRIDGED UNAUDITED FINANCIAL STATEMENTS for the three months ended 30 June 2018

### DIRECTORS' COMMENTARY

#### NATURE OF BUSINESS

Mainland was incorporated on 2 February 2016 as a Category One Global Business Licence Company. The Company has its primary listing on the Official Market of the Stock Exchange of Mauritius Ltd ("SEM") and a secondary listing on the Alternative Exchange of the JSE Limited. The Company has been established with the primary objective of investing in global real estate assets and companies, predominantly situated in the United Kingdom and selected Western European jurisdictions, specifically the Netherlands and Germany.

Since listing, the Company has invested in a diversified portfolio of listed property securities and continues to trade in these, as well as making an investment in cumulative, redeemable, non-participating preference shares.

#### COMPANY REVIEW FOR THE THREE MONTHS ENDED 30 JUNE 2018

The Company hereby presents its results for the three months ended 30 June 2018.

During the three months ended 30 June 2018, the weakening of the ZAR against GBP resulted in a net unrealised loss on financial assets at fair value through profit or loss and an unrealised foreign exchange loss.

#### COMPANY OUTLOOK

Mainland intends to grow its portfolio of listed property securities and investments, mainly through strategic investments into listed and direct property investment sector. The board of directors of the Company ("the Board") remains on the lookout for and is actively pursuing opportunities that fall within the ambit of Mainland's investment strategy.

Mainland is still in the process of appointing a new Chief Executive Officer and Chief Investment Officer. A further announcement will be made upon their appointments.

By order of the Board  
 3 August 2018

### STATEMENT OF CASH FLOWS

	UNAUDITED For the three months ended 30 June 2018 GBP	AUDITED For the year ended 31 March 2018 GBP	UNAUDITED For the three months ended 30 June 2017 GBP
<b>Cash flows from operating activities</b>			
Cash utilised in operations	(22,957)	(108,889)	(31,463)
Dividend received	-	1,992	-
<b>Net cash utilised in operating activities</b>	<b>(22,957)</b>	<b>(106,897)</b>	<b>(31,463)</b>
<b>Net decrease in cash and cash equivalents for the period</b>	<b>(22,957)</b>	<b>(106,897)</b>	<b>(31,463)</b>
Foreign exchange movement	(45,067)	(21,777)	(32,430)
Cash and cash equivalents at the beginning of the period	547,465	676,139	676,139
<b>Cash and cash equivalents at end of the period</b>	<b>479,441</b>	<b>547,465</b>	<b>612,246</b>

### SEGMENTAL REPORTING

The Company is organised into one main operating segment, which invests in global real estate assets and companies. All significant operating decisions are based upon analysis of the Company as one segment. The financial results from this segment are equivalent to the financial statements of the Company as a whole.

### STATEMENT OF FINANCIAL POSITION

	UNAUDITED 30 June 2018 GBP	AUDITED 31 March 2018 GBP	UNAUDITED 30 June 2017 GBP
<b>ASSETS</b>			
<b>Current assets</b>			
Financial assets at fair value through profit or loss	597,655	639,903	599,338
Other receivables	9,937	7,771	10,555
Cash and cash equivalents	479,441	547,465	612,246
<b>Total current assets</b>	<b>1,087,033</b>	<b>1,195,139</b>	<b>1,222,139</b>
<b>Total assets</b>	<b>1,087,033</b>	<b>1,195,139</b>	<b>1,222,139</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Capital and reserves</b>			
Share capital	1,255,984	1,255,984	1,255,984
Accumulated losses	(172,849)	(66,558)	(50,456)
<b>Total equity</b>	<b>1,083,135</b>	<b>1,189,426</b>	<b>1,205,528</b>
<b>Current liabilities</b>			
Trade and other payables	3,898	5,713	16,611
<b>Total current liabilities</b>	<b>3,898</b>	<b>5,713</b>	<b>16,611</b>
<b>Total equity and liabilities</b>	<b>1,087,033</b>	<b>1,195,139</b>	<b>1,222,139</b>
Actual number of shares in issue	884,042	884,042	884,042
Net asset value per share (Pence)	122.52	134.54	136.37

### STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	UNAUDITED For the three months ended 30 June 2018 GBP	AUDITED For the year ended 31 March 2018 GBP	UNAUDITED For the three months ended 30 June 2017 GBP
<b>Revenue</b>	<b>(42,247)</b>	27,574	(14,982)
Expenses	(18,437)	(89,425)	(20,963)
Foreign exchange loss	(45,607)	(22,372)	(32,176)
<b>Loss before taxation</b>	<b>(106,291)</b>	(84,223)	(68,121)
Taxation	-	-	-
<b>Loss for the period</b>	<b>(106,291)</b>	(84,223)	(68,121)
Other comprehensive income	-	-	-
<b>Total comprehensive income for the period</b>	<b>(106,291)</b>	(84,223)	(68,121)
<b>Weighted average number of shares in issue</b>	<b>884,042</b>	884,042	884,042
Basic and diluted loss per share (Pence)	(12.02)	(9.53)	(7.71)
Adjusted headline loss per share from continuing operations (Pence)	(12.02)	(9.53)	(7.71)

The Company has no dilutionary instruments in issue.

### STATEMENT OF CHANGES IN EQUITY

	Ordinary share capital GBP	(Accumulated losses) / Retained earnings GBP	Total GBP
Balance at 1 April 2017	1,255,984	17,665	1,273,649
Loss for the year	-	(84,223)	(84,223)
<b>Balance as at 31 March 2018</b>	<b>1,255,984</b>	<b>(66,558)</b>	<b>1,189,426</b>
<b>Balance as at 1 April 2018</b>	<b>1,255,984</b>	<b>(66,558)</b>	<b>1,189,426</b>
Loss for the period	-	(106,291)	(106,291)
<b>Balance as at 30 June 2018</b>	<b>1,255,984</b>	<b>(172,849)</b>	<b>1,083,135</b>

### RECONCILIATION OF BASIC EARNINGS TO DISTRIBUTABLE EARNINGS

	UNAUDITED For the three months ended 30 June 2018 GBP	AUDITED For the year ended 31 March 2018 GBP	UNAUDITED For the three months ended 30 June 2017 GBP
Loss for the period attributable to owners of the parent	(106,291)	(84,223)	(68,121)
Headline loss	(106,291)	(84,223)	(68,121)
<b>Adjusted headline loss / Distributable loss</b>	<b>(106,291)</b>	<b>(84,223)</b>	<b>(68,121)</b>
Headline loss per share (Pence)	(12.02)	(9.53)	(7.71)
Adjusted headline loss per share (Pence)	(12.02)	(9.53)	(7.71)

There were no reconciling items in terms of headline earnings.

### NOTES

The Company is required to publish financial results for the three months ended 30 June 2018 in terms of Listing Rule 12.19 of the SEM. Accordingly this announcement presents the financial results of the Company in respect of the period from 1 April 2018 to 30 June 2018.

The abridged unaudited financial statements for the three months ended 30 June 2018 ("abridged unaudited financial statements") have been prepared on the basis of accounting policies of the Company which are in compliance with International Financial Reporting Standards ("IFRS"). The abridged unaudited financial statements are in accordance with the measurement and recognition requirements of IFRS, the requirements of IAS 34 Interim Financial Reporting, the SEM Listing Rules, the Securities Act of Mauritius 2005 and the JSE Listings Requirements.

The accounting policies adopted in the preparation of these abridged unaudited financial statements are consistent with those applied in the previous financial statements.

The abridged unaudited financial statements have not been reviewed or audited by the Company's external auditors. These financial statements were approved by the Board on 3 August 2018.

Copies of the abridged unaudited financial statements and the statement of direct and indirect interests of each officer of the Company, pursuant to rule 8(2)(m) of the Securities (Disclosure Obligations of Reporting Issuers) Rules 2007, are available free of charge, upon request at the Registered Office of the Company at c/o Intercontinental Fund Services Limited, Level 5, Alexander House, 35 Cybercity, Ebene 72201, Mauritius. Contact person: Mrs. Smitha Algoo.

This communiqué is issued pursuant to SEM Listing Rule 12.20 and Section 88 of the Securities Act of Mauritius 2005. The Board of Mainland accepts full responsibility for the accuracy of the information contained in these abridged unaudited financial statements. The directors of Mainland have disclosed all matters or circumstances arising subsequent to the three months ended 30 June 2018 that require any additional disclosure or adjustment to the financial statements.

For further information please contact:

Company Secretary

SEM authorised representative and sponsor



JSE sponsor

