

ABRIDGED UNAUDITED FINANCIAL STATEMENTS FOR THE THREE MONTHS AND NINE MONTHS ENDED 31 DECEMBER 2018

DIRECTORS COMMENTARY

OVERVIEW AND NATURE OF BUSINESS

Mainland was incorporated on 2 February 2016 as a Global Business Licence company. The Company was established with the primary objective of investing in global real estate assets and companies. As announced in December 2018, the Company has broadened the scope of its investment strategy and will henceforth target additional investment jurisdictions, while staying within the real estate space. In addition to achieving its primary objective of investing directly or indirectly in global real estate assets, the Company's new investment strategy is geared towards also opportunistically acquiring external management companies whenever the Company intends to invest in or acquire any real estate assets which are managed by an external management company. The Company intends to shift its focus to Southeast Asia, Africa and the Indian Ocean. The Company will continue to focus on investments which will deliver favourable returns for investors through both income and capital growth.

The Company's shares listed on the Official Market of the Stock Exchange of Mauritius Ltd ("SEM") on 23 May 2016 and as a secondary listing on the Alternative Exchange of the Johannesburg Stock Exchange ("AltX") on 9 December 2016. Mainland's listing on the AltX has been terminated with effect from 11 February 2019.

COMPANY REVIEW FOR THE THREE MONTHS AND THE NINE MONTHS ENDED 31 DECEMBER 2018

On 28 December 2018, Mainland invested in two companies, namely LK REIT Management Pte. Ltd and Peninsula Investment Limited. The Company acquired 2 ordinary shares of no par value, representing 66.7% of the issued shares in LK REIT Management Pte. Ltd, a company incorporated under the Laws of Singapore for a consideration of SGD 54,800. The entity's assets currently comprise of liquid assets. Mainland also acquired 1,600,000 ordinary shares with nominal value US\$ 0.04 each, representing 51.9% of the issued shares in Peninsula Investment Limited, a company incorporated under the Labuan Laws, for a consideration of US\$ 64,000. The entity's assets currently comprise of investment in a subsidiary operating as a property management company.

The Company hereby presents consolidated accounts for the three months and the nine months ended 31 December 2018 as required by IFRS10 -Consolidated Financial Statements.

Upon consolidation of LK REIT Management Pte. Ltd. and Peninsula Investment Limited, Mainland has accounted for a significant increase in group revenue amounting to GBP 40.8m . The increase is linked to the difference between the consideration paid for the two acquisitions and their respective values acquired.

During the quarter ended 31 December 2018, the Company also disposed of its portfolio of listed property securities and of its investment in cumulative, redeemable, non-participating preference shares. Mainland has also disposed of its investment in Sirius Real Estate Ltd.

CHANGES TO THE BOARD

On 27 December 2018, Mr. Richard Hendro Setiadi was appointed as a new executive director of Mainland. Miss Fee Ching Francesca Chung Ching Wan resigned from the Board of directors ("Board") of the Company with effect from 31 December 2018. The Board welcomes the appointment of Mr. Richard Hendro Setiadi and looks forward to his contribution to the Company. The Board also wishes to thank Miss Fee Ching Francesca Chung Ching Wan for her valuable contribution to Mainland and wishes her well in her future endeavours.

By order of the Board
 28 February 2019

STATEMENT OF FINANCIAL POSITION

	* GROUP UNAUDITED	AUDITED	UNAUDITED
	31 December 2018	31 March 2018	31 December 2017
	GBP	GBP	GBP
ASSETS			
Non Current assets			
Fixed Assets	142,086	-	-
Intangible assets	19,415	-	-
Investment in sub subsidiary (Note 1)	26,359,407	-	-
	<u>26,520,908</u>	<u>-</u>	<u>-</u>
Current assets			
Financial assets at fair value through profit or loss	-	639,903	632,376
Investment receivable	240,175	-	-
Receivable from related party (Note 1)	52,545,248	-	-
Trade and other receivables	5,413,316	7,771	9,346
Cash and cash equivalents	2,502,362	547,465	589,729
	<u>60,701,101</u>	<u>1,195,139</u>	<u>1,231,451</u>
Total current assets	<u>60,701,101</u>	<u>1,195,139</u>	<u>1,231,451</u>
Total assets	<u>87,222,009</u>	<u>1,195,139</u>	<u>1,231,451</u>
EQUITY AND LIABILITIES			
Capital and reserves			
Share capital	1,255,984	1,255,984	1,255,984
Retained Earnings / Accumulated (losses)	40,573,573	(66,558)	(52,071)
Total equity attributable to owners of parent	<u>41,829,557</u>	<u>1,189,426</u>	<u>1,203,913</u>
Non-controlling interest	22,839,126	-	-
Total capital and reserves	<u>64,668,683</u>	<u>1,189,426</u>	<u>1,203,913</u>
Current liabilities			
Payable to related party (Note 1)	20,622,266	-	-
Trade and other payables	1,931,060	5,713	27,538
Total current liabilities	<u>22,553,326</u>	<u>5,713</u>	<u>27,538</u>
Total equity and liabilities	<u>87,222,009</u>	<u>1,195,139</u>	<u>1,231,451</u>
Actual number of shares in issue	884,042	884,042	884,042
Net asset value per share (GBP)	47.32	1.35	1.36

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	* GROUP UNAUDITED	* GROUP UNAUDITED	UNAUDITED	UNAUDITED
	For the three months ended 31 December 2018	For the nine months ended 31 December 2018	For the three months ended 31 December 2017	For the nine months 31 December 2017
	GBP	GBP	GBP	GBP
Revenue	40,797,829	40,754,978	59,019	19,044
Expenses	(21,275)	(64,427)	(24,010)	(63,985)
Foreign exchange gain/ (loss)	(3,267)	(50,420)	46,882	(24,795)
Loss before taxation	<u>40,773,287</u>	<u>40,640,131</u>	<u>81,891</u>	<u>(69,736)</u>
Taxation	-	-	-	-
Profit/(Loss) for the period	<u>40,773,287</u>	<u>40,640,131</u>	<u>81,891</u>	<u>(69,736)</u>
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	<u>40,773,287</u>	<u>40,640,131</u>	<u>81,891</u>	<u>(69,736)</u>
Weighted average number of shares in issue	<u>884,042</u>	<u>884,042</u>	<u>884,042</u>	<u>884,042</u>
Basic and diluted profit/ (loss) per share (GBP)	<u>46.12</u>	<u>45.97</u>	<u>0.09</u>	<u>(0.08)</u>
Adjusted headline profit/ (loss) per share from continuing operations (GBP)	<u>46.12</u>	<u>45.97</u>	<u>0.09</u>	<u>(0.08)</u>

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 as at 31 March 2017	1,255,984	17,665	1,273,649
Loss for the period	-	(69,736)	(69,736)
Balance as at 31 December 2017	<u>1,255,984</u>	<u>(52,071)</u>	<u>1,203,913</u>
Balance as at 31 March 2018	1,255,984	(66,558)	1,189,426
* Group profit for the period	-	40,640,131	40,640,131
Balance as at 31 December 2018	<u>1,255,984</u>	<u>40,573,573</u>	<u>41,829,557</u>

STATEMENT OF CASH FLOWS

	* GROUP UNAUDITED For the nine months ended 31 December 2018 GBP	AUDITED For the year ended 31 March 2018 GBP	UNAUDITED For the nine months 31 December 2017 GBP
Cash flows from operating activities			
Cash utilised in operations	(63,294)	(108,889)	(62,586)
Dividend received	1,035	1,992	988
Net cash utilised in operating activities	<u>(62,259)</u>	<u>(106,897)</u>	<u>(61,598)</u>
Cash flows from investing activities			
Acquisition of investments	1,433,890	-	-
Proceeds from sale of investments	633,686	-	-
Net cash generated from investing activities	<u>2,067,576</u>	<u>-</u>	<u>-</u>
Net increase / (decrease) in cash and cash equivalents for the period	2,005,317	(106,897)	(61,598)
Foreign exchange movement	(50,420)	(21,777)	(24,812)
Cash and cash equivalents at the beginning of the period	547,465	676,139	676,139
Cash and cash equivalents at end of the period	<u>2,502,362</u>	<u>547,465</u>	<u>589,729</u>

RECONCILIATION OF BASIC EARNINGS TO DISTRIBUTABLE EARNINGS

	* GROUP UNAUDITED For the nine months ended 31 December 2018 GBP	AUDITED For the year ended 31 March 2018 GBP	UNAUDITED For the nine months 31 December 2017 GBP
Profit/(Loss) for the period attributable to owners of the parent	<u>40,640,131</u>	<u>(84,223)</u>	<u>(69,736)</u>
Headline profit/(loss)	40,640,131	(84,223)	(69,736)
Adjusted headline loss / Distributable loss	<u>40,640,131</u>	<u>(84,223)</u>	<u>(69,736)</u>
Headline profit/(loss) per share (GBP)	<u>45.97</u>	<u>(0.09)</u>	<u>(0.08)</u>
Adjusted headline profit/(loss) per share (GBP)	<u>45.97</u>	<u>(0.09)</u>	<u>(0.08)</u>

There was no reconciling items in terms of headline earnings.

NOTES

*The Company is required to publish consolidated financial results for the three months and the nine months ended 31 December 2018 in terms of the Listing Rule 12.19 of the SEM. Accordingly this announcement presents the financial results of the Company in respect of the period from 1 October 2018 to 31 December 2018 and the period from 1 April 2018 to 31 December 2018. The comparative figures for 31 March 2018 and 31 December 2017 are stand alone figures.

The abridged unaudited financial statements for three months and the nine months ended 31 December 2018 ("abridged unaudited financial statements") have been prepared on the basis of accounting policies of the Company, which are in compliance with the 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.

The accounting policies adopted in the preparation of these abridged unaudited financial statements are consistent with those applied in the previous audited financial statements except for IFRS10 -Consolidated Financial Statements as the Company has acquired two subsidiaries during the quarter ended 31 December 2018 and is now required to prepare group accounts.

In terms of the group Statement of Financial Position, increase in investments GBP26.4m, trade and other receivables GBP58m and trade and other payables GBP 22.5m has arose on consolidation with the aforesaid subsidiaries of Mainland.

The abridged unaudited financial statements have not been reviewed or audited or reported on by the Company's external auditors. These financial statements were approved by the Board on 27 February 2019.

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-Bissonauth.

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 period ended 31 December 2018 that require any additional disclosure or adjustment to the financial statements.

Note 1: In terms of the group Statement of Financial Position, significant increases in investments GBP 26.4m, Receivable from related party GBP 52.5m and Payable to related party GBP 20.6m have arisen on consolidation with the aforesaid subsidiaries of Mainland.

For further information please contact:

Intercontinental Fund Services Limited

Company Secretary



Perigeum Capital Ltd

SEM authorised representative and sponsor

