

# MAINLAND

**Mainland Real Estate Ltd**  
(Incorporated in the Republic of Mauritius)  
(Registration number 135891 C1/GBL)  
Having its address at  
c/o Intercontinental Fund Services Limited, Level 5, Alexander House  
35 Cybercity, Ebene, 72201, Mauritius  
SEM share code: MAIN.N0000  
ISIN: MU0520N00000  
LEC/P/15/2016  
("Mainland" or "the company")

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## LISTING PARTICULARS

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The definitions commencing on page 9 of these Listing Particulars have, where appropriate, been used on this cover page.

An application has been made for the listing of up to 100 000 000 ordinary no par value shares of Mainland on the Official List of the SEM. Accordingly, these Listing Particulars have been prepared and issued in compliance with the Listing Rules governing the listing of securities on the Official List of the SEM:-

- in respect of the listing of the 100 shares already in issue on the Official List of the SEM;
- in respect of the issue of up to 335 000 shares at an issue price of GBP2.00 per share in terms of the Mauritian placing and the subsequent listing of these shares on the Official List of the SEM;
- in respect of the issue of 256 000 shares to the promoter at an issue price of GBP2.00 per share in terms of the Mauritian placing and the subsequent listing of these shares on the Official List of the SEM\*;
- in respect of the listing of up to an additional 25 000 000 shares which shares will be issued in terms of the SA private placement and the JSE listing;
- in respect of the listing of up to an additional 74 408 900 shares through various placings which placings will take place subsequent to the SEM listing and the JSE listing; and
- to provide information to targeted investors with regard to the company.

*\* These shares will be issued to the promoter as settlement for the listing costs incurred amounting to GBP512 000.*

It is expected that dealings in the shares of the company on the SEM Official Market will commence on or around 23 May 2016. On the first day of listing and trading on the SEM, one percent of the issued ordinary shares of the company as at that date, will be made available for trading at an indicative price of GBP 2.00 per share.

This document does not constitute an invitation to the public to subscribe for shares in Mainland.

	<b>2016</b>
Opening date of Mauritian placing at 09:00 (Mauritius time) on	16 May
Closing date of Mauritian placing at 12:00 (Mauritius time) on	18 May
Proposed date of listing on the Official Market of the SEM on or around	23 May

A copy of these Listing Particulars is available in English only, accompanied by the documents referred to under "Documentation available for inspection" as set out in section five, paragraph 13 of these Listing Particulars.

*The Listing Particulars are distributed in connection with a placing of the shares of the company, none of which will be issued to any person other than a person to whom a copy of these Listing Particulars is provided by the company. It is issued in compliance with the Listing Rules for the purpose of giving information to the public regarding Mainland and to provide information to targeted investors with regard to the Mauritian placing.*

Immediately following the SEM listing and the Mauritian placing, based on the assumption that all the placement shares are subscribed for, the stated capital of Mainland will comprise 591 100 ordinary no par value shares.

These Listing Particulars include particulars given in compliance with the Stock Exchange of Mauritius Ltd Rules governing the Official Listing of Securities for the purpose of giving information with regard to the company. The directors, whose names appear on page 12 and **Annexure 1**, collectively and individually, accept full responsibility for the accuracy and completeness of the information contained in these Listing Particulars and confirm, having made all reasonable enquiries that to the best of their knowledge and belief there are no facts the omission of which would make any statement herein misleading.

The South African corporate advisor, legal advisor as to Mauritian law, SEM authorised representative, SEM Sponsor, Mauritian company secretary, auditors and Mauritian banker whose names are included in these Listing Particulars, have consented in writing to the inclusion of their names in the capacity stated and have not withdrawn their written consent prior to publication of these Listing Particulars.

This Listing Particulars includes forward-looking statements. Forward-looking statements are statements including, but not limited to, any statements regarding the future financial position of the company and its future prospects. These forward-looking statements have been based on current expectations and projections which, although the directors believe them to be reasonable, are not a guarantee of future performance.

The distribution of these Listing Particulars and the placing, sale or delivery of the Mainland shares is restricted by law in certain jurisdictions. Therefore, persons who may come into possession of these Listing Particulars are advised to consult their own legal advisors as to what restrictions may be applicable to them and to observe such restrictions. These Listing Particulars may not be used for the purpose of an offer or invitation in any circumstances in which such offer or invitation is not authorised.

Targeted investors should not treat the contents of these Listing Particulars as advice relating to legal, taxation, investment or any other matters. Targeted investors should inform themselves as to (i) the legal requirements within their own respective country for the purchase, holding, transfer or other disposal of shares; (ii) any foreign exchange restrictions applicable to the purchase, holding, transfer or other disposal of shares which they may encounter; (iii) the income and other tax consequences which may apply in their own countries as a result of the purchase, holding, transfer or other disposal of shares. Prospective investors must rely on their own representatives, including their own legal advisors and accountants, as to legal, tax, investment or any other related matters concerning the company and an investment therein. These Listing Particulars should be read in its entirety before making any application for shares.

These Listing Particulars have been vetted by the Listing Executive Committee ("**LEC**"), in conformity with the Listing Rules, on 6 May 2016.

Neither the LEC of the SEM, nor the SEM, nor the FSC assumes any responsibility for the contents of these Listing Particulars. The LEC, the SEM and the FSC make no representation as to the accuracy or completeness of any of the statements made or opinions expressed in these Listing Particulars and expressly disclaim any liability whatsoever for any loss arising from or in reliance upon the whole or any part thereof.

Permission has been granted by the LEC on 6 May 2016 for the listing of:-

1. 100 shares of Mainland by way of introduction; and
2. up to 99 999 900 shares of Mainland pursuant to the SEM listing, the JSE listing and the various placings.

Following the Mauritian placing, up to 591 100 shares will be listed on the Official List of the SEM on or around 23 May 2016.

In these Listing Particulars, unless otherwise stated, an indicative GBP:MUR exchange rate of GBP1.00:MUR 50.00 has been used.

A copy of these Listing Particulars has been filed with the FSC.

**Mauritian company secretary and SEM  
authorised representative**



**South African corporate advisor**



**Auditors**



**Legal advisor as to Mauritian law**



**SEM Sponsor**



Date and place of incorporation of the company: 2 February 2016, Mauritius  
Date of issue of the Listing Particulars: 6 May 2016

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**CORPORATE INFORMATION**

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**Registered office and postal address of the company**

c/o Intercontinental Fund Services Limited  
Level 5, Alexander House  
35 Cybercity, Ebene, 72201  
Mauritius  
(Postal address same as physical address)

**Mauritian banker**

Barclays Bank Mauritius Limited  
Company No. 68913  
1<sup>st</sup> Floor, Barclays House  
68-68A Cybercity  
Ebene  
Mauritius  
(Postal address same as physical address)

**South African corporate advisor**

Java Capital (Proprietary) Limited  
6A Sandown Valley Crescent  
Sandton, 2196  
Johannesburg  
South Africa  
(PO Box 2087, Parklands, 2121)

**Auditors**

BDO & Co  
(Registration number C07051864)  
10 Frère Félix de Valois Street  
Port Louis  
Mauritius  
(Postal address same as physical address)

**Company Secretary**

c/o Intercontinental Fund Services Limited  
Level 5, Alexander House  
35 Cybercity, Ebene, 72201  
Mauritius  
(Postal address same as physical address)

**SEM Sponsor**

Capital Markets Brokers Limited  
Ground Floor, Alexander House  
35 Cybercity, Ebene, 72201  
Mauritius  
(Postal address same as physical address)

**Legal advisor as to Mauritian law**

C&A Law (Registered as a Law Firm in Mauritius)  
Suite 1005, Level 1, Alexander House  
35 Cybercity, Ebene, 72201  
Mauritius  
(Postal address same as physical address)

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**IMPORTANT DATES AND TIMES<sup>(1)</sup>**


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	<b>2016</b>
Opening date of the Mauritian placing at 09:00 (Mauritius time) on	16 May
Closing date of the Mauritian placing at 12:00 (Mauritius time) on	18 May
Notification of allotments	19 May
Payment of subscription amount and accounts at banks or brokers updated on or before 12:00 (Mauritius time) on	20 May
Listing of placement shares on the SEM at commencement of trade on or around	23 May
Accounts at banks or brokers updated in respect of dematerialised shareholders that subscribed for shares in terms of the Mauritian placing on or around	23 May

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**Notes**

- (1) *All times quoted are local time in Mauritius.*
- (2) *The above dates and times are subject to amendment. Any such amendment will be published in the press in Mauritius.*

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## INTRODUCTION TO MAINLAND AND OVERVIEW

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The definitions commencing on page 9 of these Listing Particulars have, where appropriate, been used in this section.

The company has been established in Mauritius as a category 1 Global Business License company.

Mainland has been established with the primary objective to invest in global real estate assets and companies, predominantly situated in the United Kingdom and selected Western European jurisdictions, specifically the Netherlands and Germany, which the board believes will deliver suitable returns for investors through both income and capital growth. Investments will be made predominantly in the Office, Industrial, Warehousing and Logistics sectors.

Mainland will adopt a dual strategy approach to its real estate investments, whereby it will gain exposure to real estate through 1) investments in listed and unlisted shares and securities of real estate companies (indirect exposure), and 2) a portfolio of fixed property assets which it will own (direct exposure). In addition, the company may invest in cash and other debt securities.

The company's investments may be held through subsidiaries incorporated in various jurisdictions for the purpose of maximising the tax efficiencies of the company's investments.

Mainland is led by a team of individuals with significant experience and successful track records in real estate and fund management.

Mainland has been established in Mauritius in order to take advantage of Mauritius' business friendly infrastructure and tax regime and the double tax agreements that Mauritius has negotiated with many of the jurisdictions in which the company intends to invest. It is envisaged that a listing on the SEM will provide access to a global investor base of managed funds, high net worth individuals and other sources of capital who view Mauritius as an attractive investment destination.

To broaden its investor base and source additional capital to fund growth aspirations, Mainland will consider listing its shares on other recognised international stock exchanges to:

- provide an additional source of capital to fund the growth aspirations of the company;
- enhance potential investors' awareness of the company;
- improve the depth and spread of the shareholder base of the company, thereby improving liquidity in the trading of its shares;
- provide invited investors, both institutional and private, the opportunity to participate directly in the income streams and future capital growth of the company; and
- provide invited investors with an additional market for trading the company shares.

Given that there is potential capital available in South Africa and that Mainland currently presents an attractive diversification opportunity to South African investors, Mainland intends seeking a secondary inward listing on the Alt<sup>x</sup> shortly after listing on the SEM.

The company's medium term target is to grow its gross asset value to over GBP350 million by the end of the 2019 financial year. Over the next 12 months, Mainland anticipated acquiring GBP150m assets, sourced directly through management's extensive network. A number of assets have already been identified for acquisition. The Company will be wholly financed by its shareholders and, in due course, third party funding, and will generate sufficient cash-flow to meet expenses as they arise.



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**DEFINITIONS**


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In these Listing Particulars and the annexures hereto, unless the context indicates otherwise, references to the singular include the plural and *vice versa*, words denoting one gender include the others, expressions denoting natural persons include juristic persons and associations of persons and *vice versa*, and the words in the first column have the meanings stated opposite them in the second column, as follows:

“ <b>Alt<sup>x</sup></b> ”	the Alternative Exchange of the JSE;
“ <b>business day</b> ”	any day other than a Saturday, Sunday or official public holiday in Mauritius;
“ <b>CDS</b> ”	Central Depository and Settlement Co Limited approved under the Securities (Central Depository, Clearing and Settlement) Act 1996 of Mauritius;
“ <b>certificated shares</b> ”	shares in respect of which physical share certificates will be issued;
“ <b>Mainland</b> ” or “ <b>the company</b> ”	Mainland Real Estate Ltd (Registration Number 135891 C1/GBL), a company incorporated in accordance with the laws of Mauritius and holding a category one Global Business License issued by the Financial Services Commission of Mauritius;
“ <b>Mainland shares</b> ” or “ <b>shares</b> ”	ordinary no par value shares in the share capital of the company;
“ <b>Constitution</b> ”	the constitution of the company dated 3 May 2016;
“ <b>dematerialise</b> ” or “ <b>dematerialisation</b> ”	the process whereby physical share certificates are replaced with electronic records of ownership under CDS with the duly appointed broker, as the case may be;
“ <b>dematerialised shareholder</b> ”	a holder of dematerialised shares;
“ <b>dematerialised shares</b> ”	shares which have been dematerialised and deposited in the CDS;
“ <b>directors</b> ” or “ <b>the board</b> ” or “ <b>board of directors</b> ”	the directors of the company as at the date of these Listing Particulars, further details of whom appear in <b>Annexure 1</b> of these Listing Particulars;
“ <b>FSC</b> ”	the Financial Services Commission of Mauritius;
“ <b>GBL1</b> ”	a category 1 Global Business License issued under the Financial Services Act 2007;
“ <b>GBP</b> ”	the official currency of the United Kingdom;
“ <b>IFRS</b> ”	International Financial Reporting Standards;
“ <b>IFSL</b> ” or “ <b>the Mauritian company secretary</b> ”	Intercontinental Fund Services Limited, the particulars of which are contained in the “Corporate Information” section;
“ <b>investment strategy</b> ”	the investment strategy of the company as determined by the board of directors, further details of which are contained on page 14 in paragraph 4 of these Listing Particulars;

“ <b>JSE</b> ”	JSE Limited (Registration number 2005/022939/06), a company duly registered and incorporated with limited liability in accordance with the laws of South Africa, licensed as an exchange under South Africa’s Financial Markets Act,2012 (Act 19 of 2012), as amended;
“ <b>JSE listing</b> ”	the proposed secondary listing of all the company’s issued shares on the Alt <sup>X</sup> of the JSE, in terms of the JSE Listings Requirements, subsequent to the SEM listing;
“ <b>JSE Listings Requirements</b> ”	the Listings Requirements as published by the JSE, as amended from time to time;
“ <b>last practicable date</b> ”	the last practicable date prior to the finalisation of these Listing Particulars, being 29 April 2016;
“ <b>LEC</b> ”	Listing Executive Committee of the SEM;
“ <b>listing date</b> ”	the anticipated date of listing of the shares on the SEM official market, being on or around 23 May 2016;
“ <b>Listing Particulars</b> ”	this document and its annexures, dated 6 May 2016, which have been prepared in compliance with the Listing Rules;
“ <b>Listing Rules</b> ”	the Listing Rules of the SEM governing the Official Market;
“ <b>management</b> ”	the current management of the company, as detailed in <b>Annexure 1</b> ;
“ <b>Mauritian Companies Act</b> ”	the Mauritian Companies Act 2001 (Act 15 of 2001) as amended;
“ <b>Mauritian share register</b> ”	the share register maintained on behalf of the company in Mauritius by the Mauritian company secretary;
“ <b>Mauritian placing</b> ”	an offer to targeted investors to subscribe for up to 591 000 Mainland shares on the SEM at a price of GBP2.00 per share. As part of this Mauritian placing, 256 000 shares will be issued to the promoter.
“ <b>Mauritius</b> ”	the Republic of Mauritius;
“ <b>MUR</b> ” or “ <b>Rs</b> ”	the Mauritian Rupee;
“ <b>Official List</b> ”	the list of all securities admitted for quotation on the SEM Official Market;
“ <b>placement shares</b> ”	up to 591 000 Mainland shares being offered pursuant to the Mauritian placing;
“ <b>promoter</b> ”	Paul Reid (as detailed in Annexure 1) , the person responsible for the formation of the company to be listed;
“ <b>property and transaction manager</b> ”	Red Tarn LLP, a limited liability partnership incorporated in England and Wales with partnership number OC403997, whose registered office is at 75 Springfield Road Chelmsford Essex CM2 6JB;
“ <b>property transaction and management services agreement</b> ”	the property transaction and management services agreement concluded between Mainland and Red Tarn LLP dated 1 March 2016 in terms of which the property and transaction manager will provide property management services to Mainland, extracts of which are set out in <b>Annexure 7</b> ;

<b>“SA Companies Act”</b>	the South African Companies Act, 2008 (Act No 71 of 2008), as amended;
<b>“SA private placement”</b>	an offer to targeted investors to subscribe for new Mainland shares on the Alt <sup>X</sup> , details of which will be announced in due course;
<b>“SA share register”</b>	the share register to be maintained on behalf of the company in South Africa by the transfer secretaries in South Africa subsequent to the company’s JSE listing;
<b>“South Africa” or “SA”</b>	the Republic of South Africa;
<b>“SEM”</b>	the Stock Exchange of Mauritius Ltd established under the repealed Stock Exchange Act 1988 and now governed by the Securities Act 2005 of Mauritius;
<b>“SEM listing”</b>	the listing of up to 591 100 shares for trading on the SEM Official Market which is expected to take place on or around 23 May 2016;
<b>“SEM Official Market”</b>	the Official List of the SEM;
<b>“shareholder”</b>	a holder of shares;
<b>“targeted investors”</b>	those private clients, selected financial institutions and retail investors who have been invited to participate in the Mauritian placing; and
<b>“various placings”</b>	The issue and listing of Mainland shares on the SEM and the JSE subsequent to the SEM listing and the JSE listing.

# MAINLAND

## **Mainland Real Estate Ltd**

(Incorporated in the Republic of Mauritius)

(Registration number 135891 C1/GBL)

Having its address at

c/o Intercontinental Fund Services Limited, Level 5, Alexander House

35 Cybercity, Ebene, 72201, Mauritius

SEM share code: MAIN.N0000

ISIN: MU0520N00000

LEC/P/15/2016

(“**Mainland**” or “**the company**”)

### **Directors of the company**

Kamal Taposeea\* (*Independent chairman*)

Lyndon Kan^ (*Chief executive officer*)

Andrew Glencross^ (*Chief investment officer*)

Francesca Chung\* (*Chief financial officer*)

Paul Reid# (*Non-executive director*)

Francoise Chan\* (*Non-executive director*)

\**Mauritian resident*

#*British resident*

^*South African resident*

## **SECTION ONE - INFORMATION ON THE COMPANY**

### **1. INTRODUCTION**

The purpose of these Listing Particulars is to provide information to investors in relation to the company and its activities.

### **2. DIRECTORS AND MANAGEMENT OF THE COMPANY**

#### **2.1. Mainland’s board of directors**

**Annexure 1** contains the following information:

2.1.1. details of directors and executive management including their names, addresses, qualifications, occupations and experience;

2.1.2. information concerning the appointment, remuneration, terms of office and borrowing powers of the directors;

2.1.3. directors’ interests; and

2.1.4. directors’ other directorships and partnerships.

#### **2.2. Key Service Providers**

##### **2.2.1. Company secretary**

It is anticipated that the board will leverage off existing operations within its duly appointed company secretary in Mauritius, IFSL and associated companies for operations management, finance and accounting.

IFSL is licensed by the FSC to provide a comprehensive range of financial and fiduciary services to international businesses. All administrative business functions of the company shall be carried out by IFSL in Mauritius.

2.2.2. *Property and transaction manager*

The property management function of the company is outsourced on market related terms to the property and transaction manager. Extracts of the property transaction and management services agreement are set out in **Annexure 7**. Paul Reid is a director of both the property and transaction manager and the company.

2.2.3. *Other Third-Party Service Providers*

In addition, it is envisaged that the company will outsource a number of functions to specialist third-party service providers. Such service providers may include without limitation: property and transaction managers, investor relations managers, company administrators, legal counsel; accountants and auditors, and bankers. The company may also employ the services of a global securities broker and custodian for the trading and custody of listed, unlisted, over the counter securities, and corporate or real estate bonds.

In this regard, the board of Mainland will engage only with reputable institutions with established track records for the provision of such services.

### 3. INCORPORATION, HISTORY AND NATURE OF BUSINESS

3.1. **Incorporation, name and address**

Mainland was incorporated on 2 February 2016 in Mauritius and holds a category 1 Global Business License in accordance with the Mauritian Companies Act 2001 and the Financial Services Act 2007 of Mauritius and has been operational since 3 February 2016. The company's registered address is Level 5, Alexander House, 35 Cybercity, Ebene, Mauritius.

3.2. **History**

The company was incorporated on 2 February 2016 and accordingly has no trading history.

3.3. **Nature of the business**

3.3.1. The company's primary objective is to acquire and invest in global real estate assets and companies, predominantly situated in the United Kingdom and selected Western European jurisdictions, specifically the Netherlands and Germany, which the board believes will deliver suitable returns for investors through both income and capital growth. Investments will be made predominantly in the Office, Industrial, Warehousing and Logistics sectors.

3.3.2. Mainland will consider opportunistic investments outside of the United Kingdom and Western Europe where the commercial merits of these opportunistic investments support Mainland's overall investment strategy.

3.3.3. Mainland's investments may comprise equity securities, unlisted or over-the-counter securities, other instruments derived from such securities and direct investment in listed or unlisted businesses.

3.3.4. Mainland is led by an experienced board and management team with an extensive track record.

3.4. **Financial year-end**

The financial year-end of the company is 31 March each year.

## 4. INVESTMENT POLICY

### 4.1. *Investment strategy*

Mainland will follow a dual strategy approach to its real estate investments whereby it will gain exposure to real estate through investments in: (1) listed and unlisted shares and securities of real estate companies (indirect exposure) and (2) portfolios of fixed property assets which it will own either directly or through subsidiaries (direct exposure). It is Mainland's intention to keep the indirect exposure to approximately 5% of total assets. In addition the company may invest in cash and other debt securities.

The company's investments may be held directly or through subsidiaries incorporated in various appropriate jurisdictions for the purpose of maximizing tax efficiencies of the company's investments.

Initially, Mainland's investments will comprise listed real estate securities in the United Kingdom and Western Europe, pursuant to its primary objective of investing in real estate assets and companies which deliver suitable returns.

In respect of the indirect exposure, investments in listed property securities may be made from time to time where this is justified by pricing differentials between direct property and property securities, however the majority of assets will always comprise fixed properties.

In respect of the direct exposure, the directors of Mainland wish to follow a total return strategy comprising a value-added focus together with a strong income focus and believe attractive real estate investment opportunities exist in these sectors and region and as such, the company will target the acquisition of real estate assets that offer a combination of quality income generating assets and those requiring value-added asset management, comprising:

- Income generating assets comprising properties with strong sustainable income from high quality tenants on medium to longer term lease expiry profiles with high probabilities of renewal; and
- Properties requiring value-added asset management through re-letting, lease re-gearing, upgrades, refurbishments, redevelopments or other improvements.

Investment decisions will be based on the following criteria:

- Regional analysis;
- Country specific analysis;
- Macro and micro analysis;
- Geographic analysis;
- Sector analysis;
- Listed sector analysis and security size analysis;
- Quality and location of asset analysis;
- Tenant quality, tenure and sustainability analysis;
- Value-added asset management opportunity analysis;
- Income and capital growth potential; and
- Total return analysis.

### 4.2. *Funding policy*

The company intends taking advantage of the current low interest rate environment in the United Kingdom and Europe to enhance returns through gearing. In order to fund future value-accretive acquisitions, management will look to raise debt financing with a maximum loan to value ratio of 60%.

The company will generally hedge a substantial portion of its debt for periods between 2 and 10 years at current indicative rates, and may increase this to 100% should the directors believe that this is in the best interests of the company. Mainland will not take speculative positions on interest rate contracts. Any such contracts will only be taken as hedges, taking into account the company's debt portfolio and cash holdings and the near to medium-term expected debt portfolio and cash holdings.

#### 4.3. *Geographic jurisdictions for investment*

The dominant geographic focus of the company will be the United Kingdom and parts of Western Europe, in particular the Netherlands and Germany. The directors of the company have experience in these locations and are of the opinion that there are attractive real estate investment opportunities in these jurisdictions. The board believes that these jurisdictions have fundamentally sound economies with enduring property markets. The board is of the view that the world markets are retreating from investments in emerging markets and seeking more stable growth, reduced risk investments in more established markets.

Mainland will consider opportunistic investments outside of the United Kingdom and Western Europe where the commercial merits of these opportunistic investments support Mainland's overall investment strategy.

The investment is Mainland will provide diversification benefits to South African investors and exposure to company that generates its revenue in hard currency.

## 5. COMPANY STRUCTURE

### 5.1. **Company structure**

The company structure is set out in **Annexure 2**.

### 5.2. **Share capital**

Information regarding the issued share capital of the company, the shareholders of the company holding in excess of 5% of the shares immediately prior to the SEM listing, alterations of capital, a summary of offers of shares by the company to the public since incorporation and ancillary information is set out in **Annexure 3**.

### 5.3. **Constitution**

Extracts from the company's constitution are set out in **Annexure 4**.

## 6. EMPLOYEES

As at the last practicable date, the only employees of Mainland are the chief executive officer, chief investment officer and the chief financial officer. Additional employees will be employed as demand and workload requires with the growth of the company.

## 7. COMMISSIONS PAID AND PAYABLE

- 7.1. No amount has been paid, or accrued as payable, since incorporation, as commission to any person, including commission so paid or payable to any sub-underwriter that is the holding company or a promoter or director or officer of the company, for subscribing or agreeing to subscribe, or procuring, or agreeing to procure, subscriptions for any securities of the company.
- 7.2. Since incorporation, there have been no commissions paid or are payable in respect of underwriting by the company.
- 7.3. Since incorporation, the company has not paid any material technical or secretarial fees.
- 7.4. Since incorporation, the company has not entered into any promoter's agreements and as a result no amount has been paid or is payable to any promoter.

## 8. MATERIAL CONTRACTS

The property transaction and management services agreement is the only material contract entered into (other than contracts entered into in the ordinary course of business) by the company since incorporation. Details of the property transaction and management services agreement are set out in **Annexure 7**.

## 9. DIRECTORS AND RELATED PARTIES' INTEREST IN SHARES

As at the last practicable date, there are no directors or related parties of directors (the existence of whom is known or could with reasonable diligence be ascertained by those directors) that hold shares on the company.

None of the advisors of the company have or have had an interest in any shares or options in respect of shares as at the last practicable date.

## 10. EXPENSES OF THE MAURITIAN PLACING AND THE SEM AND JSE LISTING

The estimated expenses relating to the placing and listing on the SEM and JSE which have been or are expected to be incurred are set out below:

<b>Expense</b>	<b>GBP</b>
<b>SEM Listing</b>	
<b>Professional fees, including:-</b>	6,900
- Sponsor fee	5,200
- Mauritian corporate and legal advisory fee	2,800
- Independent financial advisor fee	
SEM application and listing fees	2,000
<b>JSE Listing</b>	
<b>Professional fees, including:-</b>	
-JSE listing and advisory costs	180,100
-Legal, tax and other professional costs	315,000
<b>Total</b>	<b>512,000</b>

Save for the expenses set out above, the company has not incurred any other preliminary expenses since incorporation.



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## SECTION TWO – DETAILS OF THE MAURITIAN PLACING

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### 1. PURPOSE OF THE MAURITIAN PLACING AND REASONS FOR A LISTING ON THE SEM

- 1.1. A listing on the SEM will provide the company with capital to pursue its investment policy as set out in paragraph 4, on page 14.
- 1.2. The company will undertake a placing in Mauritius for purposes of raising a minimum of the GBP equivalent of MUR20 000 000, as required by the Listing Rules.

### 2. ANTICIPATED APPLICATION OF THE PROCEEDS OF THE MAURITIAN PLACING

The proceeds from the Mauritian placing will be used to invest (either directly or indirectly) in listed real estate securities and companies located in developed jurisdictions, whose securities offer attractive yields and prospects for capital growth.

### 3. SALIENT DATES AND TIMES<sup>(1)</sup> FOR TARGETED INVESTORS

	<b>2016</b>
Opening date of the Mauritian placing at 09:00 (Mauritian time) on	16 May
Closing date of the Mauritian placing at 12:00 (Mauritian time) on	18 May
Notification of allotments	19 May
Payment of subscription amount and accounts at banks or broker updated on or before 12:00 (Mauritian time) on	20 May
Listing of placement shares on the SEM at commencement of trade on or around	23 May
Accounts at banks or broker updated in respect of dematerialised shareholders that subscribed for shares in terms of the Mauritian placing on or around	23 May

**Notes:**

- (1) *All times quoted are local time in Mauritius.*
- (2) *The above dates and times are subject to amendment. Any such amendment will be published in the press in Mauritius.*

### 4. PARTICULARS OF THE MAURITIAN PLACING

- 4.1. The Mauritian placing will be implemented by way of an offer to subscribe for up to 591 000 Mainland shares following which the shares will be listed on the SEM.
- 4.2. The placement shares offered for subscription are targeted to selected institutions, high net worth individuals and business associates, in Mauritius and globally.
- 4.3. Those selected institutions, high net worth individuals and business associates that have been invited to apply should do so by completing the attached Mauritian placing application form.
- 4.4. No offer will be made to the public in respect of the Mauritian placing. The Mauritian placing is open to the above targeted investors only.

## 5. TERMS, CONDITIONS AND PAYMENT FOR SHARES

### 5.1. Participation in the Mauritian placing

Only targeted investors may participate in the Mauritian placing. The placement shares will only be issued in dematerialised form. No certificated shares will be issued.

### 5.2. Application, payment and trading of shares to be listed on the SEM

5.2.1. Applicants will be required to pay for the shares *via* bank wire transfers. Shares may only be traded on the SEM in electronic form (dematerialised units). Trades will be settled on the basis of trade + 3 days on a strict 'delivery-versus-payment' basis. Final and irrevocable transfer of funds will occur through the central bank with same day funds on the settlement date. Settlement will be made through the CDS.

5.2.2. If any applicant has any doubt as to the mechanics of the CDS, the applicant should consult with his investment dealer or other appropriate advisor and is also referred to the SEM website at [www.stockexchangeofmauritius.com](http://www.stockexchangeofmauritius.com) for additional information.

5.2.3. Some of the principal features of the CDS are as follows:

5.2.3.1. electronic records of ownership replace share certificates and physical delivery of certificates;

5.2.3.2. trades executed on the SEM are settled within 3 business days; and

5.2.3.3. all investors owning dematerialised shares or wishing to trade their shares on the SEM are required to appoint an investment dealer to act on their behalf and to handle their settlement requirements.

### 5.3. Issue and allocation of shares

Shares will be allotted subject to the provisions of the Constitution of the company and will rank *pari passu* in all respects, including dividends, with any existing issued shares of that particular class.

The shares which are the subject of this Mauritian placing are not subject to any conversion or redemption provisions.

The basis of allocation of the shares will be determined on an equitable basis by the board.

It is intended that notice of the allocations will be given on or around 19 May 2016.

Successful applicants' accounts with their broker will be credited with the allocated shares and shall be allocated on the settlement date and CDS accounts of successful applicants for shares shall be credited accordingly on the listing date.

### 5.4. Representation

5.4.1. Any person applying for or accepting the shares shall be deemed to have represented to the company that such person was in possession of a copy of these Listing Particulars at that time.

5.4.2. Any person applying for or accepting shares on behalf of another:

5.4.2.1. shall be deemed to have represented to the company that such person is duly authorised to do so and warrants that such person and the purchaser for whom such person is acting as agent is duly authorised to do so in accordance with all relevant laws;

5.4.2.2. guarantees the payment of the issue price; and

- 5.4.2.3. warrants that a copy of these Listing Particulars was in the possession of the purchaser for whom such person is acting as agent.

**5.5. Over-subscription**

The maximum number of shares that can be subscribed for and issued in terms of the Mauritian placing is 591 000 shares. In the event of an over subscription, shares will be allocated and issued at the discretion of the directors on an equitable basis. Factors to be considered by the board in allocating shares include promoting liquidity, tradability and an orderly after-market in the shares of the company.

**5.6. Simultaneous issues**

No shares of the same class are issued or to be issued simultaneously or almost simultaneously with the issue of shares for which application is being made.

**5.7. Anti-Money Laundering provisions**

As part of its responsibility for the prevention of money laundering, the company will require a detailed verification of each shareholder's identity and the source of the payment. Depending on the circumstances of each shareholder, a detailed verification might not be required in the case of shareholders qualifying under the reduced or simplified due diligence regime based on Clause 5.5 of the Code on the Prevention of the Money Laundering & Terrorist Financing issued by the FSC in 2012.

The company reserves the right to request such information as is necessary to verify the identity of a subscriber or shareholder at any time after the application for subscription. In the event of delay or failure by the shareholder to produce any information required for verification purposes, the company may refuse to accept the application and the subscription monies relating thereto.

**6. UNDERWRITING**

- 6.1. The Mauritian placing has not been underwritten and is not subject to an underwriting commission.
- 6.2. **In the event that the minimum of the GBP equivalent of MUR20 000 000 is not raised pursuant to the Mauritian placing, the SEM listing will not proceed.**
- 6.3. The company will then either continue its operations as a non-listed entity in accordance with its investment policy or will consider refunding the funds raised from investors.

**7. ADDITIONAL PLACEMENTS**

**7.1. JSE listing and SA private placement**

*7.1.1. Listing on the JSE*

It is the view of the board of Mainland that South African property investors who have enjoyed world-beating returns from the South African real estate sector over the last few years now see comparatively attractive value in carefully selected opportunities in real estate markets outside South Africa. Accordingly, Mainland will seek a listing on the Alt<sup>x</sup>, shortly after listing on the SEM, to broaden its investor base and source additional capital to fund growth aspirations, and to:

- 7.1.1.1. enhance potential investors' awareness of the company;
- 7.1.1.2. improve the depth and spread of the shareholder base of the company, thereby improving liquidity in the trading of its shares;

7.1.1.3. provide invited investors, both institutional and private, the opportunity to participate directly in the income streams and future capital growth of the company; and

7.1.1.4. provide invited investors with an additional market for trading the company's shares.

7.1.2. *SA private placement*

Details of the SA private placement will be published in due course.

7.1.3. *Authority to issue additional shares*

On 22 April 2016, the shareholder of the company passed the following resolutions:-

- (1) authorising the board to issue up to 99 743 900 additional shares in terms of various placings to be undertaken through the company's Mauritian and/or South African shares registers, subject to the Mauritian Companies Act 2001, the Mauritian Securities Act 2005, the SEM Listing Rules and the JSE Listings Requirements, and that such authority given to the directors shall be valid for a period of twelve months from the date of the JSE listing, or until the company's first annual general meeting of shareholders;
- (2) authorising the board to issue 256 000 additional shares to the promoter as settlement for the listing costs; and
- (3) authorising the board to issue up to 5 000 000 additional shares to executive directors and employees in terms of a share purchase and option scheme to be adopted by the company shortly after the listing on the SEM.

7.1.4. *Percentage holding in public hands*

It is anticipated that with new investors coming in as a result of the above mentioned private placements, more than 10% of the issued share capital of company will be in public hands over the next two years.

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## SECTION THREE – RISK FACTORS

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*A number of factors may affect the result of operations, financial conditions and prospects of the company. This section describes the risk factors which are considered by the board to be material. However, these factors should not be regarded as a complete and comprehensive statement of all potential risks and uncertainties. Additional risks not presently known to the board or that the board currently consider to be immaterial may also adversely impact the company's business operations. The business, growth prospects, financial condition and/or results of operations of the company could be materially adversely affected by any of these risks. The trading price of the shares could decline due to the materialisation of any of these risks and targeted investors could lose part or all of their investment.*

*Investing in and holding shares in the company involves a number of risks. Prior to making an investment decision in respect of Mainland shares, prospective investors should carefully consider all the information set out in these Listing Particulars, including the following risk factors and consult their professional advisors.*

### 1. CAPITAL AND PORTFOLIO RISK

The acquisition of assets, whether listed or unlisted securities, carries the investment risk of a loss of capital and there can be no assurance that the company will not incur losses. Returns generated from the investments of the company may not adequately compensate shareholders for the business and financial risks taken. An investor should be aware that it may lose all or part of its investment in the company. Many unforeseeable events, including actions by various government agencies and domestic and international economic and political developments may cause sharp market fluctuations which could adversely affect the company's portfolios and performance both in the short and long term.

### 2. CURRENCY RISK

Some of the investments that the company will seek to acquire are located in foreign jurisdictions and are denominated in currencies (“**the foreign currency**”) other than GBP. For those investors whose base or home currency is not the same as the relevant foreign currency, there is a risk of currency losses if the foreign currency depreciates against the investors' base currency.

### 3. STOCK MARKET RISK

Investments made by the company could decrease in value as a result of a decline in global stock markets.

### 4. LIQUIDITY RISK

The company may invest in securities for which no liquid market exists. The market prices, if any, for such securities tend to be volatile and may not be readily ascertainable and the company may not be able to sell them when it desires to do so or to realise what it perceives to be their fair value in the event of a sale. The sale of restricted and illiquid securities often requires more time and results in higher brokerage charges or dealer discounts and other selling expenses than does the sale of securities eligible for trading on national securities exchanges or in the over-the-counter markets. The company may not be able to readily dispose of such illiquid investments and, in some cases, may be contractually prohibited from disposing of such investments for a specified period of time. In addition, in certain circumstances, governmental or regulatory approvals may be required for the company to dispose of an investment. Restricted securities may sell at a price lower than similar securities that are not subject to restrictions on resale.

Further, direct property is a relatively illiquid investment and long lead times are sometimes required to divest from direct property holdings. This may affect the liquidity of the company and the ability to repay investors, if required.

Land for development has no income return during the development stage and may be a drain on cash resources.

## **5. RISK OF TRADING IN DERIVATIVES**

In order to hedge its investments, the company, may invest a portion of its asset in derivatives and related instruments as tools in the management of its assets. A derivative is a security or other instrument, which derives its value from the value or performance from other instruments or assets, interest or currency exchange rates, or indexes.

Derivative products include futures contracts, options, forward contracts, structured notes and various other over the counter instruments.

Certain options and other custom derivatives or synthetic instruments are subject to the risk of non-performance by the counterparty to such instrument, including risks relating to the financial soundness and creditworthiness of the counterparty.

## **6. LEVERAGE AND FINANCING RISK**

The capital of the company may be leveraged so as to achieve a higher rate of return. Accordingly, the company may pledge its securities in order to borrow additional funds for investment purposes. While leverage presents opportunities for increasing the total return of the company, it has the effect of potentially increasing losses as well. Accordingly, any event which adversely affects the value of an investment by the company would be magnified to the extent that the company is leveraged. The cumulative effect of the use of leverage by the company in a market that moves adversely to the company's investments could result in a substantial loss which would be greater than if the company were not leveraged.

In general, the anticipated use of short-term margin borrowings results in certain additional risks to the company.

For example, should the securities pledged to brokers to secure the company's margin accounts decline in value, the company could be subject to a "margin call" pursuant to which the company must either deposit additional funds or securities with the leverage provider, or suffer mandatory liquidation of the pledged securities to compensate for the decline in value. In the event of a sudden drop in the value of its assets, the company may not be able to liquidate assets quickly enough to satisfy its margin requirements.

## **7. GLOBAL POLITICAL, ECONOMIC AND FINANCIAL RISK**

As the company will invest in global real estate and securities, it will be exposed to adverse political, economic and financial events globally. The value of the investments could decline as a result of economic developments such as poor or negative economic growth, poor balance of payments data, high interest rates or rising inflation. A similar situation would prevail due to political instability in certain jurisdictions.

The company will take reasonable steps to mitigate these risks, including risk insurance cover where appropriate.

Valuations of property and property-related assets are inherently subjective due to the individual nature of each property.

As a result, valuations are subject to uncertainty and, in determining market value, valuers are required to make certain assumptions and such assumptions may prove to be inaccurate. This is particularly so in periods of volatility or when there is limited real estate transactional data against which property valuations can be benchmarked. There can also be no assurance that these valuations will be reflected in the actual transaction prices, even where any such transactions occur shortly after the relevant valuation date, or that the estimated yield and annual rental income will prove to be attainable.

## **8. REGULATORY CHANGE MAY AFFECT THE COMPANY**

Legal or regulatory change may affect the company and impose potential limits on the company's flexibility in implementing its strategy. Any change to landlord and tenant, planning, trust, tax (including

stamp duty and stamp duty land tax) or other laws and regulations relating to the areas in which the company operates may have an adverse effect on the company.

The levels of, and relief from, taxation may change, adversely affecting the financial prospects of the company and/or the returns to shareholders.

The company is subject to the tax authorities within the jurisdictions it operates and taxes and tax dispensations accorded to the company may change over time.

The nature and amount of tax payable is dependent on the availability of relief under tax treaties in a number of jurisdictions and is subject to changes to the tax laws or practice in any other tax jurisdiction affecting the company.

Any change in the terms of tax treaties or any changes in tax law, interpretation or practice could increase the amount of tax payable by the company and could affect the value of the investments held by the company or affect its ability to achieve its investment objective and alter the post-tax returns to shareholders. The level of dividends the company is able to pay would also be likely to be adversely affected.

## **9. FAILURE TO RAISE CAPITAL AND OTHER RISK FACTORS**

In the event that the minimum of the GBP equivalent of MUR20 000 000 is not raised pursuant to the Mauritian placing, the SEM listing will not proceed. The company will then continue its operations as a non-listed entity and will refund the funds raised from investors.

The minimum capital required by the company to operate in the short term is approximately GBP670 000. Should such minimum amount be raised in the Mauritian placing, the SEM listing will proceed. The company will utilise these funds to generate investment pipeline and carry out due diligences where required. The capital will also be used to find new investors to finance the investment opportunities identified. In the event that the minimum amount of GBP 670 000 is not raised pursuant to the Mauritian placing, the SEM listing will not proceed. The company will then refund the funds raised from investors.

The company is considering to raise further capital to avail itself of any investment opportunities that may arise. Although there is always a risk that the company does not raise the capital they intended to, that would not impact on the operations of the company.

The company is also considering a listing on the JSE. In the event that the company is unable to list on the JSE and hence not able to raise additional amount of capital, the company will maintain its listing on the SEM and may consider alternative exchanges for listing, as highlighted in the introduction section on page 8, in order to broaden its investor base and source additional capital to fund growth aspirations.

In the unlikely event whereby insufficient funds are raised, the company would either envisage using complementary bank lending to still achieve the acquisition, or would eventually decline any investment opportunities.

## **10. DILUTION OF SHAREHOLDING**

Initial investors subscribing for Mainland shares will have their shareholding in the company diluted, due to the issue of the 256 000 shares to the promoter through the Mauritian placing, as settlement for the listing costs during the first year of operation.

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**SECTION FOUR – STATEMENTS AND REPORTS REGULATING THE MAURITIAN PLACING**

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**1. WORKING CAPITAL**

The directors of the company, are of the opinion that, taking into account the additional capital that will be received by the company following the Mauritian placing and the SEM listing, the working capital available to the company will, from the date of the SEM listing, be sufficient for its present requirements, that is at least for the next 12 months.

**2. LISTING AND DEALINGS ON THE SEM**

- 2.1. An application has been made for the listing of up to 100 000 000 Mainland shares, out of which up to 591 100 shares will be listed on the Official Market of the SEM with effect from 23 May 2016.
- 2.2. It is expected that dealings in Mainland shares will commence on or around 23 May 2016.

**3. SIGNIFICANT CHANGES**

- 3.1. There has been no significant change in the financial or trading position of Mainland since 2 February 2016, the date on which the financial information of the company set out in **Annexure 5** was prepared.
- 3.2. There have been no material changes in the business of Mainland since incorporation.
- 3.3. There has been no change in the trading objective of Mainland since incorporation.



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**SECTION FIVE – ADDITIONAL MATERIAL INFORMATION**

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**1. HISTORICAL FINANCIAL INFORMATION**

- 1.1. The historical financial information of Mainland for the period ended 2 February 2016 is set out in **Annexure 5**.
- 1.2. The preparation of the historical information falls under the responsibility of the directors of the company.
- 1.3. Given that Mainland is a newly incorporated company there is no historical profit or loss information available.

**2. DIVIDENDS AND DISTRIBUTIONS**

- 2.1. Subject to the laws of Mauritius, the directors have absolute discretion as to the payment of any dividends, including interim dividends, on the shares. Any dividends will be paid in accordance with the laws of Mauritius. In addition, the directors may, in their discretion, declare scrip dividends in the form of a bonus issue of additional shares in lieu of a cash dividend.
- 2.2. No dividend shall be declared or paid unless the directors are satisfied or have reasonable grounds that immediately after the dividend, the value of the company's assets will exceed its liabilities and the company will be able to pay its debts as they fall due.
- 2.3. The company intends to pay dividends to shareholders. However, as the objective of the company is long-term capital growth, there may be periods in respect of which dividends may be low or not paid at all. The amount of any dividend will be at the complete discretion of the board and will depend on a number of factors, including expectation of future earnings, capital requirements, financial conditions, future prospects, laws relating to dividends, and other factors that the board deems relevant.
- 2.4. No dividends have been declared as of the last practicable date.
- 2.5. No shares of the company are currently in issue with a fixed date on which entitlement to dividends arises and there are no arrangements in force whereby future dividends are waived or agreed to be waived.

**3. ACQUISITIONS**

No material immovable properties, fixed assets, securities and/or business undertakings have been acquired by the company since incorporation or are in the process of being or are proposed to be acquired by the company (or which the company has an option to acquire).

**4. DISPOSALS**

No material immovable properties, fixed assets, securities in subsidiaries and/or business undertakings have been disposed of by the company since incorporation nor are any of these to be disposed of in the first six months following the SEM listing.

**5. ADVANCES, LOANS AND BORROWINGS**

- 5.1. As at the last practicable date, no material loans were advanced by or to the company (including by the issue of debentures).
- 5.2. As at the last practicable date, no shareholders' loans were recorded in the company's statement of financial position.

- 5.3. As at the last practicable date, there are no loans receivable outstanding.
- 5.4. As at the last practicable date, there is no loan capital outstanding in the company.
- 5.5. As at the last practicable date, no loans have been made or security furnished by the company to or for the benefit of any director or manager or associate of any director or manager of the company.
- 5.6. As at the last practicable date, the company does not have any subsidiaries and accordingly there were no inter-company loans or other financial transactions.
- 5.7. As at the last practicable date, no charge or mortgage has been created over any assets of the company.
- 5.8. As at the last practicable date, there were no outstanding convertible debt securities

## **6. CORPORATE GOVERNANCE**

The company's corporate governance statement is set out in **Annexure 6**.

## **7. LITIGATION**

The company is not involved in any governmental, legal or arbitration proceedings and, in so far as the directors are aware, there are no governmental, legal or arbitration proceedings pending or threatened against them, or being brought by the company since incorporation which may have, or have had in the recent past, a significant effect on the financial position or profitability of the company.

## **8. DIRECTORS' RESPONSIBILITY STATEMENT**

The directors whose names are given in **Annexure 1**:

- 8.1. have considered all statements of fact and opinion in these Listing Particulars;
- 8.2. collectively and individually, accept full responsibility for the accuracy of the information given;
- 8.3. certify that, to the best of their knowledge and belief, there are no facts the omission of which would make any statement false or misleading;
- 8.4. have made all reasonable enquiries in this regard; and
- 8.5. certify that, to the best of their knowledge and belief, these Listing Particulars contains all information required by law and the Listing Rules.

## **9. MATERIAL COMMITMENTS, LEASE PAYMENTS AND CONTINGENT LIABILITIES**

The company does not have any capital commitments, financial lease payments and contingent liabilities as at the last practicable date, other than in the ordinary course of business.

## **10. MATERIAL COMMITMENTS IN RESPECT OF ACQUISITION AND ERECTION OF BUILDINGS, PLANT AND MACHINERY**

As at the last practicable date, the company does not have any material commitments for the purchase and erection of buildings, plant or machinery.

## **11. PRINCIPAL IMMOVABLE PROPERTY LEASED OR OWNED**

As at the last practicable date, the company does not own any immovable property nor has the company entered into any leases in respect of immovable property.

## 12. TAXATION

### *Mauritian taxation provisions*

Under the provisions of the Mauritian Income Tax Act, a GBLI is taxed at a fixed rate of 15%. A system of deemed foreign tax credits of 80% effectively reduces the income tax rate to 3%.

Under the Mauritius fiscal regime, there are no:

- 12.1. withholding taxes on dividends distributed by a company to its shareholders;
- 12.2. withholding taxes on interest; and
- 12.3. capital gains taxes. Accordingly, the capital gains realised by a non-resident shareholder on the disposal of its shares in the company are not subject to tax in Mauritius.
- 12.4. However, the nature and amount of tax payable by the company is dependent on the availability of relief under the various tax treaties in the jurisdictions in which the board chooses to invest from time to time.

## 13. DOCUMENTATION AVAILABLE FOR INSPECTION

Copies of the following documents will be available for inspection at the company's registered office during business hours from the date of issue of the Listing Particulars for a minimum period of 14 calendar days:

- 13.1. the signed Listing Particulars;
- 13.2. the business plan prepared by the company and certified by an independent financial advisor;
- 13.3. the property transaction and management services agreement;
- 13.4. the Constitution of the company; and
- 13.5. the statement of financial position of Mainland as at 2 February 2016.

SIGNED AT EBENE, MAURITIUS ON 6 MAY 2016 ON BEHALF OF MAINLAND REAL ESTATE LTD

### **Francoise Chan**

who warrants that she is duly authorised thereto by resolution of the board of directors of Mainland Real Estate Ltd

## Annexure 1

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**DIRECTORS, EXECUTIVE MANAGEMENT, FOUNDERS, APPOINTMENT, QUALIFICATION, REMUNERATION AND BORROWING POWERS**


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**1. FULL NAMES, NATIONALITIES, AGES, BUSINESS ADDRESSES, ROLES, QUALIFICATIONS, OCCUPATIONS AND EXPERIENCE OF EACH DIRECTOR**

The full names (including former names, if applicable), ages, nationalities, qualifications, roles, business addresses, occupations and experience of each of the directors of the company and the proposed directors of the company and executive management are set out below:

<b>Directors of Mainland</b>				
<b>Director name, age, nationality and qualification</b>	<b>age and</b>	<b>Role</b>	<b>Business address</b>	<b>Occupation and experience</b>
<b>Kamal Taposeea</b> Mauritian, LLB, LLM	(58),	Independent chairman	63, Avenue St. Geran, Albion 91006, Mauritius	Kamal is a lawyer with a wide ranging experience in general banking, investment banking and financial services. His experience extends to diverse sectors, which include Law (Barrister-at-Law), Financial Services, Financial Regulation and Airlines & Tourism. He currently holds Non-Executive Directorship of various financial services companies and global funds, as well as in the steel industry sector. He also served on the boards of Mauritius domestic listed companies and have underwritten companies listed on the Mauritian Stock Exchange. Previously Kamal has been a member of the Monetary Policy Committee of the Bank of Mauritius, non-executive Chairman of Air Mauritius, General Manager (Investment Banking Group) of Al Rajhi Bank in Saudi Arabia, Regional Managing Director at Standard Bank Mauritius, Managing Director at Barclays Bank PLC Mauritius and Commercial Director of Cedel Bank. Kamal started his banking career with JP Morgan in 1985.
<b>Lyndon Kan</b> (43) South African, Construction, Dip Dip Credit	(43)	Chief Executive Officer	23 Fricker Road, Illovo Boulevard 2196, South Africa	Lyndon has 20 years of broad, cross sector exposure in a myriad of senior executive and strategic positions in the Real Estate and Financial Services sectors. Prior roles include Chief Operating

<b>Directors of Mainland</b>				
<b>Director name, age, nationality and qualification</b>	<b>Role</b>	<b>Business address</b>	<b>Occupation and experience</b>	
<b>Andrew Glencross</b> (47), South African, B(Tech) Real Estate, N Dip Prop Valuation, N Dip Prop Practice, Registered Property Valuer with SAIV and SACPVP	Chief Investment Officer	23 Fricker Road, Illovo Boulevard 2196, South Africa	<p>Officer of Texton Property Fund Limited, where he played a key role in the strategic management and growth of Texton's property portfolio. Lyndon spent 10 years with Absa in various leadership positions, with the last few years as an EXCO member and Head of Lending for the Business Banking franchise where he was responsible for managing an advance book in excess of R100bn. He was the Managing Director of Guma Property Holdings and an Executive of the Guma Group for 4 years, and also worked for Standard Bank, Colliers RMS and Murray and Roberts Construction. Lyndon has developed an extensive network and understanding across both developed and emerging markets, having travelled and worked on transactions across Germany, France, the Netherlands, United Kingdom and Africa.</p> <p>Andrew has 25 years' experience in Real Estate Investments, Developments and in Real Estate Financial Services at a senior executive and board level. Prior roles include Head of Asset management for Texton Property Fund Ltd. He worked for CB Richard Ellis as a property valuer before moving into banking for 14 years. At Standard Bank he headed up the structured property finance team. Andrew was appointed as a General Manager at Absa in property finance, which included 3 years in London at Absa London as head of property finance and investments including working with Bankhaus Wolbern in Hamburg on their closed end Real Estate funds. His time in London included a period at Anglo Irish Bank. He was a director and shareholder of Equity Estates (Pty) Ltd for 8 years, focussing on asset management of a R1,4bn property fund.</p>	

<b>Directors of Mainland</b>				
<b>Director name, age, nationality and qualification</b>	<b>Role</b>	<b>Business address</b>	<b>Occupation and experience</b>	
<b>Francesca Chung</b> (43), Mauritian, Fellow member of ACCA; BCom	Chief Financial Officer	Unit 17, Socota Pheonicia, Sayed Hossen Road, Phoenix	Francesca is a Director of CMB Holdings and Executive Director of Extell Investments. She qualified as a Chartered Certified Accountant in the UK and completed her articles at Higgins Fairbairn & Co.	
<b>Francoise Chan</b> , (48), Mauritian, MSc DEA TEP	Non-executive director	Level 3, Alexander House, Cybercity, Ebene 72201, Mauritius	Françoise is an Executive Director of Intercontinental Trust Ltd (ITL). She has joined the Global Business Sector in Mauritius since 1994 and has since been assisting multinationals, fund managers and high net worth individuals in the structuring and administration of companies, funds and trusts in Mauritius. Prior to joining ITL, Francoise held senior positions in a management company, which was the local representative firm of Arthur Andersen and in the International Banking Division of Barclays Bank Plc. Francoise is a member of both the International Fiscal Association (IFA) and the Society of Trust and Estate Practitioners (STEP) and serves as director on the board of several Global Business companies.	
<b>Paul Reid</b> , (54), British, BSc MRICS	Non-executive director	94 New Bond Street, London, W1S 1SJ	Paul is currently running a GBP100m portfolio on behalf of Aberdeen Asset Management. He has also recently co-invested in a GBP100m Fund with ISG Longbow. Paul was Head of Asset Management at Centurion Properties Ltd managing a portfolio of GBP300m, and previously held positions at Jones Lang LaSalle between 1985-87, before joining Brixton plc where he worked in the acquisitions, development, and asset management teams, being made Director of the main operations board from 1997-02. Between 2002-06, Paul set up and ran the London operation of developer Equity Estates. From 2006-09 he was CEO of Parkridge Business centres, before setting up his asset management company, RIAM Properties, in 2009.	

The table below lists the companies and partnerships of which each director of the company is currently a director or partner as well as the companies and partnerships of which each director of the company was a director or partner over the five years preceding these Listing Particulars:

<b>Directors of Mainland</b>		
<b>Director</b>	<b>Directorships currently held</b>	<b>Directorships held in past 5 years</b>
<b>Kamal Taposeea</b>	Minerva Fiduciary Services (Mauritius) Ltd; Redfort India Real Estate Fund ii, LLC; Cubic Developments; Imara Asset Management (Mauritius) Ltd; PRIF Mauritius Managers Ltd; Sanlam Africa Floating Rate Credit Fund LLC; Essar Energy Holding Ltd; Essar Steel Ltd; CMB International Ltd; GuarantCo; Mauriplage Beach Resort Ltd; Mainland Real Estate Ltd	Kappa Forte Asset Management Ltd (Became Imara Asset Management (Mauritius) Ltd); Air Mauritius; St Lawrence Management Ltd; Salt Lake Resort Ltd
<b>Lyndon Kan</b>	Divergent Real Estate Group (Pty) Ltd; Ambit Management Services; Guma Property Holdings; Pluriflex; Sovereign Investment Holdings; Sovereign Securities; Main Street 863; Sovereign Real Estate Management; Main Street 865; Sovereign Real Estate Investments; Guma Fund Managers	Absa Dvelopment Company Holdings; Absa Fleet Services; Allied Grinaker Properties; Four Amberfair; Absa Vehicle Management Solutions; Man Financial Services (SA) (RF); Absa Vehicle Management; RBA Holdings; Growthpoint ABQ; Culemborg Investment Properties; Business Venture Investments No 804; Siyathenga Properties Guarantee SPV ; Retail Africa Wingspan Investments; Aquarella Investments 136; Texton Property Fund; Hospitality Guarantee SPV (RF); Pangbourne Guarantee SPV One; Amrichprop 49 Properties; Siyathenga Three Guarantee SPV; Diluculo Properties; African Spirit Trading 309; Meadowood Investments 8; Diluculo Property Trading; Diluculo Investments; Universal Guarantee SPV; Kantara Guarantee SPV; Spectrum Valuation Services; Royalmnanandi Duduza; Guma Railway Solutions; Main Street 864
<b>Andrew Glencross</b>	Divergent Real Estate Group (Pty) Ltd	Imperial Com Props; Malyork Estates; Highway Properties Houghton; Ferns Investments; Illovo Boulevard Management District; Redefine Properties OPCO; Investage 183; Nungu

<b>Directors of Mainland</b>		
<b>Director</b>	<b>Directorships currently held</b>	<b>Directorships held in past 5 years</b>
		Trading 88; Discus House; Sable Place Properties 121; Oakleaf Investment Holdings 15; Menlyn Maine Property Owners Associations
<b>Francesca Chung</b>	Sanga Minerals Limited; Sanga Mumbwa Limited; Sanga Rufunsa Limited; Sanga Projects Zambia Limited; Tierra Resources (Pty) Limited; Scinta South Africa (Pty) Limited; Fricker Limited; Bestinvest Limited; Orange Communications (Mauritius) Limited; Levelnext Communications Ltd; LOL Communications Ltd	Ingede Holdings (Pty) Ltd; Sensele Investments Proprietary Limited; Creativeplus Ltd
<b>Paul Reid</b>	Red Tarn LLP, Chishurst Ltd, East Street Developments Ltd, Easedale Estates Ltd	-
<b>Francoise Chan</b>	Woolworths (Mauritius) Limited; ITL CONCILIUM LTD; Intercontinental Fund Services Limited	Continuum Fiduciary Ltd

*\* Directorships in respect of unlisted GBL1 companies and Cayman Islands registered companies have been excluded. Directorships in subsidiary companies have also been excluded.*

## 2. REMUNERATION OF THE DIRECTORS OF MAINLAND

2.1. As at the last practicable date, the remuneration and benefits anticipated to be paid by the company to the directors of Mainland in their capacity as directors (or in any other capacity) for the financial year ended 31 March 2016 will be as set out below:

<b>Director</b>	<b>Basic salary</b>	<b>Director's fees</b>	<b>Other fees</b>	<b>Performance bonus</b>	<b>Expense allowance</b>	<b>Other material benefits</b>	<b>Pension scheme contributions</b>	<b>Commission s</b>	<b>Shares or share options or similar rights</b>	<b>Share of profit</b>	<b>Total</b>
<b>GBP</b>											
Kamal Tposeea	16 000	-	-	-	-	-	-	-	-	-	16 000
Lyndon Kan	15 000	-	-	-	-	-	-	-	-	-	15 000
Andrew Glencross	15 000	-	-	-	-	-	-	-	-	-	15 000
Francesca Chung	15 000	-	-	-	-	-	-	-	-	-	15 000
Paul Reid	-	-	-	-	-	-	-	-	-	-	-
Francoise Chan	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>61 000</b>										<b>61 000</b>

2.2. As the company was only incorporated on 2 February 2016 no fees have been paid to the directors of the company as at the last practicable date.

2.3. Francoise Chan is an appointee of IFSL, the company administrator, and will not be paid directors fees.

2.4. Paul Reid will not be paid any director fees as he will be remunerated under the property transaction and management services agreement.



- 2.5. There shall be no variation to the fees receivable by any of the directors as a consequence of the listing on the JSE.
- 2.6. Mainland shall establish a share purchase and option scheme shortly after its listing on the SEM. The executive directors and employees will be offered shares and granted credit in terms of the share purchase and option scheme, following the listing on the SEM.

### **3. DIRECTORS' INTERESTS IN SECURITIES**

#### **Mainland's directors' interests in Mainland**

Other than Paul Reid's shareholding, no other directors of Mainland (including directors who have resigned in the last 18 months) are, directly or indirectly, beneficially interested in Mainland shares in issue at the last practicable date.

### **4. DIRECTORS' INTERESTS IN TRANSACTIONS**

- 4.1. The directors of the company had no beneficial interest in transactions entered into by the company:
  - during the current financial year; or
  - during the two preceding financial years; or
  - during any earlier financial year and which may still be outstanding.
- 4.2. No amount has been paid to any director (or to any company in which he is interested (whether directly or indirectly) or of which he is a director or to any partnership, syndicate or other association of which he is a member) in the three years preceding the date of these Listing Particulars (whether in cash or securities or otherwise) by any person either to induce him to become or to qualify him as a director or otherwise for services rendered by him (or by the associate identity) in connection with the promotion or formation of the company.

### **5. DIRECTORS' INTERESTS IN PROPERTY ACQUIRED OR TO BE ACQUIRED**

Paul Reid is a director and shareholder of the property and transaction manager and a director of Mainland. Paul Reid will benefit from the fees earned by the property and transaction manager in terms of the property transaction and management services agreement.

Other than Paul Reid, no other director has had any material beneficial interest, direct or indirect, in the promotion of the company or in any property acquired or proposed to be acquired by the company out of the proceeds of the Mauritian placing or otherwise in the three years preceding the date of issue of these Listing Particulars and no amount has been paid during this period, or is proposed to be paid to any director.

### **6. TERMS OF OFFICE**

None of the directors have entered into a service contract with the company and accordingly the appointment of the directors is indefinite but remains subject to all applicable laws and the provisions of the company's Constitution.

### **7. CONSTITUTION**

The relevant extracts of the Constitution of the company providing for the appointment, qualification, retirement, remuneration and borrowing powers of the directors and the powers enabling a director to vote on a proposal, arrangement or contract in which he is materially interested are set out in **Annexure 4**.

### **8. BORROWING POWERS**

As set out more fully in **Annexure 4**, the borrowing powers of the company exercisable by the directors are unlimited and, accordingly, have not been exceeded since incorporation.

**9. SUMMARY OF EXISTING OR PROPOSED CONTRACTS (WHETHER WRITTEN OR ORAL) RELATING TO DIRECTORS' AND MANAGERIAL REMUNERATION, RESTRAINT PAYMENTS, ROYALTIES AND SECRETARIAL AND TECHNICAL FEES**

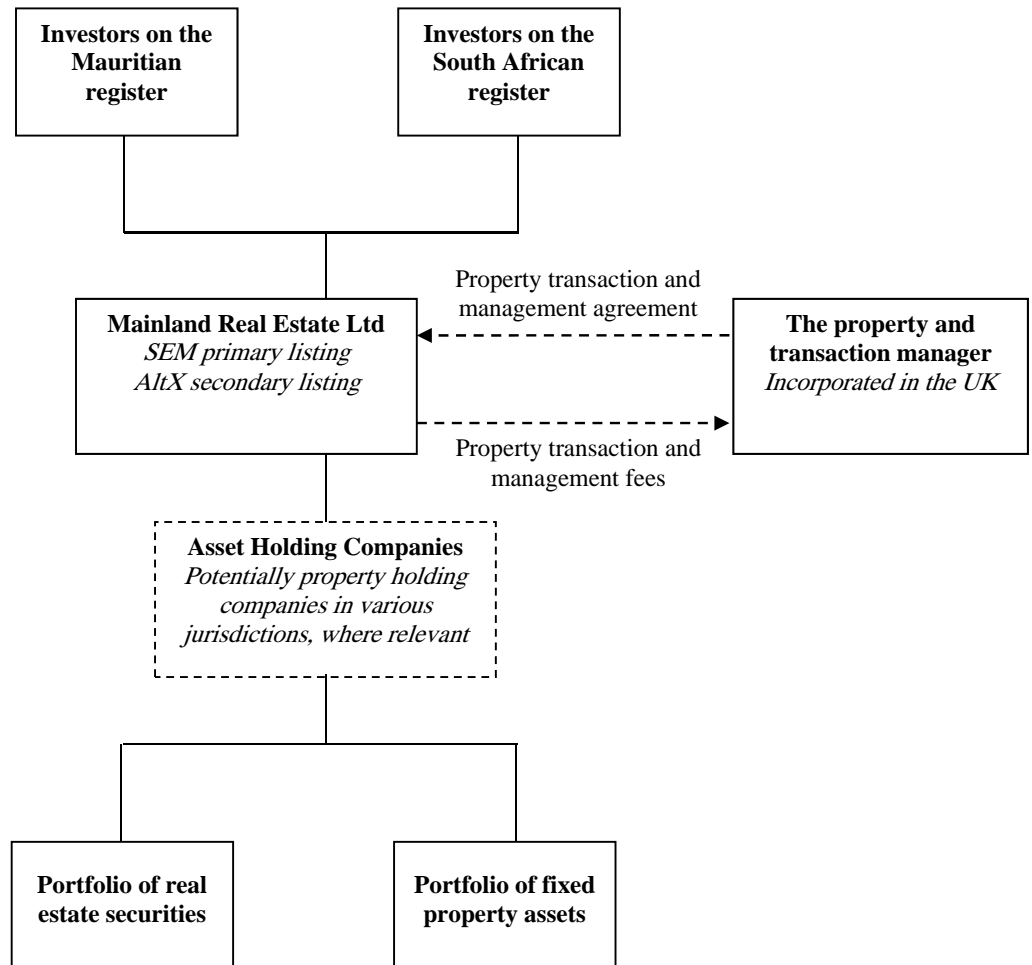
- 9.1. Save for IFSL's appointment as the company secretary, the appointment of the property and transaction manager and the appointment of Lyndon Kan, Andrew Glencross and Francesca Chung the disclosures set out in paragraph 2 of this Annexure, there are no existing or proposed contracts (whether written or oral) relating to directors or managerial remuneration, restraint payments, royalties or secretarial and technical fees.
- 9.2. Save for Paul Reid's appointment as director of the company and the property and transaction manager, as at the date of these Listing Particulars, there were no other contracts or arrangements in which the directors were materially interested and which were significant in relation to the business of the company.

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**COMPANY STRUCTURE**


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The proposed structure of Mainland is set out below:



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## SHARE CAPITAL AND SHAREHOLDING

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### 1. MAJOR AND CONTROLLING SHAREHOLDERS

As at the date of the Listing Particulars, Paul Reid is the only shareholder of the company, holding 100 ordinary no par value shares of Mainland.

As the Mauritian placing will take place after the last practicable date, the company cannot confirm the details of shareholders who will (directly or indirectly) beneficially hold 5% or more of the issued capital of the company, immediately following the Mauritian placing (on the assumption that 591 000 shares are issued in terms of the Mauritian placing).

### 2. SHARES ISSUED OTHERWISE THAN FOR CASH

No shares have been issued or agreed to be issued otherwise than for cash by the company since incorporation.

### 3. COMPANY'S SHARE CAPITAL

3.1. The issued share capital of the company, immediately before the Mauritian placing and the SEM listing are as follows:

<b>Stated Capital</b>	<b>GBP</b>
<i>Issued shares</i>	
100 ordinary no par value shares	100
<b>Total</b>	<b>100</b>

3.2. Assuming that all of the placement shares will be subscribed for, the issued share capital of the company after the Mauritian placing and the SEM listing will be as follows:

<b>Stated Capital</b>	<b>GBP</b>
<i>Issued shares</i>	
591 100 ordinary no par value shares	1 182 100
<b>Total</b>	<b>1 182 100</b>

3.3. The company does not hold any shares in treasury.

3.4. The shares of the company are under the control of the directors of the company. In terms of paragraph 4.1 of the Constitution, the members in general meeting may authorise the board to issue shares and/or grant options at any time to any person.

On 22 April 2016, the shareholder of the company passed the following resolutions:-

- (1) authorising the board to issue up to 99 743 900 additional shares in terms of various placings to be undertaken through the company's Mauritian and/or South African shares registers, subject to the Mauritian Companies Act 2001, the Mauritian Securities Act 2005, the SEM Listing Rules and the JSE Listings Requirements, and that such authority given to the directors shall be valid for a period of twelve months from the date of the JSE listing, or until the company's first annual general meeting of shareholders;
- (2) authorising the board to issue 256 000 additional shares to the promoter as settlement for the listing costs; and
- (3) authorising the board to issue up to 5 000 000 additional shares to executive directors and employees in terms of a share purchase and option scheme to be adopted by the company shortly after the listing on the SEM.

- 3.5. The capital of the company shall consist of ordinary no par value shares and having attached to them the following rights: -
- (i) The right to one vote on a poll at a meeting of the company on any resolution;
  - (ii) The right to an equal share in dividends authorised by the board; and
  - (iii) The right to an equal share any the distribution.
- 3.6. All the shares to be issued in terms of the Listing Particulars will be of the same class and will rank *pari passu* with all other issued shares of the company.
- 3.7. In terms of Mauritian law, the company does not have authorised share capital.

#### **4. ALTERATIONS TO SHARE CAPITAL OF THE COMPANY**

- 4.1. The company was incorporated on 2 February 2016 with a share capital of 100 shares issued at GBP1.00 per share.
- 4.2. As at the last practicable date there have been no further alterations to the company's share capital. Accordingly:
- 4.2.1. there have been no issues or offers of securities of the company since incorporation;
  - 4.2.2. there have been no consolidation or subdivision of shares in the company since incorporation;
  - 4.2.3. no offer for shares in the company was made to the public since incorporation;
  - 4.2.4. no share repurchases were undertaken by the company since incorporation; and
  - 4.2.5. there has been no amount payable by way of premium on any share issued by the company since incorporation.

#### **5. FOUNDERS AND MANAGEMENT SHARES**

Save for the details set out in paragraph 4 of **Annexure 1**:

- 5.1. There are no deferred shares.
- 5.2. There are no shares held as at the listing date by founders or the directors of the company.
- 5.3. As Mainland does not own any physical property nor has entered into agreement to acquire any physical property as at the last practicable date, the directors of Mainland and the promoter do not have any material interest in any acquisition or disposal of any properties.

#### **6. OPTIONS AND PREFERENTIAL RIGHTS**

- 6.1. There are no preferential conversion, redemption and/or exchange rights in respect of any of the shares or other securities.
- 6.2. There are no contracts, arrangements or proposed contracts or arrangements whereby any option or preferential right of any kind was or is proposed to be given to any person to subscribe for or acquire any shares in the company.

#### **7. FRACTIONS**

No fractions of shares have been issued.

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**EXTRACTS FROM THE CONSTITUTION OF THE COMPANY**


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**“4. CAPITAL**

- 4.1 Subject to the provisions of the Listing Rules of the Stock Exchange of Mauritius Ltd (“**SEM Rules**”), the Listings Requirements (“**Listings Requirements**”) of the Johannesburg Stock Exchange (being an exchange operated by the JSE Limited) (“**JSE**”) or the requirements of any other exchange on which the company is listed and pursuant to Section 52 of the Mauritian Companies Act, 2001 (Act 15 of 2001) as amended (“**Companies Act 2001**”), the board may only issue unissued shares where shares of that particular class are listed and/or grant options if such shares have first been offered to existing Members in proportion to their shareholding on such terms and in accordance with such procedures as the board may determine, unless such shares are issued for the acquisition of assets by the company. Notwithstanding the foregoing, Members in a meeting of Members may authorise the directors to issue unissued securities, and/or grant options to subscribe for unissued securities, as the directors in their discretion deem fit, provided that the corporate action(s) to which any such issue or grant of options relates, has/have to the extent required been approved by the JSE and the Stock Exchange of Mauritius Ltd (“**SEM**”).
- 4.2 No shares or any interest or right to the shares shall be issued or granted by the company to bearer.
- 4.3 The company may by way of special resolution from time to time and in accordance with the Companies Act 2001:
- 4.3.1. create any class of shares;
  - 4.3.2. increase or decrease the number of shares of any class of the company’s shares;
  - 4.3.3. consolidate and reduce the number of the company’s shares of any class;
  - 4.3.4. subdivide its shares of any class by increasing the number of its issued shares of that class without an increase of its capital;
  - 4.3.5. change the name of the company;
  - 4.3.6. convert one class of shares into one or more other classes, save where a right of conversion attaches to the class of shares created; or
  - 4.3.7. subject to paragraph 14.6, vary any preference rights, limitations or other terms attaching to any class of shares.”

**“10. TRANSFER OF SHARES**

- 10.1 Subject to the provisions of this Constitution, where shares are listed on the SEM or on another securities exchange, the shares of the company shall be freely transferable and free from any lien. Each Member may transfer, without payment of any other charges, save Brokerage Fees payable in relation to such transfer, all or any of his shares which have been fully paid.
- 10.2 For so long as the Company shall be admitted for listing on the SEM, a Member wishing to transfer its shares, shall where physical Share Certificates have been issued to that Member, cause its shares to be dematerialized.
- 10.3 For so long as the Company shall be admitted for listing on the SEM, all shares transferred must be in the dematerialized form and must be conducted through the Automated Trading System in accordance with the Trading Procedures.
- 10.4 In respect of shares held in certificated form and where such shares have not been listed on the SEM, every instrument of transfer shall be executed by or on behalf of the transferor. Every instrument of transfer shall

be left at the registered office of the company (or such other place as the board may from time to time determine) at which it is presented for registration accompanied by the certificate of the shares so transferred, and/or such other evidence as the company may require, to prove the title of the transferor of his rights to transfer the shares. All authorities to sign instruments of transfer granted by Members for the purpose of transferring shares which may be lodged, produced or exhibited with or to the company at its registered office (or such other place as the Board may from time to time determine) shall, as between the company and the grantor of such authorities, be taken and deemed to continue and remain in full force and effect and the company may allow the same to be acted upon until such time as express notice in writing of the revocation of the same shall have been given and lodged at the company's registered office (or such other place as the board may from time to time determine) at which the authority was lodged, produced or exhibited. Even after the giving and lodging of such notice, the company shall be entitled to give effect to any instrument signed under the authority to sign, and certified by any officer of the company, as being in order before the giving and lodging of such notices. The transferor shall be deemed to remain the holder of such share until the name of the transferee is entered in the Register in respect of it.

#### 10.5 Transmission of shares

- 10.5.1 If title to a share passes to a Transmitttee, the company may only recognise the Transmitttee as having any title to that share.
- 10.5.2 A Transmitttee who produces such evidence of entitlement to shares as the directors may properly require –
- 10.5.2.1 may, subject to the provisions of this Constitution choose either to become the holder of those shares or to have them transferred to another person; and
- 10.5.2.2 subject to the provisions of this Constitution, and pending any transfer of the shares to another person, has the same rights as the holder had.
- 10.5.3 Transmitttees do not have the right to attend or vote at a general meeting, or agree to a proposed written resolution, in respect of shares to which they are entitled, by reason of the holder's death or bankruptcy or otherwise, unless they become the holders of those shares.”

### “11. MEETINGS OF MEMBERS

#### 11.1 Meetings and resolutions in lieu of meetings

- 11.1.1 The board may convene meetings of the Members of the company at such time and in such manner and places within the Republic of Mauritius as the directors consider necessary or desirable.
- 11.1.2 The board shall in each year convene an Annual General Meeting of the Members of the company, and such Annual General Meeting shall be held;
- 11.1.2.1 not more than once in each year;
- 11.1.2.2 not later than six months after the Balance Sheet Date of the company; and
- 11.1.2.3 not later than fifteen months after the previous Annual General Meeting.
- 11.1.3 Subject to the provisions of paragraph 11.3.3, a resolution in writing signed by Members who would be entitled to vote on that resolution at a meeting of Members and who together hold not less than 75% of the votes entitled to be cast on that resolution, is as valid as if it had been passed at a meeting of those Members.
- 11.1.4 For the purposes of paragraph 11.1.3, any resolution may consist of one or more similar documents in similar form (including letters, facsimiles, electronic mail, or other similar means of communications) each signed or assented to by or on behalf of one or more of the Members specified in paragraph 11.1.3.

## 11.2 Procedure at Meetings of Members

### 11.2.1 Chairperson

- 11.2.1.1 Where the directors have elected a chairperson of the board, and the chairperson of the board is present at a meeting of Members, he shall chair the meeting.
- 11.2.1.2 Where no chairperson of the board has been elected or if, at any meeting of Members, the chairperson of the board is not present within 15 minutes of the time appointed for the commencement of the meeting, the directors present shall elect one of their numbers to be chairperson of the meeting.
- 11.2.1.3 Where no director is willing to act as chairperson, or where no director is present within 15 minutes of the time appointed for holding the meeting, the Members present may choose one of their numbers to be chairperson of the meeting.

### 11.2.2 Notice of Meetings

- 11.2.2.1 Written notice of the time and place of a meeting of Members shall be sent to every Member entitled to receive notice of the meeting and to every director, secretary and auditor of the company not less than 14 business days before the scheduled date of the meeting. Should the company's shares be listed on the JSE at the time of such notice, at the same time as notices are sent to Members, a copy must be sent to the JSE and announced on the Stock Exchange News Services of the JSE. The giving of notice to Members whose registered address is outside Mauritius shall not be prohibited.
- 11.2.2.2 The notice shall state:
- 11.2.2.2.1 the nature of the business to be transacted at the meeting in sufficient detail to enable a Member to form a reasoned judgment in relation to it; and
- 11.2.2.2.2 the text of any Special Resolution to be submitted to the meeting.
- 11.2.2.3 Any irregularity in a notice of a meeting shall be waived where all the Members entitled to attend and vote at the meeting attend the meeting without protest as to the irregularity, or where all such Members agree in writing to the waiver.
- 11.2.2.4 Any accidental omission to give notice of a meeting to, or the failure to receive notice of a meeting by, a Member shall not invalidate the proceedings at that meeting.
- 11.2.2.5 The chairperson may, or where directed by the meeting, shall, adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place, if the board so resolves.
- 11.2.2.6 When a meeting of Members is adjourned for 30 days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.
- 11.2.2.7 Notwithstanding anything to the contrary contained herein, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

## 11.3 Methods of holding meetings



A meeting of Members may be held either:

- 11.3.1 by a number of Members who constitute a quorum, being assembled together at the place, date, and time appointed for the meeting; or
- 11.3.2 by means of audio, or audio and visual, communication by which all Members participating and constituting a quorum, can simultaneously hear each other throughout the meeting.
- 11.3.3 To the extent required, a meeting called for in terms of the JSE Listings Requirements must be held in person.

#### 11.4 Quorum

- 11.4.1 No business shall be transacted at any meeting of Members and at an adjourned or postponed meeting unless a quorum is present. The presence of three (3) Members or their proxies who are between them able to exercise, in aggregate, at least 25% of the votes to be cast on the business to be transacted by the meeting, shall constitute a quorum.
- 11.4.2 Where a quorum is not present within 30 minutes after the time appointed for the meeting:
  - 11.4.2.1 in the case of a meeting called under section 118(1)(b) of the Companies Act 2001 the meeting shall be dissolved;
  - 11.4.2.2 in the case of any other meeting, the meeting shall be adjourned to the same day in the following week at the same time and place, or to such other date, time and place as the directors may appoint; and
  - 11.4.2.3 where, at the adjourned meeting, a quorum is not present within 30 minutes after the time appointed for the meeting, the Members or their proxies present shall be quorum.
- 11.4.3 Notwithstanding anything to the contrary contained herein, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting provided that an announcement must be released on SENS and the SEM's website which announcement must address the following:
  - 11.4.3.1 the reason for the adjourned/postponed meeting;
  - 11.4.3.2 the location and time for the adjourned/postponed meeting; and
  - 11.4.3.3 the Members present in person or by proxy at the adjourned/postponed meeting will be deemed to constitute a quorum.

#### 11.5 Voting

- 11.5.1 Where a meeting of Members is held in terms of paragraph 11.3.1 unless a poll is demanded, voting at the meeting shall be by whichever of the following methods is determined by the chairperson of the meeting:
  - 11.5.1.1 voting by voice; or
  - 11.5.1.2 voting by show of hands.
- 11.5.2 Where a meeting of Members is held under paragraph 11.3.2, unless a poll is demanded, voting at the meeting shall be by the Members signifying individually their assent or dissent by voice.
- 11.5.3 A declaration by the chairperson of the meeting that a resolution is carried by the requisite majority shall be conclusive evidence of that fact unless a poll is demanded in accordance with paragraph 11.5.4.

- 11.5.4 At a meeting of Members, a poll may be demanded by:
- 11.5.4.1 not less than five Members having the right to vote at the meeting;
  - 11.5.4.2 a Member or Members representing not less than 10 percent of the total voting rights of all Members having the right to vote at the meeting;
  - 11.5.4.3 by a Member or Members holding shares in the company that confer a right to vote at the meeting and on which the aggregate amount paid up is not less than 10 percent of the total amount paid up on all shares that confer that right; or
  - 11.5.4.4 the chairperson of the meeting.
- 11.5.5 A poll may be demanded either before or after the vote is taken on a resolution
- 11.5.6 Where a poll is taken, votes shall be counted according to the votes attached to the shares of each Member present in person or by proxy and voting.
- 11.5.7 The chairperson of Members' meeting shall not be entitled to a casting vote.
- 11.5.8 For the purposes of paragraph 11.5:
- 11.5.8.1 the instrument appointing a proxy to vote at a meeting of the company shall confer authority to demand or join in demanding a poll and a demand by a person as proxy for a Member shall have the same effect as a demand by the Member;
  - 11.5.8.2 subject to any rights or restrictions for the time being attached to any class of shares, every Member present in person or by proxy and voting by voice or by show of hands and every Member voting by postal vote (where this is permitted) shall have one vote."

## **"12. DIRECTORS**

### 12.1 Number

- 12.1.1 Subject to any subsequent amendment to change the number of directors the number of the directors shall not be less than four (4) and shall include at least two (2) directors who are ordinarily resident in Mauritius. If the number falls below four the remaining directors shall as soon as possible, and in any event not later than three months from the date the number of directors falls below the minimum, fill the vacancy or call a general meeting to fill the vacancy. After the expiry of the three month period the remaining directors shall only be permitted to act for the purpose of filling vacancies or calling general meetings of Members.
- 12.1.2 Any director appointed under paragraph 12.1.1 shall hold office only until the next following Annual General Meeting and shall then retire, but shall be eligible for re-election at that meeting.
- 12.1.3 The quorum for all board meetings shall be three directors.

### 12.2 Qualification

No director shall be required to hold shares in the company to qualify him for an appointment

### 12.3 Appointment

The directors of the company shall be appointed by the company in general meeting or at meetings of the board provided that, in the case of director/s having been appointed by the board, such director/s'

appointments are approved by Members at the next general meeting or Annual General Meeting. Section 137 of the Companies Act 2001 shall not apply in respect of the appointment of more than one person in a single resolution as directors of the company.

#### 12.4 Retirement of directors

- 12.4.1 Life directorships are not permissible.
- 12.4.2 At each Annual General Meeting of Members all the directors shall retire from office and may make themselves available for re-election.
- 12.4.3 The company at the meeting at which a director retires under any provision of this Constitution may by ordinary resolution fill the office being vacated by electing thereto the retiring director or some other person eligible for appointment. In default, the retiring director shall be deemed to have been re-elected except in any of the following cases:
  - 12.4.3.1 where at such meeting it is expressly resolved not to fill such office or a resolution for the re-election of such director is put to the meeting and lost;
  - 12.4.3.2 where such director has given notice in writing to the company that he is unwilling to be re-elected
  - 12.4.3.3 where such director has attained any retiring age applicable to him as director.
- 12.4.4 The retirement shall not have effect until the conclusion of the meeting except where a resolution is passed to elect some other person in the place of the retiring director or a resolution for his re-election is put to the meeting and lost and accordingly a retiring director who is re-elected will continue in office without a break.
- 12.4.5 At least 7 days' notice shall be given to the company of any intention to propose a person for election as a director at a meeting of the Members and the consent of such person in relation thereto shall be communicated to the company at least seven days before the date of the meeting.
- 12.4.6 Notwithstanding anything to the contrary contained herein and subject to as may otherwise be provided by law, any director, managing director or other executive director may, by ordinary resolution passed at a meeting of Members called for purposes that include their removal or ceasing to hold office pursuant to section 139 of the Companies Act 2001, be removed from office before the expiry of their period of office subject however, to the right of any such director to claim damages under any contract.

#### 12.5 Remuneration of directors

- 12.5.1 The remuneration of directors shall be proposed by the Corporate Governance Committee to board for approval.
- 12.5.2 The board may determine the terms of any service contract with a managing director or other executive director.
- 12.5.3 The directors may be paid all travelling, hotel and other expenses properly incurred by them in attending any meetings of the board or in connection with the business of the company.
- 12.5.4 If by arrangement with the board any director shall perform or render any special duties or services outside his ordinary duties as a director and not in his capacity as a holder of employment or executive office, he may be paid such reasonable additional remuneration (whether, by way of salary, commission, participation in profits or otherwise) as the Corporate Governance Committee may from time to time determine.

- 12.5.5 A director shall not vote on any contract or arrangement or any other proposal in which he or his associates have a material interest nor shall he be counted in the quorum present at the meeting.
- 12.5.6 Notwithstanding paragraph 12.5.5 above, a director shall be entitled to vote and be counted in the quorum at the meeting in respect of the following matters: -
- 12.5.6.1 the giving of any security or indemnity either:
- (a) to the director in respect of money lent or obligations incurred or undertaken by him at the request of or for the benefit of the issuer or any of its subsidiaries; or
  - (b) to a third party in respect of a debt or obligation of the issuer or any of its subsidiaries for which the director has himself assumed responsibility in whole or in part and whether alone or jointly under a guarantee or indemnity or by the giving of security;
- 12.5.6.2 any proposal concerning an offer of shares or debentures or other securities of or by the issuer or any other company which the issuer may promote or be interested in for subscription or purchase where the director is or is to be interested as a participant in the underwriting or sub-underwriting of the offer;
- 12.5.6.3 any proposal concerning any other company in which the director is interested only, whether directly or indirectly, as an officer or executive or shareholder or in which the director is beneficially interested in shares of that company, provided that he, together with any of his associates, is not beneficially interested in five percent or more of the issued shares of any class of such company (or of any third company through which his interest is derived) or of the voting rights;
- 12.5.6.4. any proposal or arrangement concerning the benefit of employees of the issuer or its subsidiaries including:
- (a) the adoption, modification or operation of any employees' share scheme or any share incentive or share option scheme under which he may benefit; or
  - (b) the adoption, modification or operation of a pension fund or retirement, death or disability benefits scheme which relates both to directors and employees of the issuer or any of its subsidiaries and does not provide in respect of any director as such any privilege or advantage not generally accorded to the class of persons to which such scheme or fund relates; and
- 12.5.6.5. any contract or arrangement in which the director is interested in the same manner as other holders of shares or debentures or other securities of the issuer by virtue only of his interest in shares or debentures or other securities of the issuer.
- 12.5.7 For the purposes of paragraph 12.5.6 associate shall have, in relation to any director, the following meanings: -
- 12.5.7.1 his spouse and any child or stepchild under the age of 18 years of the director ("the individual's family") and;
- 12.5.7.2 the trustees (acting as such) of any trust of which the individual or any of the individual's family is a beneficiary or discretionary object; and

12.5.7.3 any company in the equity capital of which the individual and/or any member or members of the individual's family (taken together) are directly or indirectly interested so as to exercise or control the exercise of 20 percent or more of the voting power at meetings of Members, or to control the appointment and/or removal of directors holding a majority of voting rights at board meetings on all or substantially all matters, and any other company which is its subsidiary.

12.5.8 For the purposes of paragraph 12.5.6.3, associate shall have, in relation to a director, the following meaning: -

- (i) a spouse, a director living "en concubinage" under the common law, any child or stepchild or any relative residing under the same roof as that director,
- (ii) a succession in which the director has an interest;
- (iii) a partner of that director;
- (iv) any company in which the director owns securities assuring him of more than 10 per cent of a class of shares to which are attached voting rights or an unlimited right to participate in earnings and in the assets upon winding up;
- (v) any controller of that director;
- (vi) any trust in which the director has a substantial ownership interest or in which he fulfills the functions of a trustee or similar function;
- (vii) any company which is a related company.

## 12.6 Proceedings of directors

### 12.6.1 Chairperson

12.6.1.1 The directors may elect one of their number as chairperson of the board and determine the period for which he is to hold office.

12.6.1.2 Where no chairperson is elected, or where at a meeting of the board the chairperson is not present within 15 minutes after the time appointed for the commencement of the meeting, the directors present may choose one of their number to be chairperson of the meeting.

### 12.6.2 Notice of Meeting

12.6.2.1 A director or, if requested by a director to do so, an employee of the company, may convene a meeting of the board by giving notice in accordance with this paragraph.

12.6.2.2 A notice of a meeting of the board shall be sent to every director and the notice shall include the date, time, and place of the meeting and the matters to be discussed.

12.6.2.3 Any meeting at which the business of the meeting is to appoint a director whether as an additional director or to fill a casual vacancy shall be called by at least 30 business days' notice. Any person appointed by the directors to fill a casual vacancy on or as an addition to the board shall hold office only until the following Annual General Meeting of Members, and shall then be eligible for re-election.

12.6.2.4 An irregularity in the notice of a meeting is waived where all directors entitled to receive notice of the meeting attend the meeting without protest as to the

irregularity or where all directors entitled to receive notice of the meeting agree to the waiver.

#### 12.6.3 Methods of holding meetings

12.6.3.1 The board or any committee thereof may meet at such times and in such manner and places within the Republic of Mauritius as the board may determine to be necessary or desirable.

12.6.3.2 A director shall be deemed to be present at a meeting of the board if he participates by telephone or other electronic means and all directors participating in the meeting are able to hear and communicate with one another.

#### 12.6.4 Alternate directors

A director may by a written instrument appoint an alternate who need not be director and an alternate is entitled to attend meetings in the absence of the director who appointed him and to vote or consent in the place of the director.

#### 12.6.5 Voting

12.6.5.1 Every director has one vote.

12.6.5.2 The chairperson shall not have a casting vote.

12.6.5.3 A resolution of the board is passed if it is agreed to by all directors present without dissent or if a majority of the votes cast on it are in favour of it.

12.6.5.4 A director present at a meeting of the board is presumed to have agreed to, and to have voted in favour of, a resolution of the board unless he expressly dissents from or votes against the resolution at the meeting.

#### 12.6.6 Minutes

The board shall ensure that minutes are kept of all proceedings at meetings of the board.

#### 12.6.7 Resolution in writing

12.6.7.1 A resolution in writing, signed or assented to by all directors then entitled to receive notice of a board meeting, is as valid and effective as if it had been passed at a meeting of the board duly convened and held.

12.6.7.2 Any such resolution may consist of several documents (including facsimile or other similar means of communication) in like form each signed or assented to by one or more directors.

12.6.7.3 A copy of any such resolution must be entered in the minute book of board proceedings.

#### 12.6.8 Directors may delegate

12.6.8.1 Subject to this Constitution, the directors may delegate powers which are conferred on them:

12.6.8.1.1 to such person or committee;

12.6.8.1.2 by such means (including by power of attorney);

12.6.8.1.3 to such an extent;

- 12.6.8.1.4 in relation to such matters or territories; and
- 12.6.8.1.5 on such terms and conditions as they think fit.
- 12.6.8.2 If the directors so specify, any such delegation may authorise further delegation of the directors' powers by any person to whom they are delegated.
- 12.6.8.3 The directors may revoke any delegation in whole or part, or alter its terms and conditions.
- 12.6.9 Committees
  - 12.6.9.1 Committees to which the directors delegate any of their powers must follow procedures which are based as far as they are applicable on those provisions of the Constitution which govern the taking of decisions by directors.
  - 12.6.9.2 The directors may not make rules including rules of procedure for all or any committees, which are inconsistent with this Constitution."

### **"13 POWERS AND DUTIES OF DIRECTORS**

#### 13.1 Borrowing Powers

The directors may exercise all powers of the company to borrow or raise or secure the payment of money or the performances or satisfaction by the company of any obligation or liability and to mortgage or charge its undertaking, property and uncalled capital or any part thereof and to issue mortgages, charges, bonds, notes and other securities and other instrument whether outright or as security, for any debt liability or obligation of the company or of any third party. In addition, such power shall be exercised, in compliance with Section 143 of the Companies Act 2001.

#### 13.2 Overseas Seal and Branch Registers

- 13.2.1 The company may exercise the powers conferred by the Companies Act 2001 with regard to having an official seal for use abroad, and those powers shall be vested in the directors.
- 13.2.2 The company may exercise the powers conferred by the Companies Act 2001 relating to the keeping of branch register and the directors may (subject to the provision of that section) make and vary such regulations as they think fit regarding the keeping of any such branch register.

#### 13.3 Management of company

The business of the company shall be managed by the directors in Mauritius who may pay all expenses incurred in promoting or registering the company and who may exercise all such powers of the company as are, by the Companies Act 2001 or by this Constitution, required to be exercised by the Company in general meeting, subject, nevertheless, to the provisions of this Constitution and to the provisions of the Companies Act 2001.

#### 13.4 Indemnity

Subject to the provisions of the Companies Act 2001, and any other statute for the time being in force, every director or other officer of the company shall be entitled to be indemnified out of the assets of the company against all losses or liabilities which he may sustain or incur in or about the execution of the duties of his office or otherwise in relation thereto, and no director or other officer shall be liable for any loss, damage or misfortune which may happen to, or be incurred by the company in the execution of his office, or in relation thereto.

#### 13.5 Directors expenses

The company may pay any reasonable expenses which the directors properly incur in connection with their attendance at:

- 13.5.1 meetings of directors or committees of directors;
- 13.5.2 general meetings of Members, or
- 13.5.3 separate meetings of the holders of any class of share or of debentures of the company, or otherwise in connection with the exercise of their powers and the discharge of their responsibilities in relation to the company.”

## **"14 VARIATION OF RIGHTS**

### 14.6 Variation of Rights

- 14.6.1 Where the share capital of the company is divided into different classes of shares, the company shall not take any action which varies the rights attached to a class of shares unless that variation is approved by a special resolution, or by consent in writing of the holders of 75 per cent of the shares of that class.
- 14.6.2 The quorum for a separate class meeting (other than an adjourned meeting) to consider a variation of the rights of any class of shares shall be the holders of one third of the issued shares of that class.
- 14.6.3 So long as the company shall be a listed company, the preferences, rights, limitations or other terms of any class of shares of the Company must not be varied and no resolution may be proposed to Members for rights to include such variation in response to any objectively ascertainable external fact.
- 14.6.4 Adequate voting rights, will in appropriate circumstances and as determined by the board and Members of the company, be secured to holders of preference shares.”

## **“16 DIVIDENDS AND RESERVES**

### 16.1 Declaration of Dividends

- 16.1.1 The company in general meeting may declare dividends but may not declare a larger dividend than that declared by the directors and no dividend shall be declared and paid except out of profits and unless the directors determine that immediately after the payment of the dividend:
  - 16.1.1.1 the company shall be able to satisfy the solvency test in accordance with Section 6 of the Companies Act 2001; and
  - 16.1.1.2 the realisable value of the assets of the company will not be less than the sum of its total liabilities, other than deferred taxes, as shown in the books of account, and its capital.
- 16.1.2 Dividends may be declared and paid in money, shares or other property.
- 16.1.3 The company may cease sending dividend warrants by post if such warrants have been left uncashed on two successive occasions.
- 16.1.4 Notwithstanding paragraph 16.1.3 above, the company may cease sending dividend warrants after the first occasion on which such warrant is returned undelivered where after reasonable enquiries, the company has failed to establish any new address of the registered holder.

### 16.2 Computation of Profit

In computing the profits for the purpose of resolving to declare and pay a dividend, the directors may include in their computation the net unrealised appreciation of the assets of the company.



### 16.3 Interim Dividends

The directors may from time to time pay to the Members such interim dividends as appear to the directors to be justified by the surplus of the company.

### 16.4 Entitlement to dividends

16.4.1 Subject to the rights of holders of shares entitled to special rights as to dividends, all dividends shall be declared and paid equally on all shares in issue at the date of declaration of the dividend.

16.4.2 If several persons are registered as joint holders of any share, any of them may give effectual receipt for any dividend or other monies payable on or in respect of the share.

16.4.3 Any amount paid up in advance of calls on any share may carry interest, but shall not entitle the holder of the share to participate in respect thereof in a dividend subsequently declared.”

## Annexure 5

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**HISTORICAL FINANCIAL INFORMATION OF MAINLAND**


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The financial statements of Mainland for the period ended 2 February 2016 are set out below.

**BASIS OF PREPARATION**

The definitions and interpretations commencing on page 9 of these Listing Particulars have been used throughout this **Annexure 5**.

The financial statements were audited by BDO & Co (Mauritius) in accordance with International Standards on Auditing and an unqualified opinion on the financial statements was issued. There has been no transaction in the Company till date.

The directors of Mainland are responsible for the preparation of the report on historical information contained in this **Annexure 5**.

**STATEMENT OF FINANCIAL POSITION**

As at 2 February 2016

	Notes	2016 GBP
<b>Assets</b>		
<i>Current assets</i>		
Cash and cash equivalents	5	100
<b>Total assets</b>		<b>100</b>
<b>Equity</b>		
Stated capital	6	100
Retained earnings		-
<b>Total equity</b>		<b>100</b>
Net asset value per share		1.00
Net tangible asset value per share		1.00

**STATEMENT OF COMPREHENSIVE INCOME**

For the period ended 2 February 2016

	Notes	2016 GBP
<b>Income</b>		-
<b>Expenses</b>		-
<b>Profit/ (loss) before taxation</b>		-
Taxation	7	-
Profit/ (loss) for the period		-
<b>Other comprehensive income</b>		-
<b>Total comprehensive income/ (loss) for the period</b>		-

**STATEMENT OF CHANGES IN EQUITY**

For the period ended 2 February 2016

	Stated capital GBP	Retained earnings GBP	Total GBP
Issue of shares	100	-	100
Total comprehensive income/ (loss) for the period	-	-	-
<b>At 2 February 2016</b>	<b>100</b>	<b>-</b>	<b>100</b>

**STATEMENT OF CASH FLOWS**

For the period ended 2 February 2016

	Notes	2016 GBP
<i>Cash flow from operating activities</i>		-
Profit/ (loss) for the period		-
<b>Operating profit/ (loss) before working capital changes</b>		-
Movements		-
<b>Net cash flows used in operating activities</b>		-
<i>Cash flow from financing activities</i>		
Issue of shares	6	100
<b>Net cash flows generated from financing activities</b>		<b>100</b>
<b>Net movement in cash and cash equivalents</b>		<b>100</b>
Cash and cash equivalents at beginning of period		-
<b>Cash and cash equivalents at end of period</b>	<b>5</b>	<b>100</b>

**NOTES TO THE FINANCIAL STATEMENTS – 2 February 2016****8. GENERAL INFORMATION**

The company has been established in Mauritius as a public company limited by shares holding a category 1 Global Business License with the primary objective of investing in real estate assets and companies that are high yielding with the prospect of capital appreciation.

The company was incorporated on 2 February 2016 and has not traded during the period ended 2 February 2016.

The company is required, under the Companies Act 2001 and the Financial Services Act 2007, to carry on its business in a currency other than the Mauritian rupee. Since the company operates in an international environment and conducts most of its transactions in foreign currencies, the company has chosen to retain the GBP as its functional currency.

There has been no change in the nature of the business of the company since its incorporation.

*Share schemes*

At the date of this audit, the company does not operate any share schemes involving employees.

*Loans receivable*

The company did not have any loans receivable during the relevant period nor did it furnish any loan for the benefit of any director or manager or any associate of any director or manager.

*Borrowings*

The company does not have any borrowings as at 2 February 2016.

*Stated capital*

100 ordinary no par value shares for a consideration of GBP100 were issued on incorporation.

**9. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied in dealing with items which are considered material in relation to the financial statements.

### *Basis of preparation*

The audited statutory financial statements of the company for the period ended 2 February 2016 have been prepared in accordance with International Financial Reporting Standards and interpretations of these standards (“IFRSs”) adopted by the International Accounting Standards Board and with those parts of the Mauritius Companies Act 2001 applicable to companies preparing their accounts under IFRS.

### *Going concern*

The financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that the funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

### *Application of new and revised International Financial Reporting Standards (IFRS)*

In the current period, the company has applied all of the new and revised Standards and Interpretations issued by the International Accounting Standard Board (“IASB”) and the International Financial Reporting Interpretations Committee (“IFRIC”) of the IASB that are relevant to its operations and effective for accounting periods beginning on 2 February 2016.

### *New and revised IFRSs and IFRICS in issue not yet effective*

The directors have assessed the relevance of the Standards, Amendments and Interpretations to the existing Standards that have been published and are mandatory for the accounting periods beginning on or after 01 March 2014 or later periods and concluded that these will not have a material impact to the financial statements for the period ended 2 February 2016.

### *Foreign currency translation*

#### Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates (‘the functional currency’). The financial statements are presented in the GBP, which is also considered by the directors as the functional currency of the company.

#### Transactions and balances

Foreign currency transactions are translated into GBP using the exchange rates prevailing at the date of transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income.

### *Financial instruments*

Financial assets and liabilities are recognised in the statement of financial position when the company has become party to the contractual provisions of the instrument.

The only financial instrument held at 2 February 2016 was cash at bank. Cash at bank is initially recognised at fair value and subsequently measured at amortised cost.

### *Equity instruments issued by the company*

Classification as debt or equity – Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

Equity instruments – An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs.

Financial assets and financial liabilities are offset and the net amount reported in the statement of financial position if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

The effective interest rate method is a method of calculating the amortised cost of a financial instrument and of allocating the interest on that instrument over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the instrument.

#### *Expense recognition*

Expenses are accounted for in the statement of comprehensive income on the accrual basis.

#### *Related parties*

Related parties are individuals and companies where the individual or company, directly or indirectly, has the ability to control the other party or exercise significant influence over the other party in making financial and operational decisions.

#### *Current and deferred taxation*

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the reporting date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax is provided, using the liability method, for all temporary differences arising between the tax bases of assets and liabilities and their carrying values for financial reporting purposes. Currently enacted tax rates are used to determine deferred tax.

The principal temporary difference arises from tax losses carried forward. Deferred tax assets relating to the carry forward of unused tax losses are recognised to the extent that it is probable that future taxable profit will be available against which the unused tax losses can be utilised.

#### *Provisions*

Provisions are recognised when the company has a present (legal or constructive) obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation; and the amount can be reliably estimated.

#### *Stated capital*

Ordinary shares are classified as equity.

#### *Comparative figures*

No comparative figures have been presented as these are the first financial statements of the company.

### **10. SIGNIFICANT JUDGEMENTS AND AREAS OF ESTIMATION**

As the company's only asset is cash at bank and it has not traded during the period ended 2 February 2016, there are no areas where management has applied judgement in the application of accounting policies and there are no areas of estimation or uncertainty where there is a significant risk of a material adjustment to the carrying value of the asset in the next financial period.

### **11. FINANCIAL RISK MANAGEMENT**

The company has no significant assets, no liabilities and has not previously traded. Therefore at 2 February 2016 it was not exposed to any significant financial risks.

**12. CASH AND CASH EQUIVALENTS**

Cash and cash equivalents consists of:

	<b>GBP</b>
Cash in hand	100
	<b>100</b>

Due to short-term nature of cash and cash equivalents, the carrying amount is deemed to approximate fair value.

**13. STATED CAPITAL**

<b>Issued and fully paid</b>	<b>No of shares</b>	<b>GBP</b>
100 ordinary shares at no par value	100	100
	<b>100</b>	<b>100</b>

**14. TAXATION**

The company is a holder of a Category 1 Global Business Licence and is liable to income tax at the rate of 15% but will be entitled to a tax credit equivalent to the higher of the actual foreign tax suffered and 80% of the Mauritian tax on its foreign source of income.

At 2 February 2016, the company had no income tax liability and deferred tax asset/ liability.

**15. RELATED PARTY TRANSACTIONS**

There were no any related party transactions during the period.

**16. REPORTING CURRENCY**

The financial statements are presented in GBP.

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## CORPORATE GOVERNANCE STATEMENT

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Mainland is fully committed to complying with The Report on Corporate Governance for Mauritius and will comply with the Code of Corporate Practices and Conduct in South Africa as contained in the King Report.

In so doing, the directors recognise the need to conduct the enterprise with integrity and in accordance with generally acceptable corporate practices. This includes timely, relevant and meaningful reporting to its shareholders and other stakeholders and providing a proper and objective perspective of the company and its activities.

The directors have, accordingly, established mechanisms and policies appropriate to the company's business according to its commitment with best practices in Corporate Governance in order to ensure compliance with The Report on Corporate Governance for Mauritius. The board will review these mechanisms and policies from time to time.

The formal steps taken by the directors are summarised below:

### 1. BOARD OF DIRECTORS

Given the size of the company, that the company is newly incorporated and in the interests of keeping costs low in the early stages of the company's formation, it has been decided that the board should be small and currently comprises three executive directors, two non-executive directors and one independent non-executive director. It is the company's intention to have at least two independent non-executive directors once the company has grown to a considerable size. The board will ensure that there is an appropriate balance of power and authority on the board, such that no one individual or block of individuals dominates the board's decision-taking. The non-executive directors are individuals of calibre, credibility and have the necessary skills and experience to bring independent judgement on issues of strategy, performance, resources, standards of conduct and evaluation of performance.

The board will be responsible for the strategic direction of the company. It will set the values which the company will adhere to and will formulate in this regard a Code of Ethics which will be applied throughout the company, as provided below.

The board has appointed a chief executive officer and will establish a framework for delegation of authority. The board will ensure that the role and function of the chief executive officer will be formalised, amended from time to time if required, and that the chief executive officer's performance is evaluated against specified criteria.

The current board's diversity of professional expertise and demographics make it a highly effective board with regard to Mainland's current strategies. The board shall ensure that, in appointing successive board members, the board as a whole will continue to reflect, whenever possible, a diverse set of professional and personal backgrounds.

The information needs of the board will be reviewed annually and directors will have unrestricted access to all company information, records, documents and property to enable them to discharge their responsibilities efficiently. Efficient and timely methods of informing and briefing board members prior to board meetings will be developed and in this regard steps have been taken to identify and monitor key risk areas, key performance areas and non-financial aspects relevant to Mainland. In this context, the directors will be provided with information in respect of key performance indicators, variance reports and industry trends.

The board will establish a suitable induction programme to familiarise incoming directors with the company's operations, senior management and its business environment, and to induct them in their fiduciary duties and responsibilities. Directors will receive further briefings from time to time on relevant new laws and regulations as well as on changing economic risks.

Directors will ensure that they have a working understanding of applicable laws. The board will ensure that the company complies with applicable laws and considers adherence to non-binding industry rules and codes and standards. In deciding whether or not non-binding rules shall be complied with, the board will factor the appropriate and ethical considerations that must be taken into account. New directors with no or limited board experience will receive appropriate training to inform them of their duties, responsibilities, powers and potential liabilities.

The board will disclose details in their directors' report of how it has discharged its responsibilities to establish an effective compliance framework and process.

A sub-committee appointed by the board, will appraise the performance of the chief executive officer at least annually.

No executive directors currently hold service contracts. All directors will be subject to retirement by rotation and re-election by Mainland shareholders every year in accordance with the company's constitution.

The board will develop a charter setting out its responsibilities for the adoption of strategic plans, monitoring of operational performance and management, determination of policy and processes to ensure the integrity of the company's risk management and internal controls, communication policy and director selection, orientation and evaluation.

Although certain responsibilities are delegated to committees or management executives, the board acknowledges that it is not discharged from its obligations in regard to these matters. In particular, the board acknowledges its responsibilities in the following areas:

- the adoption of strategic plans and ensuring that these plans are carried out by management;
- monitoring of the operational performance of the business against predetermined budgets;
- monitoring the performance of management at both operational and executive levels;
- ensuring that the company complies with all laws, regulations and codes of business practice; and
- ensuring a clear division of responsibilities at board level to ensure a balance of power and authority in terms of company policies.

Board meetings will be held at least quarterly, with additional meetings convened when circumstances necessitate. The board will set the strategic objectives of the company and determine investment and performance criteria as well as being responsible for the sustainability, proper management, control, compliance and ethical behaviour of the businesses under its direction. The board will establish a number of committees to give detailed attention to certain of its responsibilities and which will operate within defined, written terms of reference.

The board will determine a policy for detailing the manner in which a director's interest in transactions is to be determined and the interested director's involvement in the decision-making process. Real or perceived conflicts will be disclosed to the board and managed in accordance with the pre-determined policy used to assess a director's interest in transactions. The independence of non-executive directors will be reviewed from time-to-time. The company does not propose to conduct a rigorous and extensive review of the independence of the non-executive directors. It is the company's belief that, unless the directors have newly acquired recent interest in the company, passage of time does not lead to a lack of independence.

The board as a whole and individual directors will have their overall performance periodically reviewed in order to identify areas for improvement in the discharge of individual director's and the board's functions on an annual basis. This review will be undertaken by a sub-committee appointed by the board and, if so determined by the board, an independent service provider. An overview of the appraisal process, results and action plan will be disclosed in the directors' report. Nominations for the re-appointment of a director will only occur after the evaluation of the performance and attendance of the director at board meetings.



The board will determine a policy for detailing the procedures for appointments to the board. Such appointments are to be formal and transparent and a matter for the board as a whole assisted where appropriate by the Corporate Governance Committee.

The development and implementation of nomination policies will be undertaken by Corporate Governance Committee and the board as whole, respectively.

The board has delegated certain functions to the Audit and Risk Committee and the Corporate Governance Committee. The board is conscious of the fact that such delegation of duties is not an abdication of the board members' responsibilities. The various committees' terms of reference shall be reviewed annually and such terms of reference will be disclosed in the company's directors' report.

External advisors and executive directors who are not members of specific committees shall attend committee meetings by invitation, if deemed appropriate by the relevant committees.

The board will establish a procedure for directors, in furtherance of their duties, to take independent professional advice, if necessary, at the company's expense. All directors will have access to the advice and services of the company administrator.

The board's independence from executive management team is ensured by the following:

- separation of the roles of the chairman (when appointed) and chief executive officer;
- the board being dominated by non-executive directors;
- the Audit and Risk Committee and the Corporate Governance Committee having a majority of non-executive directors;
- non-executive directors not holding service contracts;
- all directors having access to the advice and services of the company administrator; and
- with prior agreement from the chairman, all directors are entitled to seek independent professional advice concerning the affairs of the company, at the company's expense.

The criteria used to assess the independence of the directors are as follows:

- whether the director is a representative of a shareholder who has the ability to control or significantly influence management or the board;
- whether the director has a direct or indirect interest in the company which exceeds 55% of the company's total number of shares in issue;
- whether the director has a direct or indirect interest in the company which is less than 55% of the company's total number of shares in issue, but is material to the director's personal wealth;
- whether the director has been employed by the company of which it currently forms part of in any executive capacity, or appointed as the designated auditor or partner in the company's external audit firm, or senior legal adviser for the preceding financial year;
- whether the director is a member of the immediate family of an individual who is or has during the preceding financial year been employed by the company in an executive capacity;
- whether the director is a professional adviser to the company other than in the capacity as a director;
- whether the director is free from any business or other relationship (contractual or statutory) which could be seen by an objective outsider to interfere with the directors' capacity to act in an independent manner, such as being a director of a material customer or supplier to the company; and
- whether the director receives remuneration contingent upon the performance of the company.

## 2. AUDIT AND RISK COMMITTEE

The members of the Audit and Risk Committee are:

- Francoise Chan
- Paul Reid

The board has established an Audit and Risk Committee of which one independent non-executive director shall be the chairperson.

Another independent non-executive director will be appointed in due course to act as the Chairperson of the Audit and Risk committee.

All of the members of the committee are financially literate (and the board will ensure that any future appointees are financially literate). The committee's primary objective will be to provide the board with additional assurance regarding the efficacy and reliability of the financial information used by the directors, to assist them in the discharge of their duties. The committee will be required to provide satisfaction to the board that adequate and appropriate financial and operating controls are in place; that significant business, financial and other risks have been identified and are being suitably managed; and that satisfactory standards of governance, reporting and compliance are in operation. The Audit and Risk Committee will be responsible for overseeing the directors' report. In this regard the Audit and Risk Committee will have regard to all factors and risks that may impact on the integrity of the directors' report, and the board will review and comment on the financial statements and the disclosure of sustainability issues included in the directors' report. In addition, the Audit and Risk Committee will have general oversight over and report on the sustainability issues, will review the directors' report to ensure that the information contained therein is reliable and does not contradict the financial aspects of the report and will oversee the provision of assurance over sustainability issues. The Audit and Risk Committee will review the content of the company's interim results and will engage external auditors to provide assurance on the summarised financial information.

Within this context, the board is responsible for the company's systems of internal, financial and operational control. The executive directors will be charged with the responsibility of determining the adequacy, extent and operation of these systems. Comprehensive reviews and testing of the effectiveness of the internal control systems in operation will be performed by the Audit and Risk Committee. These systems are designed to provide reasonable, but not absolute, assurance as to the integrity and reliability of the financial statements, to safeguard, verify and maintain accountability of its assets and to identify and minimise significant fraud, potential liability, loss and material misstatement while complying with applicable laws and regulations. An Audit and Risk Committee charter is to be prepared and reported to the board.

The Audit and Risk Committee will meet at least three times a year. Executives and managers responsible for finance and the external auditors will be in attendance. The Audit and Risk Committee will review the finance function of the company on an annual basis.

The Audit and Risk Committee may authorise engaging for non-audit services with the appointed external auditors or any other practising firm of auditors, after consideration of the following:

- the essence of the work being performed may not be of a nature that any reasonable and informed observer would construe as being detrimental to good corporate governance or in conflict with that normally undertaken by the accountancy profession;
- the nature of the work being performed will not affect the independence of the appointed external auditors in undertaking the normal audit assignments;
- the work being done may not conflict with any requirement of generally accepted accounting practice or principles of good corporate governance;
- the operational structure, internal standards and processes being adopted by the audit firm in order to ensure that audit independence is maintained in the event that such audit firm is engaged to perform accounting or other non-audit services to its client base. Specifically:

- the company may not appoint a firm of auditors to improve systems or processes where such firm of auditors will later be required to express a view as to the functionality or effectiveness of such systems or processes;
- the company may not appoint a firm of auditors to provide services where such firm of auditors will later be required to express a view on the fair representation of information the result of these services to the company; and
- the total fee being earned by an audit firm for non-audit services in any financial year of the company, expressed as a percentage of the total fee for audit services, may not exceed 35% without the approval of the board;
- a firm of auditors will not be engaged to perform any management functions (e.g. acting as curator) without the express prior approval of the board. A firm of auditors may be engaged to perform operational functions, including that of bookkeeping, when such firm of auditors are not the appointed external auditors of the company and work is being performed under management supervision.

Information relating to the use of non-audit services from the appointed external auditors of the company shall be disclosed in the notes to the annual financial statements. Separate disclosure of the amounts paid to the appointed external auditors for non-audit services as opposed to audit services, shall be made in the annual financial statements.

The Audit Committee must consider on an annual basis and satisfy itself of the appropriateness of the expertise and experience of the financial director and the company must confirm this by reporting to shareholders in its annual report that the Audit Committee has executed this responsibility.

With regards to the appointment of directors, the Audit and Risk Committee will undertake background and reference checks before the appointment of directors. The board shall make full disclosures regarding individual directors to enable shareholders to make their own assessment of the directors.

The Audit and Risk Committee will report at the company's annual general meeting how it has discharged its duties during the financial year to be reported on.

### **3. RISK MANAGEMENT AND INTERNAL CONTROLS**

Risk and internal controls management will be under the responsibility of the Audit and Risk Committee.

The Audit and Risk Committee will participate in management's process of formulating and implementing the risk management plan and will report on the plan adopted by management to the board.

The objective of risk management is to identify, assess, manage and monitor the risks to which the business is exposed, including, but not limited to, information technology risk. The board will be responsible for ensuring the adoption of appropriate risk management policies by management. The board will also ensure that there are processes in place between itself and management enabling complete, timely, relevant, accurate and accessible risk disclosure to shareholders.

To enable the Audit and Risk Committee to meet its responsibilities, the Audit and Risk Committee will set standards and management will implement systems of internal control and an effective risk-based internal audit, comprising policies, procedures, systems and information to assist in:

- safeguarding assets and reducing the risk of loss, error, fraud and other irregularities;
- ensuring the accuracy and completeness of accounting records and reporting;
- preparing timely, reliable financial statements and information in compliance with relevant legislation and generally accepted accounting policies and practices; and
- increasing the probability of anticipating unpredictable risk.

The board will, in its directors' report, comment on the effectiveness of the system and process of risk management.

The board will ensure that management considers and implements the appropriate risk responses and IT strategy.

#### **4. CORPORATE GOVERNANCE COMMITTEE**

The members of the Corporate Governance Committee are:

- Francoise Chan
- Paul Reid
- Kamal Taposeea

The board has established a Corporate Governance Committee which will be chaired by one non-executive director.

The role of the Corporate Governance Committee will be to work on behalf of the board and be responsible for recommendations with regard to:

- a) ensuring that the reporting requirements on corporate governance, whether in the annual report or on an ongoing basis are in accordance with the Report of Corporate Governance for Mauritius;
- b) determining, developing and agreeing the company's general policy or executive and senior management remuneration;
- c) determining specific remuneration packages for executive directors of the company, including but not limited to basic salary, benefits in kind, annual bonuses, performance incentives, share incentives, pensions and other benefits;
- d) determining any criteria necessary to measure the performance of executive directors in discharging their functions and responsibilities; and
- e) determining the level of non-executive and independent non-executive fees to be recommended to the shareholders at the meeting of shareholders.

The Committee, in carrying out its tasks, may obtain such outside or other independent professional advice as it considers necessary.

No member of the Corporate Governance Committee can be involved or vote on committee decisions in regard to his/her own remuneration.

#### **5. DIRECTORS' DEALINGS**

The company will operate a policy of prohibited dealings by directors and the company administrator during the period of one month immediately preceding the announcement of the issuer's annual results and the publication of the interim (quarterly) report together with dividends and distributions to be paid or passed and at any other time deemed necessary by the board.

The directors will follow the principles of the model code on securities transactions by directors as detailed in **Appendix 6** of the SEM Listing Rules.

All directors trading must take place exclusively outside the close periods prescribed by the SEM and require written authorization from the board.

#### **6. THE COMPANY ADMINISTRATOR**

The company administrator will provide the board as a whole and directors individually with detailed guidance as to how their responsibilities should be properly discharged in the best interest of the company. The board is satisfied that the company administrator maintains an arms-length relationship with the board and is sufficiently qualified and experienced to execute the required duties.

The company administrator will provide a central source of guidance and advice to the board, and within the company, on matters of ethics and good corporate governance and will assist with the appointment of directors to the board. The directors have unlimited access to advice and services of the company administrator.

The board has considered the competence, qualification and experience of the company administrator, as the company administrator. The board considers the company administrator fit to fulfil this function and its relationship with the board is considered to be at arm's length.

Nothing has come to the attention of the board of directors that indicate non-compliance by the company with applicable laws and regulations.

The company administrator will be subject to an annual evaluation by the board.

## **7. COMMUNICATION WITH SHAREHOLDERS**

It will be the policy of Mainland to meet regularly with institutional shareholders, private investors and investment analysts for discussion on the performance and management of the company and it shall promote a stakeholder inclusive approach.

The board appreciates that shareholders' perceptions affect the company's reputation and in this regard will establish policy for the engagement of the company's stakeholders. The board will encourage shareholders to attend annual general meetings through effective communication whether by means of the press or otherwise.

## **8. DIRECTORS' REPORT**

The company's annual report and accounts will include detailed reviews of the company, together with a detailed review of the financial results and financing positions. In this way the board will seek to present a balanced and understandable assessment of the company's position and prospects.

The company will establish comprehensive management reporting disciplines which include the preparation of monthly management accounts, detailed budgets and forecasts. Monthly results, the financial position and cash flows of operating units will be reported against approved budgets and compared to the prior period. Any profit and cash flow forecasts and working capital levels published by the company will be reviewed regularly.

Sustainability reporting and disclosure shall be integrated with the company's financial reporting. The financials will state the company's positive and negative impact and detail whatever steps have been taken to improve on the negative impact.

The board will ensure the integrity of the directors' report.

## **9. BUSINESS RESCUE**

At the first sign of the company becoming financially distressed in terms of the Companies Act 2001 and Insolvency Act 2009, the board will meet to consider available business rescue procedures or other turn-around mechanisms. In this regard, the board will monitor, on a continuous basis, the solvency and liquidity of the company and, in the event that business rescue is adopted, a suitable practitioner (who may be an insolvency practitioner in terms of the Insolvency Act 2009) will be appointed. The practitioner will be required to provide security for the value of the assets of the company.

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**EXTRACTS FROM THE PROPERTY TRANSACTION AND MANAGEMENT SERVICES AGREEMENT**

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**“2. Objectives**

- 2.1 Red Tarn shall in providing the Services and in performing its duties in accordance with the provisions of this Agreement have full regard to the investment objective and policy set out in clause 2.2 below and have regard to all reasonable instructions and guidelines as may be specified from time to time by Mainland in connection with the Services, the objective and policy.
- 2.2 Subject to the provisions of this Agreement the objective and policy is as follows:
- (a) the objective is for Red Tarn to identify and present to Mainland for its consideration to acquire non-retail commercial opportunities, in areas where the supply/demand imbalance, as well as macro and micro influences, favour superior growth prospects both for income and capital value;
  - (b) the policy is as stated in the Business Plan for each Property; and
  - (c) gearing of up to a maximum 60% is to be used for Acquisitions but on occasion Mainland may be required for expediency to use all equity with a view to then refinancing any Property following acquisition.”

**“3. The Appointment**

- 3.1 With effect from the Effective Date Mainland appoints Red Tarn as an independent contractor to provide the Services in relation to the Properties and Red Tarn hereby accepts such appointment pursuant to the terms and subject to the conditions of this Agreement (the “**Appointment**”).
- 3.2 The powers and duties of Red Tarn are as set out in this Agreement.
- 3.3 Notwithstanding anything to the contrary in this Agreement, Red Tarn shall not (and shall not be obliged to) carry out any act or knowingly permit any act which shall be illegal, fraudulent or dishonest or which brings Mainland into disrepute.
- 3.4 The parties acknowledge that, in providing the Services, Red Tarn will have the authority of Mainland, to take such actions as are authorised by this Agreement in relation to the provision of the Services provided that Red Tarn shall at all times disclose to any relevant third party any limitations on its authority imposed by this Agreement.
- 3.5 Mainland acknowledge that it has solely appointed and mandated Red Tarn to identify and present to Mainland for its consideration to acquire properties in the United Kingdom under this Agreement and that it intends only to acquire properties in the United Kingdom as recommended by Red Tarn. This does not preclude Mainland from acquiring other properties, not recommended by Red Tarn, at its discretion. If in exceptional circumstances, any property within the United Kingdom is acquired by Mainland other than pursuant to a recommendation made by Red Tarn then such property will only form a Property for the purposes of this Agreement if Red Tarn expressly consents thereto.”

**“4. Red Tarn's Obligations**4.1 *Services*

Red Tarn shall provide the Services to Mainland in accordance with the provisions of the approved Business Plans and the terms of this Agreement and in case of any conflict between the relevant approved Business Plan and the terms of this Agreement the relevant approved Business Plan will prevail.

4.2 *General obligations*

Red Tarn shall:

- (a) provide the Services diligently and with due skill, care and attention as ought to be adopted by a competent and prudent professional property adviser, qualified and experienced in acquiring and managing non-retail commercial properties;
- (b) provide the Services in accordance with the principles of good estate management in accordance with this Agreement;
- (c) monitor the Third Parties in their provision of services and periodically report to Mainland in relation thereto but Red Tarn shall have no liability in respect of the provision of those services by properly appointed Third Parties;
- (d) take reasonable steps to avoid conflicts of interest;
- (e) act lawfully and in good faith towards Mainland in all matters; and
- (f) make full disclosure of all material matters in the conduct of its duties to Mainland.

#### 4.3 *Business Plans*

- (a) A draft Business Plan for each Property shall be submitted by Red Tarn to Mainland as part of the Acquisition process and this Business Plan will be submitted to Mainland for approval before Acquisition of that Property.
- (b) The parties agree that the relevant Business Plans for each Property shall be updated annually and may also be amended from time to time by Red Tarn, in each case with Mainland's prior written consent.

#### 4.4 *Development Management*

Where the Business Plan, as submitted to and approved by Mainland, for any Target includes an opportunity for development, then Red Tarn will act as development manager for the project management of that proposed development. Red Tarn and Mainland will enter into a development management agreement in terms of the approval above.

#### 4.5 *Authority*

Red Tarn shall in carrying out and performing the Services have the delegated authority to act as Mainland's agent subject to the following decisions which shall require the prior approval of Mainland:

- (a) the Acquisition of any Property including the entering in to any binding contract for that Acquisition;
- (b) the Sale of any Property including the entering in to any binding contract for that Sale;
- (c) any material change to the Business Plan for any Property being one that involves expenditure in excess of £10,000 on any one item;
- (d) any material change to or determination of any legal document relating to any Property;
- (e) the granting of any guarantees or charges in relation to any Property; or
- (f) any matter relating to the financing of any Property.

#### 4.6 *Third Parties*

Red Tarn shall be entitled to engage on behalf of Mainland any Third Parties required in order to provide the Services and the fees of those Third Parties will be paid by Mainland when they fall due providing they have been included in the Business Plan or notified separately by Red Tarn and agreed by Mainland.

#### 4.7 Key Personnel

Red Tarn confirms, as a material term of this agreement, that Paul Reid and Tim Wheeler shall be actively involved in the management of the Properties. In the event that Paul Reid and Tim Wheeler are both unable to be actively involved in the management of the Properties due to absence by reason of ill health or other incapacity, Red Tarn will notify Mainland without delay and will provide Mainland with the opportunity to approve the identity of any replacement before any such replacement is appointed. In such circumstances, all other terms and conditions of this agreement will remain.”

### “5. Fees

#### 5.1 *Fees*

In consideration for the performance of the Services, Red Tarn shall be entitled to receive the following fees net of any Third Party fees:

- (a) fees on the Acquisition by Mainland of any Property introduced by Red Tarn under this Agreement (the “**Acquisition Fee**”) to be calculated and paid in accordance with clause 5.2 below;
- (b) fees for the management of all the Properties (the “**Management Services Fee**”) to be calculated and paid in accordance with clause 5.3 below;
- (c) fees on the Sale by Mainland of any Property (the “**Sale Fee**”) to be calculated and paid in accordance with clause 5.4 below;
- (d) fees based on the value of all the Properties (the “**Promote Fee**”) to be calculated and paid in accordance with clause 5.5 below; and
- (e) fees for the development management of any Property (the “**Development Management Fee**”) to be calculated and paid in accordance with clause 5.6 below.

#### 5.2 *The Acquisition Fee*

- (a) The Acquisition Fee shall be calculated as 1% of the total purchase price paid by Mainland for any Property introduced by Red Tarn under this Agreement.
- (b) The Acquisition Fee shall be payable on the date of legal completion of the Acquisition.

#### 5.3 *The Management Services Fee*

- (a) The Management Services Fee shall be the aggregate of the following calculated from the date following the first acquisition by Mainland of a Property:
  - (i) five percent (5%) of the Gross Rental Income receivable during any Quarter for each Property with 4 or more tenants; and
  - (ii) three percent (3%) of the Gross Rental Income receivable during any Quarter for each Property with fewer than 4 occupiers.
- (b) The Management Services Fee as calculated pursuant to clause 5.3(a) above shall be payable in advance on the first day (or the next Business Day) of the Quarter in respect of which the Management Services Fee is payable, based on rents that are receivable. If the date from which the Management Services Fee becomes payable is not the first day of a Quarter or if a Sale takes



place on a day which is not the last day of a Quarter, the Management Services Fee payable in respect of the relevant Quarter shall be calculated on a *pro rata* basis.

- (c) The Management Services Fee shall also include a deemed rent in respect of receivable income from leases entered into during the term of this Agreement with a rent free period, such rent to be the equivalent sum as the initial rent to be paid by the relevant tenant under that lease ignoring such rent free period.

#### 5.4 *The Sale Fee*

- (a) The Sale Fee shall be calculated as 0.75% of the total sale price received by Mainland for any Property.
- (b) The Sale Fee shall be payable on the date of legal completion of the Sale.

#### 5.5 *The Promote Fee*

- (a) The Promote Fee shall be calculated on the basis that where Cumulative Net Cash Flow has produced results so that Mainland receives an IRR greater than eight per cent (8%) per annum on an ungeared assumption basis (even if gearing is used), this amount greater than the IRR of eight percent (8%) is split seventy-five per cent (75%) to Mainland and twenty-five per cent (25%) to Red Tarn;
- (b) A Promote Fee will be payable at each Financial Year End following the first Acquisition ("Calculation Date") calculated on the basis that Net Proceeds are equivalent to the Market Value of the Properties at the Calculation Date and such fee will be payable 10 Working Days after each Calculation Date. At each Calculation Date the IRR shall be calculated on the basis of the Cumulative Net Cash Flow and the difference between the Market Value of the Properties at the Calculation Date and the Market Value at the previous Calculation Date with the first Calculation Date using the price paid for the Property net of acquisition costs rather than Market Value at the previous Calculation Date in the Cash Investment computation.
- (c) A Promote Fee shall be payable on each Sale based on the Net Proceeds and payable 10 Working Days after the date of legal completion of the Sale. On Sale the IRR shall be calculated on the basis of the Cumulative Net Cash Flow and the difference between the Net Proceeds and the Market Value at the previous Calculation Date;
- (d) A Promote Fee will be payable on termination of this Agreement in accordance with clause 7.5 (b). On termination the IRR shall be calculated on the basis of the Cumulative Net Cash Flow and the difference between the Market Value of the Properties at the date of termination and the Market Value of the Properties at the previous Calculation Date.

#### 5.6 *Development Management Fee*

- (a) A Development Management Fee shall be calculated as 5% of the total build costs for any refurbishment or other construction works arranged and managed by Red Tarn at any of the Properties;
- (b) Any Development Management Fee will, unless otherwise provided in the development agreement concerned, be payable as to 50% on the signing of a building contract for the relevant works and as to the balance on practical completion of the works pursuant to that building contract.

#### 5.7 *Dispute Regarding Fees*

- (a) any dispute arising between the parties to this agreement as to the amount of any Fees due shall be determined by an independent duly experienced surveyor appointed (in default of agreement between Red Tarn and Mainland within 10 Business Days from the dispute arising) by the President or other proper officer of the Royal Institution of Chartered Surveyors on the application of either the Red Tarn or Mainland; and

- (b) such person shall act as an expert and his decision shall be final and binding on the parties this agreement; and
- (c) he shall consider all written representations made on behalf of Red Tarn and Mainland which shall be delivered to him within 20 Business Days of notice of his appointment and he shall use all reasonable endeavours to give his decision as speedily as possible; and
- (d) if he dies or refuses or is unable to act the procedure for appointment shall be repeated as often as necessary; and
- (e) his fees and the costs of his appointment shall be payable by the parties to this agreement in such proportions as he shall determine or in default of such determination equally between them.”

**“6. Term**

This Agreement and the Appointment shall be deemed to have commenced on the Effective Date and shall continue until terminated in accordance with clause 7 (the “**Term**”).”

**“7. Termination**

7.1 This Agreement shall automatically terminate at 5pm on the fifth anniversary of the Effective Date unless the parties agree in writing to waive this provision and agree a shorter or longer period.

7.2 To the extent that a Sale of any of the Properties is effected, then the Appointment shall automatically terminate in respect of that particular Property on the date of completion of the Sale.

7.3 The Agreement may be terminated:

(a) either by Red Tarn or Mainland (each a “**Relevant Party**”) at any time upon written notice being served on the other Relevant Party following:

- (i) the other Relevant Party committing a material breach of the terms and conditions of this Agreement (which breach is not capable of being remedied); or
- (ii) the other Relevant Party committing a material breach of the terms and conditions of this Agreement (which breach is capable of being remedied) and which the other party has failed so to remedy within 28 days of notice in writing of such breach being served upon it; or
- (iii) any resolution is passed or order is made for the winding up of the other Relevant Party (while solvent) otherwise than for the purposes of amalgamation or reconstruction on terms acceptable to the former party; or
- (iv) a receiver or administrative receiver is appointed over all or any material part of the assets of the other Relevant Party or an administration order is made with regard to the other Relevant Party or any arrangement or composition is made with the creditors of the other Relevant Party; or
- (v) the other Relevant Party ceases or threatens to cease to carry on business or to suspend payment of any of its debts or is deemed to be unable to pay its debts as and when they fall due; or
- (vi) either Relevant Party ceases to have suitable regulatory permission to carry on its business.

(b) at any time by either Mainland or Red Tarn on giving to the other not less than 6 months' prior written notice.

- 7.4 On termination of this Agreement in its entirety Red Tarn shall return to Mainland all documents in Red Tarn's possession or under its control relating to the Properties and the management of them (including without limitation all leases, licences, registers, diaries, insurance policies, records (including computer discs and tapes) within 10 working days of the date of determination) and shall forthwith cease to carry on the management of the Properties. Red Tarn shall be entitled to the Fees in accordance with and subject to the provisions of clause 7.5.
- 7.5 On termination of the Appointment of Red Tarn:
- (a) Red Tarn shall be entitled to receive after termination any Acquisition Fee Sale Fee Management Services Fee or Development Management Fee accrued but not yet paid up to and including the date of termination;
  - (b) In the event of termination in accordance with clauses 7.3 (a) (vi) or 7.3 (b) Red Tarn shall be entitled to receive after termination a Promote Fee equivalent to the amount that would be paid if there had been a Sale of all of the Properties at Market Value on the date of termination calculated in accordance with clause 5.5(a) of this Agreement.
- 7.6 Notwithstanding the termination or expiry of this Agreement, this clause 7.6 and all the provisions of this Agreement which are expressed to have effect on, or at any time after, the termination of this Agreement shall survive such termination, and the parties shall perform and observe their respective obligations and discharge their respective liabilities under all such provisions of this Agreement.”

#### “Schedule 1

##### **Transaction Services**

###### 1.1 *Identification of Targets*

Red Tarn will engage with appropriate investment agents and other relevant parties to identify Targets and once identified will prepare a Business Plan for each Target for submission to and consideration by Mainland including an appraisal and third party valuation advice if required and a proposal for the funding of the Acquisition.

###### 1.2 *Due Diligence and Acquisition Process*

In relation to any Target which Mainland agrees to acquire Red Tarn will

- (a) Negotiate and agree heads of terms for the Acquisition on behalf of Mainland;
- (b) Appoint and liaise with suitable lawyers to undertake the necessary legal due diligence and to prepare property and legal purchasing reports addressed to Mainland and to negotiate the purchase documentation;
- (c) Advise and assist Mainland on the sourcing of appropriate debt funding for Acquisitions;
- (d) Commission building and measured surveys of the Target with levels of inspection and reporting scope to be agreed with Mainland;
- (e) Commission environmental assessments and reports as required for the purpose of achieving an institutionally acceptable level of due diligence for the Target;
- (f) Liaise with and appoint structural engineers, services engineers and other consultants as required to provided satisfactory due diligence to Mainland.

###### 1.3 *Sales Advice*

Red Tarn will from time to time advise Mainland on the opportunity for the Sale of any of the Properties.

#### 1.4 *Sale Process*

In relation to any Property which Mainland wishes to Sell Red Tarn will

- (a) Engage with appropriate agents for marketing where required;
- (b) Negotiate and agree heads of terms for the Sale on behalf of Mainland;
- (c) Appoint and liaise with suitable lawyers to undertake the necessary negotiation of the sale documentation on behalf of Mainland.”

### “Schedule 2

#### **Management Services**

##### 1.1 *Revenue Management*

Red Tarn shall monitor the Third Parties in their collection of all rents services charges and other revenues from the Properties (including without limitation, where reasonably appropriate, their demanding of payment, contracting bailiffs and prosecuting court actions against tenants where there has been a failure to pay such revenues by tenants).

##### 1.2 *Property Management*

Red Tarn shall:

- (a) make regular contact with the occupiers of the Properties;
- (b) inspect or cause to be inspected the physical condition of each Property at such intervals as Red Tarn, acting reasonably, deems appropriate;
- (c) where appropriate negotiate and arrange contracts in order to obtain the services of surveyors, project managers, insurance brokers, environmental consultants, letting agents, lawyers and other professional advisers;
- (d) as and when appropriate, locate and identify prospective third party lessees of the Properties (or any part of the Properties) and provide Mainland with sufficient information to enable Mainland to evaluate the terms of any transaction with any such party and liaise with the appropriate Third Parties ;
- (e) with respect to all leases, licenses and such other relevant agreements relating to the Properties, ensure in conjunction with appropriate Third Parties that the provisions of such leases, licenses and other relevant agreements are reasonably complied with in all respects by the tenants or licensees (as the case may be) and by Mainland;
- (f) make recommendations to and assist Mainland in negotiating new leases with agreed current tenants with the intention of improving the yield and value of the Properties including negotiating rent reviews;
- (g) monitor Third Parties who shall be appointed to maintain and keep the Properties in such repair and condition required by the leases and organise any maintenance repairs and redecoration where necessary or as may be required by any of the Business Plans;
- (h) where reasonably required, prepare or cause to be prepared, in accordance with the relevant Business Plans, forecasts for repairs and maintenance and any alterations or additions during the term of this agreement;
- (i) deal with and administer any available rates savings schemes in relation to the Properties where appropriate;

- (j) arrange insurance for the Properties on usual commercial terms;
- (k) arrange annual valuations of the Properties.

### 1.3 *Accounting and Tax*

Red Tarn shall, at the request of Mainland, provide such information as is in its possession or under its control relating to the Properties as may be required by Mainland in order to prepare management accounts, statutory accounts, VAT returns and other regulatory matters.

### 1.4 *Reporting*

- (a) Red Tarn shall procure the preparation and delivery to Mainland, in such form and containing such level of detail as may reasonably be required by Mainland, a quarterly report in respect of the immediately preceding quarter and will if required attend a quarterly meeting with Mainland to discuss, amongst other things, business plans, future expenditure and income flow.
- (b) Red Tarn will procure for Mainland, in such form and containing such level of detail as may reasonably be required by Mainland, a short form monthly summary report in respect of all relevant matters affecting the Properties.

### 1.5 *Fund Raising*

Red Tarn will assist Mainland and its corporate sponsors with presentations and investor road shows for the purpose of capital raising including attending presentations where reasonably necessary subject to reimbursement of associated costs.”

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**APPLICATION FORM – MAINLAND REAL ESTATE LTD**


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TO:

The Directors and Company Secretary,  
**Mainland Real Estate Ltd**  
 c/o Intercontinental Fund Services Limited  
 Level 5, Alexander House  
 35 Cybercity  
 Ebene 72201, Mauritius

Tel No: +230 403 0800 Fax No: +230 403 0801

E-mail: mainland@intercontinentaltrust.com

*Please use block capitals***SHAREHOLDER(S) DETAILS:**

Title &amp; Surname or Entity Name

First Names or Entity Director(s)

Passport Number or Entity registration number

CDS Account Number (if any)

Title &amp; Surname or Entity Name

Residential Address or Registered office Address

Mailing address if different from above

## Contact details

Office:	Cell:	Home:	Email:
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Dear Directors and Company Secretary,

1. I/We the undersigned confirm that I/we have full legal capacity to contract and do hereby irrevocably apply for the allotment to me/us of the under mentioned number of shares at GBP2.00 per share in Mainland Real Estate Ltd (“**Mainland**”) subject to the provisions of the Listing Particulars.
2. I/We agree that this application is irrevocable and once paid it may not be withdrawn.
3. I/We confirm that I/we are applying for the under mentioned number of shares based on the information contained in, or referred to in the Listing Particulars which I have read and understood.
4. Application forms may be submitted to the company secretary so as to reach them by no later than 12:00 (Mauritius time) on 18 May 2016.
5. I/We confirm that any notice by Mainland to me/us may be given by electronic mail.

## Subscription details

COMPANY	NUMBER OF SHARES	SHARE PRICE	TOTAL INVESTMENT
Mainland Real Estate Ltd		GBP2.00	

Thus done and signed on this \_\_\_\_\_ day of \_\_\_\_\_ 2016.

Signature of applicant(s) .....

## FUNDS TO BE WIRED TO MAINLAND REAL ESTATE LTD AS FOLLOWS:

Name of correspondent  
bank:

Swift:

Beneficiary bank:

Account name:

Address of beneficiary  
bank

Swift:

Account number:

Reference: *Insert per shareholder name*

## DISTRIBUTION (STANDING WIRE INSTRUCTIONS)

(This section is to be completed by inscribed shareholders)

Until further written notice to Mainland signed by the respective shareholder(s), distribution made by Mainland will be wired to the shareholder(s) using the following instructions:

Name of bank: \_\_\_\_\_  
 Address of Bank: \_\_\_\_\_  
 Sort code: \_\_\_\_\_  
 Swift: \_\_\_\_\_  
 Account name: \_\_\_\_\_  
 Account number: \_\_\_\_\_  
 Reference: \_\_\_\_\_

## For Office Use:

DATE RECEIVED	PAYMENT RECEIVED	SHARES ACQUIRED	DATABASE UPDATED