

MAINLAND REAL ESTATE LTD

Incorporated in the Republic of Mauritius

Registration number: 135891 C1/GBL

SEM share code: MAIN.N0000

ISIN: MU0520N00000

("Mainland" or "the Company" or "the Group")

**ABRIDGED AUDITED CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020****DIRECTORS COMMENTARY****OVERVIEW AND NATURE OF BUSINESS**

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

COMPANY REVIEW FOR THE YEAR ENDED 31 MARCH 2020

On 2 July 2019, Mainland was allotted 5,500 ordinary shares of USD1 each, representing 52.4% of the issued shares in Bridgewater International Ltd, a company incorporated under the Laws of Seychelles for a consideration of USD 302,500. The completion of this transaction was done on 23 September 2019 when the allotment of shares was registered by the Seychelles Authorities. The entity's assets currently mainly consist of investment in unit REIT (Real Estate Investment Trust).

During the year ended 31 March 2020, Mainland has accounted for a significant increase in the Group's total income amounting to USD 157.8m. The main factors behind this increase is linked to a gain on bargain purchase (amounting to USD 124.7m) obtained from the difference between the consideration paid for the acquisition of Bridgewater International Ltd and the value of the investment acquired. The Group has also earned revenue in the form of management fees from its subsidiary LMIRT Management amounting to USD 8.5m. Other income of USD 24.5m, principally consists of dividends received from the Group's various investments (amounting to USD 8.9m). In addition, during the year ended 31 March 2020, Bridgewater International Ltd disposed part of its investment in unit REIT and recognised a gain on disposal of USD 12.5m which also forms part of the other income of the Group.

The Company hereby presents its audited consolidated results for the year ended 31 March 2020.

By order of the Board
30 September 2020

STATEMENT OF FINANCIAL POSITION

	GROUP AUDITED As at 31 March 2020 USD	GROUP *RESTATED AUDITED As at 31 March 2019 USD
ASSETS		
Non-current assets		
Financial assets at fair value through other comprehensive income	77,723,868	8,171,144
Property, plant and equipment	83,629	162,939
Intangible assets	7,590	17,965
Right-of-use-asset	129,195	-
Total non-current assets	77,944,282	8,352,048
Current assets		
Trade and other receivables	156,543,315	94,270,877
Cash and cash equivalents	34,163,578	4,167,130
Total current assets	190,706,893	98,438,007
Total assets	268,651,175	106,790,055
EQUITY AND LIABILITIES		
Capital and reserves		
Share capital	1,712,829	1,712,829
Retained earnings	195,524,025	57,324,095
Foreign currency translation reserves	(1,009,809)	362,366
Fair value reserves	(51,136,888)	1,906,197
Total equity attributable to owners of parent	145,090,157	61,305,487
Non-controlling interest	113,983,633	36,456,730
Total capital and reserves	259,073,790	97,762,217
Non-current liabilities		
Deferred income	6,813,789	-
Total non-current liabilities	6,813,789	-
Current liabilities		
Trade and other payables	702,545	8,263,945
Operating lease payable	130,786	-
Current tax liability	1,930,265	763,893
Total current liabilities	2,763,596	9,027,838
Total liabilities	9,577,385	9,027,838
Total equity and liabilities	268,651,175	106,790,055
Weighted average number of shares in issue	884,042	884,042
Net asset value per share (USD cents)	164.12	69.35

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	GROUP AUDITED For the year ended 31 March 2020 USD	GROUP *RESTATED AUDITED For the year ended 31 March 2019 USD
Revenue	8,521,740	2,093,919
Gain on bargain purchase	124,747,938	51,945,711
Gain on disposal of investments	12,488,070	9,854,155
Other income	12,033,956	94,635
	157,791,704	63,988,420
Expenses	(3,592,643)	(1,099,557)
Foreign exchange loss	(2,045,130)	(114,568)
Net loss on financial assets through profit or loss	-	(98,699)
Profit before taxation	152,153,931	62,675,596
Taxation	(1,498,928)	139,993
Profit for the year	150,655,003	62,815,589
Other comprehensive (loss) / gain	(88,064,909)	4,170,145
Total comprehensive income for the year	62,590,094	66,985,734
Profit attributable to:		
Owners of the Company	138,199,930	57,417,376
Non controlling interest	12,455,073	5,398,213
	150,655,003	62,815,589
Total comprehensive income attributable to:		
Owners of the Company	57,415,595	59,635,151
Non controlling interest	5,174,499	7,350,583
	62,590,094	66,985,734
Weighted average number of shares in issue	884,042	884,042
Basic and diluted earnings per share (USD cents)	156.33	64.95

STATEMENT OF CHANGES IN EQUITY

THE GROUP	Ordinary share capital USD	Foreign currency translation reserves USD	Fair value reserves USD	Retained earnings / (losses) USD	Total attributable to owners USD	Non-controlling interest USD	Total equity USD
As at 1 April 2019	1,712,829	362,366	1,906,197	57,324,095	61,305,487	36,456,730	97,762,217
Profit for the year	-	-	-	138,199,930	138,199,930	12,455,073	150,655,003
Other comprehensive loss	-	(1,372,175)	(53,043,085)	-	(54,415,260)	(33,649,649)	(88,064,909)
Total comprehensive income / (loss)	-	(1,372,175)	(53,043,085)	138,199,930	83,784,670	(21,194,576)	62,590,094
Non-controlling interests for the year	-	-	-	-	-	(14,873,958)	(14,873,958)
Non-controlling interest on acquisition of subsidiary	-	-	-	-	-	113,595,437	113,595,437
Audited as at 31 March 2020	1,712,829	(1,009,809)	(51,136,888)	195,524,025	145,090,157	113,983,633	259,073,790
*Restated as at 1 April 2018	1,712,829	50,788	-	(93,281)	1,670,336	-	1,670,336
Profit for the year	-	-	-	57,417,376	57,417,376	5,398,213	62,815,589
Other comprehensive income	-	311,578	1,906,197	-	2,217,775	1,952,370	4,170,145
Total comprehensive income	-	311,578	1,906,197	57,417,376	59,635,151	7,350,583	66,985,734
Non-controlling interest on acquisition of subsidiary	-	-	-	-	-	29,106,147	29,106,147
*Restated as at 31 March 2019	1,712,829	362,366	1,906,197	57,324,095	61,305,487	36,456,730	97,762,217

STATEMENT OF CASH FLOWS

	GROUP AUDITED For the year ended ended 31 March 2020 USD	GROUP *RESTATED AUDITED For the year ended ended 31 March 2019 USD
Net cash generated from operating activities	2,306,047	546,279
Net cash generated from investing activities	74,156,351	46,681,089
Net cash utilised in financing activities	<u>(44,397,282)</u>	<u>(43,663,232)</u>
Net increase in cash and cash equivalents for the year	32,065,116	3,564,136
Foreign exchange movement	(2,068,668)	(165,998)
Cash and cash equivalents at the beginning of the year	4,167,130	768,992
Cash and cash equivalents at end of the year	34,163,578	4,167,130

NOTES

* The restated figures are based on the audited figures for the year ended 31 March 2019 and were translated from GBP to USD.

The abridged audited consolidated financial statements for the year ended 31 March 2020 ("abridged audited consolidated financial statements") have been prepared on the basis of accounting policies of the Company, which are in compliance with the International Financial Reporting Standards, the SEM Listing Rules and the Securities Act of Mauritius 2005. The auditors' report to the financial statements is unqualified.

The Company's external auditors, Baker Tilly, have issued an unmodified audit opinion on the Company's audited annual financial statements. These abridged audited consolidated financial statements were approved by the Board of Directors (the "Board") on 30 September 2020.

Bridgewater International Ltd ("BWI"), a subsidiary of the Company, intends to take up its rights under the rights issue ("LMIRT Rights Issue") declared by Lippo Malls Indonesia Retail Trust ("LMIRT"). BWI has also agreed to act as underwriter in the LMIRT Rights Issue, i.e. BWI will subscribe for any rights units not taken up by other unitholders in the LMIRT Rights Issue ("LMIRT Excess Units"). PT Lippo Karawaci TBK, the current sole beneficial owner of the Company, has entered into a Facility Agreement with CIMB Bank Berhad for an amount of up to S\$195 million ("Loan"), which amount shall be lent to BWI and will be used for the subscription of the LMIRT Excess Units. As security for the Loan, BWI shares owned by the Company and other BWI shareholders will be pledged to CIMB Bank Berhad for the duration of the Loan.

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

This communiqué is issued pursuant to SEM Listing Rules 11.3 and 12.14 and section 88 of the Securities Act of Mauritius 2005. The Board accepts full responsibility for the accuracy of the information contained in this communiqué. Contact Person: Mrs Smitha Algoo-Bissonauth.

For further information please contact:

Intercontinental Fund Services Limited

Company Secretary



Perigeum Capital Ltd

SEM authorised representative and sponsor

