

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 2021****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 2021

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 2021, the Group's total income amounted to USD 15.6m. The Group's total income for the year ended 31 March 2021 is significantly lower than 31 March 2020 due to the Gain on Bargain Purchase that the Group obtained during the year ended 31 March 2020 which amounted to USD 124.7 m. The Group has earned revenue in the form of Management Fee from LMIRT Management, a subsidiary, amounting to USD 6.2m and other Income which consists of dividend received amounting to USD 3.9m and deferred income recognition amounting to USD 4.8m.

On December 2020, Peninsula Investment, a subsidiary, has acquired new investment in PT Graha Jaya Pratama amounting to USD 17.6m. On January 2021, LMIRT Management and Bridgewater International, the subsidiaries, have acquired additional investment in LMIR Trust amounting to USD 157.1m.

The Company hereby presents its audited consolidated results for the year ended 31 March 2021.

By order of the Board
29 June 2021

STATEMENT OF FINANCIAL POSITION

	GROUP AUDITED As at 31 March 2021 USD	GROUP AUDITED As at 31 March 2020 USD
ASSETS		
Non-current assets		
Financial assets at fair value through other comprehensive income	220,663,060	77,723,868
Other financial assets	17,571,757	-
Property, plant and equipment	52,231	83,629
Intangible assets	21,862	7,590
Right-of-use-asset	1,347,234	129,195
Total non-current assets	239,656,144	77,944,282
Current assets		
Trade and other receivables	76,710,831	156,543,315
Cash and cash equivalents	3,730,802	34,163,578
Total current assets	80,441,633	190,706,893
Total assets	320,097,777	268,651,175
EQUITY AND LIABILITIES		
Capital and reserves		
Share capital	1,712,829	1,712,829
Retained earnings	201,564,032	195,524,025
Foreign currency translation reserves	2,992,311	(1,009,809)
Fair value reserves	(60,517,872)	(51,136,888)
Total equity attributable to owners of parent	145,751,300	145,090,157
Non-controlling interest	113,223,483	113,983,633
Total capital and reserves	258,974,783	259,073,790
Non-current liabilities		
Deferred income	-	6,813,789
Finance lease payable	1,168,505	-
Total non-current liabilities	1,168,505	6,813,789
Current liabilities		
Trade and other payables	59,121,649	702,545
Current tax liability	576,224	1,930,265
Operating lease payable	-	130,786
Finance lease payable	256,616	-
Total current liabilities	59,954,489	2,763,596
Total liabilities	61,122,994	9,577,385
Total equity and liabilities	320,097,777	268,651,175
Weighted average number of shares in issue	884,042	884,042
Net asset value per share (USD cents)	164.87	164.12

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	GROUP AUDITED For the year ended 31 March 2021 USD	GROUP AUDITED For the year ended 31 March 2020 USD
Revenue	6,211,668	8,521,740
Gain on bargain purchase	-	124,747,938
Gain on disposal of investments	-	12,488,070
Other income	8,718,011	12,033,956
Foreign exchange gain	701,167	-
	<u>15,630,846</u>	<u>157,791,704</u>
Expenses	(3,507,571)	(3,592,643)
Foreign exchange loss	-	(2,045,130)
Profit before taxation	<u>12,123,275</u>	152,153,931
Taxation	(519,904)	(1,498,928)
Profit for the year	<u>11,603,371</u>	150,655,003
Other comprehensive (loss) / gain	(11,702,378)	(88,064,909)
Total comprehensive (loss) / income for the year	<u>(99,007)</u>	62,590,094
Profit attributable to:		
Owners of the Company	6,040,007	138,199,930
Non controlling interest	5,563,364	12,455,073
	<u>11,603,371</u>	<u>150,655,003</u>
Total comprehensive (loss) / income attributable to:		
Owners of the Company	(760,150)	57,415,595
Non controlling interest	661,143	5,174,499
	<u>(99,007)</u>	<u>62,590,094</u>
Weighted average number of shares in issue	<u>884,042</u>	884,042
Basic and diluted earnings per share (USD cents)	<u>6.83</u>	156.33

STATEMENT OF CHANGES IN EQUITY

THE GROUP	Ordinary share capital	Foreign currency translation reserves	Fair value reserves	Retained earnings	Total attributable to owners	Non-controlling interest	Total equity
	USD	USD	USD	USD	USD	USD	USD
As at 1 April 2020	1,712,829	(1,009,809)	(51,136,888)	195,524,025	145,090,157	113,983,633	259,073,790
Profit for the year	-	-	-	6,040,007	6,040,007	5,563,364	11,603,371
Other comprehensive income/ (loss)	-	4,002,120	(9,380,984)	-	(5,378,864)	(6,323,514)	(11,702,378)
Total comprehensive income / (loss)	-	4,002,120	(9,380,984)	6,040,007	661,143	(760,150)	(99,007)
Audited as at 31 March 2021	1,712,829	2,992,311	(60,517,872)	201,564,032	145,751,300	113,223,483	258,974,783
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 income	-	(1,372,175)	(53,043,085)	-	(54,415,260)	(33,649,649)	(88,064,909)
Total comprehensive income	-	(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

STATEMENT OF CASH FLOWS

	GROUP AUDITED For the year ended ended 31 March 2021 USD	GROUP AUDITED For the year ended ended 31 March 2020 USD
Net cash generated from operating activities	2,731,014	2,306,047
Net cash (used in)/ generated from investing activities	(156,943,648)	74,156,351
Net cash generated from/ (utilised in) financing activities	118,821,660	(44,397,282)
Net increase in cash and cash equivalents for the year	(35,390,974)	32,065,116
Foreign exchange movement	4,958,198	(2,068,668)
Cash and cash equivalents at the beginning of the year	34,163,578	4,167,130
Cash and cash equivalents at end of the year	3,730,802	34,163,578

NOTES

The abridged audited consolidated financial statements for the year ended 31 March 2021 ("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 29 June 2021.

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

