

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 UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED 30 JUNE 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.

As an update following the announcement released by the Company on 5 August 2021, the Company has obtained shareholders' approval on 10 August 2021 to withdraw (delist) from the Official Market of the SEM. The Company is accordingly proceeding with seeking relevant SEM's approvals. Further information will be communicated to the market in due course.

COMPANY REVIEW FOR THE THREE MONTHS ENDED 30 JUNE 2021

During the period ended 30 June 2021, the Group has earned revenue in the form of management fees from its subsidiary LMIRT Management amounting to USD 2.2m. Other income of USD 3.8m principally consists of dividends received by Bridgewater International, a subsidiary, from LMIR Trust (amounting to USD 3.8m). Other comprehensive income of USD 13.2m comprises of fair value reserves and foreign currency translation reserves.

The Company hereby presents its unaudited consolidated results for the three months ended 30 June 2021.

By order of the Board
12-Aug-21

STATEMENT OF FINANCIAL POSITION

| | GROUP UNAUDITED As at 30 June 2021 USD | GROUP AUDITED As at 31 March 2021 USD |
|---|---|--|
| ASSETS | | |
| Non-current assets | | |
| Financial assets at fair value through other comprehensive income | 211,013,043 | 220,663,060 |
| Investment in associate | 17,571,757 | - |
| Other financial assets | - | 17,571,757 |
| Property, plant and equipment | 76,822 | 52,231 |
| Intangible assets | 19,950 | 21,862 |
| Right-of-use-asset | 1,285,395 | 1,347,234 |
| Total non-current assets | 229,966,967 | 239,656,144 |
| Current assets | | |
| Trade and other receivables | 74,342,415 | 76,710,831 |
| Cash and cash equivalents | 8,754,725 | 3,730,802 |
| Total current assets | 83,097,140 | 80,441,633 |
| Total assets | 313,064,107 | 320,097,777 |
| EQUITY AND LIABILITIES | | |
| Share capital | 1,712,829 | 1,712,829 |
| Retained earnings | 204,055,847 | 201,564,032 |
| Foreign currency translation reserves | 878,162 | 2,992,311 |
| Fair value reserves | (65,503,532) | (60,517,872) |
| Total equity attributable to owners of parent | 141,143,306 | 145,751,300 |
| Non-controlling interest | 109,372,566 | 113,223,483 |
| Total capital and reserves | 250,515,872 | 258,974,783 |
| Non-current liabilities | | |
| Deferred income | - | - |
| Finance lease payable | 1,115,897 | 1,168,505 |
| Total non-current liabilities | 1,115,897 | 1,168,505 |
| Current liabilities | | |
| Trade and other payables | 59,272,655 | 59,121,649 |
| Current tax liability | 1,908,937 | 576,224 |
| Finance lease payable | 250,746 | 256,616 |
| Total current liabilities | 61,432,338 | 59,954,489 |
| Total liabilities | 62,548,235 | 61,122,994 |
| Total equity and liabilities | 313,064,107 | 320,097,777 |
| Weighted average number of shares in issue | 884,042 | 884,042 |
| Net asset value per share (USD cents) | 159.66 | 164.87 |

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

| | GROUP UNAUDITED For the three months ended 30 June 2021 USD | GROUP UNAUDITED For the three months ended 30 June 2020 USD |
|--|---|---|
| Revenue | 2,196,094 | 1,263,446 |
| Other income | 3,816,369 | 4,347,824 |
| Net foreign exchange gain | - | 29,921 |
| | 6,012,463 | 5,641,191 |
| Expenses | (858,535) | (995,001) |
| Net foreign exchange loss | (47,241) | - |
| | (858,535) | (995,001) |
| Profit before taxation | 5,106,687 | 4,646,190 |
| Taxation | (316,210) | (188,091) |
| Profit for the period | 4,790,477 | 4,458,099 |
| Other comprehensive (loss)/ income | (13,249,388) | 15,927,735 |
| Total comprehensive loss/ (income) for the period | (8,458,911) | 20,385,834 |
| Profit attributable to: | | |
| Owners of the Company | 2,491,815 | 2,319,879 |
| Non controlling interest | 2,298,662 | 2,138,220 |
| | 4,790,477 | 4,458,099 |
| Total comprehensive (loss)/ income attributable to: | | |
| Owners of the Company | (4,607,994) | 12,013,627 |
| Non controlling interest | (3,850,917) | 8,372,207 |
| | (8,458,911) | 20,385,834 |
| Weighted average number of shares in issue | 884,042 | 884,042 |
| Basic and diluted earnings per share (USD cents) | 2.82 | 2.62 |

STATEMENT OF CHANGES IN EQUITY

| THE GROUP | Ordinary share capital USD | Foreign currency translation reserves USD | Fair value reserves USD | Retained earnings USD | Total attributable to owners USD | Non-controlling interest USD | Total equity USD |
|-------------------------------------|-------------------------------|---|----------------------------|--------------------------|--|------------------------------------|---------------------|
| As at 1 April 2021 | 1,712,829 | 2,992,311 | (60,517,871) | 201,564,032 | 145,751,300 | 113,223,483 | 258,974,783 |
| Profit for the period | - | - | - | 2,491,815 | 2,491,815 | 2,298,662 | 4,790,477 |
| Other comprehensive loss | - | (2,114,149) | (4,985,661) | - | (7,099,809) | (6,149,579) | (13,249,388) |
| Total comprehensive loss | - | (2,114,149) | (4,985,661) | 2,491,815 | (4,607,994) | (3,850,917) | (8,458,911) |
| Unaudited as at 30 June 2021 | 1,712,829 | 878,162 | (65,503,532) | 204,055,847 | 141,143,306 | 109,372,566 | 250,515,872 |
| 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 period | - | - | - | 2,319,879 | 2,319,879 | 2,138,220 | 4,458,099 |
| Other comprehensive income | - | 2,332,515 | 7,361,233 | - | 9,693,748 | 6,233,987 | 15,927,735 |
| Total comprehensive income | - | 2,332,515 | 7,361,233 | 2,319,879 | 12,013,627 | 8,372,207 | 20,385,834 |
| | 1,712,829 | 1,322,706 | (43,775,655) | 197,843,904 | 157,103,784 | 122,355,840 | 279,459,624 |

STATEMENT OF CASH FLOWS

| | GROUP UNAUDITED For the three months ended 30 June 2021 USD | GROUP UNAUDITED For the three months ended 30 June 2020 USD |
|---|---|---|
| Net cash generated from/ (used in) operating activities | 1,213,542 | (163,017) |
| Net cash generated from investing activities | 3,948,318 | 3,264,536 |
| Net cash used in financing activities | <u>(79,688)</u> | <u>(3,631,815)</u> |
| Net increase/ (decrease) in cash and cash equivalents for the period | 5,082,172 | (530,296) |
| Foreign exchange movement | <u>(58,249)</u> | 72,174 |
| Cash and cash equivalents at the beginning of the period | <u>3,730,802</u> | <u>34,163,579</u> |
| Cash and cash equivalents at end of the period | 8,754,725 | 33,705,457 |

NOTES

The Company is required to publish interim financial results for the three months ended 30 June 2021 in terms of the SEM Listing Rule 12.19 and Section 88 (1) of the Mauritian Securities Act 2005. The abridged unaudited consolidated financial statements for the three months ended 30 June 2021 ("abridged unaudited consolidated financial statements") have been prepared in accordance with the measurement and recognition requirements of IFRS, the information contained in IAS 34: Interim Financial Reporting, the SEM Listing Rules and the Mauritian Securities Act 2005.

The abridged unaudited consolidated financial statements have not been reviewed or reported on by the Company's external auditors. These abridged unaudited consolidated financial statements were approved by the Board of Directors (the "Board") on 12 August 2021.

Copies of the abridged unaudited 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 12.19 and Section 88 (1) of the Mauritian Securities Act 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

