

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")

MAINLAND

ABRIDGED UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE MONTHS AND SIX MONTHS ENDED 30 SEPTEMBER 2019
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 THREE MONTHS AND SIX MONTHS ENDED 30 SEPTEMBER 2019

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 authority. The entity's assets currently mainly consist of investment in unit REIT (Real Estate Investment Trust).

During the quarter ended 30 September 2019, Mainland has accounted for a significant increase in the Group's total income amounting to GBP105.7m. The main factor behind this increase is linked to a gain on bargain purchase (amounting to GBP99m) 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 GBP 1.8m. Other income of GBP4m, includes dividends received from the Group's various investments.

The Company hereby presents its consolidated results for the three months and six months ended 30 September 2019.

By order of the Board

14 November 2019

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	GROUP UNAUDITED For the six months ended 30 September 2019 GBP	GROUP UNAUDITED For the three months ended 30 September 2019 GBP
Revenue	3,526,039	1,891,133
Gain on bargain purchase	99,084,939	99,084,939
Other income	4,856,539	4,765,991
	107,467,517	105,742,063
Expenses	(1,555,356)	(829,956)
Foreign exchange loss	(105,238)	(86,163)
Profit before taxation	105,806,923	104,825,944
Taxation	(67,982)	(67,982)
Profit for the period	105,738,941	104,757,962
Other comprehensive income	(1,211,564)	(4,855,012)
Total comprehensive income for the period	104,527,377	99,902,950
Profit attributable to:		
Owners of the Company	102,507,276	102,024,221
Non controlling interest	3,231,665	2,733,741
	105,738,941	104,757,962
Total comprehensive income attributable to:		
Owners of the Company	104,819,135	102,038,241
Non controlling interest	(291,758)	(2,135,291)
	104,527,377	99,902,950
Weighted average number of shares in issue	884,042	884,042
Basic and diluted earnings per share (GBP)	115.95	115.41

STATEMENT OF CHANGES IN EQUITY

	Ordinary share capital GBP	Foreign currency translation reserves GBP	Fair value reserves GBP	Retained earnings GBP	Total attributable to owners GBP	Non- controlling interest GBP	Total equity GBP
THE GROUP							
Audited as at 1 April 2019	1,255,984	851,564	1,452,009	43,670,017	47,229,574	27,770,209	74,999,783
Profit for the period	-	-	-	102,507,276	102,507,276	3,231,665	105,738,941
Other comprehensive income	-	6,928,440	(4,616,581)	-	2,311,859	(3,523,423)	(1,211,564)
Total comprehensive income	-	6,928,440	(4,616,581)	102,507,276	104,819,135	(291,758)	104,527,377
Non-controlling interest on acquisition of subsidiary	-	-	-	-	-	90,226,716	90,226,716
Unaudited as at 30 September 2019	1,255,984	7,780,004	(3,164,572)	146,177,293	152,048,709	117,705,167	269,753,876

STATEMENT OF CASH FLOWS

	GROUP UNAUDITED For the period ended 30 September 2019 GBP
Net cash generated from operating activities	3,378,251
Net cash generated from investing activities	6,973,669
Net cash utilised in financing activities	(2,748,215)
Net increase in cash and cash equivalents for the period	7,603,705
Foreign exchange movement	222,061
Cash and cash equivalents at the beginning of the period	3,196,879
Cash and cash equivalents at end of the period	11,022,645

NOTES

The Company is required to publish consolidated interim financial results for the three months and six months ended 30 September 2019 in terms of the SEM Listing Rule 12.19 and Section 88 (1) of the Mauritian Securities Act 2005. Accordingly this announcement presents the financial results of the Group in respect of the period from 01 April 2019 to 30 September 2019. The unaudited figures for the three months and six months ended 30 September 2018 have not been included as comparatives as the latter are standalone figures and are hence not comparable.

The abridged unaudited consolidated financial statements for three months and six months ended 30 September 2019 ("abridged unaudited 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 ("IFRS"). The abridged unaudited consolidated financial statements are in accordance with the measurement and recognition requirements of IFRS, the requirements of IAS 34 Interim Financial Reporting, the SEM Listing Rules, the Mauritian

STATEMENT OF FINANCIAL POSITION

	GROUP UNAUDITED As at 30 September 2019 GBP	GROUP AUDITED As at 31 March 2019 GBP
ASSETS		
Non Current assets		
Financial assets at fair value through other comprehensive income	170,355,018	6,268,618
Property, plant and equipment	1,090,150	125,001
Intangible assets	11,068	13,782
	171,456,236	6,407,401
Current assets		
Trade and other receivables	103,482,613	72,321,348
Cash and cash equivalents	11,022,645	3,196,879
Total current assets	114,505,258	75,518,227
Total assets	285,961,494	81,925,628
EQUITY AND LIABILITIES		
Capital and reserves		
Share capital	1,255,984	1,255,984
Retained earnings	146,177,293	43,670,017
Foreign currency translation reserves	7,780,004	851,564
Fair value reserves	(3,164,572)	1,452,009
Total equity attributable to owners of parent	152,048,709	47,229,574
Non-controlling interest	117,705,167	27,770,209
Total capital and reserves	269,753,876	74,999,783
Non-current liabilities		
Finance lease payable	748,547	-
Total non-current liabilities	748,547	-
Current liabilities		
Trade and other payables	6,883,854	6,339,813
Finance lease payable	257,429	-
Current tax liability	1,123,885	586,032
Deferred income	7,193,903	-
Total current liabilities	15,459,071	6,925,845
Total liabilities	16,207,618	6,925,845
Total equity and liabilities	285,961,494	81,925,628
Weighted average number of shares in issue	884,042	884,042
Net asset value per share (GBP)	171.99	53.42

Securities Act 2005.

The accounting policies adopted in the preparation of these abridged unaudited consolidated financial statements are consistent with those adopted in the previous audited consolidated financial statements for the year ended 31 March 2019.

The abridged unaudited consolidated financial statements have not been reviewed or audited or reported on by the Company's external auditors. These abridged unaudited consolidated financial statements were approved by the board of directors of the Company (the "Board") on 14 November 2019.

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. Contact person: Mrs. Smitha Algoo-Bissonauth.

This communiqué is issued pursuant to SEM Listing Rules 11.3 and 12.20 and Section 88 of the Mauritian Securities Act 2005. The Board of Mainland accepts full responsibility for the accuracy of the information contained in these abridged unaudited consolidated financial statements. The directors of Mainland have disclosed all matters or circumstances arising subsequent to the period ended 30 September 2019 that require any additional disclosure or adjustment to the financial statements.

For further information please contact:

Company Secretary


 SEM authorised representative
and sponsor
