

ABRIDGED UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE MONTHS AND NINE MONTHS ENDED 31 DECEMBER 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 NINE MONTHS ENDED 31 DECEMBER 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 Authorities. The entity's assets currently mainly consist of investment in unit REIT (Real Estate Investment Trust).

During the period ended 31 December 2019, Mainland has accounted for a significant increase in the Group's total income amounting to USD 149.8m. 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 6.8m. Other income of USD 18.3m principally consists of dividends received from the Group's various investments. In addition, during the period ended 31 December 2019, Bridgewater International Ltd disposed part of its investment in unit REIT and recognised a gain on disposal of USD 7.5m which also forms part of the other income of the Group.

The Company hereby presents its consolidated results for the three months and nine months ended 31 December 2019.

By order of the Board
12 February 2020

STATEMENT OF FINANCIAL POSITION

	GROUP UNAUDITED As at 31 December 2019 USD	GROUP RESTATED AUDITED As at 31 March 2019 USD
ASSETS		
Non-current assets		
Financial assets at fair value through other comprehensive income	178,400,432	8,171,144
Property, plant and equipment	329,234	162,939
Intangible assets	10,732	17,965
Total non-current assets	178,740,398	8,352,048
Current assets		
Trade and other receivables	130,467,328	94,270,876
Cash and cash equivalents	44,406,427	4,167,130
Total current assets	174,873,755	98,438,006
Total assets	353,614,153	106,790,054
EQUITY AND LIABILITIES		
Capital and reserves		
Share capital	1,597,235	1,597,235
Retained earnings	193,898,198	57,324,095
Foreign currency translation reserves	669,645	477,960
Fair value reserves	(6,793,666)	1,906,197
Total equity attributable to owners of parent	189,371,412	61,305,487
Non-controlling interest	153,169,246	36,456,730
Total capital and reserves	342,540,658	97,762,217
Non-current liabilities		
Finance lease payable	-	-
Total non-current liabilities	-	-
Current liabilities		
Trade and other payables	1,546,915	8,263,944
Finance lease payable	225,278	-
Current tax liability	1,479,293	763,893
Deferred income	7,822,009	-
Total current liabilities	11,073,495	9,027,837
Total liabilities	11,073,495	9,027,837
Total equity and liabilities	353,614,153	106,790,054
Weighted average number of shares in issue	884,042	884,042
Net asset value per share (USD)	214.21	69.35

STATEMENT OF CHANGES IN EQUITY

THE GROUP	Ordinary share capital	Foreign currency translation reserves	Fair value reserves	Retained earnings / (losses)	Total attributable to owners	Non-controlling interest	Total equity
	USD	USD	USD	USD	USD	USD	USD
As at 1 April 2019	1,597,235	477,960	1,906,197	57,324,095	61,305,487	36,456,730	97,762,217
Profit for the period	-	-	-	136,574,103	136,574,103	10,890,665	147,464,768
Other comprehensive income / (loss)	-	191,685	(8,699,863)	-	(8,508,178)	(7,773,584)	(16,281,762)
Total comprehensive income / (loss)	-	191,685	(8,699,863)	136,574,103	128,065,925	3,117,081	131,183,006
Non-controlling interest on acquisition of subsidiary	-	-	-	-	-	113,595,435	113,595,435
Unaudited as at 31 December 2019	1,597,235	669,645	(6,793,666)	193,898,198	189,371,412	153,169,246	342,540,658
*Restated as at 1 April 2018	1,597,235	166,382	-	(93,281)	1,670,336	-	1,670,336
Profit for the period	-	-	-	53,498,669	53,498,669	-	53,498,669
Other comprehensive loss	-	(1,848,449)	-	-	(1,848,449)	-	(1,848,449)
Total comprehensive (loss) / income	-	(1,848,449)	-	53,498,669	51,650,220	-	51,650,220
Non-controlling interest on acquisition of subsidiary	-	-	-	-	-	29,106,147	29,106,147
Unaudited as at 31 December 2018	1,597,235	(1,682,067)	-	53,405,388	53,320,556	29,106,147	82,426,703

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	GROUP UNAUDITED For the nine months ended 31 December 2019 USD	GROUP UNAUDITED For the three months ended 31 December 2019 USD	GROUP *RESTATED UNAUDITED For the nine months ended 31 December 2018 USD	GROUP *RESTATED UNAUDITED For the three months ended 31 December 2018 USD
Revenue	6,759,073	2,319,789	-	-
Gain on bargain purchase	124,747,938	-	53,656,674	52,429,794
Other income	18,372,017	12,257,803	11,372	9,781
	149,879,028	14,577,592	53,668,046	52,439,575
Expenses	(2,766,069)	(807,875)	(84,811)	(27,366)
Foreign exchange gain / (loss)	629,093	761,419	(66,373)	(4,202)
Net (loss) / gain on financial assets through profit or loss	-	-	(18,193)	38,672
Profit before taxation	147,742,052	14,531,136	53,498,669	52,446,679
Taxation	(277,284)	(191,695)	-	-
Profit for the period	147,464,768	14,339,441	53,498,669	52,446,679
Other comprehensive loss	(16,281,762)	(3,326,297)	(1,848,449)	-
Total comprehensive income for the period	131,183,006	11,013,144	51,650,220	52,446,679
Profit attributable to:				
Owners of the Company	136,574,103	7,517,443	53,498,669	52,446,679
Non controlling interest	10,890,665	6,821,998	-	-
	147,464,768	14,339,441	53,498,669	52,446,679
Total comprehensive income attributable to:				
Owners of the Company	128,065,925	6,034,704	51,650,220	52,446,679
Non controlling interest	3,117,081	4,978,440	-	-
	131,183,006	11,013,144	51,650,220	52,446,679
Weighted average number of shares in issue	884,042	884,042	884,042	884,042
Basic and diluted earnings per share (USD)	154.49	8.50	60.52	59.33

STATEMENT OF CASH FLOWS

	GROUP UNAUDITED For the nine months ended 31 December 2019 USD	GROUP *RESTATED UNAUDITED For the nine months ended 31 December 2018 USD
Net cash generated from / (utilised in) operating activities	2,154,525	(81,958)
Net cash generated from investing activities	48,604,823	2,635,333
Net cash utilised in financing activities	(11,136,168)	-
Net increase in cash and cash equivalents for the period	39,623,180	2,553,375
Foreign exchange movement	616,117	(132,856)
Cash and cash equivalents at the beginning of the period	4,167,130	768,992
Cash and cash equivalents at end of the period	44,406,427	3,189,511

NOTES

* The restated figures are based on the audited figures for the year ended 31 March 2019 and the unaudited consolidated financial statements for the three months and nine months ended 31 December 2018, and were translated from GBP to USD.

The Company is required to publish consolidated interim financial results for the three months and nine months ended 31 December 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 31 December 2019.

The abridged unaudited consolidated financial statements for three months and nine months ended 31 December 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 and the Mauritian Securities Act 2005.

The accounting policies adopted in the preparation of these abridged unaudited consolidated financial statements are consistent with those applied 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 12 February 2020.

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 31 December 2019 that require any additional disclosure or adjustment to the financial statements.

For further information please contact:

Intercontinental Fund Services Limited

Perigeum Capital Ltd

Company Secretary

SEM authorised representative and sponsor

