

DALE CAPITAL GROUP LIMITED AND ITS SUBSIDIARIES ("Dale" or the "Company" or the "Group")

UNAUDITED ABRIDGED FINANCIAL STATEMENTS FOR THE THREE AND SIX MONTHS ENDED 31 AUGUST 2019

STATEMENTS OF COMPREHENSIVE INCOME

	THE GROUP				THE COMPANY			
	Unaudited for the 3 Months Ended 31 August	Unaudited for the 3 Months ended 31 August	Unaudited for the 6 Months ended 31 August	Unaudited for the 6 Months ended 31 August	Unaudited for the 3 Months ended 31 August	Unaudited for the 3 Months ended 31 August	Unaudited for the 6 Months ended 31 August	Unaudited for the 6 Months ended 31 August
	2019	2018	2019	2018	2019	2018	2019	2018
	USD	USD	USD	USD	USD	USD	USD	USD
REVENUE								
Investment Income	-	7,100	-	52,566	-	(187)	-	42,629
Sale of Goods	335,894	348,023	750,278	756,817	-	-	-	-
Rendering of services	(8,596)	84,037	-	84,037	-	-	3,623	-
Change in Biological Assets	139,013	12,344	93,124	28,561	-	-	-	-
	466,311	451,504	843,402	921,981	-	(187)	3,623	42,629
Cost of Goods Sold	(300,722)	(344,573)	(654,905)	(651,634)	-	-	-	-
Administrative expenses	(78,287)	3,106	(121,713)	(92,843)	(54,785)	18,526	(71,503)	(40,685)
Operating expenses	(605,824)	(656,691)	(935,700)	(954,687)	(397,138)	(275,383)	(452,188)	(301,051)
Loss from operations	(518,523)	(546,654)	(868,916)	(777,183)	(451,922)	(257,044)	(520,068)	(299,107)
Finance costs	(71,388)	(50,564)	(164,360)	(118,258)	(60,676)	(44,067)	(150,395)	(112,500)
Changes in fair value of financial assets	-	137,278	-	137,278	-	-	-	-
Impairment of financial assets	-	(5,000)	-	(5,000)	-	-	-	(5,000)
Profit/(loss) on disposal of assets	-	-	-	25,670	-	(40)	-	25,670
Loss in associate	-	(5,426)	-	(5,426)	-	-	-	(5,426)
Profit from discontinued operations	-	(3,853)	-	182,240	-	-	-	-
Gain on revaluation/(Impairment) of financial assets	-	-	-	-	-	-	-	-
Loss before taxation	(589,911)	(474,219)	(1,033,276)	(560,679)	(512,598)	(301,151)	(670,463)	(396,363)
Income tax income	-	(666)	-	(666)	-	-	-	-
Loss for the period after tax	(589,911)	(474,885)	(1,033,276)	(561,345)	(512,598)	(301,151)	(670,463)	(396,363)
Other comprehensive income	1,777,394	839,908	1,777,394	850,000	-	850,000	-	850,000
Total comprehensive income/(loss) for the period	1,187,483	365,023	744,118	288,655	(512,598)	548,849	(670,463)	453,637
Operating Loss attributable to:								
Shareholders of the parent	(591,261)	(475,726)	(512,598)	(562,186)	(512,598)	(301,151)	(670,463)	453,637
Non-controlling interest	1,350	841	(122)	841	-	-	-	-
Total comprehensive income/(loss) attributable to:								
Shareholders of the parent	1,186,133	364,182	1,186,133	290,591	(512,598)	548,849	(670,463)	453,637
Non-controlling interest	1,350	841	(122)	(1,936)	-	-	-	-
(Loss)/Profit Per Share	0.0096	(0.0082)	0.0060	(0.0098)	(0.0042)	(0.0054)	(0.0054)	(0.0071)
Dividend Per Share	-	-	-	-	-	-	-	-

STATEMENTS OF FINANCIAL POSITION

	THE GROUP		THE COMPANY	
	Unaudited as at 31 August	Restated audited as at 28 February	Unaudited as at 31 August	Restated audited as at 28 February
	2019	2019	2019	2019
	USD	USD	USD	USD
ASSETS				
Non-Current Assets				
Investment in subsidiaries	-	-	904,687	904,687
Property, Plant and Equipment	758,202	696,879	1,847	1,467
Intangible assets	1,847	333	-	-
Available for sale financial assets	6,481,571	2,400,000	-	-
Biological Assets	387,969	291,996	-	-
Investment at fair value through profit or loss	4,387,644	1,341,571	6,481,571	1,341,571
Loans receivable	1,277,391	3,393,922	4,046,222	5,249,097
	13,294,624	8,124,701	11,434,327	7,496,822
Current Assets	1,549,397	3,262,406	812,965	2,410,543
TOTAL ASSETS	14,844,021	11,387,107	12,247,292	9,907,365
EQUITY AND LIABILITIES				
Stated capital	6,732,669	6,732,669	6,732,669	6,732,669
Reserves	(690,447)	(1,655,979)	(2,698,000)	(2,224,160)
Shareholders' interest	6,042,222	5,076,690	4,034,669	4,508,509
Non-controlling interest	71,859	75,910	-	-
Total equity	6,114,081	5,152,600	4,034,669	4,508,509
Non-current liabilities	6,361,063	5,188,459	5,606,675	5,090,332
Current liabilities	2,368,877	1,046,048	2,605,948	308,524
TOTAL EQUITY AND LIABILITIES	14,844,021	11,387,107	12,247,292	9,907,365
Net Asset Value per share :	0.049	0.041	0.033	0.037
Weighted average Number of shares in issue*	123,076,789	123,076,789	123,076,789	123,076,789

STATEMENTS OF CHANGES IN EQUITY

THE GROUP	Stated Capital		Revaluation and other reserves		Total
	USD	USD	USD	USD	
Balance at 1 March 2018	3,439,267		(418,984)		3,041,227
Movement during the year	3,293,402		(1,601,087)		1,746,350
Total Comprehensive income for the year	-	-	364,182		365,023
Balance at 28 February 2019	6,732,669	(1,655,889)	5,152,600		5,152,600
Movement during the period	-	-	196,625		196,625
Total Comprehensive income for the period	-	-	768,907		764,856
Balance at 31 August 2019	6,732,669	(690,357)	6,114,081		6,114,081
THE COMPANY	Stated Capital		Revaluation and other reserves		Total
	USD	USD	USD	USD	
Balance at 1 March 2018	3,439,267		(150,109)		3,289,158
Movement during the year	3,293,402		(2,017,671)		1,275,731
Total Comprehensive loss for the year	-	-	(56,380)		(56,380)
Balance at 28 February 2019	6,732,669	(2,254,813)	4,508,509		4,508,509
Movement during the period	-	-	196,623		196,623
Total Comprehensive loss for the period	-	-	(670,463)		(670,463)
Balance at 31 August 2019	6,732,669	(2,728,653)	4,034,669		4,034,669

STATEMENTS OF CASH FLOWS

	THE GROUP		THE COMPANY	
	Unaudited for the 6 Months ended 31 August	Restated audited for the year ended 28 February	Unaudited for the 6 Months ended 31 August	Restated audited for the year ended 28 February
	2019	2019	2019	2019
	USD	USD	USD	USD
Net cash flow used in operating activities	(572,941)	(949,606)	(74,999)	(160,777)
Net cash flow used in investing activities	(160,458)	(643,509)	(655,664)	(1,680,046)
Net cash flow from financing activities	748,437	1,580,707	733,351	1,835,832
Net decrease in cash and cash equivalents	15,038	(12,408)	2,688	(4,991)
Cash and cash equivalents at beginning of the period	33,895	54,767	5,082	11,441
Effect of exchange rate difference	-	(8,464)	-	(1,368)
Cash and cash equivalents at end of the period	48,933	33,895	7,770	5,082

REVIEW OF OPERATIONS

Group Performance:

Revenue for the quarter ended 31 August 2019 reflected a marginal increase when compared to the first quarter of the current financial year to USD 466,311. This is largely due to poor winter season in terms of fishing and decision to increase the size of the flock of biological assets where significant growth is taking place. Flock of 1600 animals with further 350 landing in Mauritius in October 2019. Anticipated size of flock at year end estimated at 2500.

Total Assets Under Management to August 2019 increased to USD 14,844,021 from USD 11,387,107 (23%), when compared to the financial year ended 28 February 2019.

During the next six months, Management expects the subsidiaries to commence with an upward trend towards a cash generation cycle, previously held back by limitations of working capital and projects in start-up stage. Liquidity will shortly improve with anticipated gradual repayment / recovery of debt due to the Group (Nett USD 4m) and anticipated raising of capital via an issue of new shares.

The executive team is confident that positive results in all operations will be achieved during the remaining six months of this financial year due to:

- Commencement of sale of sheep and goat meat which will commence in December 2019 in line with the Dale Agriculture Investments Limited Business Plan. Growth in the size of the flock is currently exponential and the current facility will reach capacity prior to financial year end 2020.
- Seasonal increase in distribution and sale of product via St. Felix Food Logistics where the factory at St. Antoine is now complete.
- The fishing operation St. Felix Seafood enters into the new season in October 2019.

Prospects

Management cost and overall cost have remained constant in spite of the increase in revenue. New name and branding of our Food Sector investments under the St. Felix Brand have commenced.

It is to be noted that the bulk of then groups loans/ gearing emanates from shareholder funds as opposed to bank/ institutional funding.

The much awaited inward listing on the ZARX in South Africa is planned to take place in early November 2019 and Management is now confident that this will take place.

All investments have entered into a private equity stage from the venture capital and mezzanine finance stage and prospects for growth and profitability against the background of a sound strategic plan and focus looks promising.

NOTES TO THE ACCOUNTS

When the abridged February 2019 results were published, the audit of the financial statements for the financial year ended 28 February 2019 was still in progress. Upon finalisation of the audit, the auditors received further audit evidence that led them to revise the figures, which did not materially depart from the published results.

The weighted average number of shares in issue has been used to calculate the Net Asset Value per Share. As at 31 August 2019, the number of shares in issue was 123,076,789.

The Unaudited Abridged Financial Statements for the three and six months ended 31 August 2019 ("Unaudited Abridged Financial Statements") are presented in accordance with IAS 34 (Interim Financial Reporting). The accounting policies and methods of computation are consistent with those applied in the audited annual financial statements for the year ended 28 February 2019.

"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 is available free of charge at the administrative office of the Company. The Unaudited Abridged Financial Statements are issued pursuant to Listing Rule 15.44 of the Stock Exchange of Mauritius Ltd and the Mauritian Securities Act 2005. Copies of the Unaudited Abridged Financial Statements are available free of charge at the administrative office of the Company, at 3 River Court, St Denis Street, Port-Louis, Mauritius.

The Board of Dale accepts full responsibility for the accuracy of the information contained in this announcement. These Unaudited Abridged Financial Statements were approved by the Board on 14 October 2019."

By order of the Board
15 October 2019

SEM Authorised Representative and Sponsor

Company Secretary