



DALE CAPITAL GROUP LIMITED AND ITS SUBSIDIARIES ("Dale" or the "Company" or the "Group") AUDITED ABRIDGED FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2020

(Incorporated by way of continuation in the British Virgin Islands) | (Registration number: B.V.I No: 1443428)
SEM Code: DCPL.N0000 | ZAR X share code: ZXDCG | ISIN: MU0227N00002

STATEMENTS OF COMPREHENSIVE INCOME

| | The Group | | The Company | |
|---|----------------------------------|----------------------------------|----------------------------------|----------------------------------|
| | Year Ended 28 Feb 2020 USD | Year Ended 28 Feb 2019 USD | Year Ended 28 Feb 2020 USD | Year Ended 28 Feb 2019 USD |
| REVENUE | | | | |
| Investment Income | - | 71,161 | - | 110,253 |
| Sale of Goods | 1,195,679 | 1,595,825 | - | - |
| Rendering of Services | - | 76,303 | - | - |
| Change in Biological Assets | 381,257 | 95,458 | - | - |
| | 1,576,936 | 1,838,747 | - | 110,253 |
| Cost of Goods Sold | (1,389,630) | (1,372,434) | - | - |
| Administrative expenses | (190,046) | (327,112) | (102,697) | (184,502) |
| Operating expenses | (1,588,407) | (1,695,163) | (518,300) | (570,400) |
| Loss from operations | (1,591,147) | (1,555,962) | (620,997) | (644,649) |
| Finance costs | (489,906) | (295,550) | (391,899) | (281,975) |
| Changes in fair value of financial assets | - | 20,244 | - | 20,244 |
| Impairment loss | (3,216,881) | - | (3,093,955) | - |
| Profit from discontinued operations | 22,452 | 182,240 | - | - |
| Payables written back | 16,154 | - | - | - |
| Expenses written off | (13,498) | - | (13,498) | - |
| Profit / (loss) on disposal | 1,082 | - | (7,250) | - |
| Gain on revaluation and disposal of property, plant and equipment | 45,794 | 136,632 | - | - |
| Gain on revaluation of financial assets | - | 850,000 | - | 850,000 |
| Loss before taxation | (5,225,950) | (799,028) | (4,127,599) | (56,380) |
| Income tax | (6,716) | - | - | - |
| Loss for the year after tax | (5,232,666) | (799,028) | (4,127,599) | (56,380) |
| Other comprehensive income | (305,469) | 1,297,852 | - | - |
| Total comprehensive (loss) / profit for the year | (5,538,135) | 498,824 | (4,127,599) | (56,380) |
| Loss attributable to: | | | | |
| Shareholders of the parent | (5,222,027) | (781,983) | (4,127,599) | (56,380) |
| Non-controlling interest | (10,639) | (17,045) | - | - |
| Total comprehensive income/ (loss) attributable to: | | | | |
| Shareholders of the parent | (5,529,427) | 513,132 | (4,127,599) | (56,380) |
| Non-controlling interest | (8,708) | (14,308) | - | - |
| Profit/(loss) Per Share | (0.0274) | 0.0049 | (0.0204) | (0.0006) |
| Dividend Per Share | - | - | - | - |

STATEMENTS OF FINANCIAL POSITION

| | The Group | | The Company | |
|--|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| | As at 28 Feb 2020 USD | As at 28 Feb 2019 USD | As at 28 Feb 2020 USD | As at 28 Feb 2019 USD |
| ASSETS | | | | |
| Non-current assets | | | | |
| Investment in subsidiaries | - | - | 904,687 | 904,687 |
| Property, Plant and Equipment | 818,212 | 696,879 | 1,233 | 1,467 |
| Intangible assets | 303 | 333 | - | - |
| Available for sale financial assets | 0 | 2,400,000 | - | - |
| Investment at fair value through other comprehensive income | 2,231,583 | - | - | - |
| Biological Assets | 494,720 | 291,996 | - | - |
| Investment at fair value through profit or loss | - | 1,341,571 | - | 1,341,571 |
| Loans receivable | 146,514 | 3,393,922 | 3,314,326 | 5,249,097 |
| | 3,691,332 | 8,124,701 | 4,220,246 | 7,496,822 |
| Current assets | 6,773,963 | 3,262,406 | 4,753,063 | 2,410,543 |
| TOTAL ASSETS | 10,465,295 | 11,387,107 | 8,973,309 | 9,907,365 |
| EQUITY AND LIABILITIES | | | | |
| Stated capital | 8,194,318 | 6,732,669 | 8,194,318 | 6,732,669 |
| Reserves | (1,187,893) | (1,655,979) | (319,908) | (2,224,160) |
| Shareholders' interest | 7,006,425 | 5,076,690 | 7,874,410 | 4,508,509 |
| Non-controlling interest | 33,432 | 75,910 | - | - |
| Total equity | 7,039,857 | 5,152,600 | 7,874,410 | 4,508,509 |
| Non-current liabilities | 1,203,000 | 5,188,459 | 770,902 | 5,090,332 |
| Current liabilities | 2,222,438 | 1,046,048 | 327,997 | 308,524 |
| TOTAL EQUITY AND LIABILITIES | 10,465,295 | 11,387,107 | 8,973,309 | 9,907,365 |
| Net Asset Value per share : Weighted average Number of shares in issue* | 0.047 | 0.041 | 0.053 | 0.037 |
| | 149,398,166 | 123,076,789 | 149,398,166 | 123,076,789 |

STATEMENTS OF CASH FLOWS

| | The Group | | The Company | |
|--|----------------------------------|----------------------------------|----------------------------------|----------------------------------|
| | Year Ended 28 Feb 2020 USD | Year Ended 28 Feb 2019 USD | Year Ended 28 Feb 2020 USD | Year Ended 28 Feb 2019 USD |
| Net cash flow from operating activities | (887,516) | (949,606) | (249,143) | (160,777) |
| Net cash flow used in investing activities | (266,323) | (643,509) | (851,770) | (1,680,045) |
| Net cash flow from financing activities | 1,041,045 | 1,580,707 | 1,079,410 | 1,835,832 |
| Net decrease in cash and cash equivalents | (112,794) | (12,408) | (21,503) | (4,990) |
| Cash and cash equivalents at beginning of the year | 33,895 | 54,767 | 5,082 | 11,440 |
| Effect of exchange rate difference | (18,173) | (8,464) | 16,738 | (1,368) |
| Cash and cash equivalents at end of the year | (97,072) | 33,895 | 317 | 5,082 |

STATEMENTS OF CHANGES IN EQUITY

THE GROUP

| | Stated capital USD | Revaluation and other reserves USD | Minority Interests USD | Total USD |
|---|-----------------------|---------------------------------------|---------------------------|--------------|
| Balance at 1 March 2018 | 3,439,267 | (418,984) | 20,944 | 3,041,227 |
| Movement during the year | 3,293,402 | (2,533,592) | 54,966 | 814,776 |
| Total Comprehensive income for the year | - | 1,296,597 | - | 1,296,597 |
| Balance at 28 February 2019 | 6,732,669 | (1,655,979) | 75,910 | 5,152,600 |
| Movement during the year | 1,461,649 | 6,006,221 | (33,770) | 7,434,100 |
| Total Comprehensive loss for the year | - | (5,538,135) | (8,708) | (5,546,843) |
| Balance at 28 February 2020 | 8,194,318 | (1,187,893) | 33,432 | 7,039,857 |
| THE COMPANY | | | | |
| 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 | (2,224,160) | - | 4,508,509 |
| Movement during the year | 1,461,649 | 6,031,851 | - | 7,493,500 |
| Total Comprehensive loss for the year | - | (4,127,599) | - | (4,127,599) |
| Balance at 28 February 2020 | 8,194,318 | (319,908) | - | 7,874,410 |

REVIEW OF OPERATIONS

1. Directors' Commentary

- The Corona-Virus Pandemic which commenced in the first quarter of 2020 has played a significant role in the late reporting of our audited Financial Statements for the Year ended February 2020.
- The Pandemic and its consequences have highlighted many weaknesses in our operations, particularly in the administrative and financial management areas of our Group. These weaknesses have been compounded by difficulties in recruiting the right CFO to drive necessary changes in our systems and processes, including, but not limited to, full implementation of the new Group ERP financial and accounting software. Whilst these challenges have been significant, management is pleased to report that appropriate actions have been successful, and the Group will benefit in the near future.
- The long-awaited inward listing in South Africa on 14th November 2019 (ZarX) was completed and plans were in place to proceed with the raising of US\$5m in new, much needed capital, during the first quarter in 2020. It was necessary to delay the project as a result of the "lockdown" in both South Africa and Mauritius. Not only was there a delay in the completion of the 2020 audit, but a major impact was that without up-to-date Financial Statements it was impractical to proceed confidently with this capital raising project. This was further impacted by the growth uncertainties as a result of the closure of hotels, leisure and restaurants.

2. Commentary on results.

- Group Performance - Against the background of these comments being made 12 months after the Financial Year ended 28 February 2020, the results are frustrating but palatable in the context. It was planned that our investments would commence with growth and enter a 'cash generating cycle', (an exit from Venture Capital into Private Equity) but management is disappointed to report that this did not take place as growth needs to be funded and we as a Group were unable to attract new investment capital during the period. This trend continued during 2020 as a result of the Corona-Virus Pandemic.
- Total Assets Under Management remained reasonably static ending (FY 2020) at US\$10,465,295 compared to FY 2019: US\$11,387,107.
- Net Asset Value increased by 38% (FY 2020) to US\$7,039,857 compared to (FY 2019) US\$ 5,152,600.
- However, it is in the area of operations where the performance was weak.
 - Turnover declined by 25% (FY 2020) to US\$1,195,675 from (FY 2019) US \$1,595,825.
 - The 9% reduction in total expenses against a turnover reduction of 25% is a reflection of the focused plan by management to reduce costs. It is however not possible to reduce certain minimum fixed costs which are necessary for the businesses to function. As and when markets start to re-open, and we raise capital, we should benefit from this operating leverage.
 - Certain of our assets have been provisioned for prudence given the current economic uncertainties, which has resulted in a total group loss for the period of US\$ 1,591,147. Management proceeded with an aggressive approach to impairment and write-down as a result of the Pandemic
 - Impairment of one of our investment to the tune of US\$122,926; and
 - proceeded with the impairment of previously recoverable loan funding (ex-mining loan). This write-down was US\$3,093,955.

3. Prospects

Due to the delay in reporting the 2020 results and taking into account the difficulties encountered in 2020 / 2021, management is of the view that we have lost 12 months as a result of the Pandemic.

However, management has not wasted time and subject to a successful capital raise our investments/projects are well placed for growth in the 2021/2022 financial year.

Directors continue to be confident that the Group has targeted the right sector (Mauritius Food and Food Security), and that management has taken the right steps to attract new capital to take Dale confidently into the future.

NOTES TO THE ACCOUNTS

*A total of 78,964,131 new shares were issued during the financial year ended 28 February 2020. The weighted average number of shares in issue has been used to calculate the Net Asset Value per Share. As at 28 February 2020, the number of shares in issue was 202,040,920.

The Audited Abridged Financial Statements for the year ended 28 February 2020 ("Audited 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 annual financial statements for the year ended 28 February 2020.

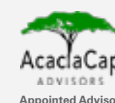
The Statement of direct and Indirect interests of each officer of the Company, pursuant to rule 8(2)(m) of the Securities (Disclosure Obligations of Reporting Issuers) Rules 2007 is available free of charge at the administrative office of the Company. The Audited Abridged Financial Statements are issued pursuant to Listing Rule 15.36A of the Stock Exchange of Mauritius Ltd and the Mauritius Securities Act 2005. Copies of the Audited Abridged Financial Statements are available free of charge at the administrative office of the Company, at St Antoine Industrial Zone, Goodlands, Mauritius.

The Board of Dale accepts full responsibility for the accuracy of the information. These Audited Abridged Financial Statements were approved by the Board on 25 March 2021.

AUDITORS OPINION

The external auditors, Crowe ATA, have issued a qualified audit opinion on the Group's financial statements for the year ended 28 February 2020 due to what directors view as a minor qualification in a step-subsiary, which the directors continue to debate with the auditors. The audit was conducted in accordance with International Standards on Auditing. These audited abridged financial statements have been derived from the Group's financial statements and are consistent in all material respects with the group financial statements. A copy of their audit report is available for inspection at the Company's administrative office. Any reference to future financial performance included in this announcement has not been reviewed or reported on by the Company's external auditors. The auditor's report does not necessarily cover all of the information contained in this announcement/financial report. Shareholders are advised that in order to obtain an understanding of the nature of the auditor's work, they should obtain a copy of that report from the administrative office of the Company.

By order of the Board
26 March 2021



Appointed Advisor

Perigeum Capital Ltd
SEM Authorised Representative
and Sponsor

NWT Secretarial Services Ltd
Company Secretary