



DALE CAPITAL GROUP

DALE CAPITAL GROUP LIMITED AND ITS SUBSIDIARIES  
INTERIM UNAUDITED CONDENSED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 AUGUST 2010

	STATEMENTS OF FINANCIAL POSITION			
	THE GROUP		THE COMPANY	
	Aug-10 USD	Aug-09 USD	Aug-10 USD	Aug-09 USD
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, plant and equipment	23,732,382	188,549	1,040	1,590
Intangible assets	736,381	7,864,526	-	-
Investments in subsidiary	-	-	12,954,617	3,904,923
Investments in associates	34	11,688	-	-
Investment in financial assets	9,410,610	12,666,226	122,551	4,295,904
Loans receivable	-	798,495	-	-
Deferred taxation	1,837,536	1,820,074	-	-
	35,716,943	23,349,558	13,078,208	8,202,417
<b>Current assets</b>	5,021,461	3,805,120	11,374,039	11,804,110
	40,738,404	27,154,678	24,452,247	20,006,527
<b>EQUITY AND LIABILITIES</b>				
Stated capital	21,778,316	21,138,074	21,778,316	21,138,074
Reserves	129,487	(4,422,535)	(301,346)	(4,597,306)
Shareholders' interest	21,907,803	16,715,539	21,476,970	16,540,768
Non-controlling interest	5,260,922	(35,053)	-	-
<b>Total equity</b>	27,168,725	16,680,486	21,476,970	16,540,768
Non-current liabilities	10,101,247	2,071,592	1,810,672	-
Current liabilities	3,468,432	8,402,600	1,164,605	3,465,759
	40,738,404	27,154,678	24,452,247	20,006,527
<b>Net Asset Value per share :</b>				
NAV on shares pre-split	2.56	3.23	2.51	3.19
NAV on shares post split	0.85	1.08	0.84	1.06
<b>Number of shares in issue*</b>	25,690,270	5,177,319	25,690,270	5,177,319

STATEMENTS OF CASH FLOWS

	THE GROUP		THE COMPANY	
	PERIOD ENDED 31 AUG 2010	PERIOD ENDED 31 AUG 2009	PERIOD ENDED 31 AUG 2010	PERIOD ENDED 31 AUG 2009
	USD	USD	USD	USD
Net cash flow (used in)/ from operating activities	(934,816)	2,869,239	(206,597)	2,238,729
Net cash flow (used in)/from investing activities	(3,835,039)	(6,577,479)	(7,124,890)	(3,195,604)
Net cash flow (used in)/ from financing activities	4,977,783	4,105,356	7,383,972	1,072,174
Net increase / (decrease)	207,928	397,116	52,485	115,299
Cash and cash equivalents at beginning	82,131	232,639	2,968	9,980
Cash and cash equivalents at end	290,059	629,755	55,453	125,279

NOTES TO THE ACCOUNTS

The number of shares in issue excludes 86,802 ordinary shares of no par value held in Treasury

The Condensed Financial Statements have been prepared in accordance with International Financial Reporting Standards in accordance with the accounting policies used in the preparation of the financial statements for the year ended 28 February 2010.

The Condensed Financial Statements are unaudited and have been prepared in accordance with IAS 34- Interim Financial Reporting

The Statement of direct and Indirect interests pursuant to rule 8(2)(m) of the Securities (Disclosure Obligations of Reporting Issuers) Rules 2007 is available free of charge at the registered office of the Company.

The interim Financial Statements are issued pursuant to Listing rules 15.41 and Securities Act 2005

Copy of the Interim report are available free of charge at C/o H.S Corporate Services Ltd, 3rd Floor, C.A Building, 19 Poudriere, Port-Louis.

The Board of Dale Capital Group Limited accepts full responsibility for the accuracy of the information contained in the interim report.

Dale International Trust Company Limited- Corporate Secretary

13 October 2010

	STATEMENTS OF COMPREHENSIVE INCOME							
	THE GROUP				THE COMPANY			
	HALF YEAR TO 31 AUG 2010	HALF YEAR TO 31 AUG 2009	THREE MONTHS TO 31 AUG 2010	THREE MONTHS TO 31 AUG 2009	HALF YEAR TO 31 AUG 2010	HALF YEAR TO 31 AUG 2009	THREE MONTHS TO 31 AUG 2010	THREE MONTHS TO 31 AUG 2009
	USD	USD	USD	USD	USD	USD	USD	USD
<b>INCOME STATEMENT</b>								
<b>REVENUE</b>								
Investment Income	28,077	21,877	14,562	19,782	12,938	15,696	6,556	14,535
Rendering of services	1,213,293	331,282	742,042	205,703	-	-	-	-
	1,241,370	353,159	756,604	225,485	12,938	15,696	6,556	14,535
Administrative expenses	(265,997)	(221,101)	(125,251)	(173,389)	(97,630)	(59,141)	(40,875)	(46,044)
Operating expenses	(1,312,550)	(509,968)	(641,615)	(276,626)	(23,866)	(63,643)	(16,550)	(6,029)
(Loss)/profit from operations	(37,177)	(377,910)	(10,262)	(224,530)	(108,558)	(107,088)	(50,869)	(37,538)
Finance costs	(240,031)	(465,901)	(129,592)	(486,102)	(61,610)	(426,252)	(25,493)	(486,266)
Net gain/(loss) on investments	1,439,595	(611,782)	53,991	(167,286)	9,702	(570,317)	(600)	(36,733)
Income tax income	-	-	-	-	-	-	-	-
Profit/(Loss) for the period	862,387	(1,455,593)	(85,863)	(877,918)	(160,466)	(1,103,657)	(76,962)	(560,537)
Other comprehensive income/(loss)	1,331,573	(642,896)	-	(1,274,019)	707	(1,278,943)	-	(1,624,516)
Total comprehensive income/(loss) for the period	2,193,960	(2,098,489)	(85,863)	(2,151,937)	(159,759)	(2,382,600)	(76,962)	(2,185,053)
<b>Loss attributable to:</b>								
Shareholders of the parent	229,865	(1,422,710)	(85,863)	(877,918)	(160,466)	(1,103,657)	(76,962)	(560,537)
Non-controlling interest	632,522	(32,883)	-	-	-	-	-	-
<b>Total comprehensive income / (loss) attributable to:</b>								
Shareholders of the parent	1,561,438	(2,065,606)	(85,863)	(2,151,937)	(159,759)	(2,382,600)	(76,962)	(2,185,053)
Non-controlling interest	632,522	(32,883)	-	-	-	-	-	-
<b>Earnings / (loss) per share</b>	0.01	(0.27)	(0.003)	(0.17)	(0.01)	(0.21)	(0.003)	(0.11)
<b>Dividends per share</b>	-	-	-	-	-	-	-	-

UNAUDITED CONDENSED STATEMENTS OF STATEMENTS OF CHANGES IN EQUITY

	THE GROUP				THE COMPANY				
	Share USD	Capital USD	Reserves USD	Non-Controlling interest USD	Total USD	Share USD	Capital USD	Reserves USD	Total USD
	Balance at 1st March 2010	15,888,073	-	(2,068,289)	4,628,400	18,448,184	15,888,073	-	(141,587)
Movement during the period	5,890,243	-	637,338	-	6,527,581	5,890,243	-	(159,759)	5,890,243
Total Comprehensive loss for the period	-	-	1,560,438	632,522	2,192,960	-	-	(159,759)	(159,759)
Balance at 31 August 2010	21,778,316	-	129,487	5,260,922	27,168,725	21,778,316	-	(301,346)	21,476,970
Balance at 1st March 2009	21,138,074	-	(4,701,582)	142,223	16,578,715	21,138,073	-	(4,559,358)	16,578,715
Movement during the period	-	-	-	(144,393)	(144,393)	-	-	-	-
Total Comprehensive loss for the period	-	-	(2,065,606)	(32,883)	(2,098,489)	-	-	(2,382,600)	(2,382,600)
Net movement in Treasury shares	-	-	2,344,653	-	2,344,653	-	-	2,344,653	2,344,653
Balance at 31 August 2009	21,138,074	-	(4,422,535)	(35,053)	16,680,486	21,138,073	-	(4,597,305)	16,540,768

COMMENTS

**Summary** – The Directors are pleased to report that at the half year, the group's investment focus and strategy is beginning to see results. In spite of the current cash shortage the ability to generate much needed income has shown encouraging signs of improving. Directors continue with efforts to raise fresh capital to support growth within the existing investments. Revenue for the half year was US\$1.2m (US\$0.3m 2009) with earnings per share of 0.01c (-0.27c 2009). During Q2 in line with strategy announced at the end of the last quarter, the balance sheet was strengthened by the issue of new shares consolidating shareholder loans of US\$4m into equity. Within trading companies, Shelly Point Hotel, Spa and Country Club had 100% occupancy during the World Cup and at the end of the period saw Amara Technologies, of which the Group is a strategic investor, complete its due diligence from Mastercard International and commence operations. AfrAsia Bank, another core investment of the Group announced a rights issue which will see a considerable increase in the banks Tier 1 Capital.

**Financial Highlights** - Revenue has increased by 350% during the period as investments entered the revenue generation phase of their business cycles. Revenue in this period was dominated by the hotel operations in South Africa and annuity income from investments in the financial services sector. Investment income has risen slightly as Financial Assets invested in start to generate more income. Administrative and operating expenses have also risen as Shelly Point Hotel and Spa entered full operation and occupancy in the period. The Hotel had to follow a refurbishment of three weeks after being fully let out for promotional campaigns during the World Cup 2010 as such was out of commission for that period. Finance costs continue to be high as most of the new investments are geared, mainly via loans from strategic partners. The capitalisation of most of the loans should reduce the finance cost bill going forward. 25% of Noncurrent Liabilities relate to loans from strategic partners in the Hotel sector.

At the end of the period the NAV of the Group was up from US\$ 15,079,856 (Q110) to US\$ 21,907,803(Q210). There has been a drop in NAV per share due to new shares being issued at a discount as loan consideration.

**Prospects.** The prospect of continued growth in revenue is favourable as the winter season draws to an end and South Africa enters spring / summer. Shelly Point already has considerable corporate bookings for conferences and this will be the first "holiday season" that the hotel has 88 rooms (44 before the extension). Therefore the Group is looking forward to reporting earnings after the hotels completes the summer in its improved and enlarged state. The Bella Amigo Group of companies is well positioned for exponential growth in Mauritius and South Africa. In Mauritius the group is in the final stages of its export strategy implementation. In South Africa, the company shows steady growth due to successes in a number of tenders from government.

Although the Group has announced plans to explore and proceed with the AIM listing of an Energy Fund implementation is likely to take place in the 2<sup>nd</sup> quarter of 2011. When this takes place the executives will have successfully completed implementation of a carefully structured turnaround strategy.