



DALE CAPITAL GROUP

DALE CAPITAL GROUP LIMITED AND ITS SUBSIDIARIES
INTERIM UNAUDITED CONDENSED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 NOVEMBER 2010

	STATEMENTS OF FINANCIAL POSITION			
	THE GROUP		THE COMPANY	
	Nov-10 USD	Nov-09 USD	Nov-10 USD	Nov-09 USD
ASSETS				
Non-current assets				
Property, plant and equipment	24,473,753	4,788,230	1,040	1,590
Intangible assets	736,381	8,025,116	-	-
Investments in subsidiary	-	-	12,954,616	2,878,321
Investments in associates	34	11,804	-	-
Investment in financial assets	9,525,563	10,313,612	122,551	4,193,156
Loans receivable	-	2,281,454	-	-
Deferred taxation	1,884,549	1,944,149	-	-
	<u>36,620,280</u>	<u>27,364,365</u>	<u>13,078,207</u>	<u>7,073,067</u>
Current assets				
	3,394,677	6,693,589	8,767,710	12,054,959
	<u>40,014,957</u>	<u>34,057,954</u>	<u>21,845,917</u>	<u>19,128,026</u>
EQUITY AND LIABILITIES				
Stated capital	21,818,315	21,138,074	21,818,315	21,138,074
Reserves	(2,250,166)	(5,185,472)	(3,009,392)	(5,311,012)
Shareholders' interest	19,568,149	15,952,602	18,808,923	15,827,062
Non-controlling interest	5,404,009	(288,244)	-	-
	<u>24,972,158</u>	<u>15,664,358</u>	<u>18,808,923</u>	<u>15,827,062</u>
Non-current liabilities				
	10,645,521	10,589,329	1,846,726	1,253,547
Current liabilities				
	4,397,278	7,804,267	1,190,268	2,047,417
	<u>40,014,957</u>	<u>34,057,954</u>	<u>21,845,917</u>	<u>19,128,026</u>
Net Asset Value per share :				
NAV on shares pre-split	2.57	3.02	2.47	2.99
NAV on shares post split	0.86	1.01	0.82	1.00
Number of shares in issue*	22,800,058	5,286,466	22,800,058	5,286,466

STATEMENTS OF CASH FLOWS

	THE GROUP		THE COMPANY	
	PERIOD ENDED 30 NOV 2010	PERIOD ENDED 30 NOV 2009	PERIOD ENDED 30 NOV 2010	PERIOD ENDED 30 NOV 2009
	USD	USD	USD	USD
Net cash flow (used in)/ from operating activities	(1,576,846)	(2,853,382)	(629,827)	(651,380)
Net cash flow (used in)/from investing activities	(4,788,913)	(8,315,107)	(4,101,209)	(603,212)
Net cash flow (used in)/ from financing activities	6,521,673	11,002,486	4,757,950	1,253,547
Net increase / (decrease)	155,914	(166,003)	26,914	(1,045)
Cash and cash equivalents at beginning	82,131	232,639	2,968	9,980
Cash and cash equivalents at end	<u>238,045</u>	<u>66,636</u>	<u>29,882</u>	<u>8,935</u>

NOTES TO THE ACCOUNTS

*The number of shares in issue excludes 2,977,014 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 Corporate Secretary 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 Dale International Trust Company Limited, 3rd Floor, Tower A, 1 Cybercity, Ebene, Mauritius.

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

14 January 2011

	STATEMENTS OF COMPREHENSIVE INCOME							
	THE GROUP				THE COMPANY			
	NINE MONTHS TO 30 NOV 2010	NINE MONTHS TO 30 NOV 2009	THREE MONTHS TO 30 NOV 2010	THREE MONTHS TO 30 NOV 2009	NINE MONTHS TO 30 NOV 2010	NINE MONTHS TO 30 NOV 2009	THREE MONTHS TO 30 NOV 2010	THREE MONTHS TO 30 NOV 2009
INCOME STATEMENT								
REVENUE								
Investment Income	43,775	51,139	15,698	29,262	18,607	16,317	5,669	621
Rendering of services	1,897,578	708,752	684,285	229,244	-	73	-	-
	<u>1,941,353</u>	<u>759,891</u>	<u>699,983</u>	<u>258,506</u>	<u>18,607</u>	<u>16,390</u>	<u>5,669</u>	<u>621</u>
Administrative expenses	(1,013,406)	(366,136)	(747,409)	(145,035)	(199,294)	(107,719)	(101,664)	(48,578)
Operating expenses	(1,701,816)	(1,268,207)	(389,266)	(523,918)	(57,169)	(99,744)	(33,303)	(36,101)
(Loss)/profit from operations	(773,869)	(874,452)	(436,692)	(410,447)	(237,856)	(191,073)	(129,298)	(84,058)
Finance costs	(386,572)	(79,668)	(146,541)	(386,233)	(79,291)	(460,307)	(17,681)	(34,055)
Net gain/(loss) on investments	1,440,330	(1,230,608)	735	(618,826)	(72,888)	(567,596)	(82,590)	2,721
Income tax income	-	-	-	-	-	-	-	-
Profit/(Loss) for the period	279,889	(2,184,728)	(582,498)	(1,415,506)	(390,035)	(1,218,976)	(229,569)	(115,392)
Other comprehensive income/(loss)	1,414,426	299,868	(17,147)	911,650	1,495	(798,000)	788	(480,943)
Total comprehensive income/(loss) for the period	<u>1,694,315</u>	<u>(1,884,860)</u>	<u>(599,645)</u>	<u>(503,856)</u>	<u>(388,540)</u>	<u>(2,016,976)</u>	<u>(228,781)</u>	<u>(596,335)</u>
Loss attributable to:								
Shareholders of the parent	(120,325)	(2,069,080)	(350,190)	(1,375,788)	(390,035)	(1,218,976)	(229,569)	(115,392)
Non-controlling interest	400,214	(115,648)	(232,308)	(39,718)	-	-	-	-
	<u>279,889</u>	<u>(2,184,728)</u>	<u>(582,498)</u>	<u>(1,415,506)</u>	<u>(390,035)</u>	<u>(1,218,976)</u>	<u>(229,569)</u>	<u>(115,392)</u>
Total comprehensive income / (loss) attributable to:								
Shareholders of the parent	1,294,101	(1,769,212)	(367,337)	(421,091)	(388,540)	(2,016,976)	(228,781)	(596,335)
Non-controlling interest	400,214	(115,648)	(232,308)	(82,765)	-	-	-	-
	<u>1,694,315</u>	<u>(1,884,860)</u>	<u>(599,645)</u>	<u>(503,856)</u>	<u>(388,540)</u>	<u>(2,016,976)</u>	<u>(228,781)</u>	<u>(596,335)</u>
Loss per share	(0.01)	(0.39)	(0.02)	(0.26)	(0.02)	(0.23)	(0.01)	(0.02)
Dividends per share	-	-	-	-	-	-	-	-

UNAUDITED CONDENSED STATEMENTS OF STATEMENTS OF CHANGES IN EQUITY

	THE GROUP				THE COMPANY		
	Stated Capital USD	Reserves USD	Non-Controlling interest USD	Total USD	Stated 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)
Net movement in Treasury shares	-	(2,479,265)	-	(2,479,265)	-	(2,479,265)	(2,479,265)
Movement during the period	5,930,242	1,003,287	375,395	7,308,924	5,930,242	-	5,930,242
Total Comprehensive loss for the period	-	1,294,101	400,214	1,694,315	-	(388,540)	(388,540)
Balance at 30 Nov 2010	<u>21,818,315</u>	<u>(2,250,166)</u>	<u>5,404,009</u>	<u>24,972,158</u>	<u>21,818,315</u>	<u>(3,009,392)</u>	<u>18,808,923</u>
Balance at 1st March 2009	21,138,074	(4,701,582)	142,223	16,578,715	21,138,074	(4,559,359)	16,578,715
Movement during the period	-	-	(314,820)	(314,820)	-	-	-
Total Comprehensive loss for the period	-	(1,769,212)	(115,648)	(1,884,860)	-	(2,016,976)	(2,016,976)
Net movement in Treasury shares	-	1,265,323	-	1,265,323	-	1,265,323	1,265,323
Balance at 30 Nov 2009	<u>21,138,074</u>	<u>(5,205,471)</u>	<u>(288,245)</u>	<u>15,644,358</u>	<u>21,138,074</u>	<u>(5,311,012)</u>	<u>15,827,062</u>

COMMENTS

Financial Highlights

The size of the balance sheet exceeds \$40m for the first time in the group's 10 year history. The NAV stands at \$19.6m an increase of 22% in the last 12 months and 41% YTD, mainly from the capitalisation of shareholder loans.

However the NAV of the Group was down from US\$ 21.9m (Q210) to US\$19.6m (Q310) due mainly to treasury shares coming back into the group. NAV per share has not been impacted this quarter as subsidiaries maintained their revenue generation streams. The directors continue to implement a focussed strategy aimed at ensuring a return to its historically consistent dividend payment policy and aim to do so within 12 to 18 months. This coincides with the expected profitability phase and generation of cash in the last quarter of 2011.

In a global environment which continues to be difficult revenue growth has continued in all sectors invested in. Revenue at \$1.941m YTD was up 155% on the same period in the last financial year as investments in new sectors took effect. Revenue for the quarter at \$700k was up 171% on the same quarter in the previous financial year. Other gains realised on investments amounted to \$ 1.414m for the YTD.

The Quarter saw the first receipt of Dividends from AfrAsia Bank Limited. The Bank has successfully completed its capital raising exercise and future prospects continue to look good. Annuity income from this sector looks set to continue together with capital growth.

Overall profit for the 9 months YTD amounted to \$1.694m and whilst the quarter ending 30 November 2010 realised a loss of \$600k this was anticipated due to the low (winter seasonal) levels of occupancy and resultant effects on revenue at Shelley Point at the tail end of the Cape winter and due to once off pre-season costs. The benefits of the doubling of room capacity at Shelley Point will undoubtedly be seen during the December and January holiday season. In addition confirmed bookings for the first quarter of 2011 are looking good.

Prospects for the next quarter.

Previously the group announced via a cautionary its involvement as a lead promoter in a listing of an Energy Holding Company on the London Stock Exchange (AIM). The listing is planned for second quarter on schedule. The group will be a strategic shareholder of the entity to be listed and further details of the value of the proposed entity to be listed is hoped to be announced by end of February 2011.

80 percent of the group finance costs of the group relate to the hotel project and the Directors have engaged with different partners for the raising of equity to reduce the bond. Plans to unlock value and as a result thereof generation of cash is currently being developed as a result of a partial sale (M80 and Black Economic Empowerment transaction) at Shelley Point where a sale of 30% of the Hotel is being envisaged.