DALE GROUP

Dale Capital Group Limited Annual Report 2012

www.dale-capital.com

MANAGEMENT AND ADMINISTRATION

Directors:

Norman Theodore Noland	Executive Chairman & Chief Executive Officer
Sanjeeven Ramasawmy	Financial Director
Nigel Hampton McGowan	Non-Executive
Jacobus Cornelis Pauw	Non-Executive

Company Secretary:

Dale International Trust Company Limited
3rd Floor, Tower A1
Cybercity
Ebene
Mauritius

BVI Registration Number: 1443428

Registered Agent And Office:

Mossack Fonseca & Co. (B.V.I) Ltd
Akara Building
24 De Castro Street,
Wickhams Cay 1, Road Town, Tortola
British Virgin Islands

Main Banker:

AfrAsia Bank Ltd
Bowen Square
10, Dr. Ferriere Street
Port Louis, Mauritius

Barclays Bank Limited
1st Floor, Barclays House 68-68A
Cybercity, Ebene
Mauritius

Sponsor And Broker:

Anglo Mauritius Stockbrokers Limited
2nd Floor, Rogers House
Port Louis
Mauritius

Auditors:

Crowe Horwath (Mur) Co.
Member Crowe Horwath International
3rd Floor, C.A Building
19, Poudrière Street
Port Louis
Mauritius

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Quotes by Sir Winston Churchill. (WC)

"If we are together nothing is impossible. If we are divided all will fail".

The executive team has soldiered on over the past year, with undoubted responsibility. Given the huge challenges as a result of low liquidity the executives have faithfully continued in their efforts to reduce institutional debt and to ensure the safety of assets. Heavy cost of finance and inability to fund cash starved infrastructure and investments resulted in continued reduction in shareholder value. The inability of founding and major shareholders to support the Group further inhibited executives in the implementation of any turnaround plans focused on re-engineering the group strategy back to its historically successful private equity roots, now long forgotten.

In spite of this, the executive team has been able to reduce institutional debt and steer the organisation into a position where directors and shareholders are able to at least encounter a future with some evidence of potential.

The past year, in line with the previous two financial years has continued to be challenging for the group, facing heavy finance costs and continued illiquidity, resulting in further reduction in shareholder value. As a result executives proceeded with the sale of certain assets in an effort to reduce gearing.

The Euro Zone crisis continued to plague the much anticipated involvement in the EnerG Capital Limited IPO. The promoters decided to shelve the listing given the uncertain market conditions. Corporate illiquidity thus persisted and in recent months has become more intense.

In spite of the extremely difficult situation the directors managed to reduce corporate debt and most of the remaining debt is related to the Shelley Point Hotel investment. Although the Hotels turnover has increased, the continued weakness in the South African Hotel/Property market resulted in continued operational losses. Without significant cash injection this will continued, hence the need to consider implementation of certain recommendations set out later in this chairman's report.

Given the above scenario and a suppressed property market, the directors had no alternative but to withdraw from the Les Ecuries Hotel Project in Mauritius and attempt to proceed with the sale of our Mauritius property investment. This in itself is proving difficult in the current suppressed property market.

Management have during the past financial year simply had no alternative to continue as best possible and there was no halting-place at any stage. We have now reached a stage in the journey where there can be no pause. We must either go on, or journey over a precipice.

Over the past two years the directors have determinedly sought partnerships, mergers or investors with common vision. It has been extremely difficult to see any initiative through to finality.

The key reasons have been:

(i) Debt on Hotel Property investments, affected the agreement of any base valuations for the properties.

(ii) Senior lenders have had cross securities over assets and require full settlement before granting any release.

(iii) The group's low liquidity has proved to be a major stumbling block.

Group Chairman & CEO's Statement

Directors continued to evaluate investment and acquisition opportunities as they were presented. These opportunities have for reasons previously stated been difficult to conclude.

"If the present tries to sit in judgement of the past it will lose the future."- (WC)

The directors are considering an appropriate re-structure in order to facilitate the implementation of a strategy which has at least an opportunity to recover some shareholder value over the next 3 to 5 years. These are:

(a) Pursue negotiations for the reversal of Botswana and Zimbabwe based financial services Groups into the listed entity via share swap

(b) The above negotiations has certain conditions precedent attached thereto, and some of the major conditions are:

a. Sale of certain assets and elimination of major debt.
b. The reversal of the Amara Group of Companies.
c. The removal of the Shelley Point asset out of the group together with the high levels of debt attached thereto.

"Difficulties mastered are opportunities won."- (WC)

This strategy, if successfully implemented, would in directors view, provide a platform and structure capable of moving forward to recapture lost value. In addition this platform will have the advantage of moving forward, debt free and shareholders will be notified in due course.

"It is always wise to look ahead, but difficult to look further than you can see"- (WC)

Given the continued constraints of raising capital for Hotel Property and the high level of debt it is proposed with the new partners that the listed entity becomes a Financial Services Holding Company and in so doing the group would embrace three core lines:

- African Bank Investment
- Information Technology - (Financial Services related)
- Private Equity opportunities into the African Continent and high growth sectors

The directors also considered that, given the relatively small size and profile of the company has resulted in limited trading volume in its shares. In addition the process of raising further equity capital, particularly from new institutional investors, is likely to be difficult given the company's current size and share price.

In this respect the directors will request that shareholders to confirm their continued support for working capital and participation under two scenarios:

(i) That directors be authorised to explore, negotiate and proceed with the growth by acquisition and reversals with the view of changing the company's focus and strategy to that of a Financial Services Holding Company.

Or

(ii) The delisting and protection of shareholder value in an unlisted environment with the sale of assets as and when opportunities arise

The inherent risks and required working capital of either strategy is not the subject of the report but will in the appropriate regulatory manner be communicated with shareholders. The Board would wish to confirm the in principle agreement of the majority of Shareholders , to see which scenario would better suit future appetite and risk.

Directors will make every effort to obtain the view of a majority of shareholders prior to the Annual General Meeting on 31 August 2012.

In conclusion, I do wish to use the opportunity to thank the directors, management and staff for their continued hard work and commitment to both myself and the group. This is greatly appreciated. In my personal view given the difficulties and challenges that we have faced, this has been a small sign of "greatness" and as a result thereof we have continued to survive.

To our shareholders I would comment that we all continue to exist in difficult economic times, last seen in the years of the "great depression"

Under trying circumstances we have lost much value but we have survived and directors, management and staff are committed to doing their best for our shareholders to facilitate a recovery.

At times this best may not always appear to be good enough but be assured that in the current environment great care is taken to make the right decisions in order to survive this dreadful financial storm and in so doing position our group to again move forward with confidence.

Hopefully the year ahead will avail us of that opportunity.

Norman Theodore Noland
(South African)
Group Chairman & CEO

Norman Noland is a 62 years old entrepreneur and businessman with extensive experience in the international financial services sector and as a leader and an investor in both the public and private markets.

Since leaving Standard Bank in 1995 he has been involved in acquiring and establishing a number of businesses, both locally and internationally in the financial services, IT, property and leisure sectors.

His international experience includes directorships of companies listed and private in South Africa, Mauritius, Switzerland, Germany, Luxembourg, Guernsey, Jersey and Isle of Man.

Norman has an impressive CV and track record and is respected in his church community and business.

Sanjeeven Ramasawmy
(Mauritian)
Finance Director

Sanjeeven Ramasawmy joined the board of Dale in June 2009 as Finance Director bringing his accounting and auditing experience to the Group.Born in 1981 in Mauritius, Sanjeeven started his career in December 2003 as an Accounts Officer with the Sugar Investment Trust in Mauritius. In April 2005, he was promoted to Finance Accountant of the Sugar Investment Trust, a group holding investments in the sugar milling, power generation, leisure, property development and banking sectors. In June 2006, Sanjeeven took up the position of team Leader at Horwath (Mauritius), a member of Horwath International, where he became involved with the audit of offshore companies and cross-border audits in the following sectors: Investment management and holdings, Fund investment and Fund management, Investment advisory services, Insurance brokering services, Information Technology, Leisure and tourism, Shipping Derivative trading, Mineral surveying. Sanjeeven is fluent in English and French.

Nigel Hampton McGowan
(British)
Non-Executive Director

Nigel McGowan qualified as a Chartered Accountant in 1991 with Deloitte, London before returning to the Isle of Man in 1995. After a further 3 years with Deloitte Nigel held senior finance roles with Isle of Man Assurance and Simcocks Advocates before becoming self employed in 1995. Nigel currently has a number of business interests, primarily the environmental business, Dry Planet, involved in the manufacture and supply of water saving products. Nigel is a non-executive director and advisor to a number of companies and is a past Chairman of the Isle of Man Society of Chartered Accountants.

Jacobus Cornelis Pauw
(South African)
Non-Executive Director

Jacobus Cornelis Pauw founded the Fintrust Group in 1977 and is its Chairman & CEO. Fintrust was primarily an insurance and investment brokerage firm. During the early '80's Fintrust turned its interest to property investments, which culminated in 1989 in a 50/50% partnership with Syfrets (which later became Nedcor Investment Bank), part of the Old Mutual group, to establish the SYFIN group.

He served as CEO for several years, later as Chairman of the Syfin Group of Companies. Amongst other, Syfin initiated the R1, 5 billion + N1 City regional multi-use property project in the Cape Peninsula. Syfin is still in existence today, however under different ownership and management.

Since the middle 90's, Fintrust also became an angel investor on a private equity basis in a number of ICT companies and Jacques served on various boards, mostly in the S.I.T. (Security, Identification and Tracking) markets. Fintrust sold its property interests in Syfin in 2000 to explore international project-funding opportunities until 2005 when it began to concentrate its investment participation, in addition to financial services and ICT products, into cleantech opportunities, minerals beneficiation and intellectual property commercialization.

Financial Director

The year saw the continued depression of the capital markets making it difficult to raise new capital for operations and projects. The executives expected the EnerG Capital Limited IPO in London to be proceeded with but continued Euro Zone turmoil's kept hesitant institutional investors from committing to the IPO. Anticipated relief from the IPO to group liquidity was thus regrettably not forthcoming.

In this respect executives have removed the opportunity from its focus. Whilst there is potential for marginal benefit if the consortium sells the project to other interested parties, the executives do not anticipate any of this unfolding soon.

The executives approached several asset managers in the first half of the year with a view to raising the required capital to clear debt, without any success. The principal reasons for lack of interest are narrowed down to the following:

1. The level of security already secured by senior lenders is too high.
2. Nature of investment sizes was too small for current mandates.
3. Lack of a second corporate/Institutional investor as a partner in business segments.
4. Gearing of the Company was too high.
5. Low Liquidity of the Group and underwriting capacity of current major shareholders.

Repositioning of the Group

Given a worsening situation in the group's liquidity, the investment committee proceeded to assess the viability of its capital intensive future projects. As a result executives proceeded with a decision to withdraw from these, property related projects, and a concerted effort is being made to sell the properties concerned. In addition to the above a sale of certain financial services related investments was proceeded with to reduce debt.

The Group's historical focus has been on investment in the Southern African Developing Community (SADC) region, primarily in South Africa and Mauritius. Plans are currently been considered to explore investment opportunities in Botswana and Zimbabwe via a carefully structured corporate merger.

The first phase of the re-positioning will potentially see the reversal of the Amara Group of Companies into Dale subject to relevant approvals, followed by the majority acquisition of a small Botswana based offshore bank.

HOTELS AND LEISURE PROPERTY

Shelley Point

Shelley Point Peninsula Picture

2012 marked the first year as a full 88 room Hotel and provided valuable experience to executives and a basis for the future of the Hotel. Although cash flow constraints continued and Interest payments placed heavy burdens on the Group, the Hotel did manage to increase its awareness in the corporate and leisure sectors, resulting in a gradual increase in occupancy and revenue.

The Management at the hotel have identified areas for improvement in operating efficiencies and cost reduction and have implemented plans to implement same. A core component of future strategy is to reduce the debt attached to this facility by way of new equity capital which will not be realised unless the cost infrastructure is further reduced by at least 20%. Executives continue to explore partnerships and /or sale but given the depressed times this is showing itself to be an extremely difficult task.

Information Technology

Amara Technologies
The executives are of the opinion that the investment and time resources expended on this investment will evidence significant return over the next few years commencing in the 2013 financial year.

Amara Tech (Proprietary) Limited is an independent third party processing business providing CRM enhanced payment solutions and products to the African marketplace. This is the technology heart of the business and provides the following key solutions:

- A MasterCard accredited issuing and acquiring financial switching platform
- An integrated mobile banking platform
- A T24 banking back-end system
- A seamless integrated loyalty platform
- An enhanced customer relationship management CRM system
- An innovative private label platform
- Ability to provide customised branded solutions

One of the most valuable attributes of the business is the strength and collective knowledge of the Executive and Management committed to delivering the proposition and establishing the AMARA Group as a recognized brand within the African Financial Services marketplace.

The project deal flow is significant but as is always the case with new emerging business, a requirement for operating/expansion capital is necessary. This is an annuity income stream investment and projects have already commenced in Botswana, Zimbabwe and Uganda. It is anticipated that as soon as licenses are obtained to operate in South Africa (for MasterCard, where we are currently awaiting Reserve Bank approval), that contracts which have already been committed to agreement will ensure rapid annuity income generation. Partners are confident that the proposed merger with Dale will assist in the raising of expansion capital.

Amara Tech (Proprietary) Limited is an accredited MasterCard third party processer delivering payment

solutions, including but not limited to MasterCard debit and prepaid debit card products and acquiring services to the African marketplace. On 3 November 2010 AMARA (SA) "went live" and as a result thereof has commenced with the implementation of its first exclusive third party processing contract with Kingdom Bank Africa Limited, based in Gaborone, Botswana, who is a MasterCard principal license holder and simultaneously with that, implementation of its contract with Kingdom Bank Limited (Zimbabwe).

Amara Technologies International Limited - BVI, is in negotiations with key players in the Eastern and Northern Africa regions to participation in projects with common synergies.

Panafra

Panafra has the exclusive right to uses the trademark "Quiptel™" and variations and stylized forms thereof as the identifying mark for the global multi-media voice network maintained and operated by OrbitalCom. Panafra uses the right to distribute and trade within the African continent to other companies, organizations and networks, and Internet Service Providers. Orbital is a company incorporated under the Laws of Saints Vincent.

Universal Phone Company

Universal Phone Company was founded in March 2007 with the specific aim of exploiting the recent liberalization of the South African Telecommunications industry. UPC is licensed to provide VANS including the carrying of Voice in terms of section 40 of the Telecommunications Act 103 of 1996.

The founding members of the company have been operating in the international calling card industry in the UK since 1998, and opened offices in South Africa with the legalization of VoIP (Voice over Internet Protocol) in February 2005. Against a backdrop of increasing de-regulation UPC have been very successful in building a voice network piggy backing on the previously owned State owned Transtel national fibre network (Now Neotel), giving it access to 13 voice POPS (Point of Presence) around the country.

Given the connection of the SEACOM internet cable to the east of Africa, there has been an increase in developments in the Internet space, the Group has started negotiations with Companies concentrating in this area of Information Technology to sell off the investments in Panafra and Universal Phone Company.

Business Review

Fish, fine Food and Beverages

The year saw the diversification strategy adopted by the Company bear fruit as 20% of its revenue came from the Restaurant. The Group has set up a Marquee with a 300 seat capacity to allow an expansion of its function capacity.

The continued downward pressure on the Tourism market and fallout from the Euro zone crisis has caused for lesser demand from the tourism related procurers in the high end of the market but Management has managed to maintain Sales.

The Company is currently seeking strategic investors in order to reduce the concentration risk of its current client base in Mauritius and looking forward to regional expansion.

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Financial Services

The Group exited its investments in the Financial Services sector in the year to reduce debt on its books. The group maintains a buy back option for 50% of its original investments in Afrasia Bank Limited.

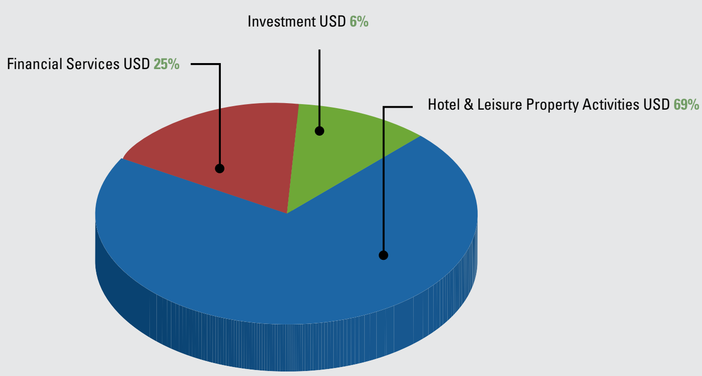
The Company has initiated negotiations to form a consortium for the acquisition of a Bank in SADC operating in the offshore segment. The Transaction will be concluded when sufficient capital has been raised and debt issues cleared.

Given the success of this segment although the Group does not hold a large part of the Financial Services investments, it is the intention of the Group to turn its focus more into a Financial Services Holdings Company given it has always been a profitable sector for the Group. Stronger shareholders and Partners would be required and with a view to strengthening the capital base of the company.

Financial Results

Revenue was back on the rise this year as the Hotel sector entered full operations and other segments started to bring in revenue. Although minimal, the slight

REVENUE



increase in revenue from small sectors was indicative of the longer term potential of these investments.

Finance costs continued to be high representing almost 25% of total expenses. Almost 58% of costs related to the Shelley Point Hotel and Management continue to focus on procedures to reduce operating expenses in the new financial year, including restructuring in personnel and new middle line Management.

Debt and Liquidity

The executives are currently negotiating for the sale of Shelley Point and the removal of all debt focussed on this investment. In the short term this may result in part impairment of value but if successful the net position will place the group in a position to realise / recover value in the future, whilst at the same time remove the interest debt burden and the requirement to continually support the hotels cash flow during the current economic climate.

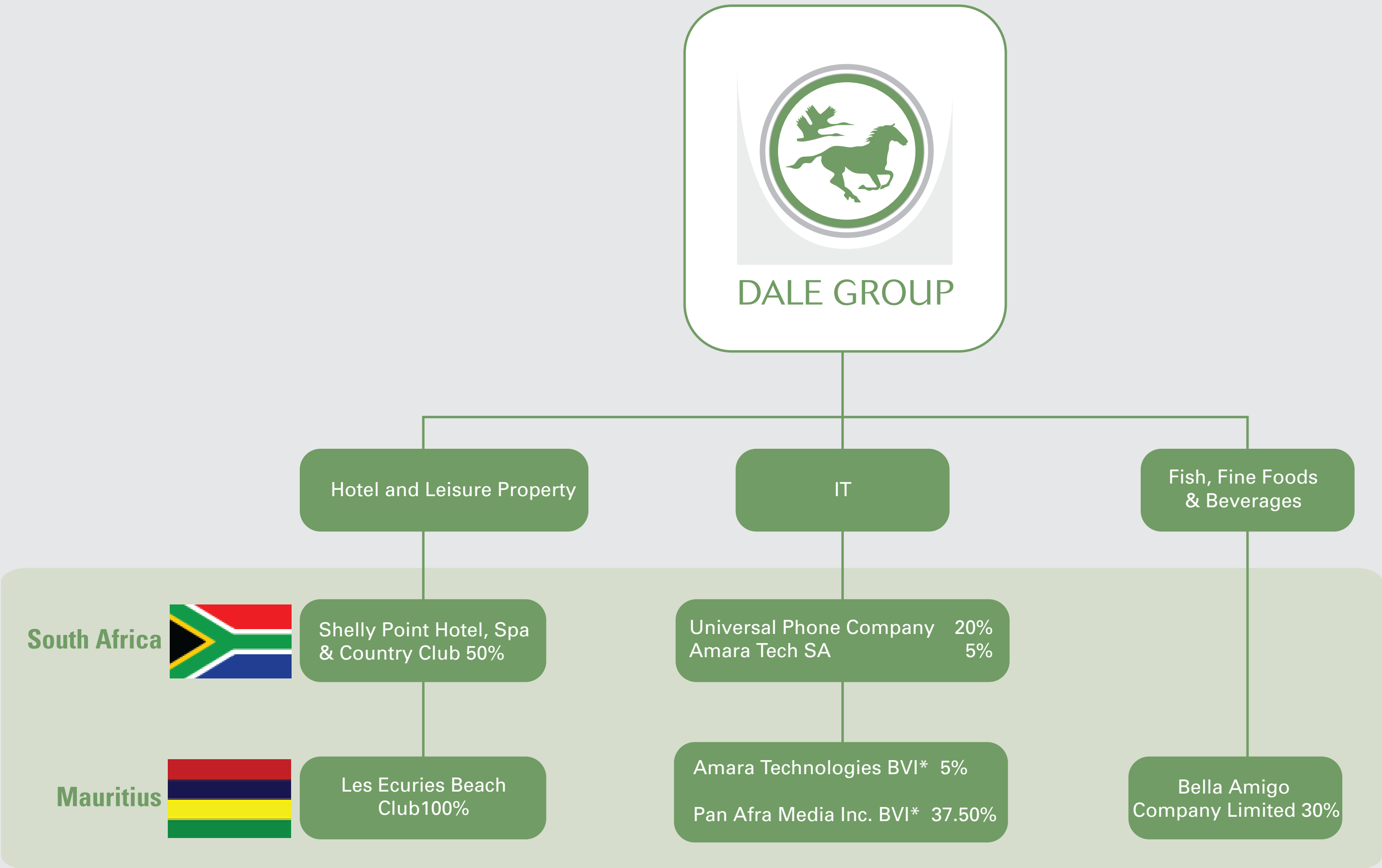
Future Prospects:

Les Ecuries Hotel and Spa

Given the continued delays in capital raising and the Eurozone downturn the investment committee decided to withdraw as a promoter of the Project, as the Company would not have been able to meet the liquidity pressures of a second Hotel in its first phase. The related property is up for sale and the Group looks at recovering its investments made into same.

As indicated in the Chairman's Report the Group is investigating the possibility of reversal of the Amara Group of Companies and converting the Company into a Financial Services Holding Company.

Group Structure



* Incorporated in the British Virgin Islands.

Corporate Report

Statutory and corporate governance information

Principal Activity

Dale Capital Group Limited is a Private Equity Investment Holding Company listed on the official market of the Stock Exchange of Mauritius. Investing with its own funds and also with the funds of partners and co-investors, the Company invests in the SADC region, primarily in the following sectors:

- Hotel and Leisure,
- IT,
- Fish, Fine Food and Beverages,
- Financial Services

Dale Capital Group Limited invests either in controlling interests or in influential, but non-controlling stakes, in both private businesses and publicly quoted companies. In the later case the Company aims to achieve private equity style returns through rigorous active ownership.

Tax status

Being incorporated in the British Virgin Islands (B.V.I) and under its current Laws, dividends remitted to Shareholders resident outside the B.V.I are not subject to withholding tax. The Company itself is not subject to taxes on its profits nor on income derived outside the B.V.I. There are no capital gains taxes, estate duty or inheritance tax applicable to Shares held by non-residents of the British Virgin Islands. Subsidiaries and Step subsidiaries of the Company are subject to taxes of the countries in which they are incorporated. Currently the company holds investments in companies which are taxable in Mauritius and South Africa.

Regulation

Although there is no requirement for the company to be regulated in the B.V.I to act as an investment holding company, the company is subject to the following:

- Listing Rules of the Stock Exchange of Mauritius.
- FSC Rule of Mauritius
- Securities Act of Mauritius
- Companies Act of the B.V.I

In respect of the Company's investments, the following regulated entities were within the Group prior to their sale:

Name of Companies	Country of Incorporation	Regulator
Trinity Asset Management International Limited	Mauritius	Mauritius Financial Services Commission
Trinity Asset Management SA (Pty) Limited	South Africa	Financial Services Board
Dale International Trust Company Limited	Mauritius	Mauritius Financial Services Commission
AfrAsia Bank Limited	Mauritius	Bank of Mauritius

Statutory and corporate governance information

Results and Dividends

The financial statements of the Company and the Group for the year ended 28 February 2012 appear on pages 31 to 55. Total recognised income for the year was USD 2,425,376 and expenses of USD 3,724,115.

The Directors do not recommend the payment of a final dividend to ordinary shareholders for the year ended 28 February 2012.

Operations

The Group operates through a number of offices in Mauritius and South Africa with the South African office accommodating the regional support office.

Management arrangements

The Group outsources a number of services which is provided for on a fee basis for the work done and costs incurred in providing such services.

The Group also outsourced some of its services to its subsidiaries and step subsidiaries.

Business review

The Group's development during the year to 28 February 2012, its position at that date and the Group's likely future development are detailed in the Chairman's statement and the Business review.

Share capital

The share capital of the Company as at 28 February 2012 consisted of 25,777,072 Ordinary shares of which 2,360,376 were held in Treasury.

Issue of shares for cash

No additional shares for cash were issued during the year.

Treasury Shares

The following transactions were undertaken using shares from Treasury:

Date	Purpose	Number of shares
28/02/11	Balance Brought Forward	2,977,014
29/08/11	Issue of shares to Directors	(616,638)
28/02/12	Balance Carried forward	2,360,376

Major interests in Ordinary Shares

As at 15 May 2012, the Company had been notified of the following interests in the Company's Ordinary shares in accordance with Rule 11.10 of the Listing Rules and Section 92 of The Securities Act 2005.

Shareholder	Number of Ordinary shares	% of Issued Share Capital
Wanaka Property Holdings Limited	3,225,855	12.51
Woodlands Global Holdings Limited	3,001,968	11.64
Mattala Pension Funds	2,710,511	10.52
Shelley Point Investment Holdings Limited	2,231,873	8.66
Woodlands House Investment Holdings Limited	1,748,909	6.78

Statutory and corporate governance information

Directors Interest

The interests of the Directors in the shares of the Company up to 28 February 2012 as stated in the register of Director's interests are shown below.

Director	Direct	Indirect	Total Shares Held	% of issued Share capital
Mr. Norman Noland	-	1,098,582	1,098,582	4.26%
Jacobus Cornelis Pauw	7,806	-	-	0.03%
Nigel McGowan	-	30,249	30,249	0.18%
Mr. Sanjeeven Ramasawmy	112,566	-	112,566	0.44%

Save as detailed above, no Director had any disclosable interest in the shares of the Company or in the shares of its subsidiaries during the period.

Directors' service contracts.

The Chief Executive Officer and Financial Director hold office under the Company's Articles of Association and their remuneration is decided by the remuneration committee. Their appointment letter provides that there is no entitlement to compensation or other benefits on ceasing to be a Director.

There are no provisions for compensation of Executive Directors on early termination, save that the Company can elect to give pay in lieu of notice. The Remuneration Committee may consider compensation on early termination of employment on individual basis whilst complying with their duty to mitigate any loss will always be a relevant factor.

Options

No options were in force as at 28 February 2012.

Director's remuneration and benefits

	2012 $	2012 $
Executive Directors	Director Fees	Shares
Mr. N Noland	84,578	150,000
Mr. S Ramasawmy	40,678	75,000
Non-Executive Directors		
Mr. K C Li Kwong Wing	Nil	10,000
Mr. N McGowan	Nil	10,000
Mr. J Blum	Nil	10,000
Mr. Jacobus Cornelis Pauw	Nil	5,000
Executives took part of their remuneration in shares and non-executives were settled in shares		

Corporate governance

The Company has a policy of seeking to comply with established best practices in the field of corporate governance. The Board has adopted core values and Group standards which set out the behaviour expected of directors and staff in their dealings with shareholders, customers, colleagues, suppliers and other stakeholders of the Company. One of the Core values communicated within the Group is a belief that the highest standard of integrity is essential in business.

The Board's Responsibility and Processes

The Board is responsible to shareholders for the overall management of the Group. It determines matters including financial strategy and planning and takes major business decisions. The Board has put in place an organisational structure and is responsible for the Group's system of internal control and reviews its effectiveness. Such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives and can provide only reasonable and not absolute assurances against material misstatement or loss. The Board or its duly authorised committee's aims to maintain full and effective control over appropriate strategic, financial, operational and compliance issues. The Board has put in place an organisational structure with clearly defined lines of responsibility and delegation of authority.

Procedures have been established for the planning and controlling of expenditure and the making of investments. There are also information and reporting systems for monitoring the Group's businesses and their performance.

The roles of the Chairman and Chief Executive

During the year to 28 February 2011, the Board elected a Chairman who acted in an executive position and a Chief Executive Officer, as detailed below.

The Chairman during the financial year 2012 acted as an executive and led the Board in the determination of its strategy and in the achievement of its objectives. The Chairman was responsible for organising the Business of the Board, ensuring its effectiveness and setting the agenda. The Chairman had involvement in the day-to-day business of the Group. The Chairman facilitated the effective contribution of the non-executive Directors and constructive relations between executive and non-executive Directors.

As Chief Executive Officer he had direct charge for the Group on a day-to-day basis and was accountable to the Board for the financial and operational performance of the Group.

As of the 1 of March 2011, the Chairman adopted the role of Group Chief Executive officer of the Group and South African operations with the Financial Director assuming an unofficial deputy-CEO role in all subsidiaries and investments outside of South Africa. It was decided in an effort to keep costs down not the recruit another group CEO until the individual subsidiaries had increased in operational cash flows sufficient to require same.

Directors

During the financial year 2012, the Board comprised of three Independent Non-Executive Directors, and two non-executives resigning towards the end of the year. The Board intends to appoint replacements after the completion of merger talks with Investee Partners. Biographical details of remaining Directors are set out on page 5.

Directors' Independence

Save as detailed above or disclosed in circulars to shareholders, no Director was materially interested in any contract or arrangement subsisting during or at the end of the financial period that was significant in relation to the business of the Company.

Re-election

Subject to the Company's Articles of Association, the BVI Business Companies Act 2004 and satisfactory performance evaluation, Directors are appointed to serve indefinitely until resignation or removal.

The Board's Committees

The Board is assisted by various standing committees of the Board. The membership of these committees is regularly reviewed by the Board. When considering committee membership and chairmanship, the Board aims to ensure that undue reliance is not placed on particular Directors. These committees all have clearly defined terms of reference. Following the resignation of two non-executives, the full Board will take over the functions of the Commitees described below until replacements are approved.

Statutory and corporate governance information

Audit and Compliance Committee

During the year ended 28 February 2012, the audit and compliance committee comprised of Nigel McGowan (Chairman) and Sanjeeven Ramasawmy by invitation. The audit and compliance committee have primary responsibility for monitoring the quality of internal controls and ensuring that financial performance is properly measured and reported. It receives and review reports from the Groups management and auditors relating to the interim and annual accounts and the accounting and internal control systems. The audit and compliance committee will meet not less than once in each financial year and will have unrestricted access to the Company's auditors. The audit and compliance committee is also responsible for reviewing the adequacy of the Groups' regulatory and compliance policies.

Remuneration Committee

During the year ended 28 February 2012, the remuneration committee comprised of Dr. Giorgio Blum and Nigel McGowan. The remuneration committee reviewed the performance of the executive directors and employees and made recommendations to the Board on matters relating to their remuneration and terms of employment. The remuneration committee will also consider and approve the granting of share options and other equity incentives and any other share option scheme or equity incentive scheme in operation from time to time. The remuneration committee will meet at least once each year and on other occasions as and when necessary.

Valuation Committee

During the year ended 28 February 2012, the valuations committee role was undertaken by the investment Commitee given the reduced investment activity.

Investment Committee

During the year ended 28 February 2012, the investment committee comprised Norman Noland (Chairman), Jacobus Cornelis Pauw and Sanjeeven Ramasawmy.

The investment committee made recommendations to the Board concerning investments and reviewed existing investments.

It had the following powers:

- up to USD 1,000,000 without prior approval of the Board of Directors (BOD).
- between USD 3,000,000 and USD 5,000,000, with the Chairman but without prior approval of BOD.
- USD 5,000,000 required prior approval of BOD.

Attendance of meetings Directors during year	Director's Meeting #	Audit Committee #	Remuneration Committee	Valuation Committee	Investment Committee **
Norman Noland	4/4	4/4*	1/1*	-	16/16
Sanjeeven Ramasawmy	4/4	4/4*	-	-	16/16
Kee Chong Li Kwong Wing	4/4	-	-	-	-
Nigel McGowan	4/4	4/4	1/1	-	-
Dr. Jurg P. Blum	4/4	-	0/1	-	-
Mr. Jacobus Cornelis Pauw	4/4	-	-	-	16/16

Notes:
* by invitation, ** Investment Committee members continuously discuss investment on a daily basis with formal meetings held to approved transactions. # includes approval of accounts.

Statutory and corporate governance information

Company Secretary

The Company Secretary is responsible for advising the Board on governance matters. Dale International Trust Company Limited (DITC), a company licensed by the Financial Services Commission of Mauritius is appointed as the corporate secretary.

Portfolio management and voting policy

In relation to unquoted investments, the Group's approach is to seek to add value to businesses in which the Group invests through the Group's extensive experience, resources and contacts. In relation to quoted investments, the Group's policy is to exercise voting rights on matters affecting the interests of the Group.

Charitable and Political donations

In an effort to be as effective as possible, the Group's philosophy is to take on a small number of projects to which the group can make ongoing contributions. A few projects, in the local community of St. Helena Bay, have been successfully completed during the year under review.

This strategy will be supported by an approach which will include the sponsoring of specific projects and where appropriate, becoming equity and funding partners of business that are focused on the transformation of disadvantaged communities. This year the Group has continued to support the Dale Buddies initiative in Souh Africa.

Statement of Director's Responsibilities

The Directors are required by law, the Listing Rules of the Stock Exchange of Mauritius and the Securities Act of Mauritius to prepare financial statements which give a true and fair view of the state of affairs of the Company and the Group as at the end of the year and of the profit for the year. The Directors have a responsibility for ensuring that proper accounting records are kept which disclose with reasonable accuracy the financial position of the Group and enable them to ensure that the financial statements comply with all relevant laws and regulations. They have a general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities. Suitable accounting policies, which follow generally accepted accounting practice and are explained in the notes to the financial statements, have been applied consistently and applicable accounting standards have been followed. In addition, these financial statements comply with International Financial Reporting Standards and reasonable and prudent judgements and estimates have been used in their preparation.

Going Concern

The Directors will by time of print have approached the larger shareholders for further commitment of working capital and support for the revised strategy put forward.

Auditors' independence and objectivity

Subject to annual appointment by shareholders, auditor's performance is monitored on an ongoing basis and formally reviewed each year. The Audit and Compliance Committee reviewed the auditors' performance during the year and concluded that Crowe Howarth (Mauritius) should continue.

Appointment of auditors

A resolution proposing the reappointment of Crowe Howarth (Mauritius) will be put to the members at the forthcoming AGM.

By order of the Board
30 May 2012
Dale International Trust Company Limited
Secretary to the Company

Financial Report

ACTIVITIES

Dale Capital Group Limited is a Private Equity Investment Holding Company listed on the official market of the Stock Exchange of Mauritius. Investing with its own funds and also with the funds of partners and co-investors, the Company invests in the SADC Region primarily in the following sectors,

- Hotel and Leisure,
- Property,
- IT,
- Fine Food and Beverages,
- Financial Services.

The group was involved in a project in the renewable energy sector in Europe. Given the Euro meltdown the Institutional Investors have delayed indeterminately their co-participation in same, resulting in the delay of the Project and the much anticipated revenue to the group.

Dale Capital Group Limited invests either in controlling interests or in influential, but non-controlling stakes, in both private businesses and publicly quoted companies. In the latter case the Company aims to achieve private equity style returns through rigorous active ownership.

RESULTS

The results for the year are shown in the consolidated statement of income set out on pages 26.

DIRECTORS

The present membership of the Board is set out on the inside front cover. Mr Kee Chong Li Kwong Wing and Dr. Giorgio Blum resigned during the year.

DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE CONSOLIDATED FINANCIAL STATEMENTS

It is the directors' responsibility to prepare consolidated financial statements for each financial year, which give a true and fair view of the state of affairs and of the profit or loss of the Group and the Company. In preparing those consolidated financial statements, the directors have:

- selected suitable accounting policies and then applied them consistently;
- made judgements and estimates that are reasonable and prudent;
- stated whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the consolidated financial statements; and
- prepared the consolidated financial statements on the going concern basis.

The directors confirm that they have complied with the above requirements in preparing the consolidated financial statements.

The directors are also responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Group and the Company. They are also responsible for safeguarding the assets of the Group and the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Commentary in respect of Audit Opinions;

(i) With Reference to the basis for qualification in regard to the valuation of the property ;

The Property was valued as recently as August 2010 for a combined value on a replacement cost basis of ZAR 169 Million. Directors are currently in negotiations for the sale and merger of the hotel with another Property Group and letters of intent have been signed in this respect. Any revision of market value on the property will be established after the completion of negotiations of the sale and merger. Given the substantive conditions that need to be completed prior to the conclusion of the transaction, the transaction value will be more accurately determined during this process.. Given the requirement to have the accounts finalised in order for consolidated reporting requirements of the parent, the directors have finalised the accounts with the qualification as is. The Directors are confident that any prospective valuation will not be significantly different from the value being reported.

(ii) With Reference to the Emphasis of Matter on the investments in the Amara Group;

The valuation of investment in the Amara Group of Companies, have been reported at the same level as last year. The Amara Group & Associates, having already been granted a MasterCard Processors License are now in the final stages in the approval process for a MasterCard Principal Issuer Licence for the South African Market.

The Group has started to process MasterCard transactions for two banks outside of South Africa. The issuers license, when finally approved, will provide significant revenue for the group, given numerous contracts which have already been contractually signed.

The Directors are confident that the issuers license will soon be finally approved. On the assumption of this approval, value add partners have committed to significant investment to expedite strategy implementation. Directors confirm that announcement will be made before the annual report is distributed in this respect and as such have not undertaken any new valuation

(iii) With Reference to Going Concern of the Group;

The Directors have already initiated procedures for the sale of assets in segments being exited and as such expects the Company to be able to recover sufficient receivables to be able to continue as a going concern on the investment operational side. As regards concerns over the hotels operational cash flow, the directors are expecting the finalising the merger prior to the winter months and senior debt restructuring will be completed. Shareholders will be provided with an update to allow for a vote to assess support at the AGM for the continued listing of Dale Capital Group and for the required cash flow in order to see through merger talks and liquidity issues.

AUDITORS

The auditors, **Messrs. Crowe Horwath (Mur) Co.**, have indicated their willingness to continue in office.

On behalf of the Board of Directors

Sanjeeven Ramasawmy
Director

Independent Auditors' Report to the members of Dale Capital Group Limited

We have carried out a special purpose audit on the accompanying consolidated financial statements of **DALE CAPITAL GROUP LIMITED**, the "Company" which include the financial statements of its subsidiaries together referred as the "Group, and which comprise the consolidated statement of financial position as at 28 February 2012, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended as set out on pages 25 to 30, and a summary of significant accounting policies and other explanatory information as set out on pages 31 to 55.

Directors' responsibilities for the consolidated financial statements

The directors are responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards, and for designing, implementing and maintaining such internal control as they determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatements, whether due to fraud or error. They are also responsible for keeping proper accounting records and also for selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

Auditors' responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgement, including the assessment of risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of the accounting estimates made by the directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Basis for Qualified Opinion

The Company has investment in the subsidiary, Dale Capital Investment Holdings Limited (BVI), which has in turn invested in Dale Capital Holdings SA (Proprietary) Limited which has investment in Shelley Point Hotel Spa and Country Club (Proprietary) Limited ("Shelley") which owns land and buildings which have been accounted for using the revaluation model and which have a carrying amount of ZAR 141,456,310 as at 29 February 2012.

The auditors of Shelley have in their audit report dated 24 May 2012 expressed their opinion under heading "Basis of qualified opinion" of the report that they are of opinion the land and buildings owned by Shelley should possibly be impaired on the basis that the latter is having low levels of revenue, occupancy rates and operating losses and also on the basis that no valuation has been carried out on the said land and buildings for them to be able to express an opinion on the value carried on the financial statements and on the tax effects thereof.

Independent Auditors’ Report
to the members of Dale Capital Group Limited

Opinion

In view of the significance of the matters referred to in the preceding paragraph and of the effects of any adjustments that might have been deemed necessary to the Company’s investment in the subsidiary, in our opinion, the financial statements present fairly, in all material respects, the financial position of Dale Capital Group Limited as at 28 February 2012, and of its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards.

Emphasis of Matters

Without qualifying our opinion, we draw attention to Note 3 and Note 8 of the consolidated financial statements under the following headings;

(i) Going Concern

As stated in Note 3, the consolidated financial statements have been prepared on the going concern basis, which assumes that the Company will continue in operational existence for the foreseeable future. The ability of the Company to continue as a going concern is dependent on a number of factors. The most significant of these is the successful implementation and execution of a plan resulting in the commencement of profitable operations and the directors continuing to procure funding for the on-going operations for the Company. The validity of this assumption depends on the continued procurement of medium/long term funding from third parties and also on the presumption that the Company would start receiving dividend income from its underlying investments. The directors are of the opinion that the funding support will be forthcoming over the next twelve months. Hence, they consider that it is appropriate for the consolidated financial statements to be prepared on the going concern basis.

(ii) Valuation of Amara Group of Companies

As stated in note 8, there has not been any changes in the value of the investment in the Amara Group of Companies, since last year and that the directors have assessed that value for the said investment to approximate its fair value.

Report on Other Legal and Regulatory Requirements

Financial Reporting Act 2004

The directors are responsible for preparing the Corporate Governance Report and making disclosures required by Section 8.4 of the Code of Corporate Governance of Mauritius (Code). Our responsibility is to report these disclosures.

In our opinion, the disclosures in the Corporate Governance Report are consistent with the requirements of the Code.

Other Matter

This report, including the opinion, has been prepared for and only for the Company’s members, as a body, in accordance with Securities Act 2005 and for no other purpose. In forming the above opinion, we do not, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Crowe Horwath (Mur) Co.
Public Accountants

K.S. Sewraz, FCCA
Signing Partner
Licensed by FRC

Date: 30 May 2012
Port - Louis, Mauritius

Consolidated Statement of Financial Position As At 28 February 2012

		The Group		The Company	
		2012	2011	2012	2011
	Notes	USD	USD	USD	USD
ASSETS					
Non-current assets					
Property, plant and equipment	4	20,168,631	22,072,174	-	-
Investment property	5	1,062,400	1,181,372	-	-
Intangible assets	6	-	736,381	-	-
Investment in subsidiaries	7	-	-	9,321,928	12,954,616
Investment in financial assets	8	4,713,877	9,229,542	231,257	70,156
Deferred taxation	9	-	92,701	-	-
		25,944,908	33,312,170	9,553,185	13,024,772
Current assets					
Inventories & deposits	10	159,956	191,175	-	-
Trade and other receivables	11	52,413	302,213	-	4,008
Loans receivable	12	1,890,560	1,379,711	2,620,443	8,783,329
Cash and cash equivalents		56,855	1,099,096	4,448	1,038,303
		2,159,784	2,972,195	2,624,931	9,825,640
TOTAL ASSETS		**28,104,692**	36,284,365	**12,178,116**	22,850,412
EQUITY AND LIABILITIES					
Capital and reserves					
Stated capital	13	21,818,315	21,818,315	21,818,315	21,818,315
Treasury shares	14	(1,980,397)	(2,494,264)	(1,980,397)	(2,494,264)
Revaluation reserve		3,711,509	5,327,996	-	-
Translation reserve		1,209,255	928,567	-	-
Retained earnings		(13,366,199)	(9,612,663)	(10,658,308)	(829,614)
Equity attributable to equity holders of the parent		11,392,483	15,967,951	9,179,610	18,494,437
Non-controlling interest		5,204,546	6,250,008	-	-
		16,597,029	22,217,959	9,179,610	18,494,437
Non-current liabilities					
Borrowings	15	2,609,928	2,791,861	2,377,403	2,740,654
Financial liabilities	16	5,998,766	6,058,004	-	-
		8,608,694	8,849,865	2,377,403	2,740,654
Current liabilities					
Trade and other payables	17	811,222	2,074,695	67,460	205,581
Borrowings	18	526,104	743,408	483,643	409,740
Bank overdraft	19	1,558,208	2,393,276	70,000	1,000,000
Taxation	20	3,435	5,162	-	-
		2,898,969	5,216,541	621,103	1,615,321
TOTAL EQUITY AND LIABILITIES		**28,104,692**	**36,284,365**	**12,178,116**	**22,850,412**

Approved by the Board of Directors on: 30 May 2012

Norman Theodore Noland
Director

Sanjeeven Ramasawmy
Director

The notes on pages 31 to 55 form an integral part of these consolidated financial statements.

Consolidated Statement of Income

For the year ended 28 February 2012

		The Group		The Company	
		2012	2011	2012	
	Notes	USD	USD	USD	USD
Continuing Operations					
Revenue	21	2,443,975	2,351,250	250,000	-
Investment income		128,325	74,126	-	11,262
		2,572,300	2,425,376	250,000	11,262
Expenses					
Administrative expenses		(623,058)	(491,079)	(438,236)	(257,840)
Operating expenses		(3,974,116)	(3,233,036)	(14,928)	(46,471)
		(4,597,174)	(3,724,115)	(453,164)	304,311
(Loss)/ Profit from operations		(2,024,874)	(1,298,739)	(203,164)	(293,049)
Finance costs	22	(1,482,811)	(861,276)	(735,730)	(251,223)
Other losses on investments	23	(982,650)	(203,623)	(8,770,933)	(143,755)
Loss before taxation		(4,490,335)	(2,363,638)	(9,709,827)	(688,027)
Income tax expense		(87,026)	(1,692,639)	-	-
Loss for the year from continuing operations		**(4,577,361)**	(4,056,277)	**(9,709,827)**	(688,027)
Discontinued Operations					
Loss for the year from Discontinued Operations		(102,770)	-	-	-
LOSS FOR THE YEAR		**(4,680,131)**	(4,056,277)	**(9,709,827)**	(688,027)
Attributable to:					
Equity holders of the Company		(3,634,669)	(3,403,268)	(9,709,827)	(688,027)
Non-controlling interests		(1,045,462)	(653,009)	-	-
		(4, 680,131)	(4,056,277)	**(9,709,827)**	(688,027)
Loss per share					
From Continuing and Discontinued Operations		(0.16)	(0.15)	(0.41)	(0.03)
From Continuing Operations		(0.16)	(0.15)	(0.41)	(0.03)

The notes on pages 31 to 55 form an integral part of these consolidated financial statements.

Consolidated Statement of Comprehensive Income For the year ended 28 February 2012

	The Group		The Company	
	2012 USD	2011 USD	2012 USD	2011 USD
LOSS FOR THE YEAR	**(4, 680,131)**	(4,056,277)	**(9,709,827)**	(688,027)
Other comprehensive income				
Exchange differences on translating foreign operations	280,688	206,244	-	-
Available-for-sale financial assets				
Net gain arising on revaluation of available-for-sale financial assets during the year	-	1,909,213	-	-
Reclassification adjustments relating to available-for-sale financial assets disposed of in the year	(1,616,487)	-	-	-
TOTAL COMPREHENSIVE LOSS FOR THE YEAR	**(6,015,930)**	(1,940,820)	**(9,709,827)**	(688,027)
Total comprehensive income attributable to:				
Owners of the Company	(4,970,468)	(1,287,811)	(9,709,827)	(688,027)
Non-controlling interests	(1,045,462)	(653,009)	-	-
	(6,015,930)	(1,940,820)	-	(688,027)

The notes on pages 31 to 55 form an integral part of these consolidated financial statements.

Consolidated Statement of Changes in Equity For the year ended 28 February 2012

THE GROUP

	Stated capital USD	Treasury shares USD	Translation reserve USD	Revaluation reserve USD	Retained earnings USD	Non-controlling interest USD	Total equity USD
At 28 February 2010	**15,888,073**	**-**	**722,323**	**3,418,783**	**(6,209,395)**	**4,628,400**	**18,448,184**
Additional shares issued during the year	5,930,242	-	-	-	-	-	5,930,242
Movement during the year	-	(2,494,264)	-	-	-	2,274,617	(219,647)
	21,818,315	(2,494,264)	722,323	3,418,783	(6,209,395)	6,903,017	24,158,779
Loss for the year	-	-	-	-	(3,403,268)	(653,009)	(4,056,277)
Other Comprehensive Income for the year	-	-	206,244	1,909,213	-	-	2,115,457
Total Comprehensive Income for the year	-	-	206,244	1,909,213	(3,403,268)	(653,009)	(1,940,820)
At 28 FEBRUARY 2011	**21,818,315**	**(2,494,264)**	**928,567**	**5,327,996**	**(9,612,663)**	**6,250,008**	**22,217,959**
Movement during the year	-	513,867	-	-	(118,867)	-	395,000
	21,818,315	(1,980,397)	928,567	5,327,996	(9,731,530)	6,250,008	22,612,959
Loss for the year	-	-	-	-	(3,634,669)	(1,045,462)	(4,680,131)
Other Comprehensive Income for the year	-	-	280,688	(1,616,487)	-	-	(1,335,799)
Total Comprehensive Income for the year	-	-	280,688	(1,616,487)	(3,634,669)	(1,045,462)	(6,015,930)
At 28 FEBRUARY 2012	**21,818,315**	**(1,980,397)**	**1,209,255**	**3,711,509**	**(13,366,199)**	**5,204,546**	**16,597,029**

The notes on pages 31 to 55 form an integral part of these consolidated financial statements.

Consolidated Statement of Changes in Equity For the year ended 28 February 2012

THE COMPANY

	Stated capital USD	Treasury shares USD	Retained earnings USD	Total equity USD
At FEBRUARY 2010	**15,888,073**	**-**	**(141,587)**	**15,746,486**
Additional shares issued during the year	5,930,242	-	-	5,930,242
Shares bought back	-	(2,494,264)	-	(2,494,264)
Movement during the year	-	-	-	-
	21,818,315	(2,494,264)	(141,587)	19,182,464
Loss for the year	-	-	(688,027)	(688,027)
Other Comprehensive Income for the year	-	-		
Total Comprehensive Income for the year	-	-	(688,027)	(688,027)
At FEBRUARY 2011	**21,818,315**	**(2,494,264)**	**(829,614)**	**18,494,437**
Issued out of Treasury	-	513,867	(118,867)	395,000
Loss for the year	-	-	(9,709,827)	(9,709,827)
Other Comrehensive Income for the year	-	-	-	-
Total Comrehensive Income for the year	-	513,867	(9,828,694)	(9,314,827)
At FEBRUARY 2012	**21,818,315**	**(1,980,397)**	**(10,658,308)**	**9,179,610**

The notes on pages 31 to 55 form an integral part of these consolidated financial statements.

Consolidated Statement of Cash Flows

For the year ended 28 February 2012

	Notes	The Group		The Company	
		2012	2011	2012	2011
	USD	USD	USD	USD	
Net cash (used in) / from operating activities	**25**	**(3,837,201)**	(1,599,905)	**(812,464)**	(611,333)
Cash flows from investing activities					
Cash flow effect of disposal of subsidiary	**26**	308,032	-	-	-
Purchase of fixed assets		(333,203)	(2,953,299)	-	-
Purchase of investments		-	-	(220,000)	(10,145,437)
Proceeds from disposal of investments		4,137,590	-	-	-
Net effect of loans with related companies		(510,849)	(468,502)	1,478,631	-
Dividends received		-	29,990	-	-
Puchase of Investment property		-	(1,181,372)	-	-
Net cash from / (used) in investing activities		**3,601,570**	(4,573,183)	**1,258,631**	(10,145,437)
Cash flows from financing activities					
Proceeds from financial liabilities		-	1,238,559	-	2,423,711
Borrowings from related parties		(217,304)	361,320	(289,348)	3,560,638
Proceeds on share issue		-	5,930,242	-	5,930,242
Net movement in loans		-	(1,629,153)	-	-
Net cash from / (used in) financing activities		**(217,304)**	5,900,968	**(289,348)**	11,914,591
Net (decrease) / increase in cash and cash equivalents		(452,935)	(272,120)	156,819	1,157,821
Effect of exchange rate difference		**245,763**	50,526	**(260,634)**	(122,486)
Cash and cash equivalents at start of year		(1,294,180)	(1,072,586)	38,303	(997,032)
Cash and cash equivalents at end of year	**24**	**(1,501,352)**	(1,294,180)	**(65,512)**	38,303

The notes on pages 31 to 55 form an integral part of these consolidated financial statements.

1. General information

The Company was originally incorporated in Mauritius under the International Companies Act 1994 as an International Company with limited liability on 9 October 2000. On 25 July 2002, the Company was converted into a Category 1 Global Business License issued by the Financial Services Commission of Mauritius. On 7 November 2007 ,the Company was registered by way of continuation in the British Virgin Islands (B.V.I) under the name Dale Capital Partners Limited. The company has subsequently changed its name to DALE CAPITAL GROUP LIMITED on 1 March 2011 and in this respect a Certificate of Change of Name was issued by the B.V.I authorities.

The principal activity of the Company is to act as an Investment Holding Company which is listed on the official market of the Stock Exchange of Mauritius. The Company invests its own funds and that of its partners and co–investors; the Company invests in the SADC Region.

The financial statements of the Group and Company are expressed in United States Dollars ("USD") which is considered to be the Company's functional currency.

The following are subsidiaries and step-subsidiaries that have been consolidated with the Company:

Names	% Holding	Country of Incorporation
Subsidiaries and step-subsidiaries		
Les Ecuries Beach Club Ltd	100	Mauritius
Dale Food & Beverages Ltd	100	Mauritius
Dale Capital Investment Holdings Ltd	100	BVI
Dale Capital Holdings (SA) Ltd	100	South Africa
Shelley Point Hotel, Spa and Country Club (Pty) Ltd	50	South Africa
Shelley Point Wellness Centre (Pty) Ltd	100	South Africa
Shelley Point Fine Foods (Pty) Ltd	100	South Africa
Exclusive Access Trading 704 (Pty) Ltd trading as Shelley Point Country Club (Pty) Ltd	100	South Africa
Dale Capital Partners Holdings Ltd	100	BVI
Dale Capital Partners (Mauritius) Ltd	100	Mauritius

2. Changes in accounting policies and disclosures

(a) Adoption of new and revised International Financial Reporting Standards (IFRS)

In the current year, the Group has adopted all of the new and revised standards and interpretations issued by the International Accounting Standards Board ("IASB") and the International Financial Reporting Interpretations Committee ("IFRIC") of the IASB that are relevant to its operations and effective for accounting year beginning on and after 1 January 2011.

(b) Standards and interpretations adopted with no effect on consolidated financial statements

The following new and revised standards and interpretations have also been adopted in these consolidated financial statements. Their adoption has not had any significant impact on the amounts reported in these consolidated financial statements but may impact the accounting for future transactions or arrangements.

Changes in accounting policies and disclosures		Effective Date
IAS 1	Presentation of Financial Statements – Amendments resulting from May 2010 Annual Improvements to IFRSs	1 January 2011
IAS 24	Related Party Disclosures – Revised definition of related parties	1 January 2011
IAS 34	Interim Financial Reporting – Amendments resulting from May 2010 Annual Improvements to IFRSs	1 January 2011
IFRS 1	First-time Adoption of International Financial Reporting Standards - Amendments resulting from May 2010 Annual Improvements to IFRSs	1 January 2011
IFRS 7	Financial Instruments: Disclosures – Amendments resulting from May 2010 Annual Improvements to IFRSs	1 January 2011
IFRIC 13	Customer Loyalty Programmes – Amendments resulting from May 2010 Annual improvements to IFRSs	1 January 2011
IFRIC 14	IAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction – November 2009 amendment with respect to voluntary prepaid contributions	1 January 2011

(c) Standards and Interpretations in issue not yet adopted

At the date of the authorisation of these consolidated financial statements, the following Standards and interpretation were in issue but effective for annual periods beginning on or after the respective date as indicated:

Changes in accounting policies and disclosures		Effective Date
IAS 12	Income Taxes – Limited scope amendment (recovery of underlying assets)	1 January 2012
IFRS 1	First-time Adoption of International Financial Reporting Standards - Replacement of 'fixed dates' for certain exceptions with 'the date of transition to IFRSs'	1 July 2011
IFRS 1	First-time Adoption of International Financial Reporting Standards - Additional exemption for entities ceasing to suffer from severe hyperinflation	1 July 2011
IFRS 7	Financial instruments: Disclosures - Amendments enhancing disclosures about transfers of financial assets	1 July 2011
IFRS 9	Financial Instruments: Classification and Measurement	1 January 2015
IFRS 10	Consolidated Financial Statements	1 January 2013
IFRS 11	Joint arrangements	1 January 2013
IFRS 12	Disclosure of Interests in Other Entities	1 January 2013
IFRS 13	Fair Value Measurement	1 January 2013

3. Significant accounting policies

The principal accounting policies adopted in the preparation of these consolidated financial statements are set out below:

(a) Basis of Preparation of Financial Statements

The Company and the Group have been loss making for the last four years of operations. The Company and the Group are regularly facing financing problems to meet their operating activities. The Company has on numerous occasions entered in financing arrangements whereby it ceded its rights on shares of its underlying investments to obtain finance from third parties.

The consolidated financial statements have been prepared on the going concern basis, which assumes that the Company will continue in operational existence for the foreseeable future. The ability of the Company to continue as a going concern is dependent on a number of factors. The most significant of these is the successful implementation and execution of a plan resulting in the commencement of profitable operations and the directors continuing to procure funding for the on-going operations for the Company.

The validity of this assumption depends on the continued procurement of medium / long term funding from third parties and also on the presumption that the Company would start receiving dividend income from its underlying investments. The directors are of the opinion that the funding support will be forthcoming over the next twelve months. Hence, they consider that it is appropriate for the financial statements to be prepared on the going concern basis.

Basis of presentation

The consolidated financial statements are prepared in accordance with International Financial Reporting Standards (IFRS), which includes International Accounting Standards (IAS) and approved SIC Interpretation issued by IASB. The preparation of financial statements in accordance with International Financial Reporting Standards requires the directors to make estimates and assumptions that could affect the reported amounts and disclosures in the consolidated financial statements. Actual results may differ from those estimates.

The consolidated financial statements are prepared under the historical cost convention, except as modified by fair values of financial instruments carried on the reporting date.

(b) Basis of consolidation

Subsidiaries are all entities over which the Company has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

The purchase method of accounting is used to account for the acquisition of the subsidiaries by the Group.

The Group's financial statements include the financial statements of the Company and its subsidiaries and step-subsidiaries and are made up to 28 February 2012. The results are included in the consolidated financial statements and all intra group transactions and balances have been eliminated.

The financial statements of the subsidiaries and step-subsidiaries incorporated in South Africa referred to in note 1 have been presented in accordance with International Financial Reporting Standards and in a manner required by the Companies Act of South Africa.

3. Significant accounting policies (Continued)

(c) Investment in subsidiary

Subsidiary undertakings are those entities in which the Company has an interest of more than one half of the voting rights or otherwise has the power to exercise control over the operations.

Investment in subsidiary is shown at cost. Where an indication of impairment exists, the recoverable amount of the investment is assessed. Where the carrying amount is greater than the estimated recoverable amount, it is written down immediately to its recoverable amount and the difference is charged to the statement of comprehensive income. On disposal of the investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the statement of comprehensive income.

(d) Investment in associate

Investment in associate is accounted for using the equity method. Under the equity method, the investment in the associate is initially recognised at cost and the carrying amount is increased or decreased to recognise the Company's share of the profit or loss of the associate after the date of acquisition. Distributions received from the investee company reduce the carrying amount of the investment.

(e) Leases

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership to the lessee. All other leases are classified as operating leases.

Operating leases – lessee

Operating lease payments are recognised as an expense on a straight – line basis over the lease term.

(f) Foreign currency translation

The individual financial statements of each group entity are presented in the currency of the primary economic environment in which the entity operates (its functional currency). For the purpose of the consolidated financial statements, the results and financial position of each group entity are expressed in US dollars which is the functional currency of the Company and the presentation currency of the consolidated financial statements.

Foreign currency transactions are normally translated into US dollars at the exchange rate ruling on the transaction dates. Monetary assets and liabilities at the reporting date, which are denominated in foreign currencies, are translated into US dollars at the rate of exchange ruling at the reporting date. Gains and losses on exchange are dealt with in the statement of comprehensive income.

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations are expressed in US dollars using exchange rates prevailing at the reporting date. Income and expense items are translated at the average rates for the period, unless exchange rates fluctuated significantly during the period, in which case the exchange rate at the dates of the transactions are used. Exchange differences arising on consolidation are dealt with and classified as translation reserve under equity. Such exchange differences are recognised as gain or loss in the period in which the foreign operation is disposed of.

3. Significant accounting policies (Continued)

(g) Property, plant and equipment

Property, plant and equipments are stated at historical cost or revalued amounts less accumulated depreciation. Revaluation increments are credited to revaluation and other reserves in shareholders' equity.

Depreciation is calculated on the straight line method to write off the cost of each asset, or the revalued amounts, to their residual values over their estimated useful lives. The depreciation rates applicable to each asset are as follows:

Building	5%
Plant and machinery	10-33%
Vehicles	20%

(h) Revenue recognition

Revenue from services is recognised when the services have been performed and are billable.

Investment income includes interest income and dividend income. Interest income is recognised as it accrues unless collectability is in doubt and dividend income when the shareholders' right to receive payment is established.

Revenue from the sales of goods is recognised on the transfer to the customer of the significant risks and rewards of ownership of the goods, which generally coincides with delivery date.

(i) Related parties

Related parties are individuals and companies where the individuals or companies have the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions.

(j) Taxation

Current taxation comprises taxation payable or recoverable, calculated on the basis of the expected taxable profit for the year using the taxation rates enacted at the reporting date, and any adjustments of tax payable for previous years. The Company being registered in the BVI is not subject to any tax. Its subsidiaries are, however, subject to the tax regulations effective in the jurisdiction in which they operate.

Deferred tax is provided, using the liability method, for all temporary differences arising between the tax bases of assets and liabilities and their carrying values for financial reporting purposes. Currently enacted tax rates are used to determine deferred tax.

(k) Financial instruments

Financial assets and liabilities are recognised on the Group's statement of financial position when the Group has become a party to the contractual provisions of the instrument.

3. Significant accounting policies (Continued)

(k) Financial instruments (Continued)

(i) Available-for-sale investments

The Group has classified the investments, other than investments in subsidiary, associate and trading investments, as available-for-sale. Listed investments are stated at the market price of the securities. Unlisted investments for which a reliable fair value measurement is not available is recorded at cost less impairment, if any. Any permanent diminution in value is recognised by reducing the cost to the realisable value and charging the difference to the statement of comprehensive income. On disposal of an investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the statement of comprehensive income.

(ii) Investment classified as held-for-sale

Investments are classified as held-for-sale if their carrying amount will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset is available for immediate sale in its present condition.

Investments classified as held-for-sale are measured at the lower of the asset's previous carrying amount and the fair value less costs to sell.

(iii) Held for trading financial assets

Investments are recognised and derecognised on a trade date basis where the purchase or sale of an investment is under a contract whose terms require delivery of the investment within the time frame established by the market concerned.

Investments are measured initially and subsequently at fair value, gains and losses arising from changes in fair value are dealt with in equity.

(iv) Impairment of assets

If the recoverable amount of an asset is estimated to be less than the carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately, unless the relevant asset is carried at a revalued amount in which case the impairment loss is treated as a revaluation decrease to the extent of the corresponding revaluation surplus.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, provided that the increased carrying amount does not exceed the carrying amount that would have been determined, had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised as income immediately, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

(v) Trade and other payables

Trade and other payables are stated at their nominal value.

(vi) Long term receivables

Long term receivables with fixed maturity terms are measured at amortised cost using the effective interest rate method, less provision for impairment. The amount of loss is recognised in the statement of comprehensive income. Long term receivables without fixed maturity terms are measured at cost.

3. Significant accounting policies (Continued)

(k) Financial instruments (Continued)

(vii) Trade receivables

Trade receivables are stated at nominal value less impairment in value.

(viii) Cash and cash equivalents

Cash comprises cash at bank. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

(l) Intangible assets

Intangible assets consist of goodwill on consolidation, computer software, signage and trademarks.

Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. On disposal of a subsidiary, the attributable amount of goodwill is included in the determination of the gains and losses on disposals. Goodwill is allocated to cash generating units for the purpose of impairment testing.

Cost that are directly associated with identifiable computer software, signage and trademarks which will generate economic benefits beyond one year are recognised as intangible assets and are amortised over their useful lives. The amortisation rates are as follows:

Computer software	0-50%
Signage	25%
Trademarks	Indefinite Life

(m) Inventory

Inventories are measured at the lower of cost and net realisable value on the first-in-first-out basis. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

The cost of inventories comprises of all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

When inventories are sold, the carrying amount of those inventories is recognised as an expense in the period in which the related revenue is recognised. The amount of any write-down of inventories to net realisable value and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories, arising from an increase in net realisable value, are recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

(n) Investment properties

Investment properties are measured initially at cost, including transaction costs. The carrying amount includes the cost of replacing part of an existing investment property at the time that cost is incurred if the recognition criteria are met; and excludes the costs of day-to-day servicing of an investment property. Subsequent to initial recognition, investment properties are stated at fair value, which reflects market conditions at the reporting date. Gains and losses arising from changes in the fair values of investment properties are included in profit or loss in the year in which they arise.

3. Significant accounting policies (Continued)
(n) Investment properties (Continued)

Investment properties are derecognised when either they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition. Transfers are made to investment property only when there is a change in use, evidenced by the end of owner occupation, commencement of an operating lease to another party or completion of construction or development. Transfers are made from investment property when and only when, there is a change in use, evidenced by commencement of owner occupation or commencement of development with a view to sale. For a transfer from investment property to owner occupied property, the deemed cost for subsequent accounting is its fair value at the date of change in use. If owner occupied property becomes an investment property, the Group accounts for such property in accordance with the policy stated under property, plant and equipment up to the date of change in use.

4. Property, plant and equipment

	The Group			
	Land & Building USD	Plant & equipment USD	Motor-Vehicles USD	Total USD
Cost				
At 1 March 2011	**20,136,305**	**2,467,653**	**26,618**	**22,630,576**
Written off	-	-	-	-
Additions during the year	101,179	185,885	46,139	333,203
Consolidation Adjustments	-	(122,103)		(122,103)
Exchange Differences	(1,621,833)	(146,371)	(3,600)	(1,771,804)
At 29 February 2012	**18,615,651**	**2,385,064**	**69,157**	**21,069,872**
Depreciation				
At 1 March 2011	**-**	**552,280**	**6,122**	**558,402**
Written off	-	-	-	-
Charge for the year	-	387,387	6,724	394,111
Consolidation Adjustments	-	(20,354)	-	(20,354)
Exchange Differences	-	(30,213)	(705)	(30,918)
At 29 February 2012	**-**	**889,100**	**12,141**	**901,247**
Net book values				
At 28 February 2011	20,136,305	1,915,373	20,496	22,072,174
At 29 February 2012	**18,615,651**	**1,495,964**	**57,016**	**20,168,631**

5. Investment property

	The Group		The Company	
	2012 USD	2011 USD	2012 USD	2011 USD
At 1 March	1,181,372	-	-	-
Additions / (impairments)	(118,972)	1,181,372	-	-
At 28 February	**1,062,400**	**1,181,372**	**-**	**-**

Investment property relates to a 60 year industrial lease beachfront property acquired by the Group. The Group intended in the coming year to build a Beach Club on same for rental purposes to the Les Ecuries Hotel. Due to the continued Euro Zone crisis, promoters decided to suspend the Ecuries Hotel Project. The Group will seek external investors to refurbish the site or sell off same.

6. Intangible assets

	The Group		The Company	
	2012 USD	2011 USD	2012 USD	2011 USD
Goodwill (i)	-	736,381	-	-
	-	736,381	-	-

(i) Goodwill

Goodwill represents the difference between the carrying amounts of the net assets of the subsidiaries acquired and the cost of acquisition.

	2012 USD	2011 USD
Balance at beginning of the year	736,381	736,381
Amounts recognised during the year on acquisitions	-	-
Amounts derecognised on date of disposals/impairment	(736,281)	-
	-	736,381

Goodwill was derecognised upon the sale of 60% of the holding in Dale International Trust Company Limited.

7. Investment in subsidiaries

Investee companies and and countries of incorporation	Activities	% Holding	2012 COST USD	2011 COST USD
Dale Capital Investment Holdings Limited - BVI	Investment holding	100	8,011,207	11,643,895
Dale Food & Beverages Limited - Mauritius	Fine Foods & Beverages	100	804,397	804,397
Les Ecuries Beach Club Limited - Mauritius	Property Holding	100	506,324	506,324
			9,321,928	12,954,616

The Group carried out an impairment of its main subsidiary based on the long term recoverability of the sub-investments in the South African Property Market, except for the underlying investment in Shelly Point Hotel and Country Club (Proprietary) Limited for which no valuation has been carried on the land and buildings owned by the latter Company. This has been also made to allow for equitable mergers with partners allowing for as is net asset values of the Group.

8. Investment in financial assets

The Group	Non-current	
	2012 USD	2011 USD
Available-for-sale investments carried at fair value	4,713,877	9,229,542
Total	**4,713,877**	9,229,542

Details of the available for sale investments for the Group are as follows:

Name of investee companies	Cost 2012 USD	Cost 2011 USD	Fair values 2012 USD	Fair values 2011 USD
Bella Amigo Company Limited - Mauritius	695,680	695,680	2,324,000	2,525,424
Bella Amigo International Limited - BVI	-	55	-	100,000
Amara Tech (Proprietary) Limited	-	-	858,615	858,615
Amara Technologies International Limited - BVI	33,529	100	1,300,000	1,300,000
Panafra Media Inc - BVI	100,000	100,000	100,000	100,000
Universal Phone Company - South Africa	-	130,000	-	171,723
AfrAsia Bank Limited - Mauritius	-	2,455,834	-	3,727,845
Trinity Asset Management (Pty) Limited - South Africa	-	899,822	-	375,779
Quoted shares on Johannesburg Stock Exchange	121,536	121,536	1	58,900
ILKA Finance Limited	5	-	5	-
Dale International Trust Company Limited	120,000	-	120,000	-
EnerG Capital Limited	11,256	11,256	11,256	11,256
Total available-for-sale investments	**1,082,006**	4,414,283	**4,713,877**	9,229,542

During the year the Group disposed of all non-core investments. The Group sold its main financial services investments for the reduction of interest bearing loans. In order to reduce the group structure, investments have been transferred to the Parent and relevant loans written off to allow for a leaner group.

The valuation of investment in the Amara Group of Companies, have been reflected at the same level as last year. The Amara Group are now in the final stages in the approval process for a MasterCard Principal Issuer Licence for the South African Market. The Directors are confident that the license will soon be finally approved. Amara Group is in negotiations with Key Investors and value-add partners and directors confirm that announcements will be made before the annual report is distributed.

8. Investment in financial assets (Continued)

The Company

Details of the available-for-sale investments for the Company are as follows:

Investee Companies	Cost 2012 USD	Cost 2011 USD	Fair values 2012 USD	Fair values 2011 USD
Quoted shares on Johannesburg Stock Exchange*	121,536	121,536	1	58,900
EnerG Capital Limited	11,256	11,256	11,256	11,256
Dale International Trust Company Limited	120,000	-	120,000	-
Panafra Media Inc	100,000	-	100,000	-
	352,792	132,792	**231,257**	70,156

*These relate to shares held by the Group in Queensgate Hotel & Leisure which have been suspended.

9. Deferred taxation

Deferred tax assets and liabilities have been arrived at as follows:

(a) Deferred tax asset

	The Group	
	2012 USD	2011 USD
Opening balance	92,702	1,669,751
Accelerated capital allowances for tax purposes	-	-
STC Asset	-	-
Tax loss available for set off against future income	-	-
Other deferred tax – on assets	-	-
Charged to Income Statement	(80,081)	(1,687,477)
Exchange differences	(12,621)	110,428
	-	92,702

(b) Deferred tax liabilities

Opening balance	-	15,916
Charged to Income Statement	-	(15,916)
Originating temporary difference on financial assets	-	-
Other deferred tax – on assets	-	-
Exchange Gain	-	-
	-	-

10 . Inventories & deposits

	The Group		The Company	
	2012 USD	2011 USD	2012 USD	2011 USD
Goods for resale	128,299	75,909	-	-
Deposit for rental / acquisitions	-	29,405	-	-
Other deposits- Hotel	31,657	85,861	-	-
	159,956	191,175	**-**	**-**

11. Trade and other receivables

	The Group		The Company	
	2012 USD	2011 USD	2012 USD	2011 USD
Trade receivables	39,526	158,280	-	-
Other receivables	12,887	143,933	-	4,008
	52,413	302,213	**-**	4,008

The directors consider the carrying amounts of trade and other receivables to approximate their fair values.

12. Loan receivable (Current)

	The Group		The Company	
	2012 USD	2011 USD	2012 USD	2011 USD
Amount owed by Group companies / parties	-	-	1,626,971	8,661,145
Amount owed by related companies	1,890,560	1,379,711	993,472	122,184
	1,890,560	1,379,711	**2,620,443**	8,783,329
The repayment terms are as follows:				
No fixed terms of repayment	1,890,560	1,379,711	2,620,443	8,783,329
Repayable within a year	-	-	-	-
	1,890,560	1,379,711	**2,620,443**	8,783,329

Loans are unsecured, bear interest at rates determined by the directors from time to time, are for an indefinite period and have no fixed repayment terms.

13. Stated capital

	Ordinary shares Number of shares	Ordinary Share USD
At 28 February 2010	**5,291,066**	**15,888,073**
Effect of split	15,873,198	15,888,073
New Shares issued	9,903,874	5,930,242
Transfer to Treasury shares	(2,977,014)	-
At 28 February 2011	**22,800,058**	**21,818,315**
Issued out of Treasury Shares*	616,638	-
At 28 February 2012	**23,416,696**	**21,818,315**

*The Group issued out 616,638 shares to staff and directors during the year.

14. Treasury shares

	Number of shares		Value	
	2012 USD	2011 USD	2012 USD	2011 USD
Opening balance	2,977,014	28,934	-	-
Share Split	-	57,868	-	-
Shares buy back*	-	2,975,118	2,494,263	2,479,266
Cost to treasury shares	-	-	-	14,998
Issued as bonus	(616,638)	(84,906)	(395,000)	-
Loss on transfer of shares		-	(118,866)	-
Balance c/f	**2,360,376**	2,977,014	**1,980,397**	2,494,263

*Relate mainly to the reversal of Trinity Asset Management (Pty) Limited last year.

15. Borrowings (Non-current)

	The Group		The Company	
	2012 USD	2011 USD	2012 USD	2011 USD
Amount owed to related companies/parties	2,609,928	2,791,861	2,377,403	2,740,654
Amount owed to third parties	-	-	-	-
	2,609,928	2,791,861	**2,377,403**	2,740,654
The repayment terms are as follows:				
No fixed terms of repayment	2,609,928	2,791,861	2,377,403	2,740,654
After two years and before five years	-	-	-	-
	2,609,928	2,791,861	**2,377,403**	2,740,654

Loans from related parties are unsecured and bear interest at mutually agreed interest rates from time to time, and have no fixed terms of repayment. Borrowings were incurred on the Company level in order to facilitate financing for the completion of the hotel expansion at Shelley Point. The main subsidiaries of the Group stand guarantee for the loan.

16. Financial liabilities

	The Group		The Company	
	2012 USD	2011 USD	2012 USD	2011 USD
Britannia Bay Developers (Pty) Ltd	5,998,766	6,058,004	-	-
	5,998,766	6,058,004	**-**	**-**

The amount due to Britannia Bay Developers (Pty) Ltd is in respect of final amounts due for the acquisition of the Shelley Point Hotel and is secured over the Property of the hotel. The amount is due for repayment by September 2012, and the directors have already entered into talks for a restructuring of the debt combined with talks with new investors in the hotel.

17. Trade and other payables

	The Group		The Company	
	2012 USD	2011 USD	2012 USD	2011 USD
Trade payables	740,198	844,998	-	-
Accruals	71,024	46,292	67,460	101,556
Deferred Income	-	154,476	-	-
Other payables	-	1,028,929	-	104,025
	811,222	2,074,695	**67,460**	205,581

The directors consider that the carrying amount of other payables to approximate their fair values.

18. Borrowings (Current)

	The Group		The Company	
	2012 USD	2011 USD	2012 USD	2011 USD
Amount owed to related companies / parties	483,643	333,668	483,643	-
Amount owed to third parties	42,461	409,740	-	409,740
	526,104	743,408	**483,643**	409,740
The repayment terms are as follows:				
No fixed terms of repayment	526,104	743,408	483,643	409,740
Within one year	-	-	-	-
After one year and before two years	-	-	-	
	526,104	743,408	**483,643**	409,740

Loans from related parties are unsecured and bear interest at mutually agreed interest rates from time to time, and have no fixed terms of repayment.

19. Bank overdraft

	The Group		The Company	
	2012 USD	2011 USD	2012 USD	2011 USD
Bank overdraft	**1,558,208**	2,393,276	**70,000**	1,000,000

The Company's overdraft facility with the Banks is secured and bears interest at the rate of 4% above 1 Month USD LIBOR per annum. Overdraft facilities of the step-subsidiaries are secured with a floating charge and bear interest between 8-12%.

20. Taxation

(i) Under the present laws of the BVI, dividends remitted to shareholders resident outside the BVI will not be subject to withholding tax in the BVI. In the BVI, there are no taxes on profits or income, nor are there any capital gains, estate duty or inheritance tax applicable to shares held by non-residents of the BVI. The Company is not subject in the BVI to stamp taxes or other similar duties on the issuance, transfer or redemption of the Company's shares.

(ii) The step-subsidiaries in South Africa are taxable at 28% for the year ended 28 February 2012. (28 February 2011: 28%)

(iii) Under the present laws of Mauritius, companies holding a Category 1 Global Business Licence are taxable at the rate of 15%. They are, however, entitled to a tax credit equivalent to the higher of the foreign taxes paid and 80% of the Mauritius tax on their foreign source income.

No Mauritian capital gains tax is payable on profits from sale of securities and any dividend and redemption proceeds paid by the Company to its shareholders will be exempt from any withholding tax in Mauritius.

20. Taxation (Continued)

	The Group		The Company	
	2012	2011	2012	2011
	USD	USD	USD	USD
Current tax suffered:				
- On taxable income	87,026	1,692,639	-	-
- Taxes on donation	-	-	-	-
Total tax suffered	87,026	1,692,639	-	-
Deferred taxation release (Note 9)	80,081	1,687,477	-	-
Provision for tax in current year	6,945	5,162		
STC Asset	-	-	-	-
Total income tax / expense	**87,026**	1,692,639	**-**	-
Current tax payable				
In Mauritius by the step-subsidiary	3,435	5,162	-	-
In South Africa by the step-subsidiary	-	-	-	-
	3,435	5,162	**-**	-

Current tax suffered on taxable income is made up as follows:

	The Group		The Company	
	2012	2011	2012	2011
	USD	USD	USD	USD
Current tax suffered:				
In Mauritius by the step-subsidiary	6,945	5,162	-	-
In South Africa by the step-subsidiary	-	-	-	-
	6,945	5,162	**-**	-

21. Revenue

	The Group		The Company	
	2012	2011	2012	2011
	USD	USD	USD	USD
Sale of Goods	981,317	698,777	-	-
Rental Income	789,381	762,608	-	-
Rendering of services	801,602	889,865	250,000	11,262
	2,572,300	2,351,250	**250,000**	11,262

22. Finance Costs

	The Group		The Company	
	2012	2011	2012	2011
	USD	USD	USD	USD
Interest on bank overdrafts and loans	1,156,413	688,112	409,332	78,059
Bank Charges	2,771	8,896	2,771	8,896
Realised foreign exchange	260,544	128,735	260,544	128,735
Loan raising fees	63,083	35,533	63,083	35,533
	1,482,811	861,276	**735,730**	251,223

23. Other gains and losses on investments

	The Group		The Company	
	2012 USD	2011 USD	2012 USD	2011 USD
Loss on disposal of available-for-sale investments	564,016	80,104	58,899	80,104
Impairments on investments & receivables	95,089	123,519	3,632,688	63,651
Impairment on Loan Accounts	323,545	-	-	-
Effect on Loan write offs / back with Subsidiaries*	-	-	5,079,346	-
	982,650	203,623	**8,770,933**	143,755

*The Group proceeded to write off its inter-subsidiary loans of USD 5,721,663. This was primarily done due to the capitalisation of loan accounts by step subsidiaries and the long term nature of the Property investment.

24. Cash and cash equivalents

	The Group		The Company	
	2012 USD	2011 USD	2012 USD	2011 USD
Bank Balances and Cash	56,855	1,099,096	4,488	1,038,303
Bank Overdraft	(1,558,208)	(2,393,276)	70,000	1,000,000
	(1,501,353)	(1,294,180)	**(65,512)**	38,303

25. Cash generated from Operations

	The Group		The Company	
	2012 USD	2011 USD	2012 USD	2011 USD
Cash from operating activities				
Loss before tax	(4,490,335)	(2,363,638)	(9,709,827)	(688,027)
Adjustments for:				
Investment income	(10,808)	(74,126)	-	-
Finance costs	1,222,267	732,541	475,186	122,488
Net foreign exchange (gain)/loss	260,544	128,735	260,544	128,735
Depreciation	394,112	352,428	-	1,040
Impairments and amounts written off	982,650	203,623	8,770,933	143,755
Operating profit / (loss) before working capital changes	**(1,641,570)**	(1,020,437)	**(203,164)**	(292,009)
Decrease / (increase) in trade and other receivables	249,800	241,011	4,008	136,865
Change in Inventory	31,219	388,418	-	-
(Decrease) / increase in trade and other payables	(1,260,038)	(535,923)	(138,122)	(327,452)
Cash (absorbed by) / generated from operations	**(2,620,589)**	(926,931)	**(337,278)**	(482,596)
Income tax paid	(5,153)	-	-	-
Net interest received / (paid)	(1,211,459)	(672,974)	(475,186)	(128,737)
Net cash (used in) / from operating activities	**(3,837,201)**	(1,599,905)	**(812,464)**	(611,333)

26. Disposal of step-subsidiary

Following the disposal of certain subsidiaries of the Group the net assets and liabilities deconsolidated were as follows:

	2012 USD	2011 USD
Consideration received in cash and cash equivalents	360,000	-
Total consideration received	**360,000**	**-**

Analysis of asset and liabilities over which control was lost

	2012 USD	2011 USD
Non-current assets	-	-
Property, plant and equipment	89,104	-
Goodwill	736,381	-
Financial Assets	3	-
	825,488	-
Non-current assets		
Current Assets	-	-
Trade and other receivables	185,391	-
Cash and cash equivalents	51,968	-
	237,359	-
Current liabilities		
Payables & others	268,588	-
Non-current liabilities	-	-
Borrowings	-	-
Deferred tax liabilities	-	-
	794,259	**-**
Consideration received for 60%	360,000	-
Share of net assets disposed of	(476,555)	-
Non-controlling interests	-	-
Loss on disposal	**(116,555)**	**-**

Following the disposal of certain subsidiaries of the Group the net assets and liabilities deconsolidated were as follows:

	2012 USD	2011 USD
Profit for the year from discontinued operations		
Revenue	474,363	-
Expenses	(457,132)	-
Other Gains		
Loss before tax	17,230	-
Attributable income tax expense	**-**	**-**
	17,231	-

26. Disposal of step-subsidiary (continued)

Share of Profit attributable to owners of Company	13,784	-
Gain/(loss) on disposal of operation	(116,555)	-
Profit for the year from discontinued operations (attributable to owners of the Company)	**(102,771)**	**-**
Cash flows from discontinued operations		
Net cash inflows from operating activities	70,275	-
Net cash inflows from investing activities	(3,776)	-
Net cash outflows from financing activities	(41,582)	-
Net cash flows for the period/year	**24,917**	-
Consideration received in cash and cash equivalents	360,000	-
Less: cash and cash equivalent balances disposed of	(51,968)	-
Net cash inflow	308,032	-

27. Business Segments (2012)

Principal activities	Hotel & Leisure Activities USD	Financial Services USD	Investment USD	Total USD
Revenue	1,948,912	549,416	73,972	2,572,300
Expenses	(3,409,058)	(464,804)	(723,312)	(4,597,174)
Finance costs	(643,648)	(6,949)	(832,214)	(1,482,811)
Other	5,978	(162,771)	(928,627)	(1,085,420)
Taxation	-	-	(87,026)	(87,026)
Loss for the year	**(2,097,816)**	**(85,108)**	**(2.497,207)**	**(4,680,131)**
Assets	20,406,088	120,000	7,578,604	28,104,692
Liabilities	(7,717,267)	-	(3,790,396)	(11,507,663)
Net Asset Value	**12,688,821**	**120,000**	**3,788,208**	**16,597,029**

Geographical

Companies incorporated in	Mauritius USD	B.V.I USD	South Africa USD	Total USD
Revenue	610,979	6,326	1,954,995	2,572,300
Expenses	(447,874)	(619,688)	(3,529,612)	(4,597,174)
Finance Costs	(75,554)	(748,223)	(659,034)	(1,482,811)
Other	(420,631)	(530,799)	(133,990)	(1,085,420)
Taxation	(6,945)	-	(80,081)	(87,026)
Loss for the year	**(340,025)**	**(1,892,384)**	**(2,447,722)**	**(4,680,131)**
Assets	4,081,773	2,409,183	21,613,736	28,104,692
Liabilities	(703,008)	(2,979,563)	7,825,092	(11,507,663)
Net Asset Value	**3,378,765**	**(570,380)**	**13,788,644**	**16,597,029**

27. Business Segments (2011) (Continued)

Principal activities	Hotel & Leisure Property Activities USD	Financial Services USD	Investment USD	Total USD
Revenue	1,666,055	607,934	151,387	2,425,376
Expenses	(2,579,216)	(590,338)	(554,561)	(3,724,115)
Finance costs	(457,671)	(9,284)	(394,321)	(861,276)
Other	-	42,841	(246,464)	(203,623)
Taxation	-	-	(1,692,639)	(1,692,639)
(Loss) / profit for the year	**(1,370,832)**	**51,153**	**(2,736,598)**	**(4,056,277)**
Assets	23,538,753	4,566,076	8,179,536	36,284,365
Liabilities	(10,576,535)	(783,451)	(2,706,419)	(14,066,405)
Net Asset Value	**12,962,218**	**3,782,625**	**5,473,117**	**22,217,960**

Geographical

Companies incorporated in	Mauritius USD	B.V.I USD	South Africa USD	Total USD
Revenue	684,422	101,099	1,639,855	2,425,376
Expenses	(612,308)	(326,336)	(2,785,471)	(3,724,115)
Finance Costs	(77,037)	(353,781)	(430,458)	(861,276)
Other	42,841	(88,287)	(158,177)	(203,623)
Taxation	(5,162)	-	(1,687,477)	(1,692,639)
Profit/(loss) for the year	**32,756**	**(667,305)**	**(3,421,728)**	**(4,056,277)**
Assets	8,856,088	920,468	26,507,809	36,284,365
Liabilities	(1,890,889)	(1,954,631)	(10,220,885)	(14,066,405)
Net Asset Value	**6,965,199**	**(1,034,163)**	**16,286,924**	**22,217,960**

28. Financial summary

	2012 USD	2011 USD	2010 USD
Balance sheet (Group)			
Stated capital	21,818,315	21,818,315	15,888,073
Translation reserve	1,209,255	928,567	722,323
Revaluation reserve	3,711,509	5,327,996	3,418,783
Retained earnings	(13,366,199)	(9,612,663)	(6,209,395)
Non-current assets	25,944,908	33,212,170	27,948,499
Current assets	2,159,784	2,972,195	4,697,199
Non-current liabilities	8,608,694	8,849,865	10,050,092
Current liabilities	2,898,969	5,216,541	4,147,422
Income statement (Group)			
Gross income	2,572,300	2,425,376	1,291,673
(Loss) / profit before taxation	(4,490,335)	(2,363,638)	(5,014,363)
Tax	(87,026)	(1,692,639)	(46,446)
Discontinued operations	(102,770)	-	(3,183,988)

28. Financial summary (Continued)

(Loss)/profit for the year	(4,680,131)	(4,056,277)	(8,244,797)
Dividends paid	-	-	-
Performance			
Dividend per share	-	-	-
Net asset value per share	0.49	0.70	2.61
Number of shares in issue	23,416,696	22,800,058	5,291,066

29. Financial risks

Fair values

The carrying amounts of investments in subsidiaries, investments in associates, available-for-sale investments, held-for-sale investments, receivables, loans and accruals approximate their fair values. Financial assets and liabilities which are accounted for at historical cost are carried at values which may differ materially from their fair values.

In assessing the fair value of financial instruments, the Group uses a variety of methods and makes assumptions that are based on market conditions existing at each reporting date. The directors periodically review and monitor the fair value workings. Where necessary, significant independent advice is sought from professionals in the relevant fields. The face value less any estimated credit adjustments for financial assets and financial liabilities with a maturity of less than one year are assumed to approximate their fair values. The fair values of those assets and liabilities not presented on the Group's and Company's statement of financial position at their values are not materially different from their carrying amounts.

Risk management

The Board is ultimately responsible for risk management, which includes the Group's risk governance structure and maintaining an appropriate internal control framework. Management's responsibility is to manage risk on behalf of the Board. Written principles have been established throughout the Group for overall risk management, as well as procedures covering specific areas, such as foreign exchange risk, interest rate risk, credit risk and concentration risk.

Currency risk

The Group has invested in the current year in companies having currencies denominated in South African Rand (ZAR), Mauritian Rupee (MUR) and United States Dollars (USD) for which the Group personally suffers exchange rate movements. Consequently, the Group is exposed to the risk that the exchange rate of the US Dollars (USD) relative to these currencies may change in a manner which has a material effect on the reported values of the Group's assets which are denominated in these currencies.

Investments that are denominated in a foreign currency will be subject to the risk that the value of that particular currency will change in relation to one or more other currencies. Among the factors that may affect currency values are trade balances, levels of short-term interest rates, differences in relative values of similar assets in different currencies, long-term opportunities for investment and capital appreciation and political developments.

The Group reports in USD and pays dividends from its profits, while its investments are largely denominated in ZAR and MUR. The primary risk to which the Group's portfolio is exposed is the depreciation of the ZAR and MUR relative to the US Dollar. The Group may employ derivatives-based hedging techniques to minimize its risk. During the year under review, the Group has not entered into such contracts.

29. **Financial risks (continued)**

Exposures to Foreign currencies were as follows:

The Group

			2012		
	GBP	MUR	ZAR	USD	Total
Non-Current Financial Assets	11,256	2,324,000	858,615	2,378,621	5,572,492
Non-Current Financial Liabilities	(2,132,661)	-	(7,055,392)	-	(9,188,053)
Long term exposure	(2,121,405)	2,324,000	(6,196,777)	2,378,621	(3,615,561)
Current Financial Assets	-	554,069	554,069	1,017,401	2,125,539
Current Financial Liabilities	(460,978)	(664,107)	(1,593,800)	(424,826)	(3,143,711)
Short Term exposure	(460,978)	(110,038)	(1,039,731)	592,575	(1,018,172)

			2011		
	GBP	MUR	ZAR	USD	Total
Non-Current Financial Assets	11,256	6,253,269	1,465,017	1,500,000	9,229,542
Non-Current Financial Liabilities	(2,740,654)	-	(6,109,211)	-	(8,849,865)
Long term exposure	(2,729,398)	6,253,269	(4,644,194)	1,500,000	379,677
Current Financial Assets	-	586,936	1,564,012	407,659	2,558,607
Current Financial Liabilities	(209,579)	(680,000)	(2,915,419)	(1,144,023)	(4,949,021)
Short Term exposure	(209,579)	(93,064)	(1,351,407)	(736,364)	(2,390,414)

The Company

			2012		
	GBP	MUR	ZAR	USD	Total
Non-Current Financial Assets	11,256	1,310,720	-	8,231,209	9,553,185
Non- Current Financial Liabilities	(2,132,661)	-	-	-	(2,132,661)
Long term exposure	(2,121,405)	1,310,720	-	8,231,209	(7,420,524)
Current Financial Assets	-	554,069	1,108,118	1,101,377	2,763,564
Current Financial Liabilities	(460,978)	-	-	(404,867)	(865,845)
Short Term exposure	(460,978)	554,069	1,108,118	696,510	1,897,719

			2011		
	GBP	MUR	ZAR	USD	Total
Non-Current Financial Assets	11,256	1,310,720	58,900	11,643,896	13,024,772
Non- Current Financial Liabilities	(2,740,654)	-	-	-	(2,740,654)
Long term exposure	(2,729,398)	1,310,720	58,900	11,643,896	10,284,118
Current Financial Assets	-	422,974	1,025,496	8,373,162	9,821,632
Current Financial Liabilities	(209,579)	-	(113,304)	(1,292,437)	(1,615,320)
Short Term exposure	(209,579)	422,974	912,192	7,080,725	8,206,312

29. **Financial risks (continued)**

If Dollar had strengthened by 5% / 10% / 3% against ZAR / MUR / GBP respectively the financial impact will be as follows:

	The Group		The Company	
	2012 USD	2011 USD	2012 USD	2011 USD
Net (loss)/Gain for the year	(136,976)	(42,706)	(41,276)	(52,105)
Equity	(1,280,649)	(1,445,167)		-

Interest rate risk

The Group's income and operating cash flows are influenced by changing market interest rates. The Group's borrowings and lending's contracted mainly at fixed rates. Exposure to market variables is kept as low as possible. The sensitivity of the net result for the year and equity to a possible change in interest rates of + or - (0.5% for the USD; 1% for the MUR and 0.5% for the ZAR) with effect from the beginning of the year. These changes are considered to be reasonable given the current economic climate in the countries of operation.

	The Group		The Company	
	2012 USD	2011 USD	2012 USD	2011 USD
Net loss for the year	(43,267)	(5,773)	(5,000)	(5,000)
Equity	-	-	-	-

(i) Concentration risk

At 28 February 2012, the Group's net assets consisted of investments in companies incorporated in South Africa and Mauritius through its subsidiaries which involve certain considerations and risks not typically associated with investments in other developed countries. Although the current developments in the developed countries as they battle with the effects of a global recession do have an impact on emerging economies.

Future economic and political developments in South Africa and Mauritius could adversely affect the liquidity or value, or both, of securities in which the Group has invested. The revised strategy of the Group is to focus in the SADC region and such exposure will be common.

The Group plans to re-evaluate its Portfolio Risk after merger negotiations are concluded. The Group's investments are therefore likely to be concentrated in a relatively small number of companies within the Southern African region but will increase as and when the current illiquidity in the market eases.

The portfolio is, however, subject to continuous reviews at both the business line and Group levels to monitor exposure to any one sector or geography and to monitor the exposure to larger investments.

(ii) Credit risk

The Group has policies in place to ensure that credit sales of products and services are made to customers after a credit assessment has been carried out. The Group has no significant concentration of credit risk, with exposure spread over a large number of clients.

29. Financial risks (continued)

(iii) Liquidity risk

The Group's total gearing continued to be high given the continuous market illiquidity. As a result the Group has had to continue to resort to expensive borrowings to ensure new investments would be nurtured into their growth and cash generation phase. At year end, the directors had already initiated procedures for the sale of assets linked with projects abandoned as well as recovering loan accounts and receivables.

(iv) Capital risk management

The primary objective of the Group, when managing capital, is to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

30. Events after reporting date

No events were noted after the reporting date that would require disclosures or adjustments to the consolidated financial statements for the year ended 28 February 2012.

31. Related party transactions

The Group			2012				
	Interest received	Interest paid	(Purchase) / Sale of financial assets	Sale of services	Purchases of services	Amount receivables	Amount payables
	USD	USD	USD	USD	USD	USD	USD
Shareholders	-	-	-	-	-	167,002	2,558,238
Enterprises with common directors	-	-	360,000	-	208,398	895,185	535,333
Other related parties			-	-	-	828,372	-
	-	**-**	**360,000**	**-**	**208,398**	**1,890,559**	**3,093,571**

			2011				
	Interest received	Interest paid	(Purchase) / Sale of financial assets	Sale of services	Purchases of services	Amount receivables	Amount payables
	USD	USD	USD	USD	USD	USD	USD
Sharesholders						252,215	2,770,511
Enterprises with common directors	-	-	-	-	77,681	599,062	-
Other related parties			-	-	-	528,434	333,668
	-	**-**	**-**	**-**	**77,681**	**1,379,711**	**3,104,179**

31. Related party transactions (Continued)

The Company

2012	Interest received	Interest paid	(Purchase) / Sale of financial assets	Sale of services	Purchases of services	Amount receivables	Amount payables
	USD	USD	USD	USD	USD	USD	USD
Shareholders	-	-	-	-	-	167,002	2,558,238
Subsidiaries	-	-	-	-	-	1,626,971	-
Enterprises with common directors	-	-	-	-	-	1,723,557	
	-	**-**	**-**	**-**	**-**	**3,517,530**	**2,558,238**

2011	Interest received	Interest paid	(Purchase) / Sale of financial assets	Sale of services	Purchases of services	Amount receivables	Amount payables
	USD	USD	USD	USD	USD	USD	USD
Shareholders	-	-	-	-	-	-	2,740,654
Subsidiaries	-	-	-	-	55,897	8,661,145	86,555
Enterprises with common directors	-	-	-	-	-	122,184	409,740
	-	**-**	**-**	**-**	**55,897**	**8,783,329**	**3,236,949**

Notes

Notes

Notice of Annual General Meeting

Notice is hereby given that the Annual General Meeting of Dale Capital Group Limited will be held at the office of Dale International Trust Company, 3rd Floor, Tower A1, Cybercity, Ebene, Mauritius at 9 a.m on Friday 31 August 2012 for the following purposes.

1. To receive, consider and adopt the report of the auditors and annual financial statements of the company for the financial year ended 28 February 2012.

2. To confirm the re-appointment of Crowe Howarth (Mauritius) as independent auditors of the company for the ensuing financial year.

3. To transact such other business as may be transacted at an annual general meeting.

Voting and Proxies

A shareholder entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy or proxies to attend, speak and vote in his / her stead. A proxy need not be a member of the company. For the convenience of registered members of the company, a form of proxy is enclosed and is only to be completed by those shareholders who:

- Hold ordinary shares in certificate form

- Have dematerialised their ordinary shares through the Central Depository & Settlement Co. Ltd (CDS) or broker and wish to attend the annual general meeting. Shareholders must instruct the CDS or broker to provide them with the relevant Letter of Representation, or they must provide the CDS or broker with their voting instructions in terms of the relevant custody agreement entered into between them and the CDS or broker.

Proxy forms should be forwarded to reach the Company Secretary at least 48 hours before the time of the meeting . (Excluding Saturdays, Sundays and public holidays in Mauritius)

By order of the board

Dale International Trust Company
Company Secretary
1 August 2012

Form of Proxy

Dale Capital Group Limited

Share code: DCPL.N000

For use only by ordinary shareholders at the Annual General Meeting (meeting) of the company to be held at the office of Dale International Trust Company, 3rd Floor, Tower A1, Cybercity, Ebene, Mauritius, BVI Registration Number: 1443428 at 9 am on Friday 31 August 2012 for the following purposes.

I / We (full registered name) ______________________________

Of (full registered address) ______________________________

Being the holder of Ordinary shares (enter number) ______________________________

Do hereby appoint

1. ______________________________ or failing him/her
2. ______________________________ or failing him/her
3. The Chairman of the meeting as my/our proxy to act for me/us at the meeting for the purposes of considering and, if deemed fit, passing, with or without modifications, the resolutions to be proposed at each adjournment thereof, to vote for and/or against the resolutions and/or to abstain from voting for and/or against the resolutions in respect of the shares registered in my/our name in accordance with the following instructions:

	Resolutions	Number of shares		
		For	Against	Abstain
1.	To receive, consider and adopt the report of the auditors and annual financial statements of the company for the financial year ended 28 February 2012.			
2.	To confirm the re-appointment of Crowe Howarth (Mauritius) as independent auditors of the company for the ensuing financial year.			
3.	To confirm that the Directors have received and tabled a Resolution signed by a majority of shareholders approving: • Sale of Shelley Point Hotel Spa and Country Club • Re-structure of the group The above being subject to Stock Exchange of Mauritius approval and circulation of required announcement to shareholders.			
4.	To confirm that the Directors have received and tabled Resolution signed by a majority of shareholders to proceed with reversal of Financial services companies with the end aim of converting the listed entity into a Financial Services Holding Company with New Corporate Partners.			

Signed at ______________________________ on ____________________ 2012

Signature ______________________________

Notes to the form of proxy.

1. The form of proxy must only be used by certificated or dematerialised shareholders.

2. Shareholders are reminded that the onus is on them to communicate with the CDS or broker.

3. A shareholder entitled to attend and vote may insert the name of a proxy or the names of an alternative proxy of the shareholder's choice.

4. A shareholder is entitled to one vote on a show of hands and, on a poll, one vote in respect of each share held. A shareholder's instructions to the proxy must be indicated by inserting the relevant number of votes exercisable by the shareholder in the appropriate box(es). Failure to comply with this will be deemed to authorise the proxy to vote as he/she deems fit.

5. Documentary evidence establishing the authority of the person singing the form of proxy in a representative capacity must be attached to this form, unless previously recorded by the company or unless this requirement is waived by the Chairman of the meeting.

6. Where there are joint holders of shares, any one holder may sign the form of proxy.

7. Forms of proxy must be lodged with or mailed to the Company Secretary to be received no later than 48 hours before the time of the meeting (Excluding Saturdays, Sundays and public holidays in Mauritius)

8. Any alterations or corrections made to this form of proxy, other than the deletion of alternatives, must be initialled by the signatory/ies.

DALE GROUP

c/o Dale International Trust Company Limited
3rd Floor, Tower A1, Cybercity, Ebene,
Mauritius

BVI Registration Number: 1443428

Dale Capital Group Limited

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