

Abridged unaudited consolidated financial statements for the quarter ended 31 May 2021

DIRECTORS' COMMENTARY

GROUP OVERVIEW

Dacosbro is an investment holding company focused on the real estate sector whose objective is to acquire quality investments with the view to achieving significant capital appreciation and sustainable income returns over the medium to long-term.

The Company's investments include a jointly-controlled investment in Impact Holdings (Mauritius S.A.) Limited ("Impact") and a wholly-owned investment in its subsidiary, Dacosbro Europe Investments s.a.r.l ("Dacosbro Europe").

Impact is focused on the development, investment and management of prime logistics and warehousing real estate in sub-Saharan Africa, whilst Dacosbro Europe is focused on investment in prime logistics and warehousing real estate in Europe. Impact owns 100% of the Improvon Group, one of the leading developers and investors in logistics property in South Africa and currently has operations and investments in Kenya, Zambia and South Africa.

GROUP REVIEW FOR THE QUARTER ENDED 31 MAY 2021

The Group reported a net profit after tax of USD1,649,140 for the period ended 31 May 2021 (May 2020: net loss of USD2,924,412). Its net asset value increased by 7.02% to USD130,285,321 (February 2021: net asset value of USD 121,735,473), the net asset value per share also increased to USD1.17 (February 2021: USD 1.10).

The value of the investment in Impact increased to USD109.2m (2020: USD93.7m) as a result of improved economic conditions in South Africa and the strong operational performance of Impact's property portfolio during the reporting period.

Dacosbro Europe and its subsidiaries ("European operations") contributed net comprehensive income of USD124,981 for the period (2020: USD348,577). The property investment in the Netherlands continues to perform in line with expectations.

GROUP OUTLOOK

The outlook for the logistics real estate sector remains positive as a result of growing demand for online retail amongst other factors. Dacosbro's investments in Impact and Dacosbro Europe are poised to benefit from the tailwinds in this sector. The recent incidents of civil unrest in South Africa are unfortunate and it is unclear how these events will affect the South African economy and Impact's property portfolio.

The Group is also well-positioned to capitalise on new investment opportunities due to its strong balance sheet, low level of gearing and high quality asset base. The market for prime logistics real estate investments remains highly competitive but the Group continues to seek new investment opportunities in a cautious manner with the view to generating stable income streams, achieving long-term capital appreciation and improving the Group's geographic diversification.

By order of the Board
 15 July 2021

STATEMENT OF FINANCIAL POSITION

	Group Unaudited as at 31-May-21 US\$	Group Audited as at 28-Feb-21 US\$	Company Unaudited as at 31-May-21 US\$	Company Audited as at 28-Feb-21 US\$
Assets				
Non Current Assets	116,896,245	108,358,956	117,230,802	108,797,526
Investment property	7,678,742	7,574,729	-	-
Investment in subsidiaries	-	-	8,013,299	8,013,299
Investment in joint venture	109,217,503	100,784,227	109,217,503	100,784,227
Current assets	19,558,300	20,161,688	12,351,795	12,347,927
Other receivables	52,111	157,362	4,454	5,252
Other financial assets	19,230,774	19,626,299	12,315,278	12,336,280
Cash and cash equivalents	275,415	378,027	32,063	6,395
Total assets	136,454,545	128,520,644	129,582,597	121,145,453
Equity and Liabilities				
Equity	130,285,321	121,735,473	129,530,556	121,105,689
Share capital	109,125,346	109,125,346	109,125,346	109,125,346
Other reserves	(570,140)	(7,470,848)	(1,404,663)	(8,222,771)
Retained earnings	21,730,115	20,080,975	21,809,873	20,203,114
Current liabilities	6,169,224	6,785,171	52,041	39,764
Financial liabilities	5,967,869	6,501,819	-	-
Payables	151,434	183,482	52,041	39,764
Current tax liability	49,921	99,870	-	-
Total equity and liabilities	136,454,545	128,520,644	129,582,597	121,145,453

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Group Unaudited period ended 31-May-21	Group Unaudited period ended 31-May-20	Company Unaudited period ended 31-May-21	Company Unaudited period ended 31-May-20
	US\$	US\$	US\$	US\$
Rental income	128,438	117,110	-	-
Other property income	29,583	-	-	-
Total property income	158,021	117,110	-	-
Property expenses	(29,583)	-	-	-
Net property income	128,438	117,110	-	-
Total operating costs	(86,375)	(70,431)	(35,376)	(56,521)
Operating Profit/ (Loss)	42,063	46,679	(35,376)	(56,521)
Finance income	29,688	39,965	-	-
Other income	49	8,683	-	-
Finance costs	(16,339)	(53,923)	-	-
Foreign currency movements	(36,416)	-	-	-
Fair value through profit or loss	14,927	281,904	26,967	80,731
Share of profit/ (loss) from joint venture	1,906,872	(3,240,602)	1,906,872	(3,240,602)
Other financial item	(291,704)	2,957	(291,704)	2,957
Profit/ (Loss) before tax	1,649,140	(2,914,337)	1,606,759	(3,213,435)
Tax expense	-	(10,075)	-	-
Profit/ (Loss) after tax	1,649,140	(2,924,412)	1,606,759	(3,213,435)
Share of other comprehensive income/ (loss) from joint venture	6,818,108	(7,747,388)	6,818,108	(7,747,388)
Exchange differences on translating foreign operations	82,600	59,554	-	-
Total comprehensive income/ (loss) for the period	8,549,848	(10,612,246)	8,424,867	(10,960,823)

STATEMENT OF CHANGES IN EQUITY

Attributable to the owners of the Group:

31-May-21

Group	Share Capital	Other reserves	Retained earnings	Total equity
	US\$	US\$	US\$	US\$
As at 1 March 2021	109,125,346	(7,470,848)	20,080,975	121,735,473
Profit for the period	-	-	1,649,140	1,649,140
Other comprehensive income for the period	-	6,900,708	-	6,900,708
Unaudited as at 31 May 2021	109,125,346	(570,140)	21,730,115	130,285,321
Number of shares in issue				111,045,408
Earnings per share				0.01
Net Asset value per share				1.17

Attributable to the owners of the Company:

31-May-21

Company	Share Capital	Other reserves	Retained earnings	Total equity
	US\$	US\$	US\$	US\$
As at 1 March 2021	109,125,346	(8,222,771)	20,203,114	121,105,689
Profit for the period	-	-	1,606,759	1,606,759
Other comprehensive income for the period	-	6,818,108	-	6,818,108
Unaudited as at 31 May 2021	109,125,346	(1,404,663)	21,809,873	129,530,556
Number of shares in issue				111,045,408
Earnings per share				0.01
Net Asset value per share				1.17

STATEMENT OF CHANGES IN EQUITY (CONTINUED)

Attributable to the owners of the Group:

31-May-20

Group	Share Capital	Other reserves	Retained earnings	Total equity
	US\$	US\$	US\$	US\$
As at 1 March 2020	109,125,346	(10,712,612)	17,585,896	115,998,630
Loss for the period	-	-	(2,924,412)	(2,924,412)
Dividend payment	-	-	(2,000,000)	(2,000,000)
Other comprehensive (loss)/ income for the period	-	(7,687,834)	90	3,241,764
Unaudited as at 31 May 2020	109,125,346	(18,400,446)	12,661,574	114,315,982
Number of shares in issue				111,045,408
Earnings per share				(0.03)
Net Asset value per share				0.93

Attributable to the owners of the Company:

31-May-20

Company	Share Capital	Other reserves	Retained earnings	Total equity
	US\$	US\$	US\$	US\$
As at 1 March 2020	109,125,346	(10,702,221)	17,554,645	115,977,770
Loss for the period	-	-	(3,213,435)	(3,213,435)
Dividend payment	-	-	(2,000,000)	(2,000,000)
Other comprehensive loss for the period	-	(7,747,388)	-	(7,747,388)
Unaudited as at 31 May 2020	109,125,346	(18,449,609)	12,341,210	103,016,947
Number of shares in issue				111,045,408
Earnings per share				(0.03)
Net Asset value per share				0.93

STATEMENT OF CASH FLOWS

	Group Unaudited as at 31-May-21 US\$	Group Unaudited as at 31-May-20 US\$	Company Unaudited as at 31-May-21 US\$	Company Unaudited as at 31-May-20 US\$
Net cash generated from/ (used in) operating activities	22,394	(19,993)	(22,302)	(71,030)
Net cash generated from investing activities	478,625	2,068,000	47,970	2,068,000
Net cash used in financing activities	(605,923)	(2,000,000)	-	(2,000,000)
Net change in cash and cash equivalents	(104,904)	48,007	25,668	(3,030)
Cash and cash equivalents at beginning of period	378,027	216,250	6,395	15,810
Effect of exchange differences	2,292	2,130	-	-
Cash and cash equivalents at end of period	275,415	266,387	32,063	12,780

Notes

The Company is required to publish its unaudited consolidated financial results for the quarter ended 31 May 2021 in terms of Listing Rule 12.19 of the SEM and Section 88 (1) of the Mauritian Securities Act 2005. Accordingly, this announcement presents the unaudited consolidated financial results of the Group and the Company for the quarter ended 31 May 2021. The comparative figures are for the quarter ended 31 May 2020.

The abridged unaudited consolidated financial statements for the quarter ended 31 May 2021 ("abridged unaudited consolidated financial statements") have been prepared in accordance with the measurement and recognition requirements of IFRS, the information contained in IAS 34: Interim Financial Reporting, the SEM Listing Rules and the Mauritian Securities Act 2005, using the same accounting policies as those of the audited financial statements for the year ended 28 February 2021.

No dividends were declared or provided for during the quarter ended 31 May 2021.

The abridged unaudited consolidated financial statements have not been reviewed or reported on by the Company' external auditors. These abridged unaudited consolidated financial statements were approved by the Board of Directors ("Board") on 14 July 2021.

Copies of the abridged unaudited consolidated financial statements and the Statement of direct and indirect interests of each officer of the Company, pursuant to rule 8(2)(m) of the Securities (Disclosure Obligations of Reporting Issuers) Rules 2007, are available free of charge, upon request at the Registered Office of the Company at c/o Intercontinental Trust Ltd, Level 3, Alexander House, 35 Cybercity, Ebene 72201, Mauritius. Contact person: Mrs. Smitha Alqoo- Bissonauth.

This communiqué is issued pursuant to SEM Listing Rules 11.3 and 12.20 and Mauritian Securities Act 2005. The Board accepts full responsibility for the accuracy of the information contained in this communiqué.

By order of the Board

Intercontinental Trust Limited

Company Secretary

Perigeum Capital Ltd

SEM Authorised representative and Sponsor

15 July 2021

