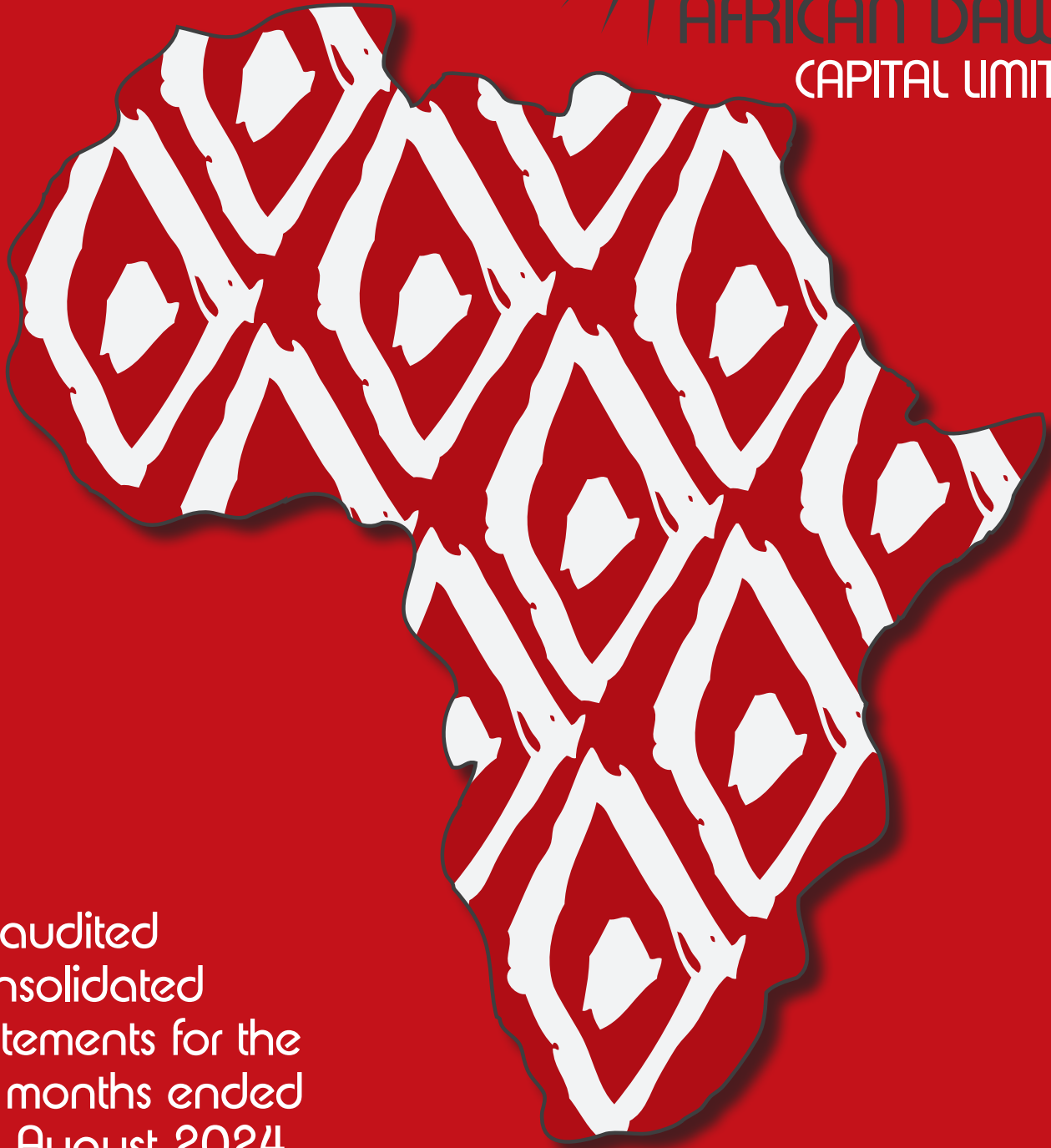




AFRICAN DAWN
CAPITAL LIMITED



Unaudited
Consolidated
Statements for the
six months ended
31 August 2024

AFRICAN DAWN CAPITAL LIMITED
(Incorporated in the Republic of South Africa)
(Registration number 1998/020520/06)
JSE code: ADW
ISIN: ZAE000223194
"the Company" or "the Group" or "Afdawn"



Consolidated Statements of Financial Position as at 31 August 2024

	Note	31 August 2024 R'000 (Unaudited)	31 August 2023 R'000 (Unaudited)	29 February 2024 R'000 (Audited)
Assets				
Non-Current Assets				
Property, plant and equipment		1,708	1,406	2,181
Intangible assets		633	283	688
Goodwill		500	500	500
Total non-current assets		2,841	2,189	3,369
Current Assets				
Trade and other receivables	7	6,826	10,087	8,672
Other receivables		416	1,250	833
Cash and cash equivalents		459	2,084	730
Total current assets		7,701	13,421	10,235
Total Assets		10,542	15,610	13,604
Equity and Liabilities				
Equity				
Share capital and share premium	10	329,234	329,234	329,234
Accumulated loss		(392,248)	(377,003)	(383,468)
Total equity		(63,014)	(47,769)	(54,234)
Liabilities				
Non-Current Liabilities				
Lease liabilities		855	654	1,244
Borrowings	9	31,080	25,063	24,841
Total non-current liabilities		31,935	25,717	26,085
Current Liabilities				
Borrowings	9	32,789	31,443	33,511
Loans from director		44	519	38
Lease liabilities		815	617	824
Current tax liabilities		157	367	270
Trade and other payables		7,816	4,716	7,110
Total current liabilities		41,621	37,662	41,753
Total Liabilities		73,556	63,379	67,838
Total Equity and Liabilities		10,542	15,610	13,604

Consolidated Statement of Profit or Loss and other Comprehensive Income for the six months ended 31 August 2024

	Note	31 August 2024 R'000 (Unaudited)	31 August 2023 R'000 (Unaudited)	29 February 2024 R'000 (Audited)
Interest income		4,341	5,616	10,970
Commission, Administration, and other revenue		1,936	2,262	4,465
Other income		46	337	233
Impairment reversal		-	280	280
Impairment trade and other receivables raised	7	(625)	(1,584)	(2,780)
Employee benefits expense		(4,019)	(4,170)	(7,240)
Depreciation		(479)	(435)	(876)
Amortisation		(55)	(35)	(118)
Finance costs		(5,637)	(4,781)	(10,143)
Other operating expenses		(4,288)	(5,651)	(9,417)
Loss before tax		(8,780)	(8,161)	(14,626)
Income tax expense		-	-	-
Total comprehensive loss		(8,780)	(8,161)	(14,626)
Basic loss per share (c) - note 15		(11.9)	(11.6)	(20.3)

Consolidated Statements of Changes in Equity for the six months ended 31 August 2024

	Issue Capital R'000	Share Premium R'000	Total Share Capital R'000	Accumulated loss R'000	Total R'000
Balance at 28 February 2023	28,038	299,796	327,834	(368,842)	(41,008)
Issue of equity	1,400	-	1,400	-	1,400
Total comprehensive loss to 31 August 2023	-	-	-	(8,161)	(8,161)
Balance at 31 August 2023	29,438	299,796	329,234	(377,003)	(47,769)
Total comprehensive loss to 29 February 2024	-	-	-	(6,465)	(6,465)
Balance at 29 February 2024	29,438	299,796	329,234	(383,468)	(54,234)
Total comprehensive loss to 31 August 2024	-	-	-	(8,780)	(8,780)
Balance at 31 August 2024	29,438	299,796	329,234	(392,248)	(63,014)
Note	10	10			

Consolidated Statement of Cash Flows Income for the six months ended 31 August 2024

	Note	Six months 31 August 2024 R'000 (Unaudited)	Six months 31 August 2023 R'000 (Unaudited)	Year ended 29 February 2024 R'000 (Audited)
Cash flows from operating activities				
Cash used in operations	11	(1,604)	(2,726)	(1,979)
Finance costs		(3,795)	(4,707)	(7,250)
Tax paid		(126)	(41)	(159)
Cash flows used in operating activities		(5,525)	(7,474)	(9,388)
Cash flows from investing activities				
Purchase of property, plant and equipment		(6)	(3)	(18)
Purchase of intangible assets		-	-	(489)
Proceeds for other receivables		417	417	833
Loan repayment		-	280	279
Cash flows from investing activities		411	694	605
Cash flows from financing activities				
Repayment of borrowings		(3,446)	(3,447)	(6,033)
Proceeds from borrowings		8,788	10,506	14,656
Share issue		-	1,400	1,400
Repayment of lease liabilities		(398)	(412)	(773)
Repayment of lease interest		(107)	(74)	(146)
Repayment of loans from director		(145)	(270)	(921)
Loans received from director		151	55	224
Cash flow from financing activities		4,843	7,758	8,407
Net (decrease)/ increase in cash and cash equivalents		(271)	978	(376)
Cash and cash equivalents at the beginning of the year		730	1,106	1,106
Cash and cash equivalents at end of the year		459	2,084	730

Notes to the Consolidated Interim Financial Statements

1. Reporting entity

African Dawn Capital Limited is domiciled in the Republic of South Africa. The unaudited consolidated interim financial statements for the six months ended 31 August 2024 comprise the results of the Company and its subsidiaries ("the Group").

2. Basis of preparation

The consolidated interim financial statements have been prepared using the historical cost convention, as modified for certain items measured at fair value.

The consolidated interim financial statements have been prepared in accordance with:

- International Financial Reporting Standards (IFRS);
- IAS 34 - Interim Financial Reporting;
- The requirements of the South African Companies Act (Act No 71 of 2008), as amended,
- The JSE Listings Requirements;
- The Financial Pronouncements as issued by Financial Reporting Standards Council; and

These consolidated interim financial statements have not been audited or reviewed by the Company's auditors.

These consolidated interim financial statements should be read in conjunction with the annual financial statements for the year ended 29 February 2024.

3. Approval

The consolidated interim financial statements were prepared by Dylan Kohler Professional Accountant (SA) and supervised by the chief financial officer, G Hope CA (SA). They were approved by the Board on 27 November 2024.

4. Significant accounting policies

The accounting policies adopted in the preparation of the consolidated interim financial information are consistent with those applied in the consolidated annual financial statements for the year ended 29 February 2024. For a full list of standards and interpretations, which have and have not been adopted, refer to the 29 February 2024 consolidated annual financial statements.

5. Significant judgements and accounting estimates

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

Except as described below, in preparing these consolidated interim financial statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied in the consolidated financial statements for the year ended 29 February 2024 (refer to note 3.1.1 of the consolidated annual financial statements for the year ended 29 February 2024).

6. Events after the reporting period

- As announced on SENS on 1 October 2024, a term sheet was signed on 30 September 2024, in terms of which EXG Partners (Pty) Ltd will invest R5 million in the form of a subscription for 50% of the share capital in Elite Group (Pty) Ltd ("Elite") (the "Disposal") and further provide a R15 million long-term commercial loan to Elite. The Disposal is subject to shareholder approval.
- The suspension in trade of the Company's shares on the JSE came into effect on 18 July 2024 due to non-compliance with the JSE Listings Requirements relating to the publication of annual results for the year ended 29 February 2024. The suspension was lifted by the JSE on 7 November 2024.

Notes to the Consolidated Interim Financial Statements *continued*

7. Trade receivables

Impairment of trade and other receivables

The carrying amount of trade and other receivables was assessed for impairment at the interim dates and resulted in the following changes:

Impairment	31 August 2024 R'000	31 August 2023 R'000	29 February 2024 R'000
Movement in impairment provision trade and other receivables	625	1,584	2,780

8. Segment report

Refer to the consolidated annual financial statement for description of the segments. All the segments operate only in South Africa, largely in Gauteng therefore no geographical information is provided. Similarly, all non-current assets are in South Africa.

31 August 2024	Micro finance	Head office	Total
	R'000	R'000	R'000
Interest income	4,341	-	4,341
Commission, administration and other revenue	1,936	-	1,936
Other income	46	-	46
Impairment trade and other receivables	(625)	-	(625)
Employee costs including non-executive directors fees	(3,524)	(495)	(4,019)
Depreciation and amortisation	(479)	-	(479)
Amortisation	(55)	-	(55)
Finance costs	(4,555)	(1,082)	(5,637)
Other operating expenses	(2,900)	(1,388)	(4,288)
Loss before taxation	(5,815)	(2,965)	(8,780)
Income tax expense	-	-	-
Total comprehensive loss for the year	(5,815)	(2,965)	(8,780)
Total assets	10,014	528	10,542
Total liabilities	(57,791)	(15,765)	(73,556)
Intergroup revenue	(977)	977	-

Notes to the Consolidated Interim Financial Statements *continued***31 August 2023**

	Micro finance	Head office	Total
	R'000	R'000	R'000
Interest income	5,616	-	5,616
Commission, administration and other revenue	2,262	-	2,262
Other income	337	-	337
Impairment reversal	-	280	280
Impairment trade and other receivables	(1,584)	-	(1,584)
Employee costs including non-executive directors fees	(3,675)	(495)	(4,170)
Depreciation	(435)	-	(435)
Amortisation	(35)	-	(35)
Finance costs	(3,868)	(913)	(4,781)
Other Operating expenses	(3,632)	(2,019)	(5,651)
Loss before taxation	(5,014)	(3,147)	(8,161)
Income tax expense	-	-	-
Total comprehensive loss for the year	(5,014)	(3,147)	(8,161)
Total assets	14,200	1,410	15,610
Total liabilities	(51,260)	(12,119)	(63,379)
Intergroup revenue	(1,741)	1,741	-

Notes to the Consolidated Interim Financial Statements *continued***9. Borrowings**

	31 August 2024	31 August 2023	29 February 2024
	R'000	R'000	R'000
<i>Caleo private equity Proprietary Limited</i>	8,254	8,242	8,247
Caleo advanced R10million in 2021, the transaction included a loan raising fee paid via the issue of shares with a value of R1.7million including costs. At initial recognition of the loan, a transaction cost (loan raising fee) was capitalised (deducted from) the value of the loan. The net value was subsequently recognised at amortised cost using the effective interest rate. The fees have been capitalised against the loan at original recognition and amortised using the effective interest rate method over the period of the loan. The loan terms are: interest is charged at 15.6% and a 2.4% consulting fees per annum which is an integral part of the effective interest rate, based on the cumulative balance, the loan is unsecured and is repayable after 20 years at the Group's discretion. Interest is paid monthly and if the Group chooses to repay the loan within the 20 years, an "early termination penalty" amounting to the interest payable up to the full term of the loan, discounted at 4.5% will apply.			
Loan raising fee amortisation recognised through profit and loss	14	12	13
<i>Net value of Caleo</i>	8,268	8,254	8,260
<i>Related Parties – Unsecured*</i>	2,065	1,770	2,428
The loans bear interest of 18% per annum. The loans unsecured and are repayable within 12 months.			
<i>Related Parties – Unsecured repayable on demand</i>	4,867	3,350	5,296
These loans bear Interest of between 10.5% and 18% per annum. The loans are unsecured and are repayable on demand.			
<i>Related Parties – Unsecured long-term</i>	807	-	700
The loans bear interest of 18% per annum. The loans are unsecured and are repayable in 36 months.			
<i>Related Parties Caleo loan programme</i>	13,480	15,130	15,130
The loan bears interest at 15% per annum, is secured by ceded trade receivables of 1.2 times the loan value and are repayable within 3 months (Aug 2023:6 months).			
<i>3rd Party loans</i>			
<i>Unrelated Parties – Unsecured long term</i>	10,200	2,699	7,433
These loans bear Interest of between 15% and 18% per annum. The loans are unsecured and are repayable between 24 - 36 months.			
<i>Unrelated Parties – Unsecured short term</i>	23,082	24,203	18,005
The loan bears Interest between 10.5% and 18% per annum. The loans are unsecured and are repayable between within 12 months.			
<i>Unrelated Parties – Secured single cover short term</i>	1,100	1,100	1,100
These loans bear Interest of 17% per annum. The loans are secured on trade receivables with a value of the initial capital and are repayable within 12 months.			
Total	63,869	56,506	58,352

Notes to the Consolidated Interim Financial Statements *continued***Non-current liabilities**

At amortised cost	31,080	25,063	24,841
	31,080	25,063	24,841

Current liabilities

At amortised cost	32,789	31,443	33,511
	32,789	31,443	33,511
	63,869	56,506	58,352

* Included in related parties - unsecured is a loan from M Slabbert R1,840,000 (Aug 2023: R1,770,000) which was indicated as secured in 2023 but should have been classified as unsecured. The error is not material so no retrospective adjustment has been made.

10. Share Capital**Authorised**

Issued	Shares 31 August 2024	Shares 31 August 2023	Shares 29 February 2024
125,000,000 Ordinary shares of 40c each	50,000,000	50,000,000	50,000,000

The total shares in issue as at 31 Aug 2024 amounted to 73,511,608 (2023: 73,511,608).

Reconciliation of number of shares in issue

Reported as at 01 March	73,512	70,012	70,012
Share issue 30 August 2023#	-	2,000	2,000
Share issue 17 May 2023#	-	1,500	1,500
Closing balance	73,512	73,512	73,512

Reconciliation of share values R'000

Reported as at 01 March	329,234	327,834	327,834
Share issue 30 August 2023#	-	800	800
Share issue 17 May 2023#	-	600	600
Reported at the end of the period	329,234	329,234	329,234

Total share premium	299,796	299,796	299,796
Ordinary shares @ 40c	29,438	29,438	29,438
	329,234	329,234	329,234

The Group issued new ordinary shares at 40c per share in a private placements, in terms of the directors general authority to issue shares.

The group has adopted a zero cost option plan which is a share incentive scheme to assist with the retention of senior management was passed at the AGM held on 29 September 2023. The scheme authorised the issue of 9,000,000 zero cost shares that at the Boards discretion will be issued to senior staff based on existing remuneration and strategic importance to the group, limited to a maximum of 4,000,000 shares per staff member. No shares have been issued as at the reporting date and no obligation has been recognised so no adjustments have been made to the earnings per share calculation.

Notes to the Consolidated Interim Financial Statements *continued***11. Cash used in operations and financing activities movement**

	31 August 2024	31 August 2023	29 February 2024
	R'000	R'000	R'000
Loss for the period	(8,780)	(8,161)	(14,626)
Adjustments for:			
Depreciation	479	435	876
Finance costs	5,637	4,781	10,143
Impairment reversal	-	(280)	(280)
Amortisation	55	35	118
Other impairment losses	625	1,584	2,764
Non-cash movement:			
Non cash SARS interest	13	18	39
Non cash director loan	-	36	36
Non cash borrowings	-	105	200
Changes in operating assets and liabilities			
Adjustment for decrease in other receivables	-	-	5
Adjustment for decrease /(increase) trade accounts receivables	1,222	(2,061)	(1,872)
Adjustment for (decrease)/increase trade and other accounts payable	(855)	782	618
	(1,604)	(2,726)	(1,979)

12. Related parties

Related party relationships – other than as disclosed below, there have been no significant changes from the disclosures in the consolidated annual financial statements for the year ended 29 February 2024.

Executive and non-executive directors	As per directors' report in the consolidated annual financial statements for the year ended 29 February 2024.
Other key management	AS Van der Westhuizen
Slabcap Proprietary Limited	Company controlled by a director providing services to the group
Arvesco 153 Proprietary Limited	
Gowin Capital Proprietary Limited	
Slabcap Investments Proprietary Limited	
Caleo Private Equity Proprietary Limited	
Caleo Property Investments Proprietary Limited	
Caleo Hospitality Investments Proprietary Limited	
Caleo Finance Investments Proprietary Limited	
Caleo USA Finance Proprietary Limited	
Caleo Construction Proprietary Limited	
Caleo Consumer Products Proprietary Limited	
Caleo SA Finance Proprietary Limited	
Caleo Special Situations Proprietary Limited	
Caleo Living Proprietary Limited	
Caleo Experience Proprietary Limited	
CPE Opportunities Proprietary Limited	
CPE Investment Portfolio Proprietary Limited	
Caleo Renewables Proprietary Limited	
Caleo 4PL Proprietary Limited	
Elite Group Three Proprietary Limited	
EXG Partner Proprietary Limited	
Nassau Property Investments Proprietary Limited	
Pocketworld Proprietary Limited	

Notes to the Consolidated Interim Financial Statements *continued*

Piercore Capital Proprietary Limited
Piercore Capital Investments Proprietary Limited
Piercore Group Holdings Proprietary Limited
Port Shepstone Brick and Tile Company Proprietary Limited
Renovar Renewables Group Proprietary Limited
Renovar Energy Generation Proprietary Limited

Apostolic Church
R Blieden, S Blieden, A Hudson, M Slabbert, PJ Slabbert

Director is a member
Key management - close relative

DD Breedt
DS Danker
JC Breedt
SM Danker

Key management (resigned 2023/11/22)
Director (resigned 2023/02/28)
Key management - Close relative (resigned 2023/11/22)
Key management - Close relative (resigned 2023/02/28)

	31 August 2024	31 August 2023	29 February 2024
	R'000	R'000	R'000
Related party transactions			
Interest paid to related parties			
SM Danker	-	14	-
G Hope	-	36	36
DS Danker	-	18	-
DD Breedt	-	11	-
JC Breedt	-	37	-
M Slabbert	166	159	321
R Blieden	36	36	72
S Blieden	162	163	325
Arvesco 153 Proprietary Limited	18	19	35
Slabcap Proprietary Limited	85	80	147
Caleo Afdawn Limited Liability Partnership	914	1,026	1,815
Investor Piercore Capital (Pty) Ltd	60	-	78
Investor Tiberias Investment Holdings (Pty) Ltd	24	-	31
PJS Investment Holdings (Pty) Ltd	15	-	6
PJ Slabbert	4	-	1
Apostolic Church	142	-	325
Administration fee paid to related parties			
JC Breedt	-	44	-
DD Breedt	-	8	-
Employee cost paid to key management including directors	1,074	812	2,148
RELATED PARTY BALANCES			
Balance of directors loans relating to short term cash advances			
G Hope	(44)	(519)	(38)
DS Danker	-	(200)	-

Notes to the Consolidated Interim Financial Statements *continued*

Loan accounts - Owing to related parties			
R Blieden	(400)	(400)	(400)
S Blieden	(1,800)	(1,800)	(1,800)
JC Breedt	-	(700)	-
D Breedt	-	(200)	-
Arvesco 153 Proprietary Limited	(243)	(209)	(225)
Slabcap Proprietary Limited	(1,070)	(941)	(1,199)
M Slabbert	(1,840)	(1,770)	(1,840)
SM Danker	-	(150)	-
Investor Piercore Capital (Pty) Ltd	(1,707)		(800)
Investor Tiberias Investment Holdings Proprietary Limited	(371)		(320)
PJS Investment Holdings Proprietary Limited	(225)		(225)
PJ Slabbert	(50)		(50)
AS vd Westhuizen	(848)		(848)
Caleo Private Equity Proprietary Limited	(10,000)		(10,000)
Elite Group Two Proprietary Limited	(240)		(237)
Apostolic Church	(2000)		(1,900)
Related parties included in trade payables			
Caleo interest and consulting	(2,319)	(411)	(1,394)
Non-executive directors fees owing	(837)	(721)	(742)

Notes to the Consolidated Interim Financial Statements *continued***13. Loss per share****Basic and diluted loss per share**

Basic and diluted loss per share are calculated by dividing the loss attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the period.

Basic loss per share	31 August 2024	31 August 2023	29 February 2024
From continuing operations (c)	(11.9)	(11.6)	(20.3)
Reconciliation of weighted average number of ordinary shares	'000	'000	'000
Number of ordinary shares in issue	73,512	70,012	70,012
Shares issued 30 August 2023	-	10	1,008
Share issue 17 May 2023	-	440	1,188
Weighted average number of shares used for loss and headline loss per share	73,512	70,462	72,208

Headline loss per share	31 August 2024	31 August 2023	29 February 2024
From continuing operations (c)	(11.9)	(11.9)	(20.3)

Headline loss reconciliation 31 August 2024	Gross	Tax	Net
Loss for the period for continuing operations	(8,780)	-	(8,780)
Headline loss for the period	(8,780)	-	(8,780)

Headline loss reconciliation 31 August 2023	Gross	Tax	Net
Loss for the period for continuing operations	(8,161)	-	(8,161)
Impairment reversal	(280)	60	(220)
Headline loss for the period	(8,441)	60	(8,381)

Headline loss reconciliation 29 February 2024	Gross	Tax	Net
Loss for the period for continuing operations	(14,626)	-	(14,626)
Headline loss for the period	(14,626)	-	(14,626)

Notes to the Consolidated Interim Financial Statements *continued*

14. Comments from The Board

REVIEW FOR THE PERIOD

We remain positive on our core business capabilities and we believe that the Group is still positioned for the future.

Management will continue to grow revenues and increase value for all stakeholders

DIRECTORATE

The directors in office at the date of this report are:

Director	Office	Designation
J Slabbert	Executive Chairman	Executive
GB Hope	Chief Financial Officer (CFO)	Executive
B Stagman	Chair Audit and Risk and Remuneration Committee	Independent Non-Executive
S Blieden	Chair Social and Ethics Committee	Non-Executive

Notes to the Consolidated Interim Financial Statements *continued*

GOING CONCERN

These results have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

Certain material uncertainties relating to events or conditions which may cast doubt upon the ability to continue as a going concern were outlined in note 3.1.1. of the Annual Financial Statements for the year ended 29 February 2024. The following actions were implemented to reduce these uncertainties:

Risk - Afdawn's ability to pay ongoing operational expenses.

Action taken - Afdawn continues to raise additional funding from external parties and supportive shareholders. As announced on SENS on 1 October 2024, a term sheet was signed on 30 September 2024, in terms of which EXG Partners (Pty) Ltd will invest R5 million in the form of a subscription for 50% of the share capital in Elite Group (Pty) Ltd ("Elite") (the "Disposal") and further provide a R15 million long-term commercial loan to Elite. The Disposal is subject to shareholder approval.

DIVIDENDS

No dividends have been declared for this interim period (August 2023: R nil).

Registered office

3RD Floor, The Village at Horizon
Corner of Sonop and Ontdekkers Roads
Horizon View, 1724, Gauteng
Tel: +27 (11) 475 7705

Company secretary

A Rich (on behalf of Statucor Proprietary Limited)

Auditors

PKF Octagon Inc

Designated Advisor

PSG Capital

Transfer secretaries

Computershare Investor Services Proprietary Limited 70 Marshall Street, Johannesburg, 2001.

Date: 29 November 2024

