Inala Capital Limited

Listed on the Eswatini Stock Exchange ("ESE")
Share Code on the ESE: INALA
ISIN code: SZE000331049

FINANCIAL RESULTS FOR THE HALF YEAR ENDED 30 JUNE 2025

Figures in Emalangeni	Reviewed for the 6 months ended 30 June 2025	Audited for the year ended 31 December 2024	Reviewed for the 6 months ended 30 June 2024
CONDENSED STATEMENT OF COMPREHENSIVE INCOME			
Revenue	818 181	1 636 362	818 181
Unrealised loss on revaluation of investments	-	(1 127 989)	-
Operating expenses	(1 372 785)	(4 327 077)	(2 340 943)
Operating loss	(554 604)	(3 818 704)	(1 522 762)
Interest income	2 050 891	3 554 249	1 467 760
Finance cost	(19 757)	(26 355)	(7 070)
Profit/(Loss) before taxation	**1 476 530**	**(290 810)**	**(62 072)**
Taxation	298 414	(355 957)	234 231
Total comprehensive income/(loss)	**1 774 944**	**(646 767)**	**172 159**
Earnings/(Loss) per share	0,02	(0,01)	0,00
CONDENSED STATEMENT OF FINANCIAL POSITION			
ASSETS			
NON-CURRENT ASSETS			
Investments in associate	30 727 580	30 727 580	30 260 923
Deferred Tax asset	1 339 036	885 115	1 278 926
	32 066 616	**31 612 695**	**31 539 849**
CURRENT ASSETS			
Trade and other receivable	818 181	-	-
Other financial assets	16 033 072	18 216 443	16 971 728
Prepayments	16 199	2 100	36 815
Cash and cash equivalents	948 899	2 003 081	10 095 902
Amount owed by related parties	13 424 843	9 356 771	2 012 110
	31 241 194	**29 578 395**	**29 116 555**
Non-current asset classified as held for sale	1 567 555	1 567 555	3 162 201
TOTAL ASSETS	**64 875 365**	**62 758 645**	**63 818 605**
EQUITY AND LIABILITIES			
EQUITY			
Share capital	73 373 123	73 373 123	73 373 123
Reserves	(404 640)	(404 640)	-
Accumulated loss	(9 488 748)	(11 263 692)	(10 444 766)
TOTAL EQUITY	**63 479 735**	**61 704 791**	**62 928 357**
LIABILITIES			
Current Liabilities			
Other financial liabilities	-	-	257 990
Trade and other payables	1 071 722	749 703	632 258
Amount owing to related parties	319 511	301 691	-
Tax payable	4 397	2 460	-
TOTAL LIABILITIES	**1 395 630**	**1 053 854**	**890 248**
TOTAL EQUITY AND LIABILITIES	**64 875 365**	**62 758 645**	**63 818 605**
CONDENSED STATEMENT OF CHANGES IN EQUITY			
SHARE CAPITAL	**73 373 123**	**73 373 123**	**73 373 123**
CAPITAL RESERVE	**(404 640)**	**(404 640)**	**-**
ACCUMULATED LOSS	**(9 488 748)**	**(11 263 692)**	**(10 444 766)**
Balance at the beginning of the period	(11 263 692)	(10 616 925)	(10 616 925)
Profit/(Loss) for the year	1 774 944	(646 767)	172 159
TOTAL EQUITY	**63 479 735**	**61 704 791**	**62 928 357**
CONDENSED STATEMENT OF CASH FLOWS			
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash used in operations	(955 094)	(3 074 296)	8 573 678
Interest income	56 417	410 187	37 545
Dividend received	-	1 636 362	818 181
Tax paid	(155 505)	(240 105)	(9 075)
NET CASH FLOW FROM OPERATING ACTIVITIES	**(1 054 182)**	**(1 267 852)**	**9 420 329**
CASH FLOWS FROM INVESTING ACTIVITIES			
Cash advanced to group companies	(3 000 000)	(7 000 000)	-
Proceeds from other financial assets	3 000 000	10 000 000	-
NET CASH FLOW FROM INVESTING ACTIVITIES	**-**	**3 000 000**	**-**
CASH FLOWS FROM FINANCING ACTIVITIES			
Repurchase of shares	-	(404 640)	-
NET CASH OUTFLOW FROM FINANCING ACTIVITIES	**-**	**(404 640)**	**-**
NET CHANGE IN CASH AND CASH EQUIVALENTS	**(1 054 182)**	**1 327 508**	**9 420 329**
TOTAL CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	**2 003 081**	**675 573**	**675 573**
TOTAL CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	**948 899**	**2 003 081**	**10 095 902**

Figures in Emalangeni	Reviewed for the 6 months ended 30 June 2025	Audited for the year ended 31 December 2024	Reviewed for the 6 months ended 30 June 2024
NOTES			
1. STATEMENT OF COMPLIANCE			
The financial results have been prepared in accordance with IFRS Accounting Standards and in the manner required by the Companies' Act of 2009. The financial results presented have been reviewed and audited by the auditor of Inala Capital Limited (the "Company" or "Inala").			
2. HEADLINE EARNINGS			
2.1 EARNINGS PER SHARE			
Basic and diluted earnings per share	0,02	(0,01)	0.00
2.2 NUMBER OF ORDINARY SHARES OF E 0.01 EACH IN ISSUE			
Actual	71 994 000	71 994 000	71 994 000
Weighted average	71 994 000	71 994 000	71 994 000
3. INVESTMENTS			
Unlisted	30 727 580	30 727 580	30 260 923
Non-current asset held for sale	1 567 555	1 567 555	-
	32 295 135	**32 295 135**	**30 260 923**
4. LOANS AND RECEIVABLES			
Investment in promissory notes	16 033 072	18 216 443	16 971 728
	16 033 072	**18 216 443**	**16 971 728**
5. RELATED PARTY TRANSACTIONS			
Interest income	1 068 072	344 661	-
Interest expense	(17 435)	(22 139)	-
Management fees paid	985 351	2 389 910	1 129 147
All related party transactions are made at terms equivalent to those prevailing in arm's length transactions. There have been no guarantee provided or received for any related party receivables or payables. The company has not recorded any impairment of receivables relating to amounts owed by or investments in related parties during the period.			
6. CASH GENERATED/(USED IN) OPERATIONS			
Profit/(Loss) before tax	1 476 530	(290 810)	(62 072)
Adjustments for:			
Interest income	(2 050 891)	(3 554 249)	(1 467 760)
Finance cost	19 757	26 355	7 070
Fair value losses	-	1 127 989	-
Decrease in trade and other receivables	2 100	823 471	823 472
Increase in prepayments	(16 199)	(2 100)	(36 815)
Increase/(Decrease) in trade and other payables	322 018	24 187	(93 258)
Net movement in other financial asset	109 772	147 723	10 000 000
Net movement in balance held with related parties	-	259 500	221 222
Dividend income	(818 181)	(1 636 362)	(818 181)
	(955 094)	**(3 074 296)**	**8 573 678**

MANAGER

African Alliance Eswatini Capital (Pty) Limited
Matsapha Link, Plot 270, 13th Street,
Police College Road, Matsapha
P.O. Box 5727, Mbabane, H100

AUDITOR

SNG Grant Thornton Chartered Accountants (Eswatini)
Umkhiwa House, 1st Floor
Kal Grant Street, Lot 195
P O Box 331, Mbabane

TRANSFER SECRETARY

SNG Grant Thornton (Advisory) (Eswatini) (Proprietary) Limited
Umkhiwa House, 1st Floor
Kal Grant Street, Lot 195
P O Box 331, Mbabane

STOCKBROKER

African Alliance Eswatini Securities Limited
Matsapha Link, Plot 270, 13th Street,
Police College Road, Matsapha
P.O. Box 5727, Mbabane, H100

Inala Capital Limited (Incorporated in the Kingdom of Eswatini Reg. No. 2364 of 2017)

Directors: MM Dlamini* (Chairman), AMB de Castro, S Khumalo*, NK Mabuza, WD Thwala* (*Independent Director)
1st Floor, Matsapha Link, Portion 3 of Plot 582 along College Road & Lihawu Street, Matsapha, Eswatini.
PO Box 5727, Mbabane H100 Telephone: (+268) 2518 5556

HIGHLIGHTS

Nav per share	Equity investments valued at	Investment income
E 0.9	**E 30.7 m**	**E 2.0 m**

COMMENTARY

INTRODUCTION

Inala Capital's principal objective is to carry on business as an investment holding company and, in doing so, provide investors with attractive long-term returns. Inala focuses on investing in companies which demonstrate strong fundamentals and good growth prospects, where Inala believes significant value enhancement can be attained. The Company's primary investment geography is in the Kingdom of Eswatini. Where opportunities are unavailable locally, the Company will seek opportunities in the Southern African Development Community.

PORTFOLIO REVIEW

For the six months ended 30 June 2025, Alliance Foods continued on its strong growth path, opening a further three stores in the Kingdom and achieving like-for-like revenue growth of some 8.6%. As per previous communications, Inala is committed to consolidating its shareholding in this entity and expects to conclude the acquisition of a further 72.73% in a share swap with Greystone Partners Limited before year end.

Inala's fixed-income investments continue to deliver consistent and stable yields. These short-term instruments are strategically utilised to optimise returns on treasury capital and preserve flexibility to deploy capital into unlisted equity opportunities or support follow-on investments within the existing portfolio at short notice.

FINANCIAL REVIEW

From a financial perspective, Inala reported a net profit after tax of E1.77 million for the interim period, reflecting stabilised underlying performance, higher interest income, and additional emphasis on internal cost discipline. As the company performs an independent valuation annually, there has been no adjustment to the company's unlisted equity investments.

Inala's current unlisted equity portfolio and fixed-income investments are valued at E30.7 million and E16.0 million respectively. A portion of Inala's fixed-income portfolio was utilised to fund operational and administrative costs of the business during the period.

From a Balance Sheet perspective, at company level, Inala remains largely ungeared with E64.9 million in total assets and E1.4 million in total liabilities, predominantly linked to administrative costs of the entity.

Overall, the Net Asset Value of Inala has increased to E63.5 million.

OUTLOOK

Inala is well positioned to deliver on its promise for the next phase of growth. Despite historic impairments associated with the entity's small investment in General Africa Foods, the medium- and long-term outlook is promising, supported by stabilising inflation, the prospect of further monetary easing, and the conclusion of the long-awaited consolidation of Inala's shareholding in Alliance Foods.

CORPORATE GOVERNANCE

The directors and management confirm their commitment to the principles of openness, integrity, and accountability as advocated by sound principles of Corporate Governance contained in the King IV Report.

By order of the Board

Chairman

MM Dlamini

30 September 2025