



Labat Africa Limited

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Dear Investor

My name is Brian van Rooyen, CEO of JSE listed company Labat Africa (Labat). Listed in 1994, the Company which boasts a Level 2 B-BBEE status has operations in logistics, technology and energy. During the second half of 2019 Labat Africa announced that it was making an entry into the cannabis industry.

Since the announcement, Labat has made massive strides in laying the ground-work for establishing a fully-fledged Healthcare operation with a focus on medical pharmaceutical and industrial cannabis. We have also obtained the relevant regulatory approvals from government to pursue its drive into the cannabis market.

To this end we have created strategic partnerships with the acquisition of a stake in Biodata, a science and technology company. We further established our footprint with the acquisition of a SAHPRA approved pharmaceutical operation and have taken another stake in CannAfrica, a retail company which will provide world class hemp processing technologies and help to expand our retail network in South Africa. We also have in our stable world class genetics for high TCH and CBD strains and have partnered with one of the largest pharmaceutical companies in the world, Chinese based Sinopharm, a supplier of equipment, expertise and regulatory resources.

This section of our business will now form Labat Healthcare, a vertically integrated entity which will be supported by our logistics and technology units. This unit will be a fully integrated business spanning the entire value of the cannabis industry from growing seedlings, planting hemp, processing, licensing, logistics and finally getting the products to the market through our retail outlets. Labat Pharmaceuticals will be led by Mike Stringer, a veteran of the pharmaceutical industry.

We intend to raise R112 million to fund the expansion of the healthcare business. Part of this message is a presentation which we initially hoped to present face-to-face to potential investors. Unfortunately our plans to do so were interrupted by the advent of COVID-19 and the subsequent lockdown, which has since been extended.

Mike Stringer (082 650 3225) and myself (082 604 1421) are available to discuss any queries and or clarifications emanating from the presentation.

Thank you.
Brian van Rooyen

Directors: R Majiedt (Chairperson);
B van Rooyen (CEO); B Penny, DJ O'Neill, G Walters (Financial Director), M Stringer; T Mogapi,
R Mohamed; M Stringer
Company Secretary: Arbor Capital Company Secretarial

