



LABAT AFRICA LIMITED

(Incorporated in the Republic of South Africa)

(Registration number 1986/001616/06)

("Labat Africa" or "the Company")

ISIN Code: ZAE 000018354 Share code: LAB

CHANGES TO THE PREVIOUSLY PUBLISHED INTERIM RESULTS ENDED 29 FEBRUARY 2020

Shareholders are referred to the interim results for the six months ended 29 February 2020 published on SENS on 30 April 2020 ("**interim results**"), the reviewed provisional financial results for the year ended 31 August 2020 published on SENS on 4 January 2021 as read with the change statements and notice of AGM published on SENS on 16 February 2021 ("**audited results announcement**") and the Integrated Annual Report distributed to shareholders electronically on Tuesday, 16 February 2021 and by post on Friday, 19 February 2021 ("**audited financial statements**").

Shareholders are advised that following the publication of the interim results and prior to the publication of the audited results announcement, the Company was subject to a JSE Pro-Active Monitoring Review Process ("**Pro-active Monitoring Review**") in respect of its annual financial statements for the year ended 31 August 2019 and the interim results. The Pro-active Monitoring Review resulted in the identification of the following two errors in the interim results:

- (i) the recognition of an operating expense of R7m and other income of R7m in respect of the recovery of costs of R7m incurred on the establishment of the medical cannabis and hemp related products business; and
- (ii) the incorrect recognition of a R7.6m revaluation of property in other income that was correctly recognised at a subsidiary level (Force Fuel Properties Proprietary Limited ("**FFP**")) as an investment property, but should not have been recognised at a consolidated level due to it being considered an owner-occupied property.

These errors resulted in an overstatement of the operating profit in the interim results for 28 February 2020 of R7.6m, which was disclosed as R7 734 000 as opposed to R134k. This had a further impact on the total comprehensive income and per share information. A further correction has been identified and made to the headline loss per share. The property, plant and equipment balance and accumulated losses will also be restated.

The interim results for the six months ended 28 February 2021 will contain a restatement of the comparative results for the six months ended 29 February 2020 as follows:

STATEMENT OF COMPREHENSIVE AND OTHER INCOME EXTRACTS

	6 months 29 February 2020 Previously published R'000	6 months 28 February 2020 Restated R'000	Change R'000
Other income	14 651	51	(14 600)
Impairments	-	-	
Operating expenses	(25 893)	(18 893)	7 000
Operating profit	7 734	134	(7 600)
Total comprehensive income/(loss)/for the period	2 806	(4 794)	((7 600))
Earnings/(Loss) per share (cents)	0.07	(1.23)	
Headline loss per share	(0.03)	(2.99)	

STATEMENT OF FINANCIAL POSIITON EXTRACTS

	29 February 2020 Previously published R'000	28 February 2020 Restated R'000	Change R'000
ASSETS			
Non-current assets			
Property, plant and equipment	34 663	27 063	(7 600)
EQUITY AND LIABILITIES			
Equity			
Accumulated loss	(105 936)	(113 536)	(7 600)

Having been identified prior to the publication of results in respect of the year ended 31 August 2020, these errors were corrected in the audited results announcement and audited financial statements.

Shareholders are reminded that FFP has been recognised under discontinuing operations at year end and will also be recorded as such when the interim results are published for the six months ended 28 February 2021. Accordingly, the restated information will not be strictly comparable to the information presented above.

JOHANNESBURG

11 March 2021

Sponsor

Acaciacap Advisors Proprietary Limited

