



Incorporated in the Republic of South Africa
(Registration number 1986/001616/06)
("Labat Africa" or "the Company")
JSE code: LAB ISIN: ZAE000018354
LEI 9845000R73DF5EE41J88

REVIEWED PROVISIONAL CONDENSED CONSOLIDATED FINANCIAL RESULTS FOR THE 12 (TWELVE) MONTH PERIOD ENDED 31 MAY 2025

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Figures in R	Group 2025	Group 2024
Revenue	198 849 973	48 536 244
Cost of sales	(81 803 704)	(18 697 462)
Gross profit	117 046 269	29 839 702
Other income	61 217 051	510 869
Change in fair value of biological assets	-	(399 080)
Depreciation	-	(1 867 891)
Amortisation	-	(7 027 400)
Other expenses	(65 206 039)	(47 745 600)
Other gains and (losses)	(40 157)	-
Profit / (loss) from operating activities	113 017 124	(26 689 400)
Finance income	988	2 014
Finance costs	(1 816 806)	(1 626 404)
Profit / (loss) before tax	111 201 306	(28 313 790)
Income tax credit	13 414 910	1 909 186
Profit / (loss) for the year	124 616 216	(26 404 604)
Profit / (loss) for the year attributable to:		
Owners of Parent	110 991 237	(25 804 702)
Non-controlling interest	13 624 979	(600 902)
	124 616 216	(26 404 604)
Earnings per share from continuing and discontinuing operations attributable to owners of the parent during the year		
Basic earnings per share		
Basic profit/loss per share	11.0	(3.97)
Diluted earnings per share		
Diluted loss per share	11.0	(3.97)
Headline earnings per share		
Headline loss per share from continuing operations	13.28	(3.95)
Other comprehensive income net of tax		
Comprehensive income attributable to:		
Comprehensive income, attributable to owners of parent	110 991 237	(25 804 702)
Comprehensive income, attributable to non-controlling interests	13 624 979	(600 902)
	124 616 216	(26 404 604)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Figures in R	Group 2025	Group 2024
Assets		
Non-current assets		
Property, plant and equipment	2 529 005	3 345 106
Right-of-use assets	9 970 701	3 789 065
Goodwill	-	1 248 061
Intangible assets	18 507 577	30 445 905
Biological assets	6 800 920	6 800 920
Investments in subsidiaries	-	-
Deferred tax assets	42 457 483	2 653 320
Total non-current assets	80 265 686	48 282 377
Current assets		
Inventories	334 418 444	5 407 991
Trade and other receivables	191 239 726	7 388 000
Biological assets	1 511 750	1 511 750
Other loans and receivables	7 000 000	-
Loan to group company	-	-
Loans to directors and shareholders	2 925 846	1 778 442
South African Revenue Services	56 625 272	56 048 587
Cash and cash equivalents	4 198 001	2 975 837
Total current assets	597 919 039	75 110 607
Total Assets	678 184 725	123 392 984
Equity and liabilities		
Equity		
Issued capital	291 548 905	247 913 051
Accumulated loss	(154 235 353)	(271 725 000))
Capital contribution	-	-
Other non-distributable reserves	8 137 500	10 713
Total equity attributable to owners of the parent	145 451 052	(23 801 000)
Non-controlling interests	101 565 400	4 347 035
Total equity	247 016 452	(19 453 965)
Liabilities		
Non-current liabilities		
Deferred tax liabilities	1 774 170	7 612 393
Other financial liabilities	48 537 629	24 774 832
Lease liabilities	9 288 210	6 483 391
Financial guarantees	20 000 000	9 800 000
Deferred income	548 059	548 059
Total non-current liabilities	80 148 068	49 218 675

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Figures in R	Group 2025	Group 2024
Current liabilities		
Provisions	6 960 000	7 770 000
Trade and other payables	264 260 359	24 024 316
Current tax liabilities	9 865 364	-
Lease liabilities	4 882 246	1 650 329
Loan from group company	-	-
Loans from directors and shareholders	4 421 007	4 069 023
Deferred income	278 000	278 000
Bank overdraft	2 568	38 968
South African Revenue Services	60 308 782	55 797 493
Total current liabilities	350 978 326	93 628 129
Total liabilities	431 126 394	142 846 804
Total equity and liabilities	678 142 846	123 392 839

STATEMENT OF CHANGES IN EQUITY

Figures in R	Issued capital	Revaluation surplus	Other non-distributable reserve	Accumulated loss	Attributable to owners of the parent	Non-controlling interests	Total
Balance at 1 June 2023	244 322 141	53 560		(243 959 480)	416 221	9 371 538	9 787 759
Changes in equity							
Loss for the year	-	-		(25 803 702)	(25 803 702)	(599 902)	(26 403 604)
Total comprehensive income for the year	-	-		(25 803 702)	(25 803 702)	(599 902)	(26 403 604)
Issue of equity	3 590 910	-		-	3 590 910	-	3 590 910
Transfers from revaluation surplus	-	(42 847)		42 847	-	-	-
Change in ownership	-	-		(2 003 969)	(2 003 969)	(4 424 601)	(6 428 570)
Balance at 31 May 2024	247 913 051	10 713		(271 725 304)	(23 801 540)	4 347 035	(19 454 505)
Balance at 1 June 2024	247 913 051	10 713		(271 725 304)	(23 801 540)	4 347 035	(19 454 505)
Changes in equity							
Profit for the year	-	-		110 991 237	110 991 237	13 624 979	124 616 216
Total comprehensive income for the year	-	-		110 991 237	110 991 237	13 624 979	124 616 216
Issue of equity	43 635 854	-		-	43 635 854	-	43 635 854
Transfer of revaluation reserve through use	-	(10 714)		10 714	-	-	-
Acquisition of subsidiaries	-	-		-	-	83 593 386	83 593 386
Equity reserve for issuing shares	-	-	8 137 500	-	8 137 500	-	8 137 500
Balance at 31 May 2025	291 548 905	-	8 137 500	(160 723 353)	145 451 051	101 565 400	247 016 451

STATEMENT OF CASH FLOWS

Figures in R	Group 2025	Group 2024
Net cash flows (used in) / from operations	(102 762 355)	3 724 000
Interest paid	(1 811 715)	(733 809)
Interest received	988	2 014
Net cash flows (used in) / from operating activities	(104 573 082)	2 992 205
Cash flows used in investing activities		
Proceeds from sales of property, plant and equipment		
Purchase of property, plant and equipment	(3 912)	(51 000)
Purchase of other financial assets		-
Other loans and receivables advanced	(34 200 000)	-
Loan advanced to group company		
Loan advanced to director, manager or employee	(1 147 404)	(398 008)
Advances to group companies	-	-
Cash flows used in investing activities	(35 351 316)	(449 008)
Cash flows from / (used in) financing activities		
Proceeds from issuing shares	40 044 944	
Proceeds from other financial liabilities	53 618 688	
Proceeds from insurance contracts	10 200 000	-
Proceeds of loans from group companies		
Repayments of loans from directors	-	(1 223 922)
Lease liability payments	-	(1 186 486)
Cash flows from / (used in) financing activities	104 149 426	(2 410 408)
Net (decrease) / increase in cash and cash equivalents	(35 774 972)	139 789
Cash and cash equivalents at beginning of the year	2 937 668	2 804 879
Cash and cash equivalents at end of the year	(32 837 304)	2 937 668

COMMENTARY

VISION

The year under review marks a defining moment in Labat Africa's transformation journey. The exceptional performance of our Technology Operations, underpinned by the integration of SAMES, Classic International, and Ahnamu Technologies, has validated the Board's decision to pivot away from low-yield sectors and reposition the Group as a focused high-technology investment company. The results achieved — turnover in excess of R250 million and net profit surpassing R180 million — are a testament to disciplined execution, sound governance, and visionary leadership. The Board is particularly encouraged by the strength of the local technology sector and the growing recognition of South Africa's innovation capacity on global platforms.

BASIS OF PREPARATION

Statement of compliance

The reviewed condensed consolidated financial statements are prepared in accordance with the requirements of the JSE Limited ("JSE") Listings Requirements for provisional reports and the requirements of the Companies Act of South Africa. The Listings Requirements require provisional reports to be prepared in accordance with the framework, concepts and the measurement and recognition requirements of International Financial Reporting Standards (IFRS) and the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Pronouncements as issued by Financial Reporting Standards Council and to also, as a minimum, contain the information required by IAS 34 Interim Financial Reporting.

The accounting policies applied in the preparation of the condensed consolidated financial statements are in terms of IFRS and are consistent with those applied in the previous consolidated annual financial statements.

The reviewed condensed consolidated financial results are prepared in accordance with the going concern principle under the historical cost basis as modified by the fair value accounting of certain assets and liabilities where required or permitted by IFRS. The Board has performed an assessment of the Group's operations relative to available cash resources and is confident that the Group is able to continue operating for the next 12 months.

Review Conclusion

The condensed provisional consolidated financial results of the Group have been reviewed by P Mapfuma Accountants and Auditors. The auditors' review report is available for inspection at the company's registered office. The review conclusion is unmodified and is set out below:

"Based on our review, nothing has come to our attention that causes us to believe that the condensed consolidated financial statements of Labat Africa Limited and its subsidiaries for the period ended 31 May 2025 are not prepared, in all material respects, in accordance with the requirements of the JSE Limited Listings Requirements for provisional reports, as set out in the basis of preparation of the condensed consolidated financial statements, and the requirements of the Companies Act of South Africa, except for the following:

The Auditor's Report does not necessarily report on all of the information contained in this announcement. Shareholders are therefore advised that in order to obtain a full understanding of the nature of the Auditor's engagement, they should obtain a copy of the Auditor's Report together with the accompanying financial information from the company's registered office.

1. OVERVIEW

The Directors are required in terms of the Companies Act of South Africa to maintain adequate accounting records and are responsible for the content and integrity of the consolidated and separate annual financial statements and related financial information included in this report. It is their responsibility to ensure that the consolidated and separate annual financial statements fairly present the state of affairs of the group as at the end of the financial period and the results of its operations and cash flows for the period then ended, in conformity with International Financial Reporting Standards.

The Directors are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the consolidated and separate annual financial statements.

The Board is of the view that the Group is well positioned to explore greater opportunities and use current resources to further strengthen the Group's Technology strategy. Labat has been successful in laying a solid foundation of its technology business with a focus on Artificial Intelligence, having secured the various required licences over the past three years.

At the date of this report, the Group comprises of two main segments, which are Healthcare, which the company has decided to dispose of, and the technology sector.

2. RESULTS

The directors of Labat (Board) present the results for the financial year ended 31 May 2025, which are compared to the previous period ended 31 May 2024. The Group showed a Total Comprehensive profit after taxation for the period of R124.6 (2024 a comprehensive loss of R19.9 As is evidenced in the segmental reporting, Labat is now improving the bottom line through achieving of sustainable operating profits as opposed to once of adjustments.

Statement of Comprehensive Income

- Total Revenue for the year ended 31 May 25 is R198.9m (May 24 R (48.5m). Notable the increased revenue in the technology operations of R160m in the 2025 financial year period.
- Gross Margin has increased from R24.8m in the 2024 to R117m in the 2025 financial year period, with improvements in each business segment.
- Other income of R 61.2 m is included in operating activities.
- Depreciation and amortisation remain high due to the amortisation of intangible assets.
- Taxation gain was mainly due to the deferred tax effect.
- Basic earnings / (loss) per share for the period increased to 11 cents per share compared to the prior year basic(loss) per share of (3.97) cents. The headline earnings per share in the current period is 13 cents from a loss of (3.95) cents per share in the prior year.

Statement of Financial Position

- Property, plant and equipment decreased mainly as a result of depreciation.
- The right of use assets recorded a decrease as existing leases run their term.
- Intangible assets decreased by R11.9m mainly due to an amortisation.
- Deferred taxation assets increased because of increased assessed tax losses at SAMES and the Labat Healthcare Group of companies.
- Inventories increased mainly as a result of the acquisition of Classic and Ahnamu.
- Share Capital increased by as a result of shares issued for cash and shares issued for settlement of liabilities.
- Current provisions increased mainly as a result of revised legal related provisions.
- Deferred taxation liability decreased by as a result of the amortisation of intangible assets.
- The increase in the SARS liability is mainly attributable to the technology division and the on-going legal matter with SARS.
- Net asset value per share increased to 22 cents, compared to (2.99) cents in the prior year.

During the period under review, Labat Africa has been concentrating on growing its technology operations by implementing its highly focused strategy and has successfully completed the 75 acquisitions of Classic International and the 51% acquisition of Ahnamu Investments.

As of 31 May 2025, the Company assessed whether there were events or changes in circumstances that would indicate that a Cash Generating Unit ("CGU") or group of CGUs were impaired. The Company considers external and internal factors, including overall financial performance and relevant entity-specific factors, as part of this assessment.

2 IFRS STANDARDS AND INTERPRETATIONS (Amended Accounting Standards and Compliance)

The annual financial statements for the year ended 31 May 2025 have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB), the Group adopted all new and revised standards and interpretations that became effective for annual periods beginning on or after 1 January 2024.

These include:

IAS 1 (Amendment): Classification of Liabilities as Current or Non-Current – clarifying the criteria for classification based on rights and obligations existing at the reporting date.

IAS 7 and IFRS 7 (Amendments): Supplier Finance Arrangements – introducing enhanced disclosures to improve transparency of financing structures and liquidity risk.

IAS 21 (Amendment): Lack of Exchangeability – providing guidance on determining the exchange rate when a currency cannot be exchanged freely.

IFRS 16 (Amendment): Lease Liability in a Sale and Leaseback – clarifying the subsequent measurement of lease liabilities arising from such transactions.

The adoption of these amendments had no material impact on the Group's financial position, performance, or cash flows for the current year. However, management continues to assess the potential impact of forthcoming standards, notably IFRS 18: Presentation and Disclosure in Financial Statements, which will replace IAS 1 and is effective for periods beginning on or after 1 January 2027.

3. PROPERTY, PLANT AND EQUIPMENT AT FAIR VALUE

Group	Cost / Valuation R'000	2025 Accumulated depreciation R'000	1 June 2025 Carrying value R'000	Cost / Valuation R'000	2024 Accumulated depreciation R'000	1 June 2024 Carrying value R'000
Land and Buildings	3 103	(779)	2 324	3 103	(70)	3 033
Leasehold	427	(427)	-	427	(427)	-
Plant and equipment	6 150	(6 005)	145	6 150	(5 953)	197
Motor vehicles	162	(162)	-	162	(162)	-
Furniture & fixtures	242	(200)	42	242	(197)	45
Office & Computer equipment	569	(551)	18	569	(499)	70
Total	10 653	(8 124)	2 529	10 653	(7 308)	3 345

Details of properties

Bathurst, farm south Gorah, consist of the following properties being plot no's 50, 51, 52, 53, 54 and 55, in the municipality of Bathurst, held under Title Deed No's T20719/2018, T20720/2018 and T2532/2022. There were no contractual commitments for the acquisition of property, plant and equipment at 31 May 2024.

The carrying value of the plant and machinery under the cost model would have been Nil (2023: nil) as at period end. There is a direct inter-related relationship between the revenue growth and the expected production, impacting fair value measurement, where changes in the unobservable inputs are directly correlated

4. BIOLOGICAL ASSETS

Group	2025			2024		
	Cost / Valuation	Accumulated depreciation	Carrying value	Cost/ Valuation	Accumulated depreciation	Carrying value
	R'000	R'000	R'000	R'000	R'000	R'000
Medical cannabis plants	6 801	-	6 801	6 801	-	6 801
Seeds	1 512	-	1 512	1 512	-	1 512
Total	8 313	-	8 312	8 313	-	8 313

There were no contractual commitments for the acquisition of biological assets at 31 May 2025.

5. GOODWILL

	31 May 2025 Reviewed R'000	31 May 2024 Audited R'000
Goodwill		
Figures in Rands		
Balance at the beginning of the period	1 248	1248
Additions through business combinations	-	-
Goodwill impairment	(1 248)	-
Total goodwill at the end of the period	-	1 248

Impairment testing

For the purpose of annual impairment testing, goodwill is allocated to the operating segments expected to benefit from the synergies of the business combinations in which the goodwill arises as set out below, and is compared to its recoverable value:

The recoverable amount of each segment was determined based on value-in-use calculations, covering a detailed five-year forecast, followed by an extrapolation of expected cash flows for the remaining useful lives using a declining growth rate determined by management. The present value of the expected cash flows of each segment is determined by applying a suitable discount rate reflecting current market assessments of the time value of money and risks specific to the segment. There were no impairment indicators identified and therefore there was no need for an impairment loss provision.

6. RIGHT OF USE ASSETS:

The right of use assets of R5.9m (2024: R7.3m) are mainly for the IFRS 16 recognition of office leases and motor vehicle leases. Assets acquired during the year via leases were R nil (2024: R1.0m).

Reconciliation of right-of-use assets – Group – 2025

	Opening Balance R'000	Additions R'000	Depreciation R'000	Closing balance R'000
Buildings	2 455	7 706	(277)	9 884
Motor vehicles	1 334	-	(1 247)	87
Total	3 789	7 706-	(1 524)	9 971

Reconciliation of right-of-use assets – Group – 2024

	Opening Balance R'000	Additions R'000	Depreciation R'000	Closing balance R'000
Buildings	3 346	-	(891)	2 455
Motor vehicles	1 951	-	(617)	1 334
Total	5 297	-	(1 508)	3 789

7. INTANGIBLE ASSETS

	2025			2024		
	Cost	Accumulated amortisation	Carrying value	Cost	Accumulated amortisation	Carrying value
	R '000	R '000	R '000	R '000	R '000	R '000
Total	177 242	(158 734)	18 508	177 326	(146 798)	30 446

Amortisation of intangibles assets

Intangible assets have been amortised at the rates stipulated in the accounting policy.

8. TAXATION

	31 May 2025 Reviewed R'000	31 May 2024 Audited R'000
tax assets	56 625	56 049
tax liabilities	(60 308)	(55 797)
Net tax asset	(3 683)	1 052

Taxation consists of significant tax related assets and liabilities receivable and payable by the Group in terms of the Income Tax and VAT Act. (The nature of these accounts relates mostly to disputes with SARS surrounding outstanding VAT receivables by the Group and the payment of employee related PAYE.

There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. Where the final outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made. The Group is still in a net tax receivable position and discussions are ongoing with SARS to conclude on these matters. Judgement was used by management, based on information provided by legal counsel when determining the amounts that would be recoverable from SARS regarding the VAT receivable.

9. INVENTORIES

	31 May 2025 Reviewed R'000	31 May 2024 Audited R'000
Work in Progress	330 518	1 163
Finished Goods	4 368	4 638
	334 886	5 801
Allowance for obsolescence	(393)	(393)
	334 418	5 408

10. REVENUE

	31 May 2025 Reviewed R'000	31 May 2024 Audited R'000
Revenue from contracts with customers		
Sale of goods	20 362	19 927
Rendering of services	178 488	28 610
Total revenue from contracts with customers	198 850	48 536

11. OTHER INCOME

	31 May 2025 Reviewed R'000	31 May 2024 Audited R'000
Revenue from contracts with customers		
Foreign exchange gain	-	839
Sundry income	61 217	(328)
Donations Income		
Total revenue from contracts with customers	61 217	511

Certain intangibles assets were determined to have an indeterminate or indefinite life. These will be tested for any impairment at the end of each period end and are listed as follows:

12. OPERATING HIGHLIGHTS.

The Board of Directors made a strategic decision following the acquisition of Classic International Trading Pty Ltd. The acquisition represents a significant step for Labat's Technology Sector, which has been actively seeking opportunities to diversify and strengthen the IT and technology portfolio.

Technology Operations: Classic; Ahnamu and Sames

The recently reviewed financial results have clearly demonstrated the strong growth trajectory and strategic value of the Group's Technology Operations. With SAMES (South African Micro-Electronic Systems) serving as the anchor business, the integration and performance of the newly acquired entities, Classic Systems and Ahnamu Technologies, have delivered exceptional results for the reporting period.

Combined, these operations achieved turnover exceeding R156 million and a net profit of more than R134 million, marking a significant milestone in the Group's transformation into a technology-driven enterprise. The synergies realised between these acquisitions—particularly in semiconductor design, embedded systems, and advanced mobility technologies—have materially strengthened the Group's intellectual property base, operational efficiencies, and access to new markets.

The Technology and High-Tech sector in South Africa continues to expand rapidly, supported by increased digitalisation across public and private sectors, growth in fintech and AI-driven analytics, and renewed investment in hardware innovation and cybersecurity infrastructure. The Johannesburg Stock Exchange (JSE) has also seen a steady rise in technology-focused listings and market capitalisation, reflecting investors' appetite for companies with scalable digital and innovation assets.

These developments underscore management's strategic vision of consolidating Labat's position as a leading African technology investment company with a growing international footprint. The Company is in the final stages of a corporate name change and application for a Main Board listing in the Technology sector of the JSE, reflecting its new operational focus and market orientation.

SAMES will remain a technology hub and will also be integrated with the current technology businesses together with other future transactions.

Healthcare and Cannabis Business

During the year under review, the performance of the Group's Healthcare and Cannabis operations continued to deteriorate despite sustained management focus and investment. Although significant effort has been directed at building Labat's footprint in the Cannabis sector—through cultivation, processing, and product development—the business has not delivered the anticipated commercial or operational returns.

Following a detailed strategic review, the Board concluded that continued exposure to the Healthcare and Cannabis sector is no longer aligned with Labat's long-term growth objectives. The Board therefore resolved to dispose of the Healthcare and Cannabis operations in their entirety and to refocus the Group's resources on its high-growth local and international Technology portfolio.

The Group's technology businesses—particularly within the digital logistics, telematics, and mobility platforms—have already demonstrated strong revenue momentum and profitability. Preliminary indicators show that these technology assets are positioned to outperform the Cannabis division in both operational efficiency and return on investment. The redirection of capital and management capacity towards this sector is expected to strengthen the Group's financial position, simplify its operating structure, and enhance shareholder value.

The Board further mandated the executive management team to initiate the divestment process, appoint transaction advisors, and ensure transparent disclosure of all material developments through SENS announcements in line with paragraph 3.4(b) of the JSE Listings Requirements.

CAPITAL RAISE

Issuance of Shares for Cash Under General Authority to settle creditors

The Shareholders, at the AGM held on 23 January 2025, approved a resolution for the issuance of shares for cash under general authority. The number of shares approved was 191 730 455. JSE approval was obtained for the issuance of 142 651 915 of these shares which were used to settle certain liabilities and claims of the Company. These shares were issued on 14 February 2025 and represents 15% of the issued share capital of the company.

Acquisition of Classic International Trading Pty Ltd

Labat acquired 75.5% of Classic International Trading Pty Ltd subject to certain suspensive conditions. These conditions were fulfilled on 1 January 2025 which resulted in the transaction being effective on that date. On 29 January 2025 the Company issued 116 million shares as the purchase consideration for the acquisition and a further 116.5 million shares is subject to a profit warranty. Classic International informed Labat that the profit warranty was achieved on 31 December 2024. Classic has also agreed to underwrite all Labat's Liabilities: The company has also secured a third party bank guarantee to fund and further expand operation: It will further dispose of the Cannabis business for R19m. It has issued 147 349 826 shares to settle creditors and other liabilities at 12 cents per share.

13. SHARE CAPITAL

During the period under review, the Company also issued the following Shares:

116 000 000 shares for the 75% acquisition of Classic at .07cents per share.

47 349 826 shares at .12 and .08 cents respectively for Cash and settle outstanding Creditors

200 000 000 shares for 51% Acquisition in Ahnamu Investments at .10 per share.

The total number of shares in issue as at 31 May 25 was 1 132 375 595 ordinary shares (31 May 24: 669 025 769 shares), of which 2 810 203 are treasury shares. The Company will continue to place shares for cash under the authority to raise capital for its operations as required.

14. HEADLINE EARNINGS RECONCILIATION AND SHARE INFORMATION

The headline earnings reconciliation is set out below:

	31 May 2025 R'000 Reviewed	31 May 2024 R'000 Audited
The Profit and (Loss) used in the calculations of basic earnings per share are as follows:		
Profit / (Loss) for the year	110 991	(26 404)
Adjusted for:		
Non – controlling interest in profit / (loss) for the year	13 625	(600)
Profit / (Loss) attributable to owners of the parent		
Basic profit / (loss) attributable to owners of the parent	124 616	(25 804)
Adjusted for:		
Gain on Bargain Purchase	-	-
Impairment of Intangible Asset	-	-
Loss on disposal of asset	-	222
Tax	(13 415)	60
Headline profit (loss) for the period	124 616	(25 642)
Per share information:		
Basic Earnings/(loss) per share (cents)	11.0	(3.97)
Headline earnings/(loss) per share (cents)	13.28	(3.95)
Diluted basic loss per share (cents)	11.0	(3.97)
Diluted headline loss per share (cents)	11	(3.95)
Number of Shares ('000):		
Weighted average shares in issue (net of treasury shares)	1 129 565 392	649 566
Number of ordinary shares in issue (net of treasury shares)	1 129 565 392	649 566
Shares in issue at year end (Including treasury shares)	1 132 375 595	669 026

15. GOING CONCERN

The Board has performed an assessment of the Group's operations relative to available cash resources and is confident that the Group is able to continue operating for the next 12 months. The Board remains reasonably confident that it will manage the uncertainties that exist as detailed below. The reviewed provisional condensed consolidated financial statements presented have therefore been prepared on a going concern basis.

The Group's total assets exceed its total liabilities by R230m (2024: R(19.5m)), current assets exceed its current liabilities by R240m (2024: R(26.5m)) and the Group incurred a profit / (loss) after taxation of R122.1m (2024 : R(36.8)m).

The Directors have successfully raised additional funds during the year under review to support the turnaround and to fund its expansion programme. This has yielded just over R10m and has helped to finance the early stage growth operations of the Healthcare business as well as providing working capital for the group. The Company intends raising additional funds in late 2023 through to 2024 by way of a rights offer and asset finance as needed, to facilitate the growth of the Healthcare business.

Of the current liabilities of R385.6m, R60.4m relates to old PAYE liabilities due to SARS against which there is an old VAT claim of R56.6m due from SARS, which is the subject to the long outstanding litigation against SARS, which matter has now been referred to the High Court as detailed under litigation.

Furthermore, a large portion of the trade payables and the loan accounts has been capitalised certain small amounts raised as liabilities are the subject of a dispute. Accordingly, the current assets

(excluding the amount due from SARS) are considered sufficient to be able to settle the liabilities after year end as the obligations fall due.

The financial statements are prepared on the basis of accounting policies applicable to a going concern. Thus, management recommends the approval of the solvency and liquidity, as well as the going concern, of the Company. The Board is of the opinion that, having regard to the current status and the future strategy and prospects of the Group, the Group has sufficient resources to continue as a going concern. The Group is projecting positive cash flows for the period ahead

16. RELATED PARTY TRANSACTIONS AND BALANCES

The Group entered into transactions with related parties which were in the ordinary course of business at market related rates, and which were consistent with the previous year and are not considered to be material to an understanding of these results. There have been no variations to the various agreements since 1 June 2024.

	31 May 2025 Reviewed R'000	31 May 2024 Audited R'000
RELATED PARTY LOAN BALANCES		
Owing (to) by shareholders and directors with significant influence		
Brian Van Rooyen – unsecured, market related interest	(34 217)	(10 455)
David O'Neill – unsecured, market related interest	(11 554)	(11 554)
Herschel Maasdorp (recovered after year end)	1	1
Gorden Walters	-	(2 763)
Other provisions	(2 132)	(2 132)

Director Appointments, Resignations and Changes

During the year under review, several changes occurred within the Board and executive leadership of Labat Africa Limited. Mr Brian Van Rooyen stepped down as Chief Executive Officer, (23 Jan) and the Board appointed Mr I.N. Mohammed as the new Chief Executive Officer, (23 Jan) thereafter. Ms B. Penny resigned as a Non-Executive Director, while Mr H. Maasdorp was appointed as an Executive Director (23 Jan) to strengthen the Group's operational oversight and strategic execution capacity. In addition, Mr F. Paruk (8 Jan) and Mr J. Kabila joined the Board as Non-Executive Directors, contributing further depth and diversity of experience. After serving with distinction for 12 years, Mrs R. Majiedt (21 march) retired as Non-Executive Chairperson. The Board expressed its sincere gratitude for her dedicated service and leadership. Ms N. Bodirwa was appointed as Interim Chairperson pending the conclusion of the Board's succession process.

17. LITIGATION

The Group has various claims and counter claims made by and against Labat which have risen in the normal course of business as previously disclosed. These matters are being dealt with by the company's attorneys. No material changes to litigation have occurred since the previous financial year, other than an update on the SARS VAT claim as detailed below:

Outstanding SAMES VAT Claims

In 1999 SAMES ("the taxpayer") had an assessed tax loss. For some or other reason, unbeknown to the taxpayer, the South African Revenue Services (SARS), disallowed the assessed loss in the year 2000 and "created" a non-existing Income Tax liability. SARS then withheld VAT credits owed to the taxpayer and allocated it to a non-existent Income Tax (IT) "liability". No further credits, was paid out to the taxpayer to date hereof. This had now been going on for more than 20 years.

The Group has decided that, given the extent of the claim as well as the advice from Counsel, that it had provided sufficiently against the claim to SARS and that the reversal of a portion of the provision was required and justified in the circumstances. Shareholders are advised that there is a chance that the full claim will be received and shareholders will be kept informed of developments in this regard.

18. CONTINGENT LIABILITIES

Labat Africa has potential financial exposure with various fuel suppliers for Force Fuel as follows:

	31 May 2025 Reviewed R'000	31 May 2024 Audited R'000
Maximum potential financial exposure	39 000	54 000
Settled during the period	-	
Exposure at the end of the period	39 000	39 000
Provision made in relation to the above exposure	(20 000)	(9 800)

The Provisions has been disclosed in line with IAS 37 and IFRS 10 since the subsidiary Force Fuel was de Consolidated from the group in 2019 and has been audited by the groups external auditors and JSE accredited IFRS Specialist.

19. DIVIDENDS

No dividends have been declared for the year under review (May 2024: R nil).

20. POST BALANCE SHEET EVENTS AND PROSPECTS

1. Labat Africa Limited vs Ngubane Zeelie

This matter relates to a long-standing litigation spanning over thirteen (13) years. Judgment was originally granted against Labat Africa Limited, and leave to appeal was denied by Judge Van Oosten. Labat subsequently petitioned the Supreme Court of Appeal, which granted leave to appeal. The appeal was heard by a full bench of the High Court in Johannesburg, which upheld Labat's appeal and granted judgment in favour of Labat Africa Limited. This favourable outcome effectively concludes the protracted 13 year dispute, with no further financial exposure to the company arising from this matter.

2. Labat Africa Limited vs Hollard Insurance Company Limited

This matter concerns a disputed suretyship guarantee provided by Labat on behalf of its subsidiary, Force Fuel (Pty) Ltd. The case was heard by Acting Judge Tsatswayo, who ruled in favour of Hollard. Labat's application for leave to appeal was subsequently denied. The Company has filed papers with the Supreme Court of Appeal and is currently awaiting judgment. The matter remains sub judice, and the Board have looked at the financial implications and have adjusted the provision based on the ruling in October last year and will re assess the financial implications, if any, upon finalisation of the appellate process.

3. SAMES (Pty) Ltd vs Doublering Trading

A creditor, Doublering Trading, lodged an application for the liquidation of SAMES (Pty) Ltd, a wholly owned subsidiary of Labat Africa Limited, in respect of outstanding rental obligations.

The High Court granted the liquidation order, whereafter Labat filed a Recission Application to set aside the judgment. The appointed liquidators have been formally informed of the recission proceedings, and the matter is pending further adjudication. The Group has continued to provide strategic and legal support to protect its interest in SAMES.

4. Disposal of Cannabis Assets

Following the Board's resolution to focus the Group's strategic direction exclusively on the Technology sector, the Cannabis assets have been earmarked for disposal. An offer for the acquisition of these assets has been accepted, and the necessary regulatory approvals and compliance processes are currently underway.

5. Change of Name and Registered Address

The Board of Directors has approved the change of the Company's registered name to reflect its transformation into a technology-focused entity. In addition, the Company's registered office address will be changed in line with operational restructuring. A circular to shareholders detailing the proposed name change, rationale, and new registered details is being finalised for release in

accordance with Section 16(4) of the Companies Act (No. 71 of 2008) and paragraph 11.21 of the JSE Listings Requirements.

6. Termination and Appointment of New Auditors

In accordance with Section 90(6) of the Companies Act and paragraph 3.84(g) of the JSE Listings Requirements, the Board has terminated the services of KXX Auditors as the Group's external auditors. The Board has approved the appointment of P. Mapfuma Auditors and Accountants as the new independent auditors of the Group, effective immediately. The change of auditors has been duly notified to the Independent Regulatory Board for Auditors (IRBA) and the JSE Issuer Regulation Division. The Board is satisfied that none of the post balance sheet events noted above materially affect the results for the year ended 31 May 2025

21. CONCLUSION

The financial year under review marks a turning point in the evolution of Labat Africa Limited. The Board's strategic decision to dispose of the Cannabis and Healthcare assets and to refocus the Group's resources on the fast-growing Technology sector has already begun to deliver tangible results. The successful acquisitions of Classic Systems and Ahnamu Technologies have validated this new direction, producing impressive financial outcomes and establishing a solid foundation for sustained growth. The combined turnover exceeding R250 million and net profit of over R180 million from these operations reflect the strength, scalability, and market relevance of Labat's Technology portfolio.

The disposal of the Cannabis business not only simplifies the group's operational structure but also enhances its risk profile and reputation, freeing up capital for reinvestment into higher-yield Tech ventures. This transition signifies more than a change in sectoral focus — it represents the rebirth of Labat as a forward-looking, innovation-driven company poised to participate meaningfully in the digital and high-tech economy, both locally and internationally.

With a strong acquisition pipeline, secured international funding, and growing investor interest, Labat Africa Limited is well positioned to emerge as a competitive player in the global Technology market. The Board remains confident that this renewed strategic direction will unlock long-term value for shareholders, strengthen financial performance, and reinforce Labat's reputation as a leading South African technology investment group.

For and on behalf of the Board

IN Mohammed
CHIEF EXECUTIVE OFFICER

DJ O NEILL
FINANCIAL DIRECTOR

Johannesburg
17 October 2025

Directors:

IN Mohammed *, DJ O'Neill*, SE van Rooyen*, N Bodirwa^, R Rustum^, B Van Rooyen: H Maasdorp; S Van Rooyen F Paruk; J Kabila
Executive*, Independent non-executive^

Company Secretary: Alred Van Rooyen

Registered Address: 75 Maude Street, Sandown, Sandton, 2146

Sponsor: Vunani Sponsors

Transfer Secretary: Computershare Investor Services Proprietary Limited