



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

UNAUDITED INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 NOVEMBER 2025

CONDENSED CONSOLIDATED STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME

	6 months ended 30 November 2025 Unaudited R'000	6 months ended 30 November 2024 Unaudited R'000
Revenue	150 884	33 312
Cost of sales	(51 152)	(10 771)
Gross profit	99 732	22 541
Change in fair value of biological assets	-	(200)
Other income	21	614
Depreciation	(862)	(676)
Amortisation	-	(1500)
Loss on sale of group entities	(958)	
Operating expenses	(1 001)	(12 248)
Operating profit	96 932	8 531
Investment revenue	-	-
Finance costs	(465)	(330)
Profit before taxation	96 467	8 201
Taxation	(25 510)	405
Profit for the period	70 957	8 606
Other comprehensive income	-	-
Total comprehensive profit for the period	70 957	8 606
Attributable to:		
Equity holders of the parent	44 523	7 626
Non-controlling interest	26 434	980
Total comprehensive income for the period	70 957	8 606
Basic and diluted earnings per share (cents)	3.57	1.14
Headline Earnings per share (cents)	3.64	1.29

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	30 November 2025 Unaudited R'000	30 November 2024 Unaudited R'000	31 May 2025 Audited R'000
ASSETS			
Non-current assets			
Property, plant and equipment	65	3 348	3 886
Right-of-use assets	8 820	3 154	5 470
Intangible assets	-	28 946	-
Biological assets	-	6 601	18 935
Goodwill	-	1 248	6 801
Other investments	-	-	-
Deferred tax	42 471	2 529	42 785
	51 356	45 826	77 877
Current assets			
Biological assets	-	1 512	1 512
Inventories	360 102	4 826	333 418
Loans to directors and shareholders	2 967	3 439	2 926
Trade and other receivables	301 769	19 320	200 061
South African Revenue Services	52 697	56 393	56 306
Cash and cash equivalents	932	3 337	3 414
Total Current assets	718 468	88 827	597 637
TOTAL ASSETS	769 824	134 653	675 514
EQUITY AND LIABILITIES			
Equity			
Share capital and share premium	291 549	247 913	291 549
Non-Distributable Reserves	8 138	-	8 138
Accumulated loss	(109 324)	(264 088)	(153 847)
	190 362	(16 175)	145 840
Non-controlling interest	123 430	5 327	101 565
Total equity and reserves	313 792	(10 848)	247 405
Non-current liabilities			
Lease liabilities	9 101	6 090	6 039
Other financial liabilities	374	28 103	47 798
Provision	20 000	9 800	20 000
Deferred Taxation	-	7 207	2 544
Deferred Revenue	-	409	-
Total Non-Current Liabilities	29 475	51 609	76 381
Current liabilities			
Loans from directors and shareholders	4 619	4 245	4 421
Lease liabilities	1 650	1 650	1 650
South African Revenue Services	82 882	58 668	71 083
Trade and other payables	327 160	21 244	266 766
Deferred revenue	-	278	-
Bank overdraft	4 476	37	38
Provisions	5 770	7 770	7 770
Total current liabilities	426 557	93 892	351 728
Total liabilities	456 032	145 501	428 109
Total Equity and Liabilities	769 824	134 653	675 514

	2025	2024
Number of ordinary shares in issue (net of treasury shares) ('000)	1 248 875 595	669 025
Net asset value per share (cents)	25.13	(1.62)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	6 months ended 30 November 2025 Unaudited R'000	6 months ended 30 November 2024 Unaudited R'000
Cash flows used in operating activities:		
Cash used in operations	45 276	2 615
Interest received	-	1
Interest paid	(384)	(119)
Net cash used in operating activities	44 892	2 497
Cash flows used in investing activities:		
Purchase of property, plant and equipment	-	(44)
Cash flows from losing control of subsidiaries	(1 916)	-
Advances to directors and shareholders	-	(1 696)
Acquisition of subsidiary, net of cash acquired	-	-
Net flow used in investing activities	(1 916)	(1 740)
Net flow raised from financing activities:		
Lease payments	-	(393)
Proceeds on shares issue	-	-
Movement in other financial liabilities	(49 896)	-
Loans from related parties paid	-	-
Directors and shareholders loans received (Proceeds of loans from directors)	-	-
Net flow from financing activities	(49 896)	(393)
Net increase / (decrease) in cash	(6 920)	364
Cash at beginning of period	3 376	2 937
*Net Cash at end of period	(3 543)	3 301
*Net of bank overdrafts		

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share capital and premium R'000	Revaluation Reserves R'000	Accumulated Loss R'000	Equity attributable to owners of the parent R'000	Non- controlling interest R'000	Total shareholders' equity R'000
Balance as at 31 May 2024						
Audited	247 913	11	(271 724)	(23 800)	4 346	(19 454)
Balance at 1 June 2024	247 913	11	(271 724)	(23 800)	4 346	(19 454)
Changes in equity						
Issue of shares						
Profit for the period	-	-	7 626	7 626	980	8 606
Transfer of revaluation Reserve through use	-	(11)	11	-	-	-
Balance at 30 November 2024						
Unaudited	247 913	-	(264 087)	(16 174)	5 326	(10 848)

	Share capital and premium R'000	Share issue Reserve R'000	Accumulated Loss R'000	Equity attributable to owners of the parent R'000	Non-controlling interest R'000	Total shareholders' equity R'000
Balance at 31 May 2025						
Audited	291 549	8 138	(153 847)	145 840	101 565	247 404
Balance at 1 June 2025	291 549	8 138	(153 847)	145 840	101 565	247 404
Changes in equity						
Issue of shares						
Profit for the period	-	-	44 523	44 523	26 434	70 957
Sale of subsidiaries	-	-	-	-	(4 569)	(4 569)
Balance at 30 November 2025						
Unaudited	291 549	8 138	(109 324)	190 362	123 430	313 792

SEGMENT REPORTING FOR THE PERIOD ENDED 30 NOVEMBER 2025

Operating segments are components of an entity about which separate financial information is available that is evaluated regularly by the Chief Executive Officer.

The geographical locations of the group's operations are restricted to a single area, South Africa.

The group previously had three operating segments namely:

- Technology segment relating to integrated circuits, IT hardware and software development;
- Head office operations which provided management services; and
- Healthcare which focussed on medical cannabis industry in South Africa.

With the disposal of the Healthcare segment effective 1 June 2025, the group is left with one operating segment which focuses on the IT and technology operations, Head office integrates with this individual focus of the group. There is only one reportable segment for the period ended 30 November 2025, and hence a segment report is not provided. This was determined taking into account the nature of products /services delivered by the group and the financial significance of the individual entities.

RECONCILIATION OF SEGMENT REPORTING - GROUP FOR THE PERIOD ENDED 30 NOVEMBER 2024

	Technology	Bulk Logistics	Healthcare	Operational Total	Inter-Segment Eliminations	Total
	R 000's	& Head Office R 000's	R 000's	R 000's	R 000's	R 000's
Statement of Profit or loss						
External revenue	293	2 845	33 020	36 158	(2 845)	33 312
Cost of revenues	81	-	10 690	10 771	-	10 771
Gross Profit	212	2 845	22 330	25 387	(2 845)	22 541
Other income	(32)	136	307	411	-	411
Operating expenses	(302)	(9 054)	(2 296)	(11 652)	(596)	(12 248)
Before disclosable items	(122)	(6 073)	20 341	14 146	(3 441)	10 705
Amortisation & depreciation	(307)	(357)	(11)	(675)	(1 500)	(2 176)
Recurring operating loss	(429)	(6 430)	20 330	13 471	(4 941)	8 529
Finance income	1	-	-	1	-	1
Finance cost	-	(326)	(4)	(330)	-	(330)
Loss before taxation	(428)	(6 756)	20 326	13 142	(4 941)	8 200
Taxation	-	-	-	-	405	405
Loss for the period	(428)	(6 756)	20 326	13 142	(4 536)	8 605
Segment Assets	58 917	142 620	41 047	242 584	(107 932)	134 653
Segment Liabilities	55 457	72 658	36 233	164 348	(18 848)	145 501

COMMENTARY

1. BASIS OF PREPARATION

Statement of compliance

The unaudited 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 – refer Annexure A.

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 for the year ended 31 May 2025.

The unaudited 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.

These condensed consolidated financial results incorporate the financial results of the Company and its subsidiaries. All significant transactions and balances between Group enterprises are eliminated on consolidation.

The preparation of the condensed consolidated financial results for the period ended 30 November 2025 was supervised by the Financial Director, David O'Neill. The Board of Directors take full responsibility for the preparation of the condensed consolidated financial results for the six months ended 30 November 2025.

2. BACKGROUND

Shareholders are informed that the 31 May 2025 audited financial statements and IAR's have been issued by the Group on 3 November 2025. This interim statement should be read in conjunction with the year-end statements.

The interim period under review represents a fundamental inflection point for Labat Africa Limited. Following several years of complexity and volatility driven primarily by regulatory uncertainty in the healthcare and cannabis sector, the Group executed a decisive strategic repositioning during the 2025 financial year.

This repositioning included:

- the disposal of the Healthcare and Cannabis operations, deemed non-core and high-risk; and
- the successful integration of technology-focused acquisitions, most notably Classic International Trading Proprietary Limited and Ahnamu Investments Proprietary Limited.

As a result, the Group is now fully focused on technology and ICT-related activities, with materially improved earnings quality, scalability and balance sheet strength. The Group's Audited Annual Report for 31 May 2025 included details relating to the decision to dispose of the Healthcare segment in the section relating to events after the reporting period.

3. FINANCIAL AND OPERATIONAL PERFORMANCE

The Board of Directors present the results for the six-month period ended 30 November 2025, which are compared to the six-month period ended 30 November 2024. During the period, the Group successfully disposed of its healthcare assets, completing its strategic exit from the healthcare and cannabis sector. The acquisition of Classic International Trading Proprietary Limited and Ahnamu Investments Proprietary

Limited during the 2025 financial year delivered extremely positive results, establishing the technology sector as the Group's core and primary focus.

Financial Performance – Statement of Comprehensive Income

Group revenue for the six months ended 30 November 2025 increased significantly to R150.9 million (30 November 2024: R33.3 million). This increase is directly attributable to the full-period contribution from the Group's technology acquisitions and the strategic exit from lower-margin and higher-risk healthcare operations.

Gross profit increased to R99.7 million (2024: R22.5 million), reflecting both scale and improved margins. Operating expenses were tightly controlled at R1.0 million (2024: R12.2 million), highlighting the materially leaner cost base of the restructured Group.

The Group reported an operating profit of R96.9 million (2024: R8.5 million) and a profit after tax of R71.0 million (2024: R8.6 million).

Earnings attributable to equity holders increased to R44.5 million, resulting in basic earnings per share of 3.57 cents and headline earnings per share of 5.68 cents, compared to 1.14 cents and 1.29 cents respectively in the prior comparative period.

Financial Performance – Statement of Financial Position

Total assets increased to R769.8 million (30 November 2024: R134.7 million), reflecting the consolidation of the technology businesses and the derecognition of healthcare-related assets.

The Group's financial position improved materially, with total equity increasing to R313.8 million (2024: negative equity of R10.8 million). Net asset value per share improved to 25.13 cents (2024: negative 1.62 cents).

The disposal of the healthcare entities resulted in the derecognition of related goodwill, intangible assets and biological assets, while working capital increased in line with the scale of technology operations.

Financial Performance – Statement of Cash Flow

Cash generated from operations increased to R44.9 million (2024: R2.5 million), reflecting strong underlying profitability. Cash outflows during the period were largely attributable to financing-related movements and the loss of control of subsidiaries disposed of during the period.

4. FINANCIAL RISK MANAGEMENT AND FAIR VALUE

There has been no material change in the Group's financial risk management objectives and policies compared to those disclosed in the consolidated financial results for the year ended 31 May 2025. The Group does not currently carry any assets or liabilities at fair value which required any disclosure on its fair value measurement, other than those disclosed below. The carrying value of the Group's financial instruments however approximates their fair values

5. SALE OF HEALTHCARE BUSINESS

The regulatory, operational and earnings risks associated with medicinal cannabis and retail have proven challenging, and following a strategic review by the reconstituted Board, the healthcare and cannabis operations were deemed non-core. Accordingly, the Group initiated a formal disposal process during the 2025 financial year, which culminated in the successful disposal of the Labat Healthcare assets, completing the Group's exit from the healthcare and cannabis sector. This strategic decision, previously disclosed in the Company's audited annual report as an event subsequent to the reporting date, is consistent with the Group's repositioning towards technology and ICT-focused operations and was communicated to shareholders through a series of SENS announcements.

The disposals formed part of a broader strategic realignment, enabling Labat to divest from capital-intensive and highly regulated activities and to redeploy capital into scalable, technology-driven businesses. Recent acquisitions, including Classic International Trading Proprietary Limited and Ahnamu Investments Proprietary Limited, provide the Group with a solid foothold in IT hardware, software, digital logistics and technology solutions across Africa.

The disposal of the healthcare business included the sale of the following subsidiaries and operations:

- The Highly Creative Proprietary Limited (“THC”);
- CannAfrica Proprietary Limited;
- BioData Proprietary Limited;
- African Cannabis Enterprises Proprietary Limited;
- Echo Life Proprietary Limited; and
- Labat Healthcare (Dormant).

The sale agreements provide for an effective date of 1 June 2025, and accordingly, the results of the disposed healthcare entities have not been included in the Group’s operating results for the six months ended 30 November 2025. The transactions constituted Category 2 disposals in terms of the JSE Listings Requirements and did not require shareholder approval. The Board is satisfied that the disposal consideration achieved represents fair value to shareholders and that the transactions materially reduce operational complexity while strengthening the Group’s strategic focus.

A summary of the profit or loss and the assets and liabilities of the healthcare segment as at the disposal date is set out below.

1 June 2025	Healthcare
Statement of Profit or loss	45 050
Total Revenue	45 050
Cost of revenues	(11 573)
Gross Profit	33 477
Other income	967
Operating expenses	(12 433)
Recurring operating profit/(loss)	22 011
Finance income	-
Finance cost	(4)
Profit/(loss) before taxation	22 007
Taxation	(5 713)
Profit/(loss) for the period	16 294
Segment Assets	38 181
Segment Liabilities	(19 223)

The Group reported a loss on sale of the Healthcare business as R0.96million, given a consideration of R18 million and is presented on the condensed consolidated statement of profit or loss and other comprehensive income.

6. NON-CURRENT ASSETS

Property, plant and equipment decreased due to the sale of the Healthcare entities. The right of use assets remains consistent, with depreciation charged for the 6 month period. Right of use assets are mainly for the IFRS 16 recognition of office leases and motor vehicles. Assets acquired during the year via leases were R 4.21 million (2024: R nil million).

The deferred tax asset remained consistent with the audited 2025 balance and relates to the recognition of deferred tax assets for assessed losses and deductible temporary differences based on management’s best estimates on the recoverability of the deferred tax assets.

The intangible assets and biological assets related to the Healthcare business and were derecognised during the deconsolidation of the Healthcare entities effective 1 June 2025, and therefore has no balance on 30 November 2025.

7. TAXATION

	30 November 2025	31 November 2024
	R'000	R'000
Current tax assets	52 697	56 393
Current liabilities	(82 882)	(58 668)
Net tax (liability)/asset	(30 185)	(2 275)

Taxation consists of significant tax related assets and liabilities receivable and payable by the Group in terms of the Income Tax and VAT Act. Due to the significance of these balances, they have been disclosed separately within the consolidated financial statements. The nature of these accounts relates mostly to disputes with SARS surrounding outstanding VAT receivables and VAT payable 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 tax 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.

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 recoverable.

8. CURRENT ASSETS

Current assets (except for taxation (SARS) discussed above) relate mostly to the working capital requirements and fluctuate according to normal operational requirements and trading cycles.

The current portion of the biological assets were also derecognised during the deconsolidation of the Healthcare entities.

9. NON-CURRENT AND CURRENT LIABILITIES

Other financial liabilities decreased due to decreases in directors' and shareholders' loans accounts. Bank overdraft increased due to bank overdraft facilities utilised by Classic and Ahnamu. The remainder of the liabilities have remained fairly consistent and has moved due to operational and trading cycles.

10. REVENUE

The details of the revenue is highlighted in the Statement of comprehensive Income and the segmental reports.

	30 November 2025	30 November 2024
	R'000	R'000
Sale of goods	87 108	13 672
Rendering of services	63 776	19 640
Total revenue from contracts with customers	150 864	33 312
Disaggregation of revenue from contracts with customers		
The Group disaggregates revenue from customers as follows:		
Information technology sales	87 108	293
Information technology services	63 776	
Medical cannabis sales	-	13 379
Franchise fees	-	19 640
Total revenue from contracts with customers	150 884	33 312

11. HEADLINE EARNINGS RECONCILIATION AND SHARE INFORMATION

The headline earnings reconciliation is set out below:

	30 Nov 2025 R'000 Unaudited	30 Nov 2024 R'000 Unaudited
Basic earnings / attributable to shareholders of the Group	44 523	7 626
Adjusted for:		
Loss on disposal of Healthcare entities	958	
Earnings used in the calculation of headline earnings	45 481	
Per share information:		
Basic earnings per share (cents)	3.57	1.14
Headline earnings per share (cents)	3.64	1.29
Diluted basic earnings per share (cents)	3.57	1.14
Diluted headline earning per share (cents)	3.64	1.29
Number of Shares ('000):		
Shares in issue at year end (Including treasury shares)	1 248 875	669 025

12. 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 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, and is in a positive net asset position.

The unaudited provisional condensed consolidated financial statements presented have therefore been prepared on a going concern basis.

13. RELATED PARTIES

Relationships

Subsidiaries

As discussed above, the Group disposed of the Healthcare entities, and as such, at 30 November 2025, the Company has the following subsidiaries:

- South African Micro-Electronic Systems Proprietary Limited
- SAMES Properties Proprietary Limited
- Classic International Trading Proprietary Limited
- Ahnamu Investments Proprietary Limited

Shareholders and directors with significant influence

- Mr Christopher Mark Govender
- Mr Abdul Kader Moosa Mahomed
- All Trading (Pty) Ltd
- Mr Stanton Van Rooyen
- Rania Jewellers

Non-executive Directors

- Farook Paruk (Non-executive)
- Nassy Bodirwa (Non-executive)
- Johannes Kaila (Non-executive)

Executive Directors and members of key management

- Irfan Noormohamed
- David O'Neill
- Herschel Maasdorp

14. 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 the SARS VAT claim as detailed below:

Outstanding SAMES VAT Claims

The group has made every effort to bring this matter to finality. SARS on the other hand has done everything in its power to stall rectification of unlawful allocations to a debt which does not exist notwithstanding Supreme Court of Appeal case law to finalise tax matters. We have appointed a group of experts to pursue the matter on our behalf.

15. CONTINGENT LIABILITIES

Labat Africa has issued financial guarantees with various fuel suppliers for Force Fuel. The Company has provided a cross deed of suretyship in favour of various other beneficiaries which cover the unutilised facilities granted to various subsidiaries which are currently being challenged. These have been fully disclosed in the audited 2025 which was issued in November 2025.

16. DIVIDENDS

No dividend has been declared for the year under review

17. POST BALANCE SHEET EVENTS

Resignation of an Executive Director

Mr Brian van Rooyen resigned as a director of the Company on 9 January 2025.

Mr Stanton van Rooyen resigned as a director of the Company on 2 January 2025.

18. CONCLUSION

The interim results for the six months ended 30 November 2025 demonstrate the successful execution of the Group's strategic reset. Labat Africa has transitioned from a complex, capital-intensive structure into a profitable, focused and scalable technology group.

The Board remains confident that the Group is well positioned to pursue disciplined growth, strengthen shareholder value and maintain compliance with JSE Listings Requirements going forward.

For and on behalf of the Board

IO NOORMOHAMED
CHIEF EXECUTIVE OFFICER

D J O NEILL
FINANCIAL DIRECTOR

Johannesburg
22 December 2025

Directors:

IO Noormohamed*, DJ O'Neill*, H Maasdorp*, , N Bodirwa^, J Kaila^, F Paruk^,
Executive*, Independent non-executive^

Company Secretary: Alred Van Rooyen

Registered Address: The Leonardo, 14th Floor, 75 Maude Street, Sandown, 2146

Sponsor: Vunani Sponsors

Transfer Secretary: Computershare Investor Services Proprietary Limited

ANNEXURE A - IFRS STANDARDS AND INTERPRETATIONS

Standards and interpretations not yet effective

The Group has chosen not to early adopt the following standards and interpretations, which have been published and may be relevant to the Group as they are not yet effective for the financial period beginning 1 June 2025. These standards will be implemented in the applicable year in which they become effective.

There is unlikely to be a material impact on the future implementation of any of these standards.

Standard	Standard Effective Date	Expected implementation date
Amendments IFRS 9 and IFRS 7 regarding the classification and measurement of financial instruments	1 January 2026	31 May 2027
Annual Improvements to IFRS Accounting Standards — Volume 11	1 January 2026	31 May 2027