

NOTES TO THE COMPANY ANNUAL FINANCIAL STATEMENTS

for the year ended 31 May 2026

1 MATERIAL ACCOUNTING POLICIES

1.1 BASIS OF PREPARATION

These annual financial statements relate to the statutory entity Blu Label Unlimited Group Limited ("Blu Label", "BLU" or "the Company"). The consolidated annual financial statements of the BLU Group are available from BLU's registered office and online from BLU's website.

The annual financial statements have been prepared on the going concern basis in accordance with IFRS Accounting Standards as issued by the IASB and comply with the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee, Financial Pronouncements as issued by the Financial Reporting Standards Council, the JSE Listings Requirements and the South African Companies Act.

The annual financial statements are presented in South African rand (R), which is BLU's functional and presentation currency.

The material accounting policies applied in the preparation of the annual financial statements are in the related notes and are consistent with those adopted in the prior year, unless otherwise specified.

The annual financial statements have been prepared on the historic cost basis, except for certain financial instruments which are measured at fair value or at amortised cost.

The preparation of financial statements in conformity with IFRS Accounting Standards requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, and income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgements made by management in the application of IFRS Accounting Standards that have a significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in the notes to which they relate.

1.2 GOING CONCERN

BLU's forecasts and projections, taking account of reasonably possible changes in trading performance, show that BLU should be able to operate within its current funding levels into the foreseeable future. BLU is in a sound financial position and has access to sufficient borrowing facilities to meet its foreseeable cash requirements.

After making enquiries, the Directors have a reasonable expectation that BLU has adequate resources to continue in operational existence for the foreseeable future. BLU therefore continues to adopt the going concern basis in preparing the financial statements.

1.3 COMMITMENTS AND CONTINGENCIES

BLU has no commitments, contingent assets or liabilities that require disclosure.