

LIFE HEALTHCARE GROUP HOLDINGS LIMITED
(Incorporated in the Republic of South Africa)
(Registration number: 2003/002733/06)
ISIN: ZAE000145892
Share Code: LHC
("Life Healthcare" or "the Group" or "the Company")

LIFE HEALTHCARE FUNDING LIMITED
(Incorporated in the Republic of South Africa)
(Registration number 2016/273566/06)
LEI: 3789SJPQJZF8ZYXTZ394
Bond company code: LHFI

FURTHER TRADING STATEMENT AND VOLUNTARY TRADING UPDATE FOR THE TWELVE-MONTHS ENDED 30 SEPTEMBER 2024

Life Healthcare provides shareholders with a trading statement and trading update covering the twelve-month period from 1 October 2023 to 30 September 2024 ("the current year" or "FY2024"). Reference is also made to the twelve-month period from 1 October 2022 to 30 September 2023 ("prior year" or "FY2023").

Commentary is on trading and results for the current year and comparisons are to the prior year unless otherwise stated.

Group trading highlights

- Group revenue growth from continuing operations increased by between 12.0% - 13.0% year-on-year with southern Africa revenue growing between 7.5% - 7.9% and Life Molecular Imaging ("LMI") revenue growing by c. 180% in rand terms.
- Paid patient day (PPD) grew by 1.6% in the acute hospital business and declined by 2.6¹% in the complementary businesses, with overall growth of 1.2%¹ but with an improved revenue/PPD in H2-2024.
- LMI Neuraceq® doses sold increased by c. 90% for FY2024 relative to FY2023.
- The LMI revenue includes income of \$36 million earned from the sub-licencing arrangement of one of LMI's early-stage novel radiotherapeutic and radio diagnostic products ("RM2"). This transaction and growth in commercial sales for Neuraceq® has contributed to revenue growth (in rands) in LMI of c. 180%.
- Group normalised EBITDA² from continuing operations increased by between 19.0% - 20.5%. The normalised EBITDA has been bolstered by the RM2 gain referred to earlier and which contributed c. R580m net of costs.
- The Group concluded the disposal of Alliance Medical Group ("AMG") on 31 January 2024 and received R10.2 billion in net cash proceeds after the settlement of all offshore debt and transaction costs. The special dividend of R8.8 billion was paid on 8 April 2024.

¹ Excludes PPDs of facilities closed in the prior year.

² Life Healthcare defines normalised EBITDA as operating profit before depreciation on property, plant and equipment, amortisation of intangible assets and non-trading related costs and income.

Trading Statement

In terms of paragraph 3.4 (b) of the JSE Limited Listings Requirements, a listed company is required to publish a trading statement as soon as it is satisfied that a reasonable degree of certainty exists that the financial results for the period to be reported upon next will differ by at least 20% from those of the previous corresponding period. The Group indicated as part of its H1-2024 results announcement released on SENS on 22 May 2024, that it expects the financial results as measured in terms of earnings per share for the full year to be more than 20% up from FY2023.

The Group's FY2024 results are still in the process of being finalised and there are several items that are known to have impacted the results. These include:

- A R2.8 billion once-off gain following completion of the AMG disposal relative to a loss recognised in the prior year of R990 million (mainly relating to the impairment in terms of IFRS 5).
- Repayment of international debt and significant positive cash balance from 1 February 2024, resulting in net interest cost reducing by 66% (c.R360 million) relative to FY2023.
- c.R60 million fair value adjustment for the LMI contingent consideration due to increased expectation of growth in sales of LMI products.
- Sublicensing of LMI's RM2 product contributing c. R430 million to earnings.
- Recognition of deferred tax losses previously not recognised in LMI (c. R150 million).

AMG was classified as an asset held for sale within the Group's FY2023 results. As a consequence, given that the disposal of AMG was concluded during the current year, the financial information contained in this announcement refers to continuing operations, consisting of the southern African operations and LMI, and discontinued operations which comprised AMG's operations.

These items have had a substantial impact on the metrics related to the reported earnings per share (“EPS”). The table below summarises the impact that these factors have on our expected earnings for the current year:

<i>Earnings per share (cents)</i>	<i>FY2024 (expected)</i>	<i>FY2023 (reported)</i>	<i>% Change</i>
Weighted average number of shares (millions)	1 443	1 442	
EPS from continuing and discontinued operations	328.0 to 329.5	18.3	>1 000%
Headline EPS from continuing and discontinued operations	149.4 to 156.4	88.2	69.4% to 77.3%
EPS from continuing operations	135.1 to 139.5	87.0	55.3% to 60.3%
Headline EPS from continuing operations	136.4 to 140.8	87.5	55.9% to 60.9%
Normalised EPS from continuing operations	128.9 to 133.4	89.1	44.7% to 49.7%

Life Healthcare expects to release its full year results for the twelve months to 30 September 2024 on or about 26 November 2024.

This trading update and trading statement is the responsibility of the directors and is based on financial information which represents the Group’s latest financial estimates and has not been reviewed, or reported on, by Life Healthcare’s external auditors.

For further information, please email:
Investor.Relations@lifehealthcare.co.za

Dunkeld
11 November 2024

Equity Sponsor
Rand Merchant Bank (a division of FirstRand Bank Limited)

Debt Sponsor
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**Normalised EBITDA and normalised earnings are non-IFRS measures which exclude non-trading related costs and income*