Life Healthcare Funding Limited
(Registration number 2016/273566/06)
Audited annual financial statements
for the year ended 30 September 2025

Life Healthcare Funding Limited
(Registration number 2016/273566/06)
Audited Annual Financial Statements for the year ended 30 September 2025

General Information

Country of incorporation and domicile	South Africa
Nature of business and principal activities	Borrowing and/or lending of funds
Directors	A Myataza PP van der Westhuizen AM Pyle
Registered office	Oxford Parks 203 Oxford Road Cnr Eastwood and Oxford Roads Dunkeld 2196
Location of company records	Oxford Parks 203 Oxford Road Cnr Eastwood and Oxford Roads Dunkeld 2196
Holding company and guarantor under the company's Domestic Medium term Note Program	Life Healthcare Group Holdings Limited incorporated in the Republic of South Africa
Ultimate holding company	Life Healthcare Group Holdings Limited incorporated in the Republic of South Africa
Auditors	Deloitte & Touche
Secretary	Life Healthcare Group Proprietary Limited

Preparation of the audited annual financial statements

These audited annual financial statements have been audited by our external auditors, Deloitte & Touche. The preparation of the audited annual financial statements were supervised by LH Jacobs (Manager: Statutory reporting).

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Life Healthcare Funding Limited
(Registration number 2016/273566/06)
Audited Annual Financial Statements for the year ended 30 September 2025

Directors' Responsibilities and Approval

The directors are responsible for the preparation, integrity and fair presentation of the audited annual financial statements of the company in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards) and the Companies Act, No 71 of 2008 (as amended) (the Companies Act).

The directors consider that the most appropriate accounting policies, consistently applied (apart from the adoption of new accounting standards) and supported by reasonable and prudent judgements and estimates, have been used in the preparation of the financial statements and that all IFRS Accounting Standards that they consider to be applicable have been followed. The directors are satisfied that the information contained in the financial statements fairly presents the financial position of the company at 30 September 2025, and its financial performance and cash flows for the year then ended. The directors are also responsible for reviewing all information included in the financial statements and ensuring both its accuracy and its consistency.

The directors have the responsibility for ensuring that accounting records are kept. The accounting records disclose, with reasonable accuracy, the financial position of the company and enable the directors to ensure that the financial statements comply with the relevant legislation.

The company operated in a well-established control environment, which is well documented and regularly reviewed. This incorporates risk management and internal control procedures, which are designed to provide reasonable, but not absolute, assurance that assets are safeguarded and the risks facing the business are being controlled. Nothing has come to the attention of the directors to indicate that any material breakdown in the functioning of these controls, procedures and systems has occurred during the year under review.

The going concern basis has been adopted in preparing the financial statements. The directors have no reason to believe that the company will not be a going concern in the foreseeable future, based on forecasts, available cash resources and available group banking facilities.

The Code of Corporate Practices and Conduct has been adhered to.

The company's external auditors, Deloitte & Touche, audited the financial statements, and their audit report is presented on pages 7 to 10.

Approval of financial statements

The audited annual financial statements set out on pages 4 to 6 and 11 to 28 were approved by the directors on 3 December 2025 and were signed on their behalf by:

PP van der Westhuizen **A Myataza**

Statement of Company Secretary

In terms of the Companies Act, all returns submitted as required by the Companies Act are true, correct and up to date and have been lodged with the Registrar.

Life Healthcare Funding Limited

(Registration number 2016/273566/06)
Audited Annual Financial Statements for the year ended 30 September 2025

Directors' Report

The directors have pleasure in submitting their report on the audited annual financial statements of Life Healthcare Funding Limited for the year ended 30 September 2025.

1. Nature of business

Life Healthcare Funding Limited was incorporated in South Africa and is in the business of borrowing and/or lending of funds. The company operates principally in South Africa.

There have been no material changes to the nature of the company's business from the prior year.

2. Review of financial results and activities

The audited annual financial statements have been prepared in accordance with IFRS Acounting Standards and the requirements of the Companies Act, No 71 of 2008 (as amended) (the Companies Act) and the JSE Limited Debt and Specialist Securities Listings Requirements. The accounting policies have been applied consistently compared to the prior year.

Full details of the financial position, results of operations and cash flows of the company are set out in these audited annual financial statements and do not in our opinion require any further comment.

3. Share capital

There have been no changes to the authorised or issued share capital during the year under review.

4. Dividends

No dividends were declared or paid to shareholders during the year.

5. Directorate

The directors in office during the year and at the date of this report are as follows:

Directors	Office
A Myataza	Executive director
PP van der Westhuizen	Executive director
AM Pyle	Executive director

Brief CV's are available on page 15 to 16 of the Information Statement available on https://www.lifehealthcare.co.za/investor-relations/domestic-medium-term-note-programme/ and at https://www.lifehealthcare.co.za/investor-relations/executive-management/ .

6. Directors' interests in contracts

During the financial year, no contracts were entered into which directors or officers of the company had an interest in and which significantly affected the business of the company.

7. Holding company

The company's holding company is Life Healthcare Group Holdings Limited, incorporated in the Republic of South Africa.

8. Ultimate holding company

The company's ultimate holding company is Life Healthcare Group Holdings Limited, incorporated in the Republic of South Africa.

Directors' Report

9. Special resolutions

The following special resolution was passed in writing by the shareholders of the company on 02 May 2025.

Special resolution 1

- General authority was granted to the directors to enable them, subject to the provisions of sections 44 and 45 of the Companies Act, to authorise the company to provide financial assistance to related and inter-related companies of the company.

10. Events after the reporting period

The directors are not aware of any material event which occurred after the reporting date and up to the date of this report that needs further comment.

11. Governance

The company is a wholly owned subsidiary of its ultimate holding company, Life Healthcare Group Holdings Limited (Group) and has been included in the Group's application of the King IV Code. The Group's application of the King IV Code disclosure is included in its integrated annual report available at https://www.lifehealthcare.co.za/investor-relations/results-and-reports/

The audit committee of the Group acts on behalf of the company, in accordance with Section 94(2) of the Companies Act. The audit committee report is included in the Group's annual financial statements, available at https://www.lifehealthcare.co.za/investor-relations/results-and-reports/

Petrus Phillippus van der Westhuizen is the Debt Officer of the company, in accordance with paragraph 7.3(g) of the JSE Debt and Specialist Securities Listings Requirements. The board of directors has considered and is satisfied with the competence, qualifications and experience of the Debt Officer.

The board of directors has executed its responsibilities under the evaluation policy.

Changes to Board of Directors and Board Committees

Joel Netshitenzhe and Lars Holmqvist retired from the Group Board with effect from 20 February 2025. While on the Board, Joel served on the Risk, Compliance and IT Governance Committee as the chairman, which later dissolved into the Audit and Risk Committee, of which he was a member. Joel was also a member of the Social, Ethics and Transformation Committee and the Nominations and Governance Committee. Lars served on the Audit and Risk Committee and Investment Committee.

In line with the Board succession plans, Prof Marian Jacobs and Dr Jeanne Bolger will retire from the Board at the Group's 2026 AGM. At that point Prof Jacobs will step down as Chairman of the Clinical Committee as well as a Group member of the Social, Ethics and Transformation Committee and Dr Bolger will step down as a member of the Clinical and Investment Committees. Dr Fareed Abdullah will assume the position of Chairman of the Clinical Committee at that time.

12. Going concern

The directors believe that the company has adequate financial resources to continue in operation for the foreseeable future and accordingly the audited annual financial statements have been prepared on a going concern basis. The directors have satisfied themselves that the company is in a sound financial position and that it has access to sufficient borrowing facilities to meet its cash requirements for a period of 12 months from the date of approval of these financial statements. The directors are not aware of any new material changes that may adversely impact the company. The directors are also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the company.

13. Auditors

Deloitte & Touche were appointed as auditors for the company for 2025, in accordance with section 90(1) of the Companies Act.

Directors' Report

14. Secretary

The company secretary is Life Healthcare Group Proprietary Limited.

Business address:	Oxford Parks 203 Oxford Road Cnr Eastwood and Oxford Roads Dunkeld 2196

15. Liquidity and solvency

The directors have performed the liquidity and solvency test required by the Companies Act and are satisfied with the financial performance and position of the company.

Deloitte.

Private Bag X6
Gallo Manor 2052
South Africa

Deloitte & Touche
Registered Auditors
Audit & Assurance
Audit
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Waterfall City
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INDEPENDENT AUDITOR'S REPORT
To the Shareholders of Life Healthcare Funding Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Life Healthcare Funding Limited (the company) set out on pages 11 to 28, which comprise the statement of financial position as at 30 September 2025, and the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies/material accounting policy information.

In our opinion, the financial statements present fairly, in all material respects, the financial position of Life Healthcare Funding Limited as at 30 September 2025, and its financial performance and cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and the requirements of the Companies Act of South Africa.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with Independent Regulatory Board for Auditors' Code of Professional Conduct for Registered Auditors (IRBA Code) and other independence requirements applicable to performing audits of financial statements in South Africa. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' (IESBSA) International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA code). We have also fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

In terms of the IRBA Rule on Enhanced Auditor Reporting for the Audit of Financial Statements of Public Interest Entities, published in Government Gazette No. 49309 dated 15 September 2023 (EAR Rule), we report:

Final Materiality

We define materiality as the magnitude of misstatement in the financial statements that makes it probable that the economic decisions of a reasonably knowledgeable person would be changed or influenced. We use materiality both in planning the nature and extent of our audit work and in evaluating the results of our work.

Deloitte.

INDEPENDENT AUDITOR'S REPORT
To the Shareholders of Life Healthcare Funding Limited (continued)

Final Materiality

Based on our professional judgement, we determined materiality for the consolidated and separate financial statements as a whole as follows:

Materiality	R37.5 million (2024: R37.8 million)
Basis for determining materiality	A key judgement in determining materiality is the appropriate benchmark to select, based on our perception of the needs of shareholders. We considered which benchmarks and key performance indicators have the greatest bearing on shareholder decisions. We determined that the total assets remained the key benchmark. Based on our professional judgement, we determined materiality to be R37.5 million which is 1.5% of total assets.

Scope of our audit

Our audit was scoped by obtaining an understanding of the entity and its environment and assessing the risks of material misstatement for the company.

Key Audit Matters

We have determined that there are no key audit matters to communicate in our report. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the document titled "Life Healthcare Funding Limited Financial Statements for the year ended 30 September 2025", which includes the Directors' Report as required by the Companies Act of South Africa, which is expected to be made available to us after that date. The other information does not include the financial statements and our auditor's reports thereon.

Our opinion on the financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Deloitte.

INDEPENDENT AUDITOR'S REPORT
To the Shareholders of Life Healthcare Funding Limited (continued)

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, such disclosures are inadequate, to modify our opinion. Our conclusions are based on the if audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

INDEPENDENT AUDITOR'S REPORT
To the Shareholders of Life Healthcare Funding Limited (continued)

Auditor's Responsibilities for the Audit of the Financial Statements

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In terms of the IRBA Rule published in Government Gazette Number 39475 dated 4 December 2015, we report that Deloitte & Touche has been the auditor of Life Healthcare Funding Limited for 4 years.

The engagement partner on the audit resulting in this independent auditor's report is Michelle Cronje.

Signed by:
Deloitte & Touche
11C9F038CE054F9...

Deloitte & Touche
Registered Auditor
Michelle Cronje
3 December 2025
5 Magwa Crescent
Midrand
2090

Life Healthcare Funding Limited

(Registration number 2016/273566/06)
Audited Annual Financial Statements for the year ended 30 September 2025

Statement of Financial Position as at 30 September 2025

Figures in Rand	Note(s)	2025	2024
Assets			
Non-Current Assets			
Loans to group companies	4	2 500 000 001	2 000 000 001
Deferred tax	5	105 948	97 200
		2 500 105 949	**2 000 097 201**
Current Assets			
Other receivables	6	19 802 597	22 267 540
Loans to group companies	4	-	500 000 000
Current tax receivable		285 001	-
Cash and cash equivalents	7	2 231 755	894 179
		22 319 353	**523 161 719**
Total Assets		**2 522 425 302**	**2 523 258 920**
Equity and Liabilities			
Equity			
Stated capital	9	1	1
Retained income/ (Accumulated loss)		2 289 423	123 002
		2 289 424	**123 003**
Liabilities			
Non-Current Liabilities			
Interest bearing borrowings	10	2 499 926 349	2 000 000 000
Current Liabilities			
Trade and other payables	11	20 209 529	22 688 205
Interest bearing borrowings	10	-	500 000 000
Current tax payable		-	447 712
		20 209 529	**523 135 917**
Total Liabilities		**2 520 135 878**	**2 523 135 917**
Total Equity and Liabilities		**2 522 425 302**	**2 523 258 920**

Life Healthcare Funding Limited

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Statement of Profit or Loss and Other Comprehensive Income

Figures in Rand	Note(s)	2025	2024
Other expenses	13	(794 041)	(1 313 284)
Operating loss		**(794 041)**	**(1 313 284)**
Finance income	14	224 417 924	164 411 086
Finance costs	15	(220 648 886)	(161 088 106)
Profit before taxation		**2 974 997**	**2 009 696**
Tax expense	16	(808 576)	(791 618)
Profit for the year		**2 166 421**	**1 218 078**
Other comprehensive income, net of tax		-	-
Total comprehensive income for the year		**2 166 421**	**1 218 078**

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Statement of Changes in Equity

Figures in Rand	Stated capital	Retained income/ (Accumulated loss)	Total equity
Balance at 01 October 2023	**1**	**(1 095 076)**	**(1 095 075)**
Profit for the year	-	1 218 078	1 218 078
Other comprehensive income, net of tax	-	-	-
Total comprehensive income for the year	**-**	**1 218 078**	**1 218 078**
Balance at 01 October 2024	**1**	**123 002**	**123 003**
Profit for the year	-	2 166 421	2 166 421
Other comprehensive income, net of tax	-	-	-
Total comprehensive income for the year	**-**	**2 166 421**	**2 166 421**
Balance at 30 September 2025	**1**	**2 289 423**	**2 289 424**
Note	9		

Life Healthcare Funding Limited

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Statement of Cash Flows

Figures in Rand	Note(s)	2025	2024
Cash flows from/(used in) operating activities			
Cash generated from/(used in) operations	17	(1 039 071)	(4 240 313)
Finance income received		226 882 867	142 710 665
Finance costs paid		(222 882 532)	(164 104 181)
Tax paid		(1 550 037)	(445 244)
Net cash from/(used in) operating activities		**1 411 227**	**(26 079 073)**
Cash flows from/(used in) investing activities			
Advance of loans to group companies	4	(500 000 000)	(1 500 000 000)
Receipts of loans to group companies	4	500 000 000	-
Net cash from/(used in) investing activities		**-**	**(1 500 000 000)**
Cash flows from/(used in) financing activities			
Proceeds from interest bearing borrowings	10	500 000 000	1 500 000 000
Repayment of interest bearing borrowings	10	(500 073 651)	-
Net cash from/(used in) financing activities		**(73 651)**	**1 500 000 000**
Total cash movement for the year		**1 337 576**	**(26 079 073)**
Cash at the beginning of the year		894 179	26 973 252
Total cash at end of the year	7	**2 231 755**	**894 179**

Accounting Policies

1. Basis of preparation, critical judgements and accounting estimates and assumptions

1.1 Basis of preparation

The audited annual financial statements present the financial position and changes therein, operating results and cash flow information of Life Healthcare Funding Limited, and have been prepared on a historical cost basis, unless otherwise stated.

These audited annual financial statements have been prepared in accordance with:
- IFRS Accounting Standards and International Financial Reporting Interpretations Committee (IFRIC) interpretations effective for the company's financial year.
- SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and the Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council.
- South African Companies Act, No 71 of 2008 (as amended).
- JSE Limited Debt and Specialist Securities Listings Requirements.

The audited audited annual financial statements are presented in Rands, which is the company's functional currency.

1.2 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

The company has the following financial assets:
- Other receivables
- Cash and cash equivalents
- Loans to group companies

Initial recognition and measurement

Financial assets in the company are classified at initial recognition and subsequently measured as either amortised cost or fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the company's business model managing it.

The company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

On initial recognition:
- Financial assets are measured initially at fair value.

Subsequent measurement

Financial assets are subsequently measured at amortised cost.

The company's financial assets at amortised cost include other receivables, loans receivable, and cash and cash equivalents.

The company measures financial assets at amortised cost if both of the following conditions are met:
- The financial asset is held with the objective to collect contractual cash flows, and
- The contractual terms of the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding. This assessment is referred to as the SPPI test (solely payments of principal and interest) and is performed at an instrument level.

If it fails the above criteria it will be classified as fair value through profit or loss.

Financial assets at amortised cost are subsequently measured using the effective interest rate (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

Accounting Policies

1.2 Financial instruments (continued)

Derecognition

Financial assets are derecognised when the rights to receive cash flows from the financial asset have expired or the company has transferred its rights to receive cash flows from the asset or has assumed an obligation and either:

- The company has transferred substantially all risks and rewards of the assets, or
- The company has neither transferred nor retained substantially all risks and rewards, but has transferred control of the asset.

When the company has transferred its rights to receive cash flows from an asset it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the company continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the company has retained.

Impairment of financial assets

Further disclosures relating to the impairment of financial assets are also provided in the risk management note.

The company recognises an allowance for ECLs for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between contractual cash flows due in accordance with the contract and all the cash flows that the company expects to receive, discounted at an approximation of the original EIR.

The company considers the following factors:

- The history of the specific customer
- Indications of financial difficulties of the specific customer
- Credit terms specific to the customer
- General economic conditions

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows. This is when the company has exhausted all options regarding the debt, it also includes the following factors:

- The account is handed back from the debt collectors as uncollectable, i.e. the company has followed full legal process
- The debtor cannot be traced

Loans are valued based on the risk of the counterparty on the comprehensive method. All loans are considered to be stage 1. The probability of default and loss given default are measured using Moody's Analytics RiskCalc solution which compares the company's financial information to an extensive database of company financial information. These are then converted to point in time measures taking into account forward looking macro-economic forecasts.

Financial liabilities

The company has the following financial liabilities:

- Trade and other payables
- Interest bearing borrowings

Initial recognition and measurement

All financial liabilities are classified at initial recognition and subsequently measured as either amortised cost or fair value through profit or loss.

On initial recognition:

- Financial liabilities are initially measured at fair value.

Subsequent measurement

Financial liabilities are subsequently measured at amortised cost.

Derecognition

Financial liabilities are derecognised when the obligation specified in the contract is discharged, cancelled or has expired.

Accounting Policies

1.2 Financial instruments (continued)

Cash and cash equivalents

Cash and cash equivalents are stated at carrying amount which is deemed to be fair value.

1.3 Capital and reserves

Stated capital comprises share capital and share premium.

Share capital issued by the company is recorded at the proceeds received, net of issue costs.

Incremental costs directly attributable to the issue of new shares or options, other than in connection with a business combination, are shown in equity as a deduction, net of tax, from the proceeds.

1.4 Revenue

Interest income

Interest income includes interest income on funds invested.

Interest income is recognised, in profit or loss, using the EIR method, unless it is doubtful.

When a loan and receivable is impaired, the company reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original EIR of the instrument, and continues unwinding the discount as interest income. Interest income on impaired loans and receivables is recognised using the original EIR.

Notes to the Audited Annual Financial Statements

2. New Accounting Standards and IFRIC Interpretations

2.1 New and amended accounting standards adopted by the company

The company has applied the following standards, amendments and interpretations for the first time for the annual reporting period commencing 1 October 2024:

- Amendment to IFRS 16: Subsequent measurement requirements for lease liabilities arising from sale and leaseback transactions.
- Amendments to IAS 7 and IFRS 7: Supplier finance arrangements.
- Amendments to IAS 1: Non-current liabilities with covenants.
- Amendments to IAS 1: Classification of liabilities as current or non-current.

Impact

The implementation of these standards and amendments had no material financial impact on the company.

2.2. New accounting standards, amendments and IFRIC interpretations not yet effective and not early adopted

The following amendments and IFRICs are effective for annual periods beginning on or after 1 January 2025:

Standard	**Effective date for annual periods beginning on or after**
Lack of exchangeability (Amendments to IAS 21)	1 January 2025
Annual improvements to IFRS Accounting Standards - Volume 11. Amendments to: • IFRS 1 First-time adoption of International Financial Reporting Standards: Hedge accounting by a first-time adopter • IFRS 7 Financial instruments: Disclosures • IFRS 9 Financial instruments: Transaction price and derecognition of lease liabilities • IFRS 10 Consolidated financial statements: Determination of a 'de factor agent' • IAS 7 Statement of cash flows: replacement of ‘cost method’ with ‘at cost’	1 January 2026
Classification and measurement of financial instruments (Amendments to IFRS 9 and IFRS 7)	1 January 2026
Presentation and disclosure in financial statements (IFRS 18)	1 January 2027
Subsidiaries without public accountability: Disclosures (IFRS 19)	1 January 2027

All the amendments and IFRICs listed above are not expected to have a material impact on the company in the current or future periods.

Notes to the Audited Annual Financial Statements

3. Risk management

The company forms part of the Life Healthcare Group of companies.

The Group's overall risk management programme focuses, inter alia, on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. The Group does not apply formal hedge accounting, but uses derivative financial instruments to economically hedge interest and foreign currency risk exposures.

Financial risk management is carried out by a central treasury department (treasury) of Life Healthcare Group Proprietary Limited under policies approved by the Investment committee.

Treasury identifies, evaluates and economically hedges financial risks in close co-operation with the company. The Group has written principles for overall financial risk management, and a treasury policy covering specific areas, such as interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of surplus cash.

Capital risk management

The company's objective when managing capital is to safeguard the company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders. The capital structure of the company consists of debt, which includes borrowings, cash and cash equivalents, and equity. The Group uses the net debt to normalised EBITDA ratio, as defined in the debt agreements, to measure leverage and its ability to meet its obligations. Normalised EBITDA is defined as earnings before interest, tax, depreciation and amortisation, adjusted for non-recurring items.

In order to maintain or adjust the capital structure, the company may adjust the amount of distributions paid to shareholders, return capital to shareholders, issue new shares, issue new debt, refinance existing debt or sell assets to manage debt levels, in consultation with Life Healthcare Group Proprietary Limited.

There have been no changes to the strategy for capital risk management.

Financial risk management

The company's activities expose it to a variety of financial risks:
- Credit risk;
- Liquidity risk; and
- Market risk (including fair value interest rate risk and cash flow interest rate risk).

Credit risk

Credit risk is managed by Life Healthcare Group Proprietary Limited by a central credit control department.

Credit risk arises mainly from cash and cash equivalents, other receivables and loans receivable. Credit risk is the risk of financial loss due to counterparties to financial instruments not meeting their contractual obligations.

An impairment analysis, for other receivables, is performed at each reporting date using an ECL model to measure expected credit losses (ECLs). The provision rates are based on days past due for groupings of various customer segments with similar loss patterns.

The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions.

Generally, other receivables are written-off when the company has exhausted all options regarding the debt.

The company is exposed to a number of guarantees for the overdraft facilities of group companies.

Notes to the Audited Annual Financial Statements

3. Risk management (continued)

Credit risk (continued)

The Company has advanced loans to a fellow subsidiary, Life Healthcare Group Proprietary Limited, which is part of the same group of companies and a major subsidiary of the Group. Based on the Company's assessment, no expected credit loss (ECL) has been recognised on this loan and interest receivable (included as part of other receivables) due to the following reasons:

- The ECL was determined to be insignificant due to Life Healthcare Group Proprietary Limited’s intention and history of repaying inter-company loans in the normal course of business and there has been no significant change in economic conditions and/or forward-looking indicators.

- No History of Default: There has been no history of default on the loan repayments, and the Company believes that Life Healthcare Group Proprietary Limited will continue to honour its obligations.

- Low Credit Risk: Given the Group's financial strength and control over both the lender and borrower, the Company believes that the credit risk associated with the loan is low.

- Financial strength of Life Healthcare Group Proprietary Limited: Life Healthcare Group Proprietary Limited has the financial stability, sufficient cashflow generation and ability to meet its financial commitments. Life Healthcare Group Proprietary Limited is the major subsidiary of the Group, which holds the majority of the hospital property portfolio with a carrying value of R4.2 billion (which is lower than the fair value of the properties). Furthermore, Life Healthcare Group Proprietary Limited has available undrawn bank facilities on 30 September 2025 of R1.75 billion which can be utilised to service its commitments. Life Healthcare Group Proprietary Limited is in a strong financial position with net debt to normalised EBITDA at 0 times, which is well within the internal net debt to normalised EBITDA ratio of 1.5 times. Due to the low gearing of Life Healthcare Group Proprietary Limited, this company has a strong credit profile, making it easier to access external funding if needed.

Financial assets exposed to credit risk at year end were as follows:

	2025			2024		
	Gross carrying amount	**Credit loss allowance**	**Amortised cost / fair value**	**Gross carrying amount**	**Credit loss allowance**	**Amortised cost / fair value**
Other receivables	19 802 597	-	19 802 597	22 267 540	-	22 267 540
Cash and cash equivalents	2 231 755	-	2 231 755	894 179	-	894 179
Loans to group companies	2 500 000 001	-	2 500 000 001	2 500 000 001	-	2 500 000 001
	2 522 034 353	**-**	**2 522 034 353**	**2 523 161 720**	**-**	**2 523 161 720**

The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial asset disclosed in this note.

Liquidity risk

Liquidity risk is the risk that an entity will not be able to meet its obligations as they become due. Financial liabilities of the company with contractual cash flows and maturity dates are exposed to liquidity risk.

The company's liquidity requirements are managed by the central treasury department.

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed banking facilities and the ability to close out market positions. The Group's liquidity risk is mitigated by the availability of funds to cover future commitments. The Group manages liquidity risk through an ongoing review of future commitments and banking facilities. Due to the dynamic nature of the underlying businesses, treasury maintains flexibility in funding by maintaining availability under committed credit lines.

Cashflow forecasts are prepared and utilised facilities are monitored on a daily basis. Longer-term cash flow forecasts are updated quarterly.

Notes to the Audited Annual Financial Statements

3. Risk management (continued)

Liquidity risk (continued)

The Group maintains a varied maturity profile for non-current interest bearing borrowings in line with forecast profitability and cash flow. Acceptable profitability and gearing levels at the time of refinancing will meet lenders credit criteria and mitigate refinancing risk.

The Group ensures that a reasonable balance is maintained between the period over which assets generate funds and the period over which the assets are funded.

The Group maintains relationships with a broad range of financial institutions to avoid concentration risk and safeguard the availability of liquidity at all times. To further avoid market concentration risk, the Group diversifies its funding sources between traditional bank markets and debt capital markets, enabling it to target different lenders at different points in their credit cycles.

Amortising debt is budgeted to be repaid from cash resources or refinanced with available short-term facilities.

The Group reviews maturities at least 12 months in advance and ensures that adequate cash resources and/or committed banking facilities will be in place and available at least six months before a significant refinancing date.

The table below analyses the company's financial liabilities into relevant maturity groupings, based on the remaining period at the statement of financial position date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. The interest bearing borrowings includes both the contractual undiscounted capital and interest cash flows.

At 30 September 2025

	Less than 1 year	Between 1 and 2 years	Between 2 and 4 years	Over 5 years	Total
Trade and other payables	392 401	-	-	-	392 401
Interest bearing borrowings	213 599 063	907 757 119	1 939 401 600	-	3 060 757 782
	213 991 464	**907 757 119**	**1 939 401 600**	**-**	**3 061 150 183**

At 30 September 2024

	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total
Trade and other payables	637 431	-	-	-	637 431
Interest bearing borrowings	711 016 905	123 806 498	1 702 858 015	-	2 537 681 418
	711 654 336	**123 806 498**	**1 702 858 015**	**-**	**2 538 318 849**

*For details on the maturities of the interest bearing borrowings - refer to note 10

Cash flow interest rate risk

The Group manages its cash flow interest rate risk by using interest rate collars, caps or swaps. Such interest rate hedges have the economic effect of capping the exposure to floating rates to a maximum rate. Generally, the Group raises long-term borrowings at floating rates and then hedges floating rates to a known maximum exposure. Under interest rate collars, caps or swaps, the Group agrees with other parties to exchange, at specified intervals (primarily quarterly), the difference between the fixed and the floating rate interest amounts calculated on agreed notional principle amounts. Interest rate collars, caps and swaps are entered into to swap floating rates to fixed rates.

The Group policy is to hedge a maximum of 80% of its borrowings (excluding lease liabilities) and to hedge a quantum of borrowings (excluding lease liabilities) to ensure the difference between the Group's forecast interest cost on unhedged borrowings (excluding lease liabilities) and the yield curve +1%, is not greater than 2.0% of the forecast Group normalised EBITDA for 24 months.

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3. Risk management (continued)

Cash flow interest rate risk (continued)

The Group analyses its interest rate exposure on a dynamic basis.

The loans to group companies and interest bearing borrowings in the table below shows amortised values and only include the contractual capital cash flows.

2025 Financial instrument	Current interest rate	Due in less than 1 year	Due in 1 to 2 years	Due in 2 to 4 years	Due in more than 5 years	Total
Cash and cash equivalents	6.95 %	2 231 755	-	-	-	2 231 755
Loans to group companies	8.67 %	-	1 225 000 000	1 275 000 000	1	2 500 000 001
Interest bearing borrowings	8.55 %	-	(1 225 000 000)	(1 274 926 349)	-	(2 499 926 349)
		2 231 755	**-**	**73 651**	**1**	**2 305 407**

2024 Financial instrument	Current interest rate	Due in less than 1 year	Due in 1 to 2 years	Due in 2 to 5 years	Due in more than 5 years	Total
Cash and cash equivalents	7.95 %	894 179	-	-	-	894 179
Loans to group companies	9.53 %	500 000 000	-	2 000 000 000	1	2 500 000 001
Interest bearing borrowings	9.37 %	(500 000 000)	-	(2 000 000 000)	-	(2 500 000 000)
		894 179	**-**	**-**	**1**	**894 180**

* For the maturities of the loans to group companies and interest bearing borrowings - refer to notes 4 and 10 respectively.

4. Loans to group companies

	2025	2024
Loans at amortised cost		
Life Healthcare Group Proprietary Limited	500 000 000	1 000 000 000
Interest bearing loan at 3-month JIBAR + 1.75% repayable in a single instalment on 19 July 2027 (2024: Included a further R500m interest bearing loan at 3-month JIBAR + 1.65% which was repaid on 19 July 2025).		
Life Healthcare Group Proprietary Limited	725 000 000	725 000 000
Interest bearing loan at 3-month JIBAR + 1.25% repayable in a single instalment on 12 April 2027.		
Life Healthcare Group Proprietary Limited	330 000 000	330 000 000
Interest bearing loan at 3-month JIBAR + 1.40% repayable in a single instalment on 12 April 2029.		
Life Healthcare Group Proprietary Limited	445 000 000	445 000 000
Interest bearing loan at 3-month JIBAR + 1.40% repayable in a single instalment on 30 June 2029		
Life Healthcare Group Proprietary Limited	500 000 000	-
Interest bearing loan at 3-month JIBAR + 1.15% repayable in a single instalment on 22 August 2028.		
Life Healthcare Group Holdings Limited	1	1
	2 500 000 001	**2 500 000 001**

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4. Loans to group companies (continued)

Non-current assets	2 500 000 001	2 000 000 001
Current assets	-	500 000 000
	2 500 000 001	**2 500 000 001**

Interest receivable

The interest receivable on the loans as at 30 September is disclosed in note 6.

Exposure to credit risk

Loans receivable inherently expose the company to credit risk, being the risk that the company will incur financial loss if counterparties fail to make payments as they fall due.

Credit loss allowances

No ECL has been recognised on this loans and interest receivable as disclosed in the credt risk section under risk management.

Fair value of loans to group companies

The fair value of loans to group companies approximate their carrying amounts.

5. Deferred tax

The deferred tax assets and the deferred tax liabilities relate to income tax in the same jurisdiction, and the law allows net settlement. Therefore, they have been offset in the statement of financial position as follows:

Deferred tax asset	105 948	97 200

Reconciliation of deferred tax asset / (liability)

Balance at 1 October	97 200	-
Current year (charge)/credit	8 748	97 200
Balance at 30 September	**105 948**	**97 200**

Recognition of deferred tax asset / (liability)

2025	**Opening balance**	**Charged/ (credited) during the year**	**Closing balance**
Audit fee accrual	97 200	8 748	105 948

2024	**Opening balance**	**Charged/ (credited) during the year**	**Closing balance**
Audit fee accrual	-	97 200	97 200

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6. Other receivables

Accrued interest	19 802 597	22 267 540

Accrued interest relate to interest accrued on loans to group companies, as disclosed in note 4. Interest accrued is due in October.

Exposure to credit risk

Please refer to the financial asset accounting policy for further indicators. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in this note. The company does not hold collateral as security.

Refer to credit risk disclosures on pages 19 and 20.

7. Cash and cash equivalents

Cash and cash equivalents consist of:

Bank accounts	2 231 755	894 179

The cash in bank and deposits are on call, immediately available.

8. Financial assets by category

The accounting policies for financial instruments have been applied to the line items below:

Amortised cost		
Other receivables	19 802 597	22 267 540
Cash and cash equivalents	2 231 755	894 179
Loans to group companies	2 500 000 001	2 500 000 001
	2 522 034 353	**2 523 161 720**

9. Stated capital

Stated capital comprises:		
Share capital	1	1

Share capital

Authorised		
1 000 Ordinary shares of R1 each	1 000	1 000

Unissued ordinary shares are under the control of the directors in terms of a resolution of members passed at the last annual general meeting. This authority remains in force until the next annual general meeting.

Issued and fully paid		
1 Ordinary share at R1 each	1	1

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10. Interest bearing borrowings

Held at amortised cost		
Floating rate note LHC 01	-	500 000 000
The note is unsecured and bears interest at 3-month Jibar + 1.35% and was repaid on 19 July 2025		
Floating rate note LHC 02	500 000 000	500 000 000
The note is unsecured and bears interest at 3-month Jibar +1.54% repayable in a single instalment on 19 July 2027		
Floating rate note LHC 03	725 000 000	725 000 000
The note is unsecured and bears interest at 3-month Jibar +1.15% repayable in a single instalment on 12 April 2027		
Floating rate note LHC 04	330 000 000	330 000 000
The note is unsecured and bears interest at 3-month Jibar +1.32% repayable in a single instalment on 12 April 2029		
Floating rate note LHC 05	445 000 000	445 000 000
The note is unsecured and bears interest at 3-month Jibar +1.32% repayable in a single instalment on 30 June 2029		
Floating rate note LHC 06	500 000 000	-
The note is unsecured and bears interest at 3-month Jibar +1.05% repayable in a single instalment on 22 August 2028		
Debt fees capitalised	(73 651)	-
The guarantors under the Domestic Medium Term Note Programme are: Life Healthcare Group Holdings Limited Life Healthcare Group Proprietary Limited Life UK Holdco Limited		
	2 499 926 349	**2 500 000 000**

Non-current liabilities	2 499 926 349	2 000 000 000
Current liabilities	-	500 000 000
	2 499 926 349	**2 500 000 000**

Interest payable

Outstanding Interest payable on the interest bearing borrowings as at 30 September is disclosed in note 11.

Exposure to interest rate risk

Refer to the note on financial risk management for details of interest rate risk management for other financial liabilities.

11. Trade and other payables

Trade payables	-	10 000
Other payables	392 401	627 431
Interest payable	19 817 128	22 050 774
	20 209 529	**22 688 205**

Interest payable

Interest payable relates to interest charged on interest bearing borrowings, which has not been paid on 30 September 2025. The interest is payable in October. Refer note 10.

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11. Trade and other payables (continued)

Fair value of trade and other payables

The fair value of trade and other payables approximate their carrying amounts.

12. Financial liabilities by category

The accounting policies for financial instruments have been applied to the line items below:

Amortised cost

Trade and other payables	20 209 529	22 688 205
Interest bearing borrowings	2 500 000 000	2 500 000 000
	2 520 209 529	**2 522 688 205**

13. Other expenses

Other expenses for the year are stated as follows:

Audit fees	392 400	360 000
Bank charges, STRATE and JSE fees	256 741	87 659
Professional fees - compliance	-	115 000
Annual debt sponsor fees	144 900	144 000
Primary issuances fees	-	606 625

14. Finance income

Bank	201 174	152 045
Loans to group companies	224 216 750	164 259 041
	224 417 924	**164 411 086**

15. Finance costs

Interest bearing borrowings	220 638 085	161 088 106
Tax authorities	10 801	-
	220 648 886	**161 088 106**

16. Tax expense/(credit)

Major components of the tax expense/(credit)

Current		
Normal income tax - current period	816 687	888 818
Normal income tax - recognised in current tax for prior periods	637	-
	817 324	**888 818**
Deferred		
Originating and reversing temporary differences	(8 748)	(97 200)
	808 576	**791 618**

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16. Tax expense/(credit) (continued)

Reconciliation of the tax expense/(credit)

Reconciliation between applicable tax rate and average effective tax rate.

Applicable tax rate	27.00 %	27.00 %
Permanent differences - fees of a capital nature	0.16 %	12.39 %
Prior year under provision	0.02 %	- %
	27.18 %	**39.39 %**

17. Cash generated from/(used in) operations

Profit/(loss) before taxation	2 974 997	2 009 696
Adjustments for:		
Finance income	(224 417 924)	(164 411 086)
Finance costs	220 648 886	161 088 106
Changes in working capital:		
Trade and other payables	(245 030)	(2 927 029)
	(1 039 071)	**(4 240 313)**

18. Related parties

Relationships	
Ultimate holding company	Life Healthcare Group Holdings Limited
Holding company	Life Healthcare Group Holdings Limited
Fellow subsidiary	Life Healthcare Group Proprietary Limited

Related party balances

Loan accounts - Owing (to) by related parties		
Life Healthcare Group Holdings Limited	1	1
Life Healthcare Group Proprietary Limited	2 500 000 000	2 500 000 000
Accrued interest receivable from related parties		
Life Healthcare Group Proprietary Limited	19 802 597	22 267 540
Other payables payable to related parties		
Life Healthcare Group Proprietary Limited	(392 400)	(627 431)

Related party transactions

Finance income from related parties		
Life Healthcare Group Proprietary Limited	224 216 750	164 259 041

Notes to the Audited Annual Financial Statements

Figures in Rand	2025	2024

19. Directors' and prescribed officer's emoluments

2025

	Salaries	Retirement/ medical benefits	Other allowances	Share based payments	Cost to company[1]	Fees as director within same group of companies*	Total
A Myataza	6 898 886	149 482	-	2 079 762	9 128 130	17 713	9 145 843
PP van der Westhuizen	17 724 570	286 915	180 409	13 098 583	31 290 477	-	31 290 477
AM Pyle	11 959 460	232 370	17 804	8 808 271	21 017 905	-	21 017 905
	36 582 916	**668 767**	**198 213**	**23 986 616**	**61 436 512**	**17 713**	**61 454 225**

2024

	Salaries	Retirement/ medical benefits	Other allowances	Share based payments	Cost to company[1]	Fees as director within same group of companies	Total
A Myataza	5 295 445	138 304	-	2 940 670	8 374 419	-	8 374 419
PP van der Westhuizen	12 457 040	276 889	65 809	13 016 845	25 816 583	-	25 816 583
AM Pyle	9 588 447	224 250	14 204	9 545 689	19 372 590	-	19 372 590
M Naidoo	9 193 121	78 676	45 000	3 168 712	12 485 509	-	12 485 509
	36 534 053	**718 119**	**125 013**	**28 671 916**	**66 049 101**	**-**	**66 049 101**

* Directors' fees were paid to Life Healthcare Group Proprietary Limited and not to the individual.

[1]The directors are employed by Life Healthcare Group Proprietary Limited and not the entity itself. The cost to company disclosed is for the period of employment within the financial year.

There were no directorship changes during the year.

Details of service contracts

No director has a notice period of more than a year. No director's service contract includes predetermined compensation as a result of termination that would exceed one year's salary and benefits.

20. Going concern

The directors believe that the company has adequate financial resources to continue in operation for the foreseeable future and accordingly the annual financial statements have been prepared on a going concern basis. The directors have satisfied themselves that the company is in a sound financial position and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements. The directors are not aware of any new material changes that may adversely impact the company. The directors are also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the company.

21. Events after the reporting period

The directors are not aware of any material event which occurred after the reporting date and up to the date of this report that needs further comment.