

Life Healthcare

Integrated
Annual Report

2025

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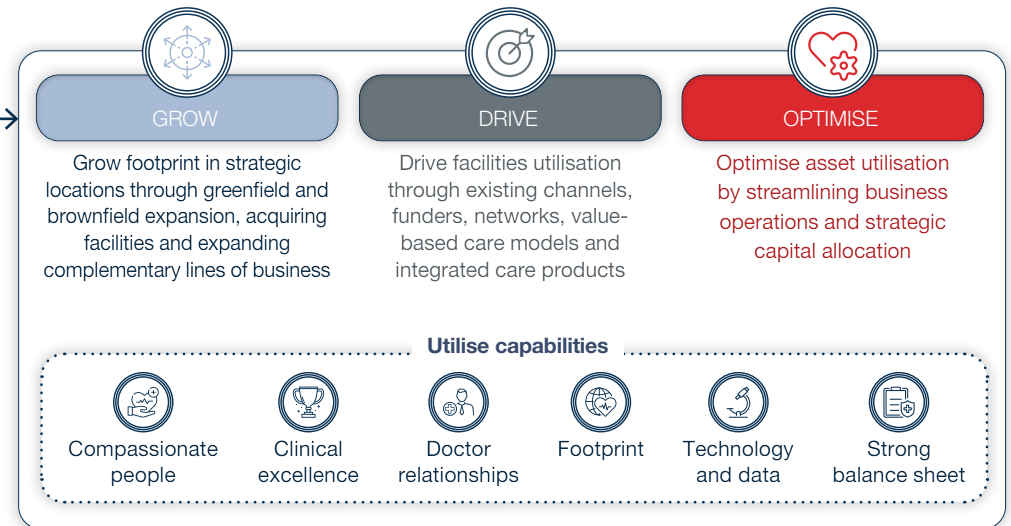
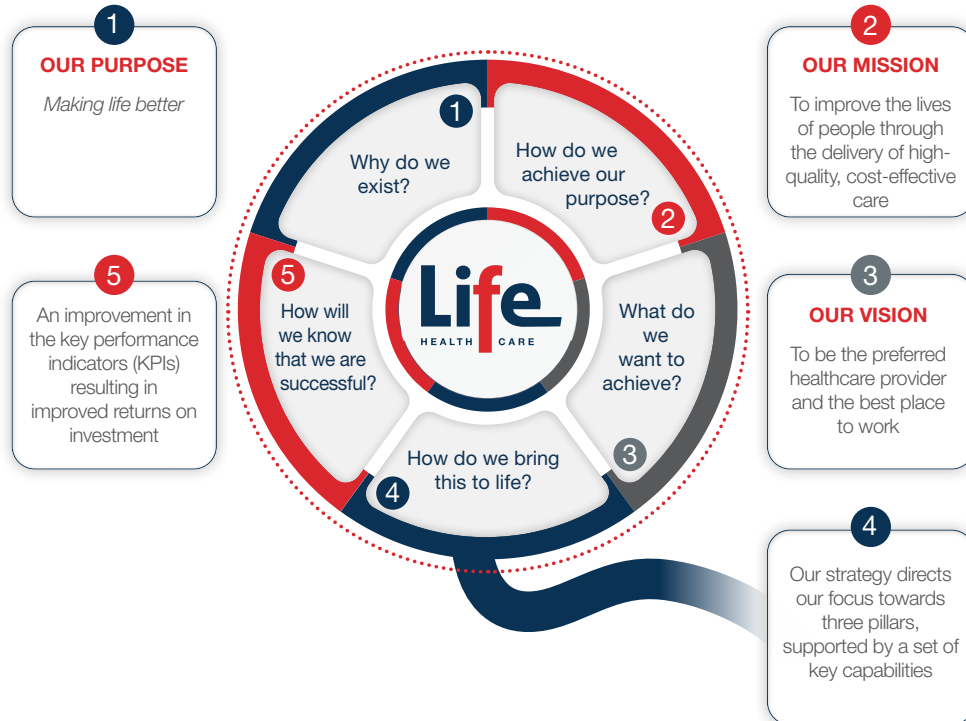
We value your feedback on this report as we endeavour to improve our disclosures continuously. We invite you to contact the Company Secretary, Joshila Ranchhod, at +27 11 219 9000 or companysecretary@life.co.za or our Chief Strategy and Growth Officer, Adam Pyle, at investor.relations@lifehealthcare.co.za.

We are Life Healthcare

We are a diversified, southern African-based healthcare provider consisting of healthcare professionals, enabling teams and technologically advanced, multi-disciplinary facilities. Our employees, healthcare professionals and other stakeholders make the business run 24 hours per day, 365 days a year, ensuring safe, efficient and well-managed environments. They make life better for all.

Life Healthcare Group Holdings Limited (Life Healthcare or the Group or the Company) is one of the largest private healthcare providers in southern Africa, primarily serving the medically insured market. We have more than 40 years' experience in healthcare and are recognised by South African funders as the leader in effective value-based care.

We began our journey with four hospitals in the early 1980s and expanded through acquisitions, new builds and additional lines of business. We expanded internationally through acquisitions and partnerships and have now consolidated our operations to refocus on southern Africa. This report is anchored in our updated strategy to grow, drive and optimise the Life Healthcare business and will explain our plans, risks and opportunities in detail.



By implementing our strategy, we:

- **Deliver high-quality care** through continuous improvement in clinical outcomes and patient experience
- **Grow** our business footprint
- **Drive** improved utilisation of assets
- **Optimise the delivery of care**, resulting in improved efficiencies
- **Attract and retain great people** through creating a culture that drives excellence and embeds diversity and inclusion
- **Ensure long-term sustainability** through appropriate investment, minimising our environmental impact, while positively impacting the communities in which we operate

Our purpose inspires and motivates our dedication to patients, employees, shareholders and communities. We have a lasting social impact through our services, relationships and healthcare solutions. We are committed to integrity and excellence, with our Code of Conduct being the foundation on which we base all that we do.

The Code of Conduct includes our ethical, respect, confidentiality and sustainability codes which guide us to create:

- An environment for our patients, partners and all stakeholders that contributes to making their lives better
- A business culture that sets us apart from our competitors and will help us be more successful
- A workplace where we all feel we belong and can contribute and benefit from our shared successes

We make life better...

for patients

We deliver quality healthcare that makes life better for patients and their families, whether through quick interventions, longer admissions or ongoing care. Our facilities and equipment are geared for quality and safety, incorporating appropriate technology to drive the best possible patient outcomes at cost-effective rates.

Our patients are in the care of qualified, professional and compassionate healthcare teams.

for employees

Our employees are our greatest asset and most of them are responsible for caring for our patients. We invest in their personal well-being and development and provide nursing training through seven learning centres. We support diversity and transformation through welcoming and safe work environments, ethical leadership and efficient systems.

Remuneration is designed to reward performance, attract and retain talent. Permanent employees, excluding executive and senior management, can participate in the broad-based employee share plan that gives them co-ownership of Life Healthcare. Employees in senior management roles qualify for performance incentive plans that reward them for both short- and long-term performance.

for doctors

As our partners, doctors rely on us to provide them with access to high-quality healthcare facilities, appropriate medical equipment, health technology, partnerships with healthcare funders and well-trained, compassionate healthcare professionals and teams.

The majority of doctors operate as independent practitioners, who form a core element of our service offering across the continuum of care and play a key role in delivering clinical excellence. They have access to research support and participate in medical advisory and clinical governance structures to stay abreast of the most effective and efficient patient care pathways, treatments, medication and consumables.

for healthcare funders

We have contractual relationships with healthcare funders that rely on constructive dialogue, trust and clinical excellence at an appropriate cost. We aspire to deliver on their promises to their members by ensuring appropriate treatment, quality of care and positive outcomes.

Funders have consistently recognised Life Healthcare as the most efficient hospital group in South Africa and as a preferred provider. This means we create and sustain lasting value for them and their members. Our investment in value-based care is designed to promote a transition to reimbursement models that reward improved patient care and quality clinical outcomes, while lowering overall care costs.

for shareholders, investors and financiers

Our strategy aims to unlock value for shareholders through delivering returns in excess of our weighted average cost of capital and a sustained distribution of dividends. We ensure sustainability by maintaining a strong financial position and driving cost efficiency and better patient outcomes through environmental, social and governance (ESG) initiatives.

We communicate transparently to build trust and a solid understanding of our business dynamics. Our strategy aims to deliver increased market share, revenue and returns.

for suppliers

We build long-term supplier relationships that rely on trust, knowledge sharing and value for money spent.

We make timely payments and communicate our expectations clearly via service level agreements to support their sustainability, reliability and compliance capacity. Our supplier criteria support broad-based black economic empowerment (B-BBEE) and the development of small, local suppliers.

for government and industry regulatory bodies

We have long-standing and ongoing public-private partnerships with government to meet growing demand for healthcare services due to a high burden of disease and pressure on public healthcare systems. We are aligned with the objective of national health insurance (NHI) to achieve quality universal health coverage for all South Africans and have been participating and engaging in the most sustainable design for such a system.

We respect the need for extensive regulation to ensure patient safety, better health outcomes and improved utilisation.

Life Healthcare is also a large taxpayer, providing essential public revenues for government to meet economic and social objectives.

for society

We consider stakeholder and community interests in our strategy development, risk management and trade-off decisions. Our commitment to being a good corporate citizen extends to our role as an employer, healthcare provider and neighbour. We recognise the social impact of our facilities, which often serve as beacons of hope for patients and their families.

Society can rely on us to maintain the highest standards of care, ethical behaviour and sustainable practices. We also contribute to initiatives that achieve positive educational, health and community impacts.

We report authentically

Life Healthcare operates and has extensive interests in private healthcare facilities and healthcare services companies in southern Africa. The Group is listed on the JSE and has a secondary listing on the A2X. Life Healthcare also has a debt listing through Life Healthcare Funding Limited, which issues senior unsecured notes under its Domestic Medium Term Note Programme.

Our reporting approach and scope

The Life Healthcare integrated annual report (the report) is one of our key communication opportunities with the Group's providers of equity and debt and other stakeholders. We report on the financial year from 1 October 2024 to 30 September 2025 (the year or FY2025).

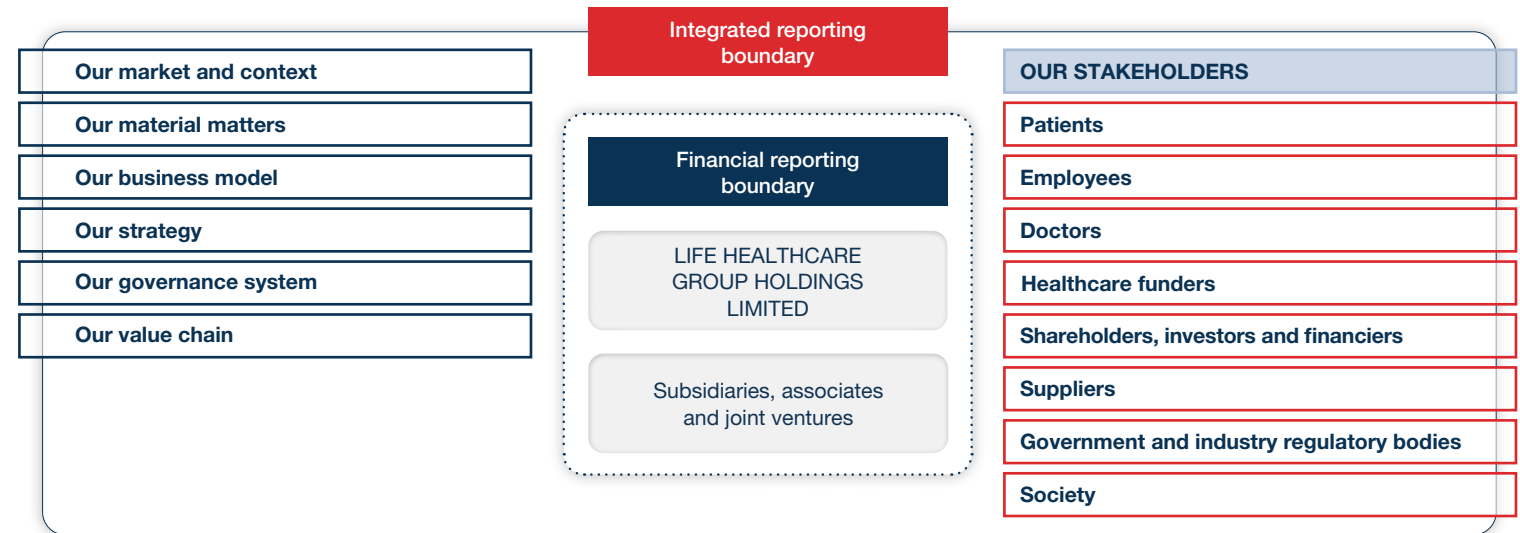
The report aims to provide you with insight into who we are, how we do business and how we make life better for our stakeholders. Performance commentary focuses on the past financial year, whereas our strategy narrative is future-oriented and provides a longer-term view of our risks, opportunities and potential impacts.

Our 2025 report features a new content structure with the Life Healthcare purpose and strategy as anchor points.

The disposal of Life Molecular Imaging (LMI) is a significant event for this year and affects comparability, similar to the disposal of Alliance Medical Group (AMG) in 2024. In the annual financial statements, LMI has been treated as part of discontinued operations. The chief executive and chief financial officer address the transaction comprehensively in their reports, with LMI excluded from all other FY2025 reporting.

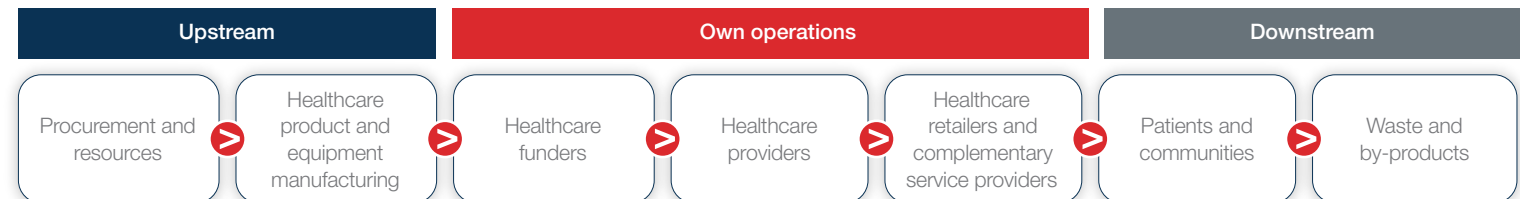
Our reporting boundary

Life Healthcare operates via three segments in South Africa, Botswana and Namibia, consisting of hospitals, complementary services and healthcare services.



OUR VALUE CHAIN

Our integrated and sustainability reports consider Life Healthcare's full value chain when identifying risks, opportunities and impacts. A healthcare value chain typically extends from raw material to healthcare waste, which encompasses activities beyond our operations or control. It features interconnected activities where we have different levels of control. We unpack Life Healthcare's resources and relationships in the 2025 sustainability report.



A complete list of the Group's associates and joint ventures is available in the Group annual financial statements (AFS).

Our reporting process



Our reporting suite

Our full reporting suite is available on our website at <https://www.lifehealthcare.co.za/investor-relations/results-and-reports/>



We report according to the requirements of:

- The Integrated Reporting Framework
- The King Report on Corporate Governance for South Africa, 2016¹ (King IV)TM
- The Companies Act (as amended)
- The Johannesburg Stock Exchange (JSE) Listings Requirements
- JSE Debt and Specialist Securities Listing Requirements
- International Financial Reporting Standards
- United Nations Sustainable Development Goals (SDGs)

ADDITIONAL INFORMATION

The following information is available on our website:

- Interim and annual results presentations
- King IVTM compliance supplementary report
- Capital markets day presentation
- Our B-BBEE certificate
- Quality metrics for each Life Healthcare hospital
- Circulars and policies
- Domestic Medium Term Note Programme documents, including amended and new pricing supplements, amended and restated programme memorandum and guarantees

Upcoming information on the website:

- The Notice of our annual general meeting (AGM) and proxy voting form will be available in January 2026
- The 2025 Life Healthcare quality review will be available in March 2026

Forward-looking statement

This integrated annual report contains forward-looking statements that, unless otherwise indicated, reflect the Group's expectations as at 4 December 2025. The actual results may differ materially from our expectations if known or unknown risks or uncertainties affect the business or if estimates or assumptions prove inaccurate. The Group cannot guarantee that any forward-looking statement will materialise. Readers are cautioned not to place undue reliance on these forward-looking statements, and the Group disclaims any intention and assumes no obligation to update or revise any forward-looking statement.

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KEY HEALTHCARE TERMS TO UNDERSTAND

<p>Catheterisation laboratory</p>	<p>A catheterisation laboratory, also known as a cathlab, is a specialised medical facility equipped with diagnostic imaging technology. It is used for minimally invasive procedures related to the diagnosis and treatment of cardiac issues.</p>
<p>Clinical excellence</p>	<p>Clinical excellence in healthcare refers to the ability of healthcare providers to endeavour to provide the highest quality of care to their patients consistently. We measure clinical excellence through a scorecard with indicators related to patient experience, safety measures (including adverse events and infections) and clinical process outcomes. Clinical excellence relies on solid clinical governance.</p>
<p>Healthcare funders</p>	<p>Funders is a collective term for open or closed medical schemes or administrators and includes the Road Accident and Compensation Funds. We also regard private or cash-paying patients as funders.</p>
<p>Nuclear medicine</p>	<p>Nuclear medicine is a specialised field that uses radiopharmaceuticals (safe, carefully controlled radioactive substances) to detect, understand and sometimes treat a wide range of medical conditions.</p> <p>Nuclear medicine includes positron emission tomography (PET) and computed tomography (CT) scans (PET-CT). A PET scan highlights cell activity, whereas a CT scan shows the body's structure. A PET-CT thus combines these technologies into a scan and is one of the most advanced imaging tools available today. It allows doctors to see the structure of organs and tissues, and how they function, giving them a detailed view of a problem and how it is behaving.</p> <p>Cancer cells tend to use more glucose than healthy cells. PET-CT scans use safe, low-dose radioactive glucose (known as a radiotracer or tracer) to highlight where cells are most active. This helps doctors make better-informed treatment decisions.</p>
<p>Paid patient days</p>	<p>A paid patient day is a key driver of revenue growth and refers to a day of service provided to a patient, where the patient has been admitted to the hospital, and for which Life Healthcare is paid. It tracks patient volumes, capacity and assists in resource utilisation. It helps us understand financial performance and patient flow, with higher numbers of days leading to better use of our hospitals and complementary services (mental health and acute rehabilitation).</p>

<p>Renal dialysis</p>	<p>Patients living with chronic kidney disease receive renal dialysis treatment to remove waste products and excess fluid from the blood. Treatments are individualised but can require up to three weekly sessions for the rest of a patient's life. The two major types of dialysis are:</p> <ul style="list-style-type: none"> • Haemodialysis, which uses a machine and a dialyser, also referred to as an artificial kidney • Peritoneal dialysis, which uses the lining of the abdominal cavity to filter blood and requires continuous ambulatory dialysis
<p>Value-based care</p>	<p>Value-based care is a model based on collaboration, communication and co-ordination among healthcare professionals. It aims to ensure patients receive comprehensive and personalised care that meets their specific needs holistically. Unlike the traditional fee-for-service model, value-based care shifts the focus from volume of services to quality and value.</p>
<p>Integrated care products</p>	<p>Integrated care products aim to achieve improved health outcomes by fostering innovation and clinical collaboration through co-ordinated care that considers physical, mental and emotional needs.</p> <p>Our integrated care products prioritise preventative care, early interventions and evidence-based practices, resulting in better management of chronic conditions, reduced hospital admissions and improved overall health outcomes at lower overall costs.</p>

WHAT IS NEW ABOUT THIS REPORT

- Our updated strategy is at the core of this report and provides a consolidated view of our future plans and prospects. We structured the report accordingly, with comparable performance indicators to track our progress in terms of value creation. Appendices contain detailed information to ensure consistent and reliable disclosure.
- We added an integrated reporting framework application summary as an appendix to orient readers in terms of the framework, given the extensive FY2025 content structure changes.
- We highlighted where we considered the six capitals (financial, manufactured, human, intellectual, social and relationships, and natural) in the relevant sections and provided a detailed business model summary according to inputs, outputs, business activities and outcomes in an appendix.
- We changed our report to a landscape format and made it interactive, which aids quick navigation and creates a more personalised content journey.
- We present our content from a more personal perspective and with improved integration. For example, sustainability information is integrated into our material matters, strategy, governance, business model and risk reporting. Our standalone sustainability report is the single source for all sustainability information and data.

Our material matters flag what is important

Material matters are essential for value creation and preservation and guide us to mitigate against erosion of the resources and relationships that serve our long-term sustainability. They distil the risks and opportunities in our operating environment, test the relevance of our strategy and keep us focused on stakeholder value perceptions. We believe these material matters also reflect a balanced consideration of the six capitals as defined in our business model.

OUR MATERIALITY PROCESS



In the diagram on page 35, we show how our material matters link to key risks and trends in the operating environment.

OUR MATERIAL MATTERS FOR FY2025

Attract and retain employees and specialists

Adapt and grow our diversified business in a sustainable manner

Deliver care which is high-quality, cost-effective and people-centred

Be a trusted partner for all of our stakeholders

Our current material matters have been identified through a predominantly financial materiality approach. We plan to launch an in-depth review of material matters in FY2026 with the intent to apply a double materiality lens.



USE OUR ICONS AS VISUAL KEYS

GROWTH STRATEGY

Grow
 Drive
 Optimise

STRATEGIC CAPABILITIES

Compassionate people
 Clinical excellence
 Doctor relationships

Footprint
 Technology and data
 Strong balance sheet

INTERACTIVITY

This report is interactive, which means you can click on the name of the chapter in the main navigation to go to the start of the chapter. Hyperlinks to internal and external references are underlined.

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TIME FRAME DEFINITIONS

Short term: < one year
 Medium term: two to five years
 Long term: > five years

The following southern Africa KPIs were subject to limited assurance:

KPI	Unit of measurement
Healthcare risk waste generated	Kg/PPD
Patient safety adverse events	Total patient incidents/PPD x 1 000
Paid patient days (PPD)	Number
Healthcare-associated infections (HAI)	HAI/PPD x 1 000
Scope 1 carbon emissions	tCO ₂ e
Scope 2 carbon emissions (electricity)	tCO ₂ e
Municipal water withdrawn	KL
General waste to landfill	Tonnes
General recycled waste	Tonnes

MOVEMENTS IN OUR KPIs

- Increase that is positive
- Increase that is negative
- Decrease that is positive
- Decrease that is negative
- Performance remained the same

Limited assurance provided by BDO for non-financial indicator

KPI linked to remuneration



We have a diverse portfolio

Life Healthcare is a leading diversified healthcare provider in southern Africa. We offer a comprehensive suite of acute care and complementary services, including emergency medical services, mental health, acute rehabilitation, renal dialysis, oncology, diagnostic imaging and nuclear medicine.

Our Group

Life Healthcare is one of the largest private healthcare providers in southern Africa. We have operations which span nine provinces in South Africa, Botswana and Namibia.

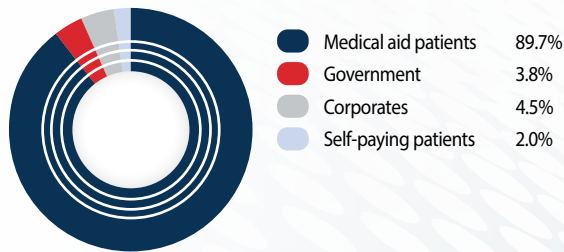
Our geographic footprint details are available in *an extended network* on page 109.

16 549
employees
of whom
10 394
are nurses

c. 3 000
specialists and allied healthcare professionals

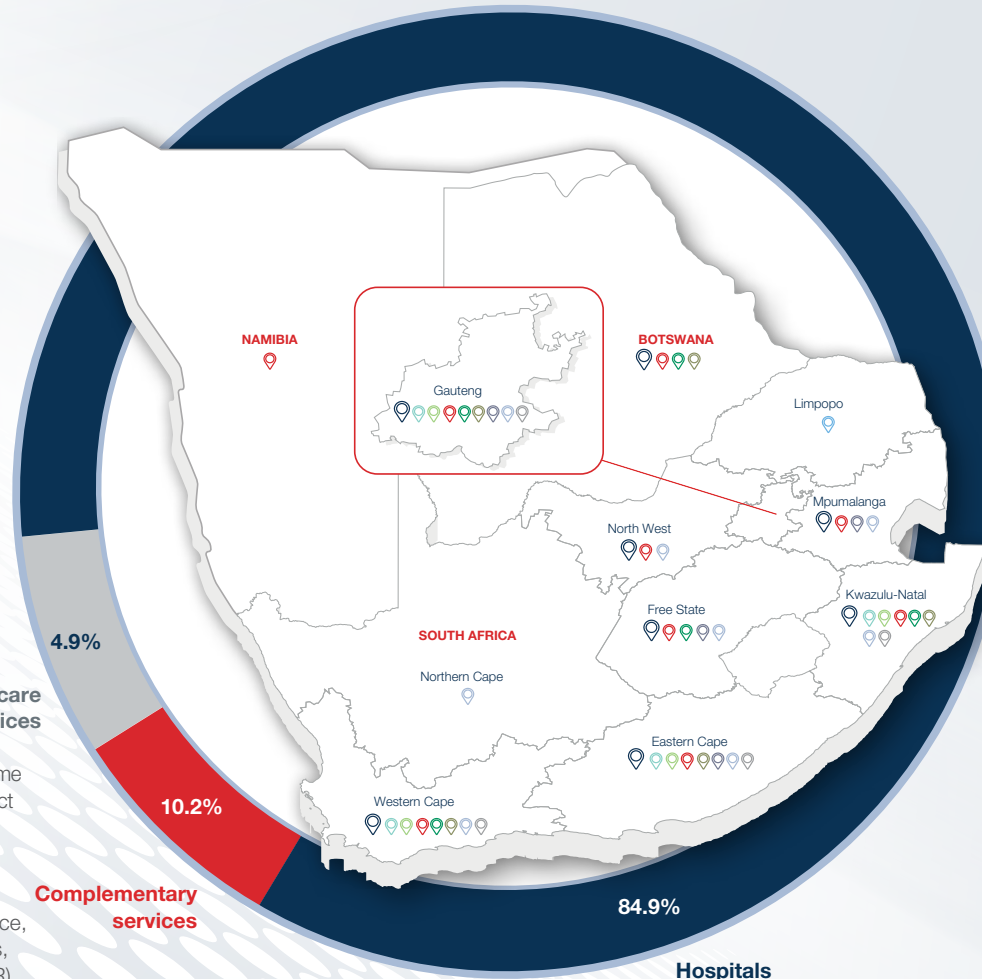
7
Life Healthcare learning centres

Our southern Africa customer profile according to revenue contribution



Our three biggest customers are Discovery Health Medical Scheme, Medscheme and the Government Employees Medical Scheme (GEMS). We typically contract annually with funders but also have longer-term contracts with our largest customers, who set tariff frameworks over a three- or four-year period.

Centralised Group services include business development, change management, clinical directorate, clinical product development, compliance, corporate social investment (CSI), credit management, data and analytics, finance, funder relations, governance, health policy, human resources (HR), industrial relations, infection prevention, information security, information technology (IT), investor relations, legal, marketing and communications, nursing, patient services, pharmacy, procurement, property portfolio management, quality and risk.



Healthcare services

4.9%

Complementary services

10.2%

84.9%

Hospitals

Hospitals

84.9% contribution to turnover

Acute hospitals

Day facilities

Emergency units

Complementary services

10.2% contribution to turnover

Life Mental Health

Life Rehabilitation

Life Renal Dialysis

Life Oncology

Life Diagnostics

Healthcare services

4.9% contribution to turnover

Life Nkanyisa

Life Health Solutions

Key

- Hospitals
- Life Mental Health facilities
- Life Rehabilitation units
- Life Renal Dialysis units
- Life Oncology units
- Life Diagnostics units
- Life Nkanyisa facilities
- Life Health Solutions sites
- Nursing learning centres

Hospitals

Acute hospitals

42

acute hospitals

278

surgical theatres

8 085

registered beds

17

cathlabs

5

vascular labs

Day facilities

5

day hospitals

89

registered beds

15

surgical theatres

Emergency

39

units

We mainly serve the medically insured market in South Africa, including private patients who are self-paying. The acute care hospital network comprises technologically advanced, multi-disciplinary hospitals offering specialised medical disciplines, community hospitals and day hospitals.

The hospital network has a wide geographical spread with hospitals in seven of the nine South African provinces and Gaborone, Botswana. Hospitals differ in size and the range of facilities they offer, each adapted to offer high-quality services that meet local needs and demands.

We have a federated operating model where individual hospitals are managed by local management teams who report to regional managers across four regions: two coastal (east and west) and two inland (north and south).



Complementary services

Mental health

9

facilities

607

registered beds

Acute rehabilitation

7

units

287

registered beds

Renal dialysis

74

units

1 089

stations

Oncology

5

facilities

32

chemotherapy units

6

radiotherapy capability

Diagnostics

8

inpatient imaging facilities

3

nuclear medicine facilities

3

outpatient imaging facilities

3

PET-CT scanners

Our complementary services are offered via specialised facilities that provide either outpatient or inpatient services. These provide care to patients dealing with specific conditions.

Life Mental Health

Life Mental Health offers multi-disciplinary mental healthcare services to adults and adolescents, including liaison and general psychiatry, treatment for dual diagnosis involving substance dependence and mental wellness support to help individuals manage with issues that could affect their mental health.

Our facilities, designed for transitional care, provide a dedicated, tranquil and therapeutic environment. We also operate theatres with full anaesthetic capability for electroconvulsive therapy.

Life Rehabilitation

We are the country's leading provider of private acute rehabilitation services. When people suffer disabling or traumatic brain injuries, they need special care to restore quality of life for them and their families.

Life Rehabilitation is International Standards Organisation (ISO) 9001:2008 certified. It is a licence holder for the UK FIM + FAM (Functional Independence Measure + Functional Assessment Measure) in South Africa, which allows us to evaluate patients' functional status during their rehabilitation process.

Life Renal Dialysis

Life Renal Dialysis serves patients who require outpatient chronic renal dialysis, home-based peritoneal dialysis and acute renal dialysis in a hospital. We have facilities across South Africa, in Botswana and in Namibia.

Our renal integrated care product offers a multi-disciplinary approach tailored to individual needs. It includes the services of care co-ordinators who provide guidance and ensure patients get clinical and emotional support and are fully supported throughout their treatment journey.

Life Oncology

Our centres offer technologically advanced diagnostic and interventional treatments in oncology. Furthermore, our linear accelerators and treatment planning software provide targeted, accurate and effective treatment for a variety of cancers. We have a holistic care model focusing on extensive patient counselling and support within treatment processes such as chemotherapy, surgery, radiotherapy and immunotherapy.

Cancer treatment often involves multiple specialists and medical disciplines offering varied treatment modalities. We co-ordinate the delivery while personalising care, with advanced care for rare and common types of cancer.

Life Healthcare was first in Sub-Saharan Africa to invest in the Ethos® artificial intelligence-guided radiotherapy treatment technology. This system adapts the treatment plan based on the malignant tumour and the daily anatomical changes in the patient.

Life Diagnostics

Our advanced nuclear medicine and imaging services help diagnose, treat and manage a wide range of medical conditions. We deliver precise patient-focused care to support patients' health using state-of-the-art technology and the expertise of our specialist teams.

- Nuclear medicine provides a highly specific assessment of the stage of diseases (with significant application in oncology), monitors treatment progress and enables clinicians to manage conditions more effectively through PET-CT scans. Further services include single-photon emission computed tomography (SPECT) scans and nuclear therapies.
- Our joint venture cyclotron-based radiopharmacy business, Axim Life Isotopes South Africa (ALISA), with Africa X-ray Industrial and Medical Propriety Limited (Axim), will produce the appropriate radiotracers. This will improve the availability of local radiotracer supply to be used for nuclear medicine for Life Healthcare and external customers.
- Imaging is essential for diagnosing and monitoring medical conditions using advanced imaging techniques. We offer a full range of services, including X-rays, ultrasounds, CT scans, magnetic resonance imaging (MRI) and mammograms.

Healthcare services

Life Nkanyisa

7

facilities

2 531

beds

4

provinces

We partner with provincial governments in South Africa to provide professional, quality and cost-effective healthcare services to some of the most vulnerable segments of the population. These services are provided on contract and awarded through a government tender process. We specialise in public long-term mental health services. Our care centres focus on clinical treatments and care, recovery and rehabilitation, and on reducing the effects of institutionalisation. The care delivery model is predicated on long-term rehabilitation and management of any co-morbidities. The aspired outcome is to eventually discharge patients deemed dischargeable once they are ready to be integrated back into their communities.

We have been delivering healthcare and related services to the public sector under contract to the Department of Health and Department of Social Development for over four decades. In addition to long-term mental healthcare, we also provide frail care and are a third-party primary healthcare provider for the Department of Correctional Services.

Our purpose-designed facilities feature programmes and healthcare services that are aligned with state policies, mandates and action plans.

Life Health Solutions

198

on-site clinics

12

offsite clinics

14

mobile units

8

emergency medical services sites

We offer integrated health solutions to companies of all sizes and have a fee-for-service model to service smaller businesses. We look after their workforce's occupational health as well as supporting them with managing the effects of work and life on the health and well-being of employees through employee wellness and employee assistance programmes. We offer multi-disciplinary expertise and have ISO certification across our service lines, including:

- Health and well-being services (employee wellness)
- Nurse-led primary healthcare services
- Occupational health
- Emergency medical services
- Complementary and advisory services



We offer a strong investment proposition

Life Healthcare has the scale and expertise to continue unlocking value for shareholders as we implement our growth strategy.

Recognised for size, scale and innovation

- Leading acute private hospital network in southern Africa, present in seven provinces and Botswana
- Leading private mental healthcare provider in South Africa, with a broad spectrum of inpatient mental health treatment programmes
- Leading provider of private acute rehabilitation services
- Leading private renal dialysis provider in South Africa, with a unique renal integrated care product introduced in 2023
- Number one network provider to medical funders
- Largest public-private healthcare partnership in South Africa through Life Nkanyisa
- Leading employee wellness and occupational health provider in South Africa through Life Health Solutions
- We will be the first vertically integrated molecular diagnostics service provider (ranging from producing isotopes to scanning patients) in southern Africa through ALISA, our joint venture investment with Axim, with two cyclotrons to enable stable radiotracer supply and availability
- First Ethos® radiotherapy machine in South Africa, offering artificial intelligence-driven, patient-specific treatment
- Investing in an additional three PET-CTs for accurate diagnostics, specifically targeting cancer-associated diseases
- The interoperative MRI (iMRI) neurosurgery theatre at Life Groenkloof Hospital is one of only 500 in the world and the only purpose-built iMRI in South Africa¹
- Five orthopaedic robots and three Da Vinci urology and colo-rectal robots in use across the Group

A prime property portfolio to leverage

90%
of our facilities are owned by the Group

c. R20 billion
market value of our property portfolio

The portfolio value of properties is R6.5 billion and our net debt to EBITDA is 0.01x.

We have an experienced in-house property management team implementing our long-term maintenance, upgrade and refresh programme to ensure the best quality facilities. Owning our properties gives us full control of our physical operations and the ability to adapt quickly to new demands and market shifts through brownfield developments. We can capture pockets of growth at a low cost by adding beds or procedure-related facilities to current facilities.

Combining quality properties with clinical excellence, we attract doctors who want to use our facilities, bringing patients and increasing occupancy. This creates a positive growth cycle for a valuable asset portfolio that is almost impossible to replicate.

Adapting for efficiency and value

Life Healthcare was a first mover in alternative reimbursement models in the early 2000s. At the time, we transferred some risk to the hospitals, which was an incentive to drive efficiencies. From 2019 onwards, we have also been a first mover in value-based contracting.

Building on the efficiency drive, we added emphasis on clinical and quality outcomes as well as patient satisfaction, moving the emphasis from financial to holistic gains.

In this process, a patient will be introduced through our acute hospitals but retained for the long term through our complementary and specialist support services. Funders are eager to support value-based care due to the clinical outcomes for their members and the cost benefit to the scheme.

Growth opportunities despite scale

We are the only large hospital group that is currently doing greenfield development in South Africa. We are capturing pockets of growth due to urbanisation and the migration of medically insured patients. We capitalise on disease trends and invest for future technology and demand.

Our most significant growth opportunities relate to:

- An ageing private healthcare population
- A growing disease burden
- Long-standing relationship with government
- Expansion of our renal dialysis footprint and programme
- Becoming a market leader in nuclear medicine
- Leveraging our position in value-based care and integrated care programmes

Read more about these opportunities in *our operating context* on page 35.

Buoyant shareholder returns

Return on capital employed of **17.8%**

The Group targets returns in **excess** of our weighted average cost of capital

Dividend payouts over the past two years of **R14.8 billion** (including special dividends)

Following the recent disposal of LMI, the Group offers further potential **profit sharing** in foreign currency through the earnouts and net economic benefit of the LMI RM2 sub-license², without the required capital outlay and execution risk

¹ The iMRI theatre is fully integrated with the most sophisticated neuroimaging MRI. The MRI scanner can be moved into the operating room, or the patient can be moved to the MRI room, allowing for real-time imaging without compromising the sterile environment.

² The RM2 sub-license agreement provides for milestone and royalty payments linked to the development, approval and sales of RM2's early-stage novel radiotherapeutic and radio diagnostic products.

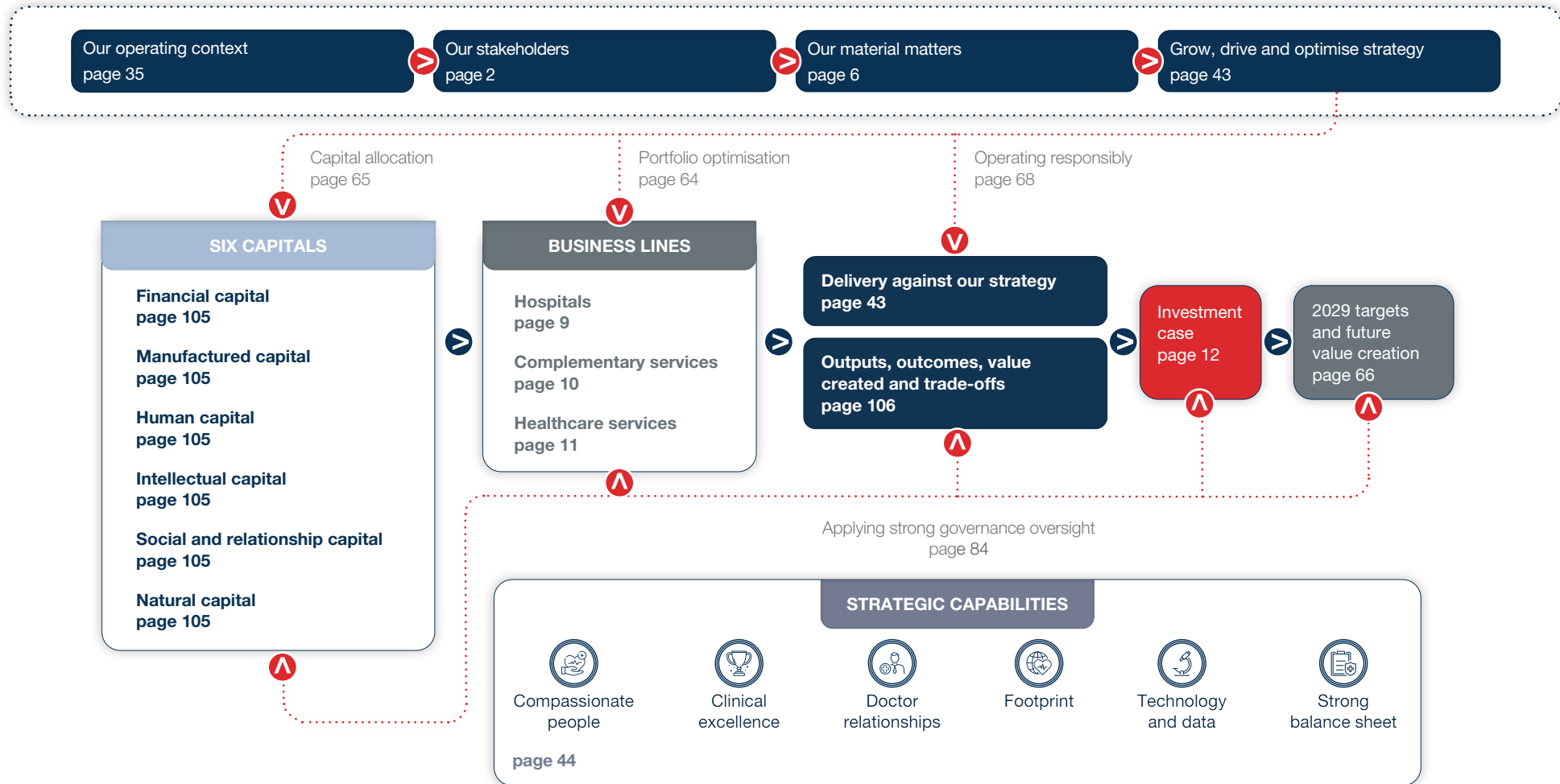
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Our value creation summary

Our FY2025 results are the outcome of a well-understood strategy and focused implementation against short-term goals. Our strategic capabilities keep us on track towards the medium and long-term outcomes that make life better.



Results in brief

Year-on-year trend v ^ >

Revenue from continuing operations ^

R25.1 billion
(2024: R23.7 billion)

Revenue increased by 6.0% on the back of 1.1% growth in paid patient days, good tariff increases of 5.05%.

Occupancy ^

69.7%
(2024: 69.0%)

Higher occupancy indicates that we are using more of our beds, theatres and other facilities, which leads to a healthy asset utilisation ratio. Semigration and disease trends affect occupancy rates per hospital.

Dividend payments of v

R4.3 billion
(2024: R10.6 billion)

Following the disposal of LMI, we paid a special cash dividend of 235 cents per share. This is on top of an interim dividend of 21 cents per share and a year-end dividend of 35 cents per share.

Normalised EBITDA from continuing operations ^

R3.8 billion
(2024: R3.7 billion)

On a comparable basis, our normalised EBITDA increased by 4.7%, impacted by inflationary pressures on salaries, which increased by 5.1% and other overhead costs. These increases presented headwinds to improving our EBITDA margin of 15.3%.

B-BBEE empowered procurement spend R

102.4% of total measurable procurement spend on B-BBEE enterprises
(2024: 102.9%)

Our commitment to economic empowerment is measured through our spend with empowered enterprises, with the emphasis on procurement spend with black and black woman owned enterprises.

Our target is to achieve 80% share of total measurable procurement spend on B-BBEE enterprises.

Group earnings before interest and tax (EBITA) R

R2.7 million
(2024: R2.6 million)

Group EBITA increased by 4.0%, reflecting solid operational performance and clinical efficiency gains.

Normalised headline earnings per share (NEPS) from continuing operations R

100.3 cents
(2024: 91.1 cents)

NEPS from continuing operations increased by 10.1% to 100.3 cents compared to last year.

Cash flow return on investment (CFROI) R

23.4%
(2024: 15.0%)

We measure the outcome and financial impact of our investment decisions against the cost of capital. We also want to ensure that we optimise our assets and significant property portfolio.

Our target is to achieve the weighted average cost of capital (WACC) + 1%, which is 14.0%.

Care bundle compliance R

97.1%
(2024: 97.3%)

We measure four key clinical indicators as a collection of evidence-based interventions that ensure clinical excellence in our facilities:

- Ventilator-associated pneumonia (VAP)
- Catheter-associated urinary tract infection (CAUTI)
- Central line-associated bloodstream infection (CLABSI)
- Surgical site infection (SSI)

Our care bundle compliance target is 95%.

Patient experience R

8.59
(2024: 8.54)

We want to ensure patients receive a positive and compassionate experience through their care journey with Life Healthcare. We measure this through patient satisfaction surveys.

Our patient experience target is 8.4.

Investment in nurse training and development R

R76.8 million

We invest in training and development to ensure a sustainable pipeline of skilled nurses and to strengthen the quality of care across our hospitals.

Our targeted spend is R65 million on nursing training and development.

Senior management African, Coloured and Indian (ACI) representation R

44.1%
(2024: 47.5%)

We focus on the diversity of the employees that we recruit and on the doctors we attract.

Our targets are 3% improvement in senior management ACI representation and 70% ACI specialists recruited.

CSI spend on healthcare and communities R

R130.0 million
(2024: R117.1 million)

Our community investment is focused on improving access to healthcare, supporting education and uplifting vulnerable communities.

Our target is R115 million spend on health and community improvements.

ACI specialists recruited (net) R

78%

We ensure that our performance drives outcomes aligned to strategic targets. The R icon indicates where measures are linked to our incentive plans.

A word with Dr Victor Lithakanyane, our Chairman

Life Healthcare is committed to making life better for all South Africans. With our diverse healthcare portfolio, we are rooted in this country for the long term. Our commitment lies in building a robust healthcare ecosystem that caters for the needs of our patients and their families.

Navigating a complex world

2025 has been a year of unpredictable developments. While the conflict in Ukraine and the Middle East, along with evolving USA trade policies and the withdrawal of US foreign funding assistance to the health sector, had a limited direct impact on Life Healthcare this year, these elements may influence our operations in FY2026. The ramifications of the trade policies, which are still unfolding, could indirectly affect our supply chains and cause shifts in national spending priorities.

Moreover, the current macro-economic environment in South Africa is exacerbating unemployment levels. This rise in unemployment threatens the affordability of private healthcare for many South Africans, potentially reducing the number of people who can afford medical aid. A decrease in insured users of healthcare could pose a challenge to our business. However, during the COVID-19 pandemic, we observed that many maintained their medical cover, viewing it as a critical necessity. This illustrates a resilience in the value of private healthcare delivery, which we strive to sustain through our efforts in making quality care more accessible.

Life Healthcare continues to tackle these challenges by focusing on efficiencies and driving strategic deliverables that enhance affordability for our stakeholders, ensuring that private healthcare remains in reach for our market.

Furthermore, South Africa's fragile infrastructure continues to pose challenges for our hospital facilities. While we acknowledge the considerable efforts by government to improve electricity supply, evidenced by the reduction in loadshedding, we remain cautious in relation to the delivery of essential services, especially regarding water security.

The ongoing deterioration of water infrastructure presents a serious risk to our facilities, impacting daily operations and patient care. Our business is proactively exploring innovative ways to secure and conserve water, ensuring continuity and resilience. Details of these initiatives are outlined in our sustainability report. Addressing these infrastructure challenges will require ongoing collaboration and we remain committed to adapting our strategies to maintain the quality and safety of care in this environment.

National health insurance – long road ahead to find a workable solution

The Group is currently part of the court action initiated by the Hospital Association of South Africa (HASA) against government concerning the implementation of NHI. Notwithstanding this legal stance, we reaffirm our commitment to fostering open and constructive collaboration among stakeholders who share the objective of quality universal healthcare coverage.

At present, ideological differences represent a significant impediment to meaningful dialogue. However, Life Healthcare remains actively engaged in seeking innovative and sustainable funding models that can unlock existing healthcare capacity and improve service delivery.

Our dedication to building trusted partnerships is evident in the Group's stable network of clinicians and the collaborative relationships we maintain with healthcare funders. We continue to champion a co-operative approach, believing that through partnership and innovation, we can contribute positively to the future of healthcare in our country. Life Nkanyisa remains the largest private public health programme in South Africa.

As a significant employer and caretaker of the health outcomes of many South Africans, we are committed to producing quality health outcomes. Our efforts are centred around delivering high-quality patient care, guided by actions that align with the best interests of South Africa.



Dr Victor Lithakanyane

Adapting to legislative changes

HEALTHCARE SECTOR REGULATION

Beyond concerns around NHI, ongoing uncertainty in South Africa's healthcare policy and regulation continues to influence our sector. A particularly relevant development is the Draft Block Exemption for tariff determination, which aims to enable collective negotiations between medical schemes, healthcare practitioners and other stakeholders to set transparent, standardised tariffs and treatment codes. While designed to improve affordability and curb rising costs, there are concerns about potential overreach, reduced competition and diminished service quality, if not carefully managed.

Importantly, private hospitals are excluded from parts of this process due to existing bilateral negotiations with funders, which remain robust. Nonetheless, this regulatory landscape underscores the need for strategic flexibility and vigilance as we navigate evolving policies that will shape long-term investment and operational decisions in the private healthcare sector.

A further piece of concerning legislation relates to the introduction of the Certificate of Need (CoN), as outlined in Sections 36–40 of South Africa's National Health Act. The intention is to regulate healthcare infrastructure development. However, its provisions pose a significant threat to the private healthcare sector and to the strategic interests of our Group. While purportedly aimed at aligning healthcare infrastructure with national and local planning priorities, the implementation of the CoN introduces substantial uncertainty and regulatory risks.

It infringes several constitutional rights, including dignity, freedom of movement, occupational choice, property and access to healthcare.

The matter is now under review by the Constitutional Court. The Constitutional Court's decision will determine whether the CoN provisions remain part of the National Health Act or are permanently removed.

Ongoing legal and regulatory uncertainty presents a serious challenge for our business, potentially constraining our ability to expand and develop healthcare facilities. We are actively monitoring the situation, fully aware that the outcome could significantly influence future investments, planning and operations within the South African healthcare landscape.

EMPLOYMENT EQUITY REGULATION

The Employment Equity Act 2025 aims to advance workplace diversity and inclusion in South Africa, focusing on promoting equal opportunity and affirmative action for designated groups, including black people, women and persons with disabilities.

While we acknowledge the positive intentions behind these objectives, we believe that certain provisions of the legislation are not conducive to achieving meaningful progress. In particular, the requirement to increase the number of male nurses, among other measures, presents significant practical challenges and may not effectively address underlying issues of inequality.

We are reviewing our policies and implementing targeted training initiatives to ensure compliance, but we remain cautious about the legacies of legislative mandates that may produce unintended outcomes. Our focus continues to be on fostering genuine transformation and inclusion through pragmatic, evidence-based approaches that align with operational realities.

Unlocking value through the LMI transaction

Life Healthcare's most significant corporate action this year was the disposal of LMI. We completed this transformative transaction in July 2025, with the disposal generating up to \$755 million of which \$355 million was received upfront. In September, we paid a special dividend of 235 cents per share, returning a value of R3.4 billion to our shareholders.

The transaction also mitigated the execution risks associated with LMI's complex research and development pipeline, as Lantheus's extensive expertise in nuclear medicine was deemed better suited to realise LMI's full potential. Importantly, Life Healthcare retained rights to manufacture, commercialise and distribute LMI products in Africa, allowing us to participate in future growth through earnouts linked to LMI's sales success.

Strong results and improved returns

Life Healthcare's strong performance in FY2025 saw an upward trend in all key growth indicators. Revenue increased by 6.0%, occupancy improved to 69.7% and a return on capital employed of 17.8%. The Group has a fortress balance sheet. However, margins were under pressure as we saw cost increases accelerating beyond revenue gains.

Setting strategic direction

It is the Board's responsibility to look ahead and chart a sustainable, long-term path for Life Healthcare, ensuring resilience and growth for the future. At the same time, we recognise the importance of maintaining short-term discipline in resource allocation and the effective implementation of our strategy. To this end, the Board engages annually in a rigorous review and discussion of the strategic direction and plans.

Over the past year, we made some necessary adjustments to adapt to changing circumstances. Although we have yet to see an upturn in the economic climate and the number of medically insured lives remains static, the Board fully supports the clear strategic focus areas of grow, drive and optimise, as identified by our executive team.

Value-based care contracting ensures sustainability of healthcare

We are extending our healthcare services by creating new pathways towards better outcomes for patients, where each pathway can be unique and flexible while building on personalised treatments and contracted costings. This value-based care approach is particularly well-suited to Life Healthcare's diverse offerings, which are successfully diversifying revenue streams and driving future growth.

The Group expanded renal dialysis facilities and invested in imaging and radiopharmaceuticals in conjunction with nuclear medicine, which includes securing a more sustainable radiotracer supply through two new cyclotrons. We are committed to bringing the latest oncology technology and skills into our hospitals. These decisions are based on data, trends and the feedback from our doctors, specialists and nurses.

Our experience as a healthcare group is not confined to the private market. Our long-standing contracts with government to deliver services to vulnerable communities have entrenched a partnership that has great potential to evolve. We are now assisting in areas such as radiotherapy cancer treatment, where we make capacity in our facilities available to patients on the state waiting list.

We are tracking progress quarterly and consider any emerging risks that might impact delivery.

Retention, succession and remuneration

Strong, visionary leadership has been a key differentiator for Life Healthcare, and we have prioritised succession planning well in advance to address the inevitable ageing profile of our leadership team. Recognising that healthcare and management skills pose one of the top risks to our organisation, we continue to focus on leadership succession, developing hospital managers and bridging key nursing skills shortages.

We are committed to motivating, developing and rewarding our dedicated people while actively creating pipelines for clinical and technical expertise. Our growth plans depend on compassionate professionals capable of delivering clinical excellence. As we expand our complementary services, the demand for skilled radiographers, pharmacists and technicians increases. To support this, we invest significantly in state-of-the-art facilities, training programmes and research initiatives, ensuring our team remains at the forefront of healthcare innovation.

Our remuneration strategies, including incentive schemes and a broad-based employee share plan, are aligned with these priorities, encouraging broad participation across our workforce.

Executive and senior managers who have a more strategic focus, will be rewarded in the next months with well-deserved single incentive plan (SIP) payments that reflect positive performance outcomes of the last five years, which included some very challenging periods. These payments recognise their commitment and tenacity amid significant changes to the Group and a difficult external environment.

Evolving Board composition

The disposal of LMI was an opportunity for the Board to reflect on our size and structure, which led to the consolidation of the Audit, Risk and IT committees into the Audit and Risk Committee last year.

We appointed two new directors in August 2024, namely Drs Raymond Campbell and Fareed Abdullah. Two Board members, Joel Netshitenzhe and Lars Holmqvist, retired from the Board at the AGM in February 2025, at which time the two new appointments were approved by shareholders. These initiatives to refresh our Board enabled us to improve diversity and skills. At the 2026 AGM, Professor Marian Jacobs and Dr Jeanne Bolger will retire. I would like to thank Professor Jacobs for her many years of contribution to the Company, in particular her role as the chairman of the Clinical

Committee. Our thanks are also extended to Dr Bolger who brought in a much-needed international perspective in relation to our overseas operations LMI and Alliance Medical Group. We wish them every success in the future.

We are particularly proud of our gender representation on the Board and committees. Five out of 12 directors are female and women chaired four out of our six committees.

Generous dividends for FY2025

Life Healthcare declared an interim, year-end and special cash dividend on top of two special dividends in FY2024. The FY2025 special dividend is the distribution of the net proceeds following the LMI disposal, which has unlocked significant value for Life Healthcare shareholders.

The Board declared a final dividend of 35 cents per share to be paid on 22 December 2025.

Appreciating the Life Healthcare family

The Life Healthcare executive team delivered in terms of financial performance and patient outcomes this year. Equally important were the contributions from our employees, nurses and clinicians who showed unwavering dedication and care, sometimes under difficult conditions.

We made many lives better this year and created positive health outcomes for many who gained new prospects and quality time together. We also appreciate our relationships with healthcare funders and other service providers, and those who trust Life Healthcare as their health partner.

Dr Victor Litlhakanyane
Chairman

Board focus areas for FY2026

- Leverage our consolidated footprint to optimise asset use
- Track progress with the building of Life Paarl Valley Hospital – a major investment for the Group
- Improve margins through targeted cost management

FY2025 Board focus areas

Evaluating the operating model post the AMG sale



Ensuring LMI is set up for success and monitoring growth in sales



Overseeing improvements to clinical quality and patient experience



Ensuring our people and ESG matters are prioritised



Monitoring and evaluating the strategy of growth into complementary services



Status and more information

We streamlined Life Healthcare's Executive Management Committee (ExCo) and related governance structures. We will continue optimising these following the LMI transaction. Read more in *unpacking performance with Pete*, our Chief Executive on page 19.

We concluded the disposal of LMI with attractive future benefits for shareholders. Read more in the case study *end of a chapter: Life Molecular Imaging's disposal* on page 32.

We appointed a chief medical officer to drive clinical governance improvements. Read more in the section on *clinical excellence* on page 49.

Our employees are key to *making life better*. Read more about our people priorities and social impact in *compassionate people* on page 44 and in our 2025 sustainability report. We continue to reduce our environmental impacts through renewable energy use and improved waste management. Read more in *operating responsibly* from page 68.

The Life Healthcare strategy focuses on growth, driving the expansion of services and optimising our assets. Read more about progress in *we deliver against our strategy* on page 43. The non-acute complementary services contribution to revenue increased from 8.6% to 10.2%.

Unpacking performance with Pete, our Chief Executive

Life Healthcare delivered strong results in a stagnant private healthcare insured market and persistent economic pressures affecting unemployment and disposable income in South Africa. Revenue increased by 6.0% driven by a 1.1% increase in paid patient days and a promising 69.7% occupancy rate. We are experiencing benefits from acquisitions made in FY2024 and a satisfactory tariff increase.

The disposals of AMG and LMI have been highly beneficial for shareholders, offering a distinct opportunity to unlock value and allowing us to refocus on southern Africa.

Our context at a glance

The global economy has remained more resilient than expected despite ongoing geopolitical tensions and trade disruptions. In recent months, South Africa has also delivered some positive indicators. However, a healthy growth rate remains elusive and will require much higher private and public investment levels than the country is now achieving.

The South African Monetary Policy Committee predicts GDP growth of 1.2% for 2025 on the back of modest output gains and structural reforms. Underlying inflation remains contained, with core inflation around 3%¹.

In this context, the number of medically insured lives in South Africa has shown little growth over the past decade, leading to increased competition in the healthcare sector.

An analysis of healthcare capacity in South Africa has identified a deficit of 200 000 hospital beds to meet international standards. Over the past three decades, the South African population growth exceeded 50% but the number of hospital beds remained static, with some growth in the private sector and a declining number of beds in the public sector. Overall private bed occupancy is estimated at just 66% as most of the population cannot afford to access available private hospital beds².

The healthcare sector is further characterised by a shortage of healthcare professionals and nurses, an ageing nursing workforce, rising healthcare demands, low medical aid penetration, poor public sector governance and very high uncertainty created by widespread dialogue around a seemingly unimplementable NHI model.

¹ Statement of the Monetary Policy Committee September 2025.

² South Africa's healthcare challenge | Nedbank CIB.

Grow – Drive – Optimise

Our strategy is to *grow* our footprint in strategic locations, *drive* facility utilisation and *optimise* asset allocation. Our focus on non-acute growth opportunities increases market access and improves asset utilisation across acute and complementary units.

GROWING OUR FOOTPRINT

In a market where the number of medically insured lives has remained flat, we focus on increasing market share and capturing a larger portion of overall private healthcare revenue. An ageing medical aid member profile and higher medical aid utilisation, coupled with more complex disease profiles and the increased prevalence of chronic conditions, present financial and risk underwriting challenges for funders. Additionally, some members are opting out of comprehensive hospital plans or reducing their coverage, which puts further pressure on medical scheme reserve funds.

Despite these challenges, we believe there are targeted growth opportunities for Life Healthcare which are focused around:

- Greenfield expansion by building new acute hospitals in geographies that are growing
- Brownfield expansion of existing facilities to grow capacity in high-demand areas
- Potential acquisition of facilities to bolster the existing network and footprint
- Further expanding the complementary lines of business to diversify revenue

Despite the prevailing challenges and uncertainty, Life Healthcare's grow, drive and optimise strategy is well-suited to tackle these market conditions as it taps into attractive new growth pockets while streamlining operations and allocating capital effectively.



Pete Wharton-Hood

We are positive about future opportunities in focused growth areas to further diversify our business and deliver appropriate returns. Strategic initiatives focus on deliberate investment in both acute and complementary greenfield and brownfield projects, based on careful analysis to ensure the right type of asset in the right areas.

Greenfield investments

Our greenfield expansion in Paarl was announced this year, marking an important milestone in our growth trajectory. This is our first new build acute hospital in more than ten years. We are on track to break ground before the end of 2025, with the new 140-bed hospital planned for completion in late 2027. This state-of-the-art facility will feature specialised surgical and cardiac services, seven theatres, a cardiac cathlab, an emergency unit and 36 intensive care and high care beds. It will position us to meet the area's growing demand for high-quality healthcare, offering advanced diagnostics and treatment capabilities and further strengthening our commitment to serving growth nodes in the Western Cape.

These investments position us to capitalise on emerging opportunities, particularly in light of the ongoing semigration phenomenon, which continues to shift patient healthcare demands. We conduct thorough analyses and engage relevant stakeholders who inform our growth strategy.

South Africa has historically had an unreliable and expensive radiotracer supply chain. We invested in developing a secure pipeline of radiotracers through our ALISA joint venture with the AXIM group of companies. The isotopes that will be produced by the two new cyclotrons in Midrand, Gauteng, will be sold commercially and used in nuclear medicine, boosting capacity in the South African market to diagnose and treat cancer. The isotopes will be used in PET-CT and SPECT scans and in radiotherapy, which can target and destroy cancer cells effectively. Local isotope production will reduce the need for imports and transportation, allowing for more effective isotopes. We can also control the cyclotron output and match supply to demand, which will lead to more efficiency and less waste.

Investing in the development of nuclear medicine supports our drive to provide a comprehensive oncology service.

Brownfield investments

Our brownfield expansions are driven both by the increase of certain disease burdens and advanced specialities, creating further avenues for growth. This enables us to serve a broader range of patient needs in our hospitals and strengthens our market position. These strategic expansions, both in our acute and complementary services are critical to supporting our long-term vision.

Brownfield investments for FY2025 included several expansions at facilities where demand is growing rapidly or where we have reached nearly full utilisation capacity:

- We added 30 beds to fully utilised intensive care units
- We added 1 cardiac cathlab
- We added 39 general ward beds

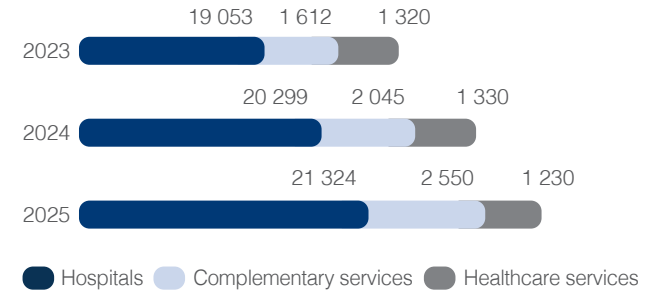
Developments to add more than 129 beds to our existing facilities are in progress and a further 156 beds are in the planning phase.

Acquisitions

The Fresenius Medical Care (FMC) renal dialysis acquisitions, covering 46 sites and 567 dialysis stations, are in the process of clinical and operational integration.

We also completed two imaging acquisitions at Life Robinson Private Hospital in February 2025 and at Life Empangeni Private Hospital in September 2025.

Revenue per segment (R'm)



DRIVING FACILITY UTILISATION

While we aim to grow the overall footprint, our drive strategy will increase the utilisation of existing facilities. Funders are actively expanding hospital, specialist, general practitioner and other networks for selected plans while simultaneously reducing tariffs. These developments place additional pressure on our cost structures, emphasising the need for the highest standard of clinical quality and excellence without compromise. Efficiency is critical and this is where our value-based care model and our optimisation pillar will play a fundamental role in the delivery of healthcare in the future.

General practitioner channel	We continue to focus on fostering excellent relationships with general practitioners to create trust and drive increasing referrals to our specialists. We foster our relationships through meaningful face-to-face discussions, networking, regional conferences, digital communication around specialists, services and facilities. We are currently piloting a new booking platform to expand our access to data and improve reporting and analysis.
Emergency unit channel	<p>Emergency units are another key driver for hospital admissions and are highly utilised in most locations. We completed upgrades and expansions at five hospital emergency units over the last five years, with three more in progress and a further five in the planning stage.</p> <p>We have installed a digital triage and patient flow solution (EC Flow) in 10 units with an additional 10 scheduled for 2026. EC Flow provides real time patient triage on arrival, live patient tracking throughout their emergency unit journey and remote monitoring of employee and patient activity. This allows for optimal employee and doctor time allocations, identifies bottlenecks, clinical trends and reduces waiting times.</p>
Doctor recruitment and retention	<p>We continue to invest in the development, recruitment and retention of specialist doctors practising at Life Healthcare facilities, where demand exists.</p> <p>Reduced government funding for specialist registrar posts has compelled us to commit to subsidising specialist training costs to the value of R450 million over the next nine years. This underscores our commitment to developing clinical talent in the future interests of Life Healthcare amid broader national shortages.</p> <p>We gained 139 specialists in our network, which is fundamental to growth.</p>
Disease channel	The success of our renal integrated care product is an excellent example of successfully driving utilisation and improving clinical outcomes. We now have 74 dialysis units, with a programme focused on reducing mortality and hospital readmissions while delivering better clinical outcomes for patients.
Funders and networks	<p>Funders are fundamental to our sustainability, financial stability and growth. With their support, we are expanding our value-based care programmes and integrated care products to lower the overall cost of care and improve patient outcomes.</p> <p>We maintained our position as South Africa's preferred funder network provider in 2025, due to our market-leading efficiency and quality outcomes.</p>

Paid patient day growth (%)



OPTIMISE OUR ASSETS

We are dedicated to unlocking maximum value from our existing assets and resources. This requires an acknowledgement where assets are underperforming coupled with detailed plans enhancing the utilisation of our healthcare facilities to ensure we deliver better patient outcomes and operational efficiency.

We are committed to streamlining operations, reducing waste and improving processes to support sustainable growth and profitability.

Strategic capital allocation is key to optimising Life Healthcare by investing selectively in initiatives that generate the greatest return, whether through capacity enhancement, technology adoption or operational improvements. By prioritising these areas, we aim to strengthen our core business, improve service delivery and create a solid foundation for long-term, sustainable growth.

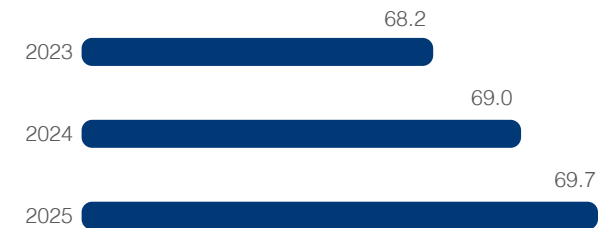
We are aiming to deliver cost efficiencies in excess of R400 million over the next three years through better cost management, streamlining operations and re-assessing current ways of work. This, in turn, will drive the quality and sustainability of revenue.

We continue to shape our footprint according to market shifts and disease patterns. Demographic trends such as semigration, a low economic growth environment and infrastructure challenges are causing some of our facilities to be under stress. As a result, we are shifting the delivery models of some units.

FY2025 optimise milestones delivered include:

- Operating at a weighted average occupancy of 69.2% at our acute hospitals, compared to 68.7% in FY2024
- Overhead expense increases limited to 5.7% as a result of effective cost management
- Revisiting our operating model to ensure financial sustainability and to adapt to a narrower geographical focus
- Disposing of Life St Mary's Private Hospital in Mthatha following an unsolicited offer that was aligned with our long-term plans for the area

Overall occupancy (%)



LMI disposal as a strategic value creation outcome

The decision to sell LMI to Lantheus unlocked significant value for our shareholders.

LMI was originally part of AMG. When we considered potential offers during the disposal of AMG, we realised that LMI was being significantly undervalued and after careful consideration, we chose to retain the subsidiary.

To maximise the value of LMI, we invested substantial time and resources, with management focusing on strengthening LMI and positioning it for operational success. Through key targeted initiatives, we optimised corporate structures, strengthened sales efforts and leveraged regulatory approvals. This created all round confidence in their processes whereas significantly improved sales capacity increased LMI's market share in the US.

A key milestone in the LMI journey was the FDA approval of three Alzheimer's disease modifying drugs, which resulted in the commercialisation of NeuraCeq® radiopharmaceutical manufactured by LMI, demonstrating LMI's innovative capabilities and attracted further investor interest. Ultimately, through a combination of efforts, Lantheus was identified as a suitable owner of the asset resulting in a full sale of LMI at a significantly higher valuation, delivering substantial value to our shareholders. The transaction exemplifies our disciplined approach to value creation by investing in core assets, fostering innovation and timing exits to maximise returns.



Value unlocked for shareholders

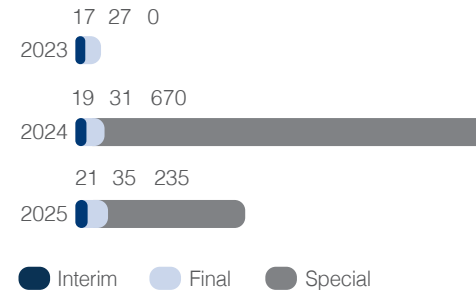
Over the past two years, Life Healthcare has made strategic divestments to unlock value for shareholders. We refocused our operating model and bolstered our balance sheet, while returning significant capital value to shareholders via dividends.

The AMG disposal was concluded on 31 January 2024. We received a net R10.2 billion in cash proceeds, and a special dividend of R8.8 billion was paid to shareholders. Life Healthcare retained R1.4 billion to invest in growth projects such as the new Life Paarl Valley Hospital, with construction due to commence before the end of 2025.

Life Healthcare acquired LMI for \$1.1 million in 2018 and invested \$67 million in the business over the past six years. The consideration included an upfront payment of \$355 million and potential earnout payments totalling a further \$400 million linked to milestones of future sales of LMI products up to 2034. In addition to the potential earnout payments, the Group has retained the rights to RM2 milestone payments.

For more information refer to *examining our results with Pieter*, our Chief Financial Officer on page 26.

Dividend track record (cents per share)



Operational performance

As the core and largest segment, our acute hospitals delivered strong revenue growth of 5.0% with paid patient days growing by 0.9% on a like-for-like basis, with a weighted average occupancy of 69.2%. Medical PPD's continue to grow at a faster rate than surgical PPD's resulting in a lower revenue per PPD.

The complementary services segment remains a future growth driver and delivered an increased contribution to revenue, from 8.6% contribution to 10.2%. Complementary services was boosted by strong performances in mental health and diagnostics, as well as the acquisition of the stand-alone renal dialysis units in FY2024 and FY2025.

The healthcare services segment was under pressure due to the loss of two contracts in FY2024, with revenue decreasing by 7.5%.

More performance detail per segment is provided in *examining our results with Pieter*, our Chief Financial Officer on page 26.

We have ambitious ESG commitments that are driven through Group initiatives to achieve net zero emissions by 2050, zero waste to landfill by 2030 and to be an employer of choice.

Compassionate people caring for our patients

The collective strength of our business is reflected in our dedicated team of employees, including our nurses and healthcare professionals, all committed to putting the patient first. This is a core value that drives our purpose of *making life better*.

While we celebrate the outstanding clinical outcomes we achieve, including reductions in healthcare-associated infections, we recognise that addressing skills shortages in nursing and specialist roles is vital for our sustainability.

We remain committed to developing a sustainable pipeline of skilled and qualified nurses – an essential foundation for the future of private healthcare. Currently, we have 701 students enrolled across seven nursing learning centres, pursuing both the higher certificate and the diploma in nursing. Additionally, during FY2025, 50 bachelor's-qualified nurses – with midwifery qualifications funded by Life Healthcare – have joined our workforce. These professionals are vital assets, as their qualifications open doors to postgraduate specialisation opportunities, which are critical for maintaining clinical excellence and innovative care.

Despite these concerted efforts, the local nursing shortages continue to pose significant challenges. The constraints imposed by student intake limits and hurdles in obtaining accreditation for postgraduate programmes hamper our ability to expand both our workforce and training capacity. The scarcity of skilled nurses in specialised categories is intensified by an impending wave of retirements among experienced professionals, creating a knowledge gap that many international healthcare institutions are eager to exploit through attractive employment packages.

Addressing this, we have actively pursued programme accreditation over the past five years and are now in the final stages of approval from the South African Nursing Council. Our focus remains on fostering a culture of excellence, building capacity through education, and ensuring that we can attract and retain top talent. For Life Healthcare, investing in nursing is not just about fulfilling a workforce need; it is about securing the future of quality care, shaping a professional legacy, and reaffirming our unwavering commitment to the health of South Africans. By doing so, we aim to uphold the vital role nursing plays in the fabric of private healthcare: delivering compassionate, expert care that makes a meaningful difference.

All our employees form a vital part of our team, working under demanding conditions. Our senior leadership's active involvement in clinical and non-clinical governance fosters a culture of excellence, creating a deep understanding of operational challenges, driving collaboration and strengthening relationships with all our stakeholders. Visible leadership encourages ongoing conversations about quality and care, which are essential to sustaining a high-performing, patient-centred environment.

Our success depends on attracting, retaining and rewarding a stable, skilled and motivated nursing and clinical workforce. Ensuring their well-being and professional growth remains the bedrock of our strategy and continues to shape our remuneration philosophy. By investing in our people and fostering a supportive, healthcare-focused culture, we strive to build a resilient team equipped to sustain our business.

What stood out this year

The pharmacy unit delivers an essential service with a core focus on inventory management and formulary compliance. What stood out this year was the clinical pharmacist's contribution, for example, in pharmacokinetics and pharmacodynamics. Doctors are increasingly engaging with clinical pharmacists on drug interactions, antibiotic resistance and formulary conversions, which has become a game-changer for in-hospital patient care.

Engaging with government

We have the largest public-private healthcare partnership with government in South Africa through Life Nkanyisa. Through this partnership and other engagement avenues, we openly seek opportunities to collaborate beyond the NHI discourse. Unfortunately, we have not been able to open doors and engage constructively to find solutions that would benefit patients despite ideological differences.

Taking a pragmatic approach, we have an option to agree on a commercial structure where spare capacity in our hospitals can be made available to public sector patients and reimbursed by government, based on a reasonable return on investment for Life Healthcare. This will ensure timely care for patients without current access. We see further opportunity to share intellectual property and skills.

Government is already a Life Healthcare customer, and we will continue our efforts to expand this into a relationship of trust and collaboration for the benefit of the entire South African healthcare sector.

Short-term executive priorities

- We must stay abreast of clinical and operational developments that are driving efficiency across hospital platforms around the world
- Our data investments and use must remain fit for purpose and appropriate in driving safety, quality and efficiency
- IT infrastructure investments in network infrastructure, cloud capabilities, hospital information systems and cyber-security functionality have laid the foundation for our future digital strategy
- We must stay alert to expansion opportunities as and when they present themselves, either in South Africa or in appropriate territories where we feel we have a competitive advantage
- Some underperforming assets must be addressed through re-investment, resizing or disposal

Our five strategic imperatives for FY2026

1. Asset optimisation
2. Cost management
3. Quality of revenue
4. Remuneration structures
5. Artificial intelligence and clinical systems

Looking ahead

Our strategy aims to increase market share, revenue and returns. We will continue to balance the need for returns, given a challenging operating environment, while delivering high-quality care in a private healthcare market that is likely to see muted future growth in the number of lives covered.

We are committed to transitioning from a traditional fee-for-service model to an outcomes-focused model, based on an integrated approach. We have already seen how this model successfully addresses cost variability and volatility, delivering the best care at the best cost. However, there are still challenges in embedding the model in an environment where tariffs remain flat against escalating medical costs.

Our drive for efficiency will continue, based on a commitment to cost savings of R400 million over the next three years.

Optimisation will remain a priority as we assess the prospects of more hospitals coming under pressure due to the economic outlook for South Africa.

The challenges ahead call for an entrepreneurial approach, which is part of our heritage, bolstered by the learnings from the AMG and LMI growth stories in new technology and highly specialised markets. This will serve us well in an environment with few low-hanging fruit, but many pockets of opportunity.

Pete Wharton-Hood
Chief Executive

Remuneration to support value creation

Robust remuneration governance is fundamental to attracting and retaining highly skilled professionals and cultivating a Group culture characterised by accountability and trust. Our remuneration framework is aligned with Life Healthcare’s strategic pillars and underpinned by fairness and transparency. It serves as a catalyst for enhanced performance, fosters sustained commitment and reinforces the Group’s core values.

Our remuneration philosophy aims to enhance employees’ lives, attract and retain high-calibre talent by ensuring fair and sustainable rewards that align with strategic objectives.

We champion diversity and inclusion in our remuneration framework, fostering motivation and a sense of purpose focused on *making life better*.

Our pay structures ensure equitable compensation for similar roles, benchmarked against the market’s 50th percentile, with potential adjustments for top performers and critical skills.

Employees progress along the reward curve based on performance and competence, promoting growth in a supportive environment with open communication.

Our total rewards programmes emphasise business outcomes, individual contributions and accountability.

We uphold the principle of “equal pay for work of equal economic value” while acknowledging factors such as seniority, qualifications, performance and regional pay differentials that may influence remuneration.

Life Healthcare is committed to rewarding our workforce fairly, ethically and in alignment with our core values, ensuring that we support both our employees and the communities we serve.

Foundational principles

Life Healthcare’s remuneration framework is underpinned by several foundational principles. Foremost among these is the establishment of a direct and transparent linkage between remuneration and both individual and organisational performance, thereby ensuring that reward outcomes are intrinsically aligned with the achievement of strategic objectives and the advancement of stakeholder interests.

Read more in the case study *remuneration aligned with strategy* on page 48.

We are also committed to upholding the principles of equity and impartiality, with remuneration structures calibrated to guarantee fair and consistent treatment across all occupational levels and to foster a culture of inclusivity and respect for diversity.

Furthermore, all remuneration policies and practices are developed and maintained according to legislative and regulatory requirements, as well as recognised standards of corporate governance. In so doing, we ensure compliance and exemplify best practice in ethical remuneration within the healthcare sector and as a publicly listed entity.

The RemCo is confident that the remuneration policy is comprehensive and well-structured while promoting ethical behaviour, responsible decision-making and sustainable value creation for all stakeholders. The Committee exercised diligent stewardship over our remuneration framework, upholding the highest standards of governance, transparency and compliance. The Committee confirms that the policy was implemented with integrity and without deviation, in full alignment with our mandate and regulatory obligations.

Ultimate accountability for the Group’s remuneration policy resides with the Board. The Board delegates oversight of all remuneration practices and the broader human resources philosophy to the RemCo. More details on all aspects of remuneration are available in the 2025 remuneration report.

Key remuneration decisions and impacts for FY2025

<p>LMI disposal</p>	<p>Following the LMI disposal, the Board, guided by independent external advisors, approved an adjustment to the active long-term incentive plan (LTIP). This adjustment was specifically designed to neutralise the impact of the transaction on scheme performance units, thereby preserving the integrity of the remuneration framework and ensuring that participants remain in an equivalent economic position.</p>	<p>Employee share plan</p>	<p>RemCo approved a further annual purchase of Life Healthcare shares to the value of R70.2 million in July 2025 for the benefit of permanent employees (below senior management). This resulted in 4 972 486 Life Healthcare shares being purchased, which are held in the Life Healthcare Employee Share Trust, with vesting occurring in years five, six and seven. Circa 13 300 employees participate in the employee share plan and benefit from dividend flows.</p>
<p>Headcount freeze</p>	<p>In pursuit of operational excellence and strategic alignment, the Group implemented a temporary recruitment freeze for all new non-clinical positions at head office for a part of FY2025.</p>	<p>Non-executive director (NED) fees</p>	<p>An independent benchmarking survey by Remchannel informed a 4.6% average fee increase for NEDs, with the lead independent director receiving a further 10% increase as a process over time to address market discrepancies.</p> <p>Approved at the January 2025 AGM, the FY2025 NED fees also reflect changes from May 2024, when risk oversight shifted to existing sub-committees and the Audit Committee took on risk management, warranting an 8% increase for the expanded responsibilities.</p> <p>Overall, committee fees increased by 6.0%, but due to savings from closing the Risk, Compliance and IT Governance Committee, total expenditure will decrease by 2.2%.</p>
<p>Minimum wage</p>	<p>Aligned with our dedication to social equity and responsibility, our minimum wage significantly surpasses the mandatory South African minimum wage standards. Moreover, the annual wage increases in January 2025 for the lowest earners exceeded the general salary mandate.</p>	<p>Remuneration priorities for FY2026</p>	
<p>Shareholder engagement on remuneration</p>	<p>The voting outcomes for both our remuneration and implementation reports reflect a marked improvement over prior years. We enhanced disclosures by providing greater detail on historical remuneration arrangements and a more explicit demonstration of the alignment between performance-based pay and Life Healthcare's strategic objectives.</p>	<p>In the year ahead, RemCo will focus on:</p>	
<p>Salary adjustments</p>	<p>Senior and executive management deferred their annual remuneration adjustment by six months to facilitate a premium increase for clinical employees, demonstrating leadership's commitment to retaining key skills and ensuring long-term business sustainability. Increases were effective 1 July 2025 instead of 1 January 2025.</p>	<ul style="list-style-type: none"> • Championing strategic alignment: we will rigorously interrogate our reward strategy to ensure it remains tightly aligned with the Group's strategy and operational imperatives. This includes regular, evidence-based reviews to guarantee that our remuneration structures drive both retention and exceptional performance. • Benchmarking with purpose: recognising the dynamic nature of the talent market, we will intensify our benchmarking efforts for directors and senior leaders against local and international leading peers to ensure our offering remains competitive and attractive to the calibre of leadership required for sustainable growth. • Advancing equity and inclusion: RemCo is committed to advancing gender pay equity. We will deepen our analysis of pay practices, address disparities and champion initiatives that foster a truly inclusive and representative leadership pipeline. • Elevating performance management: we will refine our performance management processes, embedding clear, measurable objectives that are directly linked to strategic outcomes. By doing so, we aim to cultivate a culture of accountability and continuous improvement, where reward is a true reflection of contribution and impact. • Strengthening succession and talent planning: recognising the importance of leadership continuity, we will implement robust succession planning for all critical roles. This proactive approach will ensure that Life Healthcare is equipped with the depth of talent necessary to navigate future challenges and seize emerging opportunities. 	
<p>Pay ratios</p>	<p>Early adoption and voluntary compliance with the amendments to the Companies Act, the total remuneration of the highest and lowest paid employees, the average and median total remuneration of all employees and the remuneration gap between the top 5% highest paid and lowest paid employees are disclosed in our 2025 remuneration report.</p>		
<p>Long-term incentive plan</p>	<p>The final LTIP 2023 allocation vests on 31 December 2025. This scheme ends at this point and has been replaced by the single incentive plan (SIP), which has been in place for two years.</p>		

Examining our results with Pieter, our Chief Financial Officer

Revenue from continuing operations

▲ 6.0%

R25.1 billion

(2024: R23.7 billion)

Normalised EBITDA from continuing operations

▲ 4.7%

R3.8 billion

(2024: R3.7 billion)

Cash from continuing operations

▲ 23.8%

R4.6 billion

(2024: R3.7 billion)

Net debt to normalised EBITDA from continuing operations

▼ 0.01 times

(2024: 0.45 times)

Return on capital employed (ROCE)

▼ 17.8%

(2024: 20.0%)

CFROI

▲ 23.4%

(2024: 15.0%)

Read more about our detailed financial performance in the Group annual financial statements, available on our website. We provide a seven-year performance review in the appendix from page 112.

Continuing vs discontinued operations

Following the announcement of the disposal of LMI, all commentary relates to continuing operations and LMI is treated as part of discontinued operations in the current and prior year. The prior year's discontinued operations also include AMG. Continuing operations consist of the hospitals segment (acute hospitals), the complementary services segment (mental health, acute rehabilitation, renal dialysis, oncology and diagnostics) and the healthcare services segment (Life Nkanyisa and Life Health Solutions). The corporate segment consists of the centralised services that support the operating segments. Prior year numbers have been restated as LMI is disclosed as a discontinued operation in terms of IFRS 5.

Significant capital was returned to shareholders in the past two years as part of the Group's efforts to improve return on capital.



Pieter van der Westhuizen

Our results at a glance

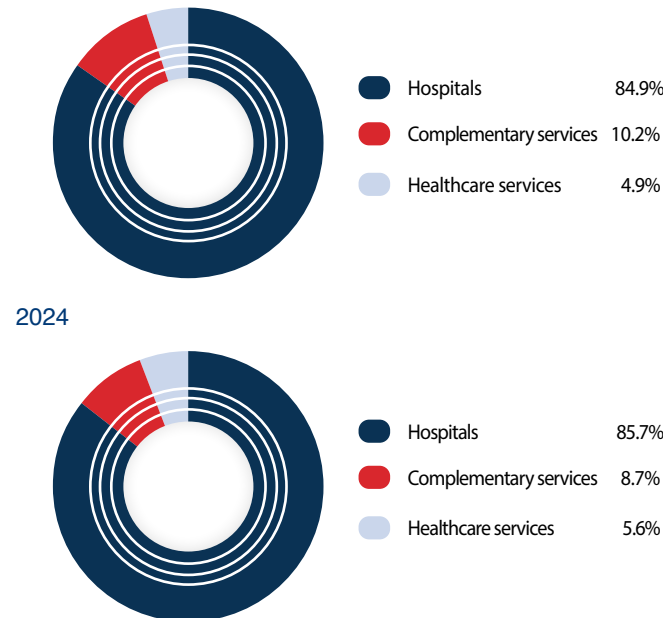
STATEMENT OF COMPREHENSIVE INCOME	
Revenue mix	Total revenue R25.1 billion
	Acute R21.3 billion
	Non-acute R3.8 billion
Less	Employee expenses R10.0 billion
Less	Other expenses R12.7 billion
Equals	Fair value adjustment R2.9 billion
	Operating loss R0.5 million
<i>of which shareholders received a total ordinary dividend per share of 56 cents and a special dividend of 235 cents.</i>	
	Normalised earnings of R1.4 billion from continuing operations
	Delivering an EBITA of R2.7 billion
STATEMENT OF FINANCIAL POSITION	
	Total assets R25.7 billion
Less	Total liabilities R13.5 billion
Equals	Total equity R12.2 billion
	Delivering a ROCE 17.8%

Good operational results from the core business

Our southern Africa business had a good year, demonstrating financial discipline and focus despite corporate finance transactions that could have detracted from management of business operations.

Revenue from continuing operations grew by 6.0% to R25.1 billion with our core hospital and complementary services contributing 95.1% of revenue. Hospital and complementary services increased revenue from R22.3 billion to R23.9 billion. The Group has continued to diversify its revenue base, with 15.1% now generated from non-acute services, compared to 14.3% in the prior year.

Revenue contribution 2025



Revenue increased on the back of robust activity growth, benefitting from acquisitions concluded in FY2024 and FY2025 and a satisfactory annual tariff increase negotiated with our major funders. From January 2025, we secured two additional network deals, which drove increased patient volumes.

Paid patient days grew by 1.1% on a like-for-like basis. The continued change in the case mix, which relates to the variety and complexity of patients, including types of conditions, severity and comorbidities, resulted in revenue per paid patient day increasing by 5.8% compared to FY2024.

Balance sheet further strengthened

The disposal of LMI and strong cash flow management resulted in a strong financial position, bolstered by consistent cash flow and cautious capital management. The LMI transaction further lowered our gearing to 0.01 net debt to EBITDA, resulting in a fortress balance sheet and real financial strength to capitalise on future opportunities.

Our teams excelled in managing working capital, achieving 120% cash generated as a percentage of EBITDA. Cash generated from continuing operations was R4.6 billion (2024: R3.7 billion) and represented 119.6% of normalised EBITDA from continuing operations (2024: 101.1%).

Capital efficiency showed mixed performance, with CFROI improving significantly to 23.4% from 15.0%, supported by stronger operating cash flows and disciplined capital investment, while ROCE declined to 17.8% from 20.0% due to a larger asset base and lower accounting returns.

We are comfortably within our bank covenants for net debt to normalised EBITDA of 3.50 times. Undrawn bank facilities as at 30 September 2025 amounted to R1.8 billion (2024: R2.3 billion).

As per the strategic outcomes shared with investors, we are in a strong competitive position, delivering increasing market share, revenue and returns.

Return on capital employed

▲ 17.8%

Revenue

▲ 6.0%

Margins remain under pressure despite good occupancy

Increased healthcare costs and funder pressures are limiting margin increase opportunities. To address this, we have identified efficiency initiatives to reduce operational costs by up to R400 million over the next three years.

We achieved a weighted average occupancy on a like-for-like basis of 69.7% compared to 69.0% in FY2024.

Expenses were well managed with a 5.2% overall increase. Employee-related costs remain the Group's most significant expense, constituting 46% of overall expenses. Salary increases featured a higher increase for clinical employees in comparison to non-clinical and management, including the executive. This retention mechanism assists in addressing our top risk, which relates to clinical skills. Our minimum wage also substantially exceeds the South African minimum wage requirements.

From a purchasing perspective, drugs and surgicals combined are our biggest category spend at an annual value of R6.9 billion (2024: R6.4 billion). The category is exposed to exchange rate fluctuations, with the risk mitigated by having exchange rate discussions with suppliers, linked to tariffs negotiated with funders.

Normalised EBITDA (after corporate costs) increased by 4.7% to R3.85 billion (2024: R3.67 billion), resulting in a margin of 15.3% (2024: 15.5%). This result reflects the challenging environment, with inflationary pressures on salaries and overheads, which have presented headwinds to improving the margin.

	2025 R'm	2024 R'm	% change
Revenue	25 104	23 674	6.0
Operating (loss)/profit	(508)	2 320	
Net finance cost ¹	(122)	(158)	(22.8)
Share of associates' net profit after tax	10	8	25.0
Tax expense	(721)	(636)	13.4
(Loss)/profit after tax from continuing operations	(1 341)	1 534	
Profit from discontinued operations ²	5 312	3 413	
Profit after tax from continuing and discontinued operations	3 971	4 947	(19.7)
Non-controlling interest	107	120	(10.8)
Profit from continuing and discontinued operations attributable to ordinary equity holders	3 864	4 827	(20.0)

Key financial metrics	2025 R'm	2024 R'm	% change
Net debt to normalised EBITDA (ratio) ³	0.01	0.45	▼
Interest cover from continuing and discontinued operations (ratio) ³	17.58	22.26	▼
NEPS ⁴ from continuing operations (cps)	100.3	91.1	▲
Dividend (cps) (including special dividends)	291	720	▼
Normalised EBITDA margin (%)	15.3	15.5	▼
Cash generated from continuing operations (R'm)	4 598	3 713	▲
Cash generated from continuing operations as a percentage of normalised EBITDA from continuing operations (%)	119.6	101.1	▲

¹ Includes net foreign exchange gain in the current year of R201 million (2024: R87 million).

² This is made up of R70 million loss share after tax for the discontinued operations and R5.4 billion profit on the disposal of LMI.

³ Calculated in terms of lender agreements.

The following non-trading items impacted overall results:

- In the prior year, the impact of the disposal of AMG and the benefit of receiving an upfront payment for sub-licensing one of LMI's products contributed to a R3.2 billion post-tax profit.
- In the current year, the disposal of LMI generated a net post-tax profit of R2.4 billion. The disposal creates some accounting anomalies where the adjustment to the liability relating to the original owners of LMI is reflected as part of continuing operations.
- Impairments to the value of R211 million relating to underperforming units.

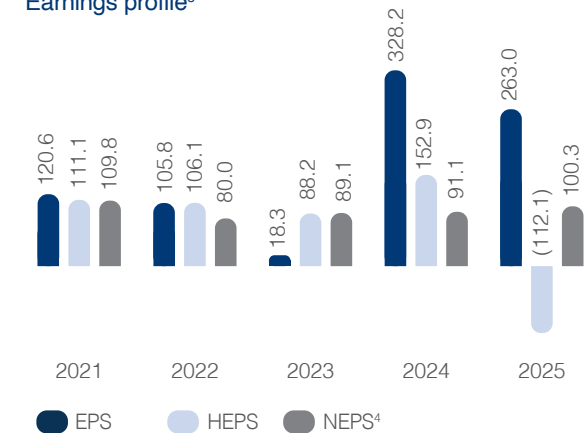
EARNINGS PER SHARE AFFECTED BY THE LMI TRANSACTION

Earnings per share (EPS) from continuing and discontinued operations decreased to 263.0 cents (2024: 328.8 cents) while HEPS from continuing and discontinued operations decreased by 173.3% to (112.1) cents (2024: 152.9 cents).

Normalised earnings per share⁴ (NEPS) from continuing operations, which excludes the non-trading-related items from LMI, grew by 10.1% to 100.3 cents (2024: 91.1 cents). Read more about the LMI transaction impact in *end of a chapter: Life Molecular Imaging's disposal* on page 32.

A reconciliation of the movements between EPS, HEPS and NEPS, including the various non-trading items referred to above, is provided in the table below and in note 8 of the annual financial statements.

Earnings profile⁵



⁴ Normalised earnings per share, from continuing operations, is a non-IFRS measure and excludes non-trading-related costs and income.

⁵ From continuing and discontinued operations.

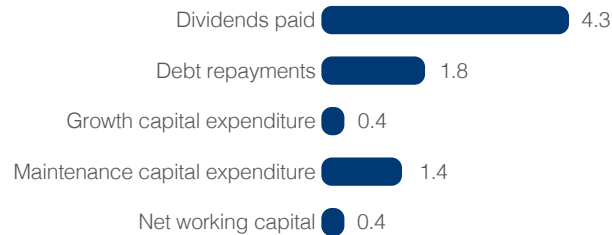
	2025 R'm	2024 R'm	% change	2025 cps	2024 cps	% change
Reallocation of attributable earnings to normalised earnings (NEPS)¹						
Weighted average number of shares at the end of the year (millions)	1 436	1 443	(0.5)			
Profit attributable to ordinary equity holders	3 777	4 744	(20.4)	263.0	328.7	(20.0)
(Profit)/loss from discontinued operations attributable to ordinary equity holders	(5 312)	(3 413)	55.6	(369.9)	(236.5)	56.4
Profit from continuing operations attributable to ordinary equity holders	(1 535)	1 331	(215.3)	(106.9)	92.2	(215.9)
Retirement benefit asset and post-employment medical aid income	(24)	(26)		(1.7)	(1.8)	
Fair value adjustments	2 881	63		200.6	4.4	
Foreign exchange gains relating to international	(201)	(87)		(14.0)	(6.0)	
Interest saving	(44)	(170)		(3.1)	(11.8)	
Gain on derecognition of lease asset and liability	3	–		0.2	–	
Impairment of assets	209	18		14.6	1.2	
Loss/(profit) on disposal of property, plant and equipment	9	(1)		0.6	(0.1)	
Profit on disposal of subsidiary	(33)	–		(2.3)	–	
Retrenchment costs (included in employee benefits expense)	3	20		0.2	1.4	
Transaction costs relating to acquisitions	14	11		1.0	0.8	
Unwinding of financial liabilities at fair value	84	78		5.8	5.4	
Fair value (gain)/loss on equity investment	(15)	1		(1.0)	0.1	
Closed period incentive adjustment	12	–		0.8	–	
Special dividends distributed to participants in share schemes on unvested shares	77	77		5.4	5.3	
Normalised earnings from continuing operations	1 440	1 315	9.5	100.3	91.1	10.1

¹ Normalised earnings is a non-IFRS measure.

TARGETED CAPITAL EXPENDITURE

The Group invested R2.2 billion (2024: R2.0 billion) in capital expenditure on continuing operations, comprising maintenance capital expenditure of R1.4 billion (2024: R1.2 billion) and growth capex of R447 million (2024: R806 million), including acquisitions, and R350 million on a property acquisition.

Capital deployed (R'bn)



Read more about our capital allocation approach in *key driver: capital allocation* on page 65.

We invested R615 million in the past four years to prepare the business for digitisation. We modernised our key infrastructure and hospital network, and WiFi-enabled all facilities. We also modernised our data storage facilities. With all applications now cloud-based, our operational and patient information is more secure and efficient. Read more about our technology journey in *technology and data* on page 52.

Return on capital employed of 17.8% is lower than in the previous year due to a larger asset base and lower accounting returns. We target a return in excess of WACC plus a hurdle rate.

Segmental performance overview

Our three operating segments are supported by the corporate segment, which consists of centralised services as detailed on page 8.

	2025 R'm	2024 R'm	% change
Revenue			
Hospitals	21 324	20 299	5.0
Complementary services	2 550	2 045	24.7
Healthcare services	1 230	1 330	(7.5)
	25 104	23 674	6.0
Normalised EBITDA			
Hospitals	3 272	3 132	4.5
Complementary services	464	448	3.6
Healthcare services	117	104	12.5
Corporate			
Recoveries	1 810	1 703	6.3
Corporate cost	(1 818)	(1 716)	5.9
	3 845	3 671	4.7
Normalised EBITDA margin %	15.3	15.5	(0.2)

Driven by acute hospital paid patient day growth of 0.9%

Mental health and rehab revenues are driven by complementary paid patient day growth of 3.1%

Continued investment in data analytics, value-based care product development, IT infrastructure, platforms, systems, security and cloud storage

ACUTE HOSPITALS REMAINED RESILIENT

Our hospitals delivered revenue growth of 5.0% to R21.3 billion (2024: R20.3 billion), with paid patient days growing by 0.9% on a like-for-like basis. This translated into a higher weighted average occupancy of 69.2% (2024: 68.3%).

Admissions increased by 0.7%, whereas length of stay increased to 4.12 days (2024: 4.08 days).

Medical paid patient days grew by 4.5% while surgical paid patient days decreased by 3.1%, resulting in a split of 54.4% versus 45.6% (2024: 52.5% versus 47.5%).

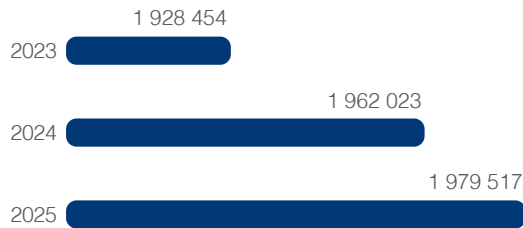
Revenue per paid patient day increased by 5.8% as a result of a tariff increase of 5.1% and a positive case mix of 0.7%. Normalised EBITDA for the hospitals business grew by 4.5% on a like-for-like basis, reflecting a decline in underlying margins to 15.3% (2024: 15.4%).

Urbanisation and the movement of the medically insured population between different provinces in South Africa are putting pressure on some facilities in terms of utilisation. We continue to explore ways to increase returns and optimise our portfolio of acute hospitals, for example, by resizing or refocusing the services offered. This will be a key focus area in FY2026.

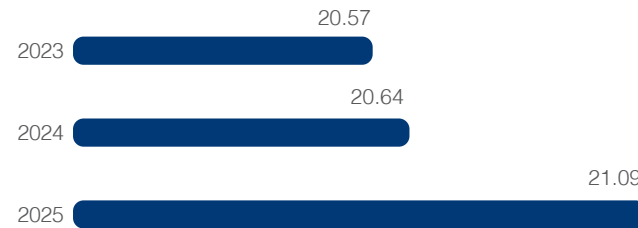
KEY INDICATOR SUMMARY

Occupancy %	69.2 Δ
Intensive care unit occupancy %	84.3 Δ
Paid patient days %	0.9 Δ
Theatre minutes %	2.2 Δ
Revenue per paid patient day %	5.8 Δ
Revenue %	5.0 Δ
Normalised EBITDA %	4.5 Δ

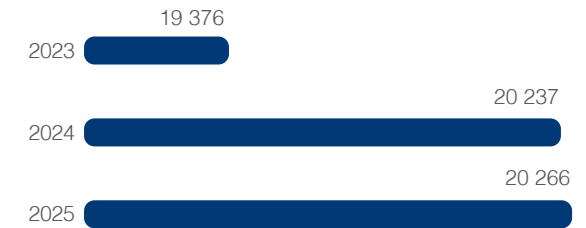
Acute paid patient days¹



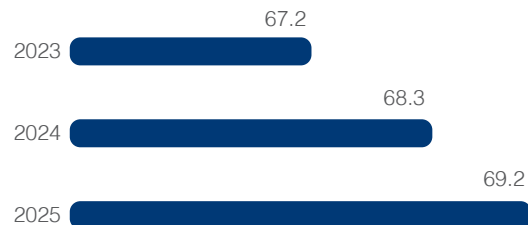
Theatre minutes (million)¹



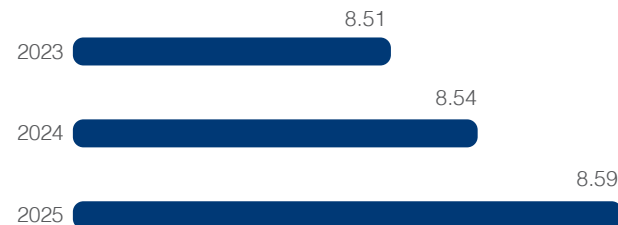
Cathlab cases



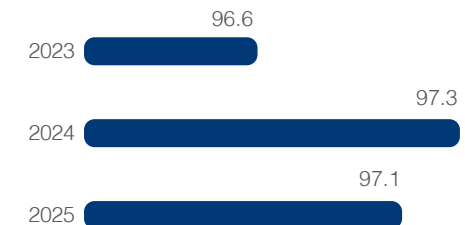
Acute occupancy (%)¹



Patient experience score



Care bundle compliance (%)



¹ On a like-for-like basis, excluding assets sold in FY2025.

COMPLEMENTARY SERVICES ARE EXPANDING

Complementary services continued to perform well, with 24.7% revenue growth to R2.6 billion (2024: R2.0 billion).

These results are derived from strong performance in mental health, resulting in complementary services occupancies increasing to 73.7% (2024: 71.7%). Mental health occupancies increased from 72.5% to 76.6% with acute rehabilitation decreasing from 70.0% to 67.2%. Acute rehabilitation occupancies were impacted by the non-admission of road accident fund patients and increased competition.

Complementary services reported a 3.1% increase in paid patient days, with mental health paid patient days 6.2% higher and acute rehabilitation 4.2% lower than in FY2024.

Renal dialysis treatments continue to grow as more healthcare funders adopt our integrated renal programme. Following the acquisition of 41 renal dialysis units in South Africa from FMC in FY2024, the Namibia leg of the transaction was concluded in FY2025, adding a further five renal dialysis units. The acquisition of the renal units from FMC has added good treatment and revenue growth, but it has come at low EBITDA margins as we continue to embed the acquisition within the Life Healthcare business. Although good progress has been made with the integration of the renal acquisition to deliver anticipated synergies, progress has been slower than expected. The adjustment to the purchase price of both businesses is currently under negotiation with FMC.

Excluding the acquisition, renal dialysis treatments grew 9.8%, assisted by increased adoption of the integrated care product by healthcare funders.

Oncology treatments increased by 1.5%. Life Vincent Pallotti Hospital's oncology centre, with the Ethos® radiotherapy machine, continues to experience excellent utilisation as our oncologists embrace this cutting-edge technology.

The two cyclotrons in Gauteng were completed by March 2025 and commercial sales will commence following South African Health Products Regulatory Authority (SAHPRA) approval.

The imaging business continued to show good growth with MRI, CT, PET-CT and SPECT-CT volumes growing by 9.0%, with acquisitions delivering ahead of expectations in volumes and revenue.

Excluding the FMC acquisition, complementary services' normalised EBITDA margin increased to 23.6% (2024: 23.5%).

KEY INDICATOR SUMMARY

Occupancy %	73.7 ▲
Paid patient days %	3.1 ▲
Renal dialysis treatments %	41.5 ▲
MRI/CT/PET-CT/SPECT-CT %	9.0 ▲
Revenue %	24.7 ▲
Normalised EBITDA %	3.6 ▲

Mental health

15 818
admissions

(2024: 15 187)

169 815
paid patient days

(2024: 159 838)

76.6%
occupancy

(2024: 72.5%)

Renal dialysis

522 466
treatments

(2024: 369 106)

Acute rehabilitation

2 656
admissions

(2024: 2 528)

66 719
paid patient days

(2024: 69 650)

67.2%
occupancy

(2024: 70.0%)

Imaging and nuclear medicine

45 035
MRI and CT scans

(2024: 41 284)

215 287
X-ray and other scans

(2024: 196 689)

2 612 PET-CT scans
and

844 SPECT-CT

(2024: 2 402 and 796)

HEALTHCARE SERVICES ARE STABLE

Revenue for healthcare services decreased due to the loss of two contracts in FY2024 in Life Nkanyisa. However, good cost management in both Life Nkanyisa and Life Health Solutions has resulted in improved margins.

KEY INDICATOR SUMMARY

Paid patient days %	(19.2) ▼
Occupational health clinics %	(8.3) ▼
Revenue %	(7.5) ▼
Normalised EBITDA %	12.5 ▲

Going concern

The Board is satisfied that the liquidity and solvency of the Company is sufficient to support the current operations for the next 12 months.



Under the microscope

END OF A CHAPTER: LIFE MOLECULAR IMAGING'S DISPOSAL

On 13 January 2025, we announced that Life Healthcare has entered into binding agreements with Lantheus Radiopharmaceuticals UK Limited, a wholly owned subsidiary of Lantheus Holdings Inc. (Lantheus), for the sale of 100% of the Group's interest in LMI.

Life Healthcare acquired LMI in 2018 as part of our investment in AMG, which we acquired two years earlier. The investment in LMI was a strategic decision to build out a fully integrated research and development radiopharmaceutical company dedicated to developing and globally commercialising innovative molecular imaging agents for use in PET-CT diagnostics.

In 2018, LMI had one internationally approved diagnostic radiopharmaceutical, namely NeuraCeq®. We made a significant investment in commercialising NeuraCeq® and further developing the pipeline of novel radioisotope imaging agents.

At the time of the acquisition, our investment in international markets was aligned with our vision of becoming a market-leading, international, diversified healthcare provider. Our dual strategy was based on offering an integrated healthcare model in southern Africa and leading diagnostic imaging internationally.

However, in late 2022 and early 2023, we received several unsolicited expressions of interest in AMG, followed by formal offers. The eventual sale of AMG in January 2024 excluded LMI, which we retained as it was, in our minds, not appropriately valued at the time.

Following a strategic review of LMI's future funding needs and the skills required to optimise and grow the asset, we engaged with Lantheus about potentially sub-licensing one of LMI's early-stage diagnostic and therapeutic products. This led to Lantheus submitting a binding offer for the acquisition of LMI.

LMI represented 7.2% of the Group's revenue for the financial year ended 30 September 2024. The impact of the disposal was accounted for in full in FY2025.

TRANSACTION RATIONALE AND STRUCTURE

The Board believed the transaction to be in the best interests of shareholders based on the following:

- The transaction provides a highly attractive return on the LMI investment
- Delivery of the LMI business plan carries material execution risk, with a significant portion of the value forecast to be realised only from 2028
- It will create an opportunity to participate in the future growth of LMI through earnouts
- Life Healthcare will retain the right to manufacture, commercialise and distribute LMI products in Africa

¹ Life Healthcare has a pre-existing arrangement with Piramal, the previous owners of LMI. The Piramal liability is payable based on cumulative management EBITDA, measured from the initial date of acquisition. Once LMI's cumulative management EBITDA position turns positive, Piramal earns 50% of management EBITDA in any given year up to 30 June 2028, up to a maximum cumulative amount of \$200 million. In the event of a sale, net proceeds from the disposal are added to management EBITDA when calculating any liability due to Piramal in any given year.

The transaction consisted of an upfront payment of \$355 million and earnout payments to the value of \$400 million linked to future sales milestones up to 2034. In addition, Life Healthcare retains the commercial benefits awarded to LMI under the RM2 sub-license agreement reached with Lantheus in July 2024.

The three earnouts consist of:

1. An annual payment, in cash, for each of the 2027, 2028 and 2029 calendar years of an amount equal to 23% of NeuraCeq® net sales in the USA in that calendar year, for sales that exceed \$225 million, capped at \$225 million in aggregate for the three-year period
2. A one-time milestone payment of \$125 million if NeuraCeq® global net sales exceed \$1.25 billion in any single calendar year until 31 December 2034
3. A one-time milestone payment of \$50 million if the net sales in the USA of three of LMI's pipeline products (excluding NeuraCeq® and RM2) exceed \$500 million in any single calendar year until 31 December 2034

Financial obligations related to the transaction:

- LMI management's EBITDA incentive arrangement, estimated to be approximately \$34 million, of which \$29 million was deducted from the upfront payment
- The Piramal liability¹ estimated to be approximately \$200 million
- Transaction-related costs amounted to \$11 million

The LMI transaction was concluded on 21 July 2025 after all conditions were fulfilled, including regulatory approval from the required authorities in the USA, Germany, the United Kingdom and South Africa. Life Healthcare shareholders overwhelmingly approved the transaction on 2 April 2025.

With our belief in the future potential of LMI and its products, we retained the rights to royalties, sales milestone payments and regulatory milestone payments for one of LMI's early-stage radiotherapeutic and radio diagnostic products. We also retained the right to manufacture, commercialise and distribute LMI products in Africa.

The transaction has unlocked significant value for shareholders and led to a strategic repositioning, where Life Healthcare is now exclusively focused on southern Africa.

Statement of six capital position

Through our statement of six capital position, we provide insight into the use and effects that we have on the six capitals by implementing our grow, drive and optimise strategy. Further details on our operating context, business activities, outcomes and trade-offs are provided in the *business model summary* on page 104.

FINANCIAL CAPITAL

Value indicator	Value derived at 1 October 2024	Activities undertaken to create or preserve financial capital	Value derived as at 30 September 2025	Growth in value created
Total equity	R13 514m	Read more in <i>examining our results with Pieter, our Chief Financial Officer</i> on page 26	R12 438m	(10.2)
Net debt	R1 959m		R141m	(92.8)
Growth in total assets	(46.6%)		5.5%	
Growth in revenue	12.7%		6.0%	
Return on capital employed	20.0%		17.8%	(2.2%)

MANUFACTURED CAPITAL

Value indicator	Value derived at 1 October 2024	Activities undertaken to create or preserve financial capital	Value derived as at 30 September 2025	Growth in value created
Number of acute hospitals	48	Read more in <i>we have a diverse portfolio</i> on page 8 and in <i>examining our results with Pieter, our Chief Financial Officer</i> on page 26	47	(2.1%)
Number of surgical theatres	297		293	(1.3%)
Number of cathlabs	16		17	6.3%
Number of beds	9 202		9 068	(1.5%)
Property, plant and equipment	R10 765m		R11 301m	5.0%
Investment in maintenance capital	R1.2bn		R1.4bn	16.7%
Investment in growth capital	R806m		R447m	(44.5%)

HUMAN CAPITAL

Value indicator	Value derived at 1 October 2024	Activities undertaken to create or preserve financial capital	Value derived as at 30 September 2025	Growth in value created
Permanent employees	16 108	Read more in <i>we deliver against our strategy</i> from page 43 and <i>we have a diverse portfolio</i> from page 8	16 549	2.7%
Employee salaries and benefits	R9 530m		R10 028m	5.2%
Total investment in training	R188m		R193m	2.7%
Share purchases for employees	R67.5m		R70.2m	4.0%

INTELLECTUAL CAPITAL

Value indicator	Value derived at 1 October 2024	Activities undertaken to create or preserve financial capital	Value derived as at 30 September 2025	Growth in value created
Nurse and specialist training	R82.7m	Read more in <i>we deliver against our strategy</i> from page 43 and our 2025 remuneration report	R76.8m	(7.1%)
Brand names	66		67	1.5%
Number of employees serving > 20 years	947		955	0.8%

SOCIAL AND RELATIONSHIP CAPITAL

Value indicator	Value derived at 1 October 2024	Activities undertaken to create or preserve financial capital	Value derived as at 30 September 2025	Growth in value created
Number of significant or repeated regulatory penalties, sanctions or fines	–	Read more in <i>operating responsibly</i> from page 68 and our 2025 sustainability report	–	
Procurement of consumables, drugs, utilities and professional services	R11.7bn		R12.8bn	9.4%
B-BBEE spend	R11.0bn		R12.3bn	11.8%
CSI projects	R145.7m		R147.0	0.9%

NATURAL CAPITAL

Value indicator	Value derived at 1 October 2024	Activities undertaken to create or preserve financial capital	Value derived as at 30 September 2025	Growth in value created
Hospitals with solar photovoltaic systems	14	Read more in <i>operating responsibly</i> from page 68 and our 2025 sustainability report	14	
Facilities with water meters	66		66	
Photovoltaic energy installed	5.6 MWp		5.6 MWp	
On-site water storage	65		66	1.5%
Borehole installations	10		13	30.0%

We aim to preserve the value created in FY2025 and unlock future value by implementing our grow, drive and optimise strategy with a more focused, southern Africa approach. We believe the Group is well-positioned to deliver high-quality, cost-effective care while increasing market share, revenue and returns.

Our operating context and strategy

OUR OPERATING CONTEXT	35
WE DELIVER AGAINST OUR STRATEGY	43



Our operating context

A deep understanding of our context was the starting point for our updated strategy. We take a realistic view based on data to determine opportunities and risks, which inform our material matters. The trends that we highlight affect all our stakeholders. Although these trends are long-term in nature, they require proactive responses in the short term. This ensures the continued availability and affordability of the six capitals.

1

- Attract and retain employees and specialists
- Adapt and grow our diversified business in a sustainable manner
- Deliver care which is high-quality, cost-effective and people-centred
- Be a trusted partner for all of our stakeholders

Read more about the value we create for stakeholders in *we make life better* on page 2



2

- Clinical, non-clinical and management skills shortages
- Regulatory changes and uncertainty
- A challenging economic environment
- Infrastructure weakness
- Cyber-security and breaches
- A changing healthcare landscape
- Property exposure

Read more about our key risks in *we manage risks effectively* from page 94.

3

- Weak healthcare growth
- A critical shortage of nurses
- Responding to regulatory shifts
- Economic pressures affecting affordability
- An increasing disease burden in South Africa
- Value-based care becoming more popular among funders

Read more about these trends and opportunities in this chapter

Weak healthcare growth

The **South African healthcare market** consists of private and public healthcare providers that serve a population estimated at 63.1 million in 2025¹ of which 9.1 million belong to a medical aid scheme.

The beneficiaries covered by medical schemes remained relatively flat over the last 10 years. South Africa had 71 medical schemes in 2023, down from 144 in 2000² as a result of industry consolidation in the funder market, which is set to continue with GEMS, Discovery Health Medical Scheme, Bonitas, Polmed and Momentum Medical Scheme remaining the largest medical schemes. The trend of medical schemes contracting with providers through preferred provider networks is on the rise and securing preferred provider status has become a key lever to expand market share.

Funders are using comparable data as a tool to help decrease hospital utilisation and drive improvement in cost efficiencies by providers. Good quality metrics are becoming key to funder contracts.

Life Healthcare is a private healthcare provider with a market share of about 23% of hospital beds across South Africa. However, based on our consistently higher occupancy rates and associated activity levels, we believe our effective market presence is greater than this. Major private hospital groups include Life Healthcare, Netcare and Mediclinic, which collectively hold the majority of the private hospital market. The rest of the market consists of independently owned facilities.

¹ *Inside the Numbers: SA Population Trends for 2025 | Statistics South Africa.*

² *Council of Medical Schemes Annual Report Annexures 2009 – 2023. <https://www.medicalschemes.co.za/publications/#2009-3766-wpfd-2023-24-annual-report>*

Although growth in medically insured lives has been flat for some time, we still believe there are good growth opportunities due to semigration, suburbanisation, changing disease patterns and an ageing medically insured population. There is increased competition for patients who have a choice of hospitals in a market with an increasing supply of private healthcare beds. Competition for clinical skills has also been increasing, which drives higher salaries, which in turn contribute to higher medical inflation.

Growth opportunity for Life Healthcare

AGEING INSURED POPULATION

An ageing insured population and an increase in some disease modalities such as cancer are driving increased utilisation for hospitals and complementary healthcare services, resulting in higher paid patient days. Beneficiaries that are 60+ years increased from 9.5% in 2008 to 13.8% in 2023¹, indicative of an ageing insured population responsible for an increasing proportion of revenue. The age profile also demonstrates the impact of anti-selection, where healthy young adults opt out of medical aid only to join later when they are older and sicker.

Life Healthcare patient ageing data	2009	2014	2019	2025
Paid patient days over 50 years of age (%)	39.7	46.1	50.2	55.4
Revenue from patients over 50 years of age (%)	46.5	50.3	57.4	62.7

The 15.7% increase in paid patient days for older patients since 2009, and the 16.2% increase in associated revenue, provide evidence of increased utilisation by this market segment. The trend is expected to continue and will inform our strategic decisions for grow, drive and optimise investments in facilities targeted at an ageing population.



Our strategic responses

- **Greenfield expansion**
- **Brownfield expansion of existing facilities**
- **Acquire new facilities**
- **Expand complementary lines of business**
- **Maximise facilities utilisation**
- **Strategically optimise asset utilisation**
- **Streamline business operations**
- **Capital allocation**

A critical shortage of nurses

Health expenditure in South Africa as a proportion of GDP is significantly higher than in other emerging economies. However, investments in healthcare have not yielded optimal results². The increase in the 2025 healthcare budget announced by the Minister of Finance is nevertheless welcome, earmarked for supporting the employment of medical doctors, increasing the availability of medical supplies and preparatory work for NHI.

Against this background, the nursing shortage in South Africa remains a key challenge. Projections indicate a shortage of 62 000 nurses by 2030 if urgent interventions are not implemented.

The South African Nursing Council (SANC) has 268 000 nurses on its registry, but many are retired, working abroad or employed in the private sector. In reality, only about 100 000 nurses remain actively serving in the public sector, where they cater to 85% of the population.

According to the Health Department, 27 000 nurses are between the ages of 50 and 64, with 272 set to retire this year. Since the COVID-19 pandemic, over 14 000 nurses have left the profession due to resignations, retirements or death³.

South Africa's nursing landscape is remarkably similar to how the World Health Organization (WHO) summarises the global challenge.

The WHO's key facts about nurses⁴

- There are an estimated 29 million nurses and 2.2 million midwives worldwide
- The WHO estimates a shortage of 4.5 million nurses and 0.31 million midwives by 2030
- The greatest gaps are found in countries in Africa and Southeast Asia
- Nurses and midwives play a pivotal role in improving health and contributing to the wider economy
- Globally, 67% of the health and social workforce are women
- One in every eight nurses practices in a country other than the one where they were born or trained

¹ Council of Medical Schemes Annual Report Annexures 2009 – 2023. <https://www.medicalschemes.co.za/publications/#2009-3766-wpfd-2023-24-annual-report>

² 250422FFC_Presentation_PC_on_Health_-_22_April_2025.pptx

³ South Africa Faces Critical Nursing Shortage as Health System Buckles Under Pressure – South Africa Today.

⁴ <https://www.who.int/news-room/fact-sheets/detail/nursing-and-midwifery>

**Strategic capability opportunity
for Life Healthcare**

At Life Healthcare, our nurses are at the frontline of patient care and key to positive clinical outcomes. It is our responsibility to have the right person with the right skills at the patient's bedside for quality delivery of care.

A shortage in these critical skillsets can affect the Group's growth prospects, quality of care, services offered and the sustainability of operations.

Our seven Life Healthcare nursing learning centres have been operating for 26 years, training nurses as a private higher education institution. Unfortunately, we are still capped by government as to how many nurses we can train every year. We continue to lobby SANC to increase the number of nurses allowed to be trained in South Africa.

Life Healthcare's nurses are valued resources. We shaped our employee value proposition around what is important to them, and continued to support, train and care for them in FY2025. Higher salary increases are granted annually to specialised, qualified nurses who have a formal qualification.

Read more in *unpacking performance with Pete, our Chief Executive* from page 19.

Responding to regulatory shifts

National health insurance

Persistent uncertainty surrounding the NHI is exerting negative pressure on private sector investment decisions. A diverse coalition of stakeholders, including civil society organisations, trade unions, provincial government, industry associations and professional bodies, has raised concerns about the sustainability and affordability of NHI.

The NHI Act establishes a single, state-administered fund to centralise all healthcare financing. Under Section 33, medical schemes will be restricted to offering only complementary cover for services not reimbursed by the NHI. This limitation has prompted constitutional challenges, with applicants arguing that it may infringe on individuals' rights to choose how they access and finance healthcare beyond what is provided by the state.

Legal challenges to the NHI Act have been initiated by a broad coalition of stakeholders, including:

- Professional associations such as the South African Medical Association (SAMA)
- Industry bodies such as the Board of Healthcare Funders (BHF), Health Funders Association (HFA), HASA and the South African Private Practitioners Forum (SAPPF)
- Trade unions such as Solidarity
- Civil society organisations such as the Treatment Action Campaign (TAC)
- Business advocacy groups such as Business Unity South Africa (BUSA)
- The Western Cape Government

These challenges span both procedural and substantive constitutional grounds, reflecting widespread concern over the Act's implications for healthcare access, governance, affordability and the democratic process.

Life Healthcare is a member of HASA, which remains committed to constructive engagement with government to advance access to affordable, high-quality healthcare through sustainable, evidence-based and inclusive health system reform. While HASA has initiated legal proceedings to challenge specific provisions of the NHI Act, this action is being pursued in parallel with ongoing dialogue and collaboration efforts.

The evolving healthcare landscape in South Africa has prompted a wide range of organisations, from industry associations and professional bodies to civil society and academic institutions, to propose alternative pathways to achieving quality universal health coverage. These models consistently emphasise the importance of expanding access to quality healthcare through financially sustainable, evidence-based reforms. The convergence of ideas across sectors signals a strong consensus that healthcare transformation is both urgent and achievable.

Beyond NHI, broader uncertainty within the healthcare policy and regulatory environment continues to shape strategic priorities, influence investment decisions and challenge long-term planning across the sector. The Draft Block Exemption for tariff determination in the healthcare sector seeks to facilitate collective negotiations among medical schemes, healthcare practitioners and other stakeholders, with the objective of establishing transparent and standardised tariffs and treatment codes. This initiative is intended to enhance affordability and mitigate the escalating costs of private healthcare. While the exemption aims to promote fairness and broaden access, concerns have been raised regarding potential overreach of legal authority, centralisation of control, and risks such as price-fixing, diminished competition and compromised service quality if not implemented effectively. Notably, private hospitals are currently excluded from certain aspects of the process, owing to the existence of well-established bilateral negotiations with funders.

CoN regulation, which relates to healthcare infrastructure development, is currently under review by the Constitutional Court. The CoN regulation, which has introduced uncertainty and regulatory risks – relates to healthcare infrastructure development. The matter is now under review by the Constitutional Court, their decision will determine whether the CoN remains as part of the National Health Act.

Employment equity

The Employment Equity Act 2025 forms part of a comprehensive strategy to transform the South African labour market. It aims to achieve workplace equality, to eradicate unfair discrimination and cultivate an inclusive organisational culture by:

- Promoting equal opportunity and ensuring fair treatment in all aspects of employment through the systematic elimination of unfair discrimination
- Mandating the implementation of affirmative action measures to secure equitable representation of designated groups—including black people, women and persons with disabilities—across all occupational levels

In response to the Act, Life Healthcare is required to undertake a thorough review and, where necessary, revision of recruitment, promotion and remuneration policies and practices to ensure full compliance. We are also considering the deployment of targeted training and awareness initiatives to foster a culture of understanding and adherence to the legislative requirements.

Compliance is a statutory obligation and a strategic imperative for Life Healthcare, underpinning our ongoing commitment to building a more inclusive and equitable society.

Economic pressures affecting affordability

Global economic conditions remained uncertain this year as US tariffs and trade policy negotiations disrupted pricing models and international relationships. Geopolitical risks remained elevated due to the conflicts in Ukraine and the Middle East.

Economic activity in southern Africa remained weak, with some positive indicators emerging in the second half of the year. Unemployment remained high.

The South African Reserve Bank (SARB) forecast growth of 1.2% for South Africa in 2025¹.

Stakeholders in the private healthcare market are subject to the same macro-economic challenges as the rest of South Africa, but some impacts are less severe due to this market being employed and able to afford private healthcare.

The Council of Medical Schemes (CMS) uses South Africa's consumer price index to track medical aid contribution increases. In Circular 24 of 2025: Guidance on contribution increases and benefits changes for 2026, the CMS indicated that the average medical scheme contribution increase in 2025 was 10.1%, which is 7.1% higher than the projected average consumer price index (CPI) of 3%.

The CMS highlighted that these increases place an undue financial burden on cash-strapped consumers and serve as a barrier to entry for potential new members. Accordingly, the CMS emphasises an urgent need for an innovative solution in the market to arrest the spiralling annual medical scheme contribution rate increases to insulate members from the risk of losing their insurance cover due to affordability constraints.

The circular also noted that spending on specialist consultation services and hospital admissions has increased substantially post-COVID-19, underscoring an urgent need for greater emphasis on primary healthcare, improved referral pathways and strategic cost-containment measures.

The CMS recommended a 3.3% contribution increase for 2026, plus reasonable utilisation estimates.

¹ Forecast Report MPC September 2025.

Optimise opportunity for Life Healthcare

VALUE-BASED CARE WITH BETTER COST AND OUTCOMES

Network arrangements with major funders rely on innovative alternative reimbursement models using value-based care principles. We can lower the cost of care, ensure sustainability and retain excellence in clinical delivery while harnessing multi-disciplinary teams. This could facilitate broader access and more efficient treatment without compromising on quality. Read more about value-based care in *value-based care becoming more popular among funders* on page 42.



Our strategic responses

- **Expand complementary lines of business**
- **Maximise facilities utilisation**
- **Strategically optimise asset utilisation**
- **Streamline business operations**
- **Capital allocation**



An increasing disease burden in South Africa

Demand for acute care across South Africa is changing as disease patterns shift. The prevalence of chronic diseases has doubled over the last 15 years. We expect a 5% compound annual growth rate (CAGR) in chronic diseases between 2015 and 2031.

Disease burden trends

<p>Acute</p> <p>Non-communicable diseases such as cardiovascular, obesity and respiratory made up 51% of deaths in 2019 and are driving demand for intensive care unit beds¹</p>	<p>Acute rehabilitation</p> <p>Approximately 10% of South Africans are living with a disability²</p>	<p>Renal dialysis</p> <p>Chronic kidney disease impacts approximately one in ten people in South Africa³</p>	<p>Oncology</p> <p>Estimated 50% rise in cancer incidence rates in South Africa between 2019-2030⁴</p>	<p>Imaging and nuclear medicine</p> <p>PET-CT is commonly referred to as the gold standard for accurate cancer diagnosis⁵</p>
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Renal dialysis

Chronic kidney disease is a major healthcare challenge in South Africa, driven by infections, non-communicable diseases, pregnancy-related disorders and injuries. The dialysis population in the private sector has grown 4% annually since 2017, with chronic prevalence estimated at 10.7%. Rising risk factors, including ageing, HIV, obesity, diabetes and hypertension are expected to drive future growth. Chronic kidney disease care is costly, with frequent hospitalisations accounting for over 50% of expenses.

High rates of kidney failure drive increasing demand for renal therapies in South Africa:

There are high rates of kidney failure within the South African population:

<p>6 million people have early-stage chronic kidney disease⁶</p>	<p>13% CAGR forecast in the end-stage renal dialysis market in South Africa between 2024 and 2030⁷</p>	<p>>10% of the South African population is affected by chronic kidney disease²</p>
<p>80% of new kidney replacement therapy patients are treated in private medical care (2021)⁸</p>	<p>R720 000 per patient per year to undergo renal treatment, with over 8 000 Discovery Health Medical Scheme members needing care⁹</p>	<p>143% increase in cases of kidney disease globally between 1990 – 2019¹¹</p>
		<p>9 342 South Africans received kidney replacement therapy in 2022¹⁰</p>

¹ <https://www.afro.who.int/sites/default/files/2023-08/South%20Africa.pdf>
² <https://www.statssa.gov.za/?p=17391>
³ <https://pmc.ncbi.nlm.nih.gov/articles/PMC10029276/#:~:text=The%20International%20Society%20of%20Nephrology%20%28ISBN%29%20Global%20Health,South%20Africa%20to%20be%2010.7%25%20%2895%25%20CI%209.94%E2%80%9311.57%29>
⁴ <https://journals.co.za/doi/full/10.4102/sajo.v6i0.220>
⁵ <https://stanfordhealthcare.org/medical-tests/p/pet-ct-scan/what-to-expect/pet-ct-scan-for-cancer.html#:~:text=Clinical%20research%20data%20has%20proven%20that%20PET%20scanning,significant%20change%20in%20the%20management%20a%20patient%27s%20care>
⁶ <https://bmcnephrol.biomedcentral.com/articles/10.1186/s12882-023-03109-1>
⁷ <https://www.grandviewresearch.com/horizon/outlook/end-stage-renal-disease-market/south-africa>
⁸ <https://www.journals.ac.za/aj/article/view/5982#:~:text=In%20December%202021%2C%20the%20total,in%20the%20private%20healthcare%20sector>
⁹ <https://www.discovery.co.za/corporate/health-insights-effects-of-chronic-kidney-disease>
¹⁰ <https://www.journals.ac.za/aj/article/view/6749/4036>
¹¹ <https://pubmed.ncbi.nlm.nih.gov/37717572/>

Growth and drive opportunities for Life Healthcare

EXPANDING OUR RENAL DIALYSIS FOOTPRINT AND PROGRAMME

Renal disease management requires a holistic, protocol-driven and evidence-based approach. The renal dialysis treatment programme requires multi-disciplinary teams that have to collaborate throughout the patient care journey, measuring outcomes and driving continuous improvement. Successful management also demands evidence-based medication management by specialty-trained professionals.

We have developed a renal integrated care product that has reduced mortality, improved patient metrics and readmissions. A major contracted healthcare funder reported that patients on the programme had a significantly lower hospital admission rate than patients not on the programme.

Life Healthcare responded to this increasing demand by acquiring new facilities to rapidly grow our presence in South Africa and Namibia. The renal dialysis market is fragmented, which means there are opportunities for consolidation and better integration with hospital networks. We can serve more patients more efficiently based on a long-term care model.

Read more about renal dialysis in *driving facilities utilisation* on page 59.



Our strategic responses

- **Brownfield expansion of existing facilities**
- **Acquire new facilities**
- **Maximise facilities utilisation**
- **Strategically optimise asset utilisation**
- **Value-based care models and integrated care products**

Growth and drive opportunity for Life Healthcare

LEVERAGING OUR LEADING-EDGE POSITION

By focusing on ensuring oncology service ecosystems are complete, we can serve a growing demand for treatment. Life Healthcare was the first healthcare provider in Sub-Saharan Africa to invest in the Ethos® artificial intelligence-guided radiotherapy treatment technology. This system adapts the treatment plan based on the cancer tumour and the daily anatomical changes in the patient.

Unlike traditional methods requiring time-consuming re-scanning and re-planning over two days, this artificial intelligence adaptive therapy completes the process within 20 to 30 minutes, targeting tumours precisely while reducing radiation to healthy tissue. Read more about oncology in *driving facilities utilisation* on page 59.



Our strategic responses

- **Greenfield expansion**
- **Brownfield expansion of existing facilities**
- **Acquire new facilities**
- **Expand complementary lines of business**
- **Capital allocation**
- **Disease channel**
- **Value-based care models and integrated care products**

Oncology

According to the South African Cancer Foundation, 9.6 million people die from cancer every year, making it the second leading cause of death globally. South Africa ranked third highest for new cases out of 54 African countries in 2020¹.

The rapidly growing global cancer burden reflects both population ageing and population growth, as well as changes to people's exposure to risk factors, several of which are associated with socio-economic development².

There is an increasing demand for oncology services in South Africa:

- +12% average annual growth rate in costs per life of cancer patients over the last five years
- 40% of severe illness benefit payouts by Discovery Life are for cancer³

There are rising rates of cancer in the population:

- >60% predicted increase in newly diagnosed cancer cases by 2040 globally⁴
- 1 in 5 of southern Africans will develop cancer before the age of 75⁵
- 88 000 new cancer diagnoses in South Africa in 2023⁶

PET-CT is the most efficient diagnostic tool for many of the most common cancers. It provides the treating specialist with detailed information to develop a targeted treatment plan that supports better clinical outcomes. Read more about early detection and care in *imaging and nuclear medicine* on page 41.

The National Cancer Strategic Framework for South Africa 2017 – 2022 is being updated. South Africa's current cancer guidelines do not indicate the use of PET-CT as widely as international guidelines. This is a critical factor to promote utilisation in future.

¹ The Cancer Foundation – #CancelCancer.

² Global cancer burden growing, amidst mounting need for services.

³ <https://www.discovery.co.za/corporate/understand-cancer-cancer-costs-life-insurance#:~:text=While%20motor%20vehicle%20accidents%20are,men%20were%20due%20to%20cancer>

⁴ [https://www.who.int/news/item/04-02-2020-who-outlines-steps-to-save-7-million-lives-from-cancer#:~:text=The%20World%20Health%20Organization%20\(WHO,early%2C%20treated%20effectively%20and%20cured](https://www.who.int/news/item/04-02-2020-who-outlines-steps-to-save-7-million-lives-from-cancer#:~:text=The%20World%20Health%20Organization%20(WHO,early%2C%20treated%20effectively%20and%20cured)

⁵ <https://gco.iarc.who.int/media/globocan/factsheets/populations/913-southern-africa-fact-sheet.pdf>

⁶ <https://cansa.org.za/south-african-cancer-statistics/>

Imaging and nuclear medicine

Innovative nuclear medicine technologies are improving the accuracy with which oncology treatments are planned, allowing for more personalised and effective care. PET-CT is at the forefront of this, with Life Healthcare increasing our investment in this technology.

The rationale for investing in advanced imaging technologies is driven by the increasing prevalence of certain disease modalities, notably cancer, which is recognised as a significant growth area. Medical aids are currently reimbursing in excess of 40% of their costs towards cancer care treatments, underscoring the substantial financial impact and the need for more efficient diagnostic tools. Nuclear medicine, particularly PET-CT imaging, plays a critical role, enabling more accurate detection and early diagnosis of cancerous conditions. This forms part of our value-based care strategy, where patients can be directed into our hospitals, ensuring holistic and co-ordinated management throughout their care journey.

The untapped opportunity in nuclear medicine:

- Growing disease burden in an underserved environment
- 61.9% increase in new cancer cases forecasted in South Africa by 2040¹
- Artificial intelligence-adaptive radiotherapy is enhancing diagnosis, treatment planning and patient care

South Africa has low utilisation:

- South African PET-CT use is significantly lower than international standards, including both developed and developing countries²
- The South African private sector performs about 1 800 PET-CT scans per million vs ~5 200 scans per million average across select Organisation for Economic Co-operation and Development (OECD) countries (almost double between 2022 and 2024 due to frequent guideline updates)³
- South Africa reflects extremely low imaging penetration when compared to 32 European countries, supporting the growth potential
- There is minimal scanning capacity available in South Africa
- South Africa currently has about 20 scanners in the private sector and seven in the public sector⁴
- The current radiotracer supply is expensive and unreliable

The changing disease burden in South Africa, combined with an ageing population and unhealthy lifestyles, is driving an increase in the incidence of non-communicable diseases and a greater demand for diagnostics.

Growth and drive opportunity for Life Healthcare

BECOMING A MARKET LEADER IN NUCLEAR MEDICINE

Life Healthcare has an opportunity to be a market leader in the growth of nuclear medicine in South Africa, leveraging the expertise and capabilities developed through our previous ownership of AMG. Growth is driven by patient utilisation of differentiated, market-leading technologies, supported by marketing efforts to drive awareness.

Our focus areas:

- Creating strong referral networks by building awareness throughout an integrated network of radiologists, nuclear physicians and specialists who understand the benefits
- Negotiating competitive funder contracts and networks based on a compelling value proposition in imaging, nuclear medicine and other modalities
- Differentiating our offerings through integrated care products, which enable the appropriate use of nuclear medicine in the patient journey
- Doing direct-to-patient marketing to reinforce the benefits associated with more personalised and effective treatment plans
- Upcoming commercial sales of isotopes produced by our new cyclotrons for use in nuclear medicine
- Improving diagnosis accuracy before hospital admission
- Applying new nuclear medicine technology to achieve better health outcomes

Read more about imaging and nuclear medicine in *driving facilities utilisation* on page 59.



Our strategic responses

- **Brownfield expansion of existing facilities**
- **Acquire new facilities**
- **Expand complementary lines of business**
- **Capital allocation**
- **Disease channel**
- **Funders and networks**



¹ [https://ascopost.com/issues/september-10-2021/cancer-on-the-global-stage-incidence-and-cancer-related-mortality-in-south-africa/#:~:text=This%20significant%20cancer%20burden%20is,same%20period%20\(Figure%202](https://ascopost.com/issues/september-10-2021/cancer-on-the-global-stage-incidence-and-cancer-related-mortality-in-south-africa/#:~:text=This%20significant%20cancer%20burden%20is,same%20period%20(Figure%202)

² EU EuroStat Report, 2016.

³ <https://www.insights10.com/report/south-africa-medical-imaging-market-analysis/?srsltid=AfmBOoo7XKjLT0SuU19IYswcWFFH7J0NH9obB5YsMCY3hz5E3RjRDMiK>

⁴ [https://ascopost.com/issues/september-10-2021/cancer-on-the-global-stage-incidence-and-cancer-related-mortality-in-south-africa/#:~:text=This%20significant%20cancer%20burden%20is,same%20period%20\(Figure%202](https://ascopost.com/issues/september-10-2021/cancer-on-the-global-stage-incidence-and-cancer-related-mortality-in-south-africa/#:~:text=This%20significant%20cancer%20burden%20is,same%20period%20(Figure%202)

Value-based care becoming more popular among funders

Investment in value-based care has accelerated worldwide as funders, employers and governments embrace these models. In South Africa, value-based care is becoming more popular and its adoption by major funders aims to improve patient outcomes and reduce costs by shifting focus from the quantity of service to the quality of care.

McKinsey predicts that the number of patients treated by specialists within the value-based care landscape could roughly double in the next five years, growing approximately 15% per annum¹.

Value-based care highlights the importance of the patient journey and the role of a multi-disciplinary team in delivering holistic care. Collaboration among healthcare professionals creates a safety net around the patient, enabling better decisions, personalised care and helping patients maintain their dignity and quality of life.

Efficiency improvements on the supply side must be driven by greater alignment among healthcare providers, supported by shared-value reimbursement models that enable patient-centric care solutions. Achieving this reform requires all supply-side participants to collaborate as a unified team, focused on delivering value to patients and equitably sharing the benefits generated. In response, Life Healthcare has adopted a product development framework that prioritises a deep understanding of patient populations, places patients at the centre of their care journeys, integrates evidence-based and comprehensive clinical programmes, and fosters alignment across multi-disciplinary teams.



Drive and optimise opportunity for Life Healthcare

A KEY DIFFERENTIATOR

Standardised care pathways and formularies complemented by measurable value-based care metrics are a key differentiator for Life Healthcare and core to our acute and complementary services value proposition for funders. Value-based care enables better patient-centric care through clinical excellence, integrated care pathways, innovative contracting and new reimbursement models. These models are well-suited to our complementary services offering and are a key driver for asset optimisation, one of our key strategic objectives.

Read more in *key driver: value-based care and integrated care products* on page 61.



Our strategic responses

- **Expand complementary lines of business**
- **Maximise facilities utilisation**
- **Strategically optimise asset utilisation**
- **Streamline business operations**
- **Capital allocation**
- **Disease channel**
- **Funder and network**
- **Value-based care models and integrated care products**

¹ [https://ascopost.com/issues/september-10-2021/cancer-on-the-global-stage-incidence-and-cancer-related-mortality-in-south-africa/#:~:text=This%20significant%20cancer%20burden%20is,same%20period%20\(Figure%202\)](https://ascopost.com/issues/september-10-2021/cancer-on-the-global-stage-incidence-and-cancer-related-mortality-in-south-africa/#:~:text=This%20significant%20cancer%20burden%20is,same%20period%20(Figure%202))

We deliver against our strategy

Life Healthcare's strategy is evolving within a structured annual process aimed at making life better. In formalising this continuous process, we consider all stakeholder perspectives.

Life Healthcare made critical strategic decisions in the past two years that shifted our market focus and demanded a strategic reset in FY2025.

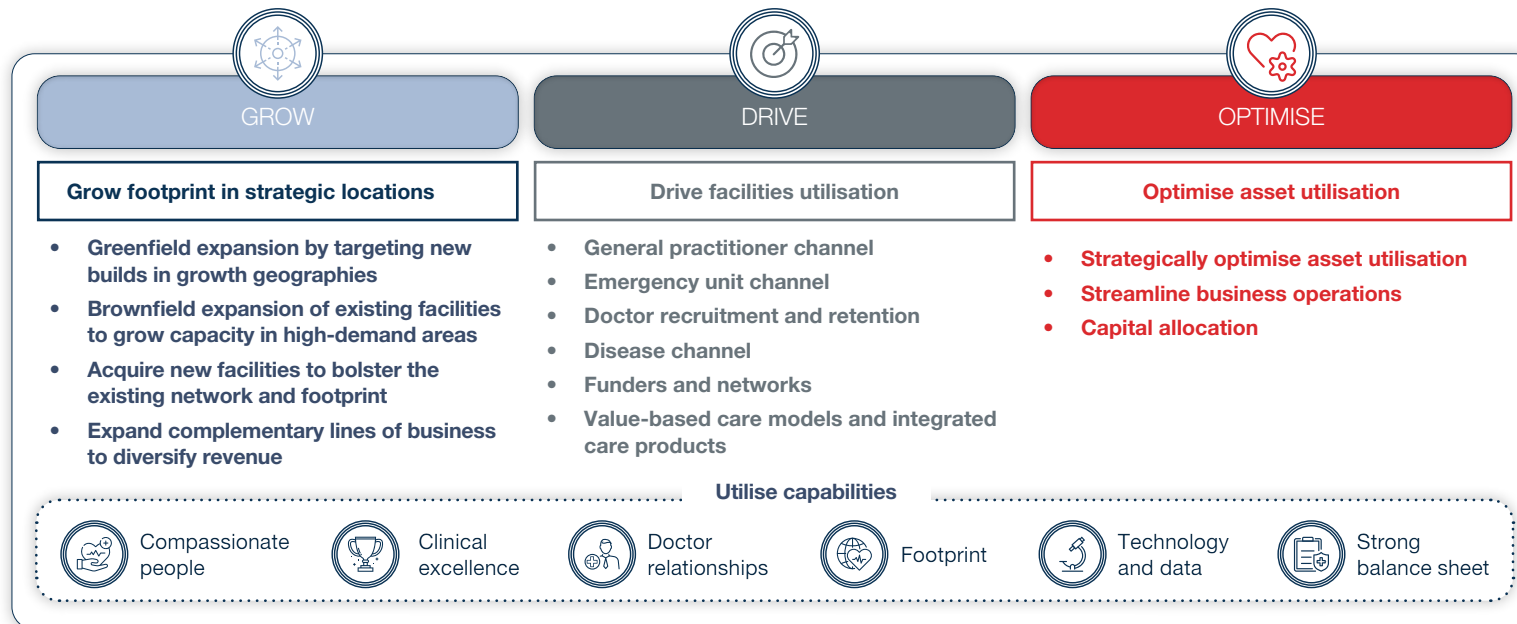
Our current strategic context parameters:

- Following the disposal of AMG in FY2024 and the conclusion of the transaction to dispose of LMI in FY2025, we are now **primarily focused on southern Africa**
- This has changed the profile of our healthcare market opportunity, with a singular focus on **local trends, regulation and challenges**

We used our continuous strategy development and approval process to review key elements while ensuring effective governance:



Our updated strategy



Our strategy considers all six capitals as set out in the business model. For example, under our optimise pillar, we measure and consider our customers' needs for new services and explore new product lines to expand revenue-generating capacity and ensure sustainability. These aspects require inputs from and impacts almost all the capitals, including social and relationship, manufacturing, financial, intellectual, human and natural capital. Another example of our multiple capital integration approach is provided in the case study *positive impacts through our renal integrated care products* on page 62.

Life Healthcare has successfully adapted our strategy to ensure that it is well positioned to deliver high-quality, cost-effective care while increasing market share, revenue and returns.

Tracking our progress

The Board monitors strategy implementation through quarterly reports, which include key indicators set out by the chief executive.

We have internal targets for KPIs related to the delivery of our strategy and performance incentives are linked to the successful execution of KPIs. We provide examples of the measures that are tracked quarterly by the Board in the rest of this section. Our environmental and sustainability targets are set for 2030 and beyond.

Structure follows strategy

With an updated strategy, the Board started reviewing the design of our governance, executive and operating structures to ensure these support efficient implementation.

The following changes were implemented in FY2024:

- The Board merged the Risk, Compliance and IT Governance Committee into the Audit and Risk Committee
- We created a single executive structure to replace the Group executive, southern Africa executive and international executive
- The ExCo structure was also revised

The focus on southern Africa was strengthened with the disposal of LMI in FY2025, which reduced complexity and footprint, required an assessment of our head office structures and skills to support the Group. We will continuously review these as we implement the strategy to ensure our outcomes are fair to employees, communities, doctors and shareholders.

Utilising our strategic capabilities

We are only able to implement our strategy through a set of core capabilities that we developed and continue to refine over time.

Compassionate people

We have a passion for the people who are the life of our business. We aim to create partnerships that last a lifetime with our employees, doctors, patients and communities.

Our employees are more than just people who come to work each day – they are the lifeblood of Life Healthcare. They provide the quality service and care we believe in. Our human capital strategy encompasses the whole employee lifecycle, from when we start to recruit to when an employee leaves our service. We are all united in a common purpose of *making life better*, which includes creating the best patient experience and the most positive patient outcomes.

Coming into a hospital can be daunting, which is why all our employees are trained to support patients with gentle, thoughtful and compassionate care, always putting our patients at the very centre of what we do.

OUR PEOPLE PROFILE

Life Healthcare has 16 549 permanent employees (2024: 16 108) and uses the services of agency nursing employees, consulting clinicians and temporary personnel. Most of our employees are nurses, who make up 68.2% (2024: 62.3%) of our workforce, supported by localised and head office enabling and clinical functions.

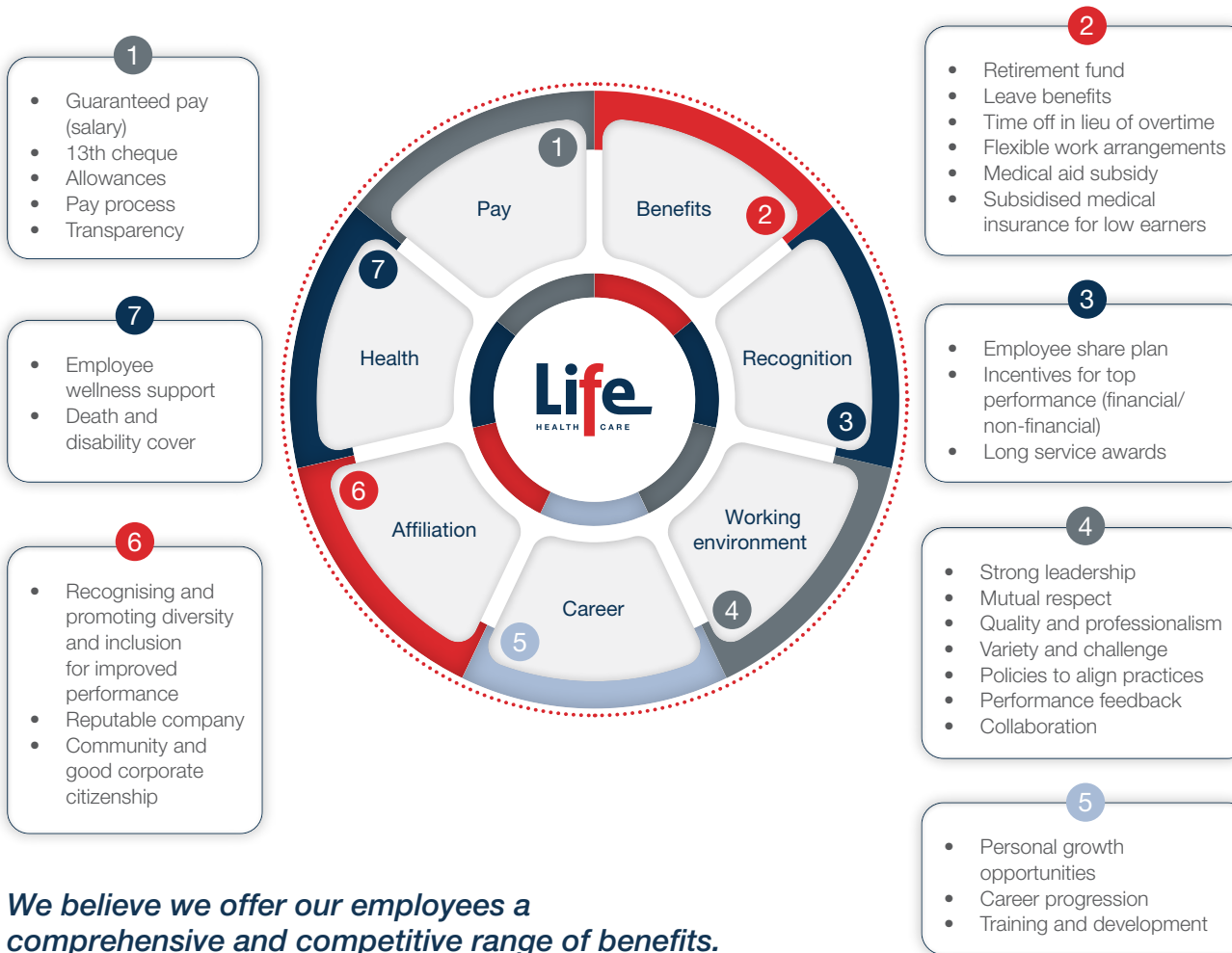
Clinicians rent consulting rooms and have admission rights into the hospital, where we provide access to equipment and nursing care.

	2025	% change	2024	% change
Permanent employees	16 549	2.7	16 108	2.2
Temporary employees	1 261	6.6	1 183	10.8
Total workforce	17 810	3.0	17 291	2.7



OUR EMPLOYEE VALUE PROPOSITION (EVP)

Our employee value proposition supports our purpose of *making life better* for our employees. It clearly articulates our unique benefits, opportunities, and the work environment that we offer. It serves as a framework that emphasises recognition, career development and employee well-being, fostering a sense of belonging and purpose. By aligning our corporate values with both the organisation and employee needs, our EVP helps create a supportive workplace culture where individuals feel valued, motivated and empowered to thrive both professionally and personally.



Caring for our nurses

Our nurses are at the frontline of patient care, responsible for clinical quality and patient safety. They work in an environment that demands evidence-based care that is scientifically grounded and up to date with the latest findings. They are in the best position to identify quality improvement opportunities and speak up for patients to get their voices heard. They have to be strong in multi-disciplinary collaboration to achieve the best possible patient outcomes.

Our chief nurse officer is a member of the executive team, giving nurses input into strategic decision-making related to the delivery of quality clinical healthcare.

How we support our nurses:

- We invest in training nurses through our seven Life Healthcare nursing learning centres and will soon offer accredited postgraduate diplomas to train specialist nurses.
- We offer 13 discipline-specific short learning programmes to enhance clinical onboarding and competency, with uptake increasing by 10.3% to 387 students. These programmes are now a compulsory onboarding element for new nurses.
- We remain committed to growing our nursing leadership pipeline through three nursing management development programmes.
- We sponsor nurses in leadership positions to attend fully funded advanced diploma and postgraduate diploma programmes in business administration through Gordon Institute of Business Science (GIBS).
- We offer continuous development programmes that address identified risks and gaps, supporting nurses in a rapidly changing healthcare environment.
- We ensure the correct category of skills is always available to support compliance and better outcomes.
- We have extended the retirement age and benefits for nurses by two years to promote skills retention.
- We create a positive care environment by increasing the integration of digitisation to shift the way we work and to promote people-centric models of care.
- We hosted a nursing leadership conference this year under the theme: *Courage to Act – Commitment to Care*, empowering nurses to drive performance and clinical excellence.
- We recognise critical skills by granting higher increases to specialised, qualified nurses who have a formal qualification.

Life Healthcare's nurses are valued employees. We shaped our employee value proposition around what is important to them, and continued to support, train and care for them in FY2025.

PEOPLE FOCUS AREAS AND PROGRESS

Reward and recognition

- Our managers continue enhancing their understanding of remuneration
- We are upgrading our human resource system to automate processes and deliver enhanced metrics and analytics
- We continue to embed our EVP

Employee engagement and wellness

- We are preparing to conduct an employee survey to measure culture, climate and engagement to improve communication and transparency, enhance retention and performance
- We are sustaining wellness awareness by proactively addressing any health-related employee problems
- We are enhancing the business applications of performance management rating scales and the distribution of scores
- We onboarded employees from our acquired renal dialysis units onto our performance management, recruitment and leadership development systems and processes

Talent management and succession

- Our talent and succession strategy ensures business continuity and leadership readiness through:
- Talent reviews: annual evaluations across all occupational levels
 - Nine-box grid: maps employees by performance and potential to guide development
 - Succession planning: identifies critical roles and builds a pipeline of future leaders
 - Leadership matrix: supports collaborative leadership in a matrix structure
 - Responsible, accountable, consulted and informed framework: clarifies roles and responsibilities to drive accountability

We focus on internal mobility, leadership readiness and retention of top talent through structured development and recognition.

Learning and leader development

- We partner with industry experts to establish a clear map of our executive talent and agree on and implement an executive leadership development process
- We partner with international executive education providers to hone top executive talent
- Micro-accreditation is being investigated as complementary to formal business education
- We are empowering leaders to lead learning initiatives within their teams and promote a culture of continuous learning
- We support line managers to improve their understanding and endorsement of the Life Healthcare line manager framework

We invest in leadership at all levels through programmes at Henley Business School, GIBS and NoviaOne. These programmes build a future-fit workforce and support personal growth aspirations. University and Technical and Vocational Education and Training (TVET) graduates gain practical experience in various business units across the Group, as clinical and non-clinical business support functional interns.

Diversity, equity, inclusion and B-BBEE

We are committed to building a diverse, transformed workforce that reflects the communities we serve. Our strategy is rooted in:

- Equality in representation across backgrounds and cultures
- Inclusive leadership and decision-making
- Transformation goals aligned with national imperatives
- Freedom of association and strong union partnerships
- Community citizenship through social responsibility initiatives

We foster a culture where every employee can thrive, contribute meaningfully and grow into leadership roles, regardless of background. We have zero tolerance for harassment, bullying, sexual harassment, or any other form of harassment.

Appropriate behaviours are being embedded through training programmes to achieve diversity, equity and inclusion goals.

We use data-driven instruments to drive diverse and inclusive decision-making.

Life Healthcare has a new employment equity plan aligned with the 2025 Employment Equity Amendments Act to ensure compliance with sectoral targets and position us for transformation-driven growth and public procurement eligibility.

Skills development

We promote a learning culture through:

- Continuous professional development (CPD) via the Life Healthcare nursing learning centres
- Employee bursary programme which supports critical skills and career progression
- Strategic partnerships with tertiary institutions for technical and leadership training
- In-house programmes addressing bespoke skills not readily available in the market

Every employee is expected to participate in at least one meaningful training intervention annually.

We care for the well-being of our employees

We recognise that each employee is a whole person, and we try to make life better for the whole person. We operate in an industry with high awareness and knowledge around wellness and mental health issues, which also affect our employees and their families. As South Africans, that means dealing with the impact of crime, the cost of living, unemployment and health issues.

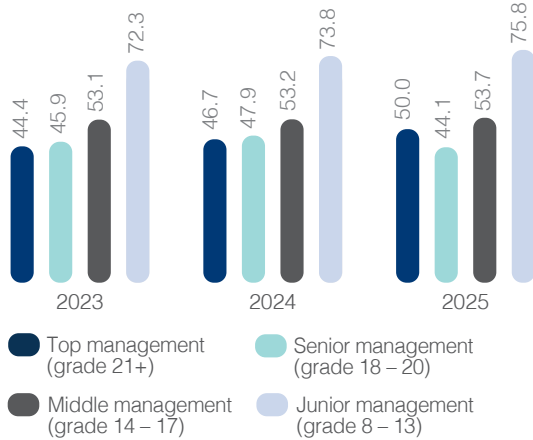
Through Life Health Solutions, we provide our employees with a broad spectrum of holistic support and training. We run monthly themed campaigns on topical issues such as financial stress or mental health and use these to encourage employees to seek help. Employees and family members have access to psychosocial support through social workers and psychologists, either via a face-to-face engagement

or through online support. They are eligible for five free consultations per event and receive support from consultants who are highly qualified in their event type.

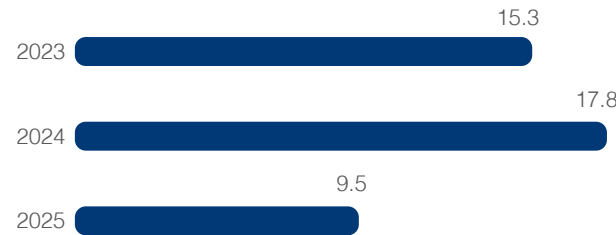
We also do trauma briefings for hospital employees if there is a traumatic event that might impact our people. Our psychologists and social workers attend to affected employees at the hospital and facilitate trauma debriefing.

Wellness days include an annual corporate wellness day at the hospitals and head office. Our executive wellness programme includes a complete physical assessment and mental assessment, covering aspects such as stress tests on sleeping, blood tests and scans. Should these tests identify any issues, executives are guided in terms of specialist care and treatment options.

Diversity and equal opportunity (ACI) (%)



Employee turnover (all nursing) (%)



We encourage employees to get involved with their communities by participating in CSI initiatives. Read more about corporate social investments making life better on page 76 and the broader impact of these projects in the 2025 sustainability report.

R193 million
spent on total training (2024: R188 million), of which **R176 million** was on employee training (2024: R174 million)

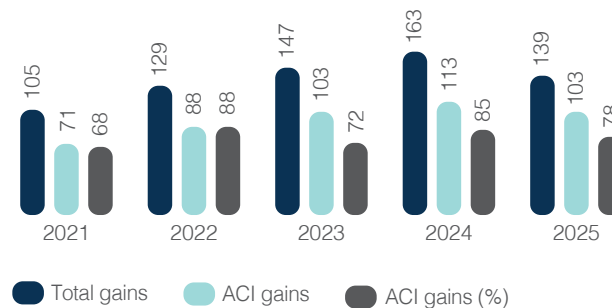
R10.0 billion
spent on employee salaries and benefits (for continuing operations) (2024: R9.5 billion)

R70.2 million
spent on share purchases for employees (2024: R67.5 million)

701
nurses registered for training at our learning centres (2024: 669)

Employee turnover at 8.8% is significantly lower than in previous years, with the positive trend evident across all functions. The improvement in registered nurse turnover reflects the lowest turnover rate in several years.

ACI doctor gains



Rallying against gender-based violence

The campaign against gender-based violence (GBV) is an annual initiative run by Life Healthcare.

We packed a total of 3 500 carebags which were donated to the Teddy Bear Foundation, the National Shelter Movement, Lawyers Against Abuse and other charities this year.

Our employees work directly with individuals who have experienced GBV. We raise awareness about GBV through interactive panel discussions involving our nurses, our wellness programme and external experts fighting against GBV. We encourage employees to seek guidance and help where they or their families and friends are at risk.

We support government's annual 16 Days of Activism for No Violence Against Women and Children Campaign. All at Life Healthcare observe a minute of silence on a selected day during the 16 Days of Activism and a dedicated candle at each hospital symbolises our support for the survivors of GBV.

JOINT PERFORMANCE MANAGEMENT

Life Healthcare has a joint performance management approach that relies on collaborative reviews between managers and employees. The review focuses on KPIs that relate to individual targets, aligned to strategic objectives. Each employee has a performance improvement plan that provides structured support and facilitates employee development. Performance contracting is based on standard templates and is completed annually at the start of the financial year. Mid-year reviews are concluded by April, focusing on feedback, barriers and any necessary adjustments to goals. Year-end reviews are completed by October with ratings linked to remuneration where applicable.

UNDER THE MICROSCOPE

REMUNERATION ALIGNED WITH STRATEGY

We link compensation to individual and organisational performance that is aligned to our strategic pillars and capabilities. This achieves alignment between the interests of our employees and those of our patients and other stakeholders.

Our remuneration philosophy aims to enhance employees' lives while attracting and retaining high-calibre talent through fair and sustainable rewards. This is vital as we grow into new markets and business areas.

Our remuneration and reward policies and practices are based on the following principles:

- Motivate and reinforce superior performance
- Encourage the development of organisational, team and individual performance
- Develop competencies for future business needs
- Promote and share the success of Life Healthcare
- Balance the remuneration mix to ensure Life Healthcare achieves its strategic objectives
- Be fair and non-discriminatory

Read more about our remuneration approach, policy and implementation in *remuneration to support value creation* on page 24 and in the 2025 remuneration report.

Our remuneration focus areas for FY2025 were:

- Continuous review of our reward strategy and remuneration policy
- Benchmark the total reward packages of non-executive and executive directors and senior management
- Develop the framework and model for achieving gender pay equity
- Enhance the performance management process to align with strategic objectives
- Succession planning for key roles

Our remuneration landscape

Reward description	Duration	Employees	Middle management	Senior management	Executives
Guaranteed remuneration	Ongoing	✓	✓	✓	✓
Single incentive plan (short-term)	Annual	✗	✓	✗	✗
Employee share plan	Annual	✓	✓	✗	✗
Long-term incentive plan 2023 allocation	Vesting 31 Dec 2025	✗	✗	✓	✓
Single incentive plan (short- and long-term)	1 Oct 2023 onwards	✗	✗	✓	✓
Matched share arrangements	Final vesting for prescribed officers 31 Dec 2025	✗	✗	✗	Selected employees
Co-investment policy	Vesting 1 Dec 2025	✗	✗	Selected employees	Selected employees

Strategy alignment summary for executive remuneration

Strategy elements	KPIs	Targets	Weighting for single incentive plan (%)		More information
			Outcome		
Grow Drive Optimise	EBITA	Rebased prior year + CPI + 2%	30	107.9%	Page 15
	Normalised Group HEPS	Rebased prior year + CPI + 2%	15	119.0%	Page 15
	CFROI (capital efficiency) averaged over a two-year period against WACC	WACC + 1%	20	135.0%	Page 15
Strategic capabilities	Life core purpose				
	Care bundle compliance (50% weighting)	95%		102%	
	<ul style="list-style-type: none"> • Ventilator-associated pneumonia (VAP) • Catheter-associated urinary tract infection (CAUTI) • Central line-associated bloodstream infection (CLABSI) • Surgical site infection (SSI) 		10		Page 15
	Patient experience (50% weighting)	8.4		102%	
	ESG assessment on weighted performance against agreed targets				
	<ul style="list-style-type: none"> • Environment: Solar roll-out (50% weighting) • Social: Investment in nursing training and development (10% weighting) • Social: Diversity in employment (10% weighting) 	9 MWp R65 million		0% 118.2% (6.5%)	
	<ul style="list-style-type: none"> • Social: Diversity in specialist recruitment (10% weighting) • Social: B-BBEE procurement spend (10% weighting) 	3% improvement in senior management ACI representation 70% ACI specialists recruited	5	111.4% 128.0%	Page 15
	<ul style="list-style-type: none"> • Social: CSI spend on health and community improvements (10% weighting) 	80% of total measurable procurement spend on empowered enterprises R115 million		113.0%	
	Individual executive performance rating		20		

Clinical excellence

We define clinical excellence and quality in healthcare as the consistent ability to deliver safe, effective and efficient care for patients while addressing their individual needs.

Clinical excellence and quality healthcare are crucial because they ensure safe, effective and patient-centred care, which fosters trust and confidence among patients, doctors and employees. High-quality healthcare leads to better health outcomes, reduces medical errors, and enhances overall patient satisfaction.

At Life Healthcare, we rely on a formal clinical governance system. We adopted the seven pillars recommended by the WHO to ensure we meet global standards of excellence and care.

SEVEN PILLARS OF CLINICAL GOVERNANCE

1	2	3	4	5	6	7
Patient-centred care	Clinical leadership	Clinical effectiveness	Clinical risk management	Education and training	Research and information management	Clinical audit
<p>We put patients at the centre of what we do, which means that we extend our care beyond the hospital bed to ensure there is continuity in achieving the best patient outcomes.</p>	<p>Clinical leadership is essential as we rely on doctors to be leaders in our healthcare ecosystem. We ensure clarity on roles and accountabilities while promoting the adoption of best practices, innovation and continuous improvements to deliver high-quality, compassionate and safe care.</p>	<p>We apply the best available evidence from clinical experience, patient preference and analytics to achieve optimal patient outcomes and high quality healthcare. We ensure hospital protocols are adopted by doctors, nursing teams and our allied professionals and that we have a mechanism to monitor clinical outcomes and efficiency.</p>	<p>Healthcare is a high-risk environment due to the service we provide on a 24/7 basis. We identify clinical risks as they occur, deal with them and implement corrective action or safety protocols that can be monitored and widely implemented, including in other facilities. We also track doctors' behaviour to monitor and mitigate risk, especially where an emerging trend becomes evident.</p>	<p>We are committed to training all professionals who work in our hospitals. Our employees are highly qualified but require CPD through our education and training platform, nursing learning centres, postgraduate and specialist training programmes. We also offer skills gap analyses and assessments to support development programmes.</p>	<p>We encourage participation at industry conferences, research initiatives, and collaborative projects where we can contribute to public discussions on critical healthcare issues. We are responsible in managing and implementing information systems to collect, analyse and disseminate data relevant to patient care.</p>	<p>We consider the whole patient journey from admission to the end of their rehabilitation phase. This includes assessing the standard of care, including whether the patient received the right medication for the right criteria at the right time.</p>

To support clinical excellence, we implemented the following:

- Ongoing improvements in our quality management system
- Optimising how we report and manage adverse events
- Partnering with our doctors to implement quality improvement plans
- Improved compliance and attendance at clinical governance initiatives such as mortality and morbidity meetings, antimicrobial stewardship meetings and multi-disciplinary team engagements
- Increased research engagement and rigour from our clinical pharmacists, nurses and renal teams

Future priorities include:

- Measuring clinical outcomes across more conditions and clinical areas through a system that tracks patients after leaving the hospital, using the Major Joints For Life programme (hip and knee replacements) as a successful pilot
- Developing a clinical auditing system with a defined protocol to assess clinical effectiveness despite the dynamic nature of patients, conditions and requirements

OUR QUALITY SCORECARD

We have a quality scorecard that we use and review annually. Our clinical leadership teams have selected the individual measures on the quality scorecard from various internationally used measures. In the medium term, we want to develop clinical governance scorecards for all facilities, including renal and acute rehabilitation.

Patient experience

Patient experience is measured through a survey 48 hours post discharge. This survey is based on the Hospital Consumer Assessment of Healthcare Providers and Systems (HCAHPS). The survey covers aspects related to communication with nurses and doctors, the responsiveness of hospital employees, the cleanliness and quietness of the hospital environment, communication about medication, discharge information and overall rating of the hospital.

The patient experience (PXM) survey score for inpatients is 73.1% which is an improvement from FY2024 at 71.9%. In addition the emergency unit PXM score is 68.3% which is similar to FY2024 at 68.0%. This is a key metric in the emergency unit performance tracker, which is used to drive continuous improvement.

In response to patient feedback, we introduced patient navigators in selected emergency units who help improve the patient experience by communicating delays and explaining the process. This has contributed to increasing patient experience scores.

Patient safety

We measure overall patient adverse events, which are sub-divided unto patient falls, medication errors, pressure injuries and procedure related events. The patient adverse event metric rate is 3.10 events per 1 000 paid patient days (2024: 3.02) **A**.

In addition, Life Healthcare actively monitors serious reportable events (SREs) and never events. There are adverse events which we believe are extremely serious and should never happen, for example, wrong-site surgery or the wrong procedure. We continue to thoroughly investigate this sub-set of adverse events and mitigate associated risks. This is achieved by identifying root causes for each of these adverse events and implementing appropriate interventions targeted at both local hospital level and across the entire business.

Clinical process and outcomes

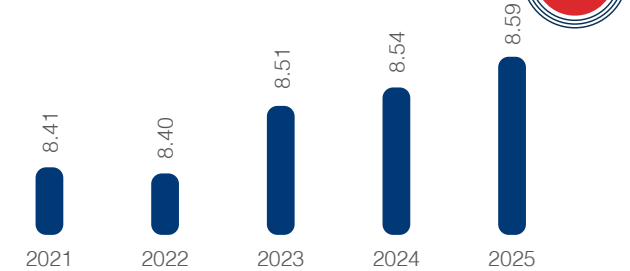
We continue to measure metrics to improve outcomes for heart attacks, maternal mortality and alignment to antimicrobial stewardship principles. These measures rely on effective preventative controls.

Our clinical review panels consist of specialists in different facilities or fields who are consulted when we identify new risks or issues. We also use our network of associations and societies for specialist fields to build our knowledge base and improve patient outcomes.

Patient experience surveys

Our patient experience surveys are based on the internationally recognised HCAHPS methodology, which we have tailored to our needs. Patient experience scores are linked to our single incentive plan.

South Africa inpatient experience



CARE BUNDLE COMPLIANCE

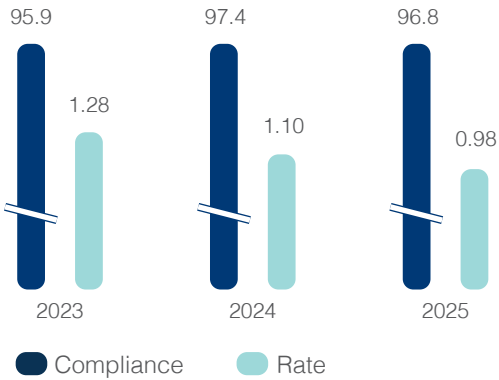
Infection measures are outlined by the Centres for Disease Control and Prevention and are reported by many hospitals around the world. The infection prevention bundle of care compliance measure is a Life Healthcare core purpose measure, representing the average score of multiple infection prevention strategies designed to reduce the incidence of VAP, SSI, CAUTI, and CLABSI. Compliance to this measure is 97.1% for FY2025 which remains excellent and is statistically similar to FY2024 of 97.3%.

This has contributed to stability in the overall HAI rate of 0.62 per 1 000 paid patient days (2024: 0.66).

VAP (%)

KPI: VAP rate (per 1 000 ventilator days)

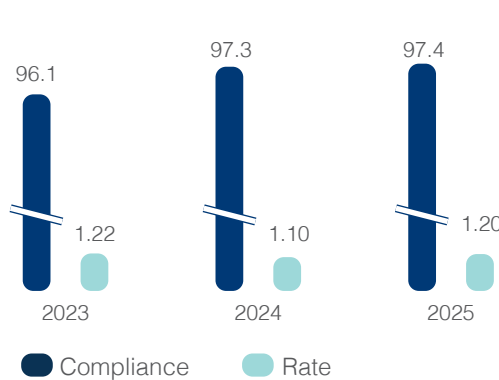
Rate: ▲
Compliance: ▼



SSI (%)

KPI: SSI rate (per 1 000 theatre cases)

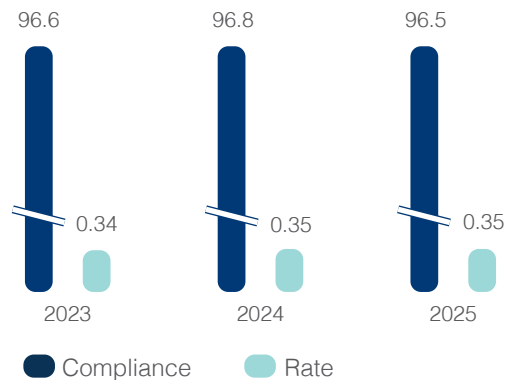
Rate: ▲
Compliance: ▲



CAUTI (%)

KPI: CAUTI (per 1 000 catheter days on one line)

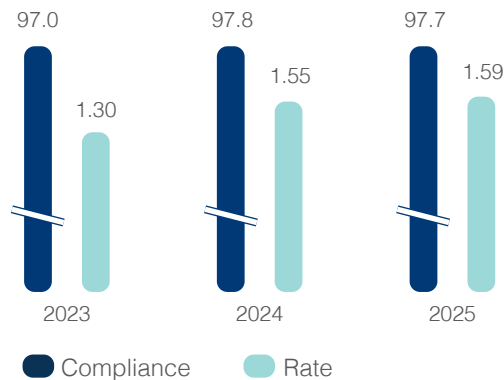
Rate: >
Compliance: ▼



CLABSI (%)

KPI: CLASBI (per 1 000 central lines)

Rate: ▲
Compliance: ▼



Doctor relationships

Life Healthcare treats its relationship with doctors as a strategic partnership, offering them access to advanced facilities, operational orientation and support, and professional development opportunities to support the delivery of excellent patient care.

Strong doctor relationships are crucial because they facilitate better collaboration that leads to positive patient outcomes, high levels of trust and improved utilisation of our facilities.

Read more about doctor relationships in:

- *We make life better* on page 2
- *Key driver: general practitioner channel* on page 59
- *Key driver: doctor recruitment and retention* on page 60



Footprint

We have hospital and other healthcare facilities in the Eastern Cape, Free State, Gauteng, KwaZulu-Natal, Mpumalanga, North West, Western Cape, Botswana and Namibia.

As Life Healthcare owns almost all of its facilities, our footprint is a competitive advantage. Strategic locations enable better accessibility and convenience for patients and doctors and are important criteria for funder network selection.

Read more about our footprint in *an extended network* on page 109.

Technology and data

Our IT team is a trusted custodian and strategic partner to all our facilities, internal stakeholders, customers and suppliers.

Technology and data are crucial as they enhance patient care, improve operational efficiency and reduce medical errors. We depend on accurate information and reliable systems to support all operations.

Our IT governance structure is well-embedded:



We comply with King IV and reference the Control Objectives for Information and Related Technologies (COBIT) 2019 framework as part of our continued improvement of IT governance for enterprise information and technology. From an information security governance perspective, we have successfully achieved the latest ISO 27001 (2022) certification to safeguard employee and patient data.

We are formalising a new Artificial Intelligence Review Committee and have a new approved artificial intelligence policy. Read more in the case study on the *new artificial intelligence use policy* on page 87.

OUR IT STRATEGY

The IT strategy and focus areas are developed and reviewed in consultation with executives from across the Group. The strategy for FY2025 had three pillars:



ENABLING LIFE HEALTHCARE'S STRATEGIC OBJECTIVES IN PARTNERSHIP WITH BUSINESS

We have a core hospital information system for administration, billing and patient movement tracking. Our enterprise resource planning system supports financial reporting. We use our hospital network system to communicate and share applications, which are now mostly cloud-based.

Cloud applications enable us to be more flexible, secure, scalable and ready to adapt to changing business needs.

Our focus is on delivering digital initiatives to support the patient journey and effective funder contracting. Whereas our systems were originally built for financial and patient-oriented reporting, we are now moving towards clinical information and reporting systems.

Key deliverables in FY2025

API-enablement of essential services	Our hospital information system takes a modular build approach and relies on application programming interfaces for incremental improvements, upgrades and new additions. We are also validating patient information through interfaces, for example, with funders and the Department of Home Affairs. This approach ensures long-term flexibility and enables IT to stay future-fit. We have invested significantly in application programming interface (API) capabilities in the past year and will continue to do so in the short term.
Patient journey improvements	We are digitising patient journeys from admission to discharge through to lifelong treatment. We aim to monitor patients along the journey to reduce the cost of care and optimise their treatment protocols. For renal patients, who require treatment for the rest of their lives, this journey can deliver a range of benefits, including better adherence to treatment protocols, health outcomes and less hospitalisation.
Remote foetal monitoring	We have successfully implemented technology into 10 of our facilities for foetal monitoring. This includes capturing data by electronically monitoring a baby's heartbeat, the mother's heartbeat, and the condition of the child. This aids with proactive clinical risk management and interventions that will lead to better patient outcomes.

ENSURING OUR SOLUTIONS ARE SECURE, RELIABLE AND RESPONSIVE TO THE NEEDS OF USERS

We are proactively detecting potential digital threats and attempted compromises

We are cultivating an employee culture that practices security awareness and understanding

We are providing guidance, control, advisory and oversight to increase information security defences within Life Healthcare

On average, we detect and block over 700 000 attempted monthly attacks on the Group, ranging from phishing and malware to social engineering tactics such as sending impersonation emails, fake WhatsApp messages, malware attachments, fake job profiles, etc.

Our cyber-security model applies layers of defence to detect and block any attempted attacks. As we are moving more systems and applications to the cloud, we are redefining access parameters, assessing condition-based assets and considering systems and IT infrastructure.

We drive information security awareness training for employees and medical teams, focusing on key topics such as password security, data privacy, social engineering and online scams.

We ensure that we deliver solutions to our patients and partners that are secure to use and take measures to keep data secure.

Information security is integrated into the digital strategy and supports the objectives of revenue protection, with data being of paramount importance. Information security also plays a key role in our combined assurance model to manage risk components related to our supply chain and medical devices.

FUNCTIONING AS A PROFESSIONAL IT TEAM WHERE OUR PEOPLE CAN THRIVE

The success of our IT and data infrastructure in supporting the implementation of our strategy relies on collaboration and engagement across the Group. We have strong executive buy-in and support in creating a data-driven culture.

We continuously recruit technical skills and increase our capability by upskilling existing employees.

Strong balance sheet

Life Healthcare generates good cash flow, has a fortress balance sheet and clearly expressed priorities for capital allocation. These factors position us well for sustained success and good returns.

A strong balance sheet is an important reflection of our financial stability and ability to meet short-term and long-term obligations. Read more about our balance sheet in *examining our results with Pieter, our Chief Financial Officer* on page 26.

Artificial intelligence tools and robotics to make life better

There are a significant number of clinical devices in our ecosystem that are likely to make use of connected services in the future. To address this emerging need, a framework is being developed to support the safe integration of clinical devices by improving understanding of their underlying technologies and associated risks.

When we are designing authentication and authorisation controls, we are including more devices to cover our entire medical connected estate, which is primarily hospital-based. We are also considering various degrees of supply chain security in the process.

We are introducing a variety of robotic equipment in our facilities. An example is the Stryker Mako Robot, which performs knee-joint replacement operations. Robotically assisted surgery ensures higher levels of accuracy that can result in better longevity of the joint replacement and ultimately increase patient satisfaction.

An artificial intelligence policy has been developed and approved by ExCo and IT SteerCo, and has been tabled and discussed at the Audit and Risk Committee and Board meetings in May 2025. Implementation will follow planned training, awareness and communication campaigns relating to the responsible, ethical and prohibited uses of artificial intelligence technologies. For existing vendors, a contract addendum has been developed to reduce the risk of external artificial intelligence usage. For new vendors, standard artificial intelligence clauses are now included in contracts and master service agreements.

Growing our footprint in strategic locations

We want to grow our footprint in strategic locations to ensure broader access.

Life Healthcare operates in a market where medically insured lives have remained flat for many years, muting growth opportunities are resulting in more aggressive competition against a backdrop of increased private healthcare capacity.

We consider these market realities, disease trends and economic conditions to guide our thinking in terms of growth. Read more in *our operating context* on page 35.

To inform and guide our growth strategy, we:

- Conduct market and economic research, including population movements, patient demographics and geographical spread of services
- Engage relevant stakeholders, including doctors and regulatory role-players
- Use internal data sets and doctor and hospital statistics
- Consider detailed funder analysis
- Ensure availability of doctors and clinical employees

We continuously review our portfolio of assets to optimise the mix and identify new growth opportunities. We use a mix of social and financial indicators to assess performance and determine our level of future investment or potential disposal. A hospital in a rural area might deliver low financial returns but might be an essential healthcare facility and employer with significant social impact. We also remain mindful of the need to balance shareholder returns with affordable healthcare as a basic human right¹.

Our growth opportunities

Area-specific demand increases due to population movements

Service-specific opportunities where there is a lack of a service in an area, for example, vascular labs or PET-CT scans

Facility-specific opportunities based on increasing demand, where there are high existing occupancies

Business line specific opportunities where we can grow specific business lines, e.g. disease prevalence

By capitalising on increasing demand, we can enhance our delivery of returns on investment through our growth strategy.

WHAT WE MEASURE ON OUR STRATEGY DASHBOARD TO DRIVE REVENUE

Acute hospital, mental health and acute rehabilitation beds

Renal dialysis stations

Imaging and nuclear sites

Oncology facilities

Find data about these facilities in the *business model summary* on page 104.



¹ The right to have access to healthcare services is a basic human right guaranteed by the Constitution. Section 27 of the Constitution provides that everyone has the right to have access to healthcare services, including reproductive healthcare services and no one may be refused emergency medical treatment.

Growth driver: Greenfield expansion by targeting new builds in growth geographies

Although the market for private healthcare services is saturated, demographic and demand shifts are creating attractive new growth pockets. One such trend is inter-provincial migration, resulting inter alia from people in Gauteng moving to the Western Cape. Relocations further support this due to remote and hybrid working practices.

We identified Paarl in the Western Cape as one of the locations that is growing and underserved from a private healthcare perspective.

Under the microscope

LIFE PAARL VALLEY HOSPITAL – GREENFIELD EXPANSION SUPPORTING OUR GROWTH STRATEGY

Life Healthcare will operate a new 140-bed acute hospital, Life Paarl Valley Hospital. This development is in partnership with a B-BBEE company and property owner. The development is expected to start late 2025, with operations commencing by the end of 2027.

The facility will offer world-class, patient-centred care to the community of Paarl and its surrounding areas, including Wellington, Tulbagh, Ceres, Worcester and Franschhoek.

Rationale drivers for the greenfield investment:

- Medical aid population migration to the area
- Significant high-income housing development in the area
- Keen interest from the doctors
- Access to clinical employees
- Bed norm demands support the development of a hospital in the area

Key features

- 140 beds, of which 36 are intensive care or high care beds, including a paediatric unit
- Specialised surgical and cardiac hospital with all major disciplines
- Seven theatres
- A cardiac cathlab and a cardiothoracic unit
- Neonatal facilities
- 24-hour emergency unit

Key differentiators

- Bed composition matches area demand and allows for optimal discipline mix
- High theatre and specialised bed allocation create high-end specialised case mix capacity
- This will be the only cardiac facility within a 40km radius, which is critical to support a high-end specialised case mix
- Our first self-developed and owned diagnostic imaging unit

The development costs are estimated at R900 million and include infrastructure capacity to expand the facility to 250 beds. Life Healthcare's cash contribution will be limited to R300 million due to the property being leased initially, with an option to acquire.

The Life Paarl Valley Hospital will be Life Healthcare's first new acute hospital development in more than 10 years and will expand our footprint into the Cape Winelands, one of the few fast-growing urban areas in the country.

Growth driver: Brownfield expansion of existing facilities to grow capacity in high-demand areas

Brownfield expansion decisions are based on changing demographics and healthcare needs related to existing facilities. We consider the area's population profile and growth statistics, income brackets, property development trends and note growing demand and interest from clinicians.

Scope	Estimated cost
KwaZulu-Natal	
Life Hilton Private Hospital	<ul style="list-style-type: none"> • Adding more medical, surgical and intensive care beds • Introducing an acute rehabilitation unit R160 million
Life Mount Edgecombe Hospital	<ul style="list-style-type: none"> • Introducing a cardiac service offering in line with the patient disease burden • Adding additional intensive care beds, a vascular lab, a theatre and an emergency unit R254 million
North West	
Life Anncron Hospital	<ul style="list-style-type: none"> • Introducing an acute rehabilitation unit R137 million
Western Cape	
Life Bay View Private Hospital	<ul style="list-style-type: none"> • Adding more medical, surgical and intensive care beds R176 million



Growth driver: Acquire new facilities to bolster the existing network and footprint

There are limited acute hospital acquisition opportunities in the South African private healthcare market; however, there are still attractive deals for non-acute hospital acquisitions. Recent acquisitions are delivering returns as we integrate these into the Life Healthcare portfolio.

2022

Our first imaging transaction in South Africa was the acquisition of East Coast Radiology early in FY2022. Our second followed in the same year when we purchased the non-clinical operations of Eugene Marais Radiology.

2023

In FY2023, we advanced our molecular imaging capability in South Africa with the acquisition of the non-clinical imaging operations of TheraMed and PET Vision. They are Gauteng-based nuclear imaging businesses, which together operate three outpatient clinics, adding PET-CT and SPECT-CT capabilities to our South African imaging business.

2024

We concluded the acquisition of the assets and operations of 41 South African renal dialysis units from FMC on 1 April 2024. These units expanded our presence from 30 to 71 units and stations from 445 to 1 012 across seven South African provinces. The Namibian leg of the transaction was effective in 2025, adding a further five units and 82 stations. We concluded a transaction with Kauffman & Partners at Life Hilton Private Hospital and Hilton Health to provide diagnostic and imaging equipment and facility services.

2025

We completed two imaging acquisitions at Life Robinson Private Hospital in February 2025 and at Life Empangeni Private Hospital in September 2025.

Acquisitions are an important tool to extend Life Healthcare's market as they deliver immediate access to patients. However, it is difficult to execute in a consolidated market.

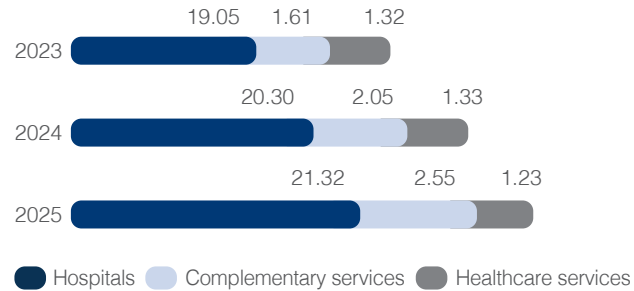


Growth driver: Expand complementary lines of business to diversify revenue

We are increasing our market access and share in non-acute growth areas through our complementary and healthcare services divisions. Hospitals delivered 84.9% of FY2025 revenue, whereas complementary services delivered 24.7% growth to reach an overall revenue contribution of 10.2%.

We doubled revenue from our complementary services over the last five years, with significant scope for future growth. Non-acute revenue from healthcare services (Life Nkanyisa and Life Health Solutions) remained flat over the last five years and constitutes 4.9% of revenue, with muted growth opportunities.

Revenue per segment (R'm)



We delivered a compound annual non-acute growth rate of 4.7% since 2019, showing good momentum in diversifying revenue streams.

RENAL DIALYSIS

The renal dialysis market in South Africa is underserved, as discussed in *our operating context* on page 35. We are responding to this opportunity by expanding existing facilities to create capacity, while optimising our footprint through strategic consolidation where commercially and operationally justified. Read more about these acquisitions in *growth driver: acquire new facilities to bolster the existing network and footprint* on page 56.

77
new stations

1 089
total renal stations

Read more in the case study *positive impacts through our renal integrated care products* on page 62.

We are increasing our renal dialysis patient base by providing access to an additional three facilities for their treatment.

DIAGNOSTICS: IMAGING AND NUCLEAR MEDICINE

South Africa has a well-developed private imaging market with growing demand. We are also expanding our footprint ahead of the anticipated demand for nuclear medicine services in South Africa. Read more about imaging trends in *our operating context* on page 35.

Life Healthcare has invested more than R1 billion in imaging and nuclear medicine services to date on acquisitions and related capital expenditure.

11
imaging facilities (including Gaborone)

We are building on the already developed footprint and capability by:

- Acquiring imaging operations in hospitals where opportunities exist, while growing our capability to develop ourselves
- Targeting multi-group practices for traction on models that suit their operating structures
- Building a network of reporting radiologists which can support broader reporting needs

3
PET-CT and SPECT-CT facilities

3
additional nuclear medicine facilities in progress

2
ALISA cyclotrons¹ completed and awaiting SAHPRA approval

We are supporting growth in this market by optimising operations and supporting cost-efficient and early patient care.



¹ A cyclotron is a type of particle accelerator that produces high-energy beams of charged particles. These beams can be used for cancer treatment.

OPTIMISING OPERATIONS TO SUPPORT PATIENT CARE AND EARLY ENGAGEMENT



While having multiple applications, investment in nuclear medicine capability is critical to providing comprehensive oncology services.

ONCOLOGY

Whereas cancer is a significant and growing health problem in South Africa, the evolving cancer treatment landscape is transforming the nature of oncology care. Read more about the market for oncology in *our operating context* on page 35.

We are focusing on driving ecosystems of oncology services at major sites. We want to enable comprehensive and co-ordinated care that includes radiotherapy and chemotherapy units and advanced technology at key existing and new hospital sites. Our approach is patient-centred with care co-ordination and a team-based model.

We are achieving growth in the overall oncology ecosystem, including in-hospital oncology care in addition to radiotherapy and chemotherapy services.

We are developing funder value propositions for more comprehensive oncology services to enable efficiencies and downstream cost savings.

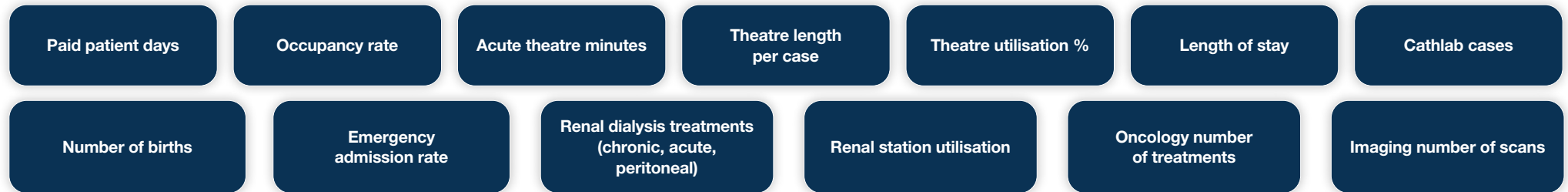
Driving facilities utilisation

We want to drive the utilisation of our facilities to achieve occupancy of more than 70%.

We have a range of channels that drive utilisation of our facilities, improving efficiency and profitability. Hospitals have a high fixed cost base and therefore require a minimum level of patient throughput to cover costs. Higher numbers of patients using our facilities improve margins and profitability.

We have a weighted average occupancy rate of 69.2% in our acute hospitals (2024: 68.7%).

What we measure on our strategy dashboard to drive revenue



Find data about these outputs in the *business model summary* on page 104.

Key driver: General practitioner channel

General practitioner referrals are fundamental to the sustainability of our operating model. General practitioners are not employed by Life Healthcare, but serve as a referral channel to specialists that work in our hospitals, thereby bringing patients into our care ecosystem to be treated by specialists.

We engage with general practitioners around our hospital services and provide their patients with world-class facilities and clinical support.

As an example, we drive a CPD strategy within the four hospital regions. CPD is a mandatory requirement for all healthcare professionals, which means they must attend accredited educational training events to earn a minimum number of CPD points each year to remain registered. We create a space for general practitioners and specialists to interact and build a referral relationship while acquiring CPD points.

We are also investing in the RecoMed booking platform to optimise general practitioners' patient referrals to specialists. Once operational, the platform will enhance our data collection and analysis capabilities to better drive engagement and referrals.

We have about 3 000 specialists and allied healthcare professionals that form part of our referral channel.

Key driver: Emergency unit channel

The emergency units at our acute hospitals are important, as about 28% of admissions are channelled through these units. Emergency units are mostly outsourced and run by general practitioners or emergency specialists according to service level agreements.

To optimise this channel, we offer facilities that meet local demand in terms of size, beds, nursing employees and support services. We also must ensure that we can absorb and serve patients who transfer to our acute hospitals, considering the intensive care or high care beds and support available.

Key success factors for growth through this channel:

- Quality and clinical expertise of employees and doctors
- Quality of the facility
- Response vehicle channel
- Unit marketing and brand accreditation



Well-functioning emergency units are key assets for our hospitals.

Key driver: Doctor recruitment and retention

Doctors are our partners and central to our sustainability. We want to ensure the appropriate spread of doctors across our facilities and have the optimal mix of specialists available for our patients.

SPECIALIST TRAINING

Specialist training in South Africa is underfunded, creating a risk of skills gaps and an inability to provide services where needed. University medical schools often have posts available for specialist training but cannot afford to pay doctors' salaries during the training period. We have an opportunity to fund these doctors during their training to create a specialist pipeline for Life Healthcare.

We are focusing on specialists and sub-specialists, and plan to train 35 medical specialists, 40 surgical specialists and 40 sub-specialists over a nine-year period.

This will ensure that we can meet the ongoing need for doctors practising at Life Healthcare facilities and that we can meet the specialist demand where it is needed. It also assists with the preservation of a steady supply of medical specialists in South Africa.

RECRUITMENT AND RETENTION

Recruitment and retention plays a pivotal role in anchoring our strategy, particularly in the context of South Africa's dynamic landscape. As the country expects changes in racial and gender representation, it is essential to adopt targeted recruitment practices that promote diversity, equity and inclusion. By sourcing and attracting specialised talent from previously underrepresented groups, we adhere to transformation policies while broadening perspectives and enhancing organisational resilience. Effective specialist recruitment ensures that our workforce reflects the rich diversity of South Africa, positioning us for sustainable growth and a competitive advantage in a changing socio-economic environment.

Specialist recruitment and retention is a key strategy to future-proof the delivery of quality cost-effective care. The strategy aims to deliver a steady pipeline of specialists in the right medical disciplines and geographic areas to support Life Healthcare's growth strategy.

As part of the package to recruit and retain specialists, the Group provides the following support:

- Introduction to GPs in the area
- Practice setup and support
- Access to funder network deals
- A hospital ecosystem consisting of quality employees, equipment and facilities
- Further specialist and sub-specialist training opportunities
- Shareholding in the Group
- Access to advanced technology aligned with international innovation

In our hospitals, we ensure that doctors have the most appropriate service support, facilities, quality nursing and state-of-the-art equipment available.

¹ <https://www.who.int/news/item/15-05-2025-who-warns-of-slowng-global-health-gains-in-new-statistics-report>

683
specialists recruited over the past five years

139
specialists recruited in FY2025 across
more than 30 specialities

78%
net ACI doctors

of which **V**

53
female

V of which

86
male

of which **V**

29
African

V of which

36
African

Key driver: Disease channel

According to the WHO's world health statistics report 2025, global life expectancy fell by 1.8 years between 2019 and 2021. The largest drop in recent history followed the COVID-19 pandemic, which reversed a decade of health gains. Increased levels of anxiety and depression linked to COVID-19 reduced global healthy life expectancy by six weeks, erasing most of the gains made from lower mortality due to non-communicable diseases (NCDs).

Premature deaths from NCDs, such as heart disease, stroke, diabetes and cancer are rising, driven by population growth and ageing, and now account for most deaths among people under the age of 70, worldwide.

Recovery in essential health services remains incomplete. A shortfall of 11.1 million health workers is still projected by 2030, with nearly 70% of the gap concentrated in the WHO African and Eastern Mediterranean regions¹.

Emerging and increasing disease trends are key drivers in shaping our facilities and services. We continuously review our footprint and facilities against disease demand patterns. These have been driving our investment in cardiac facilities as well as complementary services such as renal dialysis and oncology, which extend patient services beyond acute hospital visits and expand our market share in outpatient services.

Read more about disease-driven investments in *growth driver: expand complementary lines of business to diversify revenue* from page 57.

Key driver: Funder and network channel

We have contracts with all the major medical schemes in South Africa. We offer funders a compelling value proposition when negotiating contracts, enabling us to negotiate favourable tariffs and maximise the use of Life Healthcare facilities.

We aim to be a trusted partner for the major funders, who represent c. 63% of medical scheme members in South Africa.

We optimise this channel by:

- Aligning our strategy to meet long-term healthcare demand
- Maintaining our reputation as the most efficient hospital group
- Leveraging value-based care to lower the overall cost of care

Life Healthcare's paid patient days on network plans have more than doubled since 2018. 35.1% of the patients that are served by our hospitals use medical aid network plans, where Life Healthcare is one of the anchor hospital providers for the selected cover. These plans rely on negotiated discounts based on defined efficiency and quality measures. Such plans negatively affect our margins but add scale and volume to our operations.

We also engage with funders to mitigate their margin concerns through volumes and efficiencies. We use these inputs to develop new clinical products and pricing solutions or enhance our value-based care offering. It also guides our investments, for example, in our complementary services, while considering the entire patient journey.

Key driver: Value-based care and integrated care products

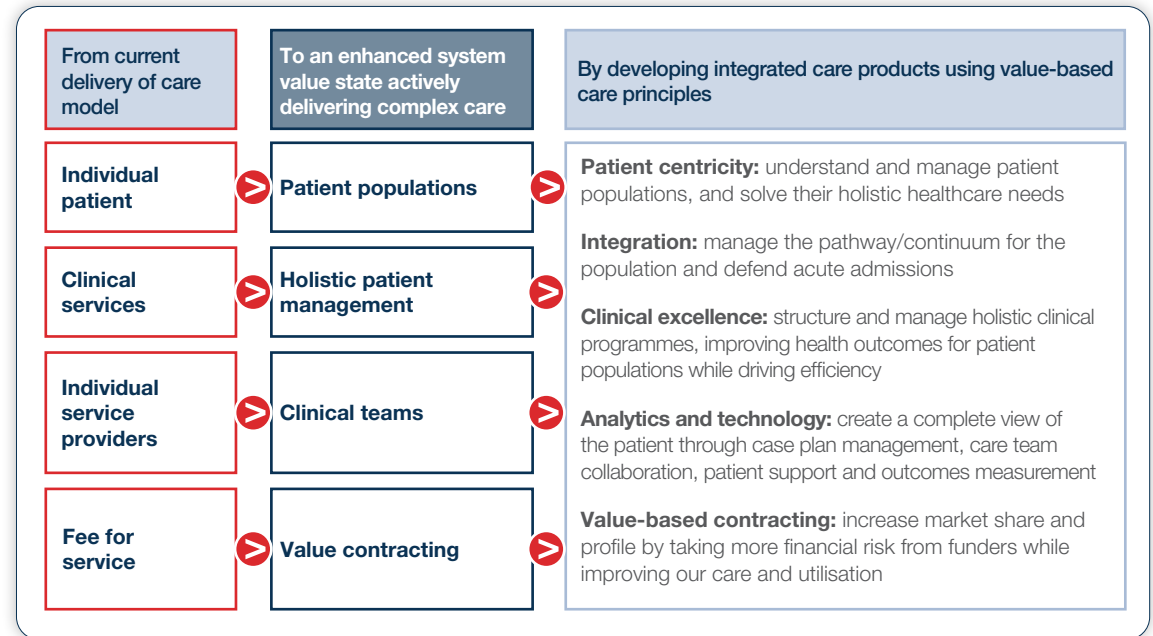
Value-based care supports our funder relationships and clinical product innovation through data analytics and technology to lower costs and improve patient outcomes. Value-based care focuses on quality care and value for the amount spent, encouraging providers to prioritise preventative care, early intervention and evidence-based practices. This approach enhances patient experience and quality care and leads to better chronic condition management, fewer hospital admissions and improved overall health outcomes.

We are driving value-based care by:

- Developing new comprehensive patient pathways that yield measurable value-based care outcomes
- Incentivising improved patient experience, clinical outcomes and clinical efficiency

Value-based care outcomes for Life Healthcare include:

- Differentiating us from competitors
- Enabling Life Healthcare to become the provider of choice for funders
- Growing market share sustainably
- Improving returns
- Improving the lives of our patients



We have transitioned over the past 20 years from the traditional fee-for-service model to an alternate reimbursement model to an outcomes-focused model. Essentially, we ensure that patients receive the best care at the best cost, measured through patient outcomes after their treatment journey. Once we reduce the variability in the quality of care by focusing on the outcome rather than the service, we can better measure and reduce the potential cost variability per patient. This gives us a more accurate and narrower cost range, which is also more predictable.

Value-based care is a driver for better efficiency and improved utilisation on a patient's journey, especially where chronic care is required. At the same time, we see patient experiences improving, *making life better* for them and their families.

INTEGRATING CARE FOR EACH PATIENT

Our integrated care products also enhance patient outcomes by providing seamless transitions between different levels of care, from preventative services and primary care to specialised treatments and rehabilitation. By addressing the full spectrum of health needs, we provide individuals with more co-ordinated, efficient and personalised care, ultimately leading to better health and well-being.

One of the most successful aspects of the integrated approach is the inclusion of Life Healthcare's care co-ordinators who provide guidance and ensure patients get all the support they need, from a clinical, funding and emotional support perspective.

The care co-ordinator relationship is based on an understanding that patients living, for example, with chronic kidney disease require more than just dialysis treatment. Our co-ordinators create a collective understanding between the patient and the teams of clinicians involved in their care.

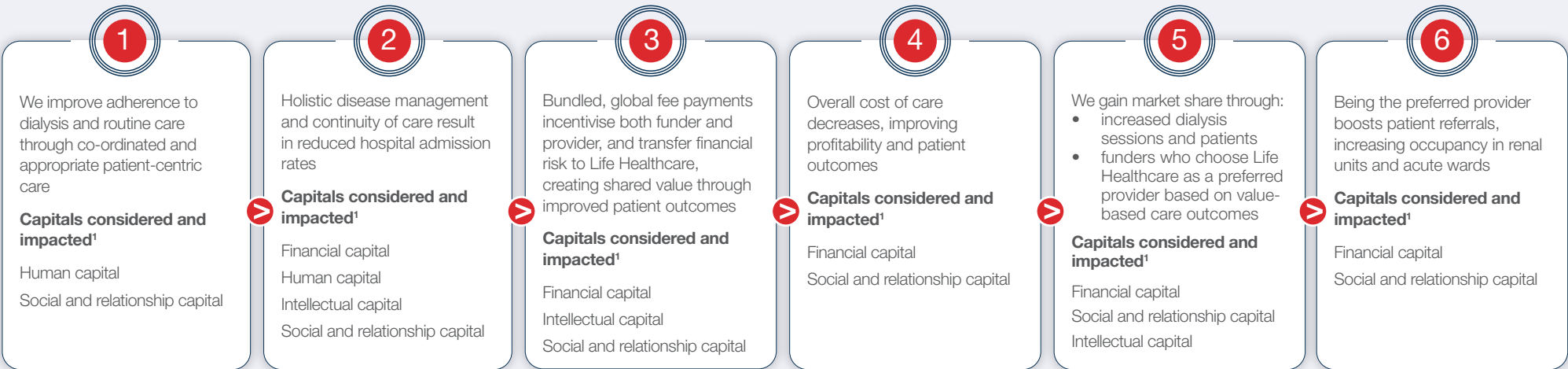
Under the microscope

POSITIVE IMPACTS THROUGH OUR RENAL INTEGRATED CARE PRODUCTS

Life Healthcare has transformed chronic kidney disease care by shifting from fragmented, high-cost treatment models to an integrated, value-based care approach. We focus on stage five haemodialysis patients, with plans to expand to home dialysis and earlier-stage patients.

Our renal integrated care product has been scaled to 29 in-hospital units and 11 stand-alone units with a phase 2 roll out to be completed in FY2026. Results show reduced hospital admissions, improved patient compliance and better clinical outcomes, demonstrating the value of proactive, co-ordinated chronic kidney disease management.

We take a multi-disciplinary approach tailored to individual chronic kidney disease needs, ensuring a personalised and effective renal care experience. Patient education is a vital aspect of the continuum of care. We focus on providing patients with insights into managing their kidney health through knowledge sharing and practical tips. Patients also complete periodic health-related surveys.



The renal integrated care product is available at 40 sites and has delivered significant value to all stakeholders.



¹ The capitals are noted here as an example of how Life Healthcare's approach to strategy, and the related initiatives, considers material aspects of the six capitals as defined in the Integrated Reporting Framework.

Improved clinical quality and reduced patient admissions

91%
patient compliance with dialysis attendance

Financial benefits for Life Healthcare

Growth in patient numbers and higher dialysis attendance

Enhanced patient experience

84%
patient experience score compared to a baseline of 78

Patients reported a seamless transition because of the programme

Life Healthcare is on track to be the preferred renal designated service provider in South Africa as we roll out to new units and scale our impact.



Optimising asset utilisation

Optimal and maximised utilisation of assets leads to improved returns.

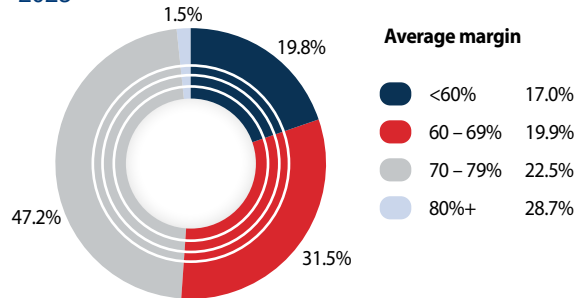
What we measure on our strategy dashboard to drive better margins



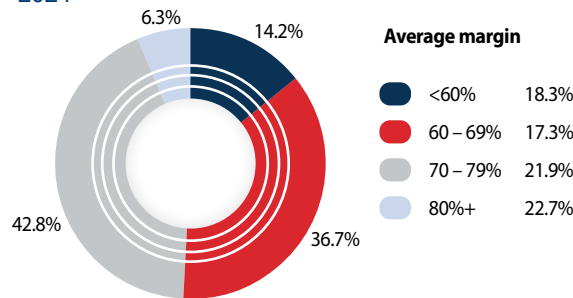
Key driver: Strategically optimise asset utilisation

Occupancy is a key indicator to determine how effectively we are using our facilities. We aim to achieve an occupancy of 70% in our acute hospitals. Driving hospital utilisation is crucial for maximising returns and effectively leveraging the fixed cost base, ensuring that the existing infrastructure and resources are used to their fullest potential. High utilisation rates lead to increased revenue without proportionally increasing operational costs, thereby improving margins. This efficiency not only enhances financial sustainability but also enables hospitals to offer more accessible and affordable care, ultimately supporting better health outcomes and a stronger return on investment.

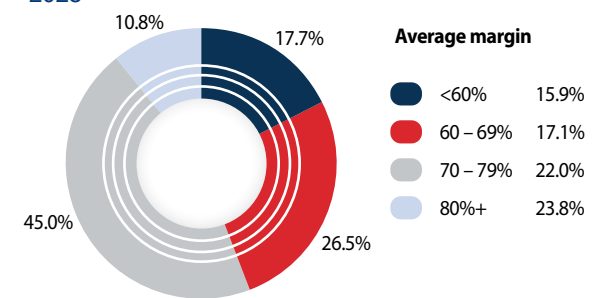
Beds split by occupancy
2023



2024



2025



We continuously review our portfolio and asset performance, leading to strategic decisions to upgrade, close or dispose of assets. In the past year, we disposed of LMI (read more in the case study *end of a chapter: Life Molecular Imaging's disposal* on page 32) and concluded the transaction in December 2024 to sell our 55% stake in Life St Mary's Private Hospital in Mthatha. The latter decision was based on a three-to-five-year view of the business environment and stakeholder needs.

Some of our facilities have a rich history spanning several decades, and we are continually undertaking comprehensive upgrades to better serve our patients' evolving needs, comply with new legislative requirements, and enhance our internal efficiency and occupancy rate targets.

Key driver: Streamline business operations

We streamline business operations by investigating detailed costs, efficiency and benchmarking our facilities. We ensure our hospitals use the best cost suppliers and have consolidated our pool of suppliers. Investments in solar energy and boreholes have also contributed to the security of this supply and better cost management.

We also invested in a change to our billing system, improved cyber-security and reviewed head office costs.

Our efforts to streamline operations always balance the need for quality patient care and clinical excellence.

Key driver: Capital allocation

We allocate financial capital in a formal, structured way to ensure we balance competitive returns and dividends with reinvestment and growth priorities. We follow the following framework:



1

Maintaining capex to sustain the existing revenue-generating capacity

- Maintain property infrastructure through refurbishment
- Replace existing plant and equipment at the end of their useful life
- Optimise the portfolio of facilities and beds

Capital allocation guidance

4 – 6% of revenue

FY2025 capital allocation

5.4% of revenue

2

Servicing external debt

- Optimise domestic medium-term note facilities
- Consider other fixed-term interest-bearing debt

Capital allocation guidance

Maintain leverage below 1.50x

FY2025 capital allocation

Debt leverage of 0.01x

3

Enabling organic/inorganic growth and innovation to expand revenue-generating capacity

- New business acquisitions or strategic partnerships
- New wards or expansion of wards, renal units, mental health facilities, oncology units, imaging and nuclear facilities
- New product lines, such as integrated care products
- Reduce external costs

Capital allocation guidance

Deliver returns in excess of WACC and the hurdle rate

FY2025 capital allocation

Life Paarl Valley Hospital internal rate of return of >16%

4

Distributing excess capital reserves to shareholders

Distribution by way of:

- Ordinary dividends
- Special dividends
- Share buybacks

Capital allocation guidance

Ordinary dividend payout ratio of 0.56

FY2025 capital allocation

Special dividend of 235 cents per share
Interim and final dividend of 56 cents per share

Strategy summary and outlook

	TARGET	FY2025 OUTCOMES	VALUE	SHORT TO MEDIUM TERM OUTLOOK
<p>GROW acute and complementary services to expand geographical footprint and capacity to meet demand</p>	<p>Grow bed capacity by 5% by 2029</p>	<p>69 additional beds added</p> <p>Improved patient access to high-quality, innovative healthcare</p> <p>Increased footprint in strategic locations to ensure broader access for funders' members</p>	<p>Market share increased</p> <p>Good progress</p> <p>▲ Value created</p>	<ul style="list-style-type: none"> New Life Paarl Valley Hospital to be completed in 2027 Brownfield investments will continue to grow capacity We will consider acquisitions to expand our footprint and complementary services offering
<p>DRIVE patients to facilities to maximise utilisation and deliver sustainable topline growth</p>	<p>Improve occupancy to >70% by 2029</p>	<p>69.7% occupancy achieved</p> <p>Healthcare group of choice for funders and patients, supported by leading and differentiated services</p> <p>Known for competitive and differentiated services and innovative pricing arrangements</p>	<p>Revenue increased by 6.0%</p> <p>Good progress</p> <p>▲ Value created</p>	<ul style="list-style-type: none"> We will continue driving referrals through our channels and create future capacity to meet targeted demand, for example, in intensive care units Doctor retention will be a priority as uncertainty around NHI persists We plan to roll out further value-based care products
<p>OPTIMISE hospital operations and asset portfolio to increase efficiency and improve profit margins</p>	<p>We aim to achieve EBITDA margin of >17% by 2029</p>	<p>15.3% EBITDA margin achieved</p> <p>Faster patient recovery through more effective and personalised treatments</p> <p>Positioned as funders' preferred healthcare group of choice, enabled by an efficient and reliable offering</p>	<p>ROCE decreased to 17.8%</p> <p>Good progress</p> <p>> Value preserved</p>	<ul style="list-style-type: none"> We will optimise cost of sales, formulary compliance, utilisation and procurement We will ensure data investments and use are fit for purpose and appropriate in driving safety, quality and efficiency We will stay abreast of clinical and operational developments that are driving efficiency across hospital platforms Underperforming assets will be addressed through investment, resizing or disposal

NAVIGATING STRATEGIC TRADE-OFFS TO MAKE LIFE BETTER

The trends and shifts in our operating context, new and changing stakeholder dynamics and the impacts of our strategy on the Life Healthcare business model present us with trade-off decisions involving the six capitals. We have a structured approach to evaluate and balance conflicting choices, ensuring that decisions align with our purpose and long-term targets.

Acquisitions and disposals

The LMI disposal unlocked shareholder value but reduced the Group's revenue, EBITDA and asset and employee base. However, reduced debt levels resulted in a decrease in interest expense. Acquisitions can erode financial capital in the short term, but with carefully selected targets, we expect to grow revenue and shareholder returns over time. These transactions also create value for the prior owners.

Investment in training

With the chronic shortage of nurses in South Africa, Life Healthcare's commitment to nursing training is a social imperative. Increasing nurse numbers contributes to the country's development and is essential for our sustainability. Training costs detract from financial capital but increase our skills base and reduce the skills shortage in South Africa. Unfortunately, we are still capped by government as to how many nurses we can train every year.

We also invest in training doctors through our sub-specialist training fund. In parallel to this fund, we plan to train an additional 10 – 14 specialists annually at six South African universities. Candidates are recruited for specific hospital needs.

Training increases our intellectual capital and helps us retain employees or attract doctors while ensuring the best possible patient experiences and outcomes.

Retention efforts

Global and local nursing shortages result in nursing employees and other healthcare professionals being highly mobile. They may decide not to work at our facilities or emigrate. High employee turnover can lead to a loss in institutional knowledge and high recruitment costs with negative impacts on financial, intellectual and human capital.

To promote retention, we invest in high performers, allowing base salaries to be above market rates. FY2025 salary increases were higher for clinical employees compared to non-clinical and management employees, including the executive. In line with our commitment to social equity and responsibility, we pay a minimum wage that substantially exceeds the South African minimum wage requirements. These trade-off decisions favour the attraction and retention of clinical skills.

Capital allocation

We follow a structured capital allocation approach to guide trade-off decisions. Read more in *key driver: capital allocation* on page 65.

The share price decreased following the special dividend announcement in August 2025. Paying interim, year-end and special dividends reduces the capital available to invest in growth projects. However, dividends are an important source of income for some shareholders, including pension funds.

Growth capital can erode financial capital in the short term, but we expect to grow revenue and shareholder returns over time. This also creates value for the suppliers we use to construct facilities or procure equipment.

A capital-intensive property portfolio

As our portfolio of properties expands and ages, we invest capital to meet our own quality standards and regulatory compliance requirements to provide high-quality services and ensure the safety of our patients and employees. Maintenance capex erodes financial capital without typically adding any additional EBITDA. However, it adds long-term value by sustaining our ability to attract doctors and patients and provide clinical excellence. Our investment in solar power yields energy cost savings while reducing emissions.

Innovation and intangibles

A considerable portion of our investments in diagnostic businesses has been attributed to equipment and intangible assets, which constitute the intellectual capital, knowledge and patient-supplier relationships within these practices.

Following AMG's disposal, we signed agreements with AMG to provide ongoing consulting on the construction and operation of the cyclotrons. The development of new and innovative clinical products, such as the integrated renal dialysis product, comes at an initial financial cost. Revenue generation only comes sometime after the implementation of the product.

Operating responsibly



We are making life better by building a healthier, more resilient future for the environment, our people, our business and our communities. Our ESG strategy supports our vision and business strategy to deliver on our purpose.

We believe sustainability makes life better in two important ways:

- From a financial perspective, it gives our shareholders confidence that their investment is delivering continuing returns
- From an impact perspective, it allows us to contribute directly to ESG outcomes that enhance the health and well-being of the communities where we operate

We have overarching long-term sustainability Group goals, with 2030 targets across all three dimensions – environment, social and governance – and annual targets to ensure measurable progress. Our targets for FY2025, which include environmental and social measures, are based on performance trends from FY2023 and FY2024 and were approved by SETCO in November 2024.












Read more in our 2025 sustainability report.



Our growth strategy and ESG strategy framework





	CONTEXT	STRATEGIC OBJECTIVES	GROUP INITIATIVES	TARGETS FY2025	TARGETS 2030
 Environmental 	Climate change is a major contributor to the global environmental crises, which, unless addressed, will directly impact the health and well-being of millions of people	<ul style="list-style-type: none"> We measure, monitor and manage energy, water and waste We monitor Scope 1, 2 and 3 carbon emissions 	<ul style="list-style-type: none"> Install solar PV systems Drive water security Implement waste management strategy Reduce general waste to landfill Dispose of medical waste responsibly Implement offset projects 	<ul style="list-style-type: none">  Roll out 9 MWp of solar capacity across our facilities (50% weighting) 	<ul style="list-style-type: none"> Reduce carbon emissions by 20% Increase water security, renewable energy use and recycled general waste Achieve net zero general waste to landfill Make progress towards achieving net zero emissions by 2050
 Social 	Social factors such as education, income, equality and access to healthcare are key determinants of health and well-being for communities and individuals worldwide	<ul style="list-style-type: none"> We contribute to affordable access to healthcare for all We focus on clinical excellence We drive diversity and inclusion We invest in training and skills development We invest in clinical research and development We serve communities 	<ul style="list-style-type: none"> Promote gender empowerment Invest in product innovation Drive EVP measures Develop training and skills development programmes 	<p>People</p> <ul style="list-style-type: none">  Invest R65 million in nurse training and development (10% weighting)  Increase ACI representation in senior management by 3% (10% weighting) <p>Specialists</p> <ul style="list-style-type: none">  70% ACI specialists recruited (10% weighting) <p>Community</p> <ul style="list-style-type: none">  Direct 80% of measurable procurement spend to empowered enterprises (10% weighting)  Allocate R115 million to CSI health and community improvement projects (10% weighting) 	<ul style="list-style-type: none"> Achieve B-BBEE targets Meet diversity and inclusion targets Reduce employee turnover Achieve training KPIs Deliver CSI commitments Be recognised as an employer of choice
 Governance	Strong governance principles provide assurance to our investors and enable high-quality, safe healthcare services that improve outcomes for communities	<ul style="list-style-type: none"> We do business ethically We maintain sound governance We implement fair remuneration practices We ensure the protection of patient and employee data 	<ul style="list-style-type: none"> Maintain Board independence Enhance Board diversity and expertise Ensure fair remuneration practices Enforce Code of Conduct Protect data and ensure cyber-security 	None	<ul style="list-style-type: none"> Improve board diversity, tenure and skills Enhancing the ESG scorecard for leadership through continued improvements

Overarching Group ESG goals

- Achieve net zero emissions by 2050
- Achieve zero general waste to landfill by 2030
- Be recognised as an employer of choice

ESG strategy roadmap

2022

We developed our 2030 ESG strategy.

2023

We agreed on long-term leadership KPIs.

2024

We cascaded the 2026 zero general waste to landfill strategy to operations. We achieved a 4.5% reduction in carbon emissions vs 2023, contributing towards our long-term strategy.

2025

We implemented a comprehensive ESG performance scorecard for senior leadership. We rolled out a national general waste recycling project.

2026–2029

We will review our 2023 non-financial baseline KPIs, assess our material matters and refine our ESG strategy. We will monitor delivery against the 2030 strategy, track progress and embed initiatives across operations.

2030

We aim to have achieved our Group targets.



Reducing carbon emissions

Climate change drives environmental crises that threaten the health and well-being of millions worldwide. Life Healthcare has set ambitious goals to reduce emissions, aiming for net zero by 2050. In May 2023, SETCO approved a medium-term target of a 20% reduction by 2030.

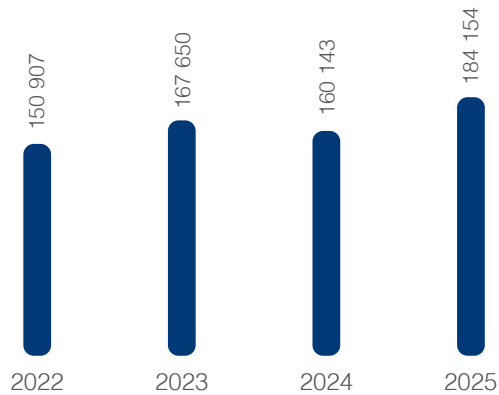
Emission reduction outcome for FY2025

Our primary focus for carbon reduction is on energy, the largest source of emissions. Adopting renewable energy and improving efficiency delivers the greatest impact, with renewable energy roll-out missing the FY2025 target of 9MWp.

We also managed other resources to support emissions reduction. Water and waste contribute indirectly to carbon emissions through the energy required for treatment, pumping and disposal, while diverting waste from landfill reduces methane emissions. Fuel use contributes less significantly to our overall emissions. Diesel consumption in generators is expected to remain stable through 2030.

Beyond reducing emissions at source, we are exploring sustainable carbon offset initiatives to balance unavoidable emissions, particularly Scope 3 and those arising from growth projects.

Total carbon emissions (tCO₂e)



We manage waste

100%
of healthcare risk waste (HCRW)
was disposed of responsibly

We reduced general waste to
landfill by **19.8%**

Our waste recycling initiative has
been rolled out at **39** facilities

Managing waste responsibly is essential in a healthcare environment where the health and safety of patients, employees and communities must be protected. Our approach is guided by international best practice and local regulatory standards, with the dual aim of minimising environmental impact and safeguarding human well-being.

Healthcare activities save lives, but they also generate large volumes of waste. Most of this is general, non-hazardous waste and the remainder is HCRW, which is hazardous and carries risks of infection, toxicity or radiation exposure.

Hazardous waste includes sharps such as needles and syringes, pathological and infectious materials, expired pharmaceuticals, chemical residues and radioactive by-products. If not properly handled and treated, such waste can spread HIV and hepatitis through unsafe injections, release toxic pollutants through poor incineration and contaminate soil and water through untreated disposal.

We comply with all the relevant South African healthcare waste management laws, regulations and standards.

Strategic approach, initiatives and progress

Ensure 100% responsible treatment incineration and disposal of HCRW

Safeguard human health and the environment by always disposing of HCRW in full compliance with regulations

Eliminate general waste to landfill by 2030

Drive innovation and efficiency to achieve zero waste to landfill across all operations

RESPONSIBLY DISPOSE OF HCRW

Life Healthcare has formal HCRW procedures in place. Waste is separated at source to prevent cross-contamination with general waste, correctly stored, labelled and recorded. Compliance is monitored through internal and external audits, with certificates of destruction obtained from service providers. Safety, health and environment regional managers oversee training workshops and ongoing compliance.

REDUCE GENERAL WASTE TO LANDFILL

Our long-term target is to achieve zero general waste to landfill by 2030. We plan to reach this by progressively reducing the volume of waste we generate, increasing recycling and diversion so that, by 2030, 90% of general waste is diverted from landfill, and the 10% remaining balance is offset through accredited carbon credit programmes.

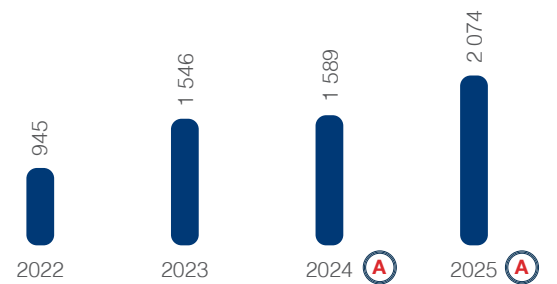
2023	2024	2025	2026	2027–2030	2030
We reviewed existing practices, conducted waste audits at three facilities and benchmarked Group waste projections.	We began facility-level implementation of improved waste practices and launched a recycling pilot at four facilities.	We continued implementation of a general waste recycling initiative at an additional 39 facilities.	We will conduct follow-up waste audits and reassess the strategy to align with growth and changes, with special focus on outlying areas.	We will roll out the integrated general waste management plan across all facilities and support CSI projects aimed at waste reduction.	We aim to achieve zero general waste to landfill.

Different patient profiles generate different levels of waste, and our case mix can affect our waste totals year-on-year. There are no FY2025 targets for these metrics, as the target for HCRW is always 100%.

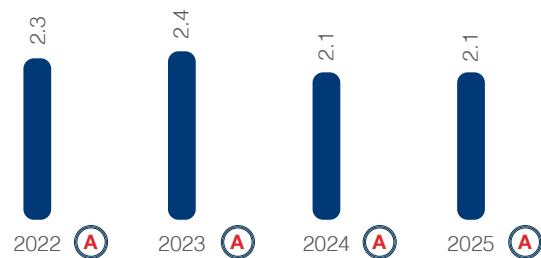
Strategic targets:

- 20% reduction in carbon emissions in 2030
- Increase recycled general waste
- Achieve net zero general waste to landfill
- Make progress towards achieving net zero emissions by 2050

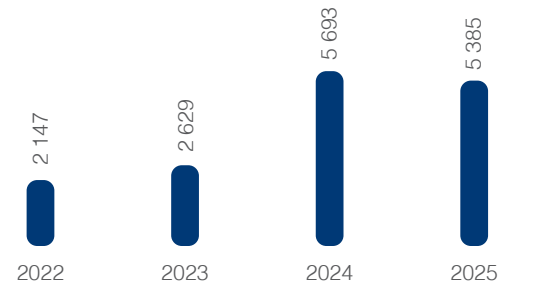
Total general waste recycled (tonnes)



Total HCRW generated/paid patient day (kg/paid patient days)



Total general waste generated (tonnes)



We manage energy

Phase 1 solar PV roll-out completed with **5.67 MWp** peak installed

Total diesel consumption decreased by **62%**

Energy is essential for uninterrupted hospital operations and patient safety. Our approach to energy management balances optimising the energy mix, improving efficiency and ensuring reliable backup supply to reduce fossil fuel reliance while maintaining energy security.

Healthcare facilities rely on electricity to power medical equipment and life-support systems, where interruptions or inadequate supply can negatively affect patient outcomes. In South Africa, rising electricity costs, ageing infrastructure and supply risks add pressure to energy management. At the same time, the imperative to reduce carbon emissions makes efficient, reliable energy use a priority.

Strategic approach, initiatives and progress

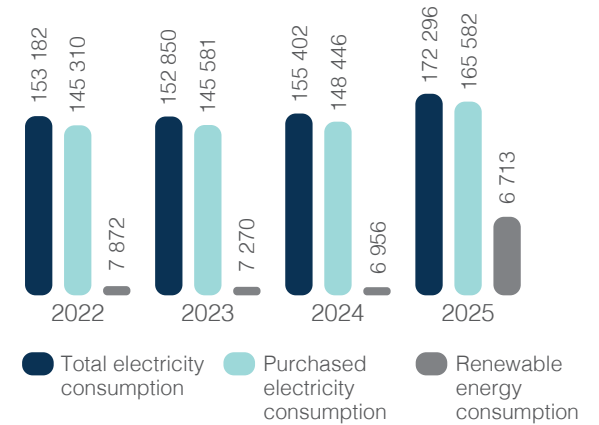
Optimise the electricity mix

Expanding and supplementing our grid supply with renewable energy sources across facilities

Improve energy efficiency

Implement measures and solutions to reduce energy consumption

(kWh '000)



OUR RENEWABLE ENERGY STRATEGY ENCOMPASSES THREE COMPLEMENTARY PATHWAYS

- On-site generation (phase 1): initial deployment focused on proving technical and financial viability through pilot installations, followed by systematic roll-out across priority facilities
- Scaled deployment (phase 2): expansion of on-site installations to additional locations based on technical feasibility and strategic value
- Offsite procurement (phase 3): exploration of wheeling arrangements and virtual power purchase agreements to access larger-scale renewable projects and optimise our energy sourcing beyond physical site constraints

OPTIMISING ENERGY PERFORMANCE

Our energy strategy balances supply diversification with demand-side efficiency, recognising that consumption reduction delivers immediate environmental and financial benefits. We deploy intelligent monitoring infrastructure across our portfolio to enable data-driven decision-making and targeted performance improvements.

Our efficiency initiatives include strategic equipment lifecycle management, prioritising high-efficiency replacements that deliver measurable consumption reduction. All capital projects incorporate energy-efficient design principles from inception, embedding sustainability into our operational infrastructure while securing long-term economic advantages.

IMPLEMENTATION ROADMAP

Our multi-year energy transformation follows a deliberate progression:



We manage water use

Total municipal water withdrawn decreased by **7.4%**

We have developed a **water security plan**.

We added **3** new boreholes and re-established **6** boreholes

14.9%
Total borehole contribution
(2024: 4.3%)

5 additional borehole projects will be added in FY2026

Managing water responsibly is vital in healthcare, where uninterrupted access to clean water is critical for patient safety, infection control and smooth hospital operations. Our approach combines water efficiency and securing supply to reduce consumption and safeguard continuity.

Healthcare facilities are highly water-intensive and Life Healthcare relies heavily on water for patient care, including sterilisation, cleaning, laundry, food preparation, sustenance and sanitation. The Occupational Health and Safety Act (1993) require facilities to maintain safe and hygienic working environments, supported by reliable water access. Interruptions or poor-quality supply can compromise hygiene standards, increase infection risks, disrupt essential medical services and impact patient experience.

In South Africa, growing water scarcity, ageing municipal infrastructure and supply disruptions heighten the urgency of responsible water management.

Strategic approach, initiatives and progress

Reduce water usage

Use efficiency measures and innovative solutions to minimise water consumption at facilities

Increase access to water for business continuity

Secure reliable water sources and infrastructure to safeguard operations against supply disruptions

OUR WATER EFFICIENCY STRATEGY ENCOMPASSES MULTIPLE INTERVENTION PATHWAYS

1

INFRASTRUCTURE OPTIMISATION

Systematic upgrade of water delivery systems and fixtures to high-efficiency specifications

2

TECHNOLOGY DEPLOYMENT

Implementation of leak detection capabilities and automated monitoring solutions to minimise losses and enable rapid response

3

ALTERNATIVE SOURCING

Strategic development of storage systems to reduce dependence on primary supply sources

4

BEHAVIOURAL INTEGRATION

Embedding water consciousness into operational practices and facility management protocols

Each facility operates within a tailored efficiency framework that reflects site-specific conditions, consumption profiles and improvement potential. Progress is measured against baseline performance metrics, with achievements validated through continuous monitoring and reporting.

ENSURING SUPPLY RESILIENCE AND OPERATIONAL CONTINUITY

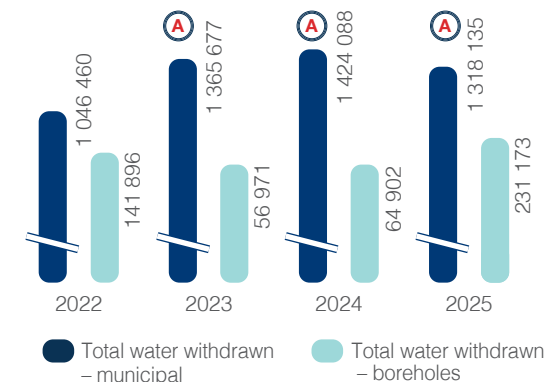
Uninterrupted water access is fundamental to delivering safe, high-quality patient care and maintaining operational standards. Our water security strategy addresses supply vulnerability, quality assurance and regulatory compliance through comprehensive resilience planning.

We have established enterprise-wide standards for water backup capacity designed to ensure operational independence during external supply disruptions while meeting critical safety requirements. Our resilience framework prioritise infrastructure investments that deliver both operational continuity and strategic flexibility.

OUR MULTI-LAYERED SECURITY APPROACH INCORPORATES

- **On-site storage capacity:** strategic installation and expansion of water holding infrastructure to provide operational buffers
- **Alternative source development:** deployment of groundwater access points where hydrogeological conditions and regulatory frameworks permit
- **Quality management:** maintenance of water standards that meet health, safety and regulatory specifications across all supply sources

Municipal boreholes(Kℓ)



Corporate social investments *making life better*

We are in a unique position to improve health outcomes while empowering communities and investing in social upliftment. CSI forms a core part of our purpose of making life better.

Our CSI focus areas and contribution overview

Healthcare access

Provide medical services and screenings to underserved patients

Education and training

Support vocational training, bursaries and specialist development

Community upliftment

Deliver clean water, nutrition and recreational initiatives

- **Cancer screening and testing:** through Pink Drive, we conducted 760 mammograms, 323 cervical pap smears and 285 prostate-specific antigen (PSA) screenings at state clinics and hospitals. Our support contributes meaningfully towards detection of breast, cervical, prostate and testicular cancer.
- **SA Poison Hotline:** we partnered with the National Poisons Information Helpline (PIH) to support its critical after-hours service. The PIH provides expert medical advice to healthcare professionals and the public in cases of poisoning, this service plays a vital role in saving lives. Our sponsorship enables the PIH to extend its reach beyond working hours, ensuring timely, specialist support when it's needed most.
- **Brenthurst Breast Care Centre:** established in collaboration with Professor Carol-Ann Benn, an internationally recognised oncology expert with a special interest in breast disease. Since September 2024, 536 patients, including 169 indigent and uninsured patients have been treated at the centre.

HEALTHCARE ACCESS

Life Healthcare supports free or low-cost treatment for vulnerable communities, focusing on children and families, for example:

- **Surgery for indigent and uninsured:** we support specialists and allied healthcare workers in providing pro bono surgical services, prioritising patients from state hospitals. This includes working with the South African National Council for the Blind to do eye screenings, cataract surgeries and providing spectacles.
- **Cleft lip and palate surgery:** through our volunteer team's support of Operation Smile, 37 surgeries were performed at Nelson Mandela Children's Hospital. Cleft surgery is essential to ensure that children with a cleft condition can lead to more dignified and healthier lives.

EDUCATION AND TRAINING

- **Visual impairment training:** we sponsored 120 visually impaired students participating in one-year SETA-accredited vocational programmes at the South African National Council for the Blind's Optima College. The college offers short courses for newly visually impaired individuals, giving them new prospects and skills.
- **High school tuition:** we co-sponsored the Somerset College Saturday School, supporting 188 grade 11–12 learners in Maths, Science and English. This contributes to a future pipeline of potential qualified healthcare professionals.

COMMUNITY UPLIFTMENT

- **Food relief:** through our partnership with the Soul Food Provider Trust, over 700 000 nutritious meals are provided annually to early childhood development centres excluded from the national school nutrition programme. Our contribution helps prevent stunting and supports child health.

Read more about our social impact in the 2025 sustainability report.



Governance and risk

WE HAVE AN EXPERIENCED TEAM	78
WE APPLY STRONG OVERSIGHT	84
WE MANAGE RISKS EFFECTIVELY	94



We have an experienced team

The quality of our leadership has a direct impact on Life Healthcare’s long-term sustainability, down to the level of care and our patients’ experiences. We rely on our leadership team to create a culture where we make life better for all stakeholders.

Our executive team

Full biographies of our executive leadership team can be found on our website.

Executive leadership team



Pete Wharton-Hood

Chief Executive

Qualifications CA(SA)

Group strategy, performance, innovation, growth and long-term value creation. Oversees overall operations, manages executive team and represents the Group to stakeholders, investors and the public.



Pieter van der Westhuizen

Chief Financial Officer

Qualifications CA(SA)

Financial strategy, planning and reporting, including oversight of working capital and procurement, IT and cyber-security.

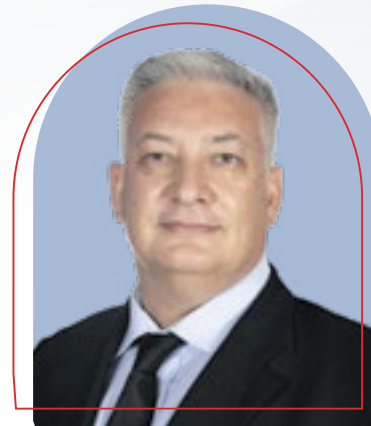


Adam Pyle

Chief Strategy and Growth Officer

Qualifications BCom, LLB

Strategy development, market trend analysis, investor relations and new business opportunities.



Craig Koekemoer

Chief Operations Officer

Qualifications CA(SA)

Oversees daily operations and provides leadership across cross-functional teams.



André Joseph

Funders and Health Policy Executive

Qualifications B.Pharm, MSc Public Health

Medical funder and regulatory relationships including health policy and oversight of patient services.



Brett Mill

Chief Actuary and Risk Officer

Qualifications BEconSC, FFA, FASSA

Data analysis and management, sustainability, risk and insurance portfolio management, and compliance with regulatory standards.



Asanda Myataza

Finance Executive

Qualifications CA(SA)

Budget, forecast and financial reporting process management, investment opportunity evaluation and oversight of compliance with financial regulations.



Avanthi Parboosing

Chief People Officer

Qualifications BA (Hons), Masters (Political Science and International Relations)

Human resources strategy, employee engagement, corporate social investment initiatives and oversight of compliance with labour laws and regulations.

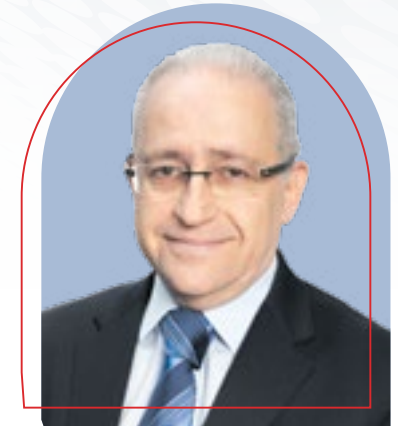


Pennie Phillips

Marketing & Communications, Change and Health Solutions Executive

Qualifications ICOSA (SA)

Brand positioning, stakeholder engagement, change management for transformation initiatives. Strategic direction for the Health Solutions business.



David Price

Chief Information Officer

Qualifications BSc (Eng), MBA

IT strategy, infrastructure, innovation and digital transformation initiatives.



Dr Karisha Quarrie

Chief Medical Officer

Qualifications MBChB, Dip For Med, FC For Path, MMed Forens Path, PDBA

Clinical operations, policies and protocols including medical quality, governance and regulatory compliance.



Joshila Ranchhod

Company Secretary

Qualifications BA, LLB

Legal and regulatory compliance, corporate governance practices and oversight of the ethics office and the legal function.



Merle Victor

Chief Nurse Officer

Qualifications PG Dip Business Management, Dip General Nursing and Midwifery, Certificate Neonatal Nursing Science (cum laude)

Nursing practice and healthcare delivery.



Kurt Wylie

New Business Executive

Qualifications CA(SA)

New business opportunities in radiology, nuclear medicine and renal dialysis through acquisition, development and strategic partnerships.

¹ All Board members are South African with the exception of Dr Jeanne Bolger (Irish) and Lars Holmqvist (Swedish).

Our board

Non-executive directors

Full biographies of our non-executive directors can be found on our website.



Dr Victor Lithakanyane

Chairman
Independent non-executive

Qualifications MBChB, Masters in Medicine (Radiotherapy), Masters in Business Administration

Age 60

Appointed 15 April 2020
(appointed to Board)
27 January 2021
(appointed as Chairman)

Committee membership

Clinical Committee
Investment Committee
Nominations and Governance Committee (Chairman)



Adv Mahlape Sello

Independent non-executive
Lead independent

Qualifications LLB (Wits), Master of Arts and Law

Age 63

Appointed 3 July 2017

Committee membership

Human Resources and Remuneration Committee
Nominations and Governance Committee
Social, Ethics and Transformation Committee (Chairman)



Dr Fareed Abdullah

Independent non-executive

Qualifications MBChB, BSc (Epi) (Hons), FCPHM, Dip HIV, DSc (hc)

Age 62

Appointed 12 August 2024

Committee membership

Clinical Committee



Dr Jeanne Bolger¹

Independent non-executive

Qualifications MB BCh BAU, DCH Dip in Child Health, Cdip Fin Acc (AACA)

Age 65

Appointed 1 August 2022 and retiring 19 February 2026

Committee membership

Clinical Committee
Investment Committee



Dr Raymond Campbell

Independent non-executive

Qualifications MBChB, MMed (Urology), FSC (Urology)

Age 49

Appointed 12 August 2024

Committee membership

Clinical Committee

¹ All Board members are South African with the exception of Dr Jeanne Bolger (Irish) and Lars Holmqvist (Swedish).



Caroline Henry

Independent non-executive

Qualifications BCom, BCompt (Hons), CA(SA)

Age 58

Appointed 1 September 2021

Committee membership

Audit and Risk Committee
Investment Committee (Chairman)
Social, Ethics and Transformation Committee



Lars Holmqvist¹

Independent non-executive

Qualifications BA Economics, International Executive Programme

Age 66

Appointed 1 August 2022 and retired 20 February 2025

Committee membership

Audit and Risk Committee
Investment Committee



Prof Marian Jacobs

Independent non-executive

Qualifications MBChB, Diploma in Community Medicine, Fellow of the College of South Africa (Paediatrics)

Age 77

Appointed 1 January 2014 and retiring 19 February 2026

Committee membership

Clinical Committee (Chairman)
Social, Ethics and Transformation Committee



Paul Moeketsi

Independent non-executive

Qualifications BCom (Hons), CA(SA)

Age 42

Appointed 23 February 2023

Committee membership

Audit and Risk Committee
Human Resources and Remuneration Committee
Investment Committee



Audrey Mothupi-Palmstierna

Independent non-executive

Qualifications BA (Hons) PolSci

Age 55

Appointed 3 July 2017

Committee membership

Audit and Risk Committee
Human Resources and Remuneration Committee (Chairman)
Social, Ethics and Transformation Committee

¹ All Board members are South African with the exception of Dr Jeanne Bolger (Irish) and Lars Holmqvist (Swedish).

Executive directors



Joel Netshitenzhe

Independent non-executive

Qualifications Dip PolSci, PGDip (Economic Principles), MSc

Age 68

Appointed 30 November 2010 and retired 20 February 2025

Committee membership

Audit and Risk Committee
Nominations and Governance Committee
Social, Ethics and Transformation Committee



Fulvio Tonelli

Independent non-executive

Qualifications BCom (Hons), CA(SA)

Age 65

Appointed 01 April 2023

Committee membership

Audit and Risk Committee (Chairman)
Human Resources and Remuneration Committee
Nominations and Governance Committee



Pete Wharton-Hood

Chief Executive

Qualifications CA(SA)

Age 60

Appointed 1 September 2020

Committee membership

Clinical Committee
Investment Committee
Social, Ethics and Transformation Committee



Pieter van der Westhuizen

Chief Financial Officer

Qualifications CA(SA)

Age 54

Appointed 1 June 2013

Committee membership

Investment Committee

We apply strong oversight

Our governing body, the Board, is the overall custodian of sound corporate governance at Life Healthcare. The Board sets the tone in terms of ethical and effective leadership. Sound corporate governance principles and practices are embedded in the Board’s behaviour, decision-making and delegated roles. This supports our ability to deliver long-term sustainable value for our stakeholders.

Our governance approach

Our governance approach is set out in the Group’s governance framework. The framework ensures effective and sustainable delivery of our strategy through the necessary structures, processes and policies.

We comply with the governance requirements set out in the JSE Listings Requirements and the Companies Act. We also apply King IV™ and comply with Life Healthcare’s Memorandum of Incorporation.

Read more in our King IV™ report, available online.

Our governance framework

Life Healthcare’s governance framework presents an overview of the philosophy, principles and practices on the basis of which the Group is managed and controlled to achieve its purpose of *making life better*. The framework articulates how decisions are made in compliance with legal and regulatory requirements, aligned with our vision.

The framework complements the statutory framework and sets out the overarching principles of governance across the Group to ensure that all our legal entities meet their obligations in accordance with the relevant regulatory landscape within which they operate.

We operate in a complex environment where Life Healthcare needs to consider the business environment as well as the social environment and the communities where we operate, with due regard to ESG elements. We aim to conduct business by using natural resources and the environment in a way that considers future generations and the world they will live in. Life Healthcare commits to being a responsible corporate citizen.

A well-entrenched governance structure

We made changes to our governance structure in FY2024 following the disposal of AMG to refocus our governance, risk and compliance on southern Africa, thereby streamlining accountabilities.

We will continue refining the governance structure as it relates to the delegated authority of the chief executive. This year, our steering and management committees were reviewed to include emerging business areas like diagnostics.



The Board

The Board is ultimately accountable for the performance and affairs of Life Healthcare and ensures that the Group adheres to high standards of corporate governance and ethical behaviour.



Audit and Risk Committee

The Committee is tasked with safeguarding assets and ensuring adequate and effective systems and control processes. It oversees the integrity and reliability of financial reporting and risk management



Investment Committee

The Committee evaluates investment and funding initiatives, considering our risk exposure and long-term strategy



Nominations and Governance Committee

The Committee considers group-wide governance, Board succession and effectiveness, including Board appointments and induction



Human Resources and Remuneration Committee

The Committee drives fair remuneration and responsible employment practices to ensure effective strategy implementation. This includes overseeing diversity, inclusion and wellness initiatives



Social, Ethics and Transformation Committee

The Committee assists the Board in setting the tone for an ethical Group that is committed to responsible corporate citizenship, transformation and sustainable development initiatives



Clinical Committee

The Committee assists in promoting a culture of clinical excellence and ensuring continued improvement in patient safety, clinical quality and patient experience

The ExCo

The ExCo is responsible for strategy execution, performance and effective risk management.



CSI



Steering committees

Investment | HR and Remuneration | Clinical | Data, Compliance, Risk and ESG | IT



Management committees

Operations | New business, Life Health Solutions, Imaging, Marketing and Products

How we delegate authority

Our delegation of authority (DoA) framework guides the delegation of powers from the Board through to the executive and management teams. It ensures that business activities are carried out in a structured and informed manner with the necessary oversight and approvals.

Our delegation objectives are:

- To provide a directive for minimising or eliminating any risk that may arise from the action of the Group's officials
- To delegate authority to the various levels within the Group, allowing for effective decision-making and appropriate accountability
- To ensure that the various levels of management understand their specific authorisation limits

The delegation of authority includes:

- The matrix for approving policies and frameworks
- Monetary approval limits for each business level
- Guidance on when matters are to be tabled for Board approval
- Roles and responsibilities in relation to Board Committees and management committees
- Guidance on stakeholder engagement
- Parameters for mergers, acquisitions and disposals

The Board is satisfied that the delegation of authority framework contributes to role clarity and the effective exercise of authority.

ROLES AND RESPONSIBILITIES

Chairman's responsibilities

- Provides Board leadership and oversees ethical conduct
- Oversees the Group's strategic direction, Board succession and performance
- Manages any conflicts of interest
- Engages with the chief executive and ensures positive stakeholder relationships

Lead independent director's responsibilities

- Provides support and advice to the chairman as a trusted confidante
- Chairs Board discussions and decision-making where the chairman has a conflict of interest or is unavailable
- Leads discussion at Board and committee meetings regarding the Board chairman's performance appraisal and remuneration

Chief executive's responsibilities

- Manages the business according to the Board-approved strategy
- Ensures appropriate internal control mechanisms to safeguard assets and comply with all relevant laws and best practice
- Delegates the appropriate authority to the executive management within defined levels of authority
- Implements the policies and strategies adopted by the Board
- Guides and evaluates executive management's performance against strategic objectives

Cultivating an ethical culture

Ethical standards of behaviour are essential to protect Life Healthcare's patients, citizens and performance. Misconduct and unethical conduct among our employees, doctors or suppliers can have a negative financial and reputational impact on the Group.

The Code of Conduct has been approved by the Board and is binding on every employee, officer, director, contractor and supplier of the Group and its various subsidiaries across all territories within which we operate. The Code is an integral part of the employee induction process.

The Life Healthcare Code of Conduct

The Life Healthcare Code of Conduct consists of four specific themes:

Ethical Code

The Ethical Code addresses regulatory requirements, anti-bribery, ethical procurement, fair competition, conflicts of interest, financial reporting and accounting, public services, political activity and inside information. No political donations were made in FY2025 (2024: Nil).

Respect Code

The Respect Code sets out expected behaviours related to human and labour rights, patient privacy, dignity and respect, anti-bullying and harassment, as well as equal opportunities. We promote the right of equality, eliminate unfair discrimination and drive workforce diversity.

Our Confidentiality Code

The Confidentiality Code focuses on information governance and security as well as proprietary information. We consider the information that we possess to be of value to us and our patients and are committed to preserving, protecting and responsibly using such information.

The Sustainability Code

The Sustainability Code sets out our commitment to health and safety, environmental management and our moral obligation to support and contribute to the communities in which we operate.

CONFLICTS OF INTEREST

Directors are required to make a declaration of conflicts of interest annually. The document is updated as and when it may be required, and a mandatory review is conducted before each Board meeting.

INSIDER TRADING

Life Healthcare applies strict rules stipulating that employees may not trade in the Company's shares while in possession of price-sensitive information and must obtain prior permission.

Permissions work on the two-over-one principle, which requires that employees obtain permission from their managers before they trade, and executives are required to obtain permission from the chief executive and company secretary. The chief executive and non-executive directors must obtain permission from the chairman should they wish to trade.

WHISTLE BLOWING HOTLINE

Life Healthcare provides a hotline for reporting wrongdoing through an independent third-party service. The hotline can be accessed via phone, SMS or email.

The 24/7 service is confidential and independent, ensuring anonymity and a safe space for reporting concerns. The tip-off line is widely advertised to encourage employees and stakeholders to use this channel for reporting any suspected wrongdoing, unethical behaviour or violations of company policies.

ETHICS OFFICE

The ethics office is an alternative to using the hotline and is run by the company secretary.

Total number of whistle blowing reports

69

(2024: 72)

Total number of allegations received via whistle blowing reports

78

(2024: 76)

Number of allegations supported

35

(2024: 34)

ETHICS REVIEW COMMITTEE

We have an Ethics Review Committee which reports to the SETCO, comprising the chief executive, chief audit executive and company secretary.

The Committee is responsible for:

- Reviewing matters reported via the tip-off line or ethics office
- Ensuring that matters are appropriately investigated, and where required, third-party investigators are appointed to assist with the investigation of claims
- Ensuring that appropriate feedback is provided either to the whistleblower or via the tip-off line, when possible
- Protecting the whistleblower where matters are reported in good faith, and if matters are not reported in good faith, the whistleblower is dealt with in accordance with the provisions of the whistle blowing policy
- Providing SETCO with quarterly feedback on reported matters

Compliance is critical

Life Healthcare's compliance framework is in line with our Code of Conduct and international compliance best practice. It guides all compliance assurance activities, including the identification and management of our regulatory universe, along with specific compliance risk management plans for material legislation. These plans are regularly reviewed, and reports on the status of compliance are provided to the Audit and Risk Committee and SETCO.

No significant or repeated regulatory penalties, sanctions or fines were recorded for non-compliance with statutory obligations.

Given the nature of our business and the significant volumes of sensitive information we process, the appropriate handling and processing of healthcare information is a key focus. Life Healthcare fosters a culture of privacy awareness to protect the rights of all data subjects processed within our operations. We apply effective systems, measures and processes to safeguard personal information. Regular awareness and training sessions are held for teams that handle sensitive information.

Access to healthcare information is a fundamental right, safeguarded and managed through the Promotion of Access to Information Act (PAIA). We have developed and implemented a PAIA management system to streamline the PAIA approvals process, ensuring timely and efficient access to healthcare information. The system also assists with our annual reporting to the Information Regulator.

IT governance as a strategic capability

The Audit and Risk Committee has oversight of technology, and its focus areas align with King IV™. The Committee reviews the effective integration of people, technology, information and processes across the Group, as well as the integration of technology and information risks in group-wide risk management. It also considers cyber-security, outsourced service providers, and the ethical and responsible use of technology and information.

Read more about our IT governance structure and certifications in *technology and data* from page 52.

New artificial intelligence use policy (March 2025)

The policy confirms our commitment to embrace innovation by leveraging artificial intelligence technologies lawfully and responsibly while upholding ethical principles that prioritise well-being, transparency and fairness. We also want to ensure that our use of artificial intelligence safeguards privacy rights, including the confidentiality, security and integrity of patient and healthcare information.

The policy provides guidance on establishing mechanisms to identify, address and correct any instances of harm or misuse of artificial intelligence and to exercise utmost care in using artificial intelligence technologies in healthcare applications. An artificial intelligence committee reviews artificial intelligence-related risks, mitigations and emerging opportunities and recommends artificial intelligence initiatives to pursue in line with the Group's risk appetite.

Climate governance

The Board is ultimately responsible for the governance of sustainability, including climate. Its oversight role has been delegated to the SETCO, which approves the sustainability strategy and tracks progress.

Read more about climate governance in the 2025 sustainability report. The Group has climate targets that are linked to remuneration. Read more in *remuneration aligned with strategy* on page 48.

Annual general meeting

The 20th AGM was held on 20 February 2025. All resolutions proposed at the meeting were approved with shareholder support between 95.52% and 100%. We are pleased to advise that the non-binding advisory vote on the remuneration policy and the remuneration implementation report passed with 78.48% and 78.50% respectively. Refer to the remuneration report for more information on the shareholders' views on the remuneration policy and its implementation.

The next AGM will be held on 19 February 2026.

In accordance with the Company's Memorandum of Incorporation, one-third of the Board will retire and be up for re-election at the upcoming AGM. The directors who will stand for re-election in FY2026 are:

- Dr Victor Litlhakanyane
- Paul Moeketsi
- Caroline Henry



The Board

The Board executes its duties according to the Board Charter, which is reviewed annually. The Board is satisfied that it has fulfilled its responsibilities in accordance with its charter for FY2025.

The Board sets the Group's overall strategic direction, determines investment policy and performance criteria and delegates the detailed planning and policy implementation to management within the appropriate risk parameters and controls. The Board monitors compliance and performance through quarterly reporting and management updates.

The Board considers matters of strategic direction, significant acquisitions and disposals, and approves major capital expenditure, the annual financial statements and sustainability approach. Board members are encouraged to debate and challenge matters in an atmosphere of mutual respect and co-operation.

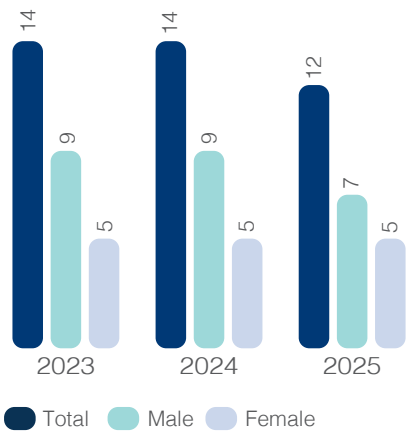
The Board convenes quarterly or more if required.

A diverse and experienced Board

The Board has 12 members.

BOARD DIVERSITY AT A GLANCE

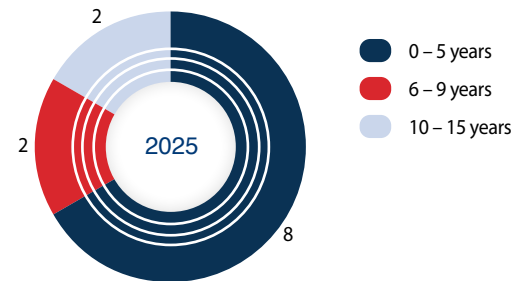
Gender diversity



Race diversity



Tenure diversity



We are proud of the fact that women chair the Investment, RemCo, SETCO and Clinical Committees. Our lead independent director is also female. This demonstrates our commitment to Board diversity and empowerment.

Board changes and induction

Joel Netshitenzhe and Lars Holmqvist retired from the Board at the AGM in February 2025. The appointment of two directors, Dr Fareed Abdullah and Dr Raymond Campbell, in August 2024 was confirmed at the same AGM.

Professor Marian Jacobs and Dr Jeanne Bolger will retire from the Board at the AGM in February 2026. Professor Jacobs stepped down as Chairman of the Clinical Committee and as a member of the SETCO, and Dr Bolger as a member of the Clinical and Investment Committees.

Dr Fareed Abdullah assumed the position of Chairman of the Clinical Committee and joined the SETCO with effect from 1 October 2025. At the same date, Dr Raymond Campbell joined the Investment Committee.

Directors are appointed through a formal and transparent process, taking cognisance of the Board's diversity policy.

The Nominations and Governance Committee is guided by the diversity policy when recruiting for Board positions. The diversity policy can be found on our website.

Succession planning ensures a phased approach in onboarding new directors, bearing in mind the institutional knowledge lost with the retirement of longer-standing directors. The induction programme for new directors provides exposure to management and various facilities, where Board members are invited into the heart of our hospital operations. This is in addition to the statutory training provided to the Board on the JSE Listings Requirements and an orientation around the Company's founding documents.

The Nominations and Governance Committee reviews the induction programme annually to ensure it remains relevant and enables a deeper understanding of the business and meaningful contributions at meetings.

The Board will continue developing its skills and expertise by inviting subject matter experts to explain the latest trends and/or legislation in the corporate environment and their impact on the healthcare industry. A King V training was included in the Board programme in November 2025.

Board evaluation and outcomes

The performance evaluation of the Board, its Committees, Committee chairs and retiring directors is conducted internally every year, with an independent, detailed evaluation every three years. The Board, in consultation with the Nominations and Governance Committee, consider progress against the agreed outcomes of the prior evaluation process. The evaluation of the chairman of the Board is managed by the lead independent director.

The internal evaluation is done annually in August, with the results shared with the Board in the next financial year. The FY2024 evaluation results indicated the critical priorities for the Board were discussions in relation to strategy and succession planning. The Board confirmed an effective relationship between the chairman and chief executive based on trust, openness, transparency and constructive engagement.

Board independence

Board independence is reviewed annually by the Nominations and Governance Committee.

The chairman of the Board holds an interest in the Company, and on assessment, the chairman's holdings were found not to be material to him personally. All non-executive members were assessed by the Nominations and Governance Committee and found to be independent.

Key Board activities in FY2025

Strategic oversight

Provided oversight and direction by:

- Participating in the strategy workshop on 29 and 30 September 2025
- Approved the strategy on 30 September 2025
- Tracking quarterly progress via the strategy dashboard

Corporate transactions

The disposal of LMI, including the rationale and earn-out structure
Diagnostics and PET-CT acquisitions

Greenfield developments

The investment in building a new 140-bed, Life Paarl Valley Hospital, in the Western Cape

IT and data governance

Review of the IT strategy and cyber-security

People and culture

Board and executive succession

Regulatory and compliance

Proposed amendments to the Companies Act and King V

Board focus areas for FY2026

- Evaluating the operating model post the AMG sale
- Ensuring LMI is set up for success and monitoring growth in sales
- Overseeing improvements to clinical quality and patient experience
- Ensuring our people and ESG matters are prioritised
- Monitoring and evaluating the strategy of growth into complementary services

Company secretary

The company secretary, Joshila Ranchhod, holds a law degree and is an admitted attorney with over 20 years' experience in the corporate environment. She joined the Group in 2019 and was appointed company secretary in 2021.

An external evaluation of her performance was conducted in FY2023, and is done every three years, with an internal evaluation performed in FY2024 and FY2025. These evaluations found that she supported the Board with the necessary advice and expertise and executed her responsibilities with integrity and professionalism. The Board is satisfied that she acts independently, providing unbiased advice to the Board and ensuring that corporate governance principles are followed without conflict of interest.

Board meeting attendance

We differentiate between scheduled and ad hoc meetings, as the latter relate to specific topics or transactions and can be called at short notice, affecting availability and attendance.

SCHEDULED BOARD MEETINGS

Members	Board	Audit and Risk	Investment	Nominations and Governance	Human Resources and Remuneration	Social, Ethics and Transformation	Clinical	Attendance %
MF Abdullah	4/4						4/4	100%
JE Bolger	4/4		5/5				4/4	100%
RA Campbell	3/4						3/4	75%
CM Henry	4/4	4/4	5/5*			3/3		100%
LE Holmqvist [^]	0/1	0/1	1/1					33%
ME Jacobs	3/4					3/3	3/4*	82%
VL Lithakanyane	4/4*		5/5	3/3*			4/4	100%
AM Mothupi-Palmstierna	4/4	4/4			4/4*	3/3		100%
TP Moeketsi	4/4	4/4	5/5		4/4			100%
JK Netshitenzhe [^]	1/1	1/1		1/1		1/1		100%
M Sello	4/4			3/3	4/4	3/3*		100%
F Tonelli	4/4	4/4*		3/3	4/4			100%
PP van der Westhuizen	4/4		5/5					100%
PG Wharton-Hood	4/4		5/5			3/3	4/4	100%
% Overall attendance	94%	94%	100%	100%	100%	100%	92%	97%

The Board achieved a 94% overall attendance rate in FY2025.

AD HOC BOARD MEETINGS

Members	Board	Audit and Risk	Investment	Human Resources and Remuneration	Attendance %
MF Abdullah	5/5				100%
JE Bolger	5/5		5/5		100%
RA Campbell	5/5				100%
CM Henry	5/5	5/5	5/5*		100%
LE Holmqvist [^]	1/5	0/4	0/5		7%
ME Jacobs	4/5				80%
VL Lithakanyane	5/5*		4/5		90%
AM Mothupi-Palmstierna	5/5	4/5		2/2*	92%
TP Moeketsi	5/5	4/5	4/5	2/2	88%
JK Netshitenzhe [^]	4/5	2/4			67%
M Sello	5/5			2/2	100%
F Tonelli	5/5	5/5*		2/2	100%
PP van der Westhuizen	5/5		4/5		90%
PG Wharton-Hood	5/5		4/5		90%
% Overall attendance	91%	71%	74%	100%	84%

* Chairman.

[^] Retired 20 February 2025.

Board committees

The Board has six committees, each with formal terms of reference that sets out mandated duties and responsibilities.

Audit and Risk Committee

PURPOSE AND MANDATE

The Committee has an independent role with accountability to both the Board and shareholders. It supports the Board in discharging its governance oversight duties. These duties include, but are not limited to the safeguarding of assets and the operation of adequate and effective systems and control processes.

The Committee oversees the effectiveness of the Group's external and internal audit assurance functions. It has oversight over the preparation of the integrated annual report and annual financial statements to ensure these comply with legal and regulatory requirements and accounting standards.

The Committee oversees and ensures that the Company has implemented an effective policy and plan for risk management and compliance which encompasses the inclusion of opportunities and associated risks to be considered when developing the Company's strategy. In addition, the Committee oversees IT strategy and risks. It assists the Board in positioning the approach for managing and addressing risk, compliance and IT governance, while adopting a stakeholder-inclusive stance.

KEY OUTCOMES FOR FY2025

- Accounting for the disposal of LMI in terms of IFRS 5 and review of the shareholder circular
- Approval of the integrated annual report, annual financial statements, trading updates and trading statement
- Approval for the special dividend payments upon conclusion of the LMI transaction as well as considering the payment of ordinary dividends
- Consideration of external assurance provided on ESG data for the integrated annual report
- Approval of the internal audit plan and consideration of the internal audit opinion on the internal control environment
- Oversight of the key finance initiatives across the Company
- Oversight of the cell captive which replaced insurance in certain areas of the business
- Approval of the risk appetite framework and the compliance framework
- Oversight of the combined assurance coverage in the Company
- Regular updates on the IT environment relating to internal controls and financial reporting
- Review of information security, controls and cyber-architecture

Additional information, including the 2025 annual financial statements, Audit and Risk Committee report, and circular to the shareholders regarding the LMI transaction, can be found on our website.

Read more in *we manage risks effectively* on page 94. Read more about our material matters in *our operating context* on page 35.

The Committee met four times and discharged all of the duties delegated to it by the Board.

MEMBERS

- Fulvio Tonelli (Chairman)
- Caroline Henry
- Lars Holmqvist*
- Paul Moeketsi
- Audrey Mothupi-Palmstierna
- Joel Netshitenzhe*

Permanent invitees

- Dr Victor Lithakanyane
- Brett Mill
- Asanda Myataza
- David Price
- Pieter van der Westhuizen
- Pete Wharton-Hood
- External audit
- Internal audit

* Retired 20 February 2025.

EXPERTISE

Commercial, corporate governance, financial, risk and compliance management, IT strategy

Independence

100%

Attendance

80% (overall)
94% (scheduled meetings)
71% (ad hoc meetings)

Clinical Committee

PURPOSE AND MANDATE

The Committee assists the Board in promoting a culture of clinical excellence and continued improvement in patient safety, clinical quality and patient experience, by providing oversight and strategic guidance to the organisation. It ensures that the clinical initiatives are aligned with the Company's overall strategy and is compliant with its ethical standards and obligations.

The Committee also provides external oversight of the Company's clinical governance arrangements and clinical and medical regulatory compliance, ensuring that the appropriate measures are in place to monitor and promote excellence and continued improvement in clinical quality, patient safety, clinical outcomes, and patient experience throughout the Company.

KEY OUTCOMES FOR FY2025

- Review of programmes established for nursing wellness and training
- Received reports on patient experience and safety within the hospitals
- Review of governance structures within the hospitals and regions to ensure adequate oversight of clinical processes and patient outcomes
- Receipt of the medico-legal report
- Regular updates on the management of concerns relating to doctors working in our facilities
- Review of the clinical governance framework
- Deep dives on topics that are clinically important to the operations and impacting the clinical narrative nationally (e.g. doctor training, infection prevention)

Read more about our quality and safety information in *clinical excellence* on page 49.

Read more about employee training in our 2025 sustainability report.

The Committee met four times and discharged all of the duties delegated to it by the Board.

MEMBERS

- Prof Marian Jacobs (Chairman)*
- Dr Fareed Abdullah
- Dr Jeanne Bolger*
- Dr Raymond Campbell
- Dr Victor Lithakanyane
- Pete Wharton-Hood

Permanent invitees

- Craig Koekemoer
- Brett Mill
- Merle Victor
- Dr Karisha Quarrie

* Retiring 19 February 2026

EXPERTISE

Healthcare delivery, medical/healthcare training, public policy and regulation, current and future healthcare challenges and opportunities

Independence

83%

Attendance

92%

Human Resources and Remuneration Committee

PURPOSE AND MANDATE

The Committee assists the Board in ensuring the Company remunerates fairly, responsibly and transparently to promote the achievement of strategic objectives and positive outcomes in the short, medium and long term while adopting a stakeholder-inclusive approach. The Committee ensures the Company has a clear remuneration philosophy and human resource strategy.

KEY OUTCOMES FOR FY2025

- Shareholder engagement on the Company's remuneration and implementation report
- Review and enhancement of the Company's remuneration policy
- Oversight of the salary mandate and incentive schemes
- Review human resources strategy and human capital risk for the Company
- Review of diversity and inclusion across the Company
- Updates provided in relation to employee value proposition

Read more about our remuneration policy in *our 2025 remuneration report*.

The RemCo met four times and discharged all of the duties delegated to it by the Board.

MEMBERS

Audrey Mothupi-Palmstierna
(Chairman)
Paul Moeketsi
Adv Mahlape Sello
Fulvio Tonelli

Permanent invitees

Dr Victor Litlhakanyane
Avanathi Parboosing
Pete Wharton-Hood

EXPERTISE

HR strategy, talent development, remuneration policy, transformation and diversity

Independence

100%

Attendance

100% (overall attendance)
100% (scheduled meetings)
100% (ad hoc meetings)

Investment Committee

PURPOSE AND MANDATE

The Committee evaluates the Company's investment and funding initiatives, to ensure that they are aligned with the overall Company strategy in light of a changing market environment. The Committee assesses risk exposure in relation to key investments, acquisition and disposal of assets as well as funding matters.

KEY OUTCOMES FOR FY2025

- Approval of the Company's budget
- Oversight in relation to the disposal of LMI
- Monitoring of debt facilities
- Evaluating proposals for new acquisitions and new lines of business including the Life Paarl Valley Hospital development
- Evaluation of hedging proposals
- Review and recommend the annual weighted average cost of capital (WACC) calculation
- Monitoring of the Domestic Medium Term Note Programme
- Review of the CFROI principles and calculations
- Reviewed the investment risk for the business
- Oversight in relation to the disposal of Life St Mary's Private Hospital in Mthatha
- Received feedback on shareholders and stakeholder engagements
- Oversight in relation to the FMC transaction as well as its integration into the Company's operations
- Review and approval of the following policies:
 - Distribution policy
 - Treasury policy
 - Investor relations policy
 - Price sensitive information and insider trading policy

The Committee met four times and discharged all of the duties delegated to it by the Board.

MEMBERS

Caroline Henry (Chairman)
Dr Jeanne Bolger*
Lars Holmqvist*
Dr Victor Litlhakanyane
Paul Moeketsi
Pieter van der Westhuizen
Pete Wharton-Hood

Permanent invitees

Craig Koekemoer
Brett Mill
Asanda Myataza
Adam Pyle

* Retiring 19 February 2026
^ Retired 20 February 2025

EXPERTISE

Business acumen, financial strategy, risk and compliance, mergers and acquisitions, treasury, business development and strategic consulting

Independence

67%

Attendance

86% (overall attendance)
100% (scheduled meetings)
74% (ad hoc meetings)



Nominations and Governance Committee

PURPOSE AND MANDATE

The Committee's principal role is to assist the Board in discharging its responsibilities in respect of governance across the Company, Board succession and effectiveness. The Committee ensures that all new directors receive a comprehensive induction programme and that suitable director development training is provided.

It continuously monitors the adequacy and effectiveness of the Company's corporate governance structures and processes and oversees the annual review of the Company's delegation of authority (DoA) and the governance framework. It further ensures that the Board is apprised of developments in legislation and updated on global trends and focus areas in corporate governance.

KEY OUTCOMES FOR FY2025

- Conducted the annual internal evaluation of the Board
- Review of the induction programme for new directors
- Review of the Board Charter, governance framework and the DoA
- Oversight in ensuring that the Company met its obligations in relation to the Companies Act and the JSE Listings Requirements
- Reviewed the independence of the Board as well as considering the declarations made by directors in respect of conflicts
- Ensured the Board was apprised of latest developments in legislation
- Evaluated the performance of the chief executive and the company secretary

Read more about our Board composition and changes in *the Board* from page 88.

The Committee met three times and discharged all of the duties delegated to it by the Board.

MEMBERS

Dr Victor Lithakanyane (Chairman)
Adv Mahlape Sello
Joel Netshitenzhe*
Fulvio Tonelli

Permanent invitees

Pete Wharton-Hood

* Retired 20 February 2025

EXPERTISE

Transformation and diversity, leadership, succession planning

Independence

100%

Attendance

100%

Social, Ethics and Transformation Committee

PURPOSE AND MANDATE

The role of the Committee is to ensure that the Company's activities support its intent to be a responsible corporate citizen and to assist the Board in setting the tone for an ethical organisational culture. This is done by overseeing the Company's conduct, approach and manner in which business is conducted, with due regard to value creation in society.

The Committee monitors and reviews the reports on ethics and business integrity, transformation, sustainable development, corporate social investment and stakeholder inclusivity, as required by King IV™.

KEY OUTCOMES FOR FY2025

- Reviewed the ESG targets for the Company
- Review information in relation to diversity and inclusion
- Oversight of matters reported to the whistle blowing hotline and the ethics office
- Oversight of Corporate Social Investment (CSI)
- Review of the Company's employment equity plan in accordance with the revised Employment Equity Regulations, implemented 1 January 2025

Read more about our ESG targets and CSI projects in our 2025 sustainability report.

Read more about diversity and inclusion in *our governance approach* on page 88 and the 2025 sustainability report.

The SETCO met three times and discharged all of the duties delegated to it by the Board.

MEMBERS

Adv Mahlape Sello (Chairman)
Caroline Henry
Prof Marian Jacobs
Audrey Mothupi-Palmstierna
Joel Netshitenzhe*
Pete Wharton-Hood

Permanent invitees

Dr Victor Lithakanyane
Brett Mill
Avanathi Parboosing

* Retired 20 February 2025

EXPERTISE

Transformation and diversity, ESG, stakeholder engagement, reputation management

Independence

83%

Attendance

100%

We manage risks effectively

We face a complex set of risks as healthcare providers operating in southern Africa. We manage these risks to mitigate their impact.

Our approach to risk management

We have a formal, systematic and proactive approach to risk management, supported by mature governance systems and risk culture. We have a multi-disciplinary approach involving a range of internal and external stakeholders, who have an interest in a well-managed, safe and secure healthcare ecosystem.

The Board is ultimately responsible for governing risk at Life Healthcare and ensuring that effective and robust enterprise risk management processes are in place. The risk function supports the Audit and Risk Committee in assisting the Board with the oversight of risk management.

Risk management is a central function and reports to the chief actuary and risk officer.

The Group uses a hybrid, decentralised risk management operating model. Risk champions appointed in the operations facilitate information sharing between the risk and operational teams, acting as change agents who ensure that risk management principles are integrated into everyday decisions, behaviours and the organisational culture.

Our risk culture

Life Healthcare is committed to embedding risk management into our culture and operations, and to building increased awareness and a shared responsibility for risk management at all levels of the Group.

Our risk culture has a strong ethical foundation. Employees are regularly reminded of their role in strengthening our risk culture to build a Group that thrives on trust, performance and care.

Enterprise risk management (ERM) policy and framework

Our ERM policy and framework aims to:

- Incorporate a consistent approach to risk management into the culture and strategic planning processes of the Group that supports decision-making and resource allocation at operational and strategic levels

- Establish a risk governance structure that clearly allocates roles and responsibilities
- Provide guidance on the risk management methodology and process
- Provide a clear and strong basis for informed decision-making at all levels of the Group
- Manage a transparent approach to risk through open and meaningful communication and monitoring of all key risks while balancing the cost of managing risk with the anticipated benefit

The Group incorporates risk management into:

- Strategy and business planning
- Clinical and operational processes and activities
- Projects and change management processes
- Acquisitions, investments, new products or services and change initiatives

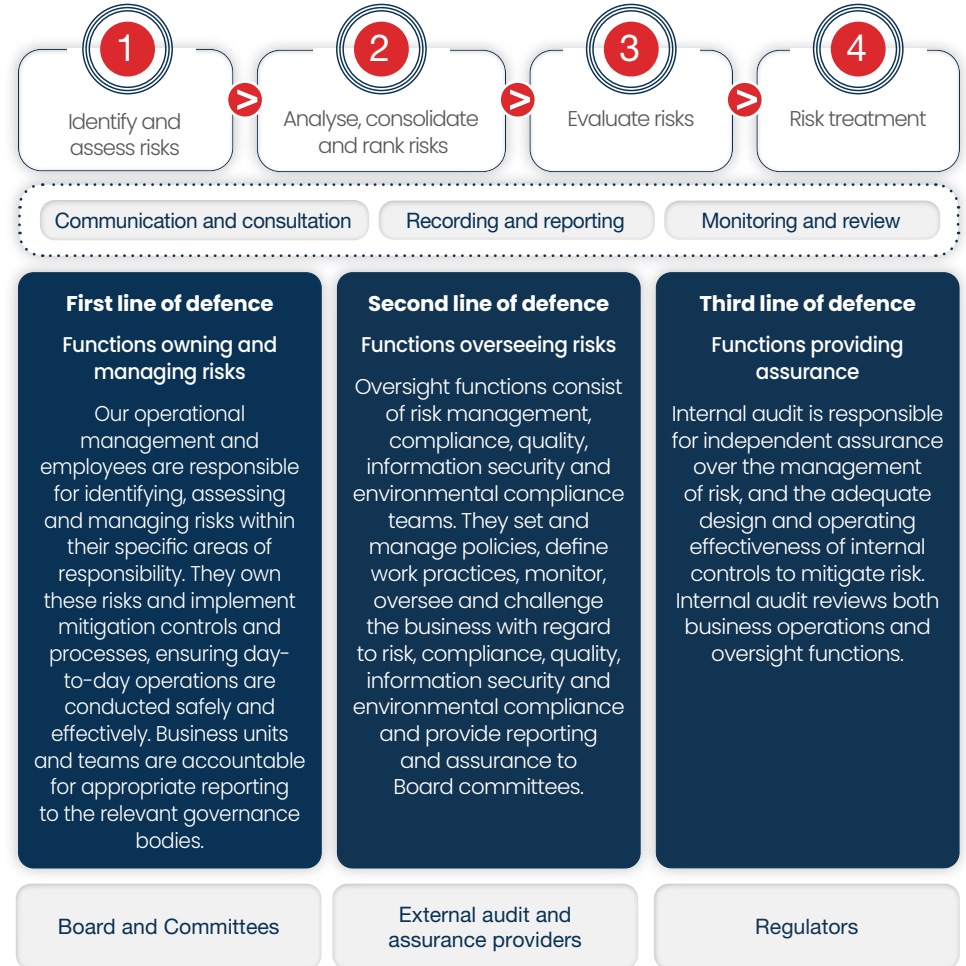
We apply the proportionality principle in terms of which our risk management process is proportionate to the nature, scale and complexity of the risks that we are exposed to.

Our risk management process

Life Healthcare's risk management process is guided by our ERM policy and framework. We use best practice guidelines from ISO 31000 and the Committee of Sponsoring Organizations of the Treadway Commission (COSO) Enterprise Risk Management framework to ensure a fit-for-purpose risk management process that is appropriate for a healthcare context.

Our risk management process is supported by a risk governance and combined assurance model and external oversight bodies.

Our risk management process



Our risk management process has a strategic focus to ensure that we remove barriers to strategy implementation and align decisions with our risk appetite. The process is seamlessly integrated into business processes and follows a bottom-up and top-down approach to identify key risks.

This approach facilitates effective reporting and compliance with relevant laws and regulations and mitigates potential reputational risks. We periodically review our ERM process to incorporate current and emerging best practices, relevant risk research findings, industry trends and regulation changes.

Risk appetite and tolerance

We accept that some risk-taking is necessary to achieve our strategic objectives. We have a risk appetite framework that defines the balance between those risks that the Group accepts to achieve the returns and opportunities that we seek.

Qualitative statements and quantitative metrics delineate tolerance levels and have been established in consultation with senior management. The risk function monitors adherence to the approved risk appetite and provides risk updates to the Audit and Risk Committee and the Board at least quarterly. In the event of a breach of a risk appetite, immediate escalation to the Board is required.

The risk appetite and tolerance levels undergo a comprehensive review at least once a year.

Life Healthcare has a moderate tolerance towards risk. We have a low appetite for risks that could affect patient safety or the delivery of quality care. For this reason, our risk appetite is defined per risk class and according to high-level, qualitative risk appetite statements. Where possible, quantitative risk appetite metrics are defined.

Life Healthcare has a zero tolerance for bullying, abuse, sexual harassment, discrimination and unethical behaviour in the workplace.

No undue, unexpected or unusual risks were taken outside of risk tolerance levels.

Our risk register

Business units capture risk information in their risk registers, which are based on a standardised template. The consolidated Group risk register tracks risks and the status of any risk mitigation actions. Our risk register is a living document and is subject to regular review and update as risks are addressed and new risks identified.

Key risks and indicators

We use key risk indicators to establish measures for regular trend monitoring and risk exposures. These provide early signals of increasing risk exposures and indicate the effectiveness of controls.

We define risk according to ten key risk categories, each with a risk owner.

FY2025 TOP RISK SUMMARY

2025 risk ranking	2024 risk ranking	Risk description	Probable short-term trend	Link to strategy	Line of defence
1	1	Clinical, non-clinical and management skills shortages	▲		1, 2, 3
2	2	Regulatory changes and uncertainty	>		1, 2, 3
3	3	A challenging economic environment	>		1, 2, 3
4	4	Infrastructure weakness	▲		1, 2, 3
5	5	Cyber-security and breaches	▲		1, 2, 3
6	6	A changing healthcare landscape	▲		1, 2, 3
7	N/A	Property exposure	>		1, 2, 3

Read more about our lines of defence in *our risk management process* on page 94. Read more about some of these key risks in *our operating context* from page 35 and *we deliver against our strategy* from page 43.

Growth strategy icons

Grow

Drive

Optimise

Utilise capabilities

Compassionate people

Clinical excellence

Doctor relationships

Footprint

Technology and data

Strong balance sheet

1 CLINICAL, NON-CLINICAL AND MANAGEMENT SKILL SHORTAGES

Countrywide shortages in clinical, non-clinical and management skills can lead to a lack of skilled employees to provide quality healthcare and meet our strategic and operational targets. This can affect our growth, performance and sustainability.

How we mitigate this risk	Related opportunity	Assurance
<ul style="list-style-type: none"> The Life Healthcare nursing education learning centres offer private nursing qualifications We use third-party nursing agencies to augment employee numbers Our employee redeployment strategy mitigates temporary shortages We offer an enhanced EVP, including employee share schemes, remuneration benchmarking and other benefits Clear career pathways drive training and development programmes We do management and leadership development Skills are enhanced through continuing professional education, internship and assistance programmes We have succession planning for key positions Our recruitment and retention strategy for independent medical specialists includes: <ul style="list-style-type: none"> Bursaries and clinical training CPD events Quality improvement initiatives Doctor partnership model Doctor shareholding model Maintaining world-class infrastructure and equipment at facilities 	<ul style="list-style-type: none"> South African Nursing Council engagement to increase nurse training allocations Succession planning to ensure business continuity Enhance benefits to attract and retain talent Developing critical skills will improve business performance Enhancing employee health and wellness through Life Health Solutions 	<p>Non-independent assurance</p> <ul style="list-style-type: none"> ExCo Quality teams HR teams Risk and compliance teams <p>Independent assurance</p> <ul style="list-style-type: none"> Internal audit British Standards Institution (BSI) Department of Employment and Labour
Outlook	Relevant material matters	Level of control
<p>This risk could increase in the medium term due to:</p> <ul style="list-style-type: none"> Competition for nurses from private and public sector competitors as well as international opportunities Constraints on nurse training allocations Retirement and emigration 	<ul style="list-style-type: none"> Attract and retain employees and specialists Deliver care which is high-quality, cost-effective and people-centred 	<p>Medium</p>
Board oversight	Key stakeholders impacted	Remuneration-related KPIs
<p>RemCo</p> <p>Clinical Committee</p> <p>Audit and Risk Committee</p>	<ul style="list-style-type: none"> Patients Employees Clinicians Shareholders, investors and financiers 	<p>ESG assessment and individual executive performance rating. Read more in the 2025 remuneration report.</p>

2 REGULATORY CHANGES AND UNCERTAINTY

Changes in government policy, including the promulgation of new legislation such as the National Health Insurance Act and the Employment Equity Act, or changes in existing regulations, can negatively impact the healthcare industry. Potential changes include the Prescribed Minimum Benefits, the National Health Act and the Medical Schemes Amendment Act. Lack of consultation and pervasive uncertainty can lead to higher costs and lower investment appetite, which will affect our growth prospects and sustainability.

How we mitigate this risk	Related opportunity	Assurance
<ul style="list-style-type: none"> Proactively monitor and, where possible, provide input for proposed legislation Strategic planning to meet the changing regulatory landscape Actively participating in industry association responses to regulatory changes Engaging with government decision-makers 	<ul style="list-style-type: none"> Assisting industry bodies in developing solutions through continued engagement with regulators and other relevant bodies Enhancing and protecting our reputation through ongoing compliance with laws and regulations Transparent engagement processes to enhance our relationships with a variety of stakeholders 	<p>Non-independent assurance</p> <ul style="list-style-type: none"> ExCo Health policy teams Risk and compliance teams Quality teams <p>Independent assurance</p> <ul style="list-style-type: none"> Internal audit BSI Department of Health Office of Health Standards Compliance Department of Employment and Labour Department of Social Development Health Professions Council of South Africa South African Pharmacy Council
Outlook	Relevant material matters	Level of control
<p>The Group continues to address changing legislative and regulatory requirements and ensure compliance with these requirements. We expect the risk to remain high in the medium term and until there is greater clarity on the implementation of the NHI Act.</p>	<ul style="list-style-type: none"> Adapt and grow our diversified business in a sustainable manner Be a trusted partner for all of our stakeholders 	<p>Medium</p>
Board oversight	Key stakeholders impacted	Remuneration-related KPIs
<p>Audit and Risk Committee</p>	<ul style="list-style-type: none"> Healthcare funders Shareholders, investors and financiers Government and industry regulatory bodies 	<p>N/A</p>

3 A CHALLENGING ECONOMIC ENVIRONMENT

Slow economic growth, high medical inflation and high unemployment are increasing cost pressures on patients, businesses and funders. South Africans who have access to private healthcare are either opting out of medical scheme cover or are buying down to lower levels of cover or restricted network options. This is affecting our growth opportunities and putting significant cost pressure on funders.

How we mitigate this risk

- We have a diversified business model offering services across the care continuum
- Regular strategy reviews track outcomes and progress of strategic decisions
- We monitor country-specific factors that may impact operations and take actions to mitigate risks (e.g. interest rate and currency hedging)
- Ongoing engagements with regulators and governments ensure long-term partnership solutions
- We focus on business optimisation programmes

Related opportunity

- Building relationships with local governments and positively impacting the healthcare markets where we operate
- Providing patient-centric care and improving access to care

Assurance

- Non-independent assurance
- ExCo
 - Finance and treasury teams
 - Risk and compliance teams

Outlook

While global inflation decreased, near-term risks such as the new US tariff regime remain, which could curtail global growth, increase unemployment and increase pressure on living standards and affordability levels.

We expect the risk to remain high in the medium term due to high levels of uncertainty and low business confidence and investment.

Relevant material matters

- Adapt and grow our diversified business in a sustainable manner
- Deliver care which is high-quality, cost-effective and people-centred
- Be a trusted partner for all stakeholders

Level of control

Low

Board oversight

Audit and Risk Committee
Investment Committee

Key stakeholders impacted

- Patients
- Employees
- Clinicians
- Healthcare funders
- Shareholders, investors and financiers
- Suppliers
- Government and industry regulatory bodies
- Society

Remuneration-related KPIs

CFROI (capital efficiency) averaged over a two-year period against WACC.

4 INFRASTRUCTURE WEAKNESS

Poor public infrastructure maintenance and municipal service delivery for water and electricity are affecting operational sustainability. The escalating water crisis increases the possibility of prolonged municipal water outages and poor water quality, which will affect the quality of patient care, operating expenses and operations.

How we mitigate this risk

- We do emergency and disaster planning and have contingency and business continuity plans
- Regular maintenance and upkeep of equipment are carried out in line with original equipment manufacturer specifications
- We have on-site facility and engineering teams
- Internal and external fire assessments, compliance assessments and risk assessments are carried out at all facilities
- We have emergency backup generators at facilities for uninterrupted electricity
- Facilities have backup water supply (boreholes and water tanks)
- Regular testing of municipal water with water treatment protocols in place

Related opportunity

- Proactively managing operational risks
- Preventative actions to reduce losses from damage and business disruption
- Reduction of grid-tied electricity and/or water usage will improve the sustainability of our business and contribute to achieving our environmental targets (reduced carbon emissions and water usage)

Assurance

- Non-independent assurance
- ExCo
 - Operational management teams
 - Property and engineering teams
 - Quality teams
 - Risk and compliance teams
 - Environmental compliance teams
- Independent assurance
- Internal audit
 - BSI
 - Fire department inspections: Independent electrical and fire assessors

Outlook

Business resilience and continuity are susceptible to changing global and national political and market conditions.

This, coupled with climate change impacts, could affect our business.

We see the risk decreasing in the medium term due the sustained reduction in loadshedding and our ongoing investment in renewable energy and backup or alternative water sources at our facilities.

Relevant material matters

- Adapt and grow our diversified business in a sustainable manner
- Be a trusted partner for all of our stakeholders

Level of control

Medium

Board oversight

Audit and Risk Committee

Key stakeholders impacted

- Patients
- Employees
- Clinicians
- Shareholders, investors and financiers
- Suppliers
- Government and industry regulatory bodies
- Society

Remuneration-related KPIs

ESG solar roll-out.

5 CYBER-SECURITY AND BREACHES

Deliberate, unauthorised and targeted cyber-attacks can result in breaches that can affect the quality and security of information and data assets.

How we mitigate this risk

- We conduct regular assessments of our IT infrastructure with action plans to implement enhancements
- Software and hardware are continuously upgraded or replaced
- We develop and implement IT policies to strengthen the control environment
- Third-party IT risks are managed through continued contract compliance maturity and service delivery monitoring
- Contingency and disaster recovery capabilities are in place for disruptions
- Our chief information security officer has a dedicated information security team
- We monitor security events through our 24/7 security operations centre
- Information security management system enhancements are done continuously
- We perform regular internal and external risk and security assessments
- Cyber-security controls include advanced email protection, firewalls, encryption, endpoint protection, cyber-security enhancements and personal information protection
- We use proactive tools to detect and respond to cyber-threats
- Employees are provided with regular information security and cyber-awareness training
- We ensure adherence to the requirements of the Protection of Personal Information Act, 4 of 2013

Related opportunity

- We offer better and more efficient services to our patients by investing in our IT infrastructure, lowering the cost of care while maintaining quality
- Appropriate and effective IT infrastructure and systems support growth initiatives and performance expectations
- We invest in information security controls to enhance our existing security measures and safeguard our data to provide reassurance to our stakeholders

Assurance

- Non-independent assurance
- ExCo
 - Information security team
 - Risk and compliance teams
 - IT Management Committee and governance teams
- Independent assurance
- Internal audit
 - BSI
 - External audit

Outlook

We expect cyber-risk to increase in the short to medium term as cyber-threats continue to evolve and new vulnerabilities and threat vectors are created from the use of artificial intelligence. Despite significant investment in strengthening our security posture, threat actors are quick to find new ways to target businesses, and the number of breaches is rising globally. Our maturing cyber-security practices will help minimise the likelihood and impact on the business.

Relevant material matters

- Adapt and grow our diversified business in a sustainable manner
- Be a trusted partner for all of our stakeholders

Level of control

Medium

Board oversight

Audit and Risk Committee

Key stakeholders impacted

- Patients
- Employees
- Clinicians
- Healthcare funders
- Shareholders, investors and financiers
- Suppliers
- Government and industry regulatory bodies

Remuneration-related KPIs

N/A

6 A CHANGING HEALTHCARE LANDSCAPE

New technology, changing disease patterns and increasing regulation are causing shifts in the locations and levels of care on offer. Combined with changing demographics, this could have a long-term impact on patient admission patterns and volumes at facilities, ultimately impacting financial performance.

How we mitigate this risk	Related opportunity	Assurance
<ul style="list-style-type: none"> Annual strategy reviews track progress against this risk The Board approves the strategy and provides performance oversight We have a skilled and experienced executive and management team Investments and acquisitions are subject to governance and management oversight We do business environment scanning We adhere to product development governance guidelines for initiatives in progress We have diversified product and service offerings in multiple geographies 	<ul style="list-style-type: none"> Proactively managing strategic and business risks enables agile business decisions, minimises financial loss and promotes competitive differentiation Improved engagement with healthcare professionals allows us to deliver patient-centred, quality care to patients 	<p>Non-independent assurance</p> <ul style="list-style-type: none"> ExCo Clinical teams Medical advisory committees Quality teams Risk and compliance teams <p>Independent assurance</p> <ul style="list-style-type: none"> Internal audit BSI
Outlook	Relevant material matters	Level of control
<p>Digital transformation and innovative care offerings have become a priority.</p> <p>This risk will likely increase as funders and competitors adapt to the changing demand for healthcare.</p>	<ul style="list-style-type: none"> Adapt and grow our diversified business in a sustainable manner Deliver care which is high-quality, cost-effective and people-centred 	<p>High</p>
Board oversight	Key stakeholders impacted	Remuneration-related KPIs
<p>Audit and Risk Committee</p> <p>Clinical Committee</p> <p>Investment Committee</p>	<ul style="list-style-type: none"> Patients Employees Clinicians Healthcare funders Shareholders, investors and financiers Government and industry regulatory bodies 	<p>CFROI (capital efficiency) averaged over a two-year period against WACC.</p>

7 PROPERTY EXPOSURE

Our property portfolio is exposed to business risk where locations are considered inappropriate, and to disruptive events primarily from external factors such as fire, flooding and unrest. These events could impact our ability to provide quality patient care and can result in financial loss or regulatory sanctions.

How we mitigate this risk

- We have an established procedure for the escalation and reporting of external incidents
- The disaster management plan and the emergency response plan at the hospital level are periodically reviewed
- Periodic internal and external disaster management drills are carried out at the hospital level, and corrective actions are implemented as necessary
- We have geographically dispersed properties and facilities
- We have insurance cover for property damage and business interruption
- We identify external environmental incidents in the aspect and impact register

Related opportunity

- As we own most of our properties, we can respond immediately and flexibly to any events
- Reassess our property portfolio to optimise our property footprint
- Investment in energy efficiency initiatives to reduce our impact on the environment

Assurance

- Non-independent assurance
- ExCo
 - Operational management teams
 - Property and engineering teams
 - Risk and compliance teams
 - Environmental compliance teams
- Independent assurance
- Internal audit
 - Asset insurance risk assessors
 - Fire department inspections: independent electrical and fire assessors

Outlook

Climate change events and social unrest are both likely to increase over time, which increases the likelihood and potential impact of these events.

Relevant material matters

- Adapt and grow our diversified business in a sustainable manner
- Be a trusted partner for all of our stakeholders

Level of control

Medium

Board oversight

Audit and Risk Committee

Key stakeholders impacted

- Patients
- Employees
- Clinicians
- Shareholders, investors and financiers

Remuneration-related KPIs

N/A

Appendices

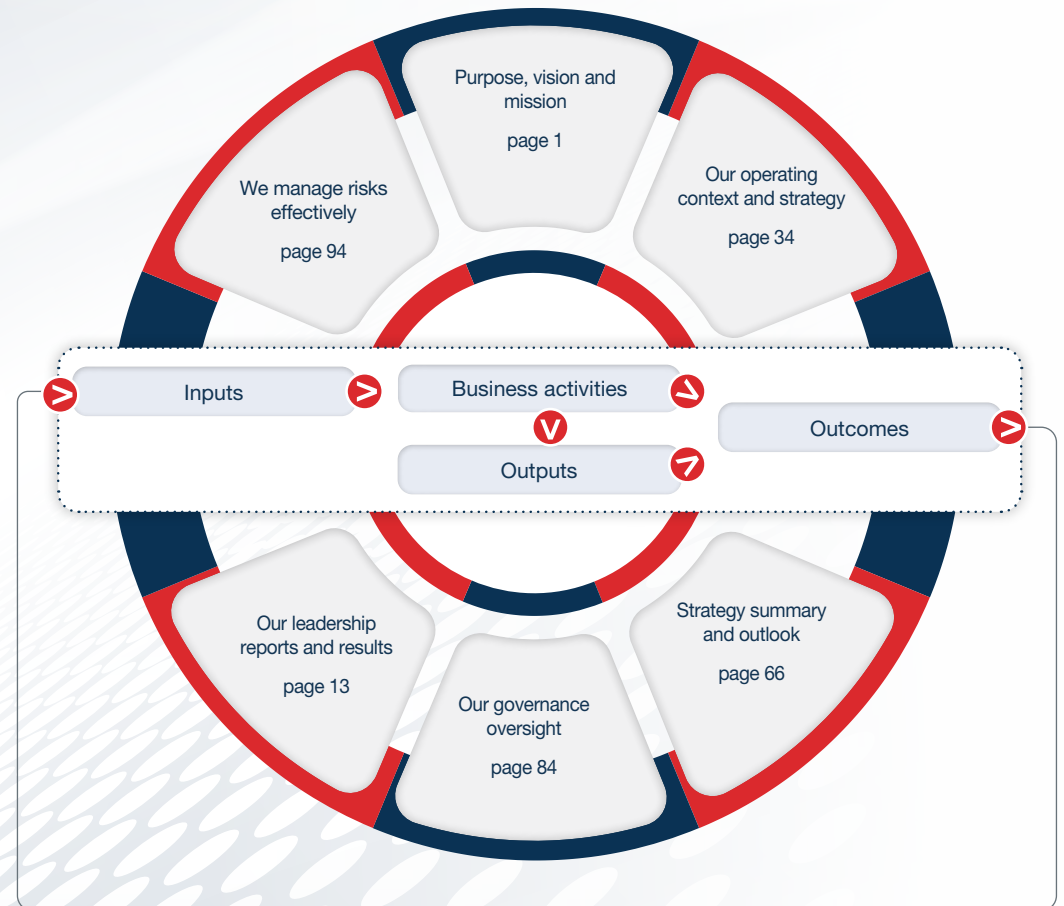
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Business model summary

We highlight our dependencies on critical resources and relationships throughout the report. The summary below contains the data that underpinned our business model in FY2025. Where relevant, we provide references to more qualitative detail in other sections of the report.



Inputs

Financial capital

The pool of funds entrusted to us by our shareholders, investors and banks. Funds include equity capital, short and long-term loans, corporate bonds and profits generated from our business activities and investments.

R12.4 billion equity (2024: R13.5 billion)

R0.1 billion net debt, including continued and discontinued operations (2024: R2.0 billion)

Manufactured capital

Clinical excellence is supported by technologically advanced and multi-disciplinary facilities, optimal infrastructure, data and analytics capabilities, and world-class medical equipment.

Hospitals

47 acute hospitals (2024: 48)
293 surgical theatres (2024: 297)
17 cathlabs (2024: 16)

Facilities

9 mental health facilities (2024: 9)
7 acute rehabilitation units (2024: 7)
74 renal dialysis facilities (2024: 71)
5 oncology facilities (2024: 5)
11 imaging facilities (2024: 10)
3 nuclear medicine facilities (2024: 3)
7 Life Nkanyisa facilities (2024: 7)

Beds

8 174 acute hospital registered beds (2024: 8 308)
607 mental health registered beds (2024: 607)
287 acute rehabilitation registered beds (2024: 287)
2 531 Life Nkanyisa beds (2024: 2 308)

Other

1 089 renal stations (2024: 1 012)
3 456 PET-CT and SPECT-CT scans (2024: 3 198)
232 occupational health clinics (2024: 253)
2 cyclotrons (2024: 0)
R11.3 billion in property, plant and equipment (PPE) (2024: R10.8 billion)

R1.4 billion in maintenance capital (2024: R1.2 billion)

R0.4 billion in growth capital (2024: R0.8 billion)

R38 million spent on acquisitions (2024: R0.4 billion)

R125 million spent on IT projects (2024: R131 million)

Human capital

Our employees are essential for our success and sustainability. They are the innovators, problem solvers and driving force behind our growth and the achievement of our purpose of *making life better*.

EVP (read more on page 45)

Promoting **diversity** and **inclusion** (read more on page 47)

16 549 permanent employees (2024: 16 108)

R10.0 billion spent on employee salaries and benefits (for continuing operations) (2024: R9.5 billion)

5.1% overall salary increase (2024: 6.2%)

R193 million spent on total training (2024: R188 million)

R176 million spent on employee training (2024: R174 million)

R70.2 million spent on share purchases for employees (2024: R67.5 million)

Intellectual capital

Our knowledge capital expands as we grow through acquisitions and investments in training, research and relationships.

R76.8 million in nurse and specialist training (2024: R82.7 million)

Clinical pathways coupled with outcome measurement (read more on page 49)

Patient experiences (read more on page 50)

Computer software (read more about *technology and data* on page 52)

Customer and funder relationships (read more about how *we make life better* on page 2)

Intellectual property

Hospital licences

Brand names

Benefits arising from acquisition synergies (read more in *value unlocked for shareholders* on page 22)

Social and relationship capital

Our healthcare services impact millions of patients, their families and communities. These services also have an impact on suppliers and rely on our good standing with government and regulators.

No significant or repeated regulatory penalties, sanctions or fines (2024: 0)

R12.8 billion spent on the procurement of consumables, drugs, utilities and professional services (2024: R11.7 billion)

102.4% empowered vendor spend (2024: 102.9%)

R147.0 million spent on CSI projects (2024: R145.7 million)

Natural capital

We use renewable and non-renewable natural resources in delivering services to our patients. While our business has an inescapable impact on the environment, we strive to lessen negative impacts by measuring and managing our activities.

14 hospitals with solar photovoltaic systems (2024: 14)

5.6 MWp photovoltaic energy installed (2024: 5.6 MWp)

On-site water storage and borehole installations
ISO 14001 certification

Healthcare risk waste programme implemented
Water meters at facilities

5-star green building rating from the South African Green Building Council for Life Healthcare's head office

Business activities

ACUTE HOSPITAL SERVICES	Read more on page 9
COMPLEMENTARY SERVICES	Read more on page 10
HEALTHCARE SOLUTIONS	Read more on page 11

Outputs

Products and services

2 216 051 paid patient days (2024: 2 191 511)	▲
21.1 million theatre minutes (2024: 20.7 million)	▲
20 266 cathlab cases (2024: 20 237)	▲
15 818 mental health admissions (2024: 15 187)	▲
169 815 mental health paid patient days (2024: 159 838)	▲
2 656 acute rehabilitation admissions (2024: 2 528)	▲
66 719 acute rehabilitation paid patient days (2024: 69 650)	▼
522 466 renal dialysis treatments (2024: 369 106)	▲
32 736 oncology treatments (2024: 32 262)	▲
45 035 MRI and CT scans (2024: 41 284)	▲
215 287 X-ray and other scans (2024: 196 689)	▲
844 SPECT-CT scans (2024: 796)	▲
2 612 PET-CT scans (2024: 2 402)	▲
850 633 Life Nkanyisa paid patient days (2024: 1 052 388)	▼
601 872 Life Health Solutions enrolled employees (2024: 460 950)	▲

Emissions and waste

4 064 Scope 1 tonnes CO ₂ e (2024: 6 494)	ⓐ	▼
178 829 Scope 2 tonnes CO ₂ e (2024: 148 446)	ⓐ	▲
1 261 Scope 3 tonnes CO ₂ e (2024: 5 203)		▼
184 154 total tonnes CO ₂ e (2024: 160 143)		▲
4 649 tonnes of healthcare risk waste (2024: 4 645)		▲
5 385 tonnes of total healthcare general waste (2024: 5 693)		▼

Outcomes

Financial capital

R16.6 billion market capitalisation at 30 September 2025 (2024: R23.1 billion)	▼	56 cents per share in ordinary dividends declared (2024: 50 cents)	▲
R3.8 billion in normalised EBITDA from continuing operations (2024: R3.7 billion)	▲	R4.3 billion distributed to shareholders via special dividend (2024: R9.8 billion)	▼
R489 million in gross finance costs from continuing operations (2024: R500 million)	▼		

Manufactured capital

69.2% acute hospital occupancy (2024: 68.7%)	▲	Upgrades and refurbishment to facilities in South Africa (read more on page 65)	▲
76.6% mental health occupancy (2024: 72.5%)	▲	Investments in growth projects in South Africa (read more on page 65)	▲
67.2% acute rehabilitation occupancy (2024: 70.0%)	▼	Modernisation of networks and infrastructure, migration to a cloud-based platform and decommissioning of legacy systems (read more on page 52)	▲
97.1% care bundle compliance (2024: 97.3%)	▼		
Safe hospitals (read more about our safety and quality metrics in the 2025 sustainability report and 2025 Life Healthcare quality review)	▲		
R11.3 billion in PPE after the sale of LMI, capital expenditure and acquisitions (2024: R10.8 billion)	▲		

Human capital

Salary increases mitigated cost-of-living risks for employees (read more in our 2025 remuneration report)	▲	701 nurses registered for training at one of our Life Healthcare nursing learning centres (2024: 669)	▲
43 senior managers received training (2024: 48)	▼	8.8% employee turnover as a result of retention initiatives (2024: 13.0%)	▼

Intellectual capital

2 integrated care products funded	▲	660 nurses graduated (2024: 522)	▲
4 enhanced care programmes	▲	23 specialists received training funded by Life Healthcare (2024: 11)	▲

Social and relationship capital

Life Healthcare is the leading medical scheme network provider in South Africa and the most efficient hospital group, according to funders	▲	Improved clinical outcomes (read more in our 2025 Life Healthcare quality review)	▲
8.59 patient experience score (2024: 8.54)	▲	Most of our procurement spend is with local suppliers, although several of the products they supply are imported	▲
Retention of existing funder networks (read more in <i>unpacking performance with Pete, our Chief Executive</i> on page 19)	▲	Level 3 B-BBEE accreditation (2024: 3)	>

Natural capital

R16.9 million saved in grid-tied electricity costs (2024: R1.9 million)	▲	2 074 tonnes of general waste recycled (2024: 1 589 tonnes)	ⓐ ▲
6.7 GWh of renewable energy consumed (2024: 6.9 GWh)			

Application of the Integrated Reporting Framework

We report according to the principles and content elements set out in the IFRS Foundation’s Integrated Reporting Framework. Our reporting supports integrated thinking, decision-making and actions that focus on the creation of value over the short, medium and long term.

This application summary aims to assist readers who have used our reports in the past to find information due to the significant content structure changes applied in FY2025.

Guiding principles

The guiding principles underpin the preparation of the integrated annual report, informing the content of the report and how information is presented.

<p>Strategic focus and future orientation</p>	<p>Our strategy serves as the anchor for this report. We start the strategy chapter with our capabilities, featuring compassionate people and service excellence as the most important enablers to create and preserve value.</p> <p>We report in detail on our thinking and progress made for the pillars: grow, drive and optimise. We end this chapter with a performance summary that includes a short to medium-term outlook per element.</p>
<p>Connectivity of information</p>	<p>Considering how the Group operates and implements its strategy, we focused on developing content in an integrated way, following a logical structure. With the strategy as core element, we demonstrate connectivity and dependencies by mapping our strategic responses to the trends in our operating context and mapping our strategy to key risks, using icons where relevant. We introduce stakeholders upfront and highlight holistic stakeholder concerns and impacts in the chapter on the operating context. We link these to the key risks, showing which are relevant to which stakeholders. Material matters are also used to show connectivity in the report, featuring relevant links with the operating context and key risks.</p>
<p>Stakeholder relationships</p>	<p>We introduce stakeholders at the start of the report and link our relationships with these groups to our purpose, <i>making life better</i>. Stakeholder considerations and impacts are integrated throughout the report.</p> <p>Stakeholder inputs are used in our strategy development process to define our material matters and to identify our key risks. Our governance approach also demonstrates a stakeholder-inclusive approach built on responsive engagement shaped by our Code of Conduct.</p>
<p>Materiality</p>	<p>Our report features four material matters, unchanged from 2024. These matters are mapped to our operating context and key risks. Materiality was a key consideration in achieving a more concise report that focuses on value creation and preservation.</p>
<p>Conciseness</p>	<p>We reduced the number of pages compared to our 2024 report by restructuring content, removing duplication and ensuring more targeted reporting for the different audiences of the integrated and sustainability reports and Life Healthcare quality review. We focused on demonstrating inherent connectivity between content elements and minimised the use of internal jargon, while explaining relevant technical terms upfront.</p>
<p>Reliability and completeness</p>	<p>We aim to report in a balanced way and not deflect from challenges or negative impacts. We have a robust content development and approval process that involves a range of internal and external stakeholders. Financial and selected non-financial indicators are independently assured. Read more in <i>we report authentically</i> on page 3.</p>
<p>Consistency and comparability</p>	<p>The AMG disposal in FY2024 and the LMI disposal in FY2025 affect comparability. Read about our reporting approach to discontinued operations in <i>we report authentically</i> on page 3. We use benchmark information where available and relevant to enable comparison. Comparatives have been adjusted to reflect continuing operations where applicable.</p>

Content elements

An integrated annual report includes eight content elements that are fundamentally linked and are not mutually exclusive.

<p>Organisational overview and external environment</p>	<p>We profile Life Healthcare in terms of segments, services, footprint, investment case, people demographics and culture. The upfront portfolio summary intends to familiarise readers with the Group, while more profile detail is provided in relevant sections that follow.</p> <p>We expanded the narrative on our operating context to explain the state of healthcare in South Africa and focus on trends that relate to our specific strategic choices. Read more about the latter in <i>our operating context</i> from page 35.</p>	<p>Strategy and resource allocation</p>	<p>Our strategy sets out our long-term objectives and has measurable indicators to track progress. Capital allocation is one of the strategic drivers under our optimise pillar. We explain our approach in <i>key driver: capital allocation</i> on page 65. We are responsible in our approach to our employees and the use of natural resources, as explained in <i>operating responsibly</i> from page 68.</p>
<p>Governance</p>	<p>Our executive team and Board members set the tone for effective and ethical leadership at Life Healthcare. We provide individual profiles and unpack our Board structures, showing roles and responsibilities. We focus on value created through governance, whereas detailed King IV™ information is available in the compliance supplementary report.</p>	<p>Performance</p>	<p>All the leadership reports contain performance narrative that balances financial and non-financial outcomes and KPIs. Performance against our strategy is set out per pillar and summarised on page 66. We also show how remuneration is linked to our strategy in the case study on page 48.</p>
<p>Business model</p>	<p>The <i>business model summary</i> in the appendix on page 104 and the <i>statement of six capital position</i> on page 33 provide detailed indicators related to inputs, outputs, outcomes and business activities. Our strategy, material matters and key risks all consider the six capitals and reflect an appropriate balance. References to the six capitals in the report highlight where the availability of these resources and relationships is material or constitutes key dependencies to create and preserve value, all to promote better integration and flow.</p>	<p>Outlook</p>	<p>Our future expectations are captured in the leadership reports, strategy chapter and in our risk reporting. We include Board focus areas for FY2026 in the section on <i>the Board</i> from page 88. We highlight where outlook information focuses on the short to medium term, whereas our strategy, by its nature, takes a long-term view of opportunities, based on the future trends set out in the operating context.</p>
<p>Risks and opportunities</p>	<p>The section, <i>we manage risks effectively</i> on page 94 sets out the formal processes and systems that govern risk management and shape our risk culture. We provide a list of key risks and link these to mitigation actions and opportunities. Strategic opportunities are also emphasised in <i>our operating context</i> from page 35, with detail on how we address these opportunities in <i>we deliver against our strategy</i> from page 43.</p>	<p>Basis of presentation and preparation</p>	<p>We explain the basis of our reporting in <i>we report authentically</i> from page 3, which includes detail on our reporting suite and the reporting frameworks and standards used. We also highlight what is new in this report.</p>

An extended network

















We provide a summary of our facilities under *manufactured capital* in the business model appendix on page 105.

Key

- Hospitals
- Life Rehabilitation units
- Life Oncology units
- Life Nkanyisa facilities
- Nursing learning centres
- Life Mental Health facilities
- Life Renal Dialysis
- Life Diagnostics units
- Life Health Solutions

Country	Region	Facility Name	Facility Type
Botswana		Life Gaborone Private Hospital	Hospitals, Life Mental Health facilities, Life Rehabilitation units, Life Oncology units
	South Africa	Gauteng	
Baneng Care Centre		Hospitals	
East Rand Learning Centre		Nursing learning centres	
Life Bedford Gardens Hospital		Hospitals, Life Renal Dialysis	
Life Brackenview		Life Mental Health facilities	
Life Brenthurst Hospital		Hospitals, Life Renal Dialysis	
Life Brooklyn Day Hospital		Hospitals	
Life Carstenhof Hospital		Hospitals, Life Renal Dialysis	
Life Carstenview		Life Mental Health facilities	
Life Dalview Hospital		Hospitals	
Life Eugene Marais Hospital		Hospitals, Life Mental Health facilities, Life Rehabilitation units, Life Oncology units	
Life Faerie Glen Hospital		Hospitals	
Life Flora Hospital		Hospitals, Life Renal Dialysis	
Life Fourways Hospital		Hospitals, Life Renal Dialysis	
Life Glynnview		Life Mental Health facilities	
Life Groenkloof Hospital		Hospitals, Life Renal Dialysis	
South Africa		Life New Kensington Clinic	Life Rehabilitation units
	Life Poortview	Life Mental Health facilities	
	Life Pretoria North Surgical Centre	Hospitals	
	Life Renal Dialysis Groenkloof	Life Renal Dialysis	
	Life Renal Dialysis Kempton Park	Life Renal Dialysis	
	Life Renal Dialysis Lenasia	Life Renal Dialysis	
	Life Renal Dialysis Midstream	Life Renal Dialysis	
	Life Renal Dialysis Morningside	Life Renal Dialysis	
	Life Renal Dialysis Pretoria	Life Renal Dialysis	
	Life Renal Dialysis Pretoria (Les Marais)	Life Renal Dialysis	
	Life Renal Dialysis Randfontein	Life Renal Dialysis	
	Life Renal Dialysis Vaal	Life Renal Dialysis	
	Life Renal Dialysis Westrand	Life Renal Dialysis	
	Life Renal Dialysis Wits	Life Renal Dialysis	
	Life Riverfield Lodge	Life Rehabilitation units, Life Mental Health facilities	

South Africa

- Life Robinson Private Hospital   
- Life Roseacres Hospital 
- Life Springs Parkland Hospital   
- Life Suikerbosrand Hospital 
- Life The Glynnwood  
- Life Wilgeheuwel Hospital  
- Life Wilgers Hospital 
- Pretoria Learning Centre 
- Waverly Care Centre 
- West Rand Learning Centre 







North West

- Life Anncron Hospital  
- Life Renal Dialysis Brits 
- Life Renal Dialysis Potchefstroom 
- Life Peglerae Hospital  

Free State


























- Life Renal Dialysis Bloemfontein 
- Life Renal Dialysis Sasolburg 
- Life Rosepark Hospital   
- Mangaung Correctional Centre 

Mpumalanga

- Siyathuthuka Care Centre 
- Life Cosmos Hospital  
- Life Midmed Hospital  
- Life Renal Dialysis Emalahleni 

South Africa

Western Cape

- Cape Town Learning Centre 
- Life Bay View Private Hospital  
- Life Kingsbury Hospital  
- Life Knysna Private Hospital  
- Life Peninsula Eye Hospital 
- Life Renal Dialysis Athlone 
- Life Renal Dialysis Claremont 
- Life Renal Dialysis George 
- Life Renal Dialysis Hermanus 
- Life Renal Dialysis Panorama 
- Life Renal Dialysis Parklands 
- Red Cross Kidney and Dialysis Centre 
- Life Renal Dialysis Western Cape 
- Life Renal Dialysis Winelands 
- Life Renal Dialysis Worcester 
- Life Sports Science Orthopaedic Surgical Day Centre 
- Life St Vincent's 
- Life Vincent Pallotti Hospital    
- Life West Coast Private Hospital 

South Africa

KwaZulu-Natal	
KwaZulu-Natal Learning Centre	
Life Chatsmed Garden Hospital	
Life Empangeni Private Hospital	
Life Entabeni Hospital	
Life Hilton Private Hospital	
Life Mount Edgecombe Hospital	
Life Renal Dialysis Ballito	
Life Renal Dialysis Chatsworth	
Life Renal Dialysis Durban	
Life Renal Dialysis Empangeni	
Life Renal Dialysis Ethekewini	
Life Renal Dialysis Hibiscus	
Life Renal Dialysis KwaZulu-Natal	
Life Renal Dialysis Newcastle	
Life Renal Dialysis Richards Bay	
Life Renal Dialysis Umhlanga	
Life Renal Dialysis Vryheid	
Life St Joseph's	
Life The Crompton Hospital	
Life Westville Hospital	

South Africa

Namibia

Eastern Cape	
Algoa Frail Care Centre	
East London Learning Centre	
Kirkwood Care Centre	
Lorraine Frail Care Centre	
Life Beacon Bay Hospital	
Life East London Private Hospital	
Life Huntersraig Private Hospital	
Life Isivivana Private Hospital	
Life Mercantile Hospital	
Life Queenstown Private Hospital	
Life Renal Dialysis Jeffreys Bay	
Life Renal Dialysis Kokstad	
Life Renal Dialysis Port Elizabeth	
Life St Dominic's Hospital	
Life St George's Hospital	
Life St James Hospital	
Life St Mark's Clinic	
Port Elizabeth Learning Centre	
Life Renal Dialysis Eros	
Life Renal Dialysis Oshakati	
Life Renal Dialysis Otjiwarango	
Life Renal Dialysis Swakopmund	
Life Renal Dialysis Windhoek	

Seven-year performance review

Group Statement of comprehensive income	2025 R'm	2024 ² R'm	2023 R'm	2022 ² R'm	2021 R'm	2020 R'm	2019 R'm
Revenue from continuing operations	25 104	23 674	22 641	20 526	26 885	23 851	25 672
Normalised EBITDA ¹ from continuing operations	3 845	3 671	3 594	3 443	5 051	4 155	5 727
Operating (loss)/profit from continuing operations	(508)	2 320	2 439	2 762	2 980	2 121	3 944
Net finance cost	(122)	(158)	(537)	(581)	(622)	(793)	(998)
Share of associate's net profit after tax	10	8	9	10	25	14	18
(Loss)/profit before tax from continuing operations	(620)	2 170	1 911	2 191	2 409	1 393	3 706
(Loss)/profit for the year from continuing operations	(1 341)	1 534	1 428	1 488	1 767	837	2 871
Profit/(loss) from discontinued operation	5 312	3 413	(990)	226	87	(799)	–
Profit for the year	3 971	4 947	438	1 714	1 854	38	2 871
Ordinary equity holders of the parent	3 864	4 827	264	1 531	1 754	(93)	2 569
Non-controlling interest	107	120	174	183	100	131	302
Normalised EBITDA¹ from continuing operations	3 845	3 671	3 594	3 443	5 051	4 155	5 727
Operating (loss)/profit	(508)	2 320	2 439	2 762	2 980	2 121	3 944
Profit/(loss) on disposal of property, plant and equipment	11	(2)	–	–	–	–	–
Depreciation on property, plant and equipment	1 137	1 066	968	862	1 571	1 476	1 236
Amortisation of intangible assets	175	154	158	118	533	590	586
Fair value adjustment	2 881	63	–	–	–	–	–
Other adjustments	182	106	63	(266)	–	–	–
Retirement benefit asset and post-employment medical aid income	(33)	(36)	(34)	(33)	(33)	(32)	(39)

¹ Normalised EBITDA – operating profit before depreciation on property, plant and equipment, amortisation of intangible assets and non-trading related costs or income.

² Some figures are re-presented following the classification of AMG and LMI as discontinued operations.

Group statement of financial position	2025 R'm	2024 R'm	2023 R'm	2022 R'm	2021 R'm	2020 R'm	2019 R'm
ASSETS							
Non-current assets							
Property, plant and equipment	11 301	10 765	10 572	15 566	14 695	15 361	12 929
Intangible assets	2 333	3 570	3 287	16 514	16 383	18 238	16 969
Investment in associates and joint ventures	47	104	6	56	62	65	53
Employee benefit assets	430	349	416	415	418	379	448
Other non-current assets	3 114	2 021	1 920	1 903	1 809	1 285	1 189
Total non-current assets	17 225	16 809	16 201	34 454	33 367	35 328	31 588
Current assets							
Cash and cash equivalents	3 810	2 462	846	2 802	2 672	2 279	1 544
Trade and other receivables	3 614	4 157	3 625	4 319	4 041	4 046	3 923
Inventories	408	466	451	583	653	873	379
Other current assets	633	207	49	80	48	179	132
Total current assets	8 465	7 292	4 971	7 784	7 414	7 377	5 978
Assets classified as held for sale	–	243	24 443	–	–	–	–
Total assets	25 690	24 344	45 615	42 238	40 781	42 705	37 566
EQUITY AND LIABILITIES							
Capital and reserves	11 377	12 539	20 214	18 746	18 066	17 058	16 188
Non-controlling interest	765	975	1 075	1 114	1 105	1 220	1 303
Total shareholders' equity	12 142	13 514	21 289	19 860	19 171	18 278	17 491
Non-current liabilities							
Interest-bearing borrowings	3 764	3 394	11 010	12 124	10 914	12 034	9 399
Derivative financial instruments	–	–	–	–	–	–	–
Deferred tax liabilities	1 937	1 492	1 535	1 770	1 730	1 450	1 371
Other non-current liabilities	801	674	583	835	1 079	1 051	862
Total non-current liabilities	6 502	5 560	13 128	14 729	13 723	14 535	11 632
Current liabilities							
Bank overdraft	–	–	187	335	325	2 181	867
Trade and other payables	3 811	3 910	3 743	5 738	5 443	5 327	4 799
Interest-bearing borrowings	187	1 027	1 992	1 226	1 811	2 180	2 596
Other current liabilities	3 048	318	213	350	308	204	181
Total current liabilities	7 046	5 255	6 135	7 649	7 887	9 892	8 443
Liabilities directly associated with assets classified as held for sale	–	15	5 063	–	–	–	–
Total equity and liabilities	25 690	24 344	45 615	42 238	40 781	42 705	37 566

	2025 R'm	2024 ¹ R'm	2023 R'm	2022 R'm	2021 R'm	2020 R'm	2019 R'm
Group statement of cash flows							
Cash generated from operations	4 598	3 713	3 653	3 340	5 687	4 562	5 927
Transaction costs paid	(17)	(11)	(12)	(1)	(35)	(17)	(147)
Interest received	175	270	75	35	169	93	60
Tax paid	(689)	(680)	(596)	(765)	(714)	(597)	(1 185)
Net cash generated from operating activities from discontinued operations	358	431	1 550	1 575	–	–	–
Net cash from operating activities	4 425	3 723	4 670	4 184	5 107	4 041	4 655
Net cash utilised in investing activities – investments to expand	(1 845)	(1 787)	(1 602)	(1 787)	(2 066)	(2 007)	(2 329)
Net cash generated from investing activities – disposals	5 843	19 489	22	15	573	–	4 395
Net cash generated from/(utilised in) investing activities – other	41	(272)	(155)	(16)	36	13	(295)
Net cash utilised in financing activities	(6 721)	(19 278)	(1 861)	(859)	(1 233)	(2 778)	(6 765)
Net cash utilised in investing activities from discontinued operations	(167)	(766)	(1 198)	(929)	–	–	–
Net cash utilised in financing activities from discontinued operations	(167)	(344)	(767)	(500)	–	–	–
Net increase/(decrease) in cash and cash equivalents	1 409	765	(891)	108	2 417	(731)	(339)
Cash and cash equivalents – beginning of the year	1 862	659	2 467	2 347	98	677	1 006
Effect of foreign exchange rate movements	(61)	(58)	179	12	(168)	152	10
Cash balances reclassified as held for sale	600	1 096	(1 096)	–	–	–	–
Cash and cash equivalents – end of the year	3 810	2 462	659	2 467	2 347	98	677

¹ Some figures are re-presented following the classification of AMG and LMI as discontinued operations.

Business performance and metrics	2025	2024 ¹	2023	2022 ¹	2021	2020	2019
Previously reported							
Number of registered beds ²	9 068	9 202	9 186	9 203	9 177	9 151	9 136
Paid patient days ³	2 224 060	2 241 052	2 219 436	2 027 184	1 915 924	1 914 159	2 269 756
Occupancy (%) ^{3,4}	69.7	69.0	68.2	61.9	58.6	58.0	69.7
Length of stay ³	4.12	4.08	4.09	4.04	4.42	4.08	3.76
Continuing basis¹							
Number of registered beds ²	9 068	9 039	9 023	8 979	8 939	8 923	8 918
Paid patient days ³	2 216 051	2 191 511	2 164 098	1 970 453	1 862 885	1 857 906	2 205 983
Occupancy (%) ^{3,4}	69.7	68.7	67.9	61.6	58.3	58.2	69.4
Length of stay ³	4.12	4.06	4.07	4.01	4.39	4.06	3.74
Financial ratios							
Normalised EBITDA margin (%)	15.3	15.5	15.9	16.8	18.8	17.4	22.3
Effective tax rate (%)	(116.3)	29.3	25.3	32.0	26.7	93.5	22.5
Debtors' days	46	56	43	51	37	43	38
Quick ratio (:1)	1.14	1.30	0.74	0.94	0.86	0.66	0.66
Current ratio (:1)	1.20	1.39	0.81	1.02	0.94	0.75	0.71
Gearing (%)	24.6	24.7	25.5	40.8	40.5	47.3	42.4
Total debt (R'm)	3 951	4 421	13 002	13 350	12 725	14 214	11 995
Net debt (R'm)	141	1 959	12 343	10 883	10 378	14 116	11 318
Net debt:normalised EBITDA ⁵	0.01	0.45	2.00	1.89	1.82	2.96	1.96
Interest cover ⁵	17.6	22.3	6.2	10.8	11.0	5.8	5.6
Return on net assets (RONA) – using reported profit after tax (%)	34.7%	33.1%	4.0%	11.5%	13.1%	0.3%	23.3%
Return on net assets (RONA) – using normalised earnings from continuing operations (%)	12.6%	8.8%	11.6%	7.8%	11.6%	5.9%	13.8%

¹ Some figures are re-presented following the classification of AMG and LMI as discontinued operations.

² Includes all acute hospital, mental health and acute rehabilitation beds.

³ Metrics for southern African operations.

⁴ Occupancy is measured based on the weighted number of available beds during the period and takes acquisitions and expansions during the year on a proportionate basis into account.

⁵ Calculated as defined in lender agreements.

Shareholder returns	2025	2024 ¹	2023	2022	2021	2020	2019
Earnings per share from continuing and discontinued operations (cents)	263.0	328.8	18.3	105.8	120.6	(6.4)	176.4
Diluted earnings per share from continuing and discontinued operations (cents)	263.0	328.8	18.2	105.3	120.3	(6.4)	175.5
HEPS from continuing and discontinued operations (cents)	(112.1)	152.9	88.2	106.1	111.1	48.7	88.7
Diluted HEPS from continuing and discontinued operations (cents)	(112.1)	152.9	87.5	105.6	110.7	48.5	88.2
NEPS from continuing operations (cents)	100.3	91.1	89.1	96.4	109.8	61.00	116.4
Weighted average number of shares in issue ('m)	1 436	1 443	1 442	1 447	1 454	1 455	1 456
Weighted average number of shares for diluted earnings per share ('m)	1 453	1 453	1 454	1 454	1 458	1 460	1 464
Total number of shares in issue ('m)	1 467	1 467	1 467	1 467	1 467	1 467	1 467
Distributions per share (cents)	291.0	720.0	44.0	40.0	25.0	–	93.0
Net asset value per share (cents)	775.3	854.5	1 377.6	1 277.5	1 231.2	1 162.5	1 103.5

	2025 R'm	2024 ¹ R'm	2023 R'm	2022 R'm	2021 R'm	2020 R'm	2019 R'm
Normalised earnings from continuing operations	1 440	1 315	1 284	1 158	1 640	888	1 695
Profit attributable to ordinary equity holders	3 777	4 744	264	1 531	1 754	(93)	2 569
Adjustments (net of tax):							
Profit on disposal of subsidiary	(33)	–	–	–	–	–	–
Closed period incentive adjustment	12	–	–	–	–	–	–
Fair value adjustment	2 881	63	–	–	–	–	–
(Profit)/loss from discontinued operation attributable to ordinary equity holders	(5 312)	(3 413)	990	(226)	(45)	839	(1 418)
Loss/(profit) on disposal of property, plant and equipment	9	(1)	7	2	10	3	–
Impairment of assets	209	18	–	–	14	5	140
Gain on derecognition of lease assets and liabilities	3	–	(3)	–	–	(50)	–
Retirement benefit asset and post-employment medical aid income	(24)	(26)	(25)	(23)	(24)	(23)	(28)
Transaction costs	14	11	12	1	3	8	148
Fair value gain on foreign exchange hedge	–	–	–	–	–	–	292
Unwinding of financial liabilities at fair value	84	78	62	75	62	66	42
Interest received on excess cash	(44)	(170)	–	–	–	–	–
Other	(136)	11	(23)	(202)	(134)	133	(50)

¹ Some figures are re-presented following the classification of AMG and LMI as discontinued operations.

Market indicators	2025	2024 ¹	2023	2022 ¹	2021	2020	2019
Market price – high (R) per share	18.02	21.21	22.23	24.84	25.75	26.00	28.89
Market price – low (R) per share	10.90	9.93	16.00	16.44	15.19	15.44	21.12
Market price – year-end (R) per share	11.59	16.00	20.26	17.25	22.79	17.06	22.68
Market capitalisation – year-end (R'm)	16 643	23 090	29 214	24 957	33 133	24 817	33 279
Number of shares traded ('m)	1 091	1 134	5 668	957	1 461	1 220	1 055
Value of shares traded (R'm)	16 194	17 121	105 790	19 946	28 030	24 460	26 288
Price-earnings ratio (year-end price/NEPS)	11.56	17.56	22.74	17.89	20.76	27.97	19.48

¹ Some figures are re-presented following the classification of AMG and LMI as discontinued operations.



Statement of economic value added

Economic value generated	2025 R'm	%	2024 R'm	%
Revenue from services	25 104	98.1	25 519	97.8%
Other income ¹	311	1.2	292	1.1%
Interest received	175	0.7	274	1.1%
Profit from sale of assets	-	-	-	-
Income from investments	10	-	8	-
Total economic value generated	25 600		26 093	

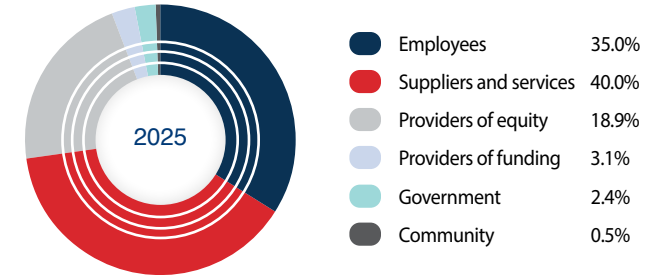
Economic value distributed	2025 R'm	%	2024 R'm	%
Employees ²	10 028	35.0	9 973	24.2%
Suppliers and services ³	11 445	40.0	11 477	27.8%
Providers of capital	6 304	22.0	18 974	46.0%
Providers of equity	5 403	18.9	9 623	23.3%
Providers of funding	901	3.1	9 351	22.7%
Government	689	2.4	707	1.7%
Community	147	0.5	146	0.4%
Total economic value distributed	28 613		41 277	

¹ Other income includes other rental income; learning centre tuition, registration fees and reimbursements; and insurance receipts.

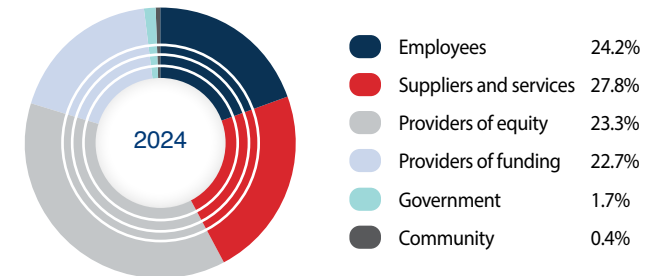
² Payments to employees include salaries, wages and other benefits.

³ Suppliers and services exclude capital expenditure.

Economic value distributed (%)



Economic value distributed (%)



R28.6 billion
Value distributed
(2024: R41.3 billion)

111.8%
Distributed
(2024: 158.2%)

(11.8)%
Retained
(2024: (58.2%))

Glossary

ACI	African, Coloured and Indian
ALISA	Axim Life Isotopes South Africa
AFS	annual financial statements
AGM	annual general meeting
AMG	Alliance Medical Group Limited
B-BBEE	broad-based black economic empowerment
BHF	Board of Healthcare Funders
BSI	British Standards Institution
BUSA	Business Unity South Africa
CAGR	compound annual growth rate
capex	capital expenditure
CAUTI	catheter-associated urinary tract infection
CFROI	cash flow return on investment
CLABSI	central line-associated bloodstream infection
CMS	Council for Medical Schemes
CoN	Certificate of Need
COSO	Committee of Sponsoring Organizations of the Treadway Commission
CPD	continuous professional development
CPI	consumer price index
CSI	corporate social investment
CT	computed tomography
EBITA	earnings before interest, tax and depreciation
EBITDA	earnings before interest, tax, depreciation and amortisation
EPS	earnings per share

ESG	environmental, social and governance
EVP	employee value proposition
ExCo	Executive Management Committee
UK FIM+FAM	Functional Independence Measure + Functional Assessment Measure
FMC	Fresenius Medical Care
GBV	gender-based violence
GEMS	Government Employees Medical Scheme
H1-2024	six-month period from 1 October 2023 to 31 March 2024
H1-2025	six-month period from 1 October 2024 to 31 March 2025
H2-2024	six-month period from 1 April 2024 to 30 September 2024
H2-2025	six-month period from 1 April 2025 to 30 September 2025
HAI	healthcare-associated infection
HASA	Hospital Association of South Africa
HCAHPS	Hospital Consumer Assessment of Healthcare Providers and Systems
HCRW	healthcare risk waste
HEPS	headline earnings per share
HPCSA	Health Professions Council of South Africa
HR	human resources
IFRS	International Financial Reporting Standards
ISO	International Organization for Standardization
IT	Information technology

JSE	Johannesburg Stock Exchange Limited
King IV™	King Report on Corporate Governance™ for South Africa, 2016
KPI	key performance indicator
kWh	kilowatt hour
LMI	Life Molecular Imaging
MRI	magnetic resonance imaging
NCD	non-communicable disease
NEPS	normalised earnings per share
NHI	national health insurance
OECD	Organisation for Economic Co-operation and Development
PAIA	Promotion of Access to Information Act
PET-CT	positron emission computed tomography
PPE	property, plant and equipment
RemCo	Human Resources and Remuneration Committee
SAMA	South African Medical Association
SAHPRA	South African Health Products Regulatory Authority
SAPPF	South African Private Practitioners Forum
SARB	South African Reserve Bank
SDG	Sustainable Development Goal
SETCO	Social, Ethics and Transformation Committee
SPECT	single-photon emission computed tomography
SSI	surgical site infection
TVET	Technical and Vocational Education and Training
VAP	ventilator-associated pneumonia

Corporate information

Non-Executive Directors

Dr VL Litlhakanyane (Chairman), Dr MF Abdullah, Dr JE Bolger, Dr RA Campbell, CM Henry, Prof ME Jacobs, TP Moeketsi, AM Mothupi-Palmstierna, Adv M Sello and F Tonelli

Executive Directors

PG Wharton-Hood (Chief Executive), PP van der Westhuizen (Chief Financial Officer)

Company Secretary

J Ranchhod

Registered Office

Oxford Parks, 203 Oxford Road
(Corner Eastwood and Oxford Roads), Dunkeld, 2196

Equity Sponsor

Rand Merchant Bank (a division of FirstRand Bank Limited)

Debt Sponsor

QuestCo Corporate Advisory Proprietary Limited

Note regarding forward-looking statements

Any forward-looking statements or projections made by the Company, including those made in this report, are subject to risk and uncertainties that may cause actual results to differ materially from those projected, are the responsibility of the directors and have not been reviewed or reported on by the Company's external auditors.

Life Healthcare Group Holdings Limited

(Incorporated in the Republic of South Africa)
Registration number: 2003/002733/06
Income tax number: 9387/307/15/1
ISIN: ZAE000145892
JSE and A2X share code: LHC
(Life Healthcare, the Group, or the Company)

Life Healthcare Funding Limited

(Incorporated in the Republic of South Africa with limited liability)
Registration number 2016/273566/06
LEI: 3789SJPQJZF8ZYXTZ394
Bond company code: LHFI
(Life Healthcare Funding)

Shareholders' diary

2025 final dividend payment date	22 December 2025
AGM date	19 February 2026
2026 interim results	On or about 28 May 2026
2026 year-end results	On or about 26 November 2026



Head Office

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Oxford Road
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Dunkeld 2196

www.lifehealthcare.co.za