



Annual Financial Statements

For the year ended 30 June 2025



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Group company secretary's certification

Declaration by the group company secretary in respect of Section 88(2)(e) of the Companies Act 71 of 2008, as amended ("Companies Act")

In terms of Section 88(2)(e) of the Companies Act 71 of 2008, as amended, I certify that, to the best of my knowledge, for the year ended 30 June 2025, Ascendis Health Limited and its subsidiaries have lodged with the Companies and Intellectual Property Commission all such returns and notices as are required of a public company in terms of the Companies Act and that all such returns and notices are true, correct and up to date.



Joseph Fine (B Soc Sci LLB)

Group company secretary

Johannesburg

04 September 2025

Directors' responsibilities and approval

The directors are responsible for the preparation, integrity and fair presentation of the group annual financial statements of Ascendis Health Limited ("Ascendis" or "company" and its subsidiaries ("group")).

The directors consider that in preparing the group annual financial statements they have used the most appropriate accounting policies, consistently applied and supported by reasonable and prudent judgements and estimates, and that all International Financial Reporting Standards (IFRS®) considered applicable have been followed. The directors also consider compliance with the Companies Act of South Africa.

The directors are satisfied that the information contained in the group annual financial statements fairly presents the results of operations for the year and the financial position of the group at year end. The directors prepared the other information that will also be included in the Integrated Annual Report and are responsible for both its accuracy and its consistency with the group annual financial statements and company financial statements. The directors are responsible for ensuring that accounting records are kept. The accounting records should disclose with reasonable accuracy the financial position of the group to enable the directors to ensure that the group annual financial statements comply with the relevant legislation.

The preparation of the group annual financial statements in conformity with IFRS® requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the group annual financial statements and the reported expenses during the reporting period. Whilst estimates reflect management's best estimate, the actual results thereof could differ from those estimates.

Ascendis and its subsidiaries operate in a sound control environment, which is regularly reviewed. This incorporates risk management and internal control procedures, which are designed to provide reasonable, but not absolute, assurance that assets are safeguarded and the risks facing the business are controlled. Management provides comfort to the audit and risk committee and the board of directors that the systems of risk management and internal control as designed are adequate and effective. The Ascendis Code of Conduct has been adhered to during the year.

The board is also responsible for the controls over, and the security of the Company's website and, where applicable, for establishing and controlling the process for electronically distributing annual reports and other financial information to shareholders and to the Companies and Intellectual Property Commission, assuring that reports disseminated electronically agree with the signed off reports.

The board is satisfied that the company and group, and all companies within the group, are and will be able to continue as a going concern (except for the group companies that are in the process of deregistration) in the foreseeable future and has therefore continued to adopt the going concern basis in preparing the group annual financial statements. Refer to detailed information on the going concern assumption in the audit and risk committee report on page 11, directors' report on page 15 and accounting policy note on page 27.

The group's external auditor, Nexia SAB&T, audited the group and company annual financial statements and its report is presented on pages 4 to 10. The group and company annual financial statements, as set out on pages 22 to 130, were prepared under the supervision of the chief financial officer, TJM Mbele CA (SA) ("CFO") and approved for issue by the board on 04 September 2025 and are signed on its behalf by:



B Harie
*Independent non-executive
chairman*
Johannesburg
04 September 2025



AC Neethling
Chief executive officer
Johannesburg
04 September 2025

CEO and CFO's Responsibility Statement

In line with paragraph 3.84(k) of the JSE Limited ("JSE") Listings Requirements ("JSE Listing Requirements"), the CEO and the CFO hereby confirm that after due, careful and proper consideration that:

- a. the annual financial statements set out in pages 11 to 136, fairly present in all material respects the financial position, financial performance and cash flows of the issuer in terms of IFRS®;
- b. to the best of our knowledge and belief, no facts have been omitted or untrue statements made that would make the annual financial statements false or misleading;
- c. internal financial controls have been put in place to ensure that material information relating to the issuer and its consolidated subsidiaries have been provided to effectively prepare the financial statements of the issuer;
- d. the internal financial controls are adequate and effective and can be relied upon in compiling the annual financial statements, having fulfilled my role and function as executive director with primary responsibility for implementation and execution of controls
- e. where we are not satisfied, we have disclosed to the audit committee and the auditors any deficiencies in design and operational effectiveness of the internal financial controls, and have taken steps to remedy the deficiencies; and
- f. we are not aware of any fraud involving directors.



AC Neethling
Chief executive officer
Johannesburg
04 September 2025



TJM Mbele
Chief financial officer
Johannesburg
04 September 2025

Independent auditor's report

Independent auditor's report

To the Shareholders of Ascendis Health Limited

Report on the audit of the consolidated and separate financial statements

Opinion

We have audited the consolidated and separate financial statements of Ascendis Health Limited (the group and company) set out on pages 22 to 130, which comprise the consolidated and separate statements of financial position as at 30 June 2025, and the consolidated and separate statements of profit or loss and other comprehensive income, consolidated and separate statements of changes in equity and consolidated and separate statements of cash flows for the year then ended, and notes to the consolidated and separate financial statements, including material accounting policy information.

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

Basis for Opinion

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

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

Final materiality

The scope of our audit was influenced by our application of materiality. An audit is designed to obtain reasonable assurance whether the consolidated and separate financial statements are free from material misstatement. Misstatements may arise due to fraud or error, and they are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated and separate financial statements.

Our determination of materiality is a matter of professional judgement and is affected by our perception and understanding of the financial information needs of intended users, which is the quantitative and qualitative factors that determine the level at which relevant decisions taken by users would be affected by a misstatement. These factors helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate on the consolidated and separate financial statements as a whole.

Independent auditor's report

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

	Consolidated financial statements	Separate financial statements
Final materiality	R11 688 795 (2024: R 14 720 000)	R 11 688 795 (2024: R 14 720 000)
Basis for determining materiality	1.5% of the total assets (2024: 1% of Revenue)	Limited to Group materiality 1.5% of the group total assets (2024: Limited to Group materiality 2% of total assets)
Rationale for the materiality benchmark applied	The Group has undergone a strategic transformation from a traditional holding company structure to that of an investment entity, in accordance with IFRS 10. This change reflects a shift in the business model, where the primary objective is to enhance shareholder value through active investment management rather than operational performance. As an investment entity, the Group's value is predominantly derived from its investment portfolio. Accordingly, total assets represent the most appropriate benchmark for assessing materiality, as they directly reflect the core nature and financial significance of the Group's activities. This approach ensures that the materiality threshold is aligned with the Group's strategic focus and reporting framework.	Ascendis Health Limited operates primarily as an investment entity, with its value derived predominantly from its investment portfolio rather than from traditional operational revenue streams. Given this structure, the use of total assets as the materiality benchmark is both appropriate and aligned with the nature of the business. This approach ensures that the materiality threshold reflects the financial elements most relevant to stakeholders and the entity's core operations. By focusing on total assets, the audit prioritizes areas that have the greatest impact on the entity's financial position and investment performance, thereby enhancing the relevance and reliability of the audit outcomes.

For each component in the scope of our group audit, we allocated a materiality that is less than our overall group materiality.

During the course of the audit, we reassessed the initially determined planning materiality. This reassessment was prompted by the final valuation of the investment classified as fair value through profit or loss (FVPL), which was lower than the prior year's consolidated total asset value. As a result, we revised our final materiality downward to reflect the reduced asset base and ensure that our audit procedures remained appropriately responsive to the risk of material misstatement.

Group audit Scope

We designed our group audit by assessing the risk of material misstatement at the group level and determining the nature, timing and extent of audit procedures to be performed across the group. Significant judgements were made in scoping the group audit, including the determination of components at which audit work, in support of the group audit opinion, needed to be performed to address the risk of material misstatement at group level. The decision to perform audit of the entire financial information of the component, audit of one or more account balances, classes of transactions or disclosures or specified procedures was made considering the likelihood of material misstatement in those components and the overall risk profile of the group.

In selecting components, we perform risk assessment activities across the group and its components to identify risks of material misstatement. We then identify how the nature and size of the account balances and classes of transactions at the components contribute to those risks and thus determine which account balance and classes of transactions require an audit

Independent auditor's report

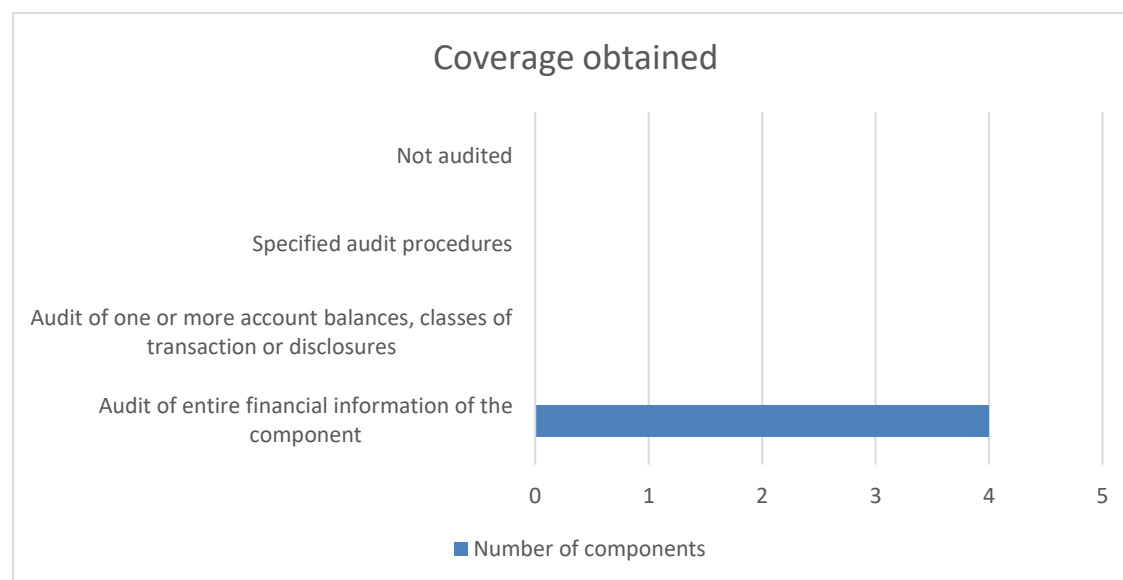
response. We then consider for each component the degree of risk identified (whether pervasive or not) and the number of accounts requiring audit responses.

We considered the following to determine the components at which audit work, in support of the group audit opinion, needed to be performed to provide an appropriate basis for undertaking audit work to address the risks of material misstatement at group level. This included an assessment of:

- Whether any individual component had relevant events or conditions that may result in a risk to the group financial statements.
- Whether the group auditor needed to obtain audit evidence on all or a significant portion of the component's financial statements.
- Size of the component i.e. component's contribution to relevant classes of transactions, account balance or disclosures and contribution to the group risks of material statements.
- Whether the individual component was subject to audit under local law.

Based on our assessment, there were 4 components within the group structure. Each consolidated legal entity was considered to be an individual component to be assessed. All components are based in South Africa.

In assessing the risk of material misstatement to the consolidated financial statements and ensuring adequate quantitative coverage of significant accounts, we summarize below the extent of audit work performed at the components in support of the group audit opinion.



At group level the following testing was performed centrally:

Our audit procedures were designed to respond to the risks of material misstatement at both the group and component levels and to obtain sufficient appropriate audit evidence for the purposes of expressing our opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

In terms of the EAR Rule, we are required to report the outcome of audit procedures or key observations with respect to the key audit matters and these are included below.

Independent auditor's report

Key Audit Matter	How our audit addressed the key audit matter
Classification of the Ascendis Health Limited as an investment entity in accordance with the requirements of IFRS 10	
<p>Effective 1 July 2024, Ascendis Health Limited, following a comprehensive assessment by its executive management and Board of Directors, concluded that the Company meets the criteria to be classified as an investment entity in accordance with IFRS 10 – Consolidated Financial Statements. Consequently, the Company is exempt from consolidating its investments and now measures them at fair value through profit or loss, in line with the requirements applicable to investment entities under IFRS 10.</p> <p>With the exception of Ascendis Financial Services Proprietary Limited and Ascendis Management Services Proprietary Limited, Ascendis Health SA Holdings Proprietary Limited the Group no longer consolidates its investee entities. Instead, these investments are presented as part of the investment portfolio and are measured at fair value through profit or loss (FVTPL).</p> <p>The determination of investment entity status involves significant judgement and a complex assessment of the criteria set out in IFRS 10. This judgement has a material impact on the Group's financial reporting, particularly in relation to the presentation and measurement of its investments. The audit focused on evaluating the appropriateness of this classification and the accuracy of the fair value measurements applied.</p> <p>We refer to Note 2 of the consolidated financial statements for the related disclosures regarding the classification as an investment entity and the fair value measurement of investments</p>	<p>To assess management's application of the investment entity exemption under IFRS 10, the following audit procedures were performed:</p> <ul style="list-style-type: none"> Understanding Management's Approach Engaged with management to understand the rationale and policies supporting the investment entity classification. This included reviewing relevant documentation and holding discussions to evaluate the basis of their conclusion. Assessment of IFRS 10 Paragraph 31-33 Application Evaluated management's interpretation and application of the exemption criteria outlined in IFRS 10, paragraph 31-33. A technical accounting opinion was obtained to confirm alignment with the standard. Recognition and Measurement Review Verified that the principles of recognition and fair value measurement were appropriately applied to the investee entities in accordance with IFRS 13 and the applicable financial reporting framework. Accounting Policy Change Review Assessed the implementation of the accounting policy change, including its impact on both current and prior reporting periods. Considered whether restatement of comparative figures was necessary and appropriately disclosed. Disclosure Evaluation Reviewed the disclosures in the financial statements relating to the adoption of IFRS 10 and confirmed that they meet the minimum disclosure requirements and provide adequate transparency to users of the financial statements. <p>We are satisfied that management has appropriately applied the investment entity exemption under IFRS10.</p> <p>The classification is supported by sufficient evidence and aligns with the requirements of the financial reporting framework.</p> <p>Disclosures in the financial statements are considered adequate and provide users with relevant information regarding the change in accounting policy and its impact</p>
Fair value determination of unlisted investments	
<p>Ascendis Health Limited holds significant interests in unlisted investments, which are measured at fair value through profit or loss in accordance with IFRS 13 – <i>Fair Value Measurement</i>. The valuation of these investments involves considerable judgement by management, particularly in</p>	<p>To address the risks associated with the valuation of unlisted investments held by Ascendis Health Limited, the following audit procedures were performed:</p> <ul style="list-style-type: none"> Assessment of Key Assumptions:

Independent auditor's report

Key Audit Matter	How our audit addressed the key audit matter
<p>selecting and applying appropriate valuation methodologies.</p> <p>Management predominantly applies the EBITDA multiple method, whereby a market-related multiple is used in conjunction with the sustainable or normalised EBITDA of the investee companies. This approach requires the identification of suitable comparable entities, estimation of normalised EBITDA, and selection of appropriate valuation multiples—all of which involve subjective assumptions and a high degree of estimation uncertainty. Where applicable, Net Realisable Value (NRV) was considered as a valuation floor to ensure that the fair value did not fall below the underlying asset base, aligning with market practice and enhancing valuation robustness. This matter was considered a key audit focus due to:</p> <ul style="list-style-type: none"> • Material Impact: These investments represent a substantial portion of Ascendis Health Limited total assets, making their valuation critical to the accuracy and reliability of the financial statements. • Complex Judgement and Estimation: The valuation process involves complex and subjective inputs, increasing the risk of material misstatement. • Audit Focus: Given the magnitude of the investments and the inherent uncertainty in the valuation process, this area required significant audit attention and the application of professional scepticism. <p>We refer to Note 2 of the consolidated financial statements for the related disclosures regarding the valuation methodologies and assumptions applied in determining the fair value of unlisted investments.</p>	<p>Evaluated the reasonableness of management's assumptions used in determining normalised EBITDA and discount rates, referencing industry norms.</p> <ul style="list-style-type: none"> • Independent Recalculation: Independently recalculated the fair values of selected investments using the EBITDA multiple method and compared the results to management's valuations to assess consistency and accuracy. • Evaluation of Comparables: Assessed the appropriateness of the EBITDA multiples and the selection of comparable entities used by management in the valuation process. • Review of Financial Inputs Reviewed the adjustments made to derive normalised EBITDA and assessed their validity and consistency with historical performance and industry practices. • Sustainability Assessment Compared normalised EBITDA figures to management's forecasts to evaluate the sustainability of earnings and the reliability of inputs used in the valuation. <p>We concluded that the valuation of unlisted investments involved significant estimation uncertainty. This was appropriately disclosed as a critical accounting estimate in the financial statements.</p> <p>As part of our audit procedures, we reviewed and recalculated all key assumptions, valuation methodologies, and inputs used in the valuation process. We found these to be reasonable.</p> <p>The valuations performed by management, as well as the recognition of fair value gains, were accurately accounted for.</p> <p>Accordingly, no audit adjustments were required in respect of the valuation of unlisted investments.</p>

Other information

The directors are responsible for the other information. The other information comprises the information included in the document titled "Ascendis Health Limited Group and Company Annual Financial Statements for the year ended 30 June 2025", which includes the Directors' Report, the Audit Committee's Report and the Company Secretary's Certificate as required by the Companies Act of South Africa and the CEO and FD's Certification as required by the JSE Limited Listing Requirements which we obtained prior to the date of this report, and the Integrated Report, which is expected to be made available to us after that date. The other information does not include the consolidated and separate financial statements and our auditor's report thereon.

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

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required

Independent auditor's report

to report that fact. We have nothing to report in this regard.

When we do receive and read the Integrated Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, we may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary.

Responsibilities of the Directors for the Consolidated and Separate Financial Statements

The directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements, in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and the requirements of the Companies Act of South Africa, and for such internal control as the directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, the directors are responsible for assessing the group and company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group and/or company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements

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

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

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

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant

Independent auditor's report

audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

Report on Other Legal and Regulatory Requirements

Audit Tenure

In terms of the IRBA Rule published in Government Gazette No. 39475 dated 4 December 2015, we report that Nexia SAB&T has been the auditor of Ascendis Health Limited for 3 years.

Disclosure of Fee-related Matters

In terms of the EAR Rule, we disclose the following fee-related matters:

	Amount	Network/Joint audit / external component auditors
Audit services fees paid or payable	R 1 572 097	R 0
Assurance services	R 0	R 0
Non-audit services	R 0	R 0

We communicated with those charged with governance the above fee related matters. Where the total fees represented or are likely to represent more than 15% of total fees received by us, this together with the relevant safeguards applied was communicated with those charged with governance in support of our independence.



Nexia SAB&T
Sunette Prinsloo
Director
Registered Auditor
4 September 2025

Audit committee report

1. Introduction

The Ascendis audit and risk committee ("the committee") is a statutory committee established in terms of the JSE Listing Requirements, Companies Act and King IV principles. The committee functions within an annually reviewed and approved formal charter and complies with all relevant legislation, regulation and governance codes.

The objective of the committee is to provide the board with additional assurance regarding the accuracy and reliability of the financial information used by the directors and to assist them in the discharge of their duties.

The committee is also responsible for reviewing the internal controls applied within the Ascendis group of companies, assessing the results of the external audit reports, and making recommendations to the board for improvements to such business controls.

This report is presented to stakeholders in compliance with the Companies Act and the King IV Report on Corporate Governance for South Africa, 2016 (King IV).

2. Purpose and activities of the committee

The committee performed the following functions during the year:

- Reviewed the interim and annual results to ascertain that the financial results are valid, accurate and fairly represent the group's performance, ensured they are compliant with accounting standards and legal requirements, and recommended them for approval by the board.
- Had oversight of integrated reporting and confirmed the integrity of the integrated annual report, as well as any other form of public reporting or announcements containing financial information.
- Ensured that the ongoing corporate activity is appropriately accounted for and disclosed in the annual financial statements and other forms of public reporting or announcements containing financial information.
- Reviewed the audit and risk committee charters.
- Reviewed and monitored the implementation of the policy relating to non-audit services by the external auditor.
- Had oversight of the activities and co-ordination of the external audits.
- Reviewed and received assurances on the independence and objectivity of the external auditor.
- Considered the implication of the decision to maintain the reduced internal audit involvement during the current year, due to the state of transition the group found itself in, and the effectiveness of the related mitigating activities by management. Received feedback from management on systems of internal control and risk.
- Had oversight of IT development with ongoing feedback on progress to the committee.
- Received feedback on follow up matters arising from the FY2024 external audit management letter.
- Considered the expertise and experience of the group chief financial officer and the finance department.
- Reviewed the group insurance cover in place and ensured that the group was sufficiently covered.

2. Composition of the committee

The committee comprises of three financially literate independent non-executive directors. The committee members are elected by shareholders at the (AGM) and the board then appoints one of these members as the chairman of the committee.

Audit committee report

The following directors served on the committee during the year under review:

Directors	Office	Qualifications	Changes
A Chetty	Chairman	B Com, PG Dip Bus Mngmt and MBA	
B Harie	Invitee	BA LLB (Natal), LLM (Wits)	
HA Nolte	Member	BAcc (Stellenbosch University), Honours B.Compt (University of South Africa) Passed the Board Exam of the SA Institute of Chartered Accountants	Appointed 21 November 2024
K Wellner	Member	Masters degree in Economics Doctorate (PhD) in international economics (magna cum laude) Guest lecturer at MBA school of University of Stellenbosch from 2010 – 2015	

The effectiveness of the committee is assessed as part of the annual board and committee self-evaluation process.

Audit and risk committee meetings held and attended during the year under review:

Committee Member	Number of meetings eligible for	Number of meetings attended
A Chetty (chairman)	4	4
K Wellner	4	3
HA Nolte	3	3

The external audit partner (Nexia SAB&T), the executive directors and key finance and risk staff regularly attend meetings at the invitation of the committee. The external auditors have unfettered access to the committee over the course of the year.

3. External auditor

The committee has assessed the independence, expertise and objectivity of the external auditor, Nexia SAB&T, as well as the fees paid to the external auditor.

The external auditor is invited to committee meetings and attends when the needs arises to discuss significant matters. A schedule of findings by the external auditor arising from the statutory audit is tabled and presented at a committee meeting following the audit. The committee endorses action plans for management to mitigate concerns noted. The external auditor has expressed an unmodified opinion on the group annual financial statements for the year ended 30 June 2025.

The committee has reviewed the performance of the external auditor and has assessed the suitability of Nexia SAB&T as auditors based on the documents presented to it in terms of paragraph 3.84 (g) (ii) of the Johannesburg Stock Exchange (JSE) Listings Requirements – in relation to registration, inspections, firm internal control and investigations in respect of Nexia as a firm and the designated auditor, Mrs. S Prinsloo.

Audit committee report (continued)

4. External audit: Key audit matters

The committee notes the following key audit matters set out in the independent auditor's report, which was also a matter of concern for the committee during the year.

Implementation of Investment Holding Entity

With effect from 1 July 2024, the group transitioned to an investment entity in terms of IFRS 10: Consolidated financial statements ("IFRS 10"). From this date the group ceased to consolidate its subsidiaries (other than those subsidiaries that are not, themselves investment entities that provide services related to the Company's investment activities) and to instead carry its investments at fair value, with subsequent changes in fair value being recognised in profit and loss. During the year the group undertook major corporate actions as disclosed in Note 2, that resulted in the group assessing whether it meets the requirements of an investment entity in terms of IFRS 10. The performance of the group's investment portfolio is measured with reference to the fair value of such investment (i.e. sum-of-the-parts ("SOTP") value) rather than the consolidated profitability of the group (i.e. normalised earnings) with effect from 1 July 2024 in the Company's strive to meet its objective of value creation through capital appreciation, investment income or both.

IFRS 10 requires a parent that becomes an investment entity to account for the change in its status prospectively from the date at which the change in status occurred. On such date the group's existing subsidiaries (other than those subsidiaries that are not, themselves investment entities that provide services related to the group's investment activities) were deemed to be disposed of and re-acquired at fair value, with the resultant R39,9 million loss being recognised as a non-headline item in the income statement. These investments were subsequently measured at fair value through profit and loss.

6. Non-audit services

The non-audit services policy was reviewed and revised by the committee to clearly define the type of non-audit services that the external auditors are permitted to provide, and the threshold of fees allowed from these services to ensure the independence of the auditors is upheld. There were no non-audit services performed during the year.

7. Chief Financial Officer and finance function

The committee has reviewed the expertise, experience and adequacy of the chief financial officer, TJM Mbele CA (SA), and her work together with the group finance team. The committee has confirmed that TJM Mbele CA (SA), is suitably qualified and has the appropriate experience and expertise to assume the role and responsibility of chief financial officer.

8. Application of King IV

The committee reviews annually the progress and development being made by Ascendis on the application of King IV principles. We consider continued compliance with and application of the King IV principles as a journey and we aim to continue improving on our application of all the principles. The latest King IV schedule has been published on our website. Ascendis is committed to complying with each of the 16 principles of King IV code in its business operations.

Audit committee report (continued)

9. Group and company annual financial statements

The committee assists the board with all financial reporting and reviews the group and company annual financial statements as well as trading statements, preliminary results announcements and interim financial information. The committee has considered the report on proactive monitoring of financial statements, and where necessary those of previous periods, and taking appropriate action to respond to these findings when preparing the annual financial statements for the year ended 30 June 2025.

In light of the requirements of the JSE in respect of financial reporting, the committee carefully considered the disclosure in the trading update, results announcement and the financial statements to also ensure a fair, balanced and transparent depiction of information for economic decision making.

The committee is satisfied that appropriate financial reporting procedures exist and are operational in all entities in the group and company to effectively prepare, and report on, the group and company annual financial statements.

The committee has reviewed the group and company annual financial statements as well as trading statements, preliminary results announcements and interim financial information of the group and the company and is satisfied that they comply with International Financial Reporting Standards, JSE Listings Requirements and the Companies Act of South Africa, where applicable.

10. Conclusion

The committee therefore recommended the group and company annual financial statements of Ascendis Health Limited for approval to the board. At the forthcoming annual general meeting the group and company annual financial statements will be presented to shareholders.

On behalf of the committee:



A Chetty
Chairman of the audit and risk committee
Johannesburg
01 September 2025

Directors' report

The directors are pleased to submit their report on the group and company annual financial statements of Ascendis Health Limited and the group for the year ended 30 June 2025.

1. Nature of business

Ascendis is a health and wellness investment holding company listed in the main general sector of the JSE. The group mainly focuses on supplying health and wellness products, as well as clinical and diagnostic medical devices. Ascendis holds controlling investments in a diverse portfolio of consumer health, and medical device distribution businesses, listed below by segment.

Portfolio investment companies

Medical Devices:

Surgical Innovations (Pty) Ltd
The Scientific Group (Pty) Ltd
Ortho-Xact (Pty) Ltd
InterV Med (Pty) Ltd
Cardio Tech (Pty) Ltd

Portfolio investment companies

Consumer Health:

Ascendis Consumer Brands (Pty) Ltd
Chempure (Pty) Ltd
The Compounding Pharmacy of South Africa (Pty) Ltd

Wholly-owned head office subsidiary companies

Ascendis Management Services (Pty) Ltd
Ascendis Financial Services (Pty) Ltd
Ascendis Health SA Holdings (Pty) Ltd

Ascendis is incorporated and domiciled in South Africa. Ascendis has a primary listing on the JSE Stock Exchange and a secondary listing on the A2X Exchange. Ascendis Health Limited is the ultimate parent company of the group.

The portfolio is supported by the group's head office which has been materially reduced in size and cost together with the ACN Capital team which acts as the Group's investment manager.

The following notes in the financial statements provide information that may be relevant in understanding the group corporate activity and its performance for the year:

- Note 1 - Going concern
- Note 2 – Investment in subsidiaries
- Note 7 - Group segmental analysis
- Note 8 - Earnings per share
- Note 12 - Net debt
- Note 13 - Borrowings and other financial liabilities
- Note 13 - Non-Current of Assets Held for Sale and Discontinued operations
- Note 14 - Reacquisition of control over subsidiary

Directors' report

2. Review of financial activities

The group annual financial statements have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board and comply with interpretations developed by the IFRS Interpretations Committee (IFRIC® Interpretations) issued by the IASB IC and comply with the South African Institute of Chartered Accountants (SAICA) Financial Reporting Guides as issued by the Accounting Practices Committee, the Financial Pronouncements as issued by the Financial Reporting Standards Council, the JSE Listing Requirements and the requirements of the Companies Act.

The Board is pleased to report that the group successfully completed its transition to an investment holding entity with effect from 1 July 2024. This strategic repositioning was carefully planned and executed in full compliance with IFRS 10 Consolidated Financial Statements, which governs the principles of control and consolidation, and IFRS 9 Financial Instruments, which provides the framework for classification and measurement of financial assets.

The transition to an investment holding structure allows Ascendis to focus on long-term capital appreciation through strategic investments while maintaining operational oversight of investment entities. This model provides greater flexibility in capital allocation, enabling the group to optimise returns across the group's diversified portfolio. This strategic shift positions the group for sustainable growth and enhances the ability to attract potential investors and partners.

Following the transition to an investment holding entity, the Board has determined that Net Asset Value ("NAV") and Tangible Net Asset Value ("TNAV") provides a more meaningful measure of the group's underlying value than traditional earnings-based metrics. The metrics reflect the realisable value of the assets, excluding intangible items that may not contribute directly to shareholder value.

- NAV per share R1.01 (2024: 99 cents)
- TNAV per share: R1.00 (2024: 91 cents)

Due to the change in the consolidation basis under IFRS 10, the current year's financial results are not directly comparable to prior periods. The transition to an investment holding structure has resulted in a reclassification of certain income streams and assets, which has impacted reported profitability.

Financial Operating Environment:

While operating against the backdrop of a constrained South African economy, Ascendis demonstrated resilience and adaptability across the diversified portfolio during the year.

1. Medical Devices – Delivering Growth Amid Challenges

The medical device portfolio investment delivered a 23.0% growth in fair value, reflecting the success of the group's proactive restructuring and strategic investments.

Key achievements:

- Successful onboarding of new agencies following the termination of certain major agencies in the prior year.
- Expansion of the orthopedic division through two small strategic acquisitions.
- The strategic merger of Cardaxes and InterV Med, creating enhanced synergies.

Prudent working capital management and strong banking relationships have been instrumental in maintaining financial resilience. However, the ongoing delays in provincial healthcare payments, particularly in Gauteng, necessitated difficult but necessary stop-supply decisions in certain public hospitals. While this impacted short-term working capital, the group continues with constructive engagement with provincial authorities to establish sustainable payment solutions.

Directors' report

The portfolio's strong performance this year demonstrates its inherent resilience and growth potential, positioning it as a key value driver for the group moving forward.

2. Consumer Health – Navigating a Subdued Market

The consumer health portfolio investment delivered a solid 5% growth in fair value, demonstrating a resilient performance amid a subdued consumer environment.

Strategic highlights:

- Good cash management and improvement in working capital afforded the portfolio the ability to launch new product developments into the market
- Small strategic acquisition in weight management
- Strategic inventory investment that allowed the portfolio to capitalise on competitor supply gaps, although some gains may not be repeatable in the future.

The South African economy remains under pressure, with inflation increasing and disposable incomes continuing to decline in real terms. This has led to a noticeable shift in consumer spending patterns, with households prioritising essential goods and services over discretionary healthcare expenditure. There has been a considerable decrease in the shopping basket and retail footprint. However, the portfolio entities demonstrated agility by identifying and capitalising on niche market opportunities, partially offsetting the broader retail slowdown.

Despite these headwinds, the group has maintained its market position through a combination of operational efficiencies and targeted customer retention strategies.

Outlook

Looking ahead, the group remains financially stable, supported by a well-balanced investment portfolio and prudent risk management. The key focus in the different investment entities include actively evaluating new healthcare technologies to enhance the group's service offerings, improve margins to unlock market growth, geographic expansion and production capacity.

While macroeconomic conditions remain challenging, the group's strategic repositioning and operational resilience have positioned the group for sustainable growth. The Board remains cautiously optimistic about the future and is committed to delivering long-term value to all stakeholders.

Conclusion

The past year reinforced Ascendis' ability to adapt and progress despite external pressures. The transition to an investment holding structure, improved NAV, and steady earnings growth reflect a business that is evolving strategically while maintaining financial discipline.

Full details of the financial results are set out in these group annual financial statements and accompanying notes for the year ended 30 June 2025.

Directors' report

3. Stated capital

Authorised number of shares	30 June 2025	30 June 2024
Ordinary shares	2,000,000,000	2,000,000,000
Issued and fully paid up number of shares	30 June 2025	30 June 2024
Ordinary shares	632,469,959	632,469,959

Refer to note 27 for detail on the movement of authorised and issued share capital.

Directors' report (continued)

4. Directorate

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

Directors	Office	Designation	Changes
AC Neethling	Chief executive officer	Executive	
TJM Mbele	Chief financial officer	Executive	Appointed on 02 December 2024
B Harie	Chairman	Independent non-executive	
HA Nolte	Member	Independent non-executive	
K Wellner	Member	Independent non-executive	
A Chetty	Member	Independent non-executive	
T de Bruyn	Member	Non-executive	

5. Directors' interests in shares

As at 30 June 2025, the directors of the group held direct and indirect beneficial interests in 44,3% (2024: 30.9%) of its issued ordinary shares, as set out in the table below.

An indirect interest constitutes shares that are not held in the director's name, but is disclosed for the reason of being held by a close relation to the director. The determination of a beneficial and non-beneficial interest is in accordance with the definition of a beneficial owner as prescribed by the JSE Listings Requirements.

The register of interests of directors and others in shares of the company is available to the shareholders on request. The directors' interests as at the date of the directors' report is as follows:

	Direct beneficial shares	Indirect beneficial shares ⁽¹⁾	Indirect non- beneficial shares ⁽²⁾	Total
2025 Directors				
AC Neethling	-	101,450,244	-	101,450,244
K Wellner	1,278,124	-	-	1,278,124
B Harie	4,602	245,923	-	250,525
T De Bruyn	-	174,481,058	-	174,481,058
Total	1,282,726	276,177,225	-	277,459,951
2024 Directors				
AC Neethling	9,097,350	58,233,058	-	67,330,408
K Wellner	1,278,124	-	2,365	1,280,489
B Harie	4,602	245,923	-	250,525
T De Bruyn	-	126,493,990	-	126,493,990
Total	10,380,074	184,972,971	2,365	195,355,412

⁽¹⁾ Shares not registered in the name of the director but rather through a trust or an investment holding company in which the director holds any or all of the voting rights and/or is a beneficiary of the trust and the director is not a beneficial owner, but it is recorded because the shares are held by a close relation to the director.

⁽²⁾ Shares that are not held in the director's name, nor is the director a beneficial owner, but it is recorded because the shares are held by a close relation to the director.

Directors' report (continued)

6. Going concern

The group annual financial statements have been prepared on a going concern basis and the directors are satisfied that the group will continue its operations and meet its obligations for the foreseeable future. The Directors have evaluated the group's financial position, cash flow outlook, and available financing resources, considering various scenarios and potential risks. As of the statement of financial position date, the Directors believe that the Company's operational cash flows and available funding sources are sufficient to enable it to fulfill its commitments. Refer to note 1 for detailed disclosure on how the going concern was assessed and concluded.

7. Interests in subsidiaries

Details of material interests in subsidiary companies are presented in Appendix A to the annual financial statements.

8. Events after the reporting period

Refer to note 34 in the group annual financial statements for details regarding events after reporting date.

9. Secretary

The company secretary is Joseph Fine (B Soc Sci LLB).

10. Dividends

The board of directors did not declare any interim or final dividend for the year ended 30 June 2025 (2024: Rnil).

12. Special Resolutions

The following special resolutions were approved at the AGM held on 30 November 2024:

- Special Resolution Number 1 – Approval of non-executive directors' remuneration for the 2025 financial year.
- Special Resolution Number 2 – Approval of financial assistance in terms of section 44 of the Companies Act.
- Special Resolution Number 3 – Approval of financial assistance in terms of the section 45 of the Company Act.
- Special Resolution Number 4 – Amendment of the Company MOI.

13. Performance Measures

Performance measures (PM's) are not defined or specified per the requirements of IFRS but are derived from the financial statements prepared in accordance with IFRS. They are consistent with how the group's performance is measured and reported internally to assist in providing meaningful analyses. The PM's are used to improve comparability of information between reporting periods and segments by adjusting for infrequent items. The key PM's used by the group are normalised EBITDA ("Earnings before interest, tax, depreciation and amortisation") (refer to note 7), normalised operating profit and normalised headline earnings per share (refer to note 8) and adjusted EBITDA. PM's disclosed may not be comparable with similar labelled measures and disclosures provided by other entities and users should not use them in isolation or as a substitute for other measures. They are not intended to be projections or forecasts of future results. Detailed disclosure of the performance measures is included on the Ascendis Health website: <https://ascendishealth.com/wp-content/uploads/2020/09/Ascendis-Health-Performance-Measures-30-June-2020.pdf>.

Group statement of profit or loss

for the year ended 30 June 2025

	Notes	2025 R'000	2024 R'000
Continuing operations			
Revenue	10	-	1,472,044
Cost of sales		-	(886,864)
Gross profit		-	585,180
Net fair value gain on investments	2	71,876	-
Revenue investment income			
Dividend income	3	15,000	-
Interest earned on subsidiary loans	3	13,251	-
Gross profit from sale of services			
Other income ⁽¹⁾	4	28,526	100,413
Loss on deemed disposal and reacquisition	2	(39,983)	
Operating expenses			
Selling and distribution costs	5	-	(88,799)
Administrative expenses	5	(26,119)	(361,223)
Net impairment loss on financial assets	5	-	(11,491)
Other operating expenses ⁽²⁾	5	(37,712)	(131,322)
Transaction and restructuring related costs	5	(7,661)	(17,445)
Net impairment loss on assets	5	-	(28,924)
Management fee related party	32	(3,500)	-
Operating profit before finance costs		13,678	46,389
Finance income	6	3,293	6,459
Finance costs	6	(8,535)	(12,479)
Profit before taxation		8,436	40,369
Tax income	11	2,841	1,201
Profit from continuing operations		11,277	41,570
Profit from discontinued operations	13	-	15,720
Profit for the period		11,277	57,290
Profit attributable to:			
Owners of the parent		11,277	57,290
Continuing operations		11,277	41,570
Discontinued operations		-	15,720
Non-controlling interest		-	-
		11,277	57,290
Profit/(loss) per share from continuing			
Basic and diluted earnings/(loss) per share	8	1.8	6.6
Total profit per share			
Basic and diluted earnings per share (cents)	8	1.8	9.2

¹⁾ Other income includes management fee recovered from subsidiaries reported in the head office subsidiary. In the prior year other income includes the gain of R85.1m related to the reacquisition of Surgical Innovations.

²⁾ Included in other operating expense is R34,8 million related to estimated credit loss provision against portfolio investment companies loans held at wholly-owned head office subsidiaries.

Group statement of comprehensive income

for the year ended 30 June 2025

	Notes	2025 R'000	2024 R'000
Profit for the period		11,277	57,290
Other comprehensive income:			
Items that may be reclassified to profit and loss net of tax			
Foreign currency translation reserve		187	(75)
Other comprehensive profit/(loss) loss for the period net of tax		187	(75)
Total comprehensive profit for the period		11,464	57,215

Group statement of financial position

at 30 June 2025

	Notes	2025 R'000	2024 R'000
ASSETS			
Property, plant and equipment	15	112	196,617
Right-of-use assets	16	1,257	43,534
Intangible assets and goodwill	17	-	9,171
Other financial assets	18	809	730
Loans to related parties	9	36,186	-
Investment held	2	702,193	-
Deferred tax assets	19	3,305	44,289
Non-current assets		743,862	294,341
Inventories	20	-	396,893
Trade and other receivables	21	5,147	321,511
Other financial assets	18	-	2,712
Loans to related parties	9	23,891	-
Current tax receivable	29	1,854	4,729
Cash and cash equivalents	22	2,688	42,664
		33,580	768,509
Current assets		33,580	768,509
Total assets		777,442	1,062,850
EQUITY			
Stated capital	27	6,156,825	6,156,826
Reserves		(16,359)	(16,546)
Accumulated loss		(5,510,732)	(5,522,009)
Total equity		629,734	618,270
LIABILITIES			
Deferred tax liabilities	19	-	891
Lease liabilities	26	899	33,441
Derivative financial liabilities	30	-	1,376
Loans from related parties	9	982	-
Non-current liabilities		1,881	35,708
Trade and other payables	23	39,065	364,357
Provisions	24	-	13,509
Contract liabilities	25	-	11,490
Lease liabilities	26	363	15,881
Derivative financial liabilities	30	-	545
Current tax payable	29	1,866	3,090
Bank overdraft	22	35,650	-
Loans from related parties	9	68,883	-
Current liabilities		145,827	408,872
Total liabilities		147,708	444,580
Total equity and liabilities		777,442	1,062,850

Group statement of changes in equity

for the year ended 30 June 2025

R'000	Stated capital	Foreign currency translation reserve	Common Control reserves ⁽¹⁾	Retained income/ (Accumulated loss)	Total attributable to equity holders of the group	Total equity
Balance as at 1 July 2023	6,156,825	2,230	(18,702)	(5,579,299)	561,055	561,055
Profit for the period	-	-	-	57,290	57,290	57,290
Other comprehensive loss	-	(75)	-	-	(75)	(75)
Total comprehensive (loss)/income for the period	-	(75)	-	57,290	57,215	57,215
Balance as at 30 June 2024	6,156,825	2,155	(18,702)	(5,522,009)	618,270	618,270
Profit for the period	-	-	-	11,277	11,277	11,277
Other comprehensive loss	-	187	-	-	187	187
Total comprehensive profit for the period	-	187	-	11,277	11,464	11,464
Balance as at 30 June 2025	6,156,825	2,342	(18,702)	(5,510,732)	629,734	629,734

⁽¹⁾ Reserves from restructuring of CGU's within Ascendis group.

Group cash flow statement

for the year ended 30 June 2025

	Notes	2025 R'000	2024 R'000
Cash flows from operating activities			
Cash generated (utilised by)/ from operations	28	(6,513)	7,905
Interest income received		3,170	4,505
Interest paid		(8,362)	(11,660)
Income taxes paid	29	(540)	(8,858)
Net cash outflow from operating activities		(12,245)	(8,108)
Cash flows from investing activities			
Purchases of property, plant and equipment	15	(135)	(37,093)
Proceeds on the sale of property, plant and equipment		-	5,974
Purchases of intangibles assets	17	-	(8,707)
Proceeds on the sale of intangible assets		-	54
Net cash outflow on deconsolidation of subsidiaries		(17,110)	-
Repayment of loans advanced to related parties		455,744	-
Related party loan advancement		(481,317)	-
Investment in other financial assets		(50)	(2,484)
Proceeds from acquisition of subsidiaries-net of cash acquired		-	21,928
Net cash (outflow)/inflow from investing activities		(42,868)	(20,327)
Cash flows from financing activities			
Repayment of borrowings	13	-	(20,293)
Proceeds of loans from related parties		205,282	-
Lease liabilities repaid	26	-	(10,840)
Payment to related party		(225,795)	-
Net cash outflow from financing activities		(20,513)	(31,132)
Net decrease in cash and cash equivalents		(75,626)	(59,567)
Restricted cash balance at the beginning of the period		-	18,709
Other cash and cash equivalents balance at the beginning of the period		42,664	83,522
Cash and cash equivalents at beginning of period		42,664	102,231
Restricted cash balance at the end of the period		-	-
Cash and cash equivalents balance at the end of the period		(32,962)	42,664
Cash and cash equivalents at end of period	22	(32,962)	42,664

Accounting policies

for the year ended 30 June 2025

Corporate information

Ascendis is a health and wellness investment holding company listed in the healthcare sector of the JSE. Ascendis holds controlling investments in a diverse portfolio of wellness and consumer health, and medical device distribution businesses which mainly focuses on supplying health and wellness products, as well as clinical and diagnostic medical devices through generating returns from investments, listed below by segment:

Portfolio investment companies

Medical Devices:

Surgical Innovations (Pty) Ltd
The Scientific Group (Pty) Ltd
Ortho-Xact (Pty) Ltd
InterV Med (Pty) Ltd
Cardio Tech (Pty) Ltd t/a Cardaxes

Consumer Health:

Ascendis Consumer Brands (Pty) Ltd
Chempure (Pty) Ltd
The Compounding Pharmacy of South Africa (Pty) Ltd

Wholly-owned head office subsidiary companies

Ascendis Management Services (Pty) Ltd
Ascendis Financial Services (Pty) Ltd
Ascendis Health SA Holdings (Pty) Ltd

Noteworthy transactions

Through the assessment of the portfolio investment companies, an opportunity arose to capitalise on synergies between InterV Med and Cardaxes to create one investee company. The process involved aligning with our agency partners and customers to ensure a smooth transition and no interruption in supply. The merger was effective 1 January 2025.

Ascendis is incorporated and domiciled in South Africa. Ascendis has a primary listing on the JSE Stock Exchange and a secondary listing on the A2X Exchange. Ascendis is the ultimate parent company of the group.

Basis of preparation

The group annual financial statements as at 30 June 2025 comprise of the Company and its subsidiaries (together referred to as the “group”).

The group annual financial statements have been prepared in accordance with the requirements of the JSE Listings Requirements, and the requirements of the Companies Act. The JSE Listings Requirements require annual financial statements to be prepared in accordance with the framework concepts and the measurement and recognition requirements of (IFRS®), the Financial Pronouncements as issued by the Financial Reporting Standards Council.

The accounting policies applied during the year, are materially different from those used in the prior year. The accounting policies for the prior year have been included for completeness.

Basis of preparation comparative periods

With effect from 1 July 2024, Ascendis met the criteria as an investment entity per the IFRS 10 criteria. As a result, on such date, the group's existing subsidiaries (other than wholly-owned head office subsidiaries providing investment activities) were deemed to be disposed of and re-acquired at fair value through profit or loss in accordance with IFRS 10. Therefore, the results for the year ended 30 June 2024 will not be restated (having been prepared in accordance with the group's previous accounting policy) and will therefore not be comparable to the results for the year ended 30 June 2025. Accounting policies include the prior year and will fall away in the following financial year, however the information is included in the current year financial statements for completeness. Accordingly, the Portfolio Investment companies will be fair valued through profit and loss, while the wholly owned head office subsidiary companies, that provide investing activities and support services to the group, are consolidated.

Accounting policies

for the year ended 30 June 2025

The group annual financial statements have been prepared on the historical cost basis, except for certain financial instruments and land and buildings that have been measured at fair value, where applicable, and assets held for sale that are measured at the lower of carrying amount and fair value less cost to sell.

The group annual financial statements are presented in South African Rand and all values are rounded to the nearest thousand (R'000), except where otherwise indicated.

Accounting policies (continued)

for the year ended 30 June 2025

Principal accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below and in the related notes to the group annual financial statements. The impact on the group's financial results, disclosures or comparative information as a result of these amendments have been considered and applied.

The financial results of the subsidiaries, including those with a different reporting period, are prepared for the same reporting period as the group, using consistent accounting policies. Accounting policies of subsidiaries have been changed, where necessary, to align any differences in the accounting policies with those of the group.

Non-controlling shareholders are treated as equity participants, therefore all acquisitions of non-controlling interest or disposals by the group of its interest in subsidiaries, where control is maintained subsequent to the disposal, are accounted for as equity transactions. Consequently, the difference between the fair value of the consideration transferred and the carrying amount of non-controlling interest purchased or disposed of, is recorded in equity.

Foreign currency

Translations and balances

Foreign currency transactions are translated into functional currency using the exchange rate at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at reporting date exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss. The exchange rates relevant to the group are disclosed in note 30.

Financial assets

The Group's financial assets consist of investments at FVTPL, loans and advances, trade and other receivables, and cash and cash equivalents, as well as standalone loans to a subsidiary.

Classification

Financial assets are classified based on the business model and nature of cash flows associated with the instrument.

Financial assets at amortised cost: a debt instrument is classified in this category if it meets both of the following criteria and is not measured at fair value through profit or loss:

- The asset is held within a business model whose objective it is to hold the financial asset in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise to cash flows, on specified dates, that are solely payments of principal and interest (SPPI).

Financial assets at FVTPL

Financial assets not measured at amortised cost as described above are mandatorily measured at FVTPL.

Accounting policies (continued)

for the year ended 30 June 2025

Employee benefits

Salaries and wages, including non-monetary benefits and accumulated leave pay that are expected to be settled wholly within 12 months after the end of the year in which employees render the related service, are recognised as a liability and are measured at the amounts expected to be paid when the liabilities are settled. The group has adopted a single policy for remuneration. The employee benefits form part of the cost to company and is therefore seen as a 100% company contribution. The group contributes to pension/provident funds, medical aid, medical insurance cover and the company's employee assistance partner. The group recognises a provision for the bonuses payable in terms of an incentive bonus arrangement where the group is contractually obliged or where past practice has created a constructive obligation to pay bonuses.

Management estimates

The preparation of financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that may affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and other factors that are believed to be reasonable under the circumstances. This forms the basis of making the judgements on the carrying values of assets or liabilities that are not otherwise readily apparent. Actual results may differ from these estimates. The estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision only affects that period or in the period of the revision and future periods if the revision affects both current and future periods.

Critical accounting estimates and judgements in applying accounting policies

Fair valuation of investments

The investment portfolio, a material asset of the group, is held at FVTPL.

The group applies a number of methodologies to determine and assess the reasonableness of the investments' fair value, which may include the following:

- Normalised earnings multiple, including enterprise value ("EV") /EBITDA and price/earnings multiples;
- Market-related net realisable value supported by third party valuations.

The primary valuation models utilised for valuing unlisted investments are the normalised earnings multiple model, as well as the market-related net asset value of the investments, or a combination of both. The normalised earnings input is applied to earnings –based valuation. The group's main valuation techniques incorporate all factors that market participants would consider and make maximum use of observable market data. Earnings are obtained from the management accounts of the investments and where necessary, are adjusted for non-recurring items such as transaction and restructuring expenses, business combination and loss of control of subsidiary. At 30 June 2025, the investments were evaluated using the latest audited financial year-end earnings as well as the budgets for the unlisted subsidiaries to ascertain future sustainable earnings. In a small number of assets, the group applied recurring headline earnings. Net debt and cash are adjusted to the EV to determine the fair value of the equity of the investments.

Accounting policies (continued)

for the year ended 30 June 2025

Deferred tax

As Ascendis is classified as an investment entity, management applies significant judgment in estimating the potential capital gains tax (CGT) implications upon the future exit of its investments. The recognition of deferred tax liabilities and assets depends on how these investments are expected to be recovered, which may vary based on the chosen exit strategy, such as the sale of shares, asset disposal, or liquidation. Management exercises judgment in determining the timing and nature of these exit strategies, estimating future capital gains or losses, assessing the likelihood of future taxable profits to support the recognition of deferred tax assets, and evaluating the availability and utilisation of carried-forward tax losses. These estimates are inherently uncertain and influenced by future market conditions, regulatory developments, and strategic decisions. Currently, management does not expect any CGT to be payable upon realisation of the investment portfolio, and no deferred tax asset has been recognised, as it is not considered probable that sufficient future taxable profits will be available to utilise deductible temporary differences and carried-forward capital losses.

Accounting policies (continued)

for the year ended 30 June 2025

New standards/amendments that have been published but not yet effective

The standards and amendments listed below will be effective in future reporting periods. It is anticipated that the group will adopt the standard or amendment on their respective effective dates i.e., the group does not plan on early adoption unless otherwise stated.

- **IFRS 16 - Leases-Lease liability in a Sale and Leaseback**
Amendments to IFRS 16: *Leases on sale and leaseback*. This is effective for accounting periods commencing on or after (1 January 2024).
- **IAS 1 - Non-current Liabilities with covenants**
Amendments to IAS 1: *Presentation of Financial Statements*. This is effective for accounting periods commencing on or after (1 January 2024).
- **IAS 7 - Statement of Cash Flows**
Amendments regarding supplier finance arrangements disclosures – Effective for accounting periods commencing on or after (1 January 2024).
- **IFRS 7 - Financial Instruments: Disclosure**
Amendments regarding supplier finance arrangements disclosures – Effective for accounting periods commencing on or after (1 January 2024).
- **IFRS 7 - Financial Instruments: Disclosures**
Amendments to IFRS 7: Disclosures – Amendments to the Classification and Measurement of Financial Instruments (effective 1 January 2026).
- **IFRS 9 - Financial Instruments**
Amendments to IFRS 9: Classification and Measurement of Financial Instruments (effective 1 January 2026)
- **IFRS 18 - Presentation and Disclosure in Financial Statements**
IFRS 18 introduces three sets of new requirements to improve companies' reporting of financial performance and give investors a better basis for analysing and comparing companies:
 - Improved comparability in the statement of profit or loss (income statement) through the introduction of three defined categories for income and expenses-operating, investing and financing-to improve the structure of the income statement, and a requirement for all companies to provide new defined subtotals, including operating profit.
 - Enhanced transparency of management-defined performance requirement for companies to disclose explanations of those company-specific measures that are related to the income statement.
 - More useful grouping of information in the through guidance on how to organise information and whether to provide it in the primary financial statements or in the notes, as well as a requirement for companies to provide more transparency about operating expenses. This Standard replaces IAS 1 *Presentation of Financial Statements*. It carries forward many requirements from IAS 1 unchanged

Effective for accounting periods commencing on or after (1 January 2027)

- **IFRS 19 - Subsidiaries without Public Accountability: Disclosures**
IFRS 19 permits eligible subsidiaries to use IFRS Accounting Standards with reduced disclosures. Applying IFRS 19 will reduce the costs of preparing financials maintaining the usefulness of the information for users of their financial statements. Subsidiaries are eligible to apply IFRS 19 if they do not have public accountability and their parent company applies IFRS Accounting Standards in their consolidated financial statements. A subsidiary does not have public accountability if it does not have equities or debt listed on a stock exchange and does not hold assets in a fiduciary capacity for a broad group of outsiders.

Effective for accounting periods commencing on or after (1 January 2027)

The above amendments are unlikely to have a material impact on the group.

Notes to the group annual financial statements

for the year ended 30 June 2025

1. Going concern

In preparing the group annual financial statements, the directors are required to assess whether the group and the company can continue as a going concern for the foreseeable future, which is considered to be at least the 12 months following 30 June 2025.

This assessment has considered the year-to-date performance of the underlying portfolio investments, the group's available liquidity to meet its operational requirements, and its overall solvency position.

Review of Trading

The group successfully transitioned to an investment entity effective 1 July 2024. Under this new reporting structure, the group's performance is measured through the net asset value per share ("NAV"), which increased by 1.82% from the prior year. For the 12 months ended 30 June 2025, the group recorded an operating profit of R13.7 million and a net profit from continuing operations of R11.2 million. This represents a decrease of R32.7 million from the prior year, primarily due to an estimated credit loss provision of R34.9 million raised against loans to subsidiaries.

The group's cash flow is being actively managed, with recent working capital investments directly funding the growth of new agency acquisitions. The primary challenge remains extended payment cycles from government and export debtors; however, management is proactively addressing this through enhanced credit control measures and is confident in its liquidity position.

Solvency and Liquidity

As at 30 June 2025, the group's total assets exceeded its total liabilities by R629.7 million. However, current liabilities exceeded current assets by R111.8 million. This working capital deficit is primarily a result of the new reporting classification for the portfolio investments measured at fair value through profit or loss, coupled with increased utilisation of the group's general banking facility (overdraft of R36 million).

The group maintains access to its committed working capital facilities. Notwithstanding the current cash flow pressures, management is confident that adequate liquidity is available to ensure all creditors are settled as they fall due.

Conclusion

The directors have concluded that the group has sufficient liquidity and access to financing to meet its obligations in the foreseeable future.

Accordingly, the directors are not aware of any material uncertainties that cast significant doubt on the group's ability to continue as a going concern. The financial statements have therefore been prepared on a going concern basis.

Notes to the group annual financial statements

for the year ended 30 June 2025

2. Investments held

On 1 July 2024, Ascendis concluded that it met the definition of an Investment Entity, as its focus on wealth creation for its shareholders remains its key focus. As at 1 July 2024, the group's portfolio investments in subsidiaries were deemed to be disposed of and re-acquired through fair value through profit or loss. The performance of its investments is measured with reference to the fair value of each investment in Ascendis' drive to meet its strategic objective of maximising wealth through capital appreciation, investment income or both.

This investment holding entity classification is based on Ascendis' fundamental business purpose, which is to invest in a portfolio of subsidiaries in the healthcare and consumer goods markets to generate capital appreciation and investment income. This results in the statement of comprehensive Income reflecting the fair value changes of the entire portfolio, providing a direct view of investment performance, rather than the aggregated revenue and expenses of the underlying subsidiaries.

Criteria for Ascendis Qualifying as an Investment Entity

Ascendis qualified as an investment entity based on its specific purpose and design:

- **Operational Purpose:** Ascendis' strategy is focused on acquiring, nurturing, and ultimately realising value from its investments through exits such as strategic disposals. This capital appreciation model is distinct from a model aimed at long-term organic growth of consolidated operations.
- **Investor Relations:** Ascendis is funded by shareholders whose primary objective is to earn returns from the performance and realisation of Ascendis' investment portfolio. Ascendis' investments are equity holdings, giving Ascendis significant influence or control but the value to shareholders is derived from the fair value of these investments, not from the consolidated performance of any single subsidiary.
- **Investment Structure:** The Ascendis executive team and the fund manager, through its head office function, provides strategic oversight, funding, and managerial expertise to its portfolio investee companies, which are managed and operated by their own dedicated leadership teams.

Consolidation Exemption

As Ascendis meets all criteria of an investment entity, it is exempt from consolidating its subsidiaries. measuring investments at fair value through profit or loss is deemed to provide more relevant information to shareholders, as it reflects the economic substance of Ascendis' activities and the way its performance is managed and assessed. The focus is on the aggregate value of the portfolio and the execution of its investment strategy, rather than the operating results of any single subsidiary. Accordingly, the portfolio investment companies are fair valued through profit and loss, while the wholly-owned head office subsidiary companies, that provide investing activities and support services to the Ascendis, are consolidated.

Valuation Process

The group applies a number of methodologies to determine and assess the reasonableness of the investments' fair value, which may include the following:

Normalised earnings model:

The primary valuation models utilised for valuing unlisted portfolio investments are the (EV)/EBITDA multiple model. The key inputs for this methodology are EBITDA and the earnings multiple:

- EBITDA: derived from EBITDA per audited financial statements, which is then normalised for abnormal and non-recurring transactions to ascertain normalised EBITDA.
- Earnings multiple: derived from comparable companies or transactions (same industry and geography, and similar in size and business model) – adjusted for risk and growth factors.

Normalised EBITDA is multiplied by the earnings multiple to determine enterprise value. Thereafter the enterprise value is adjusted for net debt and excess/shortfall net working capital to derive the equity value.

Notes to the group annual financial statements

for the year ended 30 June 2025

Attributable net realisable value (NRV):

This methodology is only used when more appropriate than the normalised earnings model - for example when the net realisable value is higher than the EV/EBITDA value or when the value of the business lies primarily in its assets rather than its earnings potential.

The realizable value of each balance sheet item is assessed individually and then aggregated to determine the company's net realizable value.

The investments line-item on the balance sheet represents the aggregate of the individual values of the underlying portfolio investee companies (sum-of-the-parts).

Prior to the conversion of the company to an investment entity, the investments in Ascendis Health SA Holdings Pty (Ltd) were carried at cost. Ascendis values its unlisted portfolio companies using the valuation metrics set out below:

Portfolio Investment Company	Valuation Metric	Reportable segment	Fair Value Hierarchy	Share Holding
Chempure (Pty) Ltd	Normalised earnings model	Consumer Health	Level 3	100%
Ascendis Consumer Brands (Pty) Ltd	Normalised earnings model	Consumer Health	Level 3	100%
Compounding Pharmacy of SA (Pty) Ltd	Normalised earnings model	Consumer Health	Level 3	100%
K2013126193 (Pty) Ltd	Attributable NRV	Consumer Health	Level 3	100%
K2013197766 (Pty) Ltd	Attributable NRV	Consumer Health	Level 3	100%
Ascendis Supply Chain (Pty) Ltd	Normalised earnings model	Consumer Health	Level 3	100%
Surgical Innovations (Pty) Ltd	Attributable NRV	Medical Devices	Level 3	100%
The Scientific Group (Pty) Ltd	Attributable NRV	Medical Devices	Level 3	100%
Ortho-Xact (Pty) Ltd	Normalised earnings model	Medical Devices	Level 3	100%
Cardio Tech (Pty) Ltd	Normalised earnings model	Medical Devices	Level 3	100%
InterV Med (Pty) Ltd	Normalised earnings model	Medical Devices	Level 3	100%
Elixir Brands (Pty) Ltd)*	Attributable NRV	Head Office	Level 3	100%
Ascendis Spain Holdings SL*	Attributable NRV	Head Office	Level 3	100%
Klipspringer Products (Pty) Ltd*	Attributable NRV	Head Office	Level 3	100%

*The following entities: Elixir Brands, Ascendis Spain Holdings SL and Klipspringer Products are included in the medical devices and consumer health segment valuations to incorporate a sum of parts measurement.

As required by IFRS 9, in accordance with IFRS 10, the group measures and classifies the majority of its financial assets at fair value through profit or loss, with any resultant gain or loss recognised in investment valuation gains/losses. Fair value is determined in accordance with IFRS 13. The statement of financial position items carried at fair value include investments in equity instruments.

Notes to the group annual financial statements

for the year ended 30 June 2025

2. Investments held (continued)

	2024	2025	2024
	Equity Value	Equity Value	Equity Value
	1 July	30 June	30 June
	R'000	R'000	R'000
Consumer Health	406,232	426,471	-
Medical Devices	224,086	275,722	-
Total investments	630,318	702,193	-

	Carrying value of assets and liabilities	Gain/(loss) on deemed disposal and reacquisition of investment	Fair value investment	Net fair value gain/(loss) on investments	Fair Value Investment	Dividend Income	Interest income
	1 July 2024	1 July 2024	1 July 2024	30 June 2025	30 June 2025	R'000	R'000
	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Consumer Health	229,908	176,324	406,232	20,240	426,471	-	3,862
Medical Devices	440,392	(216,307)	224,086	51,636	275,722	15,000	9,389
	670,300	(39,983)	630,318	71,876	702,193	15,000	13,251

The carrying value of assets and liabilities relate to the portfolio investment companies held in Ascendis Health SA Holdings (Pty) Ltd as at 1 July 2024. Ascendis Health SA Holdings (Pty) Ltd is an unlisted investment company which is 100% owned by Ascendis Health Ltd.

Key valuation inputs in accordance to IFRS 13

	Normalised earnings EBITDA	Average EBITDA multiple	Net debt and non-operational adjustments	Market related net realisable value
	R'000		R'000	R'000
Consumer Health	66,712	4.83	11,764	-
Medical Devices	94,190	3.01	(50,102)	-
Other operations (NRV)	-	-	-	76,200
	160,902	4.11	(38,338)	76,200

Notes to the group annual financial statements

for the year ended 30 June 2025

Cash and cash equivalents on deemed disposals and reacquisition of investments

	2025 R'000
Net carrying value of net assets and liabilities at 1 July 2024	
Property, plant and equipment	196,617
Right-of-use assets	43,534
Intangible assets	9,171
Deferred income tax assets	44,289
Net of loans and advances	40,430
Trade and other receivables	316,966
Inventories	396,893
Current income tax assets	3,086
Cash, money market investments and other cash equivalents	23,153
Asset finance lease liability	(33,441)
Deferred income tax liabilities	(891)
Derivative financial liabilities	(1,376)
Lease liabilities	(15,881)
Derivative financial liabilities- current	(545)
Provisions	(13,509)
Trade and other payables	(325,361)
Current income tax liabilities	(1,345)
Contract liabilities	(11,490)
Carrying value at 1 July 2024	670,300
Loss upon deemed disposal and reacquisition of investments on 1 July 2024	(39,983)
Fair Value 1 July 2024	630,318
Cash and cash equivalents on deemed disposal of investments	39,983

Financial risk factors

The group's activities as an Investment Entity expose it mainly to price risk (including market risk, cash flow and fair value interest rate risk), credit risk and liquidity risk applicable to trade receivables and trade payables.

Risk management continues to be carried out throughout the group under policies approved by the respective boards of directors.

Level 3 inputs

Level 3 inputs are unobservable inputs for the asset or liability.

Unobservable inputs are used to measure fair value to the extent that relevant observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability at the measurement date. An entity develops unobservable inputs using the best information available in the circumstances, which might include the entity's own data, taking into account all information about market participant assumptions that is reasonably available.

Notes to the group annual financial statements

for the year ended 30 June 2025

If the notable unobservable inputs to the valuation models applied were changed, as noted in the table below, while all other variables were held constant, the fair value amount of the Company's investments measured on Level 3 inputs would change as follows:

Sensitivity Analysis

CONSUMER HEALTH	
	Change in normalised earnings
	Change input by 1%
Change in fair value 30 June 2025	3,811
Change in fair value 1 July 2024	3,869

MEDICAL DEVICES	
	Change in normalised earnings
	Change input by 1%
Change in fair value 30 June 2025	2,832
Change in fair value 1 July 2024	2,579

2025

R'000

Notes

Level 3

Total

Continuing operations

Measured at fair value on a recurring basis

Investments

702,193

702,193

Total liabilities

702,193

702,193

Notes to the group annual financial statements

for the year ended 30 June 2025

3. Investment income

	2025 R'000	2024 R'000
Investment income		
Interest earned on loans advanced to investee companies ⁽¹⁾	13,251	-
Dividend earned from portfolio investment entities ⁽²⁾	15,000	-
Investment income	28,251	-

¹⁾ Interest earned on loans advanced to investee companies are based on the risk profile of the investee companies. See note 8 for further information.

²⁾ During the current year portfolio investment company issued dividends in specie to the holding company Ascendis Health Holdings South Africa (Pty) Ltd.

Notes to the group annual financial statements

for the year ended 30 June 2025

4. Other income

Operating profit includes other income as detailed in this note.

	2025	2024
Other income	R'000	R'000
Rental income	-	240
Other income	238	14,975
Profit on loss of control over Surgical Innovations ⁽¹⁾	-	85,198
Foreign exchange gain	147	-
Management fee income	28,141	-
	28,526	100,413

⁽¹⁾ Refer to Note 14 for further details regarding the reacquisition of Surgical Innovations (Pty) Ltd in the prior year.

Notes to the group annual financial statements

for the year ended 30 June 2025

5. Expenses by nature

Operating profit includes expenses as detailed in this note.

	2025	Reclassified ⁽¹⁾ 2024
	R'000	R'000
Expenses by nature		
Selling and distribution costs⁽⁵⁾:	-	88,799
Advertising and promotions	-	53,375
Distribution costs	-	35,424
Administrative expenses:	26,119	361,223
Employee benefit expenses	12,076	269,432
Administration costs ⁽⁴⁾	3,153	28,748
Estimated credit loss provision on trade and other receivables	-	11,490
Audit fees	2,288	4,416
Computer Expenses	-	15,664
Consulting and professional fees	8,602	25,741
Insurance	-	5,732
Net impairment loss on financial assets	-	11,491
Other operating expenses:	37,712	131,322
Travelling costs	2,165	11,657
Depreciation and amortisation	66	57,047
Loss on the disposal of property, plant and equipment	24	639
Estimated credit loss provision on subsidiary loans	34,847	-
Marketing	-	39,066
Other expenses	610	22,913
	63,831	592,835
Changes in inventories	-	153,186
Purchases	-	768,195
Change in inventory write down	-	(34,517)
Cost of goods sold		886,864
Transaction and restructuring related costs ⁽²⁾	7,661	17,445
Impairment loss on assets ⁽³⁾	-	28,924
	7,661	46,369

⁽¹⁾ Expenses by nature for the prior period have been reclassified to reflect material expense line items.

⁽²⁾ Transaction and restructuring related costs related to the delisting processes during the previous financial period.

⁽³⁾ Refer to the plant and machinery note 15 and intangible asset note 17, for further details regarding impairment of non-financial assets.

⁽⁴⁾ Other administration costs consists of bank charges, electricity and water and security.

⁽⁵⁾ Selling and Distribution costs include promotional costs directly related to sales activities, such as advertising campaigns, point-of-sale materials, and trade promotions. These are typically short-term initiatives aimed at boosting immediate sales and are expensed as incurred.

Notes to the group annual financial statements

for the year ended 30 June 2025

6. Finance income and costs

Finance costs

Finance costs comprise interest expense on interest bearing financial instruments, lease liabilities, debt facilities, amortisation of debt capitalisation fees. All borrowing costs are recognised in profit or loss using the effective interest method.

Finance income

Finance income comprises of interest income on interest bearing financial instruments, and other financial assets. Interest income is recognised as it accrues in profit or loss, using the effective interest method.

		2025	2024
	Financial instrument class	R'000	R'000
Finance cost			
Interest on term debt facilities	Amortised cost	568	341
Lease liabilities	Amortised cost	10	5,005
Interest on bank overdraft	Amortised cost	7,948	6,774
SARS interest	Amortised cost	9	359
		8,535	12,479
Finance income			
Other finance income			
Bank interest	Amortised cost	3,170	4,273
Other finance income ⁽¹⁾	Amortised cost	123	2,186
		3,293	6,459
Net finance costs		5,242	6,020

¹⁾ Included in other finance income is the interest earned on the investment fund held with nReach Capitis (Pty) Ltd, see other financial assets note 18 for more information.

Notes to the group annual financial statements

for the year ended 30 June 2025

7. Group segmental analysis

The group as previously reported has two reportable segments, namely its Medical Devices and Consumer Health segments. These are the reportable segments that are used by the group executive committee as Chief Operating Decision Maker (CODM) to make key operating decisions, allocate resources and assess performance. Due to the change to an Investment Entity, the group maintained the reportable segments for decision making, however the CODM now measures performance through the investments in each reportable segment. The CODM continued to review the discontinued operations reported in the prior year to ensure the segment was correctly disclosed for completeness (Refer to note 13 for more details on discontinued operations).

The reportable segments take into account the nature of the products, production process, distribution channels, types of customers and the regulatory environment in which the business units operate.

The operating and reportable segments are as follows:

- **Consumer Health**, incorporating Ascendis over-the-counter (OTC) and complementary and alternative consumer products as well as scripted compounding products from the Compounding Pharmacy. The brand offering within the Consumer Health segment include, Solal, Solal Skincare, Chela-Preg, Bettaway, Chela-fer, Jungle-Vites, Vitaforce and Menacal7. The Consumer Health portfolio investment also consists of Chempure (Importer and marketer of specialty chemicals to the food, health food, pharmaceutical and cosmetic industries) and The Compounding Pharmacy. During the year, group acquired the weight loss brand into the portfolio.
- **Medical Devices**, incorporating the supply of medical devices and consumables. Medical Devices serves private and public sector hospitals, laboratories and scientific institutions through a specialist team of sales and service personnel who install equipment, systems, sets and instruments purchased from suppliers at hospitals and laboratories. The segment is operating predominantly in the South African market.

Head office, the head office is not an operating segment as it includes all costs incurred at a group level. The head office houses all group support functions including group executives, group finance, group treasury, group communications, group IT, company secretarial and human resources. Any other remaining businesses that do not qualify as a separately reportable segment have been grouped in the other segments category.

Change in segments are reported prospectively to be in line with change in investment entity status. These values in the comparative periods will not necessarily correspond with the values per the consolidated annual statement of financial position since the comparative values were measured using the relevant accounting standards which included historical cost.

With the change to investment holding effective 1 July 2024, the group maintained the reportable segment as adopted in the prior year and included sum of parts ("SOTP") as a valuation tool used to measure Ascendis's performance. Refer to note 2 for further information.

Notes to the group annual financial statements

for the year ended 30 June 2025

7. Group segmental analysis (continued)

(a) Statement of profit or loss and other comprehensive income measures applied from continuing operations

	Year ended 2025				
	Fair Value gain/(loss) on investments	Investment Income	Dividend income	Other income and expenses	SOTP Value
	R'000	R'000	R'000	R'000	R'000
30 June 2025					
Consumer Health	196,550	3,412	-	-	426,472
Medical Devices	(164,657)	9,839	15,000	-	275,721
Wholly-owned head office subsidiary	-	-	-	(71,421)	-
	31,893	13,251	15,000	(71,421)	702,193

	2025 R'000	2024 R'000
Revenue split by segment		
Consumer Health	-	496,310
Medical Devices	-	975,734
Total revenue	-	1,472,044

Revenue by geographical location		
Africa	-	1,472,044
Total revenue	-	1,472,044

Revenue by customer destination		
Africa	-	1,472,044
South Africa	-	1,365,584
Rest of Africa	-	106,460
Total revenue	-	1,472,044

	2025 000	2024 000
Expenses by segment		
Consumer Health	-	228,969
Medical Devices	-	326,796
Head Office	-	37,070
	-	592,835

Notes to the group annual financial statements (continued)

for the year ended 30 June 2025

7. Group segmental analysis (continued)

The revenue presented by geographic location represents the domicile of the entity generating the revenue and revenue by customer destination represents the domicile of the customer.

In the reported prior year, 34% of the group's revenue was generated through the wholesale and retail market, and 19% of the group's revenue is generated from government institutions. There is no customer concentration risk.

The group evaluates the performance of its reportable segments based on normalised EBITDA^{PM} (earnings before interest, tax, depreciation, amortisation and impairments and further adjusted for the acquisition, integration and disposal of businesses, debt and capital restructuring costs, restructuring and retrenchment costs). The financial information of the group's reportable segments is reported to the Executive Committee (EXCO) for purposes of making decisions about allocating resources to the segment and assessing its performance. The percentage disclosed represents the normalised EBITDA^{PM}/revenue margin.

Reconciliation of normalised EBITDA ^{PM} to consolidated results	Notes	2025 R'000	2024 R'000
Consolidated profit/(loss) before taxation from continuing operations		8,436	40,369
Finance income	6	(3,293)	(6,459)
Finance expense	6	8,535	12,479
Total amortisation and depreciation ⁽³⁾	4	66	57,047
Total impairment on assets	4	-	28,924
EBITDA		13,744	132,360
Total transaction and restructuring related costs ⁽¹⁾	4	7,661	17,445
Restructuring, disposal and retrenchment costs ⁽²⁾	14	-	(85,198)
Estimated credit loss on subsidiary loans	9	34,847	-
Loss on deemed disposal and reacquisition ⁽⁴⁾	2	39,983	-
Total normalised EBITDA^{PM} attributable to the parent		96,235	64,607

⁽¹⁾ Transaction and restructuring related to delisting and disposal processes in the prior year.

⁽²⁾ Refers to the reacquisition of Surgical Innovations in the previous financial period. Refer to note 14 for further details.

⁽³⁾ The prior year includes R6 million of depreciation that is included in cost of sales within the Consumer Health segment.

⁽⁴⁾ Refer to 2 for further information on the resultant loss on deemed disposal and reacquisition of investments.

Notes to the group annual financial statements (continued)

for the year ended 30 June 2025

7. Group segmental analysis (continued)

Net finance cost split by segment	2025 R'000		2024 R'000	
	Finance income	Finance expense	Finance income	Finance expense
Consumer Health	3,412	-	2,566	(1,060)
Medical Devices	9,839	-	1,321	(4,968)
Head Office	3,293	(8,535)	2,573	(6,451)
Total finance income/(cost)	16,544	(8,535)	6,459	(12,479)

Tax expense split by segment	2025 R'000	2024 R'000
Consumer Health	-	(26,902)
Africa	-	(26,902)
Medical Devices	-	25,423
Head office	2,841	278
Total consolidated tax (credit)/expense	2,841	(1,201)

Depreciation and amortisation split by segment	2025 R'000	2024 R'000
Consumer Health	-	36,863
Medical Devices	-	48,815
Head office	66	292
Less: Discontinued operations	-	-
Total consolidated depreciation and amortisation	66	85,970

Impairment split by segment	2025 R'000	2024 R'000
Consumer Health	-	27,332
Medical Devices	-	1,592
Total consolidated impairment	-	28,924

Notes to the group annual financial statements (continued)

for the year ended 30 June 2025

8. Earnings per share

Earnings per share

Earnings per share is calculated using the weighted average number of ordinary shares in issue during the period and is based on the profit after tax attributable to ordinary shareholders. For the purpose of calculating earnings per share, treasury shares are deducted from the number of shares in issue.

Diluted earnings per share

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume the conversion of all dilutive potential ordinary shares and is based on the net profit attributable to ordinary shareholders, adjusted for the after tax dilutive effect.

Headline earnings per share

The calculation of headline earnings per share is based on the profit attributable to equity holders of the parent, after excluding all items of a non-trading nature, divided by the weighted average number of ordinary shares in issue during the period. The presentation of headline earnings is not an IFRS requirement, but is required by the JSE Listings Requirements and in accordance with the SAICA Circular 1/2023.

Net asset value per share ("NAVPS")

NAVPS is calculated by dividing the net asset value by the total number of ordinary shares in issue at the financial year-end, excluding treasury shares. Net asset value is the value of the total assets (non-current assets plus current assets) minus total liabilities (non-current liabilities plus current liabilities).

It is more appropriate to report on net asset value as a performance metric and it has therefore been resolved to adopt Net Asset Value as the group's relevant financial measure for trading statement purposes, as announced on SENS on 24 March 2025.

Tangible net asset value per share ("TNAVPS")

Tangible net asset value per share is calculated by dividing the tangible net asset value by the total number of ordinary shares in issue at the financial year-end, excluding treasury shares. Tangible net asset value is the net asset value less the value of goodwill, intangible assets, deferred tax assets, lease liabilities and right of use assets.

Weighted average number of shares

Weighted average number of shares in issue is calculated as the number of shares in issue at the beginning of the period, increased by shares issued during the period weighted on a time basis for the period during which they have participated in the profit of the group. Shares which are held by a subsidiary company as treasury shares have been adjusted on a time basis when determining the weighted average number of shares in issue.

Notes to the group annual financial statements (continued)

for the year ended 30 June 2025

8. Earnings per share (continued)

	2025 R'000			2024 R'000		
	Continuing operations	Discontinued operations	Total	Continuing operations	Discontinued operations	Total
(a) Basic profit/(loss) per share						
Profit/(Loss) attributable to owners of the parent	11,277	-	11,277	41,569	15,720	57,289
Profit/(Loss)	11,277	-	11,277	41,569	15,720	57,289
Weighted average number of ordinary shares in issue ⁽¹⁾			626,045,476			626,045,476
Basic profit/(loss) per share (cents)	1.8	-	1.8	6.6	2.5	9.2
(b) Headline (loss)/earnings per share						
Profit/(loss) attributable to owners of the parent	11,277	-	11,277	41,569	15,720	57,289
<i>Adjusted for:</i>						
Loss on the sale of property, plant and equipment	23	-	23	639	-	639
Tax effect	(6)	-	(6)	(173)	-	(173)
(Profit) on reacquisition or loss of control over of subsidiary	-	-	-	(85,198)	-	(85,198)
Goodwill, intangible asset and tangible asset impairment	-	-	-	28,924	-	28,924
Loss on deemed disposal and reacquisition of investment ⁽²⁾	39,983	-	39,983	-	-	-
Impairment of loan	3,000	-	3,000	3,527	-	3,527
Tax effect	-	-	-	1,798	-	1,798
Headline earnings/(loss)	54,277	-	54,277	(8,914)	15,720	6,806
Weighted average number of shares in issue			626,045,476			626,045,476
Headline earnings/(loss) per share (cents)	8.7	-	8.7	(1.4)	2.5	1.1
Diluted Headline earnings/(loss) per share (cents)	8.7	-	8.7	(1.4)	2.5	1.1

¹⁾The Group has no instruments in issue that would result in the issuance of potential ordinary shares. Accordingly, the weighted average number of ordinary shares used in the calculation of diluted earnings per share is equal to that used for basic earnings per share.

²⁾ Refer to note 2 for further information on the resultant loss on deemed disposal and reacquisition of investments.

Notes to the group annual financial statements (continued)

for the year ended 30 June 2025

9. Loan receivable/(Payable)

As a result of the change in investment entity status and the resultant deemed disposal and reacquisition of investments, the loans and advances were also deemed to be disposed and reacquired (refer note 2 for further information on the resultant gain or loss on deemed disposal and reacquisition of investments.). Loans and advances that remain in the current year, relate to those of the wholly-owned head office subsidiaries providing investment activities to Ascendis investee companies and loans related to intergroup charges within the group.

	Interest Rate	Secured /Unsecured	2025 Non-current R'000	2025 Current R'000
Loans advanced to related party				
Surgical Innovations (Pty) Ltd ⁽¹⁾		Unsecured	15,000	449
The Scientific Group (Pty) Ltd	Prime +7	Unsecured	16,559	-
<i>The Scientific Group (Pty) Ltd - Estimated credit loss provision</i>			(6,408)	-
Ortho-Xact (Pty) Ltd	Prime +7	Unsecured	34,511	-
<i>Ortho-Xact (Pty) Ltd - Estimated credit loss provision</i>			(24,944)	-
Cardio Tech (Pty) Ltd t/a Cardaxes		Unsecured	-	7,061
InterV Med (Pty) Ltd		Unsecured	-	9,027
Elixr Brands (Pty) Ltd		Unsecured	2,707	-
<i>Elixr Brands (Pty) Ltd - Estimated credit loss provision</i>			(2,705)	-
Ascendis Health Spain Holdings SL		Unsecured	1,466	-
The Compounding Pharmacy of South Africa (Pty) Ltd		Unsecured	-	7,101
Ascendis Consumer Brands (Pty) Ltd	Prime +7	Unsecured	-	1,042
<i>Ascendis Consumer Brands (Pty) Ltd - Estimated credit loss provision</i>				(789)
			36,186	23,891
Loans advanced from related party				
Chempure (Pty) Ltd		Unsecured	-	14,182
Ascendis Consumer Brands (Pty) Ltd		Unsecured	-	11,665
Elixr Brands (Pty) Ltd		Unsecured	982	-
The Scientific Group (Pty) Ltd		Unsecured	-	258
Cardio Tech (Pty) Ltd t/a Cardaxes		Unsecured	-	705
Ascendis Supply Chain (Pty) Ltd		Unsecured	-	13,131
Surgical Innovations (Pty) Ltd		Unsecured	-	28,942
			982	68,883

⁽¹⁾ During the current year, InterV Med (Pty) Ltd issued dividends in specie to the holding company Ascendis Health SA Holdings (Pty) Ltd. Refer to note 2 for further information.

The amount due to/ (from) related party are between wholly-owned head office subsidiaries to the portfolio investee companies at risk profile related interest rates.

No repayment terms are linked to the loans noted above.

The group assesses the recoverability of the individual debt and calculates expected credit loss allowance (ECL) percentage in terms of IFRS 9, refer to the credit risk section for further details on the credit risk management policies (Note 30).

Non-current assets	36,186
Current assets	23,891
Non-current liability	982
Current liability	68,883

Reconciliation of expected credit loss allowance	2025 R'000
Opening balance	-
Decrease / (increase) in expected credit losses *	(34,846)
As at 30 June	(34,846)

Notes to the group annual financial statements (continued)

for the year ended 30 June 2025

10. Revenue

1. Dividend income

Dividend income is recognised when the right to receive payment is established and is included as part of investment income in profit and loss.

2. Interest income

Interest income for financial assets that are not classified as at fair value through profit or loss is recognised using the effective interest rate method and is included as part of investment income in profit and loss. When a receivable is impaired, the company reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument and continues unwinding discount as interest income.

Revenue recognition related to the previous financial period.

Revenue for the group consists of revenue from contracts with customers and income from rental of medical equipment.

3. Revenue from contracts with customers

The group generates revenue in the normal course of business through the following types of transactions:

The Consumer Health segments receive consideration for the sale of products on an exclusive or semi-exclusive basis through selected distributors or directly to individual customers.

Medical Devices segments receive consideration for the sale of products by means of a contract with customers to deliver products on a continuous basis. These contracts are often awarded by means of a tender process.

4. Sale of goods – wholesale (Reportable segment - Consumer Health)

The group manufactures via a third party manufacturer and sells a range of medicines in the wholesale market. This policy applies to both in-country and export sales. Revenue is recognised at a point in time when the control of the products has transferred, being when the products are delivered to the wholesaler. The wholesaler has full discretion over the channel and price to sell the products and there is no unfulfilled obligation that could affect the wholesaler's acceptance of products. Delivery occurs when the products have been shipped to the wholesaler's specified location, risk of obsolescence and loss have been transferred to the wholesaler or when the wholesaler has accepted the products in accordance with the contract. Delivery for export sale is not a separate performance obligation as it is highly dependent on the sale of the products to the wholesaler hence it is not separately identifiable. No significant judgements are made in determining the point in time when control transfers, as delivery terms and risk transferred are clearly defined in standard contracts.

The products are sold with volume discounts, early settlement discount and rebates and revenue is recognised based on the price specified in the contract net of estimated discounts and rebates. The discounts and rebates are measured based on the expected value method using accumulated experience and revenue is recognised only to the extent that it is highly probable that a significant reversal will not occur. The transaction price is based on fixed consideration as specified in the contract. The entity does not engage in contracts that include variable consideration, and therefore no estimates on constraints related to variable consideration are applicable. A contract liability is recognised for the expected discounts and rebates payable to the customers in relation to sales made until the end of the reporting period.

Notes to the group annual financial statements (continued)

for the year ended 30 June 2025

10. Revenue (continued)

These amounts are presented as contract liabilities rather than refund liabilities (IFRS 9), as they represent an obligation to transfer economic benefits (e.g., future discounts or rebates) that are part of the performance obligation under the customer contract. (Refer to note 25).

As per the group's standard contract terms, customers have the right of return within seven days. At the point of sale, a refund liability and a corresponding adjustment to revenue are recognised for those products expected to be returned. At the same time, the group has the right to recover the product when the customers exercise their right of return so consequently recognises a right to returned goods asset and a corresponding adjustment to the cost of sales recognised in profit or loss. The group uses the accumulated historical experience to estimate the number of returns on a portfolio level using the expected value method.

It is considered highly probable that a significant reversal in the cumulative revenue recognised will not occur given the consistent level of returns over previous years.

The transaction price is the relative stand-alone selling price of the products net of any variable consideration which is determined above.

Sale of goods – wholesale (continued)

A receivable is recognised by the group when the products are delivered to the wholesaler as this represents the point in time at which the right to consideration becomes unconditional, as only the passage of time is required before payment is due.

5. Sale of goods – equipment (Reportable segment - Medical Devices)

The group sells medical equipment directly to end customers. Revenue is recognised at a point in time, when control of the equipment has transferred, being when the equipment is delivered to the customer.

As per the group's standard contract terms, customers have the right of return within seven days. At the point of sale, a refund liability and a corresponding adjustment to revenue are recognised for equipment expected to be returned. At the same time, the group has the right to recover the product when the customers exercise their right of return so consequently recognises a right to returned goods asset and a corresponding adjustment to the cost of sales recognised in profit or loss. The group uses the accumulated historical experience to estimate the number of returns on a portfolio level using the expected value method. It is considered highly probable that a significant reversal in the cumulative revenue recognised will not occur given the consistent level of returns over previous years.

The transaction price is the relative stand-alone selling price of equipment net of any variable consideration which is determined above.

6. Sale of services – maintenance of equipment (Reportable segment - Medical Devices)

The group provides maintenance services for the equipment that has been purchased by the customer as a separate service. Alternatively, the group offers an assurance-type warranty for the maintenance of the purchased equipment. The term "assurance-type warranty" refers to a basic warranty that provides assurance that the equipment sold complies with agreed-upon specifications and will function as intended. This warranty does not constitute a separate performance obligation under IFRS 15. In contrast, the maintenance plans offered by the group are distinct services sold separately or bundled with the equipment sale. These maintenance plans go beyond standard warranties and include scheduled servicing and consumables. As such, they are accounted for as separate performance obligations,

Notes to the group annual financial statements (continued)

for the year ended 30 June 2025

10. Revenue (continued)

with revenue recognised over time. Maintenance is considered to be a distinct service as it is both regularly supplied by the group to customers on a standalone basis and is available for customers from other providers in the market. A portion of the transaction price is allocated to maintenance service based on the standalone selling prices of the

components. The group recognises a contract liability for the services that have not been performed at year end. Refer to note 25 for the balance of the warranty liability as at 30 June 2025.

Revenue relating to maintenance service is recognised over time using a straight-line method. The method is considered to provide a faithful depiction of the transfer of services because the nature of the service is time based and the customer receives the benefit of the maintenance continuously over the duration of the contract. Revenue from maintenance is based on the input method and takes into account the services provided over time along with the consumables utilised as part of the maintenance. The transaction price allocated to these services is recognised as a contract liability at the time of the initial sales transaction and is released on a straight-line basis over the period of service.

Significant judgement and estimates in revenue recognition

Management has assessed that there are no significant judgments affecting the timing of satisfaction of performance obligations beyond those already disclosed. The timing of revenue recognition for maintenance services is based on the contractual term and is recognised on a straight-line basis.

In determining the transaction price and allocating it to performance obligations, management applies judgment in estimating variable consideration (e.g., discounts and returns) using the expected value method. These estimates are based on historical data and are reviewed periodically to ensure they do not result in significant revenue reversals.

Management has to apply estimation in the determination of discounts and return assets and liabilities. The items are estimated based on the historical experience and expected value method. Management applies significant judgement and estimation in the determination of the transaction price. The amount of revenue recognised is based on the transaction price, which is the amount of consideration the group expects to be entitled to for supplying the product or service. Variable consideration is estimated based on the most likely amount to be received (or paid) and to the extent that it does not result in a significant reversal of revenue.

Financing component

The group does not consider contracting on settlement terms exceeding 12 months as aligned to its risk policy and the absence of commercial sense to do so. Arrangements of this nature would be assessed and accepted on a case by case basis in the event of presenting themselves to the group.

The group did not have any adjustments in relation to a financing component during the current and prior year.

Notes to the group annual financial statements (continued)

for the year ended 30 June 2025

10. Revenue (continued)

7. Revenue from rental income (Reportable segment - Medical Devices)

The group enters into operating lease arrangements where it places medical equipment at the customer for no cost and the customer is required to purchase the consumables from the group to be used exclusively with the capital equipment. The company recognises revenue from the use of equipment as operating lease income. There are no minimum purchase quantity arrangements in place and as such, all revenue received from the sale of consumables is recognised as rental income when the risks and rewards over all the consumables have been transferred to the customer. Due to the variable nature of the rental income, a maturity analysis of the rental income receivable in future periods is not disclosed.

The related medical equipment is included as part of property, plant and equipment as per the accounting policy.

The breakdown of revenue from all activities is as follows:

Revenue	2025 R'000	2024 R'000
Revenue from contracts with customers		
Sale of goods - wholesale	-	1,313,896
Sale of equipment	-	53,122
Rendering of service	-	17,591
	-	1,384,609
Timing of revenue: revenue from contracts with		
Consumer Health		
Products transferred at a point in time	-	496,310
Medical		
Products transferred at a point in time	-	870,709
Services transferred over time	-	17,591
	-	1,384,609
Rental income - Medical segment	-	87,435
Total revenue	-	1,472,044

Notes to the group annual financial statements (continued)

for the year ended 30 June 2025

11. Income tax expense

Income tax expense comprises of current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or items recognised directly in equity.

Current tax is the expected tax payable on taxable income for the year using the tax rates enacted or substantively enacted at the end of the financial year in the countries where the company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulations are subject to interpretation and recognises a liability or provision where appropriate on the basis of amounts expected to be paid to tax authorities. The evaluation requires judgements and estimation as the ultimate tax position is uncertain during the ordinary course of business.

	2025	2024
	R'000	R'000
Major components of the tax expense		
Current Tax		
Current tax on profits for the period	465	8,299
Recognised in current tax for prior periods	-	(2,033)
	465	6,266
Deferred Tax		
Originating and reversing temporary differences	(3,305)	(4,802)
Measurement period adjustment	-	(2,665)
	(3,305)	(7,467)
Total income tax (credit)/expense	(2,841)	(1,201)
Income tax expense attributable to:	R'000	R'000
(Loss)/profit from continuing operations	(2,841)	(1,201)
Profit from discontinued operations	-	-
	(2,841)	(1,201)

Notes to the group annual financial statements (continued)

for the year ended 30 June 2025

11. Income tax expense (continued)

	2025	2024
Tax at the South Africa corporate tax rate	27.00%	27.00%
Fair value adjustment	-22.08%	
Dividend income	-6.60%	
Amortisation	0.00%	4.13%
Impairment ⁽¹⁾	0.00%	15.31%
Prior year over/under provisions	0.00%	-11.64%
Utilisation of tax losses/ limitation of deferred tax assets on assessed losses ⁽²⁾	-8.48%	-41.83%
Donations	0.00%	0.11%
Learnerships	0.00%	-3.15%
Other non-deductible expenses ⁽³⁾	4.21%	17.84%
Other non-taxable income ⁽⁴⁾	0.00%	-5.86%
Recoupments	0.00%	10.51%
Profit on disposal of assets	1.32%	-15.39%
Fines and penalties	0.00%	0.00%
Change in tax rate	0.00%	0.00%
Average effective tax rate	-4.63%	-2.97%

⁽¹⁾ Related to the impairment of intangible assets amounting to (30 June 2024 R22.8 million).

⁽²⁾ The Group has recognised a limitation on deferred tax assets relating to assessed losses amounting to R19.2 million (30 June 2024: R62.5 million). This limitation arises due to the Group's accumulated tax losses and the expectation that the Group will not have sufficient future taxable income available to utilise these losses.

The Group has considered the following in the uncertainty over Income Tax Treatments.

- Judgements made in determining taxable profit and tax bases, including the assessment of future taxable income and the recoverability of deferred tax assets.
- Assumptions and estimates regarding the availability of future taxable profits, the timing of utilisation of assessed losses, and the impact of any potential changes in tax legislation or SARS assessments.

The Group has concluded that it is probable that the taxation authority will accept the current tax treatment. Accordingly, no tax-related contingency has been recognised under IAS 12.88. There was no changes in the prior period tax estimates.

⁽³⁾ This includes various non-deductible costs.

⁽⁴⁾ The amount relates to various non-taxable amounts.

12. Net debt

Net debt is calculated as the sum of borrowing and other financial liabilities, and lease liabilities less cash and cash equivalents.

	2025 R'000	2024 R'000
Cash and cash equivalents	2,688	42,664
Debt repayable within one year including bank overdrafts	(35,650)	(15,881)
Debt repayable after one year	(1,262)	(33,441)
Net debt^{PM}	(34,224)	(6,658)
Cash and cash equivalents	2,688	42,664
Gross debt - fixed interest rate	(36,912)	(49,322)
Net debt^{PM}	(34,224)	(6,658)

Notes to the group annual financial statements (continued)

for the year ended 30 June 2025

12. Net debt (continued)

Net debt^{PM} reconciliation

R'000	Cash and cash equivalents	Leases	Borrowings	Total
Net debt^{PM} as at 30 June 2023	102,231	(20,730)	(29,807)	51,694
Cashflows - principal / capital portion ⁽³⁾	(59,567)	10,840	20,293	(28,434)
Non cash movements	-	(39,433)	9,514	23,260
Foreign exchange adjustments	-	17	-	17
Deemed disposal of business ⁽¹⁾	-	(28,231)	-	(28,231)
Other adjustments / movements ⁽²⁾	-	(11,219)	9,514	(1,705)
Net debt^{PM} as at 30 June 2024	42,664	(49,322)	-	(6,658)
Cashflows - principal / capital portion	(75,626)	-	-	(75,626)
Non cash movements	-	48,060	-	48,060
Deemed disposals and reacquisition of investments ⁽⁴⁾	-	49,322	-	49,322
Other adjustments / movements ⁽³⁾	-	(1,262)	-	(1,262)
Net debt^{PM} as at 30 June 2025	(32,962)	(1,262)	-	(34,224)

⁽¹⁾ Relates to the loss of control and subsequent reacquisition of Surgical Innovations. Refer to note 14 for more information.

⁽²⁾ This mainly relates to the settlement of the distribution liability and interest that has been capitalised to the liability account.

⁽³⁾ The amortised portion refers to the derecognition of the remaining distribution liability to the statement of profit and loss.

⁽⁴⁾ As a result of the change in investment entity status and the resultant deemed disposal and reacquisition of investments, leases were deemed to be disposed and reacquired. Leases that remain in the current year, relate to those of the wholly-owned head office subsidiaries providing investment activities to the group.

Distribution liability

During November 2022, the group renegotiated the terms of payment on the distribution liability within the medical devices segment which resulted in the extension of final payment date from June 2024 to January 2025. The final payment was recorded in May 2024. The amendments to the terms of the distribution agreement did not result in a substantial modification in terms of IFRS 9.

As at 30 June 2025, the group did not have any outstanding senior debt. The reconciliation below refers to the previous financial period.

Notes to the group annual financial statements (continued)

for the year ended 30 June 2025

13. Discontinued Operations

The following information regarding accounting policies refer to the prior year and will fall away in the following financial year, however the information is included in the current year financial statements for completeness:

Assets and liabilities classified as held for sale are presented separately as current items in the statement of financial position. Discontinued operations represents a component of and entity that either has been disposed of, or is classified as held for sale, and represents a separate major line of business or geographic area of operations.

In the group statement of profit or loss and other comprehensive income of the comparable period, income and expenses from discontinued operations are reported separately from the income and expenses from continuing activities, down to the level of profit after taxes, even when the parent retains a non-controlling interest in the subsidiary after the sale. The resulting profit or loss (after taxes) is reported separately in profit or loss and other comprehensive income in the comparative period.

Discontinued operations represents separate major lines of business for the Group which have been disposed of, or are in process of being disposed of.

Disposal of manufacturing assets relating to the Supply Chain business

During the 2023 financial period, the Group initiated a formal plan to wind down its Supply Chain business, including the associated manufacturing operations. This decision was approved by the Board and communicated to relevant stakeholders. The wind-down process included the outsourcing of manufacturing capacity to a third party and the disposal of certain plant and machinery assets, which commenced in the prior period.

As at 31 December 2023, the Supply Chain business had ceased its operational activities, and all significant components of the business had either been disposed of or decommissioned. In accordance with IFRS 5 – Non-current Assets Held for Sale and Discontinued Operations, the Supply Chain business was classified as a discontinued operation from the date on which it ceased generating revenue and cash flows from its principal activities.

The results of the discontinued operation are presented separately in the statement of profit or loss, and comparative figures have been restated accordingly.

R'000	2024 Supply Chain
Profit on sale of disposal group	15,720
Profit before tax	15,720
Tax expense	-
Profit after income tax expense of discontinued operations	15,720
Other comprehensive income	-
Total comprehensive income	15,720

The carrying amount of assets and liabilities that were disposed were:

R'000	2024 Supply Chain
Property, plant and equipment	2,562
Total assets	2,562
Total liabilities	-
Carrying amount of net asset disposed	2,562
Total disposal consideration - cash	18,282
Gain on disposal	15,720
Net cash	
Cash received	18,282
Net cash received on sale	18,282

Notes to the group annual financial statements (continued)

for the year ended 30 June 2025

14. Reacquisition of control over subsidiary

During 2023, a decision was taken by the directors of Surgical Innovations Pty Ltd ("Surgical Innovations") to initiate business rescue proceedings - the Group was required to recognise a deemed loss of control in terms of IFRS given that the Group no longer met the requirements for control over Surgical Innovations as at the 2023 financial year end.

Subsequent to year end, the business rescue plan was successfully approved by creditors and implemented by the Business Rescue Practitioner. A final distribution to creditors was settled on 29 September 2023 upon which Surgical Innovations successfully exited the business rescue process.

The Group accordingly reassumed control, in terms of IFRS 10, as from 29 September 2023, the Group recognised the identifiable assets and liabilities at their estimated fair values in accordance with IFRS 3 Business Combinations and IFRS 10 Consolidated Financial Statements. The initial acquisition values for property, plant and equipment were based on the net carrying amounts of the assets and liabilities as at the reassumption date.

As at 30 June 2024, the Group was in the process of finalising the fair value assessment of property, plant and equipment in accordance with IFRS 13 Fair Value Measurement and IAS 16 Property, Plant and Equipment. This process was completed during the 2025 financial year. The final fair values determined were not materially different from the initial carrying amounts, and therefore, the carrying amounts were deemed to approximate fair value.

	2024 R'000
	Surgical Innovations
	Loss of control
Property, plant and equipment ⁽¹⁾	89,720
Right-of-use assets	28,114
Current income tax receivable	1,413
Inventories	64,710
Trade and other receivables	48,822
Cash and cash equivalents	21,928
Total assets	254,707
Lease liabilities	(28,299)
Trade and other payables	(137,427)
Provisions	(3,783)
Total liabilities	(169,509)
Carrying amount of net asset reacquired/disposed	85,198
Total disposal consideration - cash/ debt set off	-
Gain on reacquisition/disposal	(85,198)
Net cash	
Cash received	-
Less: Cash and cash equivalents balance of disposed subsidiaries	(21,928)
Net cash received on purchase/sale	(21,928)

¹⁾ During the current year, the company determined via the reassessment of property, plant and equipment were reacquired at fair value in accordance with IFRS 3. Furthermore no material differences were noted during reassessment.

Notes to the group annual financial statements (continued)

for the year ended 30 June 2025

15. Property, plant and equipment

The following information includes accounting policies that refer to the prior year and will fall away in the following financial year, however the information is included in the current year financial statements for completeness:

Land and buildings are shown at fair value. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset, and the net amount is restated to the revalued amount of the assets.

All other plant and equipment are measured at historical cost less accumulated depreciation and impairment.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the asset to a working condition for its intended use, the costs of dismantling and removing the items and restoring the site on which they are located. Purchased software that is integral to the functionality of the related equipment or computers is capitalised as part of that equipment or computer depending on the underlying asset.

Property, plant and equipment under construction (capital work in progress) are measured at initial cost and depreciation commences from the date the assets are ready for use as intended by management and transferred to an appropriate category of property, plant and equipment.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that the future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the financial year in which they are incurred.

i) Measured at fair value (land and buildings only)

Increases in the carrying amount due to revaluation are credited to other comprehensive income and shown as a reserve in equity. Decreases that offset previous increases of the same asset are charged to other comprehensive income and debited against the reserve. All other decreases are charged to the income statement. Each year the difference between depreciation based on the revalued amount charged to the income statement and the depreciation based on the original cost, is transferred from the revaluation reserve to retained earnings.

ii) Measured at historical cost (plant and equipment)

Depreciation is calculated on a straight-line basis to write off the cost of the assets to their residual values over the estimated useful lives. Useful lives and residual values are reviewed annually and the effect of any changes in estimate is accounted for on a prospective basis.

Residual values, useful lives and depreciation method of each asset are reviewed at the end of each reporting year. Items of plant and equipment are assessed for impairment when an impairment indicator exists.

Notes to the group annual financial statements (continued)

for the year ended 30 June 2025

15. Property, plant and equipment (continued)

Significant estimation is applied by management when determining the residual values of property, plant and equipment. The following factors are considered when determining residual values:

- External residual value information (if available) and
- Internal technical assessments for complex plant and machinery.

Assessment of the useful lives is based on the management's estimates taking into account historical experience with similar assets, expected usage of the asset, physical wear and tear, technical and commercial obsolescence and legal restrictions on the use of the assets. Due to the unique nature of the medical equipment the residual value thereof is mostly nil, following from legal restrictions in selling the used medical equipment. Land is not depreciated.

The useful lives of each category of property, plant and equipment have been assessed as follows:

Asset Category	2025 Years	2024 Years
Buildings	25 – 50	25 – 50
Land ⁽¹⁾	indefinite	indefinite
Plant and machinery – owned	5 – 16	5 – 16
Office furniture	5 – 7	5 – 7
Motor vehicles – owned	3 – 6	3 – 6
Computers	3 – 7	3 – 7
Leased assets ⁽²⁾	2 – 10	2 – 10
Leasehold improvements ⁽³⁾	3 – 10	3 – 10

⁽¹⁾ Land is not subject to depreciation.

⁽²⁾ Leased assets are disclosed separately as right of use assets, refer to note 16.

⁽³⁾ Depreciated over the shorter of useful life and lease period.

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and are recognised within other income in the statement of profit or loss. When revalued assets are sold, any amounts included in other reserves in respect of those assets are transferred to retained earnings.

Notes to the group annual financial statements (continued)

for the year ended 30 June 2025

15. Property, plant and equipment (continued)

Reconciliation of property, plant and equipment - 30 June 2025

R'000	Land and buildings	Plant and machinery	Office furniture	Motor vehicles	Computers	Leasehold improvement	Capital work in progress	Total
Opening balance								
Cost or revaluation	30,000	317,273	20,582	4,835	9,120	16,188	4,210	402,208
Accumulated depreciation and impairment	-	(179,056)	(9,891)	(3,383)	(6,719)	(5,633)	(910)	(205,591)
Net book value as at 30 June 2024	30,000	138,217	10,691	1,452	2,401	10,555	3,300	196,617
Deemed disposals and reacquisition of investments ⁽¹⁾	(30,000)	(138,217)	(10,691)	(1,452)	(2,394)	(10,555)	(3,300)	(196,609)
Additions	-	-	-	-	135	-	-	135
Depreciation	-	-	-	-	(30)	-	-	(30)
Net book value as at 30 June 2025	-	-	-	-	112	-	-	112
Made up as follows:								
Cost or revaluation	-	-	-	-	135	-	-	135
Accumulated depreciation and impairment	-	-	-	-	(23)	-	-	(23)
Net book value as at 30 June 2025	-	-	-	-	112	-	-	112

⁽¹⁾ As a result of the change in investment entity status and the group ceased to consolidate certain subsidiaries. Consequently, the assets and liabilities of these subsidiaries were derecognised. The property, plant and equipment that remain in the current year relate solely to those of wholly-owned head office subsidiaries that continue to provide investment-related services to the group.

Notes to the group annual financial statements (continued)

for the year ended 30 June 2025

15. Property, plant and equipment (continued)

Reconciliation of property, plant and equipment - 30 June 2024

R'000	Land and buildings	Plant and machinery	Office furniture	Motor vehicles	Computers	Leasehold improvements	Capital work in progress	Total
Opening balance								
Cost or revaluation	35,000	130,677	22,234	691	8,129	9,135	3,410	209,276
Accumulated depreciation and impairment	-	(67,820)	(13,352)	(662)	(5,665)	(2,270)	-	(89,769)
Net book value as at 30 June 2023	35,000	62,857	8,882	29	2,464	6,865	3,410	119,507
Additions	-	22,658	7,231	1,079	475	4,849	800	37,092
Acquired subsidiary ⁽¹⁾	-	80,966	2,170	107	4,590	1,750	-	89,583
Disposals	-	(6,204)	(93)	-	(140)	(177)	-	(6,614)
Impairments and scrapping	(4,948)	(1,591)	-	-	-	-	(910)	(7,449)
Transfers between asset categories ⁽²⁾	-	491	-	-	-	-	-	491
Depreciation	(52)	(20,960)	(7,499)	237	(4,987)	(2,732)	-	(35,993)
Net book value as at 30 June 2024	30,000	138,217	10,690	1,452	2,401	10,555	3,300	196,617
Made up as follows:								
Cost or revaluation	30,000	317,273	20,582	4,835	9,122	16,188	4,210	402,210
Accumulated depreciation and impairment	-	(179,056)	(9,891)	(3,383)	(6,721)	(5,633)	(910)	(205,594)
Net book value as at 30 June 2024	30,000	138,217	10,691	1,452	2,401	10,555	3,300	196,617

⁽¹⁾ Relates to deemed re-acquisition of Surgical Innovations following conclusion of the business rescue process.

⁽²⁾ Transfer of demonstration equipment from inventory to plant and machinery in the Surgical Innovations and Cardio Tech businesses, once its been placed as rental equipment. Inventory is reclassified to plant and machinery at the carrying value.

Notes to the group annual financial statements (continued)

for the year ended 30 June 2025

15. Property, plant and equipment (continued)

Fair value of land and buildings

The revaluation surplus net of applicable deferred income taxes was credited to other comprehensive income and is shown as 'revaluation reserves' in shareholders equity. These land and building valuations are all classified as level 3 as per the fair value hierarchy.

During the prior period, as a result of the wind down of the internal manufacturing operations of Ascendis Supply Chain, management performed an internal fair value assessment at the end of the financial year and a further impairment was recorded on various asset classes with the building.

The following table analyses the land and buildings that are carried at fair value.

	2025 R'000	2024 R'000
Opening balance	30,000	35,000
Impairment	-	(4,948)
Deemed disposals and reacquisitions of investments ⁽¹⁾	(30,000)	-
Depreciation for the period	-	(52)
Closing balance	-	30,000

⁽¹⁾ As a result of the change in investment entity status and the group ceased to consolidate certain subsidiaries. Consequently, the assets and liabilities of these subsidiaries were derecognised. The group now recognises only its investment in these subsidiaries at fair value through profit or loss.

The table below represents the key unobservable inputs included in the revaluation of property in 2024 as well as the carrying amount that would have been recognised had the assets been carried under the cost model.

				2025 R'000	2024 R'000
Property				Carrying value under cost model	Carrying value under cost model
	Rent/m ²	Growth rate	Capitalisation rate		
Consumer Health Africa - Erf 1114 & 1115	R2 321 - R2 650	3%	14%-16%	-	30,000

Notes to the group annual financial statements (continued)

for the year ended 30 June 2025

16. Right-of-use assets

The group's leases include manufacturing buildings, warehouse, office buildings and office equipment. Rental periods are typically fixed periods varying between one to ten years but may have renewal options which were taken into account when determining the total period of the lease.

At inception of a contract the group assessed whether a contract is, or contains a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for a consideration.

The group recognises right-of-use assets and lease liabilities (Note 26) at the lease commencement date for most leases. However, the group has elected not to recognise right-of-use assets and lease liabilities for some of the low value lease assets and for short-term leases, i.e. leases that at commencement date have lease terms of 12 months or less. The group defines low value leases as leases of assets for which the value of the underlying asset when it is new is R50 000 or less and is not considered fundamental to the group's operations. The group recognises the lease payments associated with these leases as an expense directly in the income statement. Refer to other operating expenses in note 4.

The right-of-use assets are initially measured at cost comprising the following:

- The amount of the initial measurement of the lease liability
- Any lease payments made at or before the commencement date less any lease incentives received
- Any initial direct costs
- Decommissioning costs

The right-of-use assets are subsequently measured at cost less any accumulated depreciation and impairment losses and adjusted for certain remeasurements of the lease liability. The right-of-use assets are depreciated over the shorter of the asset's useful lives and the lease terms on a straight-line basis. The useful lives of right-of-use asset ranges from 2 to 10 years.

Notes to the group annual financial statements (continued)

for the year ended 30 June 2025

16. Right of use of assets (continued)

Reconciliation of right of use of assets - 30 June 2025

R'000	Land and buildings	Plant and machinery owned	Office furniture	Motor vehicles owned	Total
Opening balance					
Cost or revaluation	60,151	7,791	-	741	68,683
Accumulated depreciation and impairment	(20,253)	(4,871)	-	(25)	(25,149)
Net book value as at 1 July 2024	39,898	2,920	-	716	43,534
Deemed disposal and reacquisition of investments ⁽¹⁾	(39,898)	(2,920)	-	(716)	(43,535)
Additions	1,293	-	-	0	1,293
Depreciation	(36)	-	-	-	(36)
Net book value as at 30 June 2025	1,257	-	-	-	1,257
Made up as follows:					
Cost or revaluation	1,293	-	-	-	1,293
Accumulated depreciation and impairment	(36)	-	-	-	(36)
Net book value as at 30 June 2025	1,257	-	-	-	1,257

⁽¹⁾ As a result of the change in investment entity status and the group ceased to consolidate certain subsidiaries. Consequently, the assets and liabilities of these subsidiaries were derecognised. The group now recognises only its investment in these subsidiaries at fair value through profit or loss. Right of use assets that remain in the current year, relate to those of the wholly-owned head office subsidiaries providing investment activities to the group.

Notes to the group annual financial statements (continued)

for the year ended 30 June 2025

16. Right of use of assets (continued)

Reconciliation of right of use of assets - 30 June 2024

R'000	Land and buildings	Plant and machinery owned	Office furniture	Motor vehicles owned	Total
Opening balance					
Cost or revaluation	19,992	38,799	285	-	59,076
Accumulated depreciation and impairment	(7,712)	(33,577)	(239)	-	(41,528)
Net book value as at 1 July 2023	12,279	5,222	46	-	17,548
Additions	11,111	-	-	741	11,852
Disposals	-	(502)	(0)	-	(502)
Reacquisition of control over subsidiary ⁽¹⁾	28,114	-	-	-	28,114
Depreciation	(11,607)	(1,800)	(46)	(25)	(13,479)
Net book value as at 30 June 2024	39,898	2,920	-	716	43,534
Made up as follows:					
Cost or revaluation	60,151	7,791	-	741	68,683
Accumulated depreciation and impairment	(20,253)	(4,871)	-	(25)	(25,150)
Net book value as at 30 June 2024	39,898	2,920	-	716	43,534

⁽¹⁾ Relates to the reacquisition of control of Surgical Innovations. Refer to note 14 for more information.

Notes to the group annual financial statements (continued)

for the year ended 30 June 2025

17. Intangible assets and goodwill

Goodwill

The following information regarding accounting policies refer to the prior year and will fall away in the following financial year, however the information is included in the current year financial statements for completeness:

Goodwill arises on the acquisition of businesses and represents the excess of the consideration transferred over the group's interest in net fair value of the net identifiable assets, liabilities and contingent liabilities of the acquiree and the fair value of the non-controlling interest in the acquiree.

Goodwill is measured at cost less accumulated impairment losses and is not amortised but tested for impairment annually or more frequent if events and changes in circumstances indicate a potential impairment. Impairment losses are recognised immediately as an expense in the statement of profit or loss and is not subsequently reversed.

Goodwill is allocated to each of the Cash Generating Units (CGU), or groups of CGUs expected to benefit from the business combination in which goodwill arose. Each CGU or group of CGUs to which goodwill is allocated represents the lowest level within the entity at which goodwill is monitored for internal management purposes.

The useful lives for the various categories of intangible assets are as follows:

Classes	Description	Useful life considerations
Brands and trademarks	Marketing-related trade names which are words, names or symbols used in trade to indicate the source of a product and to distinguish it from the service or products of other entities.	5 - 30 years
Computer software and license agreements	Acquired computer software and licenses.	2 – 5 years
Customer relationships	Customer relationships acquired as part of a business combination.	10 – 30 years
Contractual agreements	Rights acquired to co-market or manufacture certain third party products are capitalised to intangible assets.	5 – 25 years

Notes to the group annual financial statements (continued)

for the year ended 30 June 2025

17. Intangible assets and goodwill (continued)

Impairment

An impairment loss is recognised in profit or loss if the carrying amount of an asset or a CGU exceeds its estimated recoverable amount. The recoverable amount of an asset or CGU is the higher of its value in use and its fair value less costs of disposal. In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

Impairment losses are allocated first to goodwill to reduce the carrying amount of any goodwill allocated to the CGU and then allocated to all other assets on a pro-rata basis.

Any impairment loss is subsequently reversed only to the extent that the asset or the CGU's carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised. A reversal of impairment loss on intangible assets is recognised immediately in profit or loss. Goodwill impairment is not subsequently reversed.

Intangible assets and goodwill - 2025

R'000	Goodwill	Brands and trademarks	Licences and computer software	Customer relationships	Contractual agreements	Total
Opening balance						
Cost	609,777	66,902	16,553	191,553	25,116	909,901
Accumulated amortisation and impairment	(609,777)	(66,949)	(16,440)	(189,871)	(17,693)	(900,730)
Carrying value as at 1 July 2024	-	(47)	113	1,682	7,423	9,171
Deemed disposals and reacquisitions of investments ⁽¹⁾	-	47	(113)	(1,682)	(7,423)	(9,171)
Carrying value as at 30 June 2025	-	-	-	-	-	-
Made up as follows:						
Cost	-	-	-	-	-	-
Accumulated amortisation and impairment	-	-	-	-	-	-
Carrying value as at 30 June 2025	-	-	-	-	-	-

⁽¹⁾ As a result of the change in investment entity status and the group ceased to consolidate certain subsidiaries. Consequently, the assets and liabilities of these subsidiaries were derecognised. The group now recognises only its investment in these subsidiaries at fair value through profit or loss.

Notes to the group annual financial statements (continued)

for the year ended 30 June 2025

17. Intangible assets and goodwill (continued)

Intangible assets and goodwill - 2024

R'000	Goodwill ⁽¹⁾	Brands and trademarks	Licence and computer software	Customer relationships	Contractual agreements	Total
Opening balance						
Cost	609,777	81,775	40,655	198,203	16,496	946,905
Accumulated amortisation and impairment	(609,777)	(76,009)	(28,589)	(178,447)	(16,496)	(909,317)
Carrying value as at 1 July 2023	-	5,766	12,066	19,757	-	37,591
Additions	-	35	53	-	8,620	8,707
Disposals	-	-	(54)	-	-	(54)
Transfers between categories	-	-	(8,019)	-	-	(8,019)
Amortisation	-	(362)	(3,931)	(2,087)	(1,197)	(7,576)
Impairment ⁽²⁾	-	(5,486)	-	(15,987)	-	(21,473)
Carrying value as at 30 June 2024	-	(48)	113	1,682	7,423	9,171
Made up as follows:						
Cost	609,777	66,902	16,553	191,553	25,116	909,901
Accumulated amortisation and impairment	(609,777)	(66,949)	(16,440)	(189,871)	(17,693)	(900,730)
Carrying value as at 30 June 2024	-	(47)	113	1,682	7,423	9,171

⁽¹⁾ The reduction in cost and accumulated impairment of Goodwill relates to fully impaired Goodwill disposed during the year.

⁽²⁾ Impairment of Brands and Trademarks relates to the Consumer Health segment. The impairment of the Customer Relationships relates to contracts that were impaired within the Medical segment.

Notes to the group annual financial statements (continued)

for the year ended 30 June 2025

17. Intangible assets and goodwill (continued)

Individually material intangible assets

The carrying values and remaining useful lives for individually material intangible assets are disclosed below per CGU and segment to which they belong:

CGU	Reporting	Intangible Asset	Carrying value		Remaining useful life	
			2025 R'000	2024 R'000	2025	2024
Chempure	Consumer Health	Customer relationships	-	46	-	7
The Scientific Group	Medical Devices	Customer relationships	-	1,636	-	10
Ortho-Xact	Medical Devices	Contractual agreements	-	7,422	-	3

Impairment tests for CGUs (Goodwill and Individually material intangible assets)

During the prior year, the group impaired assets of R28.9 million which is made up of R21.5 million intangible assets and R7.4 million property, plant and equipment.

The table below illustrates the total impairment for goodwill and intangible assets for each CGU:

30 June 2024		Carrying value	Recoverable amount	Impairment amount
CGU	Reporting Segment	R'000	R'000	R'000
Chempure	Consumer Health Africa	21,841	367	21,474
Total impairments				21,474

Notes to the group annual financial statements (continued)

for the year ended 30 June 2025

17. Intangible assets and goodwill (continued)

Significant estimate: key assumptions used for value-in-use calculations

As the group has already fully impaired all previously recognised goodwill, no further impairment assessment was performed. Details relating to the impairment assessment in the comparative period, specific to Chempure is detailed below.

Impairment recognised with regards to Chempure CGU was based on the calculation of the recoverable amount which was determined based on value-in-use calculations which require the use of assumptions. The calculations use cash flow projections based on financial budgets approved by management with a further four years of cash flows projected using a combination of forecast GDP growth and expected inflation rates in the respective geographies, tailored for management's specific expectations. A long-term growth rate is applied to the cash flows arising in the fifth year in order to estimate a terminal value for the CGU.

All assets and liabilities for the CGU have been considered when determining impairment. Ascendis has a robust budgeting process and the revenue growth rates have been assessed on a prudent basis with a key focus on cash generation. Cash flows in the budget and forecast years have been adjusted for the reversal of lease payments in terms of IFRS 16 Leases in the underlying budgets and notional capital expenditures estimated using the depreciation associated with the right-of-use assets have been included in the cash flows to accommodate either the renewal of the leases or the acquisition of the underlying assets.

Management applies judgement in determining a discount rate for each geography using published risk-free rates, a peer company systemic risk factor (beta) and a range of equity market risk premiums. Small stock premiums are applied to individual CGUs on an iterative basis. The group's cost of debt is an important element in determining the discount rate used. The peer companies' five-year average capital structure is applied to the individual elements of the discount rate. For CGUs impacted by IFRS 16 Leases, an adjustment is made to the discount rate to accommodate the incremental borrowing rate.

Assumptions

1. Sales growth - this is the expected average annual growth rate used in the determination of the five year sales forecast. It is CGU specific and based on current industry trends, including inflation forecasts for the different geographies in which business is conducted.
2. Other operating costs growth - these costs are those that do not vary significantly with sales volumes or prices and are based on current structures and ignore future unplanned restructurings or cost-saving measures. Their growth rate is based on current industry trends, including inflation forecasts for the different geographies in which business is conducted.
3. Annual capital and research and development expenditure - these are based on a short/medium term expenditure plan and the cash flows are included in the CGUs forecasts. In accordance with the value-in-use model, it is assumed these expenditures will not generate additional revenue or result in additional costs.
4. Long-term growth rate - this is the expected growth rate used to determine cash flows beyond the budget and forecast period, which is used to and reflect the weighted annual growth rate.
5. Discount rates - these are CGU specific and reflect the specific risks relating to the relevant segments and the geographies in which they operate.

The main assumptions applied for Chempure in and The Scientific Group in 2024 relates to forecasts from 2024 to 2028. The Chempure impairment on brands and trademarks relating to prior years' disposal, necessitated a full write off of the remaining carrying values in FY24. The client relationships, being internally generated intangibles assets with no measurable fair value, were fully impaired as they cannot be remeasured after initial recognition.

Notes to the group annual financial statements (continued)

for the year ended 30 June 2025

18. Other financial assets

Other financial assets are initially measured at fair value and subsequently at amortised cost. Other financial assets are held within the business with the objective to collect contractual cash flows and the cash flows are solely payments of principal and interest on the principal outstanding. Other financial assets are not reclassified unless the group changes its business model.

The fair value of other financial assets equals its carrying value due to their short term in nature or carry interest at market related interest rates where recoverability is expected in excess of 12 months.

The other financial assets are denominated in South African Rands.

	2025 R'000	2024 R'000
Other financial assets measured at amortised cost		
Previous owners of Chempure t/a Solal	-	9,521
Investment Fund	809	730
Loans to employees	-	2,712
Less: Expected credit loss allowance	-	(9,521)
	809	3,442
Current other financial assets	-	2,712
Non-current other financial assets	809	730
Other financial assets	809	3,442

Other financial assets consist of the following receivables:

Previous owners of Chempure t/a Solal: Noted in the prior year are amounts paid on behalf of the previous owners, Solal Trust and SA Academy, including PAYE on retrenchments and restraint of trade. This amount remains due and payable and bears no interest. The full balance is currently credit-impaired as the counter-party is in default. As a result of the change in investment entity status and the resultant deemed disposal and reacquisition of investments, other financial assets related to the Solal Trust transaction were deemed to be disposed and reacquired.

Investment Fund: The group has an investment in a venture capital company nReach Capitis (Pty) Ltd at 6% interest. During the financial year, the group further increased the investment with nReach Capitis (Pty) Ltd.

Loans to employees: Relates to loans issued to key management staff.

Refer to the financial instruments credit risk disclosure, note 30.4 for further details on the credit risk management policies.

19. Deferred Tax

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their accounting carrying amounts in the group annual financial statements. Deferred tax is not recognised if the temporary difference arises from the initial recognition of goodwill or from an asset or liability in a transaction (other than a business combination) and that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss).

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences (where applicable) to the extent that it is probable that future taxable profits will be available against which the deferred tax assets can be used. Management applies judgement in determining whether sufficient future taxable profit will be available after considering factors such as historical profits, forecasts cash flows and budgets. Deferred tax assets are reviewed at each reporting period and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred tax assets and liabilities relate to taxes levied by the same tax authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

Notes to the group annual financial statements (continued)

for the year ended 30 June 2025

19. Deferred Tax (continued)

The analysis of deferred tax assets and deferred tax liabilities is as follows:

	2025 R'000	2024 R'000
The gross movement on deferred tax is as follows:		
Gross movement in the deferred income tax assets account:		
Deferred tax asset	44,289	44,031
Deferred tax liability	(891)	(8,099)
Opening balance at the beginning of the year	43,398	35,932
Deemed disposals and reacquisitions of investments ⁽²⁾	(43,398)	-
Deferred tax expense for the year	3,305	7,467
Closing balance at end of year	3,305	43,399
Deferred tax assets ⁽¹⁾	3,305	44,289
Deferred tax liabilities	-	(891)
Net deferred tax asset	3,305	43,399
The amount of deferred tax assets and liabilities by type of temporary		
Deferred tax assets		
Capital allowances	-	1,935
Lease liability	-	9,480
Provisions	397	23,692
Taxation losses	2,908	16,826
Contract liability/ Deferred income	-	286
Other	-	287
Gross deferred tax assets	3,305	52,506
Netting off adjustment per entity	-	(8,217)
Net deferred tax asset per Statement of Financial Position	3,305	44,289
Deferred tax liabilities		
Intangible assets	-	(15)
Right-of-use asset	-	(9,093)
Gross deferred tax liabilities	-	(9,108)
Netting off adjustment per entity		8,217
Net deferred tax liability per Statement of Financial Position		(891)

⁽¹⁾ The group has recognized deferred tax assets to the extent of the expected future taxable profits in excess of the profits arising from the reversal of existing taxable temporary difference. Deferred tax assets of R171.9 million (2024 - R702 million) relating to accumulated tax losses have not been raised based on the assumption that there won't be sufficient taxable profits in the future against which to utilise the accumulated losses. The prior year balance of R702m includes R516m worth of deferred tax assets not raised pertaining to the investment entities. The balance relating to the investment entities is not included in the FY25 amount of R171.9m as the group no longer consolidates the investment entities.

The deferred tax asset recoverability assessment considers the probability of forecasted future taxable income, which may include future tax planning strategies. Significant management judgement is required to determine the amount of deferred taxation assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. In evaluating the group's ability to recover deferred taxation assets in the jurisdiction from which they arise, all available evidence is considered, including projected future taxable income and results of operations. The assumption about future taxable income requires the use of significant judgement and are consistent with the plans and estimates the Group is using to manage the underlying businesses. The estimates of the future taxable income used for determining the recognition of deferred taxation assets, are based on forecast income from operations, assumptions regarding economic growth, inflation rates and the application of existing tax laws. The assumptions take into account historical performance of the Group as well as future expected growth.

⁽²⁾ As a result of the change in investment entity status and the group ceased to consolidate certain subsidiaries. Consequently, the assets and liabilities of these subsidiaries were derecognised. Deferred Tax that remain in the current year relate solely to those of wholly-owned head office subsidiaries that continue to provide investment-related services to the group.

Notes to the group annual financial statements (continued)

for the year ended 30 June 2025

20. Inventories

The following information regarding accounting policies refer to the prior year and will fall away in the following financial year, however the information is included in the current year financial statements for completeness:

Inventories are comprised of raw materials, finished goods, work in progress and goods in transit.

Inventories are measured at the lower of cost or net realisable value. Cost comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. The carrying values of finished goods and work-in-progress comprises raw materials, direct labour, other direct costs and related production overheads (based on normal operating capacity) but excludes borrowing costs.

The cost of inventories is assigned using the weighted average cost formula or standard costing. The same cost formula is used for all inventories having a similar nature and use to an entity.

Net realisable value is the estimate of the selling price of inventories in the ordinary course of business, less the costs of completion and applicable variable selling expenses.

Management is also required to exercise judgement in estimating the net realisable value. Such judgement would consider the following:

- change in technology
- stock nearing expiry dates, and
- regulatory requirements.

The amount of any write-down of inventories to net realisable value and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories, arising from an increase in net realisable value, is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

Management's estimate on stock obsolescence provision is based on the following elements:

Provision in respect of raw materials and packaging stock - all materials, that have passed their expiry date and where there is no intention to extend that date; or that are not included in the coming year's production plan; or which are in excess of the 12 - 18 month needs of the planned production process. Calculations are determined on actual product line level.

Provision in respect of finished goods - all inventories, which are part of a discontinued inventory keeping unit or product line; or for which no sale has been made for a period of time. This period is between 12 and 24 months and is determined by the nature of the product and the estimated time over which future sales can be reasonably predicted. Calculations are determined on actual product line level.

Provision in respect of defined life finished goods - all inventories, which are within a certain period of its expiry date. This period differs by product line, customer requirements and monthly demand but is between 1 and 12 months of its expiry date. Calculations are determined on actual product line level.

Notes to the group annual financial statements (continued)

for the year ended 30 June 2025

20. Inventories (continued)

	2025 R'000	2024 R'000
Raw materials, components	-	1,849
Finished goods	-	380,383
Work in progress	-	67
Goods in transit	-	14,594
Total inventories net of provision for impairment	-	396,893

As a result of the change in investment entity status and the group ceased to consolidate certain subsidiaries. Consequently, the assets and liabilities of these subsidiaries were derecognised. Refer to Note 2 where inventory amounting to R396 893 was disclosed with relation to the derecognition.

Amounts recognised in profit or loss

Inventories written down for the year ended 30 June 2025 amounted to R7.1 million (2024: R34.5 million). The amounts written down were expensed during the year.

No reversals of previous inventory write-down's occurred during the year ended 30 June 2025.

Notes to the group annual financial statements (continued)

for the year ended 30 June 2025

21. Trade and other receivables

Trade and other receivables are amounts due from customers for goods or services sold or rendered in the ordinary course of business. Trade and other receivables are initially measured at transaction price and subsequently measured at amortised cost where relevant.

The fair value of trade and other receivables equals its carrying value due to their short term in nature. The trade and other receivables are predominantly denominated in South African Rands and United States Dollar.

	2025 R'000	2024 R'000
Financial assets		
Trade receivables	-	302,574
Less: provision for impairment of trade receivables	-	(21,927)
Less: provision for credit notes	-	(351)
Trade receivables - net	-	280,296
Deposits	266	5,256
Other receivables ⁽¹⁾	815	12,545
Right of return asset	-	1,785
	-	-
Non-financial assets		
VAT	-	10,101
Prepayments ⁽²⁾	4,066	11,528
Trade and other receivables	5,147	321,511

¹⁾ Included in the prior balance is (2024: R12.1 million), related to accrued revenue for inventory sold but not yet invoiced.

²⁾ Prepayments includes prepaid insurance for the group R4 million (2024: R5,5 million)

As a result of the change in investment entity status and the group ceased to consolidate certain subsidiaries. Consequently, the assets and liabilities of these subsidiaries were derecognised. The group now recognises only its investment in these subsidiaries at fair value through profit or loss. Trade and other receivables that remain in the current year, relate to those of the wholly-owned head office subsidiaries providing investment activities to the group.

During the prior year, the group considered receivable amounts in default when the debtor has exceeded their standard credit terms (30 to 90 days). Refer to definition of default in (Note 30). The group assesses the recoverability of the individual debt and calculates expected credit loss allowance (ECL) percentage in terms of IFRS 9, refer to the credit risk section for further details on the credit risk management policies (Note 30).

22. Cash and cash equivalents

Cash and cash equivalents are accounted for at amortised cost.

For the purposes of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts.

Bank overdrafts are presented as current liabilities on the statement of financial position unless, the group has a current legally enforceable right to net off the amounts and intends to settle on a net basis, or realise the asset and settle the liability simultaneously, in which case it is netted off against cash and cash equivalents on the statement of financial position.

Notes to the group annual financial statements (continued)

for the year ended 30 June 2025

22. Cash and cash equivalents (continued)

Cash and cash equivalents consist of the following:

	2025 R'000	2024 R'000
Rand denominated bank balances	2,688	42,552
Foreign denominated bank balances	-	92
Cash on hand	-	20
Cash and cash equivalents	2,688	42,664
Bank overdraft	(35,650)	-
Net cash and cash equivalents per statement of cash flows	(32,962)	42,664

The Group (the borrower) has a banking arrangement with Rand Merchant Bank whereby the group was granted various facilities, including a general banking (overdraft) facility of R50 million, corporate and fuel card facilities of R7 million and a foreign hedging facility of R25 million. During the prior year, Rand Merchant Bank granted a further increase in the general banking facility of R43 million which brought the general banking facility to R93 million. The facility is forms part of the group's essential cash management. The group manages its liquidity risk by maintaining access to undrawn committed facilities. As at year-end, R61 million of the general banking facility remained undrawn and available to meet short-term liquidity needs. The facility is repayable on demand, and the group monitors utilisation daily to ensure sufficient headroom is maintained. The general banking facility (overdraft) is subject to the following material terms and covenants which the company and group are party:

Covenants

On commencement of the general banking facility, Rand Merchant Bank requires that utilisation of the facilities be covered at all times by at least 1.75 times the value of good ceded debtors with the portfolio investment companies. Good ceded debtors are defined as debtors outstanding less than 30 days, excluding foreign, intercompany, and bad or doubtful debts. The entity monitors compliance with this covenant monthly and incorporates it into its capital management strategy by maintaining a buffer of qualifying debtors and reviewing debtor aging reports. The entity complied with this covenant throughout the reporting period.

Collateral

The above facilities are secured by a group cross suretyship in the amount of R137.5 million and a cession and pledge of any and all rights in and to the debtors, credit balances held with RMB and other receivables of the following portfolio investment companies:

- Ascendis Consumer Brands (Pty) Ltd
- Ascendis Financial Services (Pty) Ltd
- Ascendis Health Limited
- Cardio Tech (Pty) Ltd t/a Cardaxes
- Chempure (Pty) Ltd
- InterV Med (Pty) Ltd
- Ortho-Xact (Pty) Ltd
- The Compounding Pharmacy of South Africa (Pty) Ltd
- The Scientific Group (Pty) Ltd
- Surgical Innovations (Pty) Ltd

Notes to the group annual financial statements (continued)

for the year ended 30 June 2025

23. Trade and other payables

Trade and other payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers.

Trade and other payables are presented as current liabilities unless payment is due 12 months after the reporting date. They are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

The fair value of trade and other payables equals its carrying value due to their short term in nature. The trade and other payables are predominantly denominated in South African Rands and United States Dollar and Euros.

	2025 R'000	2024 R'000
Financial liabilities		
Trade payables	10,774	266,543
Other payables ⁽¹⁾	5,255	9,732
Accrued expenses ⁽²⁾	1,662	29,623
Non-financial liabilities		
VAT	19,583	31,224
Accrued payroll expenses	1,791	27,235
Trade and other payables	39,065	364,357

As a result of the change in investment entity status and the group ceased to consolidate certain subsidiaries. Consequently, the assets and liabilities of these subsidiaries were derecognised. The group now recognises only its investment in these subsidiaries at fair value through profit or loss. Trade and other liabilities that remain in the current year, relate to those of the wholly-owned head office subsidiaries providing investment activities to the group.

⁽¹⁾ Included in this balance is R4.5 million (2024: R4.8 million) which relates to all risk insurance related to building and equipment financed through a group insurance financing arrangement.

⁽²⁾ Included in accrued expenses are audit fees R1.6 million (2024: R5.3 million), commission related costs of Rnil million (2024: R2.2 million), Goods in Transit accruals of Rnil million (2024: R8.0 million), consulting fees related to the delisting process R nil million (2024: R6 million).

Notes to the group annual financial statements (continued)

for the year ended 30 June 2025

24. Provisions

A provision is recognised when there is a present legal or constructive obligation as a result of a past event for which it is more likely than not that an outflow of resources will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

When there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expected outflow of resources required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligations. The increase of the provision due to the passage of time is recognised as a finance cost.

2025 R'000	Opening balance	Additions	Unused provision reversed	Utilised	Deemed business reacquisition ⁽²⁾	Foreign currency translation	Closing balance
Other provisions	1,317	-	-	-	(1,317)	-	-
Leave pay provision ⁽¹⁾	12,192	-	-	(12,192)	-	-	-
	13,509	-	-	(12,192)	(1,317)	-	-

⁽¹⁾ To enhance disclosure, during the current year leave pay accrual has been reclassified from provisions to trade and other payable prospectively.

⁽²⁾ As a result of the change in investment entity status and the group ceased to consolidate certain subsidiaries. Consequently, the assets and liabilities of these subsidiaries were derecognised. The group now recognises only its investment in these subsidiaries at fair value through profit or loss.

2024 R'000	Opening balance	Additions	Unused provision reversed	Utilised	Deemed disposal and reacquisition of subsidiary ⁽¹⁾	Foreign currency translation	Closing balance
Other provisions	1,645	253	(81)	(500)	-	-	1,317
Leave pay provision	8,990	2,709	-	(3,679)	3,783	389	12,192
	10,635	2,962	(81)	(4,179)	3,783	389	13,509

⁽¹⁾ Refers to the reacquisition of Surgical Innovations (Pty) Ltd, Refer to note 14 for further information.

Other provisions

Other provisions consist of legal and consulting fees related to the delisting process. The provision is based on management's best estimate of expected costs, considering the scope and duration of legal engagements. The provision is expected to be utilised within the next 12 months. There is uncertainty regarding the timing and final cost of the delisting process, and estimates are based on historical data and current legal advice.

Leave pay

Leave pay provision is recognised for all amounts related to leave not taken by employee during the financial period. The provision is measured based on the amount that would be payable to all employees who have outstanding leave as at reporting date. The provision is expected to be utilised over the next 12 months.

Notes to the group annual financial statements (continued)

for the year ended 30 June 2025

25. Contract liability

Maintenance and rebate contract liability

The following information regarding accounting policies refer to the prior year and will fall away in the following financial year, however the information is included in the current year financial statements for completeness:

Maintenance and rebate contract liabilities are an assurance-type liability which is recognised at the date of sale of the relevant goods and services. They consist of maintenance obligations that are disclosed separately as they relate to revenue to be recognised over a period of time and not at a point in time.

Rebate provisions are recognised as a result of a contract with customers for marketing and sale of over-the-counter medicine.

2025						
R'000	Opening balance	New contracts entered	Liability reversed	Revenue recognised	Deemed disposal and reacquisition of investments	Closing balance
Maintenance and rebates liability	4,721	-	-	-	(4,721)	-
Rebates and other allowances (IFRS 15)	6,769	-	-	-	(6,769)	-
	11,490	-	-	-	(11,490)	-

As a result of the change in investment entity status and the group ceased to consolidate certain subsidiaries. Consequently, the assets and liabilities of these subsidiaries were derecognised. The group now recognises only its investment in these subsidiaries at fair value through profit or loss.

2024						
R'000	Opening balance	New contracts entered	Liability reversed	Revenue recognised	Transfer from assets held for sale	Closing balance
Maintenance and rebates liability	8,130	-	(3,409)	-	-	4,721
Rebates and other allowances (IFRS 15)	8,508	43,706	(850)	(44,595)	-	6,769
	16,638	43,706	(4,259)	(44,595)	-	11,490

	2025	2024
	R'000	R'000
The following table represents the split between current and non-current contract liabilities:		
Current liabilities	-	11,490
	-	11,490

26. Lease liabilities

The lease liability is initially measured at the present value of the following lease payments:

- Fixed payments including in-substance fixed payment, where applicable, less any incentive receivable.
- Variable lease payments that are based on an index or rate, measured using the index or rate as at the lease commencement date.
- Amounts that are expected to be payable by the lessee under the residual value guarantees.
- The exercise price of a purchase option if the lease is reasonably certain to exercise that option.
- Payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, the group's incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions. Generally, the group uses its incremental borrowing rate as the discount rate. The group determines the incremental borrowing rate by obtaining the government bond rates matching the term of the lease and makes specific adjustments to the rate applicable to the lease. Adjustments to the rate applied entail taking into consideration the terms of borrowing that would be likely to be afforded to the group if it were to acquire and debt finance the acquisition of the underlying asset. This includes taking into consideration a probability of default factor specific to the lease-holding entity, loss give of default percentage and transaction or finance origination costs usually levied on such arrangements.

The lease liability is subsequently increased by the interest cost on the lease liability and decreased by the lease payments made. Interest costs are charged to the income statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. It is remeasured when there is a change in future lease payments arising from a change in the index or rate, a change in the estimate of the amount payable under a residual value guarantee, or as appropriate, changes in the assessment of whether a purchase or extension option is reasonably certain to be exercised or a termination option is reasonably certain not to be exercised.

Renewal and termination options

A number of lease contracts include the option to renew the lease for further periods or terminate the lease earlier. The majority of extension and termination options held are exercisable only by the group and not by the respective lessor.

Management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not to exercise a termination option. Extension options or periods after termination options are only included in the lease term if the lease is reasonably certain to be extended or not terminated. Management applies judgement in assessing whether it is likely that options will be exercised. Factors considered include how far in the future an option occurs, significance of related leasehold improvements and history of terminating/not renewing leases. The assessment is reviewed if a significant change in circumstances occurs which affects this assessment and that is within the control of the lessee.

Notes to the group annual financial statements (continued)

for the year ended 30 June 2025

26. Lease liabilities (continued)

Lease and non-lease components

A number of lease contracts include both lease and non-lease components (e.g. maintenance). The group allocates the consideration in each contract to each lease and non-lease component based on their relative stand-alone selling prices, where applicable. The stand-alone selling prices of each component are based on available market prices.

The group has not elected the practical expedient to account for non-lease components as part of its lease liabilities and right-of-use assets. Therefore, non-lease components are accounted for as operating expenses and are recognised in profit or loss as they are incurred.

The table below sets out the lease obligations held by the group in the prior year, remaining lease liabilities refer to wholly owned head office operations.

		2025 R'000	2024 R'000
Current		-	15,881
Non-current		1,262	33,441
Total lease liabilities		1,262	49,322
Amounts recognised in the income statement			
Continuing Operations			
Total finance costs	6	10	5,004
Expense relating to short-term and low value leases included in other operating expenses	5	-	462
Discontinued Operations			
Expense relating to short-term and low value leases included in other operating expenses		-	-
Amounts recognised in the statement of cash flows			
Continuing Operations			
Interest paid	6	10	5,004
Repayments of lease liabilities		-	10,840
Cash outflow on leases		10	15,844
Discontinued Operations			
Cash outflow on leases		-	-
Total cash outflow on leases		10	15,844

Refer to note 30 for the maturity analysis.

As a result of the change in investment entity status and the group ceased to consolidate certain subsidiaries. Consequently, the assets and liabilities of these subsidiaries were derecognised. The group now recognises only its investment in these subsidiaries at fair value through profit or loss. Lease liabilities that remain in the current year, relate to those of the wholly-owned head office subsidiaries providing investment activities to the group.

Notes to the group annual financial statements (continued)

for the year ended 30 June 2025

27. Stated capital

Ordinary shares

Ordinary shares are classified as equity. Incremental external costs directly attributable to the issue of new ordinary shares are recognised in equity as a deduction (net of tax) from proceeds.

Treasury shares

The unissued shares are under the control of the directors of the group subject to the provisions of the Companies Act, and the JSE Listings Requirements. The reserve for the group's treasury shares comprises the cost of the company's shares held by the group.

	2025 R'000	2024 R'000
Opening balance	6,156,825	6,156,825
Closing balance	6,156,825	6,156,825

Number of shares	2025 '000	2024 '000
Authorised shares (no par value)	2,000,000	2,000,000
Issued shares (fully paid up)	632,470	632,470

Reconciliation of number of shares in issue net of treasury shares	2025 '000	2024 '000
Ordinary shares - opening balance	626,046	626,046
Ordinary shares - closing balance	626,046	626,046
Held at the beginning of the period	6,424	6,424
Held at the end of the period	(6,424)	(6,424)
Net closing balance	626,046	626,046

Notes to the group annual financial statements (continued)

for the year ended 30 June 2025

28. Cash generated from operations

	Notes	2025 R'000	2024 R'000
Profit after tax from continuing operations		11,277	41,569
Adjustments for:			
Tax from continuing operations		(2,841)	(1,201)
Depreciation and amortisation	15, 16, 17	66	57,048
Impairment of intangible assets	17		21,473
Impairment of property, plant and equipment	15		7,449
Impairment of loan receivable ⁽³⁾		3,000	-
Impairment of staff loans		1,997	-
Net loss on sale of assets		24	639
Gain on reacquisition/disposal ⁽¹⁾	14	312	(81,697)
Net loss on foreign exchange		407	5,780
Cash and cash equivalents on deemed disposal of investments	2	39,983	-
Net fair value gain on investments	2	(71,876)	
Dividend income		(15,000)	-
Provisions and contract liability raised		-	594
Net movement in trade and other receivables estimated credit losses		-	11,491
Finance income	6	(16,544)	(6,459)
Finance expense	6	8,535	12,479
Net movement in subsidiary loan receivables estimated credit losses		34,847	-
Remeasurement of lease liabilities		-	(132)
Impairment of other financial assets	18	-	3,132
Changes in working capital:			
Inventories ⁽²⁾		-	33,402
Trade and other receivables		(602)	(16,687)
Trade and other payables		(99)	(73,391)
Provisions		-	(7,587)
Cash generated from operations		(6,513)	7,905

⁽¹⁾ The profit relates to the deemed disposal and subsequent reacquisition of Surgical Innovations (refer note 14), as well as the clearing of the balance sheets of deregistered entities.

⁽²⁾ The obsolete stock allowance has been offset against inventories for the prior period.

⁽³⁾ The impairment of loan refers to Klipspringer Products (Pty) Ltd intercompany receivable in Ascendis Health (Pty) Ltd.

Notes to the group annual financial statements (continued)

for the year ended 30 June 2025

29. Tax paid

	2025 R'000	2024 R'000
Balance at the beginning of the period	1,639	(2,840)
Prior period adjustments	-	(1,477)
Adjusted balance at the beginning of the period	1,639	(4,317)
Current tax for the period recognised in profit or loss	(465)	(6,266)
Reacquisition/(loss of control) over subsidiary ⁽¹⁾	-	1,413
Deemed disposals and reacquisitions of investments ⁽²⁾	(1,741)	-
Transfer to discontinued operations	-	-
Period adjustments	132	-
Accrued interest	(117)	1,951
Balance at the end of the period	(12)	1,639
Current tax receivable	1,854	4,729
Current tax payable	(1,866)	(3,090)
Tax paid	(540)	(8,858)

⁽¹⁾ Relates to the reacquisition of Surgical Innovations in the prior year, refer to note 14 for further information.

⁽²⁾ As a result of the change in investment entity status and the group ceased to consolidate certain subsidiaries. Consequently, the assets and liabilities of these subsidiaries were derecognised. The group now recognises only its investment in these subsidiaries at fair value through profit or loss. Tax paid were deemed to be disposed and reacquired. The tax paid balance that remains in the current year, relates to those of the wholly-owned head office subsidiaries providing investment activities to the group.

30. Financial instruments

Accounting for financial instruments

A financial instrument is defined as a contract that gives rise to a financial asset in one entity and a financial liability or equity instrument in another entity. The group recognises financial assets and financial liabilities at the trade date when it becomes a party to the contractual provisions of the instrument.

Financial instruments comprise other financial assets, trade and other receivables (excluding non-financial trade and other receivables), cash and cash equivalents, borrowings, related party loans, other liabilities (excluding non-financial liabilities), bank overdrafts, derivatives and trade and other payables.

Initial recognition and classification

Financial assets and liabilities are recognised in the group's statement of financial position when the group becomes a party to the contractual provisions of the instruments.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component (or for which the group has not applied the practical expedient), the group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the group has applied the practical expedient are measured at the transaction price.

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

Financial assets are not reclassified unless the group changes its business model. In rare circumstances where the group does change its business model, reclassifications are done prospectively from the date that the group changes its business model.

Financial liabilities are classified as measured at amortised cost, except for those derivative liabilities that are measured at fair value through profit or loss.

Notes to the group annual financial statements (continued)

for the year ended 30 June 2025

30. Financial instruments (continued)

Impairment

The group assessed on a forward-looking basis such as cyclical payment behavior and customer insight in terms of payment trends and market information on public debt. The expected credit loss allowance (ECL) on all financial assets that are not held at fair value through profit or loss and the group recognises an allowance for ECL. ECLs are a probability weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls i.e. the difference between the cash flows due to the group in accordance with the contract and the cash flows that the group expects to receive. ECLs are discounted at the original effective interest rate (EIR) of the financial asset.

For instruments that apply the 3 stage general model to determine the ECL such as related party loans receivable and other financial assets, the ECL are measured on either a 12-month or lifetime basis depending on whether there has been a significant increase in credit risk since initial recognition or whether the asset is considered credit-impaired. An asset is considered credit impaired when one or more events that negatively affect its estimated future cash flows have occurred. ECL are the discounted product of the probability of default (PD) and exposure at default (EAD).

- The PD represents the likelihood of a counterparty defaulting on its financial obligation, either over 12 months (12-month PD) or over the remaining life (lifetime PD) of the obligation.
- The EAD is based on the amounts the group expected to be owed at the time of default over the next 12 months (12-month EAD) or over the remaining life (lifetime EAD).
- The group calculates loss given default (LGD) as discounted EAD.

The group recognises in profit or loss, as an impairment loss or reversal, the amount of ECL that is required to adjust the loss allowance at the end of the reporting period. When a receivable is uncollectible, it is written off against the allowance for impairment for that receivable. Subsequent recoveries of amounts previously written off are recognised in the statement of profit or loss.

Definition of default

The group defines a financial instrument in default when the counterparty fails to make contractual payments within 30 to 90 days of when they fall due.

Write-off policy

The Group writes off financial assets, either in whole or in part, when it has determined that there is no reasonable expectation of recovery. This conclusion is reached after all practical recovery efforts have been exhausted, including an assessment of historical trends in recoveries and legal enforcement outcomes, as well as consideration of correspondence with the counterparty such as reminders, legal notices, and other internal communications related to overdue accounts. A write-off is recognized when the Group's collection activities have failed to recover the outstanding balance and further recovery is deemed unlikely.

Significant increase in credit risk in terms of general impairment model

The group considered financial assets subject to assessment for ECL in terms of the general impairment model to have experienced a significant increase in credit risk since the time of initial recognition when one or more of the following criteria have been met:

30. Financial instruments (continued)

- **Quantitative**

- Where the counterparty has not met its minimum contractual obligations.

- **Qualitative criteria**

- The group considered available reasonable and supportive forward-looking information incorporating the following indicators, where applicable:
 - (i) Expected delay in payment
 - (ii) Changes in the amount of financial support available to the counterparty
 - (iii) Changes in the general economic and/or market conditions
 - (iv) Internal and external credit ratings

30.1 Financial risk management

The group's activities expose it to a variety of financial risks: market risk (including currency risk and interest rate risk), credit risk and liquidity risk. This note presents information about the group's exposure to each of the risks, the group's objectives, policies and processes for measuring and managing risk, and the group's management of capital.

The group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the group's financial performance. The group considers natural hedges that may exist and, in addition, where possible, uses derivative financial instruments such as forward exchange contracts to hedge exposures.

The audit and risk committee has oversight of group risk management and the group treasury function manages various financial risks in accordance with the policies approved by the board of directors. The board provides written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk and credit risk. The group treasury function identifies, evaluates and hedges financial risks in close cooperation with the group's operating units. The group treasury risk management objective is to protect all foreign exposures using foreign exchange contracts. Please refer to Note 30 and the sensitivity on foreign currency exposure for the quantification of the instruments.

Notes to the group annual financial statements (continued)

for the year ended 30 June 2025

30. Financial instruments (continued)

30.2. Categories of financial instruments

2025 R'000	Amortised Continuing operations	Fair value through profit or loss Continuing operations	Disposal groups
Financial assets			
Non-current			
Investments held	-	702,193	-
Other financial assets	809	-	-
Loans to related parties	36,186	-	-
Trade and other receivables ⁽²⁾	-	-	-
Current			
Trade and other receivables	1,081	-	-
Other financial assets	-	-	-
Loans to related parties	23,891	-	-
Cash and cash equivalents	2,688	-	-
	64,655	702,193	-
Financial liabilities			
Non-current			
Lease liabilities	1,262	-	-
Loans from related parties	982	-	-
Current			
Loans from related parties	68,883	-	-
Trade and other payables ⁽²⁾	17,691	-	-
Bank overdraft	35,650	-	-
	124,468	-	-

⁽¹⁾ Refer to Note 31 for further details on fair value estimation and hierarchy.

⁽²⁾ Balances shown exclude prepayments, refund assets, provisions, VAT and specific accruals that are not financial instruments as defined.

2024 R'000	Amortised Continuing operations	Fair value through profit or loss Continuing operations	Disposal groups
Financial assets			
Non-current			
Other financial assets	730	-	-
Current			
Trade and other receivables ⁽²⁾	299,822	-	-
Other financial assets	2,712	-	-
Cash and cash equivalents	42,664	-	-
	345,928	-	-
Financial liabilities			
Non-current			
Derivative financial instruments	-	1,376	-
Lease liabilities	33,441	-	-
Current			
Lease liabilities	15,881	-	-
Trade and other payables ⁽³⁾	305,898	-	-
Derivative financial instruments	-	545	-
	355,220	1,921	-

⁽¹⁾ Refer to Note 31 for further details on fair value estimation and hierarchy.

⁽²⁾ The trade and other receivables amount has been rectified for the prior period to reflect the correct split on financial assets. This change had no impact on the amounts previously recognised and presented in the statement of financial position.

⁽³⁾ The trade and other payables amount has been rectified for the prior period to reflect the correct split on financial liabilities. This change had no impact on the amounts previously recognised and presented in the statement of financial position.

Notes to the group annual financial statements (continued)

for the year ended 30 June 2025

30. Financial instruments (continued)

30.3 Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

The group seeks to minimise its exposure to liquidity risk by balancing its exposure to interest rate risk and refinancing risk by seeking to borrow at the most advantageous finance cost available in the market. Group finance regularly reviews the maturity profile of its financial liabilities and seeks to avoid concentration of maturities through the regular replacement of facilities, by managing maturity dates and by matching liabilities to assets with a similar maturity, duration and risk nature.

Cash flow forecasting is performed in the operating entities of the group and aggregated by the group finance function to actively manage the group's projected cash flows and prevent any potential future liquidity constraints. Group finance monitors rolling forecasts of the group's liquidity requirements to ensure it has sufficient cash to meet its operational needs.

The group had the following liquid resources: trade and other receivables R7 million (2024: R321.5 million) (Note 22), bank balances R2.8 million (2024: R42.7 million) (Note 22) and borrowing facilities R125 million (2024: R125 million) (Note 23) to manage liquidity risk.

The table below analyses the group's derivative and non-derivative financial liabilities into relevant maturity groupings based on the remaining period at the statement of financial position to the contractual maturity date. Derivative financial liabilities are included in the analysis if their contractual maturities are essential for an understanding of the timing of cash flow. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

2025 R'000	Note	Less than 3 months	3 months 1 year	1 and 2 years	2 and 5 years	Over 5 years	Total
Lease liabilities	26	87	276	433	466	-	1,262
Loans from related parties	9	-	68,883	982	-	-	69,865
Bank overdraft	22	35,650	-	-	-	-	35,650
Trade and other payables	24	3,487	12,541	-	-	-	16,028
Total		39,224	81,700	1,415	466	-	122,805

2024 R'000	Note	Less than 3 months	3 months 1 year	1 and 2 years	2 and 5 years	Over 5 years	Total
Lease liabilities	26	4,000	14,382	20,917	13,455	1,092	53,846
Derivatives		-	545	1,376	-	-	1,921
Trade and other payables	24	244,410	55,209	-	-	-	299,619
Total		248,410	70,136	22,293	13,455	1,092	355,386

Notes to the group annual financial statements (continued)

for the year ended 30 June 2025

30. Financial instruments (continued)

30.4 Credit risk

Credit risk or the risk of financial loss to the group is due to customers or counterparties not meeting their contractual obligations. It is managed through application of credit approvals, limits and monitoring procedures.

Credit risk arises from trade receivables, cash and cash equivalents, related party loans receivable, other financial assets carried at amortised cost, derivatives financial assets and deposits with banks and financial institutions as well as credit exposures to all customers including all outstanding receivables.

Impairment of financial assets

The group has the following types of financial assets that are subject to the expected credit loss (ECL) model:

- Trade and other receivables
- Cash and cash equivalents
- Other financial assets

The detailed analysis of the items above is included below:

Trade and other receivables

Credit risk is managed on a group basis, except for credit risk relating to accounts receivable balances. Each subsidiary is responsible for managing and analysing the credit risk for each of their new customers before standard payment and delivery terms and conditions are offered. Credit risk exposure and management within the business will be addressed in the relevant businesses.

The group applies the simplified approach to measuring expected credit loss which uses a lifetime expected loss allowance for all trade receivables without a significant financing component. To measure the expected credit losses, trade receivables have been grouped based on the shared credit risk characteristics, size and the days aged. Trade receivables balances have been grouped so that the ECL calculation is performed on groups of receivables with similar risk characteristics and ability to pay.

The credit loss allowance is measured using a combination of the simplified parameter-based approach and the provision matrix. The provision matrix is applied to the general debtors' book where each customer contributes to less than 10% of the total debtors' book. The simplified parameter-based approach is applicable to government customers and listed customers with a balance of more than 10% of the total debtors' book as at year end.

Provision matrix

ECLs are calculated by applying a loss ratio to the aged balance of trade receivables at each reporting date. The loss ratio is calculated according to the ageing/payment profile of sales by applying historic write-offs to the payment profile of the sales population. The sales population selected to determine the ageing/payment profile of the sales is representative of the entire population and in line with the future payment expectations.

Notes to the group annual financial statements (continued)

for the year ended 30 June 2025

30. Financial instruments (continued)

30.4 Credit risk (continued)

The group used up to 60 months sales data to determine the payment profile of the sales. The data was divided into separate observation periods, generally of 12 months. This is considered appropriate in determining the payment profile of sales for the historic loss ratio. The group used actual write-offs where it was available as a basis for the historical write-off in order to determine the historic loss ratio.

The historic loss ratio is then adjusted for forward-looking information i.e. macro-economic variables to determine the ECL for the portfolio of trade receivables at the reporting date to the extent that there is a strong correlation between the forward-looking information and the ECL. Macro-economic variables applied relates to the GDP factor. Management has applied the presumption that a customer is in default when 90 days past due. Customer behavioral patterns such cyclical payments and individual customers profiles are used to assess forward looking information. Refer to Quantitative Criteria for a further breakdown on forward looking information.

Significant judgement

In applying the requirements of IFRS when determining the ECL for trade receivables, analysis of empirical evidence of historical defaults and losses was done. Significant judgement is applied and generally includes the relevant country's benchmark data. The measurement of risk is projected forward based on macroeconomic forecasts. Macro-economic forecast is applied with a probability average of the forecasts and scenarios. For customers that were identified as individually significant, i.e. government and public listed customers, a specific risk was applied by applying the published credit ratings.

Estimation was applied in determining the correlation of macro-economic variables to defaults. The basis of the correlations applied was based on the Moody's Analytics Impairment Calculation. Moody's Analytics produces a set of macroeconomic forecasts for South Africa that considers the historical accuracy of various forecasters to identify reliable sources. These are incorporated into their GCorr macroeconomic forecast set. Moody's Analytics use the Baseline, Stronger Near-Term Rebound (S1) ("Bullish"), and Moderate Recession (S3) ("Bearish") forecast sets weighted 40%, 30%, 30% respectively for a forward looking adjustment for the purposes of IFRS 9. GDP is the main macro-economic factor that is taken into account and for the current year, the GDP growth is forecast to be 0.9%.

As a result of the change in investment entity status and the resultant deemed disposal and reacquisition of investments, trade and other receivables were deemed to be disposed and reacquired. Information reflected below relates to the prior year.

Notes to the group annual financial statements (continued)

for the year ended 30 June 2025

30. Financial instruments (continued)

30.4 Credit risk (continued)

2024 R'000	Gross Carrying Amount	Impairment	Average ECL/ Impairment ratio
Current	104,567	(1,112)	1.06%
Up to 30 days aged	42,701	(748)	1.75%
Up to 60 days aged	8,471	(3,592)	42.40%
More than 60 days past due	13,439	(4,439)	33.03%
	169,178	(9,891)	5.85%

Simplified parameter-based approach

ECL is calculated using a formula incorporating the following parameters: Exposure at Default (EAD), Probability of Default (PD) and Loss Given Default (LGD) i.e. $(PD \times LGD \times EAD = ECL)$. The PD and LGD was measured using Moody's Analytics RiskCals's respective PD and LGD modules (RiskCalc South Africa Version 3.2 for PD and LossCalc version 4.0). Exposures are segmented by customer size relative to the amount of the total debtors' book. Management applied judgement and assumption segmenting the customers i.e.; for individual customers making up at least 10% of the debtors book were excluded, but taken into consideration in terms of the matrix approach above. The probability of default as well as the realised loss with defaulted accounts have been determined using historical data for 12 months. The effective interest rate represents a weighted average rate which is representative of the portfolio of customers and incorporates a risk-free rate plus a risk premium, where relevant, on initial recognition of the trade receivable.

The customers include all government and public listed customers to the extent that the relevant information is available.

The balance of trade receivables to which the simplified parameter-based approach has been applied as follows:

	Gross carrying amount	Expected credit loss allowance	Net carrying amount
2024 R'000			
Government customers	83,385	(11,582)	71,803
Public listed customers	50,011	(454)	49,557
	133,396	(12,036)	121,360

⁽¹⁾ The increase in credit allowance refers mainly to Gauteng Government receivable which was recorded as overdue at year end. Refer to note 21 for further information.

Notes to the group annual financial statements (continued)

for the year ended 30 June 2025

30. Financial instruments (continued)

30.4 Credit risk (continued)

The opening to closing movement in allowances for trade receivables as at 30 June are as follows:

	2025 R'000	2024 R'000
Opening loss allowance	21,927	8,184
Increase/(decrease) in loss allowance ⁽¹⁾	8,009	13,758
Receivables written off during the year as uncollectible	-	(15)
Deemed disposals and reacquisition of investments	(29,936)	-
As at 30 June	-	21,927

⁽¹⁾ The increase in the expected credit loss in the current year was as a result of the increase in the probability of default.

Net impairment loss recognised in the statement of profit or loss amounted to R nil (2024: R11.5 million). The remaining other receivables were assessed internally as performing. These other receivables are considered to have low credit risk as the probability of default is very low and ECL is considered immaterial. The assessment of low credit risk is based on the counter parties performance thus far taking into consideration it is not in default and fully performing.

Other financial assets

Included in other financial assets are amounts receivable from related parties. There is no external credit rating for other financial assets.

During the prior periods, other financial assets were assessed internally, during the assessment it was recorded that the credit risk with regards to the amount receivable on the loans to key management, directors, previous key management and directors and previous owners of Chempure t/a Solal has increased significantly. The group is doubtful that the amount will be received in full. For the loans to key management, directors, previous key management and director the group has recognised ECL allowance on the amounts owed because the group is in the process of finding ways to recover the amounts. The loans to previous owners of Chempure t/a Solal, the amount owed is past due and the counterparty is now in default. Therefore, a specific lifetime ECL has been applied and a provision of R9.5 million (2024: R9.5 million) recognised. The receivable is credit impaired. Due to the change to an investment holding entity, the receivable and corresponding credit loss is now measured through fair value in profit and loss.

The gross carrying amount of other financial assets is R0.8 million (2024: R13 million).

The remaining other financial assets were assessed internally as performing. These other financial assets are considered to have low credit risk as the probability of default is very low and ECL is considered immaterial. The assessment of low credit risk is based on the counter parties performance thus far taking into consideration it is not in default and fully performing.

Cash and cash equivalents

The group determines appropriate internal credit limits for each counterparty. In determining these limits, the group considers the counterparty's credit rating established by accredited ratings agency. The group manages its exposure to a single counterparty by spreading transactions among approved financial institutions.

Cash credit risk is the risk of the institutions with which cash resources are held are unable to meet their obligations and unable to return the cash assets held with them.

Notes to the group annual financial statements (continued)

for the year ended 30 June 2025

30. Financial instruments (continued)

30.4 Credit risk (continued)

The risk rating grade of cash and cash equivalents are set out in the table below. Given these credit ratings, management does not expect any counterparty to fail to meet its obligations. The credit risk is assessed as low on cash and cash equivalents and the ECL is not material.

	2025 R'000	2024 R'000
Credit rating of financial institutions		
Continuing operations		
Ba2	2,688	42,664
	2,688	42,664

30.5 Market risk

Market risk is the risk that changes in market prices such as interest rates and foreign currencies will affect the group's income or the value of its financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising return.

Interest rate risk

Interest rate risk is the risk that arises in an interest-bearing asset or liability, due to variability of interest rates.

The group's interest rate risk arises from cash and cash equivalents and borrowings.

Currently, the group aims to maintain its mix of fixed and floating rate debt within the internally determined parameters, however, this depends on the market conditions where the group operates. Due to interest rates increasing during the current year, the group has also decided not to enter into any interest rate hedges at the moment. Refer to Note 13 for disclosure on borrowings and other financial liabilities.

The table below illustrates the interest rate charged on the financial instruments:

R'000	2025		2024	
	Fixed rate instruments	Variable rate instruments	Fixed rate instruments	Variable rate instruments
Non-current financial assets				
Loans from related parties		51,070		
Other financial assets	809	-	730	-
	809	-	730	-
Current financial assets				
Loans to related parties	87,248	1,042	-	-
Other financial assets	-	-	12,233	-
Cash and cash equivalents	-	2,688	42,338	326
	87,248	3,730	54,571	326
Non-current financial liabilities				
Loans from related parties	982	-	-	-
	982	-	-	-
Current financial liabilities				
Loans from related parties	68,883	-	-	-
Bank overdraft	-	35,650	-	-
	68,883	35,650	-	-

Notes to the group annual financial statements (continued)

for the year ended 30 June 2025

30. Financial instruments (continued)

30.5 Market risk (continued)

Sensitivity analysis

The group has used a sensitivity analysis technique that measures the estimated change to profit or loss of an increase or decrease by 1% (100 basis points) in market interest rates, from the rate applicable as at 30 June 2024, for each class of financial instruments with other variables remaining constant. The group is mainly exposed to fluctuations in the following market interest rates: JIBAR and money market rates. Changes in market interest rate affect the interest income or expense of floating rate financial instruments. A change in the above-mentioned market interest rates at the reporting date would have increased/decreased profit before tax by the amount shown below:

The analysis has been performed for illustrative purposes only, as in practice market rates rarely change in isolation. The analysis has been performed based on of the change occurring at the start of the reporting period and assumes that all the other variables remain constant. The analysis is carried out in relation to JIBAR-based instruments only:

JIBAR R'000	Decrease/Increase in profit before tax		
	Change in interest rate	Upward change in interest rate	Downward change in interest rate
2025	1%	-	-
2024	1%	3	(3)

Foreign exchange risk

Foreign currency risk is the exposure to exchange rate fluctuations that have an impact on cash flows and financing activities.

The group is exposed to foreign exchange risk arising from commercial transactions relating to the import of raw materials and the export of finished goods denominated in US dollars, Euros, and the UK pound sterling.

The group treasury function has set up a policy requiring group companies to manage their respective foreign exchange risk against their functional currency. To manage their foreign exchange risk arising from future commercial transactions, entities in the group use forward contracts, transacted with group treasury.

Notes to the group annual financial statements (continued)

for the year ended 30 June 2025

30. Financial instruments (continued)

30.5 Market risk (continued)

The following exchange rates were applied in the preparation of the financial results at year end:

Currency	2025		2024	
	Closing rate	Average rate	Closing rate	Average rate
Euros	20.84	20.56	19.46	19.80
UK Pounds	24.34	24.20	22.96	23.38
US Dollar	17.75	17.85	18.16	18.40

The change in exchange rate applied in the below-mentioned sensitivity analysis is based on the actual movement in exchange rates during the 2025 financial year.

2025		Change in exchange rate	Impact on financial results R'000
Foreign denominated balances held by the group at year end:			
Current liabilities			
US Dollars	360	2.27%	8
Net impact from foreign denominated balances	360		8
Forward exchange contracts			
US Dollar	-	2.27%	-
Net impact including economic hedges on profit/loss	-		-

2024		Change in exchange rate	Impact on financial results R'000
Foreign denominated balances held by the group at year end:			
Current assets			
Euros	21	5.08%	1
US Dollars	8,335	3.56%	297
Current liabilities			
UK Pounds	(77)	3.68%	(3)
Euros	(65,174)	5.08%	(3,311)
US Dollars	(29,887)	3.56%	(1,064)
Net impact from foreign denominated balances	(86,782)		(4,080)
Forward exchange contracts			
US dollar	(1,921)	3.56%	(68)
Net impact including economic hedges on profit/loss	(1,921)		(68)

Notes to the group annual financial statements (continued)

for the year ended 30 June 2025

30. Financial instruments (continued)

30.6 Capital risk management

The group's objectives when managing capital are to safeguard the group's ability to continue as a going concern in order to provide returns for shareholders and for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. Refer to the going concern assessment for the group for more information with regards to capital management.

The group manages its capital by either maintaining or adjusting the amount of the dividends paid to the shareholders, return capital to shareholders or issue new shares.

In addition, the group has long-term and short-term borrowings in place to meet the anticipated funding requirements. Borrowings are monitored based on the gearing ratio, which is consistent with others in the industry. This ratio is calculated as net debt divided by total capital. Net debt (refer to note 12) is calculated as total borrowings (including current and non-current borrowings and other financial liabilities' as shown in the statement of financial position) less cash and cash equivalents. Total capital is calculated as 'equity' as shown in the statement of financial position plus net debt.

There are externally imposed capital requirements. Refer to bank covenants in (cash and cash equivalents). All of the covenants imposed for the group have been satisfied.

The table below serves to illustrate the group's gearing ratio at year end.

	Notes	2025 R'000	2024 R'000
Borrowings and other financial liabilities	13	-	-
Total borrowings		-	-
Cash and cash equivalents	22	32,962	(42,664)
Net debt		32,962	(42,664)
Total equity		629,734	618,270
Total capital		662,696	575,606
Gearing ratio		5%	-7%

Notes to the group annual financial statements (continued)

for the year ended 30 June 2025

31. Fair value estimation and hierarchy

A number of group accounting policies and disclosures require the measurement of fair values. The group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

The classification of assets and liabilities into different levels is based on the extent that quoted prices are used in the calculation of fair value and the levels have been defined as follows:

- Level 1: Fair value based on quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Fair value based on inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).
- Level 3: Fair value based on inputs for the asset and liability that are not based on observable market data (that is, unobservable inputs).

The carrying amount of cash and cash equivalents, bank overdrafts, trade receivables and trade payables approximates the fair value due to their short-term maturity nature. The fair value disclosure for these items is therefore not required.

The following table presents the group's financial assets and liabilities fair value hierarchy:

2025					
R'000	Notes	Level 1	Level 2	Level 3	Total
Continuing operations					
Measured at fair value on a recurring basis					
Investments	2			702,193	702,193
Total liabilities		-	-	702,193	702,193
2024					
R'000	Notes	Level 1	Level 2	Level 3	Total
Measured at fair value on a recurring basis					
Foreign exchange contracts		-	1,921	-	1,921
Total liabilities		-	1,921	-	1,921
Measured on a recurring basis					
Land and buildings		-	-	30,000	30,000
Total assets		-	-	30,000	30,000

Notes to the group annual financial statements (continued)

for the year ended 30 June 2025

31. Fair value estimation and hierarchy (continued)

Valuation methods and assumptions

The following methods and assumptions were used to estimate the respective fair values:

Derivative financial instruments

The group enters into derivative financial instruments with various financial institutions. Derivative financial instruments are valued using valuation techniques which employ the use of observable inputs. The future cash flows on forward exchange contracts and interest rate swaps are estimated based on the forward exchange rates and forward interest rates at the end of the period discounted at a rate that reflects the credit risk of various counterparties.

Land and buildings

Please refer to note 15 where the fair value considerations of land and buildings are provided.

Investments held

Please refer to note 2 where the fair value considerations of investments held are provided.

32. Related parties

Related party transactions constitute the transfer of resources, services or obligations between the group and a party related to the group, regardless of whether a price is charged. For the purposes of defining related party transactions with key management, key management has been defined as directors and the group's executive committee and includes close members of their families and entities controlled or jointly controlled by these individuals.

Notes to the group annual financial statements (continued)

for the year ended 30 June 2025

32. Related parties (continued)

Key management compensation 2025

R'000	Short-term employee benefits			Post employment benefits	Termination benefits	Directors' fees	Total
	Basic Salary	Travel Allowance	Incentives	Retirement/ medical benefits	Termination cost ^	Non executive Directors fees	
Executive directors							
AC Neethling ⁽¹⁾	1,870	-	-	-	-	-	1,870
TJM Mbele ⁽²⁾	2,610	-	600	165	-	-	3,375
Total executive	4,480	-	600	165	-	-	5,245
Key management	12,665	1,092	2,033	2,182	500	-	18,472
Total executive and key management	17,145	1,092	2,633	2,347	500	-	23,717
Non-executive directors							
B Harie	-	-	-	-	-	800	800
K Wellner	-	-	-	-	-	440	440
A Chetty	-	-	-	-	-	593	593
HA Nolte	-	-	-	-	-	367	367
T De Bruyn	-	-	-	-	-	219	219
Total non-executive	-	-	-	-	-	2,419	2,419
Total	17,145	1,092	2,633	2,347	500	2,419	26,136

⁽¹⁾ The amount represents six months of remuneration paid by Ascendis Management Service (Pty) Ltd, the group CEO salary was replaced by the Investor Fund Management Agreement with ACN Capital IHC (Pty) Ltd

⁽²⁾ Appointed as Executive Director on 02 December 2024

[^] Termination costs relate to a mutual separation agreement.

^{^^} SDL & UIF legislative costs and cost reimbursements.

Notes to the group annual financial statements (continued)

for the year ended 30 June 2025

32. Related parties (continued)

Key management compensation 2024

R'000	Short-term employee benefits			Post employment benefits	Termination benefits	Directors' fees	Total
	Basic Salary	Travel Allowance	Incentives	Retirement/ medical benefits	Termination cost ^	executive Directors fees	
Executive directors							
AC Neethling	2,189	-	-	-	-	-	2,189
Total executive	2,189	-	-	-	-	-	2,189
Key management	13,402	592	1,490	2,424	1,000	-	18,908
Total executive and key management	15,591	592	1,490	2,424	1,000	-	21,097
Non-executive directors							
B Harie	-	-	-	-	-	1,095	1,095
K Wellner	-	-	-	-	-	607	607
A Chetty	-	-	-	-	-	743	743
HA Nolte ⁽¹⁾	-	-	-	-	-	75	75
T De Bruyn	-	-	-	-	-	189	189
Total non-executive	-	-	-	-	-	2,709	2,709
Total	15,591	592	1,490	2,424	1,000	2,709	23,806

⁽¹⁾ Appointed as Non-Executive Director on 19 March 2024

^ Termination costs relate to a legacy mutual separation agreement.

^^ SDL & UIF legislative costs and cost reimbursements.

Notes to the group annual financial statements (continued)

for the year ended 30 June 2025

32. Related parties (continued)

Summary of directors' appointments, resignations and retirements

	Appointed
TJM Mbele	02 December 2024

Directors' interest in shares

The direct and indirect interests of the directors in the issued share capital of the company are reflected below:

	Number of shares		
	Direct	Indirect	Total
AC Neethling	-	101,450,244	101,450,244
K Wellner	1,278,124	-	1,278,124
B Harie	4,602	245,923	250,525
T De Bruyn	-	174,481,058	174,481,058
30 June 2025	1,282,726	276,177,225	277,459,951

	Number of shares		
	Direct	Indirect	Total
AC Neethling	9,097,350	58,233,058	67,330,408
K Wellner	1,278,124	2,365	1,280,489
B Harie	4,602	245,923	250,525
T De Bruyn	-	126,493,990	126,493,990
30 June 2024	10,380,076	184,975,336	195,355,412

The independent non-executive directors' interests in the issued share capital of the company represent less than 0.0% (2024: 0.0%) of the total issued share capital of the company at 30 June 2025. The collective interests held by the independent non-executive directors do not constitute a material shareholding in the company. Accordingly, their continued participation as directors is deemed not to be impaired.

Relationships

2025

Portfolio investment companies

Medical Devices:

Surgical Innovations (Pty) Ltd
The Scientific Group (Pty) Ltd
Ortho-Xact (Pty) Ltd
InterV Med (Pty) Ltd
Cardio Tech (Pty) Ltd

Portfolio investment companies

Consumer Health:

Ascendis Consumer Brands (Pty) Ltd
Chempure (Pty) Ltd
The Compounding Pharmacy of South Africa (Pty) Ltd

Wholly-owned head office subsidiary company

Ascendis Management Services (Pty) Ltd (Head office)
Ascendis Financial Services (Pty) Ltd (Head office)
Ascendis Health SA Holdings (Pty) Ltd (Head office)

Related party

ACN Capital IHC (Pty) Ltd

Notes to the group annual financial statements (continued)

for the year ended 30 June 2025

32. Related parties (continued)

Interest income earned in the wholly-owned subsidiary company from portfolio investment

	2025 R'000
Ascendis Financial Services (Pty) Ltd	
Ascendis Consumer Brands (Pty) Ltd	3,413
Surgical Innovations (Pty) Ltd	449
The Scientific Group (Pty) Ltd	2,329
Ortho Xact (Pty) Ltd	6,191
Cardio Tech Proprietary Limited t/a Cardaxes	807
InterV Med (Pty) Ltd	62
As at 30 June	13,251

Management fee income earned from portfolio investment companies

	2025 R'000
Ascendis Management Services (Pty) Ltd	
Chempure (Pty) Ltd	2,634
The Compounding Pharmacy of South Africa (Pty) Ltd	1,618
Ascendis Consumer Brands (Pty) Ltd	4,583
Surgical Innovations (Pty) Ltd	4,682
The Scientific Group (Pty) Ltd	1,917
Ortho Xact (Pty) Ltd	5,603
Cardio Tech Proprietary Limited t/a Cardaxes	4,261
InterV Med (Pty) Ltd	2,843
As at 30 June	28,141

Management fees of R28,1 million were raised during the year, the management fees are payable upfront with no balances remaining unpaid at year end.

Transactions with related parties

During the financial period, ACN Capital IHC (Pty) Ltd, an experienced and professional fund manager, ("Investment Manager") was appointed. The Investment Manager oversees capital allocation, delivers valuable investment management and support services and, under the Board's supervision, aims to unlock shareholder value through investment income, capital appreciation, and profitable exits.

	2025 R'000	2024 R'000
Transactions with related parties		
ACN Capital IHC (Pty) Ltd		
Management fees paid to ACN Capital IHC (Pty) Ltd	3,500	-

33. Contingent liabilities

The group applies judgement in assessing the potential outcome of uncertain legal and regulatory matters. The group does not recognise contingent liabilities in the statement of financial position until events indicate that it is probable that an outflow of resources will take place, and a reliable estimate can be made, at which time a provision is recognised.

The group discloses contingent liabilities where material economic outflows are considered possible but not probable.

The group is currently involved in one material dispute which pertains to a shareholder of the group concerning a loan that the shareholder alleges was guaranteed by Ascendis. The group is in consultation with its legal counsel, assessing the potential outcome of the dispute on an ongoing basis. The group does not foresee any material or significant exposure based on advice from legal representatives currently. As the dispute progress, management makes provision in respect of legal proceedings where appropriate.

34. Events after reporting period

There are no material events which occurred after the reporting date and up to the date of this report.



Company Annual Financial Statements

For the year ended
30 June 2025



Company statement of profit or loss and comprehensive income

for the year ended 30 June 2025

	Note	2025 R'000	2024 R'000
Net fair value gain/(loss) on investments	4	(66,461)	-
Reversal /(expected) credit losses allowance on loans to related parties	5	3,000	(446,064)
Other operating expenses	1	(4,659)	(2,963)
Operating loss		(68,120)	(449,027)
Finance income	2	2	6
Finance costs	2	(291)	(352)
Loss before taxation		(68,409)	(449,373)
Taxation credit	3	-	-
Loss for the year		(68,409)	(449,373)
Other comprehensive income		-	-
Total comprehensive loss for the year		(68,409)	(449,373)

Company statement of financial position

at 30 June 2025

	Notes	2025 R'000	2024 R'000
Loans to related parties	5	259,750	-
Investments in subsidiaries	4	456,290	522,751
Non-current assets		716,040	522,751
Loans to related parties	5	25	259,778
Cash and cash equivalents	6	1,419	650
Current assets		1,444	260,428
TOTAL ASSETS		717,484	783,179
Stated capital	8	6,237,888	6,237,888
Accumulated loss		(5,524,828)	(5,456,419)
Equity		713,060	781,469
Trade and other payables	7	1,320	1,590
Loans from related parties	5	3,104	120
Current liabilities		4,424	1,710
TOTAL LIABILITIES		4,424	783,178
TOTAL EQUITY AND LIABILITIES		717,484	783,179

Company statement of changes in equity

for the year ended 30 June 2025

R'000	Note	Stated capital	Accumulated loss	Total equity
Balance as at 1 July 2023		6,237,888	(5,007,048)	1,230,840
Loss for the year		-	(449,371)	(449,371)
Total comprehensive loss for the year		-	(449,371)	(449,371)
Balance as at 30 June 2024		6,237,888	(5,456,419)	781,469
Loss for the year		-	(68,409)	(68,409)
Total comprehensive loss for the year		-	(68,409)	(68,409)
Balance as at 30 June 2025	8	6,237,888	(5,524,828)	713,060

Company statement of cash flows

for the year ended 30 June 2025

	Notes	2025 R'000	2024 R'000
Cash utilised by operations	10	284	(5,685)
Interest income received	2	2	6
Finance costs paid	2	(291)	-
Net cash outflow from operating activities		(5)	(5,679)
Repayment of loans advanced to related parties		-	-
Loans advanced to related parties		-	(1,325)
Repayment of loans advanced to related parties		3	6,740
Net cash inflow from investing activities		3	5,415
Cash flows from financing activities			
Loans received from related parties	5	771	120
Net cash (outflow) / inflow from financing activities		771	120
Net decrease in cash and cash equivalents		769	(144)
Cash and cash equivalents at beginning of year		650	794
Cash and cash equivalents at end of year	6	1,419	650

Accounting policies

for the year ended 30 June 2025

Corporate information

Ascendis Health Limited is incorporated and domiciled in South Africa, where its ordinary shares are publicly traded on the Securities Exchange of the JSE Limited. Ascendis Health Limited is the ultimate parent company of the group.

Basis of preparation

The financial statements for Ascendis Health Limited have been prepared in accordance with applicable International Financial Reporting Standards (IFRS®).

Effective 1 July 2024, Ascendis has been classified as an investment entity in accordance with IFRS 10 – Consolidated Financial Statements. As a result of this change in status, the company has revised its accounting treatment for investments in subsidiaries.

From this date forward, investments in subsidiaries are no longer carried at cost less impairment. Instead, these investments are accounted for as financial assets at fair value through profit or loss, in line with the requirements of IFRS 10 and IFRS 9.

This change reflects the company's strategic focus on managing a portfolio of investments to generate returns from capital appreciation and investment income. Accordingly:

Portfolio investment companies are measured at fair value, with changes in fair value recognised in profit or loss.

The transition to investment entity status has been applied prospectively. Therefore, the financial results for the year ended 30 June 2024, which were prepared under the previous cost model, have not been restated and are not directly comparable to the results for the year ended 30 June 2025.

Principal accounting policies

The principal accounting policies applied in the preparation of the company financial statements are the same as those presented in the consolidated group financial statements, to the extent that the group's transactions and balances are applicable to the company financial statements.

The accounting policies, which are additional to those applied by the group as set out below and in the related notes to the company financial statements. The principal accounting policies are applied consistently with those adopted in the prior year.

Financial Instruments

Financial instruments comprise cash and cash equivalents, trade and other payables and related party loans.

Financial assets and liabilities are recognised in the company's statement of financial position when the company becomes a party to the contractual provisions of the instruments.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the company has not applied the practical expedient, the company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the company has applied the practical expedient are measured at the transaction price.

Accounting policies

for the year ended 30 June 2025

Financial Instruments (continued)

The company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets are not reclassified unless the company changes its business model. In rare circumstances where the company does change its business model, reclassifications are done prospectively from the date that the company changes its business model. Financial liabilities are classified as measured at amortised cost except for those derivative liabilities that are measured at fair value through profit or loss.

Financial assets are derecognised when the rights to receive cash flows from the assets have expired or have been transferred and the company has transferred substantially all risks and rewards of ownership. If, as a result of a transfer, a financial asset is derecognised in its entirety but the transfer results in the company obtaining a new financial asset, the company shall recognise the new financial asset fair value.

Financial liabilities are derecognised when the obligations specified in the contracts are discharged, cancelled or expire. On derecognition of a financial asset/liability, any difference between the carrying amount extinguished and the consideration paid is recognised in profit or loss.

A substantial modification of the terms of an existing debt instrument or part of it is accounted for as an extinguishment of the original debt instrument and the recognition of a new debt instrument. The net difference between extinguished original debt instrument and recognition of new debt instrument is recorded in profit or loss. Gains or losses arising from the modification of the terms of a debt instrument are recognised immediately in profit or loss where the modification does not result in derecognition of the existing instrument.

The company assessed on a forward-looking basis, the expected credit loss allowance (ECL) on all financial assets that are not held at fair value through profit or loss. ECLs are a probability weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls i.e. the difference between the cash flows due to the company in accordance with the contract and the cash flows that the company expects to receive. ECLs are discounted at the original effective interest rate (EIR) of the financial asset. For instruments that apply the 3 stage general model to determine the ECL such as related party loans receivable, the ECL are measured on either a 12-month or lifetime basis depending on whether there has been a significant increase in credit risk since initial recognition or whether the asset is considered credit-impaired. ECL are the discounted product of the probability of default (PD) and exposure at default (EAD).

The PD represents the likelihood of a counterparty defaulting on its financial obligation, either over 12 months (12-month PD) or over the remaining life (lifetime PD) of the obligation.

The EAD is based on the amounts the company expected to be owed at the time of default over the next 12 months (12-month EAD) or over the remaining life (lifetime EAD).

The company calculates loss given default (LGD) as discounted EAD.

The impairment methodology applied depends on whether there has been a significant increase in credit risk. The company recognises in profit or loss, as an impairment loss or reversal, the amount of ECL that is required to adjust the loss allowance at the end of the reporting period. When a receivable is uncollectible, it is written off against the allowance for impairment for that receivable. Subsequent recoveries of amounts previously written off are recognised in the statement of profit or loss.

The company defines a financial instrument in default when the counterparty fails to make contractual payments as and when they fall due.

Accounting policies

for the year ended 30 June 2025

Financial Instruments (continued)

The company writes off financial assets, in whole or in part, when it has exhausted all practical recovery efforts and has concluded that there is no reasonable expectation of recovery. This is the point when the company's collection activities are unable to recover outstanding balances.

The company considered financial assets subject to assessment for ECL in terms of the general impairment model to have experienced a significant increase in credit risk since the time of initial recognition when one or more of the following criteria have been met:

Quantitative

Where the counterparty has not met its minimum contractual obligations.

Qualitative criteria

The company considered available reasonable and supportive forward-looking information incorporating the following indicators, where applicable:

- Expected delay in payment
- Changes in the amount of financial support available to the counterparty.
- Changes in the general economic and/or market conditions.
- Internal and external credit ratings.

Investments in subsidiaries

Investments in subsidiaries are carried at cost less any accumulated impairment given that the company is an investment entity. The cost of an investment in a subsidiary is the aggregate of:

- the fair value, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the company; plus
- any costs directly attributable to the purchase of the subsidiary.

An adjustment to the cost of a business combination contingent on future events is included in the cost of the combination if the adjustment is probable and can be measured reliably.

Any potential impairment is determined on a basis consistent with the accounting policy on the impairment of intangible assets as presented in note 4 of the financial statements.

Financial Assets – Fair Value Through Profit or Loss (FVTPL)

Following the establishment of an investment holding entity, financial assets that do not meet the criteria for measurement at amortised cost are mandatorily measured at fair value through profit or loss (FVTPL) in accordance with IFRS 9.

Stated capital

Ordinary shares are classified as equity. Incremental external costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

Accounting policies

for the year ended 30 June 2025

Significant estimates and accounting judgements

In preparing these annual financial statements, management made estimates and accounting judgements that affect the application of the going concern assumption, accounting policies and the reported amounts of assets, liabilities, income and expenses.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to have the actual results materially different from estimates. Detailed information about each of these estimates and judgements is included in the notes to the annual financial statements.

Significant estimates and judgements were made on the following items:

Key estimates

- Recoverability of deferred tax assets (Note 9).

Notes to the Company financial statements

for the year ended 30 June 2025

1. Other operating expenses

Operating expenses primarily comprise of all costs that the company incurs as part of its normal operations. These include but are not limited to, audit fees, bank charges, listing fees, foreign exchange losses and other costs.

	2025 R'000	2024 R'000
Audit fees	1,171	1,395
Listing fees	-	811
Project costs	-	594
Impairment on intercompany loan*	3,000	-
Loss on disposal of investments	-	17
Other operating expenses/(reversals)	488	145
	4,659	2,962

*The impairment of the loan receivable relates to Klipspringer Products (Pty) Ltd intercompany loan receivable.

Directors appointed in Ascendis Health Limited are remunerated through subsidiary entities and has been adequately disclosed in the Group results in note 32 as part of the key management compensation.

2. Finance income and costs

Finance income

Finance income comprises of interest income on bank balances. Interest income is recognised as it accrues in profit or loss, using the effective interest method.

Finance costs

Finance costs comprise interest expense arising from tax liabilities to SARS, bank overdrafts and unwinding of deferred vendor liabilities. All borrowing costs are recognised in profit or loss using the effective interest method.

	Financial class	2025 R'000	2024 R'000
Finance costs			
Interest on Group debt facilities	Amortised cost	(291)	(340)
SARS	Amortised cost	-	(12)
		(291)	(352)
Finance income			
Interest received on bank	Amortised cost	2	6
		2	6
Net finance income / (costs)		(289)	(346)

Notes to the Company financial statements (continued)

for the year ended 30 June 2025

3. Income tax expense

Current and deferred taxes are recognised as income or an expense and included in profit or loss for the period, except to the extent that the tax arises from a transaction or event which is recognised, in the same or a different period, to other comprehensive income.

The current income tax charge is calculated based on the tax laws that are enacted or substantially enacted at the reporting date in South Africa where the company operates and generates taxable income. Management periodically evaluates positions taken in our tax returns with regards to situations in which applicable tax regulations is subject to interpretation. It establishes provisions where appropriate based on amounts expected to be paid to the South African Revenue Service ("SARS").

Major components of the tax expense

	2025 R'000	2024 R'000
Current Tax		
Current tax on profits for the period	-	-
Prior years under provision of tax	-	-
	-	-
Deferred		
Current deferred tax charge	-	-
	-	-
	-	-
Income tax expense	-	-
Tax at the South Africa tax rate	(27.0%)	(27.0%)
Non - deductible consulting fees	27.0%	27.0%
Average effective tax rate	0.0%	0.0%

The unrecognized tax loss is R191.7 million at 27%, being R51.8 million. This relates to the amount of deductible temporary differences, unused tax losses, and unused tax credits for which no deferred tax asset is recognised in the statement of financial position as there company is not likely to generate taxable income in the foreseeable future.

Notes to the Company financial statements (continued)

for the year ended 30 June 2025

4. Investments in subsidiaries

The following table lists the entities which are controlled directly by the company, and the carrying value net of impairment, of the investments in the financial statements:

Name of subsidiary	CGU	2025 % of ordinary shares held	2024 % of ordinary shares held	2025 R'000 Investment value	2024 R'000 Investment value
Ascendis Health SA Holdings (Pty) Ltd	Head Office	100%	100%	456,290	522,751
Total				456,290	522,751

Impairment tests for investments in subsidiaries

Investment in unlisted subsidiary	R'000
Carrying amount at cost as at 30 June 2024	522,751
Loss upon deemed disposal and reacquisition of investment	(66,461)
Fair value as at 30 June 2025	456,290

As a result of the change in investment entity status, the company reassessed its investment in Ascendis Health SA Holdings (Pty) Ltd.

Notes to the Company financial statements (continued)

for the year ended 30 June 2025

5. Loans to / (from) related parties

Loans to / (from) related parties constitute the transfer of funds between the company and a party related to the Ascendis group of companies, based on agreed terms of repayment and interest rates as stated in the loan agreements.

2025

		Gross carrying amount R'000	Expected credit loss allowance R'000	Net carrying amount R'000
Loans receivable	Basis for loss allowance			
Ascendis Health SA Holdings (Pty) Ltd	Lifetime ECL	259,750	-	259,750
Ascendis Financial Services (Pty) Ltd	Lifetime ECL	25	-	25
		259,775	-	259,775

During the prior financial period the group performed a consolidation of its internal loans, as a result Ascendis Health Limited ceded its loans receivables to Ascendis Health SA Holdings with no linked repayment terms. The loan receivable with Ascendis Health SA Holdings was subsequently remeasured to its recoverable fair value.

2024

		Gross carrying amount R'000	Expected credit loss allowance R'000	Net carrying amount R'000
Loans receivable	Basis for loss allowance			
Ascendis Health SA Holdings (Pty) Ltd	Lifetime ECL	259,750	-	259,750
Ascendis Financial Services (Pty) Ltd	Lifetime ECL	28	-	28
Klipspringer Products (Pty) Ltd*	Lifetime ECL	3,000	(3,000)	-
		262,778	(3,000)	259,778

*The impairment of the loan receivable relates to Klipspringer Products (Pty) Ltd intercompany loan receivable which was fully provided for via an estimated credit loss, the estimated credit loss was reversed during current year.

Notes to the Company financial statements (continued)

for the year ended 30 June 2025

5. Loans to / (from) related parties (continued)

	2025 R'000	2024 R'000
Non-current	259,750	-
Current	25	259,778
Net loans receivable	259,775	259,778

	2025 R'000	2024 R'000
Reconciliation of expected credit loss allowance		
Opening balance	(3,000)	(2,403,629)
Reversal of impairment/(impairment)	3,000	2,400,629
Reversal of impairment	3,000	2,846,691
Changes in risk profile	-	(446,062)
Loans repaid during the year	-	-
As at 30 June	-	(3,000)

The company's loans to and from its subsidiaries have no fixed repayments terms and bear no interest.

The carrying value of the loans receivable and payable closely approximates the fair value due to the short term nature thereof.

	2025 R'000	2024 R'000
Loans payable		
Ascendis Management Services (Pty) Ltd	3,104	120
	3,104	120

The loans are unsecured, bear no interest and have no fixed terms of repayment.

	2025 R'000	2024 R'000
Loans payable movement:		
As at 1 July	120	-
Loans advanced in cash during the year	2,984	120
As at 30 June	3,104	120

Notes to the Company financial statements (continued)

for the year ended 30 June 2025

6. Cash and cash equivalents

Cash and cash equivalents are accounted for at amortised cost.

For the purposes of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less.

In the statement of cash flows, cash and cash equivalents includes cash on hand and cash held in bank accounts.

	2025	2024
	R'000	R'000
Cash and cash equivalents consists of:		
Bank current account	1,419	650
Cash and cash equivalents per the cash flow statement	1,419	650

7. Trade and other payables

Trade payables are recognised initially at fair value, and subsequently measured at amortised cost using the effective interest method.

	2025	2024
	R'000	R'000
Trade payables	814	825
Accrued expenses ⁽¹⁾	506	765
	1,320	1,590

⁽¹⁾ Accrued expenses comprise audit fees and project costs.

8. Stated capital

	2025	2024
	R'000	R'000
Issued ordinary shares	6,237,888	6,237,888
Number of shares	'000	'000
Authorised shares (no par value)	2,000,000	2,000,000
Reconciliation of number of shares in issue (fully paid up):		
Ordinary shares - opening balance	632,470	632,470
Issued during the year	-	-
Ordinary shares - closing balance	632,470	632,470

Notes to the Company financial statements (continued)

for the year ended 30 June 2025

9. Deferred tax

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences (where applicable) to the extent that it is probable that future taxable profits will be available against which the deferred tax assets can be used. Management applies judgement in determining whether sufficient future taxable profit will be available after considering factors such as historical profits, forecasts cash flows and budgets. Deferred tax assets are reviewed at each reporting period and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax assets relating to accumulated tax losses have not been raised based on the assumption that there won't be sufficient taxable profits in the future against which to utilize the accumulated losses. Refer to note 3.

Notes to the Company financial statements (continued)

for the year ended 30 June 2025

10. Cash flow from operating activities

	Note	2025 R'000	2024 R'000
Loss before taxation		(68,409)	(449,371)
Adjustments for:			
Net finance cost	2	289	346
Impairment of loans	1	3,000	17
Expenses paid on behalf of company ⁽¹⁾		2,212	(2,778)
Fair value loss on investments		66,461	-
(Reversal)/increase related to credit loss allowance on loans to related	5	(3,000)	446,067
Changes in working capital:			
Trade and other payables	7	(268)	35
Cash utilised by operations		284	(5,685)

¹⁾ The expenses paid on behalf of company refers to operating expenses paid by Ascendis Management Services (Pty) Ltd on behalf of the company which are capitalised to the loan account. Refer to note 5 for the loan account balance.

11. Tax paid

	2025 R'000	2024 R'000
Balance at the beginning of the year	-	(2,407)
Tax payments made on behalf of the company ⁽¹⁾	-	2,407
Balance at the end of the year	-	-

⁽¹⁾ These payments are capitalised to the loans payable to related parties.

Notes to the Company financial statements (continued)

for the year ended 30 June 2025

12. Financial risk management

The company's activities expose it to a variety of financial risks: market risk (including currency risk and interest rate risk), credit risk and liquidity risk. The company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the company's financial performance.

Categories of financial instruments

	Amortised cost R'000	Total carrying amount ⁽¹⁾ R'000
2025		
Financial assets		
Loans to related parties	259,775	256,775
Cash and cash equivalents	1,419	1,419
	261,194	258,194
Financial liabilities		
Loans from related parties	3,104	3,104
Trade and other payables	1,322	1,322
	4,426	4,426
2024	R'000	R'000
Financial assets		
Loans to related parties	262,778	262,778
Cash and cash equivalents	650	650
	263,428	263,428
Financial liabilities		
Trade and other payables	1,590	1,590
	1,710	1,710

⁽¹⁾ The carrying amount of the financial assets and liabilities closely approximates the fair value.

Liquidity risk

The amounts disclosed in the table are the contractual discounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

	Less than 3 months R'000	Total R'000
2025		
Loans from related parties	3,104	3,104
Trade and other payables	1,322	1,322
Total	4,426	4,426
2024	Less than 3 months R'000	Total R'000
Loans from related parties	120	120
Trade and other payables	68	68
Total	188	188

Notes to the Company financial statements (continued)

for the year ended 30 June 2025

12. Financial risk management (continued)

Credit risk

Balances held by the company that are exposed to credit risk are as follow:

	2025 R'000	2024 R'000
The company is exposed to the following financial assets:		
Loans to related parties	256,775	262,778
Cash and cash equivalents - Ba2	1,419	650
	258,194	263,428

Credit risk is mitigated to the extent that the majority of receivables consist of related party receivables.

Impairment of financial assets

Credit risk or the risk of financial loss to the company is due to customers or counterparties not meeting their contractual obligations. It is managed through application of credit approvals, limits and monitoring procedures. Credit risk arises from cash and cash equivalents, other financial assets carried at amortised cost, derivatives financial assets and deposits with banks and financial institutions as well as credit exposures to all customers including all outstanding receivables.

In applying the requirements of IFRS when determining the ECL for financial assets, analysis of empirical evidence of historical defaults and losses was done. Significant judgement is applied and generally includes the relevant country's benchmark data. Material and concentrated exposures were assessed separately. The measurement of risk is projected forward based on macroeconomic forecasts. Macro-economic forecast is applied with a probability average of the forecasts and scenarios. For customers that were identified as individually significant, i.e. government and public listed customers, a specific risk was applied by applying the published credit ratings.

Estimation was applied in determining the correlation of macro-economic variables to defaults. The basis of the correlations applied was based on the Moody's Analytics Impairment Calculation.

Simplified parameter-based approach

The company applies the following credit risk grading:

Stage 1- applies when the counterparty has a low risk of default and does not have any past-due amounts. 12-month ECL is used as basis for recognising ECL;

Stage 2 - applies when the receivable is more than 30 days past due or when there has been significant increase in credit risk since initial recognition. The receivable is not credit-impaired and lifetime ECL is used as basis for recognising ECL; and

Stage 3 - applies when the receivable is 90 days past due or when there is evidence indicating that the receivable is credit impaired. The receivable is credit-impaired and lifetime ECL is used as basis for recognising ECL.

Notes to the Company financial statements (continued)

for the year ended 30 June 2025

12. Financial risk management (continued)

	Gross R'000	Impaired R'000	Net R'000
2025			
Loans to related parties	259,775	–	259,775
2024			
Loans to related parties	262,778	(3,000)	259,778

During the prior financial period the group performed a consolidation of its internal loans, as a result Ascendis Health Limited ceded its loans receivables to Ascendis Health SA Holdings with no linked repayment terms. The loan receivable with Ascendis Health SA Holdings was subsequently remeasured to a recoverable carrying value.

The loans to related parties are assessed as stage 2 and lifetime ECL has been applied in calculating the allowance.

Cash and cash equivalents

The credit ratings of the financial institution with whom the company holds its bank accounts is as follows:

Financial institution	Rating
Standard Bank South Africa	Ba2

Interest rate risk

The company is not exposed to material interest rate risk, it currently does not have any external debt instruments.

Capital risk management

The company defines capital as the sum of its 'equity' as shown in the statement of financial position and its net debt. The company is not significantly exposed to capital risk. The company's objectives when managing capital are to safeguard the company's ability to continue as a going concern in order to provide returns for shareholders and for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The company manages its capital by either maintaining or adjusting the amount of the dividends paid to the shareholders, return capital to shareholders or issue new shares.

The table below serves to illustrate the company's gearing ratio at year end.

	Notes	2025 R'000	2024 R'000
Total borrowings		-	-
Cash and cash equivalents	22	1,419	650
Net debt		1,419	650
Total equity		776,519	781,469
Total capital		777,938	782,119
Gearing ratio		0%	0%

Notes to the Company financial statements (continued)

for the year ended 30 June 2025

13. Related parties

Related party transactions constitute arm's length transactions that result in the transfer of resources, services or obligations between the company and a party related to the Ascendis group of companies, regardless of whether a price is charged. For the purposes of defining related party transactions with key management, key management has been defined as directors and the executive committee and includes close members of their families and entities controlled or jointly controlled by these individuals.

Notes to the Company financial statements (continued)

for the year ended 30 June 2025

13. Related parties (continued)

Key management compensation 2025

R'000	Basic Salary	Travel Allowance	Incentives	Retirement/ medical benefits	Other benefits and costs ^^	Termination cost ^	Non executive Directors fees	Executive Directors other services	Total
Executive directors									
AC Neethling ⁽¹⁾	1,850	-	-	-	20	-	-	-	1,870
TJM Mbele ⁽²⁾	2,576	-	600	165	35	-	-	-	3,375
Total executive	4,426	-	600	165	54	-	-	-	5,245
Key management	11,379	1,092	2,033	2,182	226	500	-	1,060	18,472
Total executive and key management	15,805	1,092	2,633	2,347	280	500	-	1,060	23,717
Non-executive directors									
B Harie	-	-	-	-	-	-	800	-	800
K Wellner	-	-	-	-	-	-	440	-	440
A Chetty	-	-	-	-	-	-	593	-	593
HA Nolte	-	-	-	-	-	-	367	-	367
T De Bruyn	-	-	-	-	-	-	219	-	219
	-	-	-	-	-	-	-	-	-
Total non-executive	-	-	-	-	-	-	2,419	-	2,419
Total	15,805	1,092	2,633	2,347	280	500	2,419	1,060	26,136

⁽¹⁾ The amount represents six months of remuneration paid by Ascendis Management Service (Pty) Ltd, the group CEO salary was replaced by the Investor Management Agreement with ACN Capital IHC (Pty) Ltd

⁽²⁾ Appointed as Executive Director on 02 December 2024

^ Termination costs relate to a mutual separation agreement.

^^ SDL & UIF legislative costs and cost reimbursements.

Notes to the Company financial statements (continued)

for the year ended 30 June 2025

13. Related parties (continued)

The Ascendis Health Ltd directors and subsidiaries' directors are considered to be prescribed

Key management compensation 2024

R'000	Basic Salary	Travel Allowance	Incentives	Retirement/ medical benefits	Other benefits and costs ^^	Termination cost ^	Non executive Directors fees	Executive Directors other services	Total
Executive directors									
AC Neethling	2,158	-	-	-	31	-	-	-	2,189
Total executive	2,158	-	-	-	31	-	-	-	2,189
Key management	13,149	592	1,490	2,424	253	1,000	-	-	18,908
Total executive and key management	15,307	592	1,490	2,424	284	1,000	-	-	21,097
Non-executive directors									
B Harie	-	-	-	-	-	-	1,095	-	1,095
K Wellner	-	-	-	-	-	-	607	-	607
A Chetty	-	-	-	-	-	-	743	-	743
HA Nolte ⁽¹⁾	-	-	-	-	-	-	75	-	75
T De Bruyn	-	-	-	-	-	-	189	-	189
Total non-executive	-	-	-	-	-	-	2,709	-	2,709
Total	15,307	592	1,490	2,424	284	1,000	2,709	-	23,806

⁽¹⁾ Appointed as Non-Executive Director on 19 March 2024

^ Termination costs relate to a legacy mutual separation agreement.

^^ SDL & UIF legislative costs and cost reimbursements.

Appendix A: Interests in subsidiaries

In the company's separate annual financial statements, investments in subsidiaries are carried at cost less any accumulated impairment.

The cost of an investment in a subsidiary is the aggregate of:

- The fair value, at the date of exchange of assets given, liabilities incurred or assumed and equity instruments issued by the company; plus
- Any costs directly attributable to the purchase of the subsidiary.

The table below lists all entities which are controlled by the group, either directly or indirectly through subsidiaries:

Appendix A: Interests in subsidiaries (continued)

	Ordinary shares held by the group (%)	
	2025	2024
CONSUMER HEALTH		
Ascendis Consumer Brands (Pty) Ltd	100%	100%
Ascendis Supply Chain (Pty) Ltd	100%	100%
Chempure (Pty) Ltd	100%	100%
K2013197766 (Pty) Ltd	100%	100%
K2013126193 (South Africa) (Pty) Ltd	100%	100%
The Compounding Pharmacy of South Africa (Pty) Ltd	100%	100%
MEDICAL DEVICES		
Cardio Tech Pty Ltd t/a Cardaxes	100%	100%
InterV Med (Pty) Ltd	100%	100%
Ortho-Xact (Pty) Ltd	100%	100%
Surgical Innovations (Pty) Ltd [°]	100%	100%
The Scientific Group (Pty) Ltd	100%	100%
HEAD OFFICE		
Ascendis Financial Services (Pty) Ltd	100%	100%
Ascendis Health SA Holdings (Pty) Ltd	100%	100%
Ascendis Management Services (Pty) Ltd	100%	100%
Elixr Brands (Pty) Ltd	100%	100%
Ascendis Health Spain Holdings SL	100%	100%
BIOSCIENCES		
Ascendis Biosciences (Pty) Ltd	100%	100%
Klipspringer Products (Pty) Ltd	100%	100%

~entity deregistered during the year

[°] Surgical Innovations was reacquired in the prior year.

Appendix B: Shareholders' information

	30 June 2025		30 June 2024	
Spread of ordinary shareholders	Number of shares	Percentage of shares	Number of shares	Percentage of Shares
Public shareholders ⁽¹⁾	348,289,054	55.1%	430,396,360	68.1%
Non-public shareholders				
- Directors, associates and associates of the company	277,462,316	43.9%	195,355,010	30.9%
- Treasury shares (own holdings)	6,718,589	1.1%	6,718,589	1.1%
Total	632,469,959	100.0%	632,469,959	100.0%

⁽¹⁾ Represents 14 609 public shareholders

According to the company's register of shareholders, read in conjunction with the company's register of disclosure of beneficial interests made by registered shareholders acting in a nominee capacity, the following shareholders held 5% or more of the issued share capital at 30 June 2025:

	30 June 2025		30 June 2024	
Major beneficial shareholders holding 5% or more	Number of shares	Percentage of shares	Number of shares	Percentage of Shares
Calibre Investment Holdings (Pty) Ltd	174,481,058	27.6%	126,493,990	20.0%
International Finance Corporation	-	0.0%	61,686,663	9.8%
Cresthold (Pty) Ltd	64,318,556	10.2%	48,187,648	7.6%
Kefolile Health Investments (Pty) Ltd	56,321,482	8.9%	56,321,482	8.9%
Alpvest Equities (Pty) Ltd	-	0.0%	47,802,918	7.6%
Dendrobium Capital (Pty) Ltd	52,593,791	8.3%	38,006,922	6.0%
Kingston Kapitaal (PTY) LTD	54,347,408	8.6%	-	-
Carl Andre Capital (Pty) Ltd	47,847,932	7.6%	-	-

30 June 2025	Number of	Percentage of	Number of	Percentage of
Distribution of registered shareholdings	shareholders	shareholders	shares	Shares
1 - 1 000	12,286	84.1%	1,368,486	0.2%
1 001 - 10 000	1,660	11.4%	5,213,842	0.8%
10 001 - 100 000	504	3.4%	16,101,424	2.5%
100 001 - 1 000 000	116	0.8%	36,378,862	5.8%
1 000 001 shares and over	47	0.3%	573,407,345	90.7%
	14,613	100.0%	632,469,959	100.0%

Appendix C: Abbreviations

The table below lists all the abbreviations that have been used in the financial statements and their corresponding meanings:

Abbreviation	Definition
CEO	Chief Executive Officer
CFO	Chief Financial Officer
FD	Finance Director
IFRS	International Financial Reporting Standards
JSE	Johannesburg Stock Exchange
IASB	International Accounting Standards Board
SAICA	South African Institute of Chartered Accountants
TNAVPS	Tangible Net Asset Value Per Share
NAVPS	Net Asset Value Per Share
PM's	Performance measures
EBITDA	Earnings before interest, tax, depreciation and amortisation
AGM	Annual General Meeting
EPS	Earnings per share
FVTPL	Fair Value Through Profit and Loss
EV	Enterprise Value
P/E	Price Earnings
SOTP	Sum-of-the-parts
SARS	South African Revenue Services
FVOCI	Fair Value Through Other Comprehensive Income
CODM	Chief Operating Decision Maker
OTC	Over-the-counter
IT	Information technology
EXCO	Executive Committee
NAVPS	Net asset value per share
TNAVPS	Tangible net asset value per share
KPI	Key performance indicator
WANOS	Weighted average number of shares
CGU	Cash Generating Unit
T/A	Trading As
ECL	Expected Credit Loss
VAT	Value added tax
PD	Probability of default
LGD	Loss given default
EAD	Exposure at default
FCTR	Foreign currency translation reserve
GDP	Gross domestic product
JIBAR	Johannesburg Inter Bank Average Rate
EBIT	Earnings before interest and tax

Administration

Country of Incorporation and domicile	South Africa
Registration number	2008/005856/06
Income tax number	9810/017/15/3
JSE and A2X share code	ASC
ISIN	ZAE000185005
Registered office	1 Carey Street Wynberg Gauteng 2191
Postal address	PostNet Suite #252 Private Bag X21 Bryanston 2021
Contact details	+27 (0)11 036 9600 info@ascendishealth.com www.ascendishealth.com
JSE sponsor	Valeo Capital Proprietary Limited
Auditors	Nexia SAB&T
Transfer secretaries	Computershare Investor Services Proprietary Limited Rosebank Towers, 15 Biermann Avenue, Rosebank, Johannesburg, 2196 Private Bag X9000, Saxonwold, 2132 Telephone: +27 (0)11 370 5000
Company secretary	Joseph Fine (B Soc Sci LLB) Joe.fine@ascendishealth.com
Directors	B Harie (Chairman)* K Wellner* T De Bruyn~ HA Nolte* A Chetty* AC Neethling (CEO) TJM Mbele (CFO) * Independent non-executive ~ Non-executive TJM Mbele was appointed Executive Director on 02 December 2024



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