



# ANNUAL INTEGRATED REPORT

2026

*Growth as our best defence:  
building value in a challenging year*



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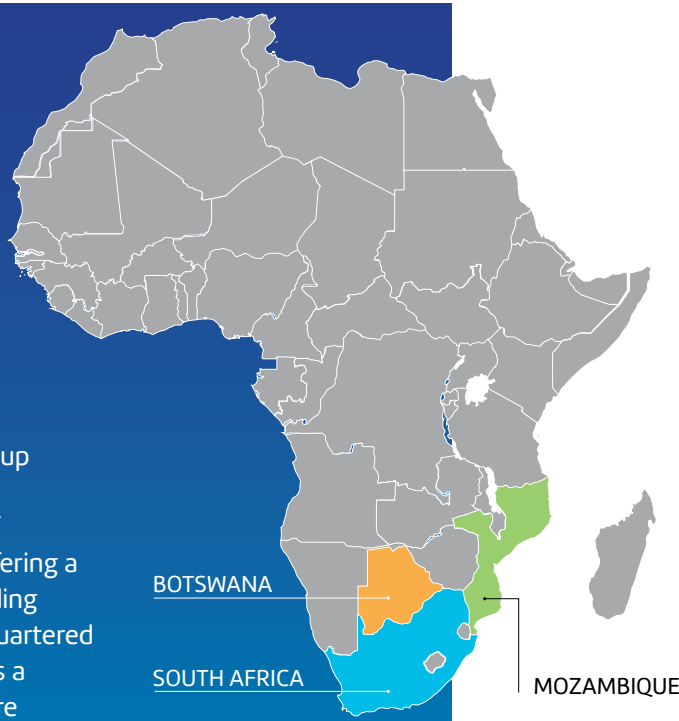



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# Who we are

## OUR OPERATING FOOTPRINT

Lenmed is a private healthcare group operating across Southern Africa. It manages and owns a network of hospitals and medical facilities, offering a range of healthcare services including general and specialist care. Headquartered in South Africa, the Group operates a network of hospitals and healthcare facilities across South Africa, Botswana and Mozambique. In addition, the Group has established a representative office in the United Arab Emirates to support the exploration of strategic opportunities and partnerships within the GCC region, positioning the Group for future growth beyond Southern Africa. Our governance approach is rooted in the principles of transparency, accountability, and sound oversight, ensuring that integrity and responsibility are upheld across every aspect of the business.



 Total number of beds under management

# 2 415

2025: 2 507  
2024: 2 388  
2023: 2 202



## South Africa

### Gauteng

<b>Ahmed Kathrada Private Hospital</b> <i>Lenasia</i>	287	100%
<b>Daxina Private Hospital</b> <i>Lenasia South</i>	42	100%
<b>Randfontein Private Hospital</b> <i>Randfontein</i>	177	100%
<b>Zamokuhle Private Hospital</b> <i>Tembisa</i>	112	100%

### KwaZulu-Natal

<b>Ethekwini Hospital and Heart Centre</b> <i>Durban</i>	415	77%
<b>Ethekwini Acute Rehabilitation Centre</b> <i>Durban</i>	41	77%
<b>Shifa Private Hospital</b> <i>Durban</i>	145	100%
<b>La Verna Private Hospital</b> <i>Ladysmith</i>	149	93%
<b>Howick Private Hospital</b> <i>Howick</i>	51	99%

### Northern Cape

<b>Kathu Private Hospital</b> <i>Kathu</i>	59	67%
<b>Royal Hospital and Heart Centre</b> <i>Kimberley</i>	186	100%

## North West

<b>Wilmed Park Hospital and Heart Centre</b> <i>Klerksdorp</i>	195	100%
<b>Sunningdale</b> <i>Klerksdorp</i>	33	100%
<b>Parkmed</b> <i>Parkmed</i>	50	64%
<b>Daleside</b> <i>Klerksdorp</i>	20	51%
<b>MooiMed Private Hospital</b> <i>Potchefstroom</i>	83	100%

## Botswana

<b>Bokamoso Private Hospital</b> <i>Gaborone</i>	185	70%
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## Mozambique

<b>Maputo Private Hospital</b> <i>Maputo</i>	125	100%
<b>Beira Private Hospital</b> <i>Beira</i>	60	60%

Beds ownership	Beds	Ownership
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# Our operating environment

MESSAGE FROM OUR CHAIRMAN AND CEO

## *Growth as our best defence*

We are proud to present the Lenmed 2026 Annual Integrated Report. This year's report captures a period of deliberate, disciplined growth – pursued against real sector pressure and a regulatory environment stifling progress. Our theme, 'Growth as our best defence', is not a slogan. It is the philosophy that guided every significant decision the Board and executive management made during the year. In a market where affordability and pricing pressure is a constant theme, businesses that grow their volumes and their market share perform far better than those that stand still. Lenmed has grown at multiples of its competitors over the last number of years. We continued to invest, recruit and build. These investments are bearing fruit – and they provide the platform for our business to remain resilient and sustainable into the future.

### Operating environment in FY26

South Africa's private healthcare sector offered few tailwinds in FY26. Medical aid premiums have outpaced both wage growth and the consumer price index (CPI) for several years running, creating a structural shift towards lower-cost "buy-down" plans with more limited benefits. Hospitals treating patients on these plans apply discounted tariffs, which compresses revenue per patient day directly. This is a sector-wide challenge – not a Lenmed-specific one. It underscores exactly why the volume growth and market share gains we delivered matter so much.

Medical scheme managed care controls have intensified during the second half of the year, directly impacting patient admissions. Other major hospital groups report the same dynamic. The changes made by the Government Employees Medical Scheme (GEMS), most notably the conversion of Ruby to a network option and Tanzanite One only covering PMB conditions, negatively impacted the business from January 2026. Against this backdrop, we continue to focus on operational discipline and business development initiatives to achieve volume growth.

Lenmed's revenue earned from lower-cost plans is almost 50% of total South African revenue. In the absence of progressive reforms and economic growth that bring more medical aid members into the system, we expect this figure to continue increasing into the future as current members seek more affordable options. This not only underscores, again, the importance of growing volumes to achieve operating leverage, but also requires us to aggressively pursue opportunities, leveraging technology, to re-imagine and streamline our operations in a way that continues to sustain and improve upon the quality of care we deliver.



**Prakash Devchand**  
Chairman

**Amil Devchand**  
Chief Executive Officer

On the regulatory front, there have been meaningful developments. President Ramaphosa agreed to withhold the National Health Insurance (NHI) implementation pending the outcome of legal challenges brought by various stakeholders. The Constitutional Court has recently heard two separate legal challenges to the NHI Act, judgement of which is awaited. It is also worth noting that the Certificate of Need, a newly proposed regulatory licensing system for healthcare providers and a key pillar of the NHI, was ruled to be unconstitutional as part of a separate legal challenge lodged. We remain constructively engaged in the healthcare reform dialogue and are hopeful that these legal processes result in a more pragmatic approach that utilises evidence-based reform, that can genuinely improve patient outcomes and system sustainability.

Across our African portfolio, FY26 produced divergent results. In Mozambique, our expansion into Beira and our broadening network across Maputo delivered pleasing market share gains. The country is stabilising after a period of political turbulence, with the business performing well. In Botswana, fiscal strain driven by the economy's dependence on diamond revenues weighed on performance. Government referrals and payments to Bokamoso Private Hospital have been inconsistent. Critically, this is a liquidity challenge – not a solvency one. Botswana retains its investment-grade credit rating, and we retain a high degree of confidence in the long-term value of this business.

During the year, Lenmed's management contract at the Bank Hospital in Ghana came to an end following the Bank of Ghana's decision to internalise the management of the facility. We are proud of the significant contribution made during our tenure, which saw the successful transformation of the hospital into one of Ghana's leading private healthcare institutions.

Key achievements included the commissioning of a renal transplantation programme, a substantial financial turnaround of the hospital, and recognition through multiple industry awards, including acknowledgement as one of the country's leading private healthcare facilities. Beyond the hospital itself, we believe our tenure contributed positively to the advancement of healthcare standards within Ghana. We thank the Bank of Ghana, the Board, management and employees of the hospital for their partnership and wish them every success as they continue to build on the strong foundations established during our tenure.

Our FY26 results carry a sizeable impact from one-off costs and deliberate strategic investment decisions. These impacted the income statement but will unlock material value over the medium term. Understanding them is essential to reading our performance correctly.

Three factors are worth pointing out. First, the devaluation of both the Botswana Pula and the Mozambique Metical reduced earnings. Since our African operations together contribute around 30% of Group profits, currency movements have a meaningful direct impact. Second, we materially increased business development spend above the prior year. This was a deliberate investment supporting our Middle East expansion strategy, doctor recruitment and general practitioner and specialist engagement programmes. Third, a once-off investment was made into leadership development, organisational capacity and the development of Lenmed's new operating model.

Adjusted for these one-off and investment costs, Lenmed delivered strong EBITDA growth – a pleasing result in this environment and a reflection of the underlying health of our core business. On a like-for-like basis, Group occupancy delivered paid patient day (PPD) growth of 3%, while high-acuity utilisation – intensive care unit (ICU) and high care – grew at 6%. That high-acuity number matters. It reflects directly on our strategy to grow market share in higher-acuity patient segments.

Maternity admissions have declined approximately 10% year on year – a trend driven by economic pressures. Encouragingly, the broader sector experienced a drop of approximately 15% in this category, indicating that Lenmed is outperforming even in difficult circumstances.

We also made disciplined use of capital. The successful refinancing of Lenmed's debt package removed all lender constraints on dividend payments. For three consecutive years, we have paid Lenmed's dividend and significantly increased its amount each year. The Board completed a share buy-back programme, acquiring just over 30 million shares at around R3 each. The share price subsequently reached approximately R4.50 – its highest point yet – adding real value for shareholders who stayed invested.

## Operational highlights

At an operational level, FY26 was a mixed picture. Some facilities performed strongly while others faced momentum challenges in a difficult market. What matters is that we continued to execute our strategic and business plans and did not allow short-term conditions to deflect us from our medium-term growth agenda.

The turnaround story at Wilmed Park Private Hospital, now renamed to Wilmed Park Hospital and Heart Centre, deserves specific mention. This facility struggled to gain traction since our acquisition – we have been candid about that. We are now seeing a compelling transformation. The opening of a new cardiac centre in September last year exceeded all performance expectations since launch and has already reshaped this facility's market positioning. The emergency department, previously a bottleneck and a cause of market share loss, was renovated and expanded, with the new unit opened in May 2026. Real progress is becoming evident, and we expect it to drive significant improvement in this facility's performance.

In Botswana, Lenmed commissioned the first biplane cardiac catheterisation laboratory in the country in 2025. This R20 million investment cements Bokamoso's position as Botswana's leading cardiac centre of excellence. In South Africa, our optimisation programme identified R75 million in upside opportunities across the business, achieving 86% of that target year-to-date. This reflects the operational discipline our management teams are applying to existing assets alongside our growth investments.

Doctor engagement has been formalised through a systematic relationship management platform, and over 60 doctors were added during the year, supported by our doctor shareholding model being piloted at La Verna, and earmarked to be extended to various facilities across the Group.

## Strategy and capital allocation

Lenmed’s strategy centres on generating and realising value through a diverse and well-managed portfolio of healthcare assets. These assets are leveraged to achieve superior clinical and financial outcomes, which are then converted into measurable benefits for all stakeholders. Value creation for each stakeholder group is not peripheral to our purpose – it is how Lenmed endures and grows.

Our capital allocation approach is risk-calibrated and selective. In South Africa, we allocate capital only to high-return opportunities that adequately compensate for an elevated risk environment. We have deliberately evolved away from the broad-based acquisitive strategy of prior years toward a more focused approach targeting transformative “move-the-needle” acquisitions in the domestic market. In the rest of Africa, we pursue a capital-light model – management contracts and acquisitions that strengthen our established platforms in Mozambique and Botswana. We have recently concluded 2 ‘bolt-on’ acquisitions in Mozambique that will drive further competitive advantage.

Diversification – by service line and by geography – remains a strategic imperative. The acute hospital segment is where medical schemes apply the most pressure. Our response is to broaden our footprint across the continuum of care. We have made strong progress on diversification initiatives including strengthening our renal business, expanding into acute rehabilitation, growing our representation in the diagnostics space, and the turnaround of our medical waste investment, all of which will contribute positively to our profitability and our ability to provide high-quality care to our patients into the future.

Today, approximately 70 to 80% of Lenmed’s business is generated from South Africa. It is our intent to increase geographic diversification, with a target of generating a meaningful proportion of earnings from offshore operations by FY30.

The Gulf Cooperation Council (GCC) is a cornerstone of Lenmed’s geographic ambition. Our initial UAE strategic collaboration – currently a pilot partnership – serves multiple purposes. It is a live test of our ability to operate effectively in this market and positions us positively for a strong pipeline of management contract projects into the future. Additionally, our presence in the UAE provides invaluable exposure to global investors and international clinical best practice, laying the groundwork for deeper participation in a healthcare market with compelling long-term fundamentals.

Excitingly, Lenmed’s short- to medium-term capital organic growth projects are valued at R1.2 billion. In FY26, and as part of the execution of this pipeline, we added two new cardiac catheterisation laboratories, 11 neonatal intensive care unit (NICU) beds, 4 paediatric intensive care unit (PICU) beds, and a combined 36 adult intensive care unit (ICU) and high care (HC) beds across the Group. Over the next 18 months, we intend adding another 100 beds across the group, expanding theatre capacity and introducing a vascular hybrid theatre offering in Lenasia. Furthermore, we plan on strengthening our diversification through investment into further acute rehabilitation, mental health, day facility, oncology and radiology initiatives. These investments reflect Lenmed’s ongoing commitment to sustainable, capacity-led growth.

## People, clinical excellence and technology

Our people remain Lenmed’s most important asset. The nursing crisis facing South Africa’s healthcare sector is one of the most pressing structural challenges in our industry. Our nursing college has upskilled over 542 nurses over the past three years, with a target of 120 for FY27. In addition, we are training 59 new nurses, out of 60 approved positions available. The constraint is not our capacity or our commitment – it is regulatory. For 60 available posts, we

received 1 700 applications. We have the physical infrastructure to train 300 nurses, but current regulatory throughput limits restrict annual intake to 60. In a country with high unemployment and a severe shortage of healthcare workers, this is an economic and social absurdity. The Board and management view this as a critical policy issue requiring urgent government attention, which we continue to drive through the Hospital Association of South Africa (HASA).

Major leadership development programmes were introduced in collaboration with the Gordon Institute of Business Science (GIBS). Lenmed is introducing a new operating model, with our United Arab Emirates (UAE) operations already making this a reality. An intensive focus on culture – through new values, culture toolkits and leadership engagements – laid the groundwork for these structural changes and remains central to our transformation agenda.

Our ambition to be a data-driven organisation is being actively realised. We are deploying artificial intelligence (AI) and automation to strip out non-value-adding administrative work, freeing capital and human capacity for re-investment into direct clinical care. A Clinical Management System agreement was signed, in respect of our pilot site for South African operations, during the year, with implementation targeted for 1 March 2027 – a milestone investment that will fundamentally transform how we deliver care. We are also in the midst of an integrated hospital information system implementation across our Mozambique operations, which will strengthen operational and management capabilities in that region.

### Clinical excellence and quality

Clinical excellence remains the foundation of Lenmed’s strategy and the single most important determinant of our long-term success. While growth, diversification and operational efficiency are critical enablers of value creation, our ability to consistently deliver safe,

high-quality clinical care remains the bedrock upon which our reputation and sustainability are built.

During FY26, we continued to make meaningful progress in strengthening clinical quality, patient safety and patient experience across the Group. Encouraging improvements were achieved across a range of quality indicators, reflecting the commitment of our clinicians, nursing teams and support staff to delivering excellence in patient care. Pleasingly, these efforts have not only been evident in our internal performance metrics but have also been validated through external assessments and accreditation processes. Lenmed facilities and clinical programmes continue to receive recognition from Discovery Health and various internationally recognised accreditation bodies across specialised areas of care, providing independent confirmation of the quality standards being achieved throughout the Group.

We remain firmly committed to continuous clinical improvement and recognise that excellence in healthcare is a journey rather than a destination. Through ongoing investment in clinical governance, specialist capability, technology, training and multidisciplinary collaboration, we aim to further strengthen outcomes for our patients while maintaining the highest standards of safety and quality. Our Mentorship, Fellowship and Proctorship strategy is receiving increased focus as a mechanism to deepen clinical capability, support innovation and attract high-calibre practitioners to our facilities.

As healthcare becomes increasingly competitive and patients become more informed in their healthcare choices, we believe that superior clinical outcomes and patient experiences will become an even more important differentiator. Lenmed will continue to position clinical excellence at the centre of its strategy, ensuring that every investment decision, operational initiative and growth opportunity ultimately supports our primary objective: delivering the best possible care to every patient entrusted to us.

## Governance

Strong corporate governance and ethical leadership remain the bedrock of Lenmed's operations. The Board and its committees – Audit and Risk, Remuneration and Nominations, Social and Ethics, Clinical Governance, and Innovation and Disruption – maintained active and engaged in oversight throughout the year. The King IV Report on Corporate Governance remains our primary framework, and we are monitoring the transition requirements arising from King V. The Board remains committed to disciplined capital allocation and balancing investment for growth with direct shareholder returns. The combination of dividend growth, share repurchases and sustained investment in high-return projects reflects our confidence in the long-term prospects of the business.

## Prospects

We enter FY27 with confidence, despite an opening period that has been more turbulent than ideal. The disruption to GEMS benefits during the year, intensified managed care controls and the broader economic impact of the current geo-political situation will have a short-term negative impact. Lenmed's organic growth pipeline is robust, and capital investments are tracking well. The businesses we have been building – from South Africa to Mozambique to Botswana and now to the GCC – are entering the value-delivery phase of their development cycles. The structural tailwinds of a growing and ageing population, combined with an acute shortage of healthcare capacity across our geographies, position Lenmed well for the medium and long term.

The market will remain competitive. The regulatory environment will remain uncertain. The nursing shortage will not be resolved overnight. These are the realities of operating in our sector. Lenmed's response is clear: grow, invest, differentiate, and look through the short-term noise to the long-term value we are building.

We remain confident that disciplined investment, operational excellence and strategic diversification will continue to create sustainable value for all stakeholders over the long term.

## Acknowledgements

On behalf of the executive management, we extend sincere gratitude to the Board for their commitment to governance excellence and for the expertise and judgement they bring to our oversight responsibilities.

To our employees, doctors and allied healthcare professionals: your skill, compassion and daily commitment to our patients is the foundation of everything Lenmed achieves. To our shareholders, funders, patients and communities: your trust in Lenmed is a responsibility we do not take lightly. It drives everything we do.

**Prakash Devchand**  
Chairman

**Amil Devchand**  
Chief Executive Officer



## LISTENING TO OUR STAKEHOLDERS

We maintain a proactive approach to stakeholder engagement, emphasising regular communication with those who hold a significant interest in our activities and prospects. Lenmed’s Stakeholder Engagement Framework underpins this effort, outlining guiding principles and using a stakeholder matrix to delineate engagement levels for various groups. Our engagement strategies are adapted to align with defined objectives, desired results, available resources, and the degree of influence or interest exhibited by each stakeholder. Lenmed’s identification and prioritisation of stakeholders is based on their impact on operations and influence over value creation, allowing for strategically focused

engagement efforts and tailored strategies that address stakeholder needs and expectations. Our stakeholder groups and primary modes of engagement are summarised in the table below. Engagement across all groups is shaped by materiality. The frequency, depth and mode of each interaction reflects the level of influence a stakeholder group has on Lenmed’s ability to create and preserve value. Shareholders, funders and investors engage primarily through formal reporting, results presentations and direct management contact. Our workforce and medical practitioners are engaged through structured forums, leadership development programmes, and the monthly Voice of the Employee survey.

Patients and communities engage through the patient experience programme, complaint resolution processes and community investment initiatives. Regulatory authorities, medical schemes and professional bodies engage through formal submissions, accreditation processes and ongoing policy dialogue. Lenmed’s approach recognises that each stakeholder relationship carries distinct expectations and that sustained engagement, even when news is difficult, is what builds the trust our business depends on.

### Our stakeholder engagement framework

Stakeholder group	Primary engagement modes	Frequency
<b>Shareholders and investors</b>	Results presentations, integrated report, direct management contact, Annual general meeting	Ongoing/annual
<b>Board of directors</b>	Structured board meetings, committee reports, closed sessions	Quarterly and as required
<b>Debt providers and funders</b>	Financial reporting, covenant reporting, bilateral meetings	Quarterly/ongoing
<b>Patients</b>	Patient experience surveys (HCAHPS-based), complaint resolution process, post-discharge follow-up	Continuous
<b>Communities</b>	CSI programmes, community partnerships, discounted care, cataract and cardiac outreach	Ongoing
<b>Media</b>	Press releases, analyst briefings, social media, investor communications	As required
<b>Workforce</b>	Voice of the Employee survey (monthly), leadership forums, FLLDP and MDP programmes, eNPS reporting	Monthly/ongoing
<b>Unions, HWSETA and DOL</b>	Collective bargaining, statutory consultations, skills reporting	Annual/as required
<b>Regulatory authorities</b>	Formal submissions, NHI policy dialogue, licensing compliance, health council engagement	Ongoing
<b>Medical specialists and GPs</b>	Specialist recruitment programmes, GP engagement via Salesforce, infrastructure investment, clinical forums	Ongoing

Stakeholder group	Primary engagement modes	Frequency
<b>Allied professionals</b>	Clinical training, CPD support, hospital-based professional committees	Ongoing
<b>Specialised partners</b>	Vendor forums, procurement consultations, partnership agreements	As required
<b>Medical schools and universities</b>	Nursing college partnerships, clinical training placements, research collaboration	Ongoing
<b>Suppliers and contractors</b>	Procurement processes, sustainability assessments, contract management	Ongoing



## RISKS AND MITIGATION

Lenmed applies a balanced risk management approach, combining top-down and bottom-up methodologies. Our actions remain within our defined risk appetite while generating socio-economic and environmental value. The following risks were material in FY2026.



Risk	Mitigation summary
<b>R 1</b> Adverse patient outcomes	<b>Skilled staff</b> , clinical protocols, quality assurance, training, and maintained infrastructure.
<b>R 2</b> Cyber crime and security	<b>Threat detection</b> , encryption, access control, penetration testing and staff training.
<b>R 3</b> State of the economy	<b>Proactive cost optimisation</b> , financial resilience, diversified revenue and affordability initiatives.
<b>R 4</b> Business interruption	<b>Backup power, water and oxygen systems</b> , disaster recovery plans and solar energy investment.
<b>R 5</b> Hospital business model disruption	<b>Digital transformation</b> , continuous monitoring of industry developments and occupancy management.
<b>R 6</b> Industry regulations: NHI	<b>Stakeholder engagement</b> , active policy dialogue and monitoring of legislative developments.
<b>R 7</b> Hostile funder regime	<b>Direct funder negotiation</b> , revenue diversification and operational efficiency initiatives.
<b>R 8</b> Medical practitioners	<b>Strong doctor relationships</b> , investment in infrastructure and specialist recruitment programmes.
<b>R 9</b> Healthcare resourcing challenges	<b>Workforce planning</b> , nursing college expansion, competitive remuneration and digital efficiency support.
<b>R 10</b> Workforce risks	<b>Employee engagement programmes</b> , leadership development, performance management and retention strategies.
<b>R 11</b> Pandemics and health crises	<b>Infection control protocols</b> , preparedness drills, collaboration with authorities and communication plans.
<b>R 12</b> Licence to trade	<b>B-BBEE compliance</b> , community investment, ethical conduct and regulatory body engagement.

# Our performance

## MESSAGE FROM OUR CFO: FINANCIAL PERFORMANCE



**Fredré Meiring**  
Chief Financial Officer

The Group delivered a resilient financial performance for the year under review despite continued pressure within the South African healthcare funder environment and ongoing economic challenges in certain territories in which we operate. While revenue growth moderated compared to the prior year, the Group remained focused on disciplined capital allocation and strategic investments in support of its long-term growth strategy.

The year was characterised by an overall increase in paid patient days (“PPDs”) and revenue per patient day (“RPPD”), solid growth in the Mozambican operations, liquidity constraints within the Botswana economy, albeit showing signs of improvement towards the latter part of the reporting period, and a resilient operational performance across the South African business despite challenges arising from medical aid buy-downs and a higher medical admission case mix. The strengthening of the Rand against the local currencies of the Group’s international operations further negatively impacted the Group’s results.

The Group’s continued investments in high acuity capacity, doctor recruitment and service expansion initiatives continue to yield positive results, with ICU and high care PPDs increasing by 6% year-on-year, compared to a 3% growth in general ward PPDs. In support of our growth and diversification strategy, higher investments were made in leadership development, organisational capacity building and business development initiatives, especially in the Middle East, with an additional R20 million invested during the year in support of our future growth opportunities.

Cash generated from operations increased to 89% of EBITDA from 80.4% in the prior period due, reflecting continued focus on working capital management and operational efficiency.

We remain encouraged by the continued strength of the Group’s underlying operations, the resilience of our facilities and the opportunities available within our growth pipeline.

Key metrics	FY2026	FY2025	FY2024	FY2023	FY2022
EBITDA (R’000)	861 770	832 986	677 216	635 001	533 671
EBITDA margin (%)	15.4	15.9	14.5	15.9	15.8
HEPS (cents per share)	43.10	39.55	24.8	29.99	31.18
Dividend per share (cents per share)	11.10	8.45	4.22	0	0
Net debt to EBITDA ratio, debt covenant is >3.5 times	2.05	1.87	2.34	2.08	1.83
Senior debt service cover ratio, debt covenant is >1.1 times	2.12	2.17	1.80	1.77	3.50
Interest cover ratio, debt covenant is >2.5 times	4.32	4.04	3.35	4.43	4.12
Debt to equity ratio, debt covenant is >80%	64	55	49	46	39

### Statement of comprehensive income

Group revenue increased by 6.8% to R5.609 billion (2025: R5.254 billion), driven by PPDs growth of 3.4% and RPPD growth of 3.3% supported by inflationary tariff increases and changes in case mix across the Group.

Group EBITDA increased by 3.3% to R861.8 million (2025: R833.0 million). The Group EBITDA margin decreased to 15.4% (2025: 15.9%), primarily due to pressure on RPPD within the South African market and the impact of strategic investments undertaken during the year.

Currency losses, additional medical aid buy-downs, investment into leadership development, a new operating model, an isolated insurance claim, costs relating to the share buyback programme and additional business development expenditure, had a combined adverse impact of more than R50 million on Group profitability during the year.

Excluding these items, adjusted EBITDA exceeds R917 million on a constant exchange rate basis, representing underlying EBITDA growth of approximately 10% compared to the prior year, and an adjusted EBITDA margin of 16.3%. This reflects the continued strength of the Group’s underlying operation, improved EBITDA conversion from revenue growth and the benefits of ongoing optimisation initiatives despite the challenging trading environment experienced during the year.

Profit before tax decreased marginally by 0.7% to R428.2 million (2025: R431.1 million), while profit after tax increased by 6.0% to R318.1 million (2025: R300.3 million).

Pleasingly, despite returning R185 million to shareholders during the year through dividends and share repurchases, net finance costs decreased by 3.2% to R184 million (2025: R190.1 million), reflecting continued focus on disciplined capital management.

The Group’s basic earnings per share increased by 9.0% to 42.65 cents per share (2025: 39.11 cents per share), while headline earnings per share increased by 9% to 43.10 cents per share (2025: 39.55 cents per share). The increase highlights the resilient underlying operational performance together with the positive impact of the Group’s share buy-back programme on shareholder returns.

## South African operations

The South African operations remained stable, supported by solid patient activity levels and continued investment into higher acuity services and infrastructure expansion projects.

Revenue of the South African operations increased by 6.1% and PPDs increased by 3.0% during the year. The Group’s continued investment in high acuity capacity and doctor recruitment is bearing fruit, with combined ICU and high care PPDs growing by 5.3% year on year compared to the 2.2% growth in general acuity PPDs. Despite inflationary tariff increases, RPPD of the South African operations came under pressure from the impact of buy downs and case mix, with a higher proportion of admissions emanating from lower cost options and medical admissions respectively.

Excluding the once-off items referred to above, EBITDA for Lenmed’s South African operations grew by 12.1%, achieving an EBITDA margin of 18.5% (2025: 17.9%). This performance reflects the benefits of the Group’s continued investment in higher-acuity services, doctor recruitment and operational optimisation initiatives, despite ongoing pressure within the healthcare funding environment.

## International Operations

Our operations outside of South Africa showed encouraging progress, particularly in Mozambique, while Botswana experienced improving trading conditions towards the latter part of the financial year following a prolonged liquidity-constrained environment.

Revenue from operations outside of South Africa increased by 9.0% during the year.

Trading conditions in Botswana improved modestly compared to the prior year, supported by an increase in government referrals. The liquidity challenges experienced within the country persisted for most of the financial year and continued to place pressure on collections from government-related payors. Encouragingly, post-year-end collections improved during March and April 2026 following the release of additional government funding.

The Mozambican operations delivered a strong performance during the year, with Beira Private Hospital increasing revenue by 32% and Maputo Private Hospital increasing revenue by 11%. EBITDA margins within the Mozambican operations remained strong.

During the year, the Group’s management contract at Bank Hospital in Ghana came to an end following the Bank of Ghana’s decision to internalise management of the facility. While the contract has concluded, the Group is proud of the progress achieved during its tenure, including the financial turnaround of the hospital and the facility being recognised as one of the leading private healthcare facilities in the country.

## Statement of cash flows

Despite ongoing collection pressures in Botswana throughout most of the financial year, cash generated from operations remained solid. This was due to resilient underlying trading performance and disciplined working capital management.

Cash from operations totalled R764.3 million (2025: R669.7 million), demonstrating an EBITDA cash conversion of 89.0% (2025: 80.4%). This improved cash conversion reflects the Group’s sustained focus on working capital management and robust underlying cash generation.

The Group invested more than R447 million into maintaining its operating capacity expanding high-acuity services and advancing strategic growth projects across the portfolio. These investments support the Group’s long-term growth strategy and are expected to contribute positively to future earnings and cash generation.

Excluding the R185 million returned to shareholders in the form of dividends and the share buy-back during June 2025, the Group was predominantly funded through operating cash flows, indicative of our conservative capital allocation approach.

## Statement of financial position

The Group maintained a solid financial position during the year, supported by strong operating cash flows, disciplined capital allocation and continued access to funding.

The Group remains comfortably within all debt covenant requirements, with net debt to EBITDA remaining at prudent levels retains sufficient liquidity and funding headroom to support the execution of its strategic growth pipeline. Management remains committed to balancing disciplined investment in future growth opportunities with sustainable shareholder returns.

## Outlook

The Group remains focused on executing its growth and shareholder value creation strategy through:

- unlocking the Group’s organic and strategic growth pipeline
- continued investment in automation, digitalisation and process optimisation initiatives
- optimising facility performance and improving utilisation across the portfolio
- geographic and service line diversification across the healthcare continuum
- continuing to explore strategic opportunities within Africa and the Middle East.

While macroeconomic and healthcare funding pressures remain present in certain markets, the Group remains confident in the resilience of its operations, the quality of its asset base and the long-term growth opportunities available across its portfolio. The investments made over recent years continue to position the Group favourably for sustainable growth and value creation.



**Fredré Meiring**  
Chief Financial Officer

## CLINICAL GOVERNANCE AND EXCELLENCE

Clinical governance forms the foundation of our commitment to patient safety and exceptional outcomes. We emphasise the assessment, management, and reduction of operational and clinical risks that may influence patient care. Our healthcare services meet high standards through strong clinical risk management, ensuring patients receive quality care. Lenmed’s clinical governance uses a tiered oversight model, with assurance given at all levels up to the Board. The Clinical Governance Committee, a formal Board sub-committee, oversees clinical quality, patient safety, regulatory compliance, and risk management across the Group.

Operational governance is supported through layered structures including Regional and Group clinical performance review platforms, Hospital Clinical Governance Committees, Hospital Health and Safety Committees, Mortality and Morbidity review structures, and specific clinical committees for stroke, cardiac and trauma programmes. Ultimate executive accountability rests with the Chief Executive Officer and Chief Medical Officer, supported by group clinical and risk teams.

The Lenmed Clinical Quality Scorecard tracks performance across 150 metrics in 20 categories. Operational safety

upgrades in FY2026 included the rollout of the “Recognise & Respond” early warning scoring systems across maternity (MEOWS), paediatric (PEWS), and newborn units (NB-EWS) to ensure early signs of deterioration are appropriately actioned. We successfully piloted the automated WHO Surgical Safety Checklist during the year and plan to roll it out across the Group in FY2027, further strengthening patient safety and reducing the risk of preventable surgical complications. Strategically, the transplant division achieved significant milestones, performing our first living donor renal transplant in early 2025, with workups actively progressing for future living related donor (LRD) and cadaver donor renal transplants.

Patient safety is measured and improved through a culture of structured learning. Every Serious Reportable Event (SRE) triggers a formal root cause analysis, with findings escalated to the Clinical Governance Committee and shared across the Group to prevent recurrence. Near-miss reporting is actively encouraged, with data captured through the Group’s incident management system and reviewed at monthly hospital-level clinical governance meetings. This closed-loop approach, from incident identification through investigation to systemic correction, is central to how Lenmed drives continuous improvement in patient safety.

Medication safety received focused attention in FY2026. Pharmacovigilance protocols were strengthened across the Group, with emphasis on high-alert medication management, look-alike/sound-alike drug controls, and the standardisation of medication reconciliation at admission and discharge.

Infection prevention and control (IPC) is a particular priority given the healthcare setting. The implementation of the Bluebird infection surveillance system provides real-time visibility of hospital-acquired infection (HAI)

trends across participating facilities, enabling faster detection and response. Hand hygiene compliance audits, enhanced personal protective equipment protocols and environmental hygiene standards are all monitored through the IPC committee structure at each hospital. FY2026 also saw the reinforcement of the role of nurses in antibiotic stewardship to proactively address the risk of antimicrobial resistance, a growing global concern that Lenmed is proactively addressing within its clinical protocols.

The transplant programme represents one of the most significant clinical capability expansions in Lenmed’s history. Following the successful completion of Lenmed’s first living donor renal transplant at Ethekwini Hospital and Heart Centre in early 2025, the programme has continued to build capacity and expertise. Active workups are underway for future living related donor (LRD) transplants, and the pathway to cadaver donor renal transplants is being developed in consultation with national transplant authorities. This programme extends Lenmed’s high-acuity service offering and reinforces Ethekwini’s position as a centre of clinical excellence on the KwaZulu-Natal coast.

Lenmed’s nursing college remains a strategic asset in workforce development and clinical quality. With capacity to train up to 300 nurses per annum (current enrolment of 60 students reflects prevailing regulatory training capacity limits), the college continues to produce graduates equipped for the demands of a modern private hospital environment. This pipeline of trained clinical staff supports consistent care standards across the Group and reduces dependence on the open market for scarce nursing talent.



Looking ahead to FY2027, the Group’s clinical governance priorities include the Group-wide rollout of the automated surgical safety checklist, further development of the transplant programme, continued embedding of the early warning scoring systems, and the initiation of the Clinical Management System (CMS) implementation at Ethekewini Hospital and Heart Centre. The CMS will provide clinicians with structured, real-time patient data at the bedside, supporting faster and safer clinical decision-making. Lenmed’s clinical governance framework will continue to evolve in response to both internal learnings and the broader developments in international patient safety science.

### Clinical accreditation: achievements in FY2025/2026

Hospital	Accreditation/programme	Awarding body	Status
<b>Mooimed Private Hospital</b>	Bariatric accreditation	SAMMSS	Achieved FY2025
<b>Bokamoso Private Hospital</b>	Trauma Level 2	Trauma Society of South Africa (TSSA)	Achieved FY2025
<b>Bokamoso Private Hospital</b>	Heart Failure accreditation	American College of Cardiology	Achieved FY2025
<b>Bokamoso Private Hospital</b>	COHSASA accreditation	COHSASA	Maintained
<b>Ethekewini Hospital and Heart Centre</b>	Chest Pain Centre reaccreditation	American College of Cardiology	Maintained FY2025
<b>Ethekewini Hospital and Heart Centre</b>	Transcatheter Valve certification	American College of Cardiology	Achieved FY2025
<b>Ethekewini Hospital and Heart Centre</b>	Diamond status (stroke)	World Stroke Organisation	8th consecutive quarter FY2025
<b>Lenmed Royal Hospital and Heart Centre</b>	Diamond status (stroke)	World Stroke Organisation	Achieved Q3 2024
<b>Ahmed Kathrada Private Hospital</b>	COHSASA accreditation	COHSASA	Maintained
<b>Wilmed Park Hospital and Heart Centre</b>	Chest pain centre programme accreditation	American College of Cardiology	In progress





# ESG report: Sustainability in action

## OUR PLANET

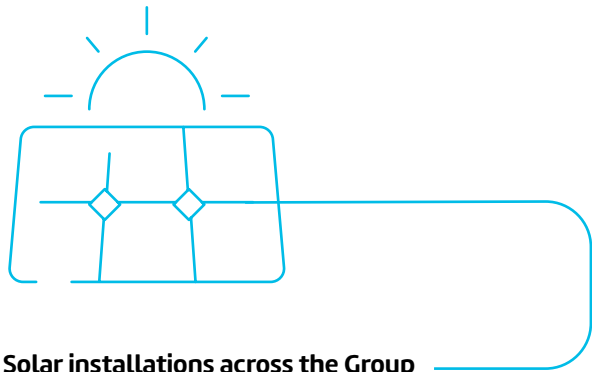
Climate change is increasingly shaping the healthcare landscape, prompting both challenges and urgent adaptations at Lenmed and across the sector. Rising global temperatures, extreme weather events and shifting disease patterns are placing additional strain on healthcare systems worldwide. Infrastructure must evolve to withstand more frequent floods, heatwaves and storms, while the sector faces growing pressure to reduce its environmental footprint. Lenmed is embedding environmental awareness into our operations, strengthening infrastructure and adopting climate-conscious strategies to ensure we continue to deliver high-quality care in a changing world.

The Environmental Committee (EC) at Lenmed is a management committee comprising functional heads and external consultants, responsible for monitoring and reducing water and electricity consumption and overseeing waste management across the Group. Lenmed has not yet conducted a formal climate risk assessment. Water availability and reticulation assessments have been conducted, resulting in backup water tank upgrade projects across the Group. Each year, Lenmed allocates a significant portion of CAPEX towards climate risk mitigation, including water-saving interventions, backup water storage, flood management measures, energy-saving initiatives and solar energy installations.

### FY2026 energy and water performance at a glance

Metric	FY2026	Change vs FY2026
Solar energy generated (GWh)	2.36	+12.6%
Solar share of total energy mix	5.2%	+4.6%
Municipal electricity (GWh)	43.14	n/a
Energy intensity (kWh per patient day)	84.88	±0.1%
Total water consumption (kl)	84.88	-2.7%
Water intensity (litres per patient day)	790	-7.7%

We achieved a 5.2% reduction in total water consumption to 18 536 kl, translating to a water utilisation intensity of 739 litres per patient day. To proactively manage municipal infrastructure risks, 80% of our hospitals had their backup water tank capacities upgraded. On the waste management front, 30% of our waste was successfully diverted from landfills, with our new waste strategy aiming to increase this diversion rate to 60%.



### Solar installations across the Group

#### Royal Hospital and Heart Centre

Installed capacity (kWp) **546**

#### Ahmed Kathrada Private Hospital

Installed capacity (kWp) **532**

#### Mooimed Private Hospital

Installed capacity (kWp) **280**

#### Zamokuhle Private Hospital

Installed capacity (kWp) **198**

#### Daxina Private Hospital

Installed capacity (kWp) **155.2**

#### Parkmed Neuro Clinic

Installed capacity (kWp) **24.4**

**Total: 1 735.6**

### FY2026 Medical Waste by Category (01 March 2025 – 28 February 2026)

Waste category	Total volume (kg)	% of Total	Disposal method
Infectious Waste	1 103 952	89.14%	Treated – landfill
Sharps Waste	123 350	9.96%	Treated – landfill
Anatomical Waste	5 240	0.42%	Incinerated
Cytotoxic Waste	3 625	0.29%	Incinerated
Pharmaceutical Waste	2 277	0.18%	Incinerated
<b>Total</b>	<b>1 238 444</b>	<b>100%</b>	

This waste data reflects a healthcare operation of significant scale. Infectious waste, the dominant category at 89.14% of total, is managed through a licensed waste treatment and disposal chain that meets all applicable regulatory requirements. Anatomical, cytotoxic and pharmaceutical waste streams are incinerated, with Lenmed maintaining documented chain-of-custody records for all hazardous waste categories. The 30% waste diversion rate achieved in FY2026 represents solid progress, and the Group’s new waste strategy, targeting a 60% diversion rate, sets a meaningful medium-term ambition. General waste recycling programmes are being expanded at facility level, and food waste composting is being piloted at selected hospitals ahead of potential Group-wide rollout in FY2027.

The formal GHG emissions measurement programme, with ERO engaged to calculate Scope 1 and Scope 2 emissions and establish FY2027 as Lenmed’s baseline year, marks an important maturation in the Group’s environmental reporting. While Lenmed’s six active solar installations already reduce grid electricity demand meaningfully, the baseline measurement will for the first time give the Group quantified visibility of its full carbon footprint. This is the necessary foundation for setting credible reduction targets and for responding to growing investor and lender expectations around climate-related financial disclosure. Lenmed anticipates reporting against an established GHG baseline from the FY2027 integrated report onwards.



## OUR PEOPLE

Lenmed’s current workforce comprises 3 877 permanent employees and 523 on fixed-term or contract arrangements. The workforce is 75% female (3 282 of 4 400 employees).

FY2026 also saw the successful graduation of cohorts from the Front-Line Leadership Development Programme (FLLDP) and the Management Development Programme (MDP) hosted in partnership with GIBS.

### FY2026 Workforce Snapshot (as at 28 February 2026)

**Total headcount: 4 400**

Metric	FY2026
Permanent employees	3 877 (88.1%)
Contract/fixed-term employees	523 (11.9%)
Female employees	3 282 (74.6%)
Male employees	1 118 (25.4%)
Employees with disabilities	76 (1.7%)
Foreign nationals	69 (1.6%)
Group turnover rate (FY2026)	1.34%
External training spend	R7.1 million
Leadership and culture training spend	R15 million
Bursary spend	R1.5 million

## Employee engagement and satisfaction

To monitor staff morale, Lenmed implemented a new monthly Voice of the Employee survey in November 2025. Sampled via an independent platform, the FY2026 Group eNPS was 58.03, supported by 691 responses from a distribution of 3 513 employees, with 72.07% promoters.

The YES youth employment programme ran its third cohort in FY2026, onboarding 45 learners. The disability learnerships programme enrolled 38 learners on SAQA-accredited programmes. These are programmes with real social and economic purpose, providing structured work experience and formal qualifications to young people and people with disabilities who might otherwise struggle to access meaningful employment. Lenmed regards its transformation obligations not as a compliance burden but as an expression of the same values that drive its commitment to patient care.

Labour relations remained stable throughout FY2026. There were no strike actions or major collective disputes during the year. The total turnover rate of 1.34% reflects a workforce that is, in the main, choosing to stay, a particularly positive signal given the competitive market for skilled nursing and allied health professionals. The People and Culture team tracks retention risk at facility level and intervenes proactively where patterns of voluntary departure are detected.

Leadership and culture remained a deliberate strategic priority in FY2026. External recognition came at the Gordon Institute of Business Science (GIBS) 25th Anniversary Client Dinner Awards, where Lenmed won the ‘Driving Leadership Effectiveness’ award from a field of ten categories – recognition of the people-focused leadership initiatives, from the re-launch of core values to structured development programmes, that drive excellence across the Group.

Lenmed advanced a connected set of leadership and skills development programmes during the year:

Programme	Focus	FY2026 progress
<b>Front-Line Leadership Development Programme (FLLDP)</b>	In-house programme equipping front-line leaders to drive departmental excellence and quality patient care	Inaugural cohort graduated in July 2025 after 23 contact days across five learning weeks. Syndicate action-learning projects are under review by the Innovation Committee.
<b>Management Development Programme (MDP)</b>	GIBS partnership building management capability for a fast-evolving healthcare environment	30 delegates graduated in June 2025, including two sponsored Department of Health (North West) participants.
<b>Youth Employment Service (YES)</b>	Joint public and private youth work-experience initiative	Third cohort of 45 learners onboarded across South African hospitals for 12 months. From the prior cohort, four interns were appointed permanently and two on fixed-term contracts.
<b>Disability Learnership</b>	SAQA-accredited learnership improving employability for people living with a disability	Third annual cohort of 38 learners onboarded, five sourced from the Ahmed Kathrada Foundation, leading to a National Certificate (130 credits).

The Leadership and Culture Journey are an organisation-wide initiative to embed the behaviours, practices and systems needed to deliver Lenmed’s strategy. It is built around four objectives – building leadership capability, embedding a consistent Lenmed culture, strengthening employee engagement and sharpening strategy execution – and delivered through four activity streams: executive coaching and tiered leadership development, leader-led change and culture cascade, communication and cultural socialisation, and the Lenmed Culture Playbook. Finalised and socialised with senior leaders in March 2025, the Playbook sets an 18 to 24-month roadmap anchored in various priority culture-shaping initiatives spanning leadership behaviour, strategic alignment, systems and processes, measurement and recognition, and employee development.

## Re-launch of the Lenmed values

Lenmed re-launched its core values in FY2026 following an organisation-wide reflective process. While the essence – care, service and teamwork – remains intact, the refreshed commitments place stronger emphasis on intentional behaviour and purpose-driven leadership, and are designed to show up in daily work, decision-making and interactions at every level of the organisation.

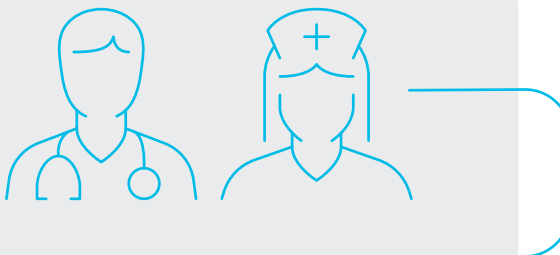
## OUR RELATIONSHIPS

### Patient relationships

Lenmed employs a bespoke, internationally benchmarked patient experience methodology and supporting system designed to deliver comprehensive, real-time insights across the patient journey. This approach enables immediate escalation of concerns, supports multiple feedback channels for patients, and facilitates robust trending, tracking, and reporting capabilities. Our methodology integrates the globally recognised HCAHPS survey, while also being tailored to align with local healthcare standards and contextual nuances.

### Patient experience: FY2026 improvements

Patient experience measure	FY2026
Overall composite score	+7%
Overall hospital experience	+4%
Net Promoter Score (NPS)	+6%



### Community relationships

For Lenmed, thriving communities are essential to our long-term success. We go beyond healthcare delivery to play an active role in addressing the social and economic challenges in the areas we serve. We are deeply committed to reducing barriers to quality healthcare, particularly for those facing financial hardship. Our efforts include lowering co-payments on medical aid plans where possible and offering discounted rates and flexible payment options for patients without medical aid.

### Community investment and social impact

Community investment measure	FY2026	FY2025
Healthcare discounts to financially vulnerable patients	R32.3 million	R31.3 million
Free cataract surgeries for elderly patients	102	120
Total CSI spend	R51.8 million	R34.5 million
Paediatric cardiac procedures (Children's Cardiac Foundation)	80	21



## OUR INTELLECTUAL RESOURCES

Lenmed continued to strengthen its digital and technology capabilities during FY2026, reinforcing the Group’s strategic focus on operational resilience, clinical enablement, cybersecurity, and digital innovation. The Group’s IT environment remains underpinned by a standardised enterprise architecture supported by resilient infrastructure, advanced cybersecurity controls, enterprise connectivity, and centralised governance frameworks across all operations, including Botswana and Mozambique.

During the year, Lenmed progressed several strategic digital transformation initiatives aimed at enhancing operational efficiency, patient experience, and clinical integration. Key achievements included the successful implementation of digital admissions across multiple facilities, the expansion of digital engagement capabilities with referring practitioners, the automation of selected procurement and clinical workflows, and the initiation of the Clinical Management System (CMS) programme. These initiatives form part of the Group’s broader digital transformation agenda focused on improving healthcare delivery, strengthening interoperability, and enabling scalable operations across the organisation.

The Group also continued to advance its enterprise data and analytics capabilities through the implementation of an integrated data environment, enabling improved access to operational and clinical information, enhanced reporting capabilities, and more informed decision-making across the business. Looking ahead, Lenmed will continue to focus on the optimisation of operational processes, the modernisation of its clinical and operational systems landscape, and the phased implementation of CMS capabilities across South Africa, Mozambique, and Botswana.

### Artificial intelligence and Cybersecurity

Artificial Intelligence (AI) and automation remain important strategic focus areas for the Group. During FY2026, Lenmed explored targeted AI and automation opportunities aimed at improving operational efficiency, optimising administrative processes, enhancing data utilisation, and supporting data-driven decision-making.

Cybersecurity and data protection continued to remain critical priorities for the Group. Lenmed maintained a mature, enterprise-wide cybersecurity framework supported by continuous monitoring, vulnerability management, independent assessments, penetration testing, and formal incident response capabilities. No material cybersecurity breaches or significant system outages were experienced during the financial year.



# Transparency, accountability, and governance

## Lenmed’s corporate governance

Lenmed’s Board of Directors upholds the principles of sound corporate governance as outlined in King IV. These principles guide the Board in fostering an ethical culture, delivering strong performance, ensuring effective oversight, and maintaining the Group’s legitimacy. While preserving its independence, the Board works closely with management to develop a thorough understanding of the business through ongoing inquiry, monitoring, and engagement. Strategic planning includes both executive Board members and senior Group executives, enabling a comprehensive view of operational priorities and challenges. Board meetings are structured around a detailed agenda, jointly prepared by the Chairman, CEO, and Company Secretary. These meetings feature updates from the CEO on operational performance and significant developments affecting the Group. Chairs of Board committees provide verbal reports to

offer insight into committee activities. When necessary, closed sessions, led by the Chairman or lead independent director, are held to address specific matters confidentially. Summaries from these sessions are shared appropriately to promote transparency and reinforce accountability in Board decision-making.

## King IV overview and transition to King V

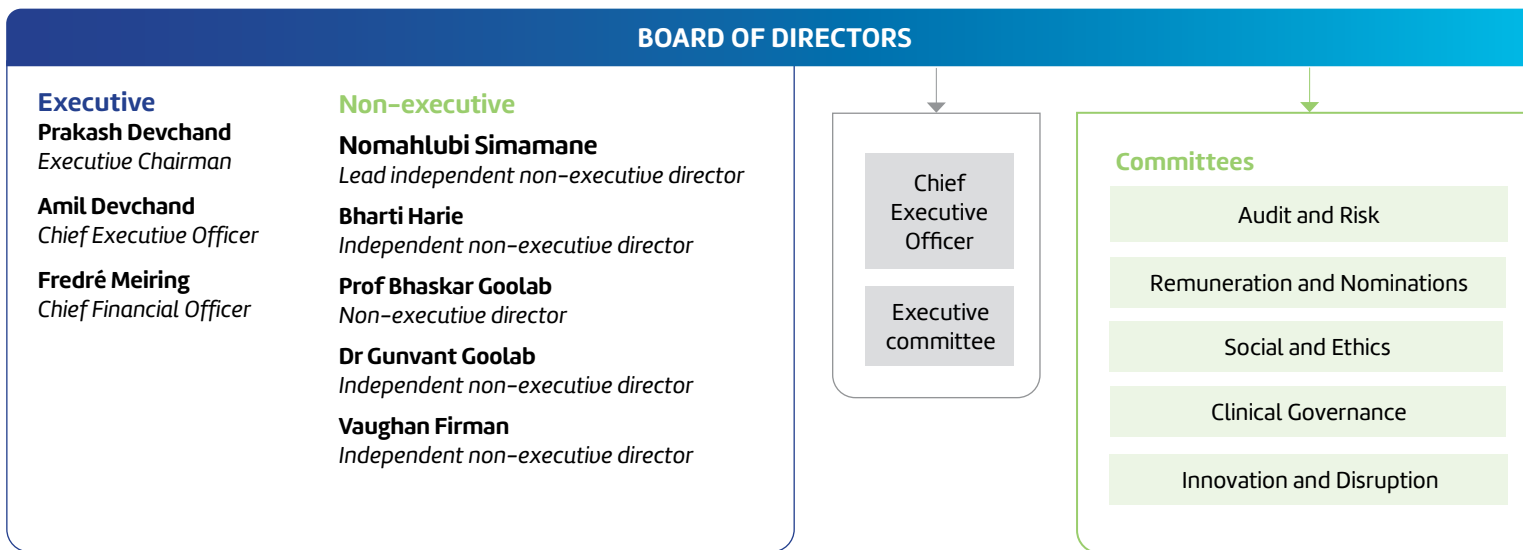
Lenmed’s King IV compliance register, available at [www.lenmed.com](http://www.lenmed.com), outlines how the Group applies the principles of King IV. This register should be reviewed alongside the Annual Integrated Report, which contains detailed committee reports, to gain a complete understanding of Lenmed’s governance framework and practices. In the next financial year we’ll work on our transition to the incoming King V standard.

## Governance structure

The table below records attendance by Board members at all Board and committee meetings held during FY2026 (1 March 2025 to 28 February 2026).

Director	Board	Audit and Risk	Remco/ Nomco	Social and Ethics	Clinical Governance	Innovation and Disruption
<b>Total meetings</b>	4	5	3	3	4	2
P Devchand (Chairman)	4/4 (chair)	-	3/3	-	-	-
A Devchand (CEO)	4/4	-	-	-	3/4	2/2
B Harie	4/4	5/5	3/3 (chair)	-	-	-
Prof. B Goolab	4/4	-	3/3	-	4/4 (chair)	-
N Simamane	4/4	5/5	-	3/3 (chair)	-	-
F Meiring (CFO)	4/4	-	-	-	-	-
Dr G Goolab	4/4	-	-	3/3	-	2/2 (chair)
V Firman	4/4	5/5 (chair)	3/3	-	-	-
Dr M Mkhathshwa	-	-	-	3/3	-	-
Dr N Patel	-	-	-	-	4/4	-
M Bishop	-	-	-	-	-	2/2

Chair = Committee Chairperson ‘-’ =Not a member of the committee. Invitee attendance has been excluded.



## OUR BOARD OF DIRECTORS

Lenmed is guided by a robust corporate governance philosophy that is centred on transparency, accountability, fairness, responsibility and ethical behaviour. By adhering to these principles, we build trust with our stakeholders, maintain a good reputation, and operate ethically and sustainably to deliver long-term value to all our stakeholders.

### Executive



**Prakash Devchand/71**  
Chairman  
CA(SA)

Prakash Devchand is a seasoned chartered accountant with more than 37 years of experience in the healthcare industry. He joined the Board of Lenmed in 1986 and assumed the roles of Chairman and Chief Executive Officer (CEO) in 1998. During his tenure as CEO, Prakash played a pivotal role in driving substantial growth within Lenmed’s local operations and spearheading the Group’s expansion into Africa. On 1 March 2020, Prakash transitioned from his role as CEO but continues to serve as Chairman and a valued member of the Board, bringing his wealth of industry expertise and strategic vision to guide Lenmed’s continued success and expansion efforts.



**Amil Devchand/41**  
Chief Executive Officer  
CA(SA), GMP(HBS)

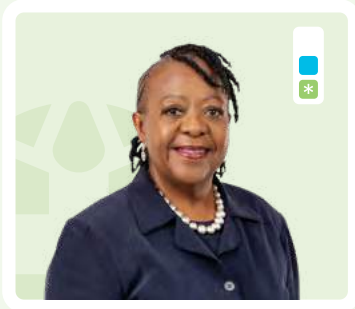
Amil Devchand joined the Lenmed Group in 2011 and has held several key positions, including Chief Financial Officer (CFO), Chief Operations Officer (COO), and Deputy Chief Executive Officer (CEO). As a chartered accountant with deep industry experience, Amil has served as the past chairman and director of the National Hospital Network (NHN) and a former director of the Hospital Association of South Africa (HASA). He is also an alumnus of the Harvard Business School. Amil assumed the role of CEO of the Lenmed Group on 1 March 2020, bringing his extensive expertise and strategic leadership to guide the Group’s continued growth and success in the healthcare industry.



**Fredre Meiring/51**  
Chief Financial Officer  
CA(SA)

Fredre Meiring was appointed as Chief Financial Officer (CFO) of Lenmed in 2019. A qualified chartered accountant, Fredre was previously partner and Chief Operating Officer (COO) of the Financial Advisory Division at Deloitte Africa. He brings over 25 years of extensive investment banking experience, specializing in debt and capital structuring and advisory across diverse industries. Fredre is affiliated with several organisations including the South African Institute of Chartered Accountants (SAICA), Association of Corporate Treasurers, and the South African Institute of Financial Markets. His wealth of expertise and industry insights contribute to driving Lenmed’s financial strategy and operational excellence.

## Non-executive

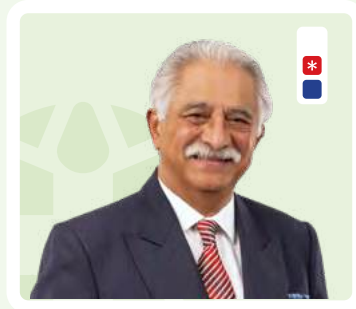


**NOMAHLUBI SIMAMANE/67**

Lead Independent Director

*BSc (Honours) (University of Botswana and Swaziland), MA (USA), RE5 (SA)*

Nomahlubi Simamana was appointed to the Board in 2012. She is an executive and independent board director with over 40 years of leadership experience across Africa, Europe and the USA. Her career includes senior roles at multinational companies, and founding Zanusi Brand Solutions. She is recognised for combining commercial acumen with ethical governance and strategic insight, and currently advises families and institutions on wealth stewardship, integrating financial legacy, behavioural intelligence and African knowledge systems. She serves on the boards of Hollard and Enx, and has previously served on The Foschini Group, Oceana and Cashbuild. Her accolades include Top Business Woman of the Year (National Business Awards) and Business Woman of the Year (Black Business Awards).

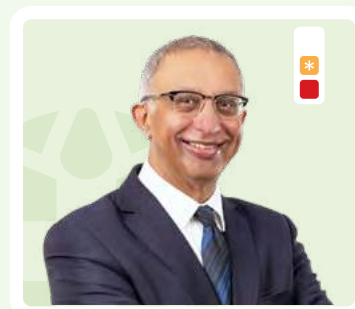


**PROF BHASKAR GOOLAB**

Non-Executive Director

*MBBS (Bombay), FRCOG (London)*

Professor Bhaskar D. Goolab is a specialist obstetrician and gynaecologist with over 40 years of experience in clinical practice, academia and healthcare leadership. Holding MBBS, MRCOG and FRCOG qualifications, he is a retired Professor from the University of the Witwatersrand. A former President of SASOG (2012), he currently chairs the SASOG Peer Review Committee and tariff negotiation team, while serving on several professional committees. Prof Goolab has practised at Lenmed Ahmed Kathrada Private Hospital for 39 years and has served on the Lenmed Health Board since 1999. He chairs the Clinical Governance Committee and serves on the Remuneration and Nominations Committee. He is widely respected for his contributions to clinical excellence, governance and women's healthcare.



**DR GUNVANT GOOLAB/64**

Independent Non-executive Director

*MBA (University of Cape Town), MBCh (Wits)*

Dr. Gunvant Goolab joined the Lenmed Board in August 2020, bringing extensive healthcare and executive leadership experience. A qualified medical practitioner, he served as Principal Officer of the Government Employees Medical Scheme (GEMS) from 2013 to 2020 and was CEO of AstraZeneca South Africa and sub-Saharan Africa from 2004 to 2013. He is currently a director of Lunar Capital and HiGain Investments, a trustee of Thebemed Medical Scheme, and a non-executive director of the South African National Blood Service (SANBS), the Board of Healthcare Funders (BHF), and Health Quality Assessment (HQA). He was awarded Certified Director status by the Institute of Directors South Africa in 2011 in recognition of his governance leadership.



**BHARTI HARIE/55**

Independent Non-Executive Director

*BA LLB (Natal), LLM (Wits)*

Bharti Harie joined the Board of Lenmed in 2010, bringing a wealth of legal expertise as an admitted attorney, notary and conveyancer. She currently serves on the Audit and Risk Committee and chairs the Remuneration and Nominations Committee. Bharti is an independent non-executive director on the boards of Ascendis Health Limited and Stefanutti Stocks Limited. Additionally, she holds a non-executive director position at Bell Equipment Sales South Africa.



**VAUGHAN FIRMAN/63**

Non-Executive Director

*B.Acc, CA(SA), H.Dip Tax Law, MA and M.Phil*

Vaughan Firman is a qualified chartered accountant with over 20 years' experience in the healthcare industry. His comprehensive experience as a financial director includes serving as both an executive as well as an independent non-executive director on numerous JSE- and non-JSE-listed companies. Vaughan's expertise spans mergers and acquisitions, operational efficiencies, internal audit implementation, enterprise resource planning (ERP) systems execution and international taxation structuring. Vaughan's contributions to the healthcare sector have been recognised with awards such as Healthcare CFO of the Year in 2021 and Best Emerging Markets CFO in Healthcare for 2020 in the Global CFO Excellence Awards category.

- Remuneration and Nominations Committee
- Audit and Risk Committee
- Social and Ethics Committee
- Clinical Governance Committee
- Innovation and Disruption Committee

\*Chair

## BOARD COMMITTEES

Lenmed adheres to the principles set out in the King IV Report on Corporate Governance, while also closely monitoring the transition requirements introduced by King V. The Board oversees governance through several committees: Audit and Risk, Remuneration and Nominations, Social and Ethics, Clinical Governance, and Innovation and Disruption. Strong corporate governance and ethical leadership remain the bedrock of Lenmed’s operations. The Board’s priorities for the year ahead include accelerating the capital expansion programme, deepening governance of digital and AI technologies, and enhancing sustainability disclosures in line with evolving investor expectations.

### Audit and Risk Committee report

#### The Committee’s key responsibilities include:

The Audit and Risk Committee is a formal committee of the Board of Directors, constituted in accordance with the Companies Act and the Company’s Memorandum of Incorporation, and structured to give effect to the principles and recommended practices of King IV. The Committee assists the Board in overseeing the Group’s risk management, internal control, assurance and audit responsibilities.

#### Membership

The Committee comprises three independent non-executive directors who are elected annually by shareholders at the Company’s annual general meeting.

## Skills and experience

The Chair of the Committee is a Chartered Accountant. The remaining members collectively contribute significant legal, commercial and governance expertise, including experience gained through service on the boards and committees of other organisations. The composition of the Committee provides an appropriate balance of skills, experience, diversity and independent judgement.

## Attendance and invitees

The Chief Financial Officer, the Company Adviser (Dino Theodorou CA(SA)), representatives of the external auditors and internal auditors are standing invitees to Committee meetings. Other members of executive management, including the Chief Information Officer, and Chief Medical Officer, attend meetings by invitation when matters relevant to their areas of responsibility are considered. Non-executive directors who are not members of the Committee may attend meetings as observers, but do not have voting rights.

## Meetings

The Committee met five times during the financial year, with full attendance by all members at each meeting.

## Governance and administration

The Company Secretary supports the Committee in the discharge of its responsibilities, including ensuring adherence to governance best practice, maintaining the Committee Charter, and facilitating an annual work plan aligned to the Charter, the Companies Act and King IV.

## Engagement with assurance providers

The Committee maintains open and effective communication with both the internal and external auditors, who have unrestricted access to the Committee and its Chair. Separate meetings are held with the auditors, without management present, at least annually. This enables the Committee to

assess the quality and effectiveness of the audit process and the adequacy of the Group’s combined assurance arrangements. The Committee is satisfied that these arrangements operated effectively during the year.

## Audit Committee

In discharging its statutory duties during the year, the Committee focused on the following key areas:

### External Audit Matters

- Reviewed the independence of the external auditors, PKF Durban, and specifically the designated audit partner, Haseena Paruk. The Chair also met with the managing partner of PKF Durban to assess the firm’s policies on auditor independence, partner succession planning, audit team quality and the overall robustness of the audit process. The Committee concluded that it was satisfied with the independence of the external auditors.
- Resolved that PKF Durban remains the Group’s principal external auditors. With effect from 1 March 2024, all South African subsidiaries were audited by PKF Durban, while non-South African subsidiaries were audited by BDO or Moore Mozambique.
- Reviewed and approved the terms of engagement of the external auditors and recommended, for shareholder approval at the annual general meeting to be held on 6 August 2026, the reappointment of PKF Durban as external auditors and the appointment of the designated audit partner.
- Reviewed the external audit work plan and considered reports issued by both the South African and non-South African auditors. The Committee engaged with the auditors on key audit matters and recommended corrective actions where appropriate.
- Reviewed and monitored non-audit services provided by PKF Durban, with pre-approval obtained where required, and approved the related fees for audit and permitted non-audit services.
- Considered the competence of the auditors and expressed satisfaction with the quality and effectiveness of the audit.

- Oversaw enhancements to the Group’s combined assurance model, arising from strengthened controls, improved technology and closer coordination between the external and internal auditors.
- Held separate meetings with the external auditors, without management present, and confirmed that no matters of concern were raised. The Committee also noted that no relevant inspection findings had been issued by audit regulators during the review period.

**Internal audit matters**

- Approved the internal audit charter, as agreed between Forvis Mazars, management and the Committee.
- Considered and approved the rolling three-year internal audit strategic plan, designed to ensure that all hospitals and key business cycles are reviewed over a three-year period.
- Worked closely with Forvis Mazars to ensure that the principal risks identified in the Group risk register were appropriately addressed in the internal audit plan.
- Reviewed all internal audit reports submitted by Forvis Mazars. While certain control weaknesses were identified during the year, the Committee was satisfied that these were not material in their impact. Management committed to strengthening controls where required.
- Received no reports of fraud from management, the whistleblowing hotline, internal audit or external audit that resulted in material financial loss to the Group.
- Received assurances from management and the internal auditors regarding the adequacy and effectiveness of internal controls and concluded that the control environment remained satisfactory.
- Held separate meetings with the internal auditors, without management present, and confirmed that no matters of concern were raised.

**Business and information technology matters**

- Conducted the annual review of the Group IT Charter.
- Reviewed the IT risk register and made recommendations where appropriate. The Committee considered the principal technology risks facing the

Group and ensured that management had appropriate mitigation responses in place.

- Considered management’s approach to cybersecurity and the protective measures implemented to address cyber risk. The Committee emphasised the need for continued vigilance in this area.
- Reviewed the adequacy of back-up and cloud arrangements designed to minimise the risk of business interruption.
- Noted that penetration testing was conducted during the year from both internal and external perspectives. Results were satisfactory, with no major findings. Identified weaknesses were addressed through additional safeguards, controls and system testing.
- Disaster recovery testing was performed twice during the year, with the most recent test demonstrating recovery times within acceptable parameters.

**Accounting and financial matters**

- Reviewed and recommended to the Board, the audited annual financial statements and AIR.
- Reviewed and recommended to the Board, the company’s solvency and liquidity position and going concern status, including the impact of the recommended dividend.
- Reviewed the annual budget from a reasonableness perspective and considered the assumptions presented by management in the budget.
- Reviewed the profit and cash flow forecast and monitored the compliance to loan covenants.
- Considered tax reports and feedback from management on significant tax matters.
- Expressed its satisfaction with the competence and effectiveness of the CFO, Fredré Meiring.
- Concurred with the views of management that the adoption of the going concern premise in the preparation of the financial results is appropriate.
- King IV gap analysis: Discussed King IV requirements in detail and concluded that the audit committee was complying with the requirements of King IV. Considered the King V draft code and recommended practices.

- Goodwill: Reviewed management’s assessment of goodwill and the need for impairment. No impairment was necessary.
- Valuation of intangibles: Reviewed management’s tests and procedures used in the valuation of goodwill. No impairment was necessary.
- Valuation of properties: Reviewed the impairment methodology for properties. No impairment was necessary.
- IFRS 9 and the determination of expected credit losses: Reviewed the methodology in computing expected credit losses.
- Reviewed the Provisions as listed in the Integrated Report to assess adequacy and completeness.
- Monitored compliance with applicable laws and regulations.

**Risk committee**

The Committee fulfils the Board’s oversight responsibilities in relation to risk management and monitors the effectiveness of the Group’s risk governance processes.

- At Board meetings, the Board and senior management consider material strategic, operational, financial and emerging risks. Significant matters identified are incorporated into the Group risk register to ensure ongoing management, monitoring and control.
- At each Committee meeting, detailed consideration is given to the Group risk register together with a broad assessment of risks affecting the country, healthcare sector and the Group. Particular attention is paid to risks increasing in severity or likelihood, together with the adequacy of management’s mitigation plans and any opportunities arising from such risks.
- The Group’s risk register is structured across four principal categories:
  - Enterprise risk
  - Operational risk
  - Financial risk
  - Reputational risk
- Financial risk remains a standing agenda item at each meeting. In this regard, the Committee considered:
  - compliance with banking covenants and the adequacy of covenant headroom, both current and projected;

- regular five-year financial forecasts and scenario planning;
- proposed dividend distributions to ensure continued compliance with solvency and liquidity requirements; and
- cash conversion metrics, including debtor days and working capital management.
- Clinical risk is overseen by the Clinical Risk Committee. The Committee nevertheless monitors medico-legal exposure by reviewing the adequacy of provisions for medico-legal claims. Significant claims are considered with the Group Chief Medical Officer.
- The Group maintains a comprehensive legal compliance register and continues to enhance this framework to support compliance with applicable legislation and regulation. Material legal disputes are reviewed with management to assess the need for provisions or contingent liability disclosures where appropriate.
- The Group continues to embed risk management processes throughout the organisation. Hospital management and employees are expected to understand the risks inherent in their respective roles and to take accountability for managing those risks within their areas of responsibility.
- The Committee received its annual review of short-term insurance arrangements and considered whether the Group maintained appropriate cover for material insurable risks. The quality and suitability of proposed underwriters were also assessed. Particular attention was given to cyber-risk insurance coverage.

**Conclusion**

The committee confirms it has fulfilled its responsibilities in accordance with all material aspects of its charter for the year and has recommended the annual financial statements and Annual Integrated Report to the Board for distribution to shareholders.

On behalf of the Audit and Risk Committee.

**Mr VE Firman**

*Chairperson, Audit and Risk Committee*

## Remuneration and Nominations Committee report

The adage “Culture eats strategy for breakfast” rang true for Lenmed over the past year as it rolled out its People and Culture Journey. In this regard management have led the charge with embracing new ways of working and committing to changed behaviours in all aspects of work. Whilst the concern around the shortage of nurses, the ongoing challenges relating to training of new nurses and obtaining work visas for foreign nurses still remains, the focus over the past year has also been around the amendments to the Employment Equity Act, which has set onerous sectoral targets.

The new Business Operating model is well into its 18-month process as part of the People and Culture Journey. This seeks to clearly define levels of roles, responsibilities and accountability within the various levels of the organisation, most notably between the Lenmed Head Office and the hospital teams. Once implemented, this will allow for a more streamlined and effective organisational structure with clear delineation between operational and strategic work and improved agility and responsiveness achieved through empowering hospital leadership teams with more autonomy over their business units within a well-defined framework. As part of this process the group organogram will be updated, so ensuring that the appropriate roles are aligned to this new way of work and to the Group’s overall strategic ambitions.

### Employment Equity and Transformation

The amended Employment Equity Act and the evolving Broad-Based Black Economic Empowerment (B-BBEE) landscape continue to influence workforce planning within the healthcare sector. These developments reinforce the importance of sustainable transformation while recognising the realities of scarce healthcare skills and the need to maintain high standards of patient care.

At Lenmed, transformation remains closely linked to leadership capability, workforce sustainability and organisational culture. The Group continues to invest in skills development, leadership programmes, learnerships and succession planning initiatives while building sustainable talent pipelines for critical healthcare and leadership roles. The Committee remains satisfied that transformation objectives are appropriately embedded within the Group’s broader people, leadership and governance strategy and continue to support the long-term sustainability of the Group.

The voting results at the previous AGM held on 7 August 2025 reflected 98.1% support for the remuneration policy and implementation report.

### Board governance

The Chairman of the Board is Prakash Devchand with Nomahlubi Simamane serving as the lead independent director. Nomahlubi’s role as lead independent is to, among others:

- Lead in the absence of the chair
- Serve as a sounding board for the chair
- Act as an intermediary between the chair and other Board members, if necessary
- Deal with shareholder concerns where contact through normal channels has failed to resolve concerns, or where such contact is inappropriate
- To strengthen independence on the Board
- To chair discussions and decision-making by the Board on matters where the chair has a conflict of interest
- To lead the performance appraisal of the chair.

### Remuneration governance

Remco is chaired by Bharti Harie, with the other permanent members being Vaughan Firman and Prof. Bashkar Goolab. Prakash Devchand, Fredré Meiring, Amil Devchand, Bhavani Jeena and the Lenmed corporate adviser Dino Theodorou, are invited to attend the meetings.

Remco continued its focus on King IV where there has been progress, with Lenmed now at a 94.3% compliance level. With regard to succession planning at the hospital manager level, our concerns about the recruitment of scarce healthcare skills and cost containment remain focus areas. Remco is satisfied the remuneration policy achieved its stated objectives for the year. King V was released on 31 October 2025 and is effective for financial years beginning on or after 1 January 2026. Lenmed is obliged to report under King V commencing FY27.

Remco operates within terms of reference, which were last approved by the Board on 6 August 2025. The terms of reference are benchmarked against King IV. On the whole, Remco has fulfilled its responsibilities according to the terms of reference.

Remco’s main purpose is to provide an independent and objective body that will:

- Make recommendations on the remuneration policies, practices and philosophies for the executive directors, senior management at Lenmed and its subsidiaries in general
- Make recommendations on the composition of the Board and Board committees and to ensure the Board consists of individuals who are equipped to fulfil the role of directors of Lenmed
- Make recommendations on the nominations of new directors, having gone through the appropriate interview processes
- Review and report to the Board on its operating effectiveness and performance at least every two years, by means of a self-evaluation questionnaire.

During the reporting period, the Committee:

- Oversaw remuneration and incentive arrangements across the Group;
- Reviewed executive and senior leadership performance objectives;
- Monitored succession planning and leadership development initiatives;
- Reviewed employee benefit structures and workforce sustainability programmes;
- Assessed Board and committee composition and director independence;
- Oversaw director development and governance-related matters; and
- Monitored legislative and governance developments impacting the Group.



## Remuneration policy

In the context of the South African healthcare sector, where there is a shortage of staff generally, and a dire need to retain talented and senior staff, it is the task of Remco to recommend strategies to attract, motivate, reward and retain staff of the highest calibre, while still being mindful of managing costs. This is especially critical to the healthcare setting where South African skills – in both clinical and managerial capacities – are in high demand internationally. Remco considers the remuneration packages of its executive directors and hospital managers, based on current role/responsibilities, individual performance and current market levels of similar job profiles. Lenmed’s remuneration philosophy is to pay a fair salary in exchange for fair work done. We believe we pay a fair salary within industry norms and, where the business case demands, are prepared to compete for scarce skills. Once in our employ, we extend the ‘We Do Care’ policy to our staff, where we aim to retain and motivate staff using the various benefits discussed below. In doing so, we believe we promote positive outcomes and an ethical culture and responsible corporate citizenship.

Lenmed’s policy on remuneration is that we seek to attract the most appropriate and best available talent. We aim to remain competitive by striking an appropriate balance between a guaranteed portion of package and incentive-based payments, whilst at all times being mindful of affordability. Remco believes that this aims to promote the achievement of strategic objectives within Lenmed’s risk appetite.

Remco is confident that the remuneration policy addresses fair and responsible remuneration for management in the context of overall employee remuneration. Remco and management are committed to ethical culture and responsible corporate citizenship. In its deliberations, Remco has considered that management, relative to staff, assumes far greater responsibilities and accountability. Remco is cognisant of the wage gap between management and staff and, having oversight of both management and staff salary increases, deliberates and challenges these gaps to ensure fair remuneration. For example, while management and senior staff enjoy short-term incentive

bonuses, general staff enjoy long service awards, not linked to any targets. Remco considers what the minimum salary is of the lowest paid worker to ensure employees are paid a fair and living wage.

### Remuneration Framework

The Group’s remuneration framework is designed to attract, retain and motivate employees while supporting the achievement of strategic objectives and long-term sustainability.

The Group operates both short- and long-term incentive arrangements for selected employees to encourage sustainable performance and align employee interests with the long-term success of the Group.

The Committee reviews these arrangements on an ongoing basis and is satisfied that they remain appropriate, support the Group’s strategic priorities and are aligned with its risk appetite and governance framework.

The Committee continued its oversight of the Group’s long-term incentive arrangements during the year. No material amendments were made to these arrangements during the reporting period.

### Employee Recognition and Retention

Long-service recognition programmes remain an important component of the Group’s employee value proposition and acknowledge the contribution of long-serving employees to the success of the organisation.

The Committee also maintained oversight of employee benefit structures and broader workforce wellbeing initiatives, recognising their importance in supporting employee engagement, retention and workforce stability.

### Other benefits

Staff enjoy other benefits such as medical aid, leave pay, funeral cover and planning for retirement. As new hospitals are acquired over the years, it is the intention that these benefits are standardised across Lenmed.

## Nomination committee matters

### Non-executive director succession planning

During the year, the committee conducted a Board skills analysis and furthered discussions on non-executive director succession planning. It was agreed that the board and committee composition, which complies with relevant legislation, is currently suitable and appropriate for Lenmed’s needs. The committee was satisfied that the board and committees have the requisite skills, knowledge and experience. As such no major changes to board composition are envisaged for the near future.

### Non-executive director independence

The committee annually assesses the independence of the non-executive directors against the King IV criteria on director independence and makes a recommendation to the Board. The following directors were determined as being independent: Bharti Harie, Vaughan Firman, Dr Gunvant Coolab and Nomahlubi Simamane.

### Other matters

Other matters dealt with by the Nominations Committee included:

- review of the composition of the Board and committees
- recommending the re-election of directors retiring by rotation at the AGM
- director training and development.

### Focus areas for FY2026 – remuneration and nomination aspects

For the year ahead, Remco intends to focus on the following:

- oversight of the restructuring and populating of the senior team organogram to execute on the agreed FY2027 strategy
- continuous alignment of the Remco work plan to Lenmed’s strategy
- updates to King V and the Companies Act and their impact on Remco and the Board
- recommending strategies to position Lenmed as an employer of choice
- monitoring compliance against the BEE sectoral codes
- oversight over the implementation of the Group’s leadership culture and business operating model, as well as change management initiatives across the organisation.

On behalf of the Remuneration and Nomination Committee.

### Ms B Harie

*Chairperson, Remuneration and Nomination Committee*

## Social and Ethics Committee report

### Report to shareholders

The Social and Ethics Committee (the Committee) is pleased to present its report for the financial year ended February 2026 to the shareholders of Lenmed Health Group. This report is prepared in accordance with the requirements of the Companies Act (No. 71 of 2008), as amended, and describes how the Committee has discharged its statutory duties in terms of the Companies Act, as well as its additional responsibilities assigned by the Board.

### Committee mandate

The mandate of the Social and Ethics Committee remains unchanged and includes three primary functions:

- to monitor the company's activities with regard to social and economic development, good corporate citizenship, the environment and health and public safety, consumer relationships, and labour and employment
- to draw matters within its mandate to the attention of the Board as required
- to report to shareholders at the Annual General Meeting on matters within its mandate.

In fulfilling its mandate, the Committee considers applicable legislation, regulatory requirements and best practice standards across all jurisdictions in which the Group operates.

### Composition of the Committee

The Committee comprises suitably skilled and experienced members appointed by the Board. Mrs N V Simamane, a lead independent director, continues to serve as chairperson. Committee members include Dr G Goolab (independent non-executive director) and Dr M Mkhathshwa (Head of Social Impact). The members were appointed and confirmed by shareholders at the Lenmed AGM on 7 August 2025, as required by the Companies Amendment Act. The Company Secretary serves as secretary to the Committee.

Key contributors to the Committee include senior management across People and Culture, Procurement, Finance, Marketing, Operations, Clinical Governance and hospital CEO representatives.

### Committee charter and work plan

The Committee operates under a Board-approved charter aligned to the Companies Act, specifically Regulation 43(5). The Committee held regular meetings during the year in accordance with its approved work plan and fulfilled its governance oversight responsibilities.

### The Committee's role and responsibilities

The Committee has an independent role with accountability to the Board and does not assume the functions of management. The Committee's role is to assist the Board in overseeing social, ethical and sustainability matters, including:

- ethical culture and values
- compliance and governance practices
- transformation and B-BBEE
- health, safety and clinical governance
- environmental sustainability
- patient satisfaction and stakeholder engagement
- labour relations and employee wellbeing
- ESG performance and reporting.

### Policy review

The Committee reviewed the Group's policy framework to ensure alignment with legislative and governance requirements. Key developments during the year include: ongoing review of the Employment Equity Policy in line with legislative amendments; continued application of ethical policies across employees and suppliers; and progress in finalising ESG and environmental policies. No material policy breaches were reported.

### Summary report

#### ESG

Environmental, Social and Governance (ESG) remains a key strategic priority. During the year, ESG targets and metrics were embedded across business units. Progress was made in environmental initiatives including energy efficiency, solar implementation and water sustainability. Governance frameworks were also strengthened to support ESG reporting and oversight, including consolidated reporting on ESG matters rather than various separate reports. The Committee noted upcoming regulatory developments and continues to monitor readiness for enhanced ESG reporting requirements.

#### Social and economic development

##### Human rights practices

The Committee reviewed compliance with human rights principles, including alignment with the UN Global Compact. No incidents of human rights violations were reported during the year.

##### Labour and employment practices

The Committee reviewed People and Culture reports covering employment equity, skills development, workforce analytics and legislative compliance. Employment Equity submissions were completed timeously, and compliance certificates were obtained across all hospitals.

#### Transformation

Lenmed maintained its Level 1 B-BBEE status, reflecting strong performance across key scorecard elements. Key initiatives included:

- continued investment in learnerships, bursaries and the YES programme
- increased representation of employees living with disabilities
- implementation of structured Employment Equity plans and monitoring mechanisms across all hospitals
- and consideration of the draft proposed new B-BBEE Act and its potential impact on Lenmed.

The Committee noted that while progress has been made, transformation at senior leadership levels remains an area of focus and will continue to be monitored. Preferential procurement continues, including employment from local communities in cleaning, catering and security.

#### Corporate citizenship

##### Corporate Social Investment (CSI)

The Group continued to invest in social impact initiatives, including patient support through subsidised care and co-payments, community outreach programmes, and support for the Children's Cardiac Foundation and other healthcare initiatives. These initiatives contribute to improved healthcare access for underserved communities.

#### Anti-corruption, ethics and compliance

The Committee reviewed reports on ethics and compliance. No material incidents of fraud or unethical conduct were reported. Whistleblower mechanisms remain in place and effective. Ethical standards continue to be reinforced across the organisation. The Group continues to comply with the Consumer Protection Act (CPA), the Treating Customers Fairly (TCF) framework, POPIA and PAIA.

#### Labour relations

The overall labour relations environment remains stable, as demonstrated by the very few active CCMA cases and acceptable relations with trade unions. No concerns were raised regarding the labour climate and the business has not experienced any disruptions. Continued proactive labour engagement and risk management remains a focus.



### Safety, health and environment

#### Environment, health and public safety

The Committee reviewed reports on energy and water sustainability initiatives, waste management practices and environmental compliance. The Group continues to invest in sustainable infrastructure, including solar energy and water solutions.

#### Clinical governance and safety

Comprehensive clinical governance reports were reviewed, including patient and employee incident data, safety reporting and trends, and continuous improvement initiatives. While incident reporting has improved, certain increases in incident rates were noted, reinforcing the need for ongoing attention to safety and quality of care.

#### Stakeholder relations

##### Stakeholder engagement

The Group continued to strengthen stakeholder engagement through structured frameworks and reporting. Focus areas include: patients; employees; doctors; communities; shareholders; regulatory authorities; banks and funders; and medical schemes.

#### Customer relationships

The Committee reviewed reports on marketing, communications and patient experience. Patient satisfaction levels showed overall improvement; digital engagement and brand visibility increased significantly; and targeted interventions were implemented at underperforming hospitals.

#### Employee engagement and wellness

The Committee noted continued investment in employee wellbeing, including annual wellness programmes, preventative health screenings and mental health and wellbeing initiatives. Levels of physical inactivity and ongoing lifestyle-related health risks remain key focus areas going forward.

#### Learning and development

The Group continues to prioritise skills development through leadership development programmes, learnerships and internships, and bursary schemes. Overall training completion was satisfactory.

### Leadership development and capability building

The Group's commitment to responsible leadership and organisational capability development remained a deliberate strategic priority throughout the reporting period. Through targeted partnerships and structured programmes, leadership capacity across all operational levels was strengthened. Lenmed partnered with the Gordon Institute of Business Science (GIBS) to deliver customised leadership development initiatives and successfully implemented two focused leadership programmes designed specifically for front-line leaders and hospital MANCO teams. A Group-wide Exponential Leadership Development Programme (ELLD) was rolled out across Head Office and all hospital leaders, enhancing leadership capability, ethical decision-making and organisational resilience through structured development pathways. This investment in leadership excellence resulted in Lenmed receiving a leadership award from GIBS, selected from among several leading corporate organisations.

### Operating model enhancement and governance excellence

A comprehensive review of Lenmed's operating model was undertaken to strengthen organisational effectiveness, governance and accountability. Macro and micro structural reviews were conducted to optimise operational efficiency, creating enhanced capability while freeing Head Office leadership capacity to focus on strategic priorities and growth. Hospitals were empowered to lead more effectively within clearly defined governance frameworks, with greater clarity established in roles, responsibilities, accountability and ways of working across all levels.

### Values relaunch and culture evolution

Lenmed prioritised culture advancement through a refreshed values framework and leadership-driven cultural development. Organisational values were relaunched to reinforce a unified, purpose-driven culture. A Culture Playbook was co-created with leaders across the business to ensure practical and authentic cultural alignment. These efforts enabled meaningful mindset shifts, empowering leaders to lead with empathy, care and accountability, and

strengthening employee engagement through values-based leadership practices to support improved staff retention and long-term workforce sustainability.

### Compliance with CPA, TCF, POPIA and PAIA

The Group continues to comply with these Acts.

### Legislation

The Committee monitors compliance across all jurisdictions in which Lenmed operates and confirms that: the Group complies with applicable legislation in South Africa and other regions of operation; and no penalties or material non-compliance issues were recorded. The Committee continues to monitor regulatory developments, including amendments to B-BBEE and ESG-related standards.

### Committee effectiveness

The Committee continues to operate effectively in accordance with its mandate. Regular updates are provided to the Board, and the Committee remains satisfied that it has fulfilled its responsibilities during the year. The Committee's performance and effectiveness study will be undertaken by the end of 2026.

### Report to shareholders

The Committee has reviewed the relevant sections of the Integrated Report and is satisfied that they fairly reflect the activities and responsibilities of the Committee. The Committee reports to shareholders through this Integrated Report and will be available at the Annual General Meeting to respond to any questions.

On behalf of the Social and Ethics Committee.

### Ms NV Simamane

*Chairperson, Social and Ethics Committee*



# Abridged consolidated annual financial statements

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## Company information

### Country of incorporation

South Africa

### Registered address

2nd Floor Fountainview House  
Constantia Office Park,  
Corner 14th Avenue and Hendrik Potgieter Road,  
Constantia Kloof, Johannesburg, 1709

## Level of assurance

These abridged consolidated financial statements have not been audited, but have been extracted from the audited 2026 consolidated annual financial statements prepared by K Lutcmiah CA(SA) under the supervision of N Gany CA(SA) and dated 11 June 2026.

These financial statements were:  
Prepared by: K Lutcmiah CA(SA)  
Supervised by: N Gany CA(SA)

## DIRECTORS' REPORT

The directors present their report for the year ended 28 February 2026.

### 1. Review of activities

#### Main business and operations

The principal activities of the Group during the year were the provision of private patient health care, through management and ownership of hospitals and other related health care services. There were no major changes in the nature of the business during the year under review.

The operating results and consolidated statement of financial position of the group are set out in the attached financial statements and further amplified in this report.

These abridged consolidated financial statements have not been audited, but have been extracted from audited information that is in compliance with the applicable requirements of the Companies Act of South Africa. The consolidated annual financial statements were audited by PKF Durban and an unmodified opinion was issued. The directors take full responsibility for the preparation of the abridged report and the financial information has been correctly extracted from the underlying consolidated annual financial statements.

### 2. Group Financial Results

The Group's earnings before interest, taxation, depreciation and amortisation (EBITDA) and impairment amounted to R861.770 million (2025: R832.986 million).

Group's profit before taxation for the year amounted to R428.197 million (2025: R431.124 million) before taking into account taxation of R110.130 million (2025: R130.789 million), resulting in profit after taxation for the year of R318.067 million (2025: R300.335 million).

### 3. Authorised and issued share capital

Other than the share buyback referred to below, no changes were approved or made to the authorised or issued share capital of the company during the year under review.

### 4. Borrowings

In terms of the Memorandum of Incorporation of the company, the directors may exercise all the powers of the company to borrow money, as they consider appropriate.

The directors did not exceed any authorised levels of borrowings as required in the Memorandum of incorporation or the Companies Act during the year under review.

### 5. Dividend

A final gross cash dividend of 11.10 cents per share was declared by the Board on 12 June 2025 from profits accrued during the financial year ended 28 February 2025. The total cash dividend declared amounted to 8.88 cents per share. The dividend was paid on 10 July 2025 to shareholders who were on the register on 7 July 2025. This final dividend paid to shareholders amounted to R75.006 million.

The company's dividend policy remained unchanged during the year:

- a. A dividend of no less than 10% of headline earnings attributable to Lenmed shareholders will be declared annually.
- b. Basis of dividend:
  - Only a final dividend will be declared and no interim dividend is to be paid.
  - The final dividend will be declared after the board has approved the audited consolidated annual financial statements for the year – normally in May or June in respect of the February financial year-end.
  - Payment of the dividend will be made by EFT, prior to the Annual General Meeting, which is usually held in August.
  - The declaration and payment of the dividend is subject to the Board completing the solvency and liquidity tests required in terms of Section 4 of the Companies Act and the approval of Lenmed's bankers in accordance with the debt funding terms and conditions.
- c. The Dividend policy shall be reviewed at least annually.

### 6. Directors

The directors of the company during the year and up to the date of this report are as follows:

Mr P Devchand	Executive Chairman
Mr A Devchand	Executive Director and Chief Executive Officer
Mr F J Meiring	Executive Director and Chief Financial Officer
Ms N V Simamane	Lead independent non-executive Director
Mr V E Firman	Independent non-executive Director
Ms B Harie	Independent non-executive Director
Dr G Goolab	Independent non-executive Director
Prof B D Goolab	Non-executive Director

### 7. Share buyback programme

The Group bought back 32 512 350 shares at an average price of R3.02 per share.

### 8. Company Secretary

The group's designated company secretary is Mr. W.R. Somerville.

## 9. Independent auditors

PKF Durban, Registered Auditors, will continue in office as external auditors of the company in accordance with section 90(1) of the Companies Act of South Africa, subject to shareholder approval at the upcoming Annual General Meeting. H. Paruk will be the individual registered auditor who will undertake the 2027 audit.

## 10. Events after reporting date

All events subsequent to the date of the consolidated annual financial statements and for which IFRS Accounting Standards require adjustment or disclosure have been adjusted or disclosed.

During May 2026, the Group entered into agreements to acquire the business and related assets of Clinica da Sommerschild and Clinica da Familia, two private hospitals located in Maputo and Matola, Mozambique, respectively. The facilities comprise a total of approximately 65 beds, with Clinica da Sommerschild operating 25 beds and Clinica da Familia operating approximately 40 to 45 beds. The acquisition includes the hospital operations, business assets and underlying property in Maputo, and the hospital operations, business assets and long-term lease of the immovable property in Matola – both of which align with the Group’s strategy to expand its healthcare footprint in Mozambique and strengthen its presence in the Southern African region.

At the date of this report, the transactions remain conditional upon the fulfilment of various suspensive conditions precedent, including notification to and approval by the relevant regulatory competition authorities in Mozambique, and the finalisation of certain property-related matters. Transfer of the business and assets will occur once all suspensive conditions precedent have been satisfied.

As the transactions had not yet been completed at the date of this report, it is not practicable to disclose an estimate of the financial effect of the acquisition on the Group’s future results.

The directors are not aware of any other matter or circumstance arising since the end of the financial year to the date of this report that could have a material effect on the financial position of the Group other than described above.

## 11. Going concern

The consolidated annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

## 12. Special resolutions

The following special resolutions were passed during the course of the year at the annual general meeting of shareholders:

- Approval of financial assistance in terms of section 44 and 45 of the Companies Act.
- Non-executive director fees for the 12 months following the annual general meeting.
- General authority to approve the acquisition of shares in the company.
- Approval of financial assistance for directors and/or public officers.
- Approval for amendments to the MOI.



## STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Figures in R'000	Note	GROUP	
		2026	2025
Revenue	4	5 609 798	5 254 157
Cost of sales		(1 778 963)	(1 651 740)
<b>GROSS PROFIT</b>		<b>3 830 835</b>	3 602 417
Other income		261 859	214 029
Expected credit losses raised		(143 327)	(96 297)
Operating costs		(3 338 635)	(3 100 110)
<b>Profit from operating activities</b>		<b>610 732</b>	620 039
Interest income		11 797	14 040
Finance costs		(195 844)	(204 847)
Share of profit from equity accounted investments		1 512	1 892
<b>Profit before tax</b>		<b>428 197</b>	431 124
Income tax expense		(110 130)	(130 789)
<b>PROFIT FOR THE YEAR</b>		<b>318 067</b>	300 335
<b>Profit for the year attributable to:</b>			
Owners of Parent		291 667	277 141
Non-controlling interest shareholders		26 400	23 194
		<b>318 067</b>	300 335
<b>Other comprehensive income</b>			
<b>Profit for the year</b>		<b>318 067</b>	300 335
<i>Items that may be reclassified subsequently to profit or loss</i>			
Foreign currency translation reserve		(142 722)	(10 818)
<b>TOTAL OTHER COMPREHENSIVE INCOME</b>		<b>(142 722)</b>	(10 818)
<b>TOTAL COMPREHENSIVE INCOME</b>		<b>175 345</b>	289 517
<b>Total comprehensive income attributable to:</b>			
Owners of parent		161 635	272 958
Non-controlling interest shareholders		13 710	16 559
		<b>175 345</b>	289 517
<b>Earnings per share attributable to owners of the parent during the year</b>			
Basic and diluted earnings per share (cents)	5	42.65	39.11

## STATEMENT OF FINANCIAL POSITION

Figures in R'000	Note	GROUP	
		2026	2025
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	6	3 887 802	3 744 690
Right-of-use assets		189 977	212 899
Goodwill		547 126	547 126
Intangible assets		15 374	31 871
Investments in and loans to associates		21 567	20 056
Deferred tax assets		139 264	109 293
		<b>4 801 110</b>	4 665 935
<b>Current assets</b>			
Inventories		124 759	122 620
Trade and other receivables		1 473 946	1 321 852
Cash and cash equivalents		383 792	318 826
		<b>1 982 497</b>	1 763 298
<b>TOTAL ASSETS</b>		<b>6 783 607</b>	6 429 233
<b>Equity and liabilities</b>			
<b>Equity</b>			
Stated capital	7	325 494	423 563
Accumulated profits		2 425 168	2 208 647
Other reserves		108 646	238 678
Non-controlling interest shareholders		389 835	388 520
<b>TOTAL EQUITY</b>		<b>3 249 143</b>	3 259 408
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Deferred tax liabilities		301 886	284 481
Lease liabilities		219 305	246 477
Long term liabilities		1 750 771	1 724 317
Loans from non-controlling interest shareholders		31 480	28 433
		<b>2 303 442</b>	2 283 708
<b>Current liabilities</b>			
Provisions		133 462	147 719
Trade and other payables		739 465	619 351
Current tax liabilities		13 317	3 006
Current portion of lease liabilities		19 955	17 683
Current portion of long-term liabilities		81 944	46 566
Loans from non-controlling interest shareholders		10 304	9 529
Bank overdraft		232 575	42 263
		<b>1 231 022</b>	886 117
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>6 783 607</b>	6 429 233

## STATEMENTS OF CASH FLOWS

	GROUP	
	2026	2025
<i>Figures in R'000</i>		
<b>Cash flows from operations</b>		
<b>PROFIT FOR THE YEAR</b>	<b>318 067</b>	300 335
Income tax	<b>110 130</b>	130 789
Interest income	<b>(11 797)</b>	(14 040)
Finance costs	<b>195 844</b>	204 847
Depreciation and amortisation	<b>246 627</b>	208 723
Impairment losses recognised in profit or loss	<b>4 427</b>	4 225
Income from associates	<b>(1 512)</b>	(1 892)
(Gain)/loss on disposal of plant and equipment	<b>(202)</b>	1
<b>Working capital changes:</b>		
Increase in inventories	<b>(5 936)</b>	(4 613)
Increase in trade and other receivables	<b>(231 185)</b>	(243 458)
Increase in trade and other payables	<b>139 856</b>	84 787
<b>CASH FLOWS FROM OPERATIONS</b>	<b>764 319</b>	669 704
Finance costs	<b>(189 955)</b>	(197 600)
Interest income	<b>11 797</b>	14 040
Income taxes paid	<b>(115 843)</b>	(103 256)
<b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>470 318</b>	382 888
<b>Cash flows used in investing activities</b>		
Loans advanced to associates	-	(1 453)
Proceeds from sales of property, plant and equipment	<b>7 672</b>	3 796
Purchase of property, plant and equipment	<b>(447 873)</b>	(275 121)
- to maintain operating capacity	<b>(274 000)</b>	(117 493)
- to expand operating capacity	<b>(173 873)</b>	(157 628)
Purchase of intangible assets	<b>(6 810)</b>	(9 665)
<b>CASH FLOWS USED IN INVESTING ACTIVITIES</b>	<b>(447 011)</b>	(282 443)
<b>Cash flows used in financing activities</b>		
Share buyback	<b>(98 069)</b>	(2 443)
Loans advanced	<b>97 894</b>	100 738
Loans repaid	<b>(28 597)</b>	(32 535)
Lease liabilities	<b>(21 598)</b>	(17 576)
Dividend paid to non-controlling interest shareholders	<b>(12 023)</b>	(10 731)
Dividends paid to shareholders	<b>(75 006)</b>	(56 202)
<b>CASH FLOWS USED IN FINANCING ACTIVITIES</b>	<b>(137 399)</b>	(18 749)
<b>NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS BEFORE EFFECT OF EXCHANGE RATE CHANGES</b>	<b>(114 092)</b>	81 696
Effect of exchange rate changes on cash and cash equivalents	<b>(11 254)</b>	(3 056)
Cash and cash equivalents at beginning of the year	<b>276 563</b>	197 923
<b>CASH AND CASH EQUIVALENTS AT END OF THE YEAR</b>	<b>151 217</b>	276 563

## STATEMENTS OF CHANGES IN EQUITY

	GROUP					
	Stated capital	Foreign currency translation reserve	Accumulated profit	Attributable to owners of the parent	Non-controlling interests	Total
<b>BALANCE AT 1 MARCH 2024</b>	426 006	290 816	1 943 507	2 660 329	382 692	3 043 021
Profit for the year	-	-	277 141	277 141	23 194	300 335
Other comprehensive income	-	(52 138)	47 955	(4 183)	(6 635)	(10 818)
Dividend recognised as distributions to shareholders	-	-	(59 956)	(59 956)	-	(59 956)
Dividends paid to non-controlling interest shareholders	-	-	-	-	(10 731)	(10 731)
Share buyback	(2 443)	-	-	(2 443)	-	(2 443)
<b>BALANCE AT 28 FEBRUARY 2025</b>	423 563	238 678	2 208 647	2 870 888	388 520	3 259 408
Profit for the year	-	-	<b>291 667</b>	<b>291 667</b>	<b>26 400</b>	<b>318 067</b>
Other comprehensive income	-	<b>(130 032)</b>	-	<b>(130 032)</b>	<b>(12 690)</b>	<b>(142 722)</b>
Dividend recognised as distributions to shareholders	-	-	<b>(75 006)</b>	<b>(75 006)</b>	-	<b>(75 006)</b>
Changes in ownership interest - control not lost	-	-	-	-	<b>(372)</b>	<b>(372)</b>
Dividends paid to non-controlling interest shareholders	-	-	-	-	<b>(12 023)</b>	<b>(12 023)</b>
Share buyback	<b>(98 069)</b>	-	<b>(140)</b>	<b>(98 209)</b>	-	<b>(98 209)</b>
<b>BALANCE AT 28 FEBRUARY 2026</b>	<b>325 494</b>	<b>108 646</b>	<b>2 425 168</b>	<b>2 859 308</b>	<b>389 835</b>	<b>3 249 143</b>

Notes 7

## ACCOUNTING POLICIES

### 1. Basis of preparation and material accounting policy information

These abridged consolidated financial statements are summary financial statements prepared in terms of section 29(3) of the Companies Act and do not include all the disclosures required for a complete set of consolidated annual financial statements. The summarised information is derived from audited consolidated annual financial statements, which are prepared in accordance with IFRS Accounting Standards, the IFRIC Interpretations issued by the IFRS Interpretations Committee (IFRS IC), comply with SAICA Financial Reporting Guides as issued by the Accounting Practices Committee, Financial Reporting Announcements issued by the Financial Reporting Standards Council, the Companies Act of South Africa and, as a minimum, contain the information required by IAS 34 “Interim Financial Reporting”. A copy of the audited consolidated financial statements are available from the company’s registered address. The abridged consolidated financial statements have not been audited themselves however the consolidated annual financial statements from which they were extracted were audited by PKF Durban and an unmodified opinion was issued. These policies have been consistently applied to all years presented, unless otherwise stated. They have been prepared on the historical cost basis, unless otherwise stated. The principal accounting policies incorporated are listed below.

The preparation of financial statements in conformity with IFRS Accounting Standards 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 various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision only affects that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgements made by management in the application of IFRS Account Standards that have a significant effect on the financial statements, and critical estimates made in the preparation of these consolidated annual financial statements are disclosed in note 2.

The abridged financial statements are presented in South African Rand (R), the functional currency of the Group and all amounts are rounded to the nearest thousand, except where otherwise indicated. Foreign currency exchange rates used in the preparation of converting into Rands are set out below:

	28/02/2026				28/02/2025		
	BWP Pula	USD Dollar	MZN	AED	BWP Pula	USD Dollar	MZN
Closing rate	<b>R 1.23</b>	<b>R 15.95</b>	<b>R 0.25</b>	<b>R 4.34</b>	R 1.36	R 18.56	R 0.29
Average rate	<b>R 1.31</b>	<b>R 17.50</b>	<b>R 0.28</b>	<b>R 4.76</b>	R 1.36	R 18.28	R 0.29

### 2. Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

#### Key sources of estimation uncertainty

##### 2.1 Deferred tax

A deferred tax asset is recognised on unused tax losses adjusted for the current year to the extent that it is probable that future taxable income will be available against which the unused tax losses can be utilised. Estimates of future taxable income are based on cash flow forecasts, assumptions regarding economic growth, interest rates, inflation rates and the application of existing tax laws. To the extent that future cash flows and taxable income differ significantly from estimates, the ability of the Group to realise the deferred tax assets recorded at the reporting date could be impacted.

##### 2.2 Financial instruments

###### Impairment of financial assets

The Group recognises lifetime Expected Credit Loss (ECL) for trade and other receivables. The expected credit losses on these financial assets are estimated using a provision matrix based on the Group’s historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and forward looking factors that could affect the ability of the debtor in settling their debts.

The key assumption in the ECL model is that the default definition can be applied when one or more of the following are applicable:

- Days past due are greater than 90 days;
- Default is considered likely as the accounts have been handed over to attorneys or under debt review or administration; or
- An account has been flagged as being high risk, but not yet formally handed over or placed under administration.

For trade receivables, given the nature of the main customer categories, it has been assumed that for these main customer categories they are unlikely to experience significant changes in economic conditions over the credit risk exposure period, therefore the forward-looking factors do not have a material impact on the Group. The Group uses judgement in making these various assumptions and selecting the inputs used in the impairment calculation.

##### 2.3 Determination of lease terms for determining lease liability

The lease arrangements which one of the Group’s subsidiaries is a party to, contain renewal clauses which depend on the future performance of the subsidiary at that location. In determining whether the subsidiary will exercise its renewal option, management makes judgements on whether the subsidiary is likely to meet the financial conditions required in order to extend the lease term.

### 2.4 Goodwill

Goodwill is tested for impairment at each statement of financial position date. The recoverable amounts of cash-generating-units have been determined based on value-in-use calculations. These calculations require the use of estimates and a level of judgement is required in estimating future activities, the related cash flows, economic growth, interest rates and inflation rates.

### 2.5 Cash Settled Share-based payments

The fair value is calculated using the Black Scholes option pricing model.

### 2.6 Equity Settled Share-based payments

The number of option shares ultimately exercised is determined by reference to future transaction outcomes and contractual formulae, the group applies judgement in estimating the probability and timing of realisation events, the fair market value of the company, and the likelihood of satisfaction of entity's performance conditions.

## 3. New standards and interpretations

### New standards and interpretations not yet adopted

The following standards and interpretations were in issue but not yet effective.

Standard	Financial year applicable to Lenmed	Expected impact
Amendments to IFRS 7 Financial Instruments: Disclosures	28 February 2027	Unlikely to be material
Amendments to IFRS 9 Financial Instruments	28 February 2027	Unlikely to be material
Amendments to IFRS 10 Consolidated Financial Statements	28 February 2027	Unlikely to be material
New IFRS 18 Presentation and Disclosure in Financial Statements	28 February 2028	Impact is currently being assessed
New IFRS 19 Subsidiaries without Public Accountability: Disclosures	28 February 2028	Unlikely to be material
Amendments to IAS 7 Statement of Cash Flows	28 February 2027	Unlikely to be material

### Standards and interpretations effective and adopted in the current year

In the current year, the group has adopted the following standards and interpretations that are effective for the current financial year:

Standard	Financial year applicable to Lenmed	Expected impact
Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates	28 February 2026	Not material

## NOTES TO THE ABRIDGED CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

	GROUP	
Figures in R '000	2026	2025
<b>4. Revenue</b>		
An analysis of revenue is as follows:		
<b>Private healthcare services</b>		
Non-tariff	1 757 487	1 628 760
Tariff	3 852 311	3 625 397
<b>TOTAL REVENUE</b>	<b>5 609 798</b>	5 254 157
There were no outstanding performance obligations at year end.		
<b>5. Earnings per share</b>		
<b>5.1 Basic earnings per share</b>		
<b>The earnings and weighted average number of ordinary shares used in the calculation of basic earnings per share are as follows:</b>		
Profit for the year attributable to owners of the company from continuing operations	291 667	277 141
Weighted average number of ordinary shares used in the calculation of basic earnings per share	683 858	708 622
<b>BASIC AND DILUTED EARNINGS PER SHARE (CENTS)</b>	<b>42.65</b>	39.11
<b>5.2 Headline earnings per share</b>		
<b>Headline earnings is calculated as follows:</b>		
Profit for the year attributable to owners of the company from continuing operations	291 667	277 141
Adjusted for:		
(Profit)/Loss on disposal of property, plant and equipment	(202)	1
Impairment loss	4 427	4 225
Total tax effects of adjustments	(1 141)	(1 141)
<b>EARNINGS USED IN THE CALCULATION OF HEADLINE EARNINGS PER SHARE FOR CONTINUING OPERATIONS</b>	<b>294 751</b>	280 226
<b>Weighted average number of ordinary shares used in the calculation of headline earnings per share</b>	<b>683 858</b>	708 622
Headline earnings per share (cents)	43.10	39.55
<b>5.3 Dividends per share</b>		
Dividends to shareholders	75 006	59 956
<b>Number of ordinary shares used in the calculation of dividends per share</b>	<b>675 730</b>	708 243
Dividends per share (cents)	11.10	8.47

## 6. Property, plant and equipment

The group acquired property plant and equipment amounting to R447 873 000 during the year (2025: R317 536 000).

The group has entered into contracts for capital expenditure relating to property, plant, and equipment, commitments under these contracts amounted to R104 711 000 (2025: R144 458 000).

## 7. Stated capital

The Group bought back 32 512 350 shares at an average price of R3.02 per share.

## 8. Segment information

### 8.1 General information

Consistent with the Group's internal reporting, the chief operating decision maker, being the Executive Committee, views the Group's operating results as a single segment and makes decisions about resources to be allocated and assesses performance accordingly.

The IFRS 8 required information about the Group as a single segment for the profit or loss, including specified revenues and expenses, and assets and liabilities have already been disclosed elsewhere in these consolidated annual financial statements.

The revenue from external customers for groups of similar products and services are disclosed in note 4.

Figures in R '000	GROUP	
	2026	2025
The following geographical information is reported on:		
<b>Revenues from external customers</b>		
South Africa	(4 294 027)	(4 047 359)
Outside of South Africa	(1 315 771)	(1 206 798)
<b>GROUP TOTAL REVENUES FROM EXTERNAL CUSTOMERS</b>	<b>(5 609 798)</b>	<b>(5 254 157)</b>
<b>Non-current assets other than financial instruments and deferred tax assets</b>		
South Africa	3 884 131	3 591 730
Outside of South Africa	777 863	958 058
<b>GROUP TOTAL NON-CURRENT ASSETS OTHER THAN FINANCIAL INSTRUMENTS AND DEFERRED TAX ASSETS</b>	<b>4 661 994</b>	<b>4 549 788</b>

## 9. Events after the reporting date

All events subsequent to the date of the consolidated annual financial statements and for which the applicable financial reporting framework which require adjustment or disclosure have been adjusted or disclosed.

During May 2026, the Group entered into agreements to acquire the business and related assets of Clinica da Sommerschield and Clinica da Familia, two private hospitals located in Maputo and Matola, Mozambique, respectively. The facilities comprise a total of approximately 65 beds, with Clinica da Sommerschield operating 25 beds and Clinica da Familia operating approximately 40 to 45 beds. The acquisition includes the hospital operations, business assets and underlying property in Maputo, and the hospital operations, business assets and long-term lease of the immovable property in Matola – both of which align with the Group's strategy to expand its healthcare footprint in Mozambique and strengthen its presence in the Southern African region.

At the date of this report, the transactions remain conditional upon the fulfilment of various suspensive conditions precedent, including notification to and approval by the relevant regulatory competition authorities in Mozambique, and the finalisation of certain property-related matters. Transfer of the business and assets will occur once all suspensive conditions precedent have been satisfied.

As the transactions had not yet been completed at the date of this report, it is not practicable to disclose an estimate of the financial effect of the acquisition on the Group's future results.

The directors are not aware of any other matter or circumstance arising since the end of the financial year to the date of this report that could have a material effect on the financial position of the Group other than described above.

# Notice of Annual General Meeting

## Lenmed Investments Limited

(Registration number 1980/003108/06) (“the Company” or “Lenmed”)

**Notice is hereby given to the Shareholders that the 44th Annual General Meeting** (“AGM”) of Lenmed Investments Limited (“the Company” or “Lenmed”) in respect of the financial year ended 28 February 2026 will be held on **Thursday 6 August 2026 at 15:00 (CAT), entirely through electronic communication** as permitted by the South African Companies Act, 71 of 2008 (as amended), for the purposes of passing, with or without modification, the ordinary and special resolutions set out below.

Shareholders will need to register, **no later than Tuesday 4 August 2026**, to participate in the AGM. Details are set out in Annexure A to this Notice of AGM.

References in this notice of AGM, to the “Companies Act” means the South African Companies Act, no 71 of 2008 (as amended).

### Section 63(1) of the Companies Act – Identification of meeting participants

Kindly note that meeting participants (including proxies) are required to provide reasonably satisfactory identification before being entitled to attend or participate in a shareholders’ meeting. Forms of identification include valid identity documents, driver’s licences and passports.

## Ordinary resolutions

### ORDINARY RESOLUTION NUMBER 1: ANNUAL FINANCIAL STATEMENTS

“RESOLVED THAT the annual financial statements of the Company for the year ended 28 February 2026, including the directors’ report and the report of the Audit and Risk Committee, be and are hereby received.”

The Abridged Consolidated Annual Financial Statements are available to shareholders on the Lenmed website at [www.lenmed.co.za](http://www.lenmed.co.za). The Consolidated Annual Financial Statements of the Company are available on request from Naushad Gany, at email [naushad.gany@lenmed.co.za](mailto:naushad.gany@lenmed.co.za)

*Percentage of voting rights to pass this resolution: 50% plus 1 vote.*

## Retirement by rotation of directors

In terms of the Memorandum of Incorporation (MOI) of the Company, one third of the non-executive directors shall retire from office at the AGM.

**RETIREMENT BY ROTATION AND SEEKING RE-ELECTION:** See below.

### ORDINARY RESOLUTION NUMBER 2: RE-ELECTION OF DIRECTOR

“RESOLVED THAT Vaughan Firman be and is hereby re-elected as a director of the Company.”

*Percentage of voting rights to pass this resolution: 50% plus 1 vote.*

### ORDINARY RESOLUTION NUMBER 3: RE-ELECTION OF DIRECTOR

“RESOLVED THAT Bharti Harie be and is hereby re-elected as a director of the Company.”

*Percentage of voting rights to pass this resolution: 50% plus 1 vote.*

Profiles of the above directors are set out in the Annual Integrated Report. The Board has recommended their re-election.

### ORDINARY RESOLUTION NUMBER 4: APPOINTMENT OF CHAIRMAN

“RESOLVED THAT Prakash Devchand be and is hereby appointed as chairman of the Company for the period 6 August 2026 to 6 August 2031.”

*Percentage of voting rights to pass this resolution: 50% plus 1 vote.*

### NOTES TO ORDINARY RESOLUTION NUMBER 4

The Memorandum of Incorporation approved by shareholders at the annual general meeting held on 7 August 2025, contains the following provision:

The Board may elect a chairman of the Company and one or more deputy chairmen to preside in the absence of the chairman and may determine a period for which the chairman and deputy chairman are to hold office. Any such appointment shall be approved by Ordinary Resolution of the Shareholders.

### ORDINARY RESOLUTIONS NUMBERS 5, 6 and 7: APPOINTMENT OF AUDIT AND RISK COMMITTEE MEMBERS

It is proposed that the members of the Company’s Audit and Risk Committee, set out as follows, be appointed. The membership as proposed by the Board of Directors is Bharti Harie, Nomahlubi Simamane and Vaughan Firman all of whom are independent non-executive directors as prescribed by the Companies Act.

### ORDINARY RESOLUTION NUMBER 5

“RESOLVED THAT Bharti Harie be and is hereby appointed as a member of the Audit and Risk Committee.”

*Percentage of voting rights to pass this resolution: 50% plus 1 vote.*

### ORDINARY RESOLUTION NUMBER 6

“RESOLVED THAT Nomahlubi Simamane be and is hereby appointed as a member of the Audit and Risk Committee.”

*Percentage of voting rights to pass this resolution: 50% plus 1 vote.*

### ORDINARY RESOLUTION NUMBER 7

“RESOLVED THAT Vaughan Firman be and is hereby appointed as a member of the Audit and Risk Committee.”

*Percentage of voting rights to pass this resolution: 50% plus 1 vote.*

### ORDINARY RESOLUTION NUMBERS 8 TO 10: ELECTION OF MEMBERS TO THE SOCIAL AND ETHICS COMMITTEE

“Resolved that the following individuals, by separate Ordinary Resolutions numbered 8 to 10 (inclusive), being eligible and offering themselves for election, be and are hereby elected as members of the Social and Ethics Committee until conclusion of the next annual general meeting of the Company.”

### ORDINARY RESOLUTION NUMBER 8

“RESOLVED THAT Ms Nomahlubi Simamane be and is hereby appointed as a member of the Social and Ethics Committee.”

*Percentage of voting rights to pass this resolution: 50% plus 1 vote.*

### ORDINARY RESOLUTION NUMBER 9

“RESOLVED THAT Dr Gunvant Goolab be and is hereby appointed as a member of the Social and Ethics Committee.”

*Percentage of voting rights to pass this resolution: 50% plus 1 vote.*

### ORDINARY RESOLUTION NUMBER 10

“RESOLVED THAT Dr Morgan Mkhathshwa be and is hereby appointed as a member of the Social and Ethics Committee.”

*Percentage of voting rights to pass this resolution: 50% plus 1 vote.*

### NOTES TO ORDINARY RESOLUTION NUMBERS 8, 9 AND 10

On Friday, 26 July 2024, both the Companies Amendment Bill and the Companies Second Amendment Bill were signed into law. Following the proclamation issued by the President of the Republic of South Africa and published in the Government Gazette Vol 714 No. 51837 on Friday, 27 December 2024, certain sections of the Companies Amendment Act, No. 16 of 2024 and the entirety of the Companies Second Amendments Act, No. 17 of 2024 (“Companies Act Amendments”), are now in force.

Pursuant to the Companies Act Amendments, section 61(8)(c)(iii) read with section 72(9A) of the Companies Act requires that shareholders elect the members of the Company’s social and ethics committee at each annual general meeting.

Profiles of the above directors are set out in the Annual Integrated Report.

### ORDINARY RESOLUTION NUMBER 11: RE-APPOINTMENT OF EXTERNAL AUDITORS OF THE COMPANY

“RESOLVED THAT the re-appointment of PKF Durban as the external registered auditors of the Company, and being independent from the Company, be and is hereby approved and H Paruk (IRBA number: 771623) be and is hereby appointed as the designated audit partner for the financial year ending 28 February 2027.”

*Percentage of voting rights to pass this resolution: 50% plus 1 vote.*

### ORDINARY RESOLUTION NUMBERS 12.1 AND 12.2 – APPROVAL OF THE COMPANY’S REMUNERATION POLICY AND REMUNERATION REPORT

#### ORDINARY RESOLUTION NUMBER 12.1

“RESOLVED THAT the Company’s Remuneration Policy be and is hereby approved.”

The Company’s Remuneration Policy is available to shareholders on request from Naushad Gany, at email [naushad.gany@lenmed.co.za](mailto:naushad.gany@lenmed.co.za)

*Percentage of voting rights to pass this resolution: 50% plus 1 vote.*

### ORDINARY RESOLUTION NUMBER 12.2

“RESOLVED THAT the Company’s Remuneration Report (excluding the remuneration of the non-executive directors for the services as directors and members of board committees) be and is hereby approved.”

The Company’s Remuneration Report is available to shareholders on request from Naushad Gany, at email [naushad.gany@lenmed.co.za](mailto:naushad.gany@lenmed.co.za)

*Percentage of voting rights to pass this resolution: 50% plus 1 vote.*

### NOTES TO ORDINARY RESOLUTION NUMBERS 12.1 AND 12.2

In terms of the Proclamation Notice 313 of 2026 as issued by the President of the Republic of South Africa on Friday, 22 May 2026, in terms of which the following sections of the Companies Amendment Act, 2024 came into effect, which include:

- Section 5: amendments to section 30 of the Companies Act, No 71 of 2008 (“Companies Act”), pertaining to remuneration disclosures and the audit of the remuneration report; and
- Section 6: introduction of sections 30A and 30B of the Companies Act, pertaining to the remuneration policy, remuneration report, voting on the remuneration policy and the eligibility of directors to stand for election as members of the remuneration committee under certain circumstances.

Section 30A(2)(a) prescribes that the Company must present for approval by shareholders a remuneration policy and Section 30B(2) prescribes that the Company must present for approval by shareholders a remuneration report.

An extract of the above sections is set out below.

#### Section 30A

- (1) All public companies and state-owned companies must prepare and present for approval a remuneration policy as contemplated in subsection (2).
- (2) The remuneration policy –
  - (a) must be presented to and approved by shareholders at the annual general meeting by an ordinary resolution and if not approved must be presented at the next annual general meeting or at a shareholders meeting called for such purpose;
  - (b) will remain in force for a period of three years from approval and must be approved every three years thereafter; and
  - (c) may be amended prior to the end of the three-year period provided that any material amendment can only be implemented after it is approved by the shareholders by an ordinary resolution at a shareholders meeting called for this purpose or at an annual general meeting.

#### Section 30B

- (2) Each year all public companies and state-owned companies must prepare a remuneration report in respect of the previous financial year for presentation and approval at the annual general meeting.

### ORDINARY RESOLUTION NUMBER 13:

“RESOLVED THAT any director of the Company be and is hereby authorised, on behalf of the Company, to do or cause all such things to be done and sign and cause to be signed, all documents, and/or notices (including any amendments thereto), as may be necessary or desirable to give effect to both ordinary and special resolutions, and, insofar as that director has done any of the foregoing prior to the passing of this resolution, such action/s be and is hereby ratified and approved to the extent permitted by law.”

This ordinary resolution needs to be approved by an ordinary resolution, which ordinary resolution shall require the approval of ordinary shareholders who hold at least 50% of all the ordinary shares at the time.

*Percentage of voting rights to pass this resolution: 50% plus 1 vote.*

## Special resolutions

### SPECIAL RESOLUTION NUMBER 1: APPROVAL OF FINANCIAL ASSISTANCE FOR SUBSIDIARIES

“RESOLVED THAT to the extent required by the Companies Act, the Board of Directors of the Company may, subject to compliance with the requirements of the Company’s Memorandum of Incorporation (MOI) and the Companies Act, each as presently constituted and as amended from time to time, authorise the Company to provide direct or indirect financial assistance by way of loan, guarantee, the provision of security or otherwise, to any of its present or future subsidiaries and/or any other company or entity that is or becomes related or inter-related to the Company or any of its subsidiaries, and/or to any member of such subsidiary or related or inter-related company or entity, all as contemplated in sections 44 and/or 45 of the Companies Act, for such amounts and on such terms and conditions as the directors of the Company may determine; such authority to endure until the next annual general meeting of the Company.”

*Percentage of voting rights to pass this resolution: 60%.*

#### Motivation for special resolution number 1

Section 45 of the Companies Act, applies to financial assistance provided by a company to related or inter-related companies and other entities, including, inter alia, its subsidiaries, associates, joint ventures, partnerships, collaboration arrangements, etc for any purpose.

Section 44 of the Companies Act may apply to the financial assistance so provided by a company to related or interrelated companies or other entities, in the event that the financial assistance is provided for the purpose of, or in connection with, the subscription of any option, or any securities, issued or to be issued by the Company or a related or inter-related company, or for the purchase of any securities of the Company or a related or interrelated company.

Both sections 44 and 45 of the Companies Act provide, inter alia, that the particular financial assistance must be provided only pursuant to a special resolution of the shareholders, adopted within the previous 2 (two) years, which approved such assistance either for the specific recipient, or generally for a category of potential recipients, and the specific recipient falls within that category and the Board of Directors must be satisfied that:

- immediately after providing the financial assistance, the Company would satisfy the solvency and liquidity test; and
- the terms under which the financial assistance is proposed to be given are fair and reasonable to the Company.

The Company would like the ability to provide financial assistance, if necessary, in other circumstances, in accordance with section 45 of the Companies Act. Furthermore, it may be necessary or desirous for the Company to provide financial assistance to related or interrelated companies and entities to acquire or subscribe for options or securities or purchase securities of the Company or another company related or inter-related to it. Under the Companies Act, the Company will, however, require the special resolution referred to above to be adopted. In the circumstances and in order to, inter alia, ensure that the Company’s subsidiaries and other related and inter-related companies and entities have access to financing and/or financial backing from the Company (as opposed to banks), it is necessary to obtain the approval of shareholders, as set out in special resolution 1.

### SPECIAL RESOLUTION 2: APPROVAL OF FINANCIAL ASSISTANCE FOR DIRECTORS AND/OR PUBLIC OFFICERS

“RESOLVED THAT to the extent required by the Companies Act, the board of directors of the company may, subject to compliance with the requirements of the company’s memorandum of incorporation and the Companies Act, each as presently constituted and as amended from time to time, authorise the company to provide direct or indirect financial assistance by way of loan, guarantee, the provision of security or otherwise, to any of the company’s directors and/or public officers in order to cover any tax liability arising from their participation in the Liquidity Alignment Plan, which was approved by Lenmed shareholders at the annual general meeting held on 3 August 2023, and that such authority to endure until the next annual general meeting of the Company.”

*Percentage of voting rights to pass this resolution: 60%.*

#### Motivation for special resolution number 2

Special resolution number 2 authorises financial assistance to any of the company’s directors and/or public officers in order to cover any tax liability arising from their participation in the Liquidity Alignment Plan, which was approved by Lenmed shareholders at the annual general meeting of the company held on 3 August 2023.

### SPECIAL RESOLUTION NUMBER 3: FUTURE DIRECTORS’ FEES

“RESOLVED THAT the non-executive directors be paid the following fees for services as directors for the period from the date of this AGM to the date of the next AGM:

	Fees per meeting	Retainer per annum
Non-executive director/independent non-executive director	R40 000	R315 000

Committees include (Remuneration and Nominations Committee, Social and Ethics Committee, Audit and Risk Committee, Clinical Governance Committee, Innovation and Disruption Committee or any other committees to be formed).

- Committee chairman R40 000 (in addition to committee member fee) per meeting
- Committee member R40 000 per meeting
- Fee for work not specified above R40 000 (per meeting rate)
- Fee for Lead Independent Director R315 000

*Percentage of voting rights to pass this resolution: 60%.*

#### Motivation for special resolution number 3

The reason for special resolution number 3 is to comply with the provisions of the Companies Act. The effect of the special resolution is that, if approved by the shareholders at the AGM, the fees payable to non-executive directors until the next AGM will be as set out above.

The Lead Independent Director (LID) is entitled to fees as a board member, member of the Audit and Risk Committee and chairman of the Social and Ethics Committee, in addition to the fees as a LID.

### SPECIAL RESOLUTION NUMBER 4: TO APPROVE THE ACQUISITION OF SHARES IN THE COMPANY

“RESOLVED THAT, subject to the provisions of the Companies Act, 2008 (specifically Section 46 dealing with solvency and liquidity) and the Company memorandum of incorporation, the Company or any subsidiary of the Company is authorised, by way of a general authority, to acquire ordinary shares in the share capital of the company from any person.”

#### Motivation for special resolution number 4

The reason for special resolution number 4 is to enable the Company or any subsidiary of the Company to acquire shares issued by the Company. The effect of the special resolution is that, if approved by the shareholders at the AGM, authority will be given for the acquisition of such shares.

*Percentage of voting rights to pass this resolution: 60%.*

## Any other matters

To deal, at the AGM, with any matters raised by shareholders, with or without advance notice to the Company.

## Voting and proxies

In terms of the Company's MOI, at any time, a shareholder may, in respect of any class of shares held by the shareholder, appoint any individual, including an individual who is not a shareholder of the Company, as a proxy to participate in, and speak and vote, at the AGM, on behalf of the shareholder.

In terms of the Company's MOI (clause 3.10.1 of Schedule 1), a shareholder of the Company may not appoint two or more persons concurrently as proxies.

In terms of the Company's MOI (clause 3.10.3 of Schedule 1), a copy of the instrument appointing a proxy must be delivered to the registered office of the Company, marked for the attention of the Company Secretary (or to be delivered to such other location and/or person on behalf of the Company as may be specified in the notice convening the meeting), to be received by the Company not less than 48 hours before the appointed time for the beginning of the meeting or, if the meeting is adjourned the appointed time for the resumption of the adjourned meeting.

By order of the Board



**William Somerville**  
Company Secretary

26 June 2026

## Rights in terms of section 58 of the Companies Act, 2008

For purposes of this summary, the term "shareholder" shall have the meaning ascribed thereto in section 57(1) of the Companies Act.

1. At any time, a shareholder of a company is entitled to appoint any individual, including an individual who is not a shareholder of that company, as a proxy to participate in, speak and vote at a shareholders meeting on behalf of the shareholder.
2. A proxy appointment must be in writing, dated and signed by the relevant shareholder.
3. Except to the extent that the MOI of a company provides otherwise:
  - 3.1. a shareholder of the relevant company may appoint two or more persons concurrently as proxies, and may appoint more than one proxy to exercise voting rights attached to different securities held by such shareholder (a); and
  - 3.2. a copy of the instrument appointing a proxy must be delivered to the relevant company, or to any other person on behalf of the relevant company, before the proxy exercises any rights of the shareholder at a shareholders meeting (b).

## Notes

- a) In respect of item 3.1, in terms of the Company's MOI (clause 3.10.1), a shareholder of the Company may not appoint two or more persons concurrently as proxies.
- b) In respect of item 3.2, in terms of the Company's MOI (clause 3.10.3) a copy of the instrument appointing a proxy must be delivered to the registered office of the Company, marked for the attention of the Company Secretary (or to be delivered to such other location and/or person on behalf of the Company as may be specified in the notice convening the meeting), to be received by the Company not less than 48 hours before the appointed time for the beginning of the meeting or, if the meeting is adjourned the appointed time for the resumption of the adjourned meeting.
4. Irrespective of the form of instrument used to appoint a proxy:
  - 4.1. the appointment of the proxy is suspended at any time and to the extent that the shareholder who appointed that proxy chooses to act directly and in person in the exercise of any rights as a shareholder of the relevant company; and
  - 4.2. should the instrument used to appoint a proxy be revocable, a shareholder may revoke the proxy appointment by cancelling it in writing, or making a later inconsistent appointment of a proxy, and delivering a copy of the revocation instrument to the proxy and the relevant company.
5. The revocation of a proxy appointment constitutes a complete and final cancellation of the proxy's authority to act on behalf of the relevant shareholder as of the later of the date:
  - 5.1. stated in the revocation instrument, if any; or
  - 5.2. upon which the revocation instrument is delivered to the proxy and the relevant company as required in section 58(4)(c) of the Companies Act.
6. Should the instrument appointing a proxy or proxies have been delivered to the relevant company, as long as that appointment remains in effect, any notice that is required by the Companies Act or the relevant company's MOI to be delivered by such company to the shareholder must be delivered by such company to:
  - 6.1. the shareholder; or
  - 6.2. the proxy or proxies if the shareholder has in writing directed the relevant company to do so and has paid any reasonable fee charged by the company for doing so.
7. A proxy is entitled to exercise, or abstain from exercising, any voting right of the relevant shareholder without direction, except to the extent that the memorandum of incorporation of the relevant company or the instrument appointing the proxy provide otherwise.
8. If a company issues an invitation to shareholders to appoint a person named by such company as a proxy, or supplies a form of instrument for appointing a proxy:
  - 8.1. such invitation must be sent to every shareholder who is entitled to receive notice of the meeting at which the proxy is intended to be exercised;
  - 8.2. the company must not require that the proxy appointment be made irrevocable; and
  - 8.3. the proxy appointment remains valid only until the end of the relevant meeting at which it was intended to be used, unless revoked as contemplated in section 58(5) of the Companies Act.

The practical applications of the aforementioned rights are also reflected in the notes to the proxy form attached hereto.



## Notes to form of proxy

1. At any time, a shareholder may in respect of shares held in the Company by that shareholder, appoint any individual, including an individual who is not a shareholder of the Company to participate in, speak and, on a poll, vote in place of that shareholder at the AGM. Meeting participants will be required to provide satisfactory identification before being allowed to participate in the meeting.
2. A shareholder wishing to appoint a proxy must do so in writing by inserting the name of a proxy or the names of two alternative proxies of the shareholder's choice in the space provided on the form of proxy, with or without deleting "the Chairman of the AGM". The person whose name stands first on the form of proxy and who is present at the AGM will be entitled to act as proxy to the exclusion of those whose names follow.
3. A shareholder's instructions to the proxy must be indicated on the form of proxy by the insertion of the relevant number of votes exercisable by that member in the appropriate box(es) provided. Failure to comply with the above will be deemed to authorise the Chairman of the AGM, if the Chairman is the authorised proxy, to vote in favour of the ordinary and special resolutions at the AGM, or any other proxy to vote or to abstain from voting at the AGM as he/she deems fit, in respect of all the shareholder's votes exercisable thereat.
4. A shareholder or his/her proxy is not obliged to vote in respect of all the ordinary shares held by such shareholder or represented by such proxy, but the total number of votes for or against the ordinary resolutions and in respect of which any abstention is recorded may not exceed the total number of votes to which the shareholder or his/her proxy is entitled.
5. Documentary evidence establishing the authority of a person signing this form of proxy in a representative capacity must be attached to this form of proxy, unless previously recorded by the Company's transfer office or waived by the Chairman of the AGM.
6. The Chairman of the AGM may reject or accept any form of proxy which is completed and/or received other than in accordance with these instructions, provided that he is satisfied as to the manner in which a shareholder wishes to vote.
7. Any alterations or corrections to this form of proxy must be initialled by the signatory(ies).
8. The completion and lodging of this form of proxy will not preclude the relevant shareholder from attending the AGM and speaking and voting in person thereat to the exclusion of any proxy appointed in terms hereof, should such shareholder wish to do so.
9. A minor must be assisted by his/her parent/guardian unless the relevant documents establishing his/her legal capacity are produced or have been registered by the Company.
10. Where there are joint holders of shares (i) any one holder may sign the form or proxy; and (ii) the vote of the senior shareholders (for that purpose seniority will be determined by the order in which the names of the shareholders appear in the Company's register) who tenders a vote (whether in person or by proxy) will be accepted to the exclusion of the vote(s) of the other joint shareholders.

11. Any proxy appointment made in terms of this form of proxy remains valid until the end of the AGM, unless revoked earlier.
12. In terms of the Company's MOI (clause 3.10.3) a copy of the instrument appointing a proxy must be delivered to the registered office of the Company, marked for the attention of the Company secretary (or to be delivered to such other location and/or person on behalf of the Company as may be specified in the notice convening the meeting), to be received by the Company not less than 48 hours before the appointed time for the beginning of the meeting or, if the meeting is adjourned the appointed time for the resumption of the adjourned meeting.

### Registered Office

**Lenmed Investments Limited**, 2nd Floor, Fountainview House, Constantia Office Park, Corner 14th Avenue and Hendrik Potgieter Road, Constantia Kloof, Johannesburg, 1709

## Annexure A

### Arrangements for electronic participation at the Lenmed Investments Limited Annual General Meeting (AGM)

Please take note of the arrangements set out below in this regard.

1. Send an email by no later than Tuesday, 4 August 2026 to Naushad Gany ([naushad.gany@lenmed.co.za](mailto:naushad.gany@lenmed.co.za)) and William Somerville ([w.somerville@mweb.co.za](mailto:w.somerville@mweb.co.za)), indicating your intention to attend the AGM electronically.
2. In the same email, attach your completed proxy form.
3. Prior to the AGM, you will receive an email with a link to the AGM via Microsoft Teams. To enter the meeting, you simply click on the link.
4. If, during the AGM, you wish to change your vote on any particular resolution, indicate this to the Chairman, and your revised vote will be recorded as such.
5. Should you wish to dial in to the AGM, please register by completing and lodging your proxy form by no later than Tuesday, 4 August 2026.
6. If you have any queries, please contact Naushad Gany (082 359 7007) or William Somerville (082 464 3673).

# Acronyms and glossary

ACC	American College of Cardiology
AFS	annual financial statements
AGM	annual general meeting
AI	artificial intelligence
AIR	annual integrated report
AKPH	Ahmed Kathrada Private Hospital
B-BBEE	Broad-based Black Economic Empowerment
BI	business intelligence
Board	Board of Directors
BPH	Bokamoso Private Hospital
BPHL	Beira Private Hospital Limitada
CA (SA)	Chartered Accountant, as designated by the South African Institute of Chartered Accountants (SAICA)
CCMA	Commission for Conciliation, Mediation and Arbitration, in South Africa
CCO	Chief Commercial Officer
CEO	Chief Executive Officer
CFO	Chief Financial Officer
CIMS	centralised incident management system
CIO	Chief Information Officer
COID	Compensation for Occupational Injuries and Diseases on Duty

Companies Act	The South African Companies Act, 71 of 2008, as amended
COO	Chief Operations Officer
CPI	consumer price index
CSI	corporate social investment
DCF	discounted cashflow
DOH	Department of Health, of South Africa
DOL	Department of Employment and Labour, of South Africa
DSP	designated service provider
EBITDA	earnings before interest, taxation, depreciation and amortisation
ECL	expected credit loss
EC	Environmental Committee
ED	emergency department
EHHC	Ethekwini Hospital And Heart Centre
ERP	enterprise resource planning
ESG	environmental, social and governance
Exco	executive committee
FY24	The full financial year ended 29 February 2024
FY25	The full financial year ended 28 February 2025
GEMS	Government Employees Medical Scheme, in South Africa

GHG	greenhouse gas
GPs	general practitioners
HASA	Hospital Association of South Africa
HR	human resources
HWSETA	Health and Welfare Sector Education and Training Authority, of South Africa
IAS	International Accounting Standards
IASB	International Accounting Standards Board
ICU	intensive care unit
IFC	International Finance Corporation
IFRS	International Financial Reporting Standards
IFRS IC	International Financial Reporting Standards (IFRS) Interpretations Committee
IRBA Code	The Independent Regulatory Body for Auditors (IRBA)'s Code of Professional Conduct for Registered Auditors
ISAs	International Standards on Auditing
IT	information technology
JIBAR	Johannesburg interbank average rate
JSE	Johannesburg Stock Exchange
King IV	King IV™ Report on Corporate Governance for South Africa 2016
km	kilometre

KPA	key performance area
kW	kilowatt
KZN	KwaZulu-Natal
LAP	Liquidity Alignment Plan
LenIRS	Lenmed clinical risk management system
LRD	living related donor
LTIS	long-term incentive scheme
LVAD	left ventricular assist device
MANCO	management committee
MMHS	Matlosana Medical Health Services
MOH	Ministry of Health and Wellness, of Botswana
MooiMed	MooiMed Private Hospital
MZN	Mozambican Metical
NAV	net asset value
NEHAWU	The National Education, Health and Allied Workers' Union, of South Africa
NHI	National Health Insurance, of South Africa
NHN	National Hospital Network
NICU	neonatal intensive care unit
NRC	National Renal Care
OHCS	The Office of Health Compliance Standards, in South Africa

# Company information

## Country of incorporation

South Africa

## Nature of business

The provision of private patient healthcare, through management and ownership of hospitals and other related health services

## Executive directors

- Mr P Devchand
- Mr A Devchand
- Mr F J Meiring

## Non-executive Directors

- Ms N V Simamane (Lead independent)
- Ms B Harie (independent)
- Mr V Firman (independent)
- Prof B D Goolab
- Dr G Goolab (independent)

## Registered address

2nd Floor Fountainview House,  
Constantia Office Park, Corner 14th Avenue and  
Hendrik Potgieter Road, Constantia Kloof,  
**Johannesburg**, 1709

## Postal address

PO Box 855, Lenasia,  
**Johannesburg**, 1820

## Auditors

PKF Durban, Chartered Accountants (SA)

## Registered Auditors

Practice number – 906352E  
2nd Floor, 12 on Palm Boulevard  
Gateway, **KwaZulu-Natal**, 4319

## Company secretary

Mr W Somerville  
Fernridge Office Park, Block 4, First Floor,  
5 Hunter Street, **Randburg**, 2194

## Registration number

1980/003108/06

## Bankers

Absa, Investec and Rand Merchant Bank

## Transfer secretary

Singular Systems (Pty) Ltd t/a Equity Express,  
25 Scott Street, Waverly, **Johannesburg**, 2090

## Our hospitals

### Ahmed Kathrada Private Hospital

K43 Highway, Extension 8, Lenasia,  
**Gauteng**  
T +27 87 087 0642 • F +27 11 852 8910

### Beira Private Hospital

Estrada Carlos Pereira, Estoril,  
**Beira**  
T +258 8614 44453

### Bokamoso Private Hospital

Plot 2435, Block 1, Mmopane,  
Along the Molepolole Road, Gaborone,  
**Botswana**  
T +267 369 4000 • F +267 369 4140

### Daleside Day Hospital

12 Van Ryneveld Street, Wilkoppies,  
**Klerksdorp**  
T +27 (0) 18 464 1009

### Daxina Private Hospital

1682 Impala Street, Lenasia South,  
**Gauteng**  
T +27 87 087 0644 • F +27 11 855 1039

### Ethekwini Hospital and Heart Centre and Lenmed Ethekwini Rehabilitation Centre

11 Riverhorse Drive, Riverhorse Valley  
Business Estate, Queen Nandi Drive,  
Durban, **KwaZulu-Natal**  
T +27 31 581 2400 • F +27 31 581 2999

### Howick Private Hospital

107 Main Street, **Howick**, 3290  
T +27 33 330 2456

### Kathu Private Hospital

Frikkie Meyer Street, **Kathu**  
T +27 87 158 2700

### La Verna Private Hospital

1 Convent Road, Ladysmith,  
**KwaZulu-Natal**  
T +27 87 087 2600

### Maputo Private Hospital

Rua do Rio Inhamiara,  
Sommerschild II, Maputo,  
**Mozambique**  
T +258 84 303 0967-9 • F +258 21 49 3680

### Parkmed Neuro Clinic

94 Bishop Desmond Tutu Street, Naserhof,  
**Klerksdorp**, 2571  
T +27 (0) 18 462 3072

### Randfontein Private Hospital

Lister Road, Lower Ward Street Extension,  
**Randfontein**  
T +27 87 087 2700

### Royal Hospital and Heart Centre

Corner Welgevonden and  
Jacobus Smit Street, Rooydene,  
**Kimberley**  
T +27 53 045 0350

### Shifa Private Hospital

482 Randles Road, Sydenham, Durban,  
**KwaZulu-Natal**  
T +27 87 087 0641

### Sunningdale Private Hospital

12 Van Ryneveld Street, Wilkoppies,  
**Klerksdorp**  
T +27 (0) 18 462 7536

### Wilmed Park Hospital and Heart Centre

Cnr Ametis & Marmer Street,  
**Wilkoppies**, 2571  
T +27 (0) 18 468 7700

### Zamokuhle Private Hospital

128 Flint Mazibuko Street,  
Hospital View, Tembisa,  
**Gauteng**  
T +27 87 087 0643



**lenmed**  
Embrace every day