



Sygnia Itrix Health Innovation Actively Managed Exchange Traded Fund

Audited Annual Financial Statements

for the year ended 31 December 2024

Sygnia Itrix Health Innovation Actively Managed Exchange Traded Fund

Annual Financial Statements
for the year ended 31 December 2024

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Sygnia Itrix Health Innovation Actively Managed Exchange Traded Fund

Directors' responsibility statement

for the year ended 31 December 2024

The directors of Sygnia Itrix (RF) Proprietary Limited (the Manager) are responsible for the preparation and fair presentation of the financial statements of the Sygnia Itrix Solactive Healthcare 150 Exchange Traded Fund (the Fund), comprising the statement of financial position at 31 December 2024, and the statement of profit or loss and other comprehensive income, statement of changes in net assets attributable to holders of redeemable securities and statement of cash flows for the year then ended, and notes to the financial statements. These include a summary of significant accounting policies and other explanatory notes, in accordance with IFRS[®] Accounting Standards issued by the International Accounting Standards Board ("IASB"), Financial Reporting Pronouncements as issued by Financial Reporting Standards Council and in the manner required by:

- The Collective Investment Schemes Control Act; and
- The Trust Deed.

The directors of the Manager, whose names are stated below, hereby confirm that –

- (a) the annual financial statements set out on pages 9 to 23, fairly present in all material respects the financial position, financial performance and cash flows of the Fund in terms of IFRS Accounting Standards;
- (b) to the best of our knowledge and belief, no facts have been omitted or untrue statements made that would make the financial statements false or misleading;
- (c) internal financial controls have been put in place to ensure that material information relating to the Fund have been provided to effectively preparer of the financial statements of the Fund;
- (d) the internal financial controls are adequate and effective and can be relied upon in compiling the annual financial statements, having fulfilled our role and function within the combined assurance model pursuant to principle 15 of the King IV[™] Code;
- (e) where we are not satisfied, we have disclosed to the audit committee and the auditors the deficiencies in design and operational effectiveness of the internal financial controls and any fraud that involves directors, and have taken the necessary remedial action; and
- (f) we are not aware of any fraud involving the directors of the Manager.

The directors of the Manager have made an assessment of the ability of the Fund to continue as a going concern and have no reason to believe that the Fund will not be a going concern in the year ahead.

The auditor is responsible for reporting on whether the financial statements are fairly presented in accordance with the applicable financial reporting framework.

Approval of the annual financial statements

The annual financial statements of Sygnia Itrix Solactive Healthcare 150 Exchange Traded Fund as identified in the first paragraph, were approved by the directors of Sygnia Itrix (RF) Proprietary Limited on 14 March 2025 and are signed on their behalf by:



RA Ismail



I Madjarova



The Manager
Sygnia Itrix (RF)(PTY) Limited
7th Floor, The Foundry
Cardiff Street
Green Point
Cape Town
8001

REPORT OF THE TRUSTEE FOR SYGNIA ITRIX COLLECTIVE INVESTMENT SCHEME

We, the Standard Bank of South Africa Limited, in our capacity as Trustee of the Sygnia Itrix Collective Investment Scheme ("the Scheme") have prepared a report in terms of Section 70(1)(f) of the Collective Investment Schemes Control Act, 45 of 2002, as amended ("the Act"), for the financial year ended 31 December 2024.

In support of our report we have adopted certain processes and procedures that allow us to form a reasonable conclusion on whether the Manager has administered the Scheme in accordance with the Act and the Scheme Deed.

As Trustees of the Scheme we are also obliged to in terms of Section 70(3) of the Act to satisfy ourselves that every statement of comprehensive income, statement of financial position or other return prepared by the Manager of the Scheme as required by [Section 90](#) of the Act fairly represents the assets and liabilities, as well as the income and distribution of income, of every portfolio of the Scheme.

The Manager is responsible for maintaining the accounting records and preparing the annual financial statements of the Scheme in conformity with IFRS Accounting Standards. This responsibility also includes appointing an external auditor to the Scheme to ensure that the financial statements are properly drawn up so as to fairly represent the financial position of every portfolio of its collective investment scheme are in accordance with IFRS Accounting Standards and in the manner required by the Act.

Our enquiry into the administration of the Scheme by the Manager does not cover a review of the annual financial statements and hence we do not provide an opinion thereon.

Based on our records, internal processes and procedures we report that nothing has come to our attention that causes us to believe that the accompanying financial statements do not fairly represent the assets and liabilities, as well as the income and distribution of income, of every portfolio of the Scheme administered by the Manager.

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The Standard Bank of South Africa Limited (Reg. No. 1962/000738/06) Authorised financial services and registered credit provider (NCRCP15)

Directors: N Nyembezi (Chairman) AKL Fihla* (Chief Executive Officer) LL Bam PLH Cook A Daehnke* OA David-Borha¹ GJ Fraser-Moleketi GMB Kennealy BJ Kruger
Li L² JH Maree NNA Matyumza ML Oduor-Otieno³ RN Ogega³ Fenglin Tian² SK Tshabalala*

Company Secretary: K Froneman - 2025/01/07

* Executive Director ¹Nigerian ²Chinese ³Kenyan

We confirm that according to the records available to us, no losses were suffered in the portfolios and no investor was prejudiced as a result thereof.

We conclude our report by stating that we reasonably believe that the Manager has administered the Scheme in accordance with:

- (i) the limitations imposed on the investment and borrowing powers of the manager by this Act;
- (ii) and the provisions of this Act and the deed;

Hoosain Hamdulay

Hoosain Hamdulay

Standard Bank of South Africa Limited

14 March 2025

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Independent Auditor's Report

31 December 2024

To the security investors of Sygnia Itrix Health Innovation Actively Managed Exchange Traded Fund

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Sygnia Itrix Health Innovation Actively Managed Exchange Traded Fund (the Fund) set out on pages 9 to 24, which comprise the statement of financial position as at 31 December 2024, and the statement of profit or loss and other comprehensive income, statement of changes in net assets attributable to holders of redeemable securities and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Fund as at 31 December 2024, and its financial performance and cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and in the manner required by the Collective Investment Schemes Control Act of South Africa, and the manner required by the Trust Deed approved by the Financial Sector Conduct Authority.

Basis for Opinion

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

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

Registered Auditor – A firm of Chartered Accountants (SA) • IRBA Registration Number 900222

Partners: MV Ninan (Country Managing Partner), C Abrahamse, SJ Adlam, JPMP Atwood, JM Barnard, AK Batt, S Beets, T Beukes, WI Blake, HL Burger, MJ Cassan, C Coetzee, JC Combrink, JR Comley, TVDL De Vries, CR De Wee, G Deva, Y Dockrat, S Doolabh, A Driscoll, M Edelberg, JJ Eloff, T Erasmus, F Esterhuizen, Y Ferreira, MH Fisher, B Frey, T Gangen, M Groenewald, K Hoosain, MY Ismail, B Jansen, J Kasan, D Keeve, J Marais, TL Maree, N Mayat, B Mbunge, G Molyneux, A Moruck, R Murugan, S Naidoo, MG Odendaal, W Olivier, MT Rossouw, M Pieterse, E Pretorius, W Rabe, N Ravele, D Resnick, L Roeloffze, M Saayman, E Sibanda, MR Snow, EM Steyn, HH Swanepoel, AL Swartz, DM Tekie, MJA Teuchert, N Thelander, S Truter, PC van der Merwe, R van Molendorff, JC Van Tubbergh, N Volschenk, S Vorster, J Watkins-Baker

Our offices: Bloemfontein, Cape Town, Durban, Gqeberha, Johannesburg, Paarl, Pretoria

Final Materiality

The nature, timing and extent of our audit procedures was influenced by our determination and application of materiality. We have quantitatively calculated the materiality threshold, based on our professional judgement, as detailed in the table below, factoring in any qualitative considerations. We have evaluated the effect of any misstatements noted during the audit on an individual and aggregate basis.

Financial statements	
Final materiality	R13,999,000
Basis for determining materiality	2.5% of net assets attributable to holders of redeemable securities has been used as the basis for determining final materiality.
Rational for the materiality benchmark applied	We selected net assets attributable to holders of redeemable securities as the materiality benchmark for the fund. This would be the benchmark that best reflects the value available to holders of redeemable securities on redemption at year-end and the best measure of the fund's performance and growth. We have selected 2.5% based on our professional judgement, which considers the regulatory environment the fund trades in as well as the reliance placed on the financial statements by the holders of redeemable securities.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. We have determined that there are no key audit matters to communicate in our report.

Other Information

The Manager's directors are responsible for the other information. The other information comprises the information included in the document titled "Sygnia Itrix Health Innovation Actively Managed Exchange Traded Fund Annual Financial Statements for the year ended 31 December 2024", which includes the Directors' Responsibility Statement and Trustees' Report. The other information does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

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

Responsibilities of the Manager's Directors for the Financial Statements

The Manager's directors are responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and the requirements of the Collective Investment Schemes Control Act of South Africa, in the manner required by the Trust Deed approved by the Financial Sector Conduct Authority, and for such internal control as the Manager's directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

Audit Tenure

In terms of the IRBA Rule published in Government Gazette Number 39475 dated 4 December 2015, we report that Forvis Mazars has been the auditor of the Fund for four years.



FORVIS MAZARS

Partner: Mia Pieterse

Registered Auditor

14 March 2025

Cape Town

Sygnia Itrix Health Innovation Actively Managed Exchange Traded Fund

Statement of financial position

as at 31 December 2024

		Notes	2024 R	2023 R
Assets				
Financial assets at fair value through profit or loss	**	4	559 540 966	670 494 942
Trade and other receivables	*	6	363 389	465 651
Cash and cash equivalents	*	7	2 432 081	2 869 688
Total assets			562 336 436	673 830 281
Liabilities				
Net assets attributable to holders of redeemable securities	***		559 969 324	670 947 951
Trade and other payables	*	8	2 367 112	2 882 330
Total liabilities			562 336 436	673 830 281
<p>* Financial assets/liabilities measured at amortised cost</p> <p>** Financial assets measured at fair value - mandatory</p> <p>*** Financial liabilities at fair value - designated</p>				

Sygnia Itrix Health Innovation Actively Managed Exchange Traded Fund

Statement of profit or loss and other comprehensive income

for the year ended 31 December 2024

	Notes	2024 R	2023 R
Income			
Investment income	10	13 440 931	10 684 182
Net gain on financial assets at fair value through profit or loss	9	-	22 939 568
		<u>13 440 931</u>	<u>33 623 750</u>
Expenses			
Foreign exchange loss		(135 127)	(39 171)
Management and administrative expenses	11	(4 780 204)	(3 320 779)
Net loss on financial assets at fair value through profit or loss	9	(2 387 082)	-
		<u>(7 302 413)</u>	<u>(3 359 950)</u>
Profit before distributions		6 138 518	30 263 800
Distributions	5.3	<u>(6 405 761)</u>	<u>(5 657 226)</u>
Profit/(loss) before tax		(267 243)	24 606 574
Withholding tax		(2 399 735)	(1 800 911)
Profit/(loss) for the year before translation adjustment		<u>(2 666 978)</u>	<u>22 805 663</u>
Translation of functional currency to ZAR	5.5	13 173 879	38 606 415
Total comprehensive income and increase in net assets attributable to holders of redeemable securities		<u>10 506 901</u>	<u>61 412 078</u>

Sygnia Itrix Health Innovation Actively Managed Exchange Traded Fund

Statement of changes in net assets attributable to holders of redeemable securities for the year ended 31 December 2024

	Notes	Net assets attributable to holders of redeemable securities R
Balance at 1 January 2023		518 198 007
Profit for the year before translation adjustment		22 805 663
Creation of redeemable securities	5.2	173 685 968
Redemption of redeemable securities	5.2	(82 348 102)
Foreign currency translation adjustments attributable to holders of redeemable securities	5.5	38 606 415
Balance at 31 December 2023		<u>670 947 951</u>
Loss for the year before translation adjustment		(2 666 978)
Creation of redeemable securities	5.2	111 725 064
Redemption of redeemable securities	5.2	(233 210 592)
Foreign currency translation adjustments attributable to holders of redeemable securities	5.5	13 173 879
Balance at 31 December 2024		<u><u>559 969 324</u></u>

Sygnia Itrix Health Innovation Actively Managed Exchange Traded Fund

Statement of cash flows

for the year ended 31 December 2024

	Notes	2024 R	2023 R
Cash utilised in operations	12	(119 644)	(153 633)
Dividends received		10 723 424	8 179 188
Management fees paid		(3 907 207)	(2 658 124)
Interest received		60 388	29 516
Net cash inflow from operating activities		6 756 961	5 396 947
Cash inflow/(outflow) from investing activities		121 740 773	(91 115 915)
Net sales/(purchases) of index constituents	13	121 740 773	(91 115 915)
Cash (outflow)/inflow from financing activities		(128 800 214)	86 408 295
Proceeds on creation of securities		112 099 609	174 255 887
Payment on redemption of securities		(233 886 908)	(82 812 289)
Distributions paid to investors		(7 012 915)	(5 035 303)
Net (decrease)/increase in cash and cash equivalents		(302 480)	689 327
Effects of exchange rate changes on the balance of cash		(135 127)	(39 171)
Cash and cash equivalents at the beginning of year		2 869 688	2 219 532
Cash and cash equivalents at the end of year	7	2 432 081	2 869 688

Sygnia Itrix Health Innovation Actively Managed Exchange Traded Fund

Notes to the financial statements

for the year ended 31 December 2024

1. Reporting entity

Sygnia Itrix Health Innovation Actively Managed ETF (the Fund) is a Fund domiciled in South Africa. The address of the Fund's registered office is 7th floor The Foundry, Green Point, Cape Town, 8001, South Africa.

The Fund is actively managed with an objective to provide a simple investment vehicle to investors who want to achieve long term capital appreciation by gaining exposure to companies positioned at the forefront of healthcare innovation. The Fund's benchmark is Solactive Developed Markets Healthcare 150 Index which tracks the performance of the largest 150 companies from the Healthcare Industry and is based on the Solactive Global Benchmark Series.

Sygnia Itrix (RF) Proprietary Limited (the Manager) is the management company of the Fund. The investment activities, including the administration of the Fund, are managed by the Manager.

2. Basis of preparation

2.1 Basis of measurement

The financial statements are prepared on the historical cost basis except for financial instruments which are accounted for as set out in note 3.1.

2.2 Statement of compliance

The financial statements are prepared in accordance with IFRS Accounting Standards issued by the International Accounting Standards Board ("IASB") and Financial Reporting Pronouncements issued by the Financial Reporting Standards Council, and the requirements of the Collective Investment Schemes Control Act No 45 of 2002 (CISCA), in order to meet the requirements of the Trust Deed approved by the Financial Services Conduct Authority.

2.3 Functional and presentation currency

These financial statements are presented in South African Rand (ZAR) which is the Fund's presentation currency. The functional currency of the Fund is the United States Dollar (USD). All financial information presented has been rounded to the nearest Rand.

2.4 Judgements

Preparing annual financial statements in conforming with IFRS Accounting Standards requires estimates and assumptions that affect reported amounts and related disclosures. Significant judgement was applied by the directors of the Manager with regards to the functional currency as detailed below.

Determination of functional currency

Functional currency is the currency of the primary economic environment in which the Fund operates. If indicators of the primary economic environment are mixed, then management uses its judgement to determine the functional currency that most faithfully represents the economic effect of the underlying transactions, events and conditions. The Fund is administered and managed in United States Dollar. Accordingly management has determined that the functional currency of the Fund is United States Dollar.

2.5 Fund amendments

In accordance with the successful ballot voting procedures outlined in the SENS announcement dated 13 June 2024 and 30 July 2024, the Sygnia Itrix Solactive Healthcare 150 ETF changed to an actively managed exchange traded fund. The changes included an investment policy change as well as a name change. The fund's name changed from Sygnia Itrix Solactive Healthcare 150 ETF to Sygnia Itrix Healthcare Innovation Actively Managed ETF. The changes were effective from 6 August 2024.

3. Accounting policies

The financial statements incorporate the principal accounting policies set out below which is consistent with those adopted in the previous financial year.

3.1 Financial instruments

(i) Classification

The Fund classifies financial assets and financial liabilities into the following categories:

- Financial assets at fair value through profit or loss;
- Financial assets at amortised cost;
- Financial liabilities measured at amortised cost; and
- Financial liabilities designated at fair value through profit or loss

Classification depends on the purpose for which the financial instruments were obtained / incurred and takes place at initial recognition.

Financial assets and liabilities at fair value through profit or loss

The Fund classifies their investments based on both the Fund's business model for managing those financial assets and the contractual cash flow characteristics of the financial assets. The portfolio of financial assets are managed and performance is evaluated on a fair value basis. The Fund is primarily focused on fair value information and uses that information to assess the assets' performance and to make decisions. The Funds have not taken the option to irrevocably designate any equity securities at fair value through other comprehensive income. The contractual cash flows of the Fund's debt securities are solely principal and interest, however, these securities are neither held for the purpose of collecting contractual cash flows nor held both for collecting contractual cash flows and for sale. The collection of contractual cash flows is only incidental to achieving the Fund's business model's objective. Consequently, all investments are measured at fair value through profit or loss.

Based on the principle of eliminating an accounting mismatch in the financial statements, net assets attributable to holders of redeemable securities are designated to be measured at fair value through profit or loss. The Fund's accounting policy is described in note 3.9 below.

Sygnia Itrix Health Innovation Actively Managed Exchange Traded Fund

Notes to the financial statements

for the year ended 31 December 2024

3. Accounting policies (continued)

3.1 Financial instruments (continued)

(i) Classification (continued)

Financial assets and liabilities at amortised cost

Financial assets at amortised cost include dividends receivable, other receivables (including sales transactions awaiting settlement) and cash and cash equivalents. Financial liabilities at amortised cost include accrued expenses, distributions payable and other payables (including purchases transactions awaiting settlement).

(ii) Recognition and initial measurement

Financial assets and liabilities measured at fair value through profit or loss are recognised initially on the trade date, which is the date that the Fund becomes a party to the contractual provisions of the instrument. Other financial assets and liabilities are recognised on the date they are originated.

Financial assets and financial liabilities measured at fair value through profit or loss are recognised initially at fair value, with transaction costs recognised in profit or loss. Financial assets and financial liabilities not measured at fair value through profit or loss are recognised initially at fair value plus transaction costs that are directly attributable to their acquisition or issue.

(iii) Subsequent measurement

After initial measurement, the Fund measures financial instruments which are classified as at FVPL at fair value. Subsequent changes in the fair value of those financial instruments are recorded in profit or loss as on a net basis in the statement of profit or loss and other comprehensive income. Dividends earned or paid on these instruments are recorded separately in dividend income or expense in profit or loss in the statement of profit or loss and other comprehensive income.

Financial liabilities, other than those classified as at FVPL, are measured at amortised cost using the effective interest method less any allowance for impairment. Gains and losses are recognised in profit or loss when the debt instruments are derecognised or impaired, as well as through the amortisation process.

Amortised cost measurement

The amortised cost of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured at initial recognition, minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between the initial amount recognised and the maturity amount, minus any reduction for impairment.

Fair value measurement

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction on the measurement date. When available, the Fund measures the fair value of an instrument using quoted prices in an active market for that instrument. A market is regarded as active if quoted prices are readily and regularly available and represent actual and regularly occurring market transactions on an arm's length basis.

Investments in other open-ended funds are recorded at the quoted net asset value per unit as reported by the managers of such funds.

The Fund uses the weighted average method to determine realised gains and losses on derecognition. All changes in fair value, other than interest and dividend income and expense, are recognised in profit or loss as part of net gain / (loss) on financial instruments.

(iv) Derecognition

A financial asset (or, where applicable, a part of a financial asset or a part of a group of similar financial assets) is derecognised where the rights to receive cash flows from the asset have expired, or the Fund has transferred its rights to receive cash flows from the asset, or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a pass-through arrangement and the Fund has:

- (a) Transferred substantially all of the risks and rewards of the asset, or
- (b) Neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Fund has transferred its right to receive cash flows from an asset (or has entered into a pass-through arrangement), and has neither transferred nor retained substantially all of the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Fund's continuing involvement in the asset. In that case, the fund also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the fund has retained.

The Fund derecognises a financial liability when the obligation under the liability is discharged, cancelled or expired.

(v) Impairment of financial assets

Financial assets measured at amortised cost consists of dividends receivable that matures within three months and cash and cash equivalents that are held with reputable financial institutions.

Expected credit losses on financial assets at amortised cost are assessed and recognised in accordance with the general approach.

3.2 Investment income

Investment income comprises:

- Interest income earned on cash and cash equivalents;
- Income adjustment on creation of units (at the time of creation, this relates to the equalisation component that represents the income portion attributable to the net asset value at the time that is payable by the creating party); and
- Dividends from listed equities held at fair value through profit or loss.

3.3 Interest income

Interest income is recognised in profit or loss using the effective interest method taking into account the expected timing and amount of cash flows.

Sygnia Itrix Health Innovation Actively Managed Exchange Traded Fund

Notes to the financial statements

for the year ended 31 December 2024

3. Accounting policies (continued)

3.4 Dividend income

Dividend income is recognised when the right to receive the payment is established. This is usually the ex-dividend date for quoted equities.

3.5 Foreign currency transactions

Foreign currency transactions are those transactions that are not denominated in the functional currency (USD). Transactions in foreign currencies are translated to USD at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated into USD at the exchange rate ruling at that date. Non-monetary assets and liabilities denominated in foreign currencies that are measured at historical cost are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are translated into USD at the exchange rate ruling at the date that the fair value was determined.

Foreign currency differences arising on translation are recognised in profit or loss. Where the average exchange rate approximates the exchange rate used at the date of the transaction the average exchange rate has been applied.

Translation into presentation currency of South African Rand (Rand)

Assets and liabilities are translated from the Fund's functional currency to Rand using the exchange rates at the reporting date. The income and expense items are translated to Rand using the exchange rate at the dates of the transaction.

Differences arise from the translation into Rand because of:

- Exchange rates used to translate the opening value of the investments in the beginning of the year;
- Exchange rates used to translate transactions during the year, including income and expenses and new investments; and
- Exchange rate used to translate the closing carrying amount of investments at the end of the year.

These differences have an opposite adjustment effect on the value of the redeemable securities liability, which equals the net asset value of the Fund. The differences that result from the foreign exchange translation is reflected as 'Translation of functional currency to ZAR' and 'Foreign currency translation adjustments attributable to holders of redeemable securities' in the Statement of profit or loss and other comprehensive income and in the Statement of changes in net assets attributable to holders of redeemable securities respectively.

3.6 Withholding tax

Withholding tax levied on dividends received is recognised as a tax expense in the period in which the related dividend income is recognised. This tax reduces the amount available for distribution to investors.

3.7 Taxation

Under the current system of taxation in South Africa, income is taxed in the hands of the investor if distributed within 12 months failing which the income will be deemed to be received by and accrued to the Fund and will be taxed in the Fund.

No deferred tax is recognised, as the Fund will not have tax consequences when the assets are sold or the liabilities settled. All tax consequences will be in the hands of the investors.

Foreign dividend income is reflected gross of withholding tax (WHT). The income is passed on to the investors net of WHT.

3.8 Expenses

Expenses are recognised in profit or loss as incurred. Management fees are calculated on a daily basis at an agreed percentage of the assets under management.

3.9 Redeemable securities

All redeemable securities issued by the Fund provide investors with the right to require redemption for cash or *in specie* at the value proportionate to each investor's share. The securities are redeemable at any time at the option of the security holder and are therefore classified as financial liabilities.

The fair value of redeemable securities is measured at the redemption amount that is payable in cash and securities representing each investor's equal undivided and vested interest in the assets as a whole, subject to liabilities as defined by the Trust Deed. In accordance with the Trust Deed and CISCA, the Fund is contractually obliged to redeem securities at the NAV.

3.10 Creations and redemptions

Investors can acquire Sygnia Itrix securities by trading on the Johannesburg Stock Exchange (JSE). These purchases will be made at the current market price of the securities plus a brokerage fee that is negotiable with the broker and any additional transaction costs applicable to such a trade.

The cash subscription price and the number of Sygnia Itrix securities to be issued to an investor for cash will be determined by the amount which the investor invests (net of transaction costs) and will be a function of the *pro rata* cost to the Fund of acquiring the underlying basket of securities.

Investors may sell securities by trading on the JSE.

Security prices are determined by reference to the net assets of the Fund divided by the number of securities in issue. For security pricing purposes, net assets are determined using the last reported trade price for securities. These prices may differ from the market price quoted on the JSE.

3.11 Equalisation component of a redeemable security

At the time of creation/redemption, this component represents the income portion attributable to the net asset value at the time and is payable by the creating party or paid to the redeeming party.

Sygnia Itrix Health Innovation Actively Managed Exchange Traded Fund

Notes to the financial statements

for the year ended 31 December 2024

3. Accounting policies (continued)

3.12 Distributions

In accordance with the Trust Deed, the Fund distributes its distributable income and any other amounts determined by the management company to security holders in cash. The distributions are payable bi-annually.

Distributions payable on redeemable securities are recognised in profit or loss in the period in which they have accrued.

3.13 Operating segments

Sygnia Itrix Health Innovation Actively Managed ETF offers only one product, being the specific exchange traded fund, tracking the specific identified index. Information regarding the results of the reportable segment is disclosed in the financial statements as currently set out, thus no further IFRS 8 disclosure is required.

3.14 New Standards and Interpretations

Standards and interpretations effective and adopted in the current year

The fund has adopted the IAS 1 Presentation of financial statements: Disclosure of Accounting policies amendment in the current year, and the amendment has been applied in this set of financial statements.

Standards and interpretations not yet effective

At the date of authorisation of these financial statements, the following standards and interpretations that impact the Fund were in issue, but not yet effective:

IFRS 18 - Presentation and Disclosure in Financial Statements - Effective for annual periods beginning on or after 1 January 2027

IFRS 18 replaces IAS 1 Presentation of Financial Statements and includes requirements for all entities applying IFRS Accounting Standards for the presentation and disclosure of information in financial statements.

During the current year, the directors of the Manager has considered the impact of all standards, amendments and interpretations in issue, but not yet effective, and does not believe that there are any material impacts to be noted as at the date of this report. A continual effort will be made to assess whether there is a need to revisit this determination.

Sygnia Itrix Health Innovation Actively Managed Exchange Traded Fund

Notes to the financial statements

for the year ended 31 December 2024

	2024 R	2023 R
4. Financial assets at fair value through profit or loss		
Equity instruments		
Listed equity securities	559 540 966	670 494 942

5. Sygnia Itrix Health Innovation Actively Managed ETF redeemable securities

5.1 Sygnia Itrix Health Innovation Actively Managed ETF redeemable securities in issue

	2024 Number	2023 Number
Total redeemable securities in issue	18 069 618	22 068 505

In terms of the Trust Deed and CISC, the Fund would be required to pay the net asset value attributable to investors on redemption of securities. Vested income beneficiaries include all holders of Sygnia Itrix Health Innovation Actively Managed ETF redeemable securities.

5.2 Creations and redemptions

There were 3 400 000 (2023: 6 000 000) securities created during the year amounting to the value of R111 725 064 (2023: R173 685 968) and 7 398 887 (2023: 2 652 136) securities redeemed during the year to the value of R233 210 592 (2023: R82 348 102).

5.3 Distributions

The Fund effects bi-annual distributions. All distributions are made from the income of the Fund.

During the year under review the following distributions were effected by the Fund:

	2024 R	2023 R
Declared distributions	(6 405 761)	(5 657 226)
0.17988 rand per security declared June 2024 and paid July 2024	(4 545 380)	(3 189 691)
0.19607 rand per security declared June 2023 and paid July 2023		
0.10296 rand per security declared December 2024 and paid January 2025	(1 860 381)	(2 467 535)
0.11181 rand per security declared December 2023 and paid January 2024		
Total distribution expense for the year	(6 405 761)	(5 657 226)

5.4 Quarterly review of Sygnia Itrix Health Innovation Actively Managed ETF Redeemable Security Prices (cents per security)

Quarter ended:	High cents	Low cents	Close cents
31 March 2024	3 426	3 051	3 380
30 June 2024	3 407	3 177	3 273
30 September 2024	3 474	3 203	3 229
31 December 2024	3 298	3 018	3 110
31 March 2023	2 910	2 741	2 840
30 June 2023	3 195	2 840	3 097
30 September 2023	3 163	2 869	2 970
31 December 2023	3 131	2 816	3 051

5.5 Foreign currency translation adjustments attributable to holders of redeemable securities

	2024 R	2023 R
Spot rate as at 31 December (USD)	18.87	18.29
Average rate for the financial year (USD)	18.33	18.46
<i>Arising from:</i>		
Translation of opening balance to year end closing spot rate	21 424 942	38 753 292
Translation of creations during the year from the rate at the date of the transaction to the year end closing spot rate	789 878	(5 602 430)
Translation of redemptions during the year from the rate at the date of transaction to the year end closing spot rate	(9 802 093)	5 360 715
Translation of net income earned at average rates during the year to the year end closing spot rate	761 152	94 838
Total effect of foreign currency translation adjustment	13 173 879	38 606 415

Sygnia Itrix Health Innovation Actively Managed Exchange Traded Fund

Notes to the financial statements for the year ended 31 December 2024

	2024 R	2023 R
6. Trade and other receivables		
Dividends receivable	363 389	465 651
	<u>363 389</u>	<u>465 651</u>

Refer to credit risk Note 15 for further disclosure.

7. Cash and cash equivalents

Standard Bank - South African Rand	61 349	6 962
The Bank of New York	2 370 732	2 862 726
	<u>2 432 081</u>	<u>2 869 688</u>

The cash and cash equivalents held with The Bank of New York includes the following foreign currencies held, translated to South African Rand at the spot exchange rate at year end:

	Functional Currency (USD)		Presentation Currency (ZAR)	
	2024	2023	2024	2023
Australian Dollar	(1)	7	(19)	128
Swiss Franc	-	17	-	311
Japanese Yen	6	14	113	256
Great British Pounds	(52)	86	(981)	1 573
United States Dollar	125 682	156 416	2 371 619	2 860 458
			<u>2 370 732</u>	<u>2 862 726</u>

Cash and cash equivalents comprise balances with banks. The Standard Bank of South Africa Limited's credit rating for the long-term local currency and foreign currency deposits is Ba2. Risk on South African banks is considered negligible as all cash deposits are guaranteed by the SA Reserve Bank and banks are financially sound. The long term issuer default rating for the Bank of New York Mellon, as Global custodian, is AA.

	2024 R	2023 R
8. Trade and other payables		
Distributions payable	1 860 381	2 467 535
Management fees payable	250 365	279 786
Custody fees Payble	74 153	-
Listing fees payable	70 638	47 300
Strate fees payable	28 111	19 144
Withholding tax payable	83 464	68 565
	<u>2 367 112</u>	<u>2 882 330</u>

Trade and other payables are short term in nature and are settled regularly.

9. Net gain/(loss) on financial assets at fair value through profit or loss

Realised gain/(loss) on financial assets at fair value through profit or loss	18 037 965	(1 911 736)
Unrealised gain/(loss) on financial assets at fair value through profit or loss	(20 425 047)	24 851 304
	<u>(2 387 082)</u>	<u>22 939 568</u>

10. Investment income

Income on financial assets at fair value through profit or loss:

Dividend income	13 005 998	10 084 747
Income adjustment on creation of units	374 545	569 919
Interest income	60 388	29 516
	<u>13 440 931</u>	<u>10 684 182</u>

11. Management and administrative expenses

Management and administrative expenses include:

Income adjustment on cancellation of units	676 316	464 187
Bank charges	1 299	1 189
Brokerage expense	51 451	40 328
Management fees	3 877 786	2 715 202
Custody fees	34 036	-
Strate fees	46 384	37 922
Listing fees	92 932	61 951
	<u>4 780 204</u>	<u>3 320 779</u>

Sygnia Itrix Health Innovation Actively Managed Exchange Traded Fund

Notes to the financial statements

for the year ended 31 December 2024

	2024 R	2023 R
12. Cash utilised in operations		
Profit/(loss) for the year before tax	(267 243)	24 606 574
<i>Adjusted for non-cash and separately disclosable items:</i>		
Dividend income	(13 005 998)	(10 084 747)
Net loss/(gain) on financial assets at fair value through profit or loss	2 387 082	(22 939 568)
Foreign exchange loss	135 127	39 171
Income adjustment on creation of units	(374 545)	(569 919)
Income adjustment on cancellation of units	676 316	464 187
Management fees	3 877 786	2 715 202
Distributions declared	6 405 761	5 657 226
Interest income	(60 388)	(29 516)
<i>Working capital changes:</i>		
Increase/(Decrease) in trade and other payables	106 458	(12 243)
	(119 644)	(153 633)
13. Purchases and sales of index constituents		
Purchases of index constituents	(212 837 036)	(210 574 547)
Sales of index constituents	334 577 809	119 458 632
	121 740 773	(91 115 915)
14. Related parties		
Related parties include the Manager, Sygnia Itrix (RF) Proprietary Limited, in its capacity as the management company of the Fund. The ultimate holding company is Sygnia Limited. There were no transactions with the ultimate holding company.		
The following related party balances and transactions occurred during the year:		
<i>Trade and other payables</i>		
– Management fee payable	250 365	279 786
<i>Expenses</i>		
– Management fee expense	3 877 786	2 715 202

The management fee expense is calculated on a daily basis at 44 basis points excluding VAT (2023: 44 basis points excluding VAT) of net asset value per annum. There were no material transactions with The Standard Bank of South Africa Limited in its capacity as Trustee.

Outstanding balances will be settled in the ordinary course of business.

Sygnia Itrix Health Innovation Actively Managed Exchange Traded Fund

Notes to the financial statements

for the year ended 31 December 2024

15. Financial risk management

The Fund has exposure to the following risks from its use of financial instruments:

- Credit risk
- Currency risk
- General market risk
- Investment risk
- Liquidity risk
- Operational risk
- Secondary trading risk

The objectives for managing the risks associated with financial instruments held for investment purposes as well as a brief description of the relevant risks and methods adopted to mitigate these risks are outlined in more detail below. The Fund is an underlying portfolio of the Sygnia Itrix Collective Investment Scheme which is regulated by CISC. In terms of CISC the Manager must appoint a Trustee.

The primary objective of Sygnia Itrix Health Innovation Actively Managed ETF is to achieve long-term capital appreciation by investing in a diversified portfolio of companies which have direct or indirect exposure to the healthcare sector. The fund aims to outperform its benchmark index, the Solactive Developed Markets Healthcare 150 Index, through active management and strategic allocation. The ETF will employ an active management strategy, leveraging the expertise of portfolio managers to select healthcare stocks that exhibit strong growth potential.

The fund has a high risk profile, as it is predominantly in global equities, which combines both equity market and currency risks. Effective exposure of the fund invested outside South Africa will always be above 80% and is affected by, among other factors, general market risk, exchange rate risk, interest rate risk, liquidity risk and legal and regulatory risk. The portfolio aims to achieve its investment objectives, whilst recognising that there will be significant short-term volatility and aims to protect capital over the medium to long term.

Management monitors compliance with CISC requirements and reports are submitted to the Financial Services Conduct Authority. Capital adequacy requirements as required by CISC are maintained by the Manager of the Fund. Daily pricing of the Fund is publicly available.

The Manager's Audit Committee oversees management's compliance with the Fund's Risk Management Framework in relation to the risks faced by the Fund.

Credit risk

The Fund could be exposed to credit risk as a result of a counterparty to a transaction failing to meet its contractual obligations. This could arise primarily from the Fund's cash held in bank accounts. Credit risk is assessed as minimal due to the following reasons:

- The nature of the Fund is to invest in listed shares, so cash balances are kept at a low level;
- The banks at which the Fund banks, namely The Standard Bank of South Africa and The Bank of New York, both have high credit ratings; and
- There are short settlement periods involved relating to unsettled transactions, and this is monitored on a daily basis as part of the Fund administration process.

The maximum credit exposure at the statement of financial position is equal to the carrying amounts of the following assets disclosed on the face of the Fund's statement of financial position:

- Trade and other receivables
- Cash and cash equivalents

None of these assets are impaired.

Currency risk

The Fund invests in listed equity shares denominated in various currencies, with the functional currency of the Fund being United States Dollar. As the Fund's net asset values are reported in Rand, movements in the United States Dollar exchange rates in relation to the Rand would cause volatility in the Fund's Rand investment balances and unit prices. This is merely as a result of translation from the functional currency to the presentation currency, and is not presented in the sensitivity analysis below. The fund is, however, exposed to foreign currency risk on investments that are denominated in a currency other than United States Dollar.

The table below summarises the Fund's non-monetary investments denominated in a currency other than United States Dollar, and illustrates the Fund's exposure to the applicable foreign currencies and the effect of a change in exchange rates on profit or loss for the year, as indicated. The sensitivity analysis is prepared with all other variables held constant, and is based on the balances at year end taking into account the reasonable possible changes in the next 12 months. The actual results may differ from the sensitivity analysis and the difference could be material. The disclosure provides information on the risks to which unit holders are exposed and is not indicative of future performance.

Currency exposure	2024 USD Functional currency	2023 USD Functional currency	2024 R Presentation currency	2023 R Presentation currency
Australian Dollar	394 634	615 884	7 446 743	11 262 983
Swiss Franc	1 924 149	2 599 650	36 308 696	47 541 103
Danish Krone	1 111 958	1 806 556	20 982 638	33 037 392
Euro	1 135 119	1 724 537	21 419 703	31 537 469
Great British Pound	1 115 167	1 545 246	21 043 199	28 258 680
Hong Kong Dollar	17 230	39 050	325 126	714 118
Israeli Shekel	87 399	59 175	1 649 214	1 082 154
Japanese Yen	1 143 818	1 527 344	21 583 841	27 931 309
New Zealand Dollar	45 308	42 870	854 955	783 977
Swedish Krona	26 887	-	507 367	-

Sygnia Itrix Health Innovation Actively Managed Exchange Traded Fund

Notes to the financial statements

for the year ended 31 December 2024

15. Financial risk management (continued)

Currency risk (continued)

Reasonable possible shift in currency rate in relation to USD	2024	Increase 2024	Decrease 2024	2023	Increase 2023	Decrease 2023
Presentation currency		R	R		R	R
Australian Dollar	6%	446 805	(446 805)	4%	450 519	(450 519)
Swiss Franc	6%	2 178 522	(2 178 522)	5%	2 377 055	(2 377 055)
Danish Krone	5%	1 049 132	(1 049 132)	5%	1 651 870	(1 651 870)
Euro	5%	1 070 985	(1 070 985)	6%	1 892 248	(1 892 248)
Great British Pound	6%	1 262 592	(1 262 592)	6%	1 695 521	(1 695 521)
Hong Kong Dollar	1%	3 251	(3 251)	1%	7 141	(7 141)
Israeli Shekel	5%	82 461	(82 461)	6%	64 929	(64 929)
Japanese Yen	10%	2 158 384	(2 158 384)	10%	2 793 131	(2 793 131)
New Zealand Dollar	6%	51 297	(51 297)	4%	31 359	(31 359)
Swedish Krona	8%	40 589	(40 589)	12%	-	-

Reasonable possible shift in currency rate in relation to USD	2024	Increase 2024	Decrease 2024	2023	Increase 2023	Decrease 2023
Functional currency		USD	USD		USD	USD
Australian Dollar	6%	23 678	(23 678)	4%	24 635	(24 635)
Swiss Franc	6%	115 449	(115 449)	5%	129 983	(129 983)
Danish Krone	5%	55 598	(55 598)	5%	90 328	(90 328)
Euro	5%	56 756	(56 756)	6%	103 472	(103 472)
Great British Pound	6%	66 910	(66 910)	6%	92 715	(92 715)
Hong Kong Dollar	1%	172	(172)	1%	390	(390)
Israeli Shekel	5%	4 370	(4 370)	6%	3 550	(3 550)
Japanese Yen	10%	114 382	(114 382)	10%	152 734	(152 734)
New Zealand Dollar	6%	2 718	(2 718)	4%	1 715	(1 715)
Swedish Krona	8%	2 151	(2 151)	12%	-	-

General market risk

Market risk arises from changes in market conditions, including interest rates, equity prices, and other economic factors. The issuer manages market risk through strategic asset allocation, risk diversification, and ongoing monitoring of market developments. Stress testing and scenario analysis are conducted to assess the potential impact of adverse market conditions.

The table below illustrates the effect of possible changes in the fair value of investments for price risks on profit or loss for the year. The sensitivity analysis is prepared with all other variables held constant, and is based on the balances at year-end taking into account the reasonable possible changes in the next 12 months. The actual results may differ from the sensitivity analysis below and the difference could be material. The disclosure provides information on the risks to which unit holders are exposed and it is not indicative of future performance. The movement has been disclosed for an average respective benchmark return since the launch of the fund. Management considered this to be a reasonable change in the market based on the current economic environment.

Average benchmark return	2024		2023	
	Increase in average benchmark return	Decrease in average benchmark return	Increase in average benchmark return	Decrease in average benchmark return
	R	R	R	R
1% (2023: 9%)	5 599 693	(5 599 693)	60 385 316	(60 385 316)

Investment risk

Investment risk is inherent in the fund's portfolio of securities held and results from market volatility, issuer-specific factors, and other uncertainties. The Collective Investment Schemes Control Act has strict and specific regulations as to which instruments may or may not be held. The fund is also governed by the Trust Deed and its supplemental Trust Deed, which commits it to a specific investment objective. Each Trust Deed's investment objective is further refined into an investment mandate which requires the investment manager to manage the fund in accordance with the specified mandate. Daily checks are performed by the independent trustee/custodian as well as the compliance functions of the management company and each appointed investment manager to ensure compliance with investment mandates and limitations specified in the respective Trust Deeds and the regulations determined under the Collective Investments Scheme Control Act.

Liquidity risk

Liquidity risk refers to the risk that the fund may not be able to sell a security at its fair market value due to a lack of marketability or the fund is not able to meet its financial obligations, such as income distributions, to investors when they fall due. The liquidity risk is managed by the fact that the fund invests in highly liquid, listed equity shares only. The turnaround time to liquidate such listed equity shares is 1 day, which is the trade cycle of the US market, and 2 days in Other markets.

The approach to managing liquidity risk is to ensure that the Fund would be able to pay management fees and distributions to investors on a bi-annual basis. All amounts due to investors are settled prior to settlement of the management fees due to the Manager. All distributions are approved by the Trustee and calculated by the Management Company.

Sygnia Itrix Health Innovation Actively Managed redeemable securities are listed instruments. They are bought and sold on the JSE through a JSE member. The redeemable security can be sold to the Manager which is obliged to buy them from the investor.

Sygnia Itrix Health Innovation Actively Managed Exchange Traded Fund

Notes to the financial statements

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15. Financial risk management (continued)

Liquidity risk (continued)

Contractual maturity

	2024 R	2023 R
	Less than 6 months	Less than 6 months
<i>Financial liabilities</i>		
Trade and other payables	2 367 112	2 882 330
Net assets attributable to holders of redeemable securities*	559 969 324	670 947 951
	562 336 436	673 830 281

* Net assets attributable to holders of redeemable securities are payable on demand.

Operational risk

Operational risk includes the risk of losses resulting from inadequate or failed internal processes, systems, or external events. The issuer has established robust operational controls, internal procedures, and risk management frameworks to mitigate operational risk. Regular audits and reviews are conducted to assess operational effectiveness and ensure compliance with regulatory requirements.

If the computer facilities or other facilities of the JSE malfunction, calculation and trading in the Fund's redeemable securities may be suspended for a period of time.

Secondary trading risk

Sygnia Itrix Health Innovation Actively Managed ETF shares are listed securities and they are bought and sold on the JSE secondary market through a JSE member. Secondary trading risk refers to the risk associated with trading the fund's shares on the JSE. Market makers will attempt to maintain a high degree of liquidity through continuously offering to buy and sell Sygnia Itrix redeemable securities at prices around the NAV of the redeemable share thereby ensuring tight buy and sell spreads. Under normal circumstances and conditions, the investor will be able to buy or sell Sygnia Itrix Health Innovation Actively Managed ETF redeemable securities from the market makers.

There can be no guarantee that the redeemable securities will remain listed on the JSE. Despite the presence of market makers, the liquidity of the redeemable securities cannot be guaranteed. Redeemable securities may trade at a discount or premium to their NAV. Any termination of a listing would be subject to the JSE's listing requirements.

16. Fair value

The fair values of all financial instruments approximate the carrying values reflected in the statement of financial position.

Fair value measurements recognised in the statement of financial position

Fair value measurement defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal market, or the most advantageous markets at the current market conditions. Fair value is an exit price regardless of whether that price is directly observable or estimated using another valuation technique.

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable.

Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Instrument	Valuation Technique		Main Assumption	
Listed Securities	Market price quoted on the securities exchange		Not applicable – prices are publicly available	
Items at fair value:				
	Level 1	Level 2	Level 3	Total
	R	R	R	R
31 December 2024				
Financial assets				
Equity instruments at fair value through profit or loss	559 540 966	-	-	559 540 966
Financial liabilities				
Net assets attributable to holders of redeemable securities	-	559 969 324	-	559 969 324
31 December 2023				
Financial assets				
Equity instruments at fair value through profit or loss	670 494 942	-	-	670 494 942
Financial liabilities				
Net assets attributable to holders of redeemable securities	-	670 947 951	-	670 947 951

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16. Fair value *(continued)*

Investments whose values are based on quoted market prices in active markets, and therefore classified within level 1, include active listed equities. Net assets attributable to holders of redeemable securities, classified within level 2, are based on the quoted net asset value per unit. There are no financial instruments classified within level 3 and transfers did not occur between levels in the period under review.

17. Subsequent events

No other matter or circumstance of which the directors of Sygnia Itrix (RF) Proprietary Limited are aware has arisen since the end of the financial year which is not dealt with in the financial statements that has a significant effect or may have a significant effect on the performance or financial position of the Fund.

18. Going concern

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. The 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 the business.