NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS continued

for the year ended 30 June 2024

12. INVENTORIES

	Group		Company	
	2024 R'000	2023 R'000	2024 R'000	2023 R'000
Finished goods*	**293 135**	303 998	**–**	–
Merchandise – pharmaceutical**	**156 494**	146 420	**–**	–
Merchandise provision	**(550)**	(5 856)	**–**	–
INVENTORIES ON HAND AT YEAR-END	**449 079**	444 562	**–**	–

* *The finished goods balance consists of the inventories on hand net of the unearned fees relating to Single Exit Price (**SEP**) applied.*

** *Merchandise refers to pharmaceutical products that are on hand at year-end.*

13. OTHER FINANCIAL ASSETS

Other financial assets comprise the following balances:

	Group	
	June 2024 R'000	*Restated June 2023 R'000
MEASURED AT FAIR VALUE		
Investments in Venture Capital Funds	**8 394**	8 394
Foreign currency Forward Contract	**–**	1 530
Other equity investments	**94**	243
	8 488	10 167
MEASURED AT AMORTISED COST		
Mauritius Government Bonds	**19 231**	29 758
	19 231	29 758
TOTAL	**27 719**	39 927

* *With the adoption of IFRS 17, the investment in Cell Captive is now disclosed as an insurance contract asset. Refer to Note 34 for details on the restatement and Note 35 for the transition to IFRS 17.*

The investment vehicle for the venture capital funds has the mandate of re-investing capital funds. The objective is to generate returns for the holder of shares in the form of dividends.

The total shareholding percentage is less than 20% and as such, no significant influence is exercised over the venture capital fund. These equity investments are measured at fair value through profit or loss.

The Mauritius government bonds are held in a business model with the objective of collecting contractual cash flows, which consists of bi-annual interest receipts. Management's intention is to hold the bonds to maturity, at which point capital will be repaid. As such the bonds are measured at amortised cost. One of the government bonds matured on 14 July 2023 where value of the bond was MUR 20865 810 using an exchange rate of 0.386 resulting in a Rand value of R7 929 008.

The Expected Credit Loss allowance is deemed immaterial as government bonds are low risk.

Fair value hierarchy

The following hierarchy is used to classify financial instruments for fair value measurement purposes:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 – Inputs other than quoted prices included within level 1 that are observable for the asset or liability either directly (that is, as prices) or indirectly (that is, derived from prices); and

Level 3 – Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement. The significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a level 3 measurement.

Assessing the significance of a particular input to the fair value measurement in its entirety requires judgement, considering factors specific to the asset or liability.