AfroCentric
GROUP

Healthier Together

2025

NOTICE OF ANNUAL GENERAL MEETING
FORM OF PROXY AND SUMMARISED FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED 31 DECEMBER 2024

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Letter to shareholders

Dear Shareholder

NOTICE OF ANNUAL GENERAL MEETING AND PROXY

The booklet accompanying this letter is our detailed notice of the Annual General Meeting (AGM) for AfroCentric Investment Corporation Limited to be held virtually at 10h00 on Monday, 12 May 2025. Shareholders are requested to follow the AGM via a live webcast at https://www.corpcam.com/AfroCentricAGM2025.

Included in this notice of AGM is summarised consolidated financial statements with explanatory notes and commentary, as well as a Form of Proxy.

These documents comply with the requirements of the Companies Act (Act No. 71 of 2008, as amended) (the Act) and the JSE Limited (JSE) Listings Requirements.

Printed copies of the December 2024 Integrated Report and a full set of annual financial statements will only be mailed to shareholders on request.

Should you wish to receive a printed copy of the December 2024 Integrated Report and a full set of annual financial statements, please send an email request to investor-relations@afrocentric.za.com.

The Integrated Report and a full set of annual financial statements is available for download on our website at https://www.afrocentric.za.com/financial-information.php#notice-of-argms-section.

Yours sincerely

Lebohang Mpumlwana
Group Company Secretary

7 April 2025

Notice of Annual General Meeting (AGM)

NOTICE OF THE 19TH AGM OF SHAREHOLDERS TO BE HELD ON 12 MAY 2025 AT 10H00

AfroCentric Investment Corporation Limited
(Incorporated in the Republic of South Africa)
(Registration number: 1988/000570/06)
JSE Share code: ACT
ISIN: ZAE 000078416
(**AfroCentric** or the **Company**)

Important notice to shareholders

*All terms defined in the 2025 Annual Financial Statements (**AFS**) to which this Notice of AGM is attached shall bear the same meanings when used in this Notice of AGM.*

Notice is hereby given that the 19th AGM of shareholders for the six months ended 31 December 2024 will be held virtually on 12 May 2025 at 10h00 to conduct such business as may lawfully be dealt with at the AGM and to consider, and if deemed fit, to pass with or without modification, the special and ordinary resolutions set out hereunder in the manner required by the Act, as read with the JSE Limited (**JSE**) Listings Requirements, as amended from time to time (**Listings Requirements**).

Shareholders can follow the AGM remotely via a live audio webcast on our website at https://www.corpcam.com/AfroCentricAGM2025.

AfroCentric reserves the right to make further changes, such as limiting the number of attendees, changing the venue, providing live voting facilities, or even prohibiting physical attendance, if required.

Shareholders should regularly check the release of announcements on the JSE's SENS platform and the AfroCentric website for further updates.

If you have any doubts about any action you should take, please immediately consult your banker, stockbroker, legal adviser, accountant, or other professional adviser.

1. If you have disposed of all your AfroCentric shares, this document should be handed to the purchaser of such shares or to the stockbroker, banker, or other agent through whom such disposal was effected.
2. Shareholders attending the AGM of the Company on 12 May 2025 at 10h00 are requested to ensure registration of participation in the virtual meeting.

Notice of Annual General Meeting continued

Kindly note that in terms of section 63(1) of the Act, any person attending or participating in the AGM must present reasonably satisfactory identification, and the person presiding at the AGM must be reasonably satisfied that the right of any person to participate in and vote (whether as a shareholder or as a proxy for a shareholder) has been reasonably verified. Suitable forms of identification will include the presentation of valid identity documents, driver's licences and passports.

3. The record date for shareholders to receive notice of the AGM is 20 March 2025 (**the notice record date**).
4. The record date of the AGM for shareholders to participate in and vote at the AGM is 2 May 2025 (**the voting record date**).
5. The last date to trade to be eligible to participate in and vote at the AGM is 25 April 2025.

Salient dates:

Please take note of the following important dates:

	2025
Record date to determine which shareholders of the Company are entitled to receive notice of the AGM (**the notice record date**)	20 March 2025
Integrated report and notice of AGM to be posted	7 April 2025
The last date to trade to be eligible to participate in and vote at the AGM	25 April 2025
Record date to determine which shareholders of the Company are entitled to participate in and vote at the AGM (**the voting record date**)	2 May 2025
Last day for lodging forms of proxy by 10h00	8 May 2025
Date of the AGM at 10h00	12 May 2025
Results of the AGM published on SENS*	12 May 2025

* *For administrative purposes, please lodge forms of proxy with the transfer secretary by 10h00 on Thursday, 8 May 2025. However, if forms of proxy are not delivered to the transfer secretary by this time, they may be submitted electronically to the Chairman of the AGM at any time prior to the relevant resolutions being voted on.*

Voting and proxies:

A member entitled to attend and vote at the AGM can appoint a proxy or proxies to attend, speak and vote in their stead. A proxy need not be a member of the Company. For convenience, a form of proxy is distributed with this notice of AGM.

Proxy forms should be delivered to the Company's transfer secretaries **by no later** than 10h00 on 8 May 2025 by email: proxy@computershare.co.za or by hand at the following address: **Computershare Investor Services Proprietary Limited**

(Registration number 2004/003647/07)
15 Biermann Avenue Rosebank, 2196

Agenda:

The purpose of the AGM is to transact the business set out in the agenda below.

Presentation of audited AFS

The audited consolidated AFS of the Company and the Group, including the reports of the directors, Group Audit and Risk Committee and the independent auditors for the six months ended 31 December 2024, will be presented to shareholders as required in terms of section 30(3)(d) of the Act. The complete set of audited consolidated AFS, the directors' report, and the independent auditors' report are set out on pages 7 – 10 of the December 2024 AFS. The Audit and Risk Committee report is on pages 4 – 6 of the December 2024 AFS. The integrated report is also available on the Company's website: http://www.afrocentric.za.com/inv-reporting.php

Resignation of directors

Shareholders were informed that Ms Mmaboshadi Chauke, an Independent Non-executive Director, resigned from the Board effective 31 October 2024, and Mr Hannes Boonzaaier, an Executive Director, resigned from the Board effective 31 January 2025. On behalf of the Board, the Chairman thanks Ms Chauke and Mr Boonzaaier for their invaluable contribution to the Group and wishes them well in their future endeavours.

RESOLUTIONS To consider and, if deemed fit, approve, with or without modification, the following ordinary and special resolutions:

ORDINARY RESOLUTIONS

Ordinary resolution number 1 – Election of Directors appointed during the year under review

In terms of the Company's Memorandum of Incorporation (MOI), any Board appointments made by the Board during a year under review must be confirmed by shareholders at the next AGM of the Company following such an appointment. Accordingly, the Board appointed Mr KT Moloele and Ms K Morule during the year under review, and shareholders are hereby requested to confirm these appointments.

Accordingly, shareholders are requested to consider and, if deemed fit, confirm the appointment of the directors named above by passing the separate ordinary resolution numbers 1.1 to 1.2 set out below as required under section 68(2) of the Act.

Ordinary resolution number 1.1

Election of Mr KT Moloele as an Executive Director

"**RESOLVED** that the appointment of Mr KT Moloele as an Executive Director of the Company, appointed to the Board on 1 January 2025, be and is hereby confirmed.

Mr Moloele, a qualified Chartered Accountant (South Africa), is an experienced finance professional and a seasoned corporate financier. He has held several senior positions during his career at Sanlam Limited, the Momentum Group and Deloitte South Africa. While his early career was in auditing, he transitioned to focus on mergers and acquisitions, shaping and executing strategic corporate initiatives. Mr Moloele brings deep expertise in corporate governance matters and a proven track record in managing complex local and cross-border commercial transactions.

Mr Moloele hails from Sanlam Limited, where he served as a senior consultant in Corporate Finance. He holds a Bachelor of Accounting Science (University of the Witwatersrand), a Higher Diploma in Accounting Science (University of the Witwatersrand) and a Master of Business Administration from the University of Manchester."

Ordinary resolution number 1.2

Election of Ms K Morule as an Independent Non-Executive Director

"**RESOLVED** that the appointment of Ms K Morule as an Independent Non-executive Director of the Company, appointed to the Board on 31 December 2024, be and is hereby confirmed.

Ms Morule is a qualified actuary, former investment banker, and corporate executive, having held roles at JP Morgan and Old Mutual Limited and served on several boards and governing bodies. She is a 2018 Young Global Leader of the World Economic Forum.

She holds a Bachelor of Business Science in Actuarial Science and Finance, along with a Postgraduate Diploma in Actuarial Science from the University of Cape Town. Furthermore, she is an alumnus of Harvard Business School, having completed the Advanced Management Programme in 2019. She is a Fellow of the Actuarial Society of South Africa and the Institute and Faculty of Actuaries."

For resolutions 1.1 to 1.2 to be passed, votes in favour must represent at least 50% +1 of all votes cast and/or exercised at the meeting.

Ordinary resolution number 2 – Re-election of directors

Regarding the Company's MOI, one-third of the Non-executive Directors must retire by rotation every year at the Company's AGM. Accordingly, the following directors retire by rotation at the AGM. The Board has assessed the performance of the directors standing for re-election and found them suitable for reappointment.

Mr PB Hanratty
Ms MK Dippenaar
Ms AM le Roux

Ordinary resolution number 2.1

Re-election of Mr PB Hanratty as a Non-executive Director

"**RESOLVED** that Mr PB Hanratty, who retires by rotation in terms of the MOI of the Company, being eligible and offering himself for re-election, be and is hereby re-elected as a Non-executive Director of the Company."

Ordinary resolution number 2.2

Re-election of Ms MK Dippenaar as a Non-executive Director

"**RESOLVED** that Ms MK Dippenaar, who retires by rotation in terms of the MOI of the Company, being eligible and offering herself for re-election, be and is hereby re-elected as a Non-executive Director of the Company."

Ordinary resolution number 2.3

Re-election of Ms AM le Roux as an Independent Non-executive Director

"**RESOLVED** that Ms AM le Roux, who retires by rotation in terms of the MOI of the Company, being eligible and offering herself for re-election, be and is hereby re-elected as an Independent Non-executive Director of the Company."

Brief résumés for these directors are available on page 43 of this report.

For resolutions 2.1 to 2.3 to be passed, votes in favour must represent at least 50% +1 of all votes cast and/or exercised at the meeting.

Ordinary resolution number 3 – Appointment of Group Audit and Risk Committee members

"**RESOLVED** that an Audit and Risk Committee, comprising Independent Non-executive Directors, as provided in section 94(4) of the Act, set out below, be and are hereby appointed in terms of section 94(2) of the Act to hold office until the next AGM and to perform the duties and responsibilities stipulated in section 94(7) of the Act and King IV™.

The Board has assessed the performance of the Group Audit and Risk Committee members standing for election and has found them suitable for appointment."

Brief résumés for these directors are available on page 44 of this report.

Ordinary resolution number 3.1

"**RESOLVED** that Mr JB Fernandes is elected as a member and chairperson of the Audit and Risk Committee."

Ordinary resolution number 3.2

"**RESOLVED** that, subject to the passing of ordinary resolution 2.3, Ms AM le Roux is elected as an Audit and Risk Committee member."

Ordinary resolution number 3.3

"**RESOLVED** that, subject to the passing of ordinary resolution 1.2, Ms K Morule is elected as an Audit and Risk Committee member."

For resolutions 3.1. to 3.3 to be passed, votes in favour must represent at least 50% +1 of all votes cast and/or exercised at the meeting.

Ordinary resolution number 4 – Appointment of Group Social and Ethics Committee members

"**RESOLVED** that a Social and Ethics Committee, comprising Non-executive Directors, as provided in section 61(8)(c)(iii) of the Act, read together with Regulation 43, set out below, be and are hereby appointed to hold office until the next AGM and to perform the duties and responsibilities stipulated in section 72 of the Act, read together with Regulation 43 and King IV™."

The Board has assessed the performance of the Social and Ethics Committee members standing for election and has found them suitable for appointment."

Brief résumés for these directors are available on page 45 of this report.

Ordinary resolution number 4.1

"**RESOLVED** that Dr ND Munisi is elected as a member and chairperson of the Social and Ethics Committee."

Ordinary resolution number 4.2

"**RESOLVED** that Ms K Morule is elected as a Social and Ethics Committee member."

Ordinary resolution number 4.3

"**RESOLVED** that Mr Aklaaq Mahmood is elected as a Social and Ethics Committee member."

For resolutions 4.1. to 4.3 to be passed, votes in favour must represent at least 50% +1 of all votes cast and/or exercised at the meeting.

Ordinary resolution number 5

Appointment of the independent auditor and designated audit partner

The Group Audit and Risk Committee has assessed KPMG's performance, independence and suitability and has nominated them for appointment as independent auditors of the Group to hold office until the next AGM.

"**RESOLVED** that KPMG be appointed as the independent auditor of the Group for the ensuing year, with the designated audit partner being Mr Zola Beseti."

For resolution number 5 to be passed, votes in favour must represent at least 50% +1 of all votes cast and/or exercised at the meeting.

Ordinary resolution number 6

General authority to issue shares for cash

"**RESOLVED** that the authorised but unissued shares in the capital of the Company be and are hereby placed under the control and authority of the directors and that they be and are hereby authorised to allot, issue and otherwise dispose of such shares to such person or persons on such terms and conditions and at such times as they may from time to time and at their discretion deem fit, subject to the provisions of the Act, clause 4 of the MOI of the Company and the Listings Requirements, provided that:

1. The general authority shall be valid until the Company's next AGM, provided that it shall not extend beyond fifteen months from the date of the passing of this ordinary resolution (whichever period is shorter).
2. The allotment and issue of the shares must be made to public shareholders as defined in the Listings Requirements and not to related parties.
3. The shares that are the subject of the issue for cash must be of a class already in issue, or where this is not the case, must be limited to such shares or rights that are convertible into a class already in issue.
4. The number of shares issued for cash in aggregate under this authority shall not exceed 25 220 538 shares, being 3% (three percent) of the Company's listed equity securities as at the date of this Notice of AGM, excluding treasury shares.

5. Any shares issued under this authority during the period contemplated in paragraph 1 above must be deducted from the number in paragraph 4 above.
6. In the event of a sub-division or consolidation of issued shares during the period contemplated in paragraph 1 above, the existing authority must be adjusted accordingly to represent the same allocation ratio.
7. The maximum discount at which ordinary shares may be issued is 10% (ten percent) of the weighted average traded price of those shares measured over the 30 (thirty) business days prior to the date that the price of the issue is agreed between the Company and the party subscribing for the securities. The JSE must be consulted for a ruling if the Company's securities have not traded in such a 30-business day period.
8. After the Company has issued shares for cash which represent, on a cumulative basis within a financial year, 5% (five percent) or more of the number of shares in issue prior to that issue, the Company shall publish an announcement containing details of *inter alia* the number of shares issued, the average discount to the weighted average traded price of the shares over the 30 (thirty) business days prior to the date that the price of the issue was agreed in writing between the issuer and the party subscribing for the shares and in respect of options and convertible securities, the effects of the issue on the statement of financial position, NAV per share, net tangible asset value per share, the statement of profit or loss and other comprehensive income, earnings per share and headline earnings per share and, if applicable, diluted earnings and headline earnings per share, or in respect of an issue of shares, an explanation, including supporting documents (if any) regarding the intended use of the funds. This information shall be published when the Company has issued securities or any other announcements that may be required in terms of the Listings Requirements, which may be applicable from time to time.
9. Related parties (as defined in section 10 of the Listings Requirements) may participate in a general issue of shares for cash through a bookbuild process provided:
   (i) related parties may only participate at a maximum bid price at which they are prepared to take up shares or at book close price. In the event of a maximum bid price and the book closes at a higher price, the relevant related party will be 'out of the book' and will not be allocated shares;
   (ii) shares must be allocated equitably 'in the book' through the bookbuild process, and the measures to be applied must be disclosed in the SENS announcement launching the bookbuild."

Reason for and effect

The reason and effect of this ordinary resolution number 6 is to seek a general authority and approval for the directors to allot and issue ordinary shares in the authorised but unissued share capital of the Company (excluding shares issued pursuant to the Company's share incentive scheme), up to 3% (three percent) (25 220 538 shares) of the number of ordinary shares of the Company in issue at the date of passing of this resolution, to enable the Company to take advantage of business opportunities that might arise in the future.

For resolution number 6 to be passed, votes in favour must represent at least 75% of all votes cast and/or exercised at the meeting.

The directors have no specific intention to use this authority, and the authority will thus only be used if circumstances are appropriate.

Notice of Annual General Meeting continued

Ordinary resolution number 7

Approval of the remuneration policy

"**RESOLVED** that by a non-binding advisory vote, the Company's remuneration policy, as set out in the remuneration report on pages 100 – 112 of the December 2024 integrated annual report, be and is hereby endorsed."

Reason for and effect

The King IV™ recommends that a company's remuneration policy be tabled for a non-binding advisory vote by shareholders at each AGM. This enables shareholders to express their views on the remuneration policies adopted.

Ordinary resolution 7 is of an advisory nature only, and failure to pass this resolution will therefore not have any legal consequences relating to existing remuneration arrangements. However, the Board will consider the outcome of the vote when determining amendments to the Company's remuneration policy.

For resolution number 7 to be passed, votes in favour must represent at least 50% +1 of all votes cast and/or exercised at the meeting.

Ordinary resolution number 8

Approval of the remuneration implementation report

"**RESOLVED** that by a non-binding advisory vote, the Company's remuneration implementation report as set out on pages 100 – 112 of the December 2024 integrated annual report be and is hereby endorsed."

Reason for and effect

The King IV™ recommends that the implementation of a company's remuneration policy be tabled for a non-binding advisory vote by shareholders at each AGM.

This enables shareholders to express their views on the implementation of the Company's remuneration policies. Ordinary resolution 8 is of an advisory nature only, and failure to pass this resolution will therefore not have any legal consequences relating to existing remuneration arrangements.

However, the Board will consider the outcome of the vote when considering amendments to the Company's remuneration policy.

For resolution number 8 to be passed, votes in favour must represent at least 50% +1 of all votes cast and/or exercised at the meeting.

The remuneration policy and implementation report set out above are proposed to shareholders in separate non-binding advisory votes in terms of the Notice of AGM. In the event that either the remuneration policy or the implementation report, or both, are voted against by 25% or more of the votes exercised at the AGM, the Board of Directors will engage with such shareholders to clarify the nature of and evaluate the validity of such objections, and will, where possible and prudent, given the objectives of the remuneration policy, consider those objections when formulating any amendments to the Company's remuneration policy and implementation report in the following financial year.

Ordinary resolution number 9

Authorise directors and/or Group Company Secretary

"**RESOLVED** that any one director and/or the Group Company Secretary or equivalent be and are hereby authorised to do all such things and to sign all such documents that are deemed necessary to implement the resolutions set out in the notice convening the AGM at which these resolutions will be considered."

For resolution number 9 to be passed, votes in favour must represent at least 50% +1 of all votes cast and/or exercised at the meeting.

SPECIAL RESOLUTIONS

Special resolution number 1

Approval of Non-executive Directors' remuneration

Approval in terms of section 66 of the Act is required to authorise the Company to remunerate directors for their services. Furthermore, in terms of the King IV™ and as read with the Listings Requirements, remuneration payable to Non-executive Directors should be approved by shareholders in advance or within the previous two years. Executive directors of the Company (or any Sanlam group company) do not receive any fees for their services rendered as directors of the Company.

"**RESOLVED** as a special resolution in terms of the Act that the remuneration of Non-executive Directors for the period 1 January 2026 until 30 June 2026 be and is hereby approved as follows:

		Current 1 Jan 2025 – 31 Dec 2025	Proposed six-month period	Proposed increase %
Main Board*	Chairman	**1 665 705**	872 830	4.8
	Lead Independent Director	**769 147**	403 033	4.8
	Member	**352 479**	184 699	4.8
Subsidiary Board* (Per meeting fee)	Chairperson	**27 587**	28 911	4.8
	Member	**20 307**	21 282	4.8
Audit and Risk Committee	Chairperson	**294 816**	154 484	4.8
	Member	**151 682**	79 482	4.8
Remuneration Committee	Chairman	**153 221**	80 288	4.8
	Member	**83 375**	43 688	4.8
Nomination Committee	Chairperson	**153 221**	80 288	4.8
	Member	**83 375**	43 688	4.8
Social and Ethics Committee	Chairperson	**142 132**	74 478	4.8
	Member	**82 566**	43 246	4.8
Investment Committee	Chairperson	**221 514**	116 074	4.8
	Member	**121 853**	63 852	4.8
ICT Steering Committee	Member	**81 236**	42 568	4.8
Special ad hoc Board/ Committee meeting (Per meeting fee)	Member	**20 307**	21 282	4.8

* *Directors are only remunerated based on attendance at meetings.*

Reason for and effect

The reason and effect of this special resolution number 1 is to approve the remuneration of Non-executive Directors for the six-month period commencing on 1 January 2026 to 30 June 2026."

Special resolution number 2

General authority to repurchase shares

"**RESOLVED** that as a special resolution that the Company and/or any subsidiary of the Company (the Group) be and is hereby authorised by way of a general approval as contemplated in paragraph 5.72 of the Listings Requirements (read with section 48 of the Act) to acquire from time to time issued ordinary shares of the Company, upon such terms and conditions and in such amounts as the directors of the Company may from time to time determine, but subject to the MOI of the Company and the provisions of the Act and provided that:

1. Any repurchase of shares must be effected through the order book operated by the JSE trading system and done without any prior understanding or arrangement between the Company and the counterparty.
2. At any point, the Company may appoint only one agent to effect any repurchases on its behalf.
3. The number of shares that may be repurchased pursuant to this authority in any financial year may not in the aggregate 10% (ten percent) of the Company's issued share capital in the case of an acquisition of shares in the Company by a wholly owned subsidiary of the Company.
4. Repurchases of shares may not be made at a price greater than 10% (ten percent) above the weighted average of the market value of the shares for the 5 (five) business days immediately preceding the date on which the transaction was effected.
5. The Company or a wholly owned subsidiary of the Company may not effect a repurchase during any prohibited period as defined in terms of the Listings Requirements unless there is a repurchase programme in place, which programme has been submitted to the JSE in writing and executed by an independent third party, as contemplated in terms of paragraph 5.72(h) of the Listings Requirements.
6. After the Company or a wholly owned subsidiary of the Company has acquired shares that constitute, on a cumulative basis, 3% (three percent) of the initial number of shares in issue (at the time that authority from shareholders for the repurchase is granted) of the relevant class of shares and for each 3% (three percent) in aggregate of the initial number of that class acquired thereafter, the Company shall publish an announcement on SENS containing full details of the repurchase.
7. The Board have passed a resolution authorising the repurchase. The Company has passed the solvency and liquidity test contained in section 4 of the Act. Since the test was conducted, there have been no material changes to the Company's financial position.

Reason for and effect

The reason for and effect of this special resolution number 2 is to grant the directors a general authority in terms of the MOI of the Company and the Listings Requirements for the acquisition by the Company or by a wholly owned subsidiary of the Company of shares issued by the Company on the basis reflected in special resolution number 2. In terms of section 48(2)(b)(i) of the Act, subsidiaries may not hold more than 10%, in aggregate, of the number of the issued shares of a company. To avoid doubt, a pro rata repurchase by the Company from all its shareholders will not require shareholder approval, save to the extent as may be required by the Act.

For special resolution number 2 to be passed, votes in favour of the resolution must represent at least 75% of all votes cast and/or exercised at the meeting.

In accordance with the Listings Requirements, the directors record that:

The directors have no specific intention to repurchase shares but would utilise the renewed general authority to repurchase shares to serve our shareholders' interests as and when suitable opportunities present themselves, which may require expeditious and immediate action.

The directors undertake that they will not implement the repurchase as contemplated in this special resolution while this general authority is valid unless:

1. The Company and the Group can pay their debts in the ordinary course of business.
2. The consolidated assets of the Company and the Group will be in excess of the liabilities of the Company and the Group, the assets and liabilities being recognised and measured in accordance with the accounting policies used in the latest audited Group AFS.
3. The share capital and reserves of the Company and of the Group are adequate for ordinary purposes.
4. The working capital of the Company and the Group will be adequate for ordinary business.

Disclosures required in terms of paragraph 11.26 of the Listings Requirements:

The following additional information is provided in terms of the Listings Requirements for purposes of the special resolution:

Major shareholders – page 13 of the December 2024 AFS

Company's share capital – page 91 of the December 2024 AFS

Directors' responsibility statement

The directors, whose names are given on page 3 of the December 2024 AFS, collectively and individually accept full responsibility for the accuracy of the information pertaining to the special resolution number 2 and certify that to the best of their knowledge and belief, there are no facts that have been omitted that would make any statement false or misleading and that all reasonable enquiries to ascertain such facts have been made and that the aforementioned special resolution contains all the information required by the JSE.

Material change

Other than the facts and developments reported in the December 2024 AFS, there have been no material changes in the financial or trading position of the Company or its subsidiaries since the Company's financial year-end and the signature date of this integrated annual report.

Special resolution number 3

Financial assistance to a related or inter-related company or companies

"**RESOLVED** that, in terms of section 45(3)(a)(ii) of the Act, as a general approval, the Board of the Company be and is hereby authorised to approve that the Company provides any direct or indirect financial assistance (financial assistance will herein have the meaning attributed to it in section 45(1) of the Act) that the Board of the Company may deem fit to any company or corporation incorporated outside of the Republic of South Africa that is a related and/or inter-related party (related or inter-related will herein have the meaning attributed to it in section 2 of the Act, save for any subsidiaries of the Company) to the Company, on the terms and conditions and for amounts that the Board of the Company may determine, provided that the aforementioned approval shall be valid until the date of the next AGM of the Company."

Reason for and effect

The reason and effect of this special resolution number 3 is to grant the Board the authority to authorise the Company to provide financial assistance as contemplated in section 45 of the Act to a related or inter-related company or corporation incorporated outside of the Republic of South Africa (except in the case of financial assistance to a subsidiary of the Company, in which case authorisation in terms of section 45(3)(a)(ii) of the Act is not required).

For special resolution number 3 to be passed, votes in favour of the resolution must represent at least 75% of all votes cast and/or exercised at the meeting.

Special resolution number 4

Financial assistance for the subscription of shares to related or inter-related companies

"**RESOLVED** that, in terms of section 44(3)(a)(ii) of the Act, as a general approval, the Board of the Company be and is hereby authorised to approve that the Company provides any direct or indirect financial assistance (financial assistance will herein have the meaning attributed to it in sections 44(1) and 44(2) of the Act) that the Board of the Company may deem fit to any company or corporation that is related or inter-related to the Company (related or inter-related will herein have the meaning attributed to it in section 2 of the Act) and/or to any financier who provides funding by subscribing for preference shares or other securities in the Company or any company or corporation that is related or inter-related to the Company, on the terms and conditions and for amounts that the Board of the Company may determine for the purpose of, or in connection with the subscription of any option, or any shares or other securities, issued or to be issued by the Company or a related or inter-related company or corporation, or for the purchase of any shares or securities of the Company or a related or inter-related company or corporation, provided that the aforementioned approval shall be valid for two years or until the date of the next AGM of the Company."

Reason for and effect

The reason and effect of special resolution number 4 is to grant the directors the authority, in terms of section 44(3)(a)(ii) of the Act, to provide financial assistance to any company or corporation that is related or inter-related to the Company and/or to any financier for the purpose of or in connection with the subscription or purchase of options, shares or other securities in the Company or any related or inter-related company or corporation.

Notice of Annual General Meeting continued

This means that the Company is authorised, *inter alia*, to grant loans to its subsidiaries and to guarantee and furnish security for the debt of its subsidiaries where any such financial assistance is directly or indirectly related to a party subscribing for options, shares or securities, in the Company or its subsidiaries.

A typical example of where the Company may rely on this authority is when a subsidiary raises funds by way of issuing preference shares, and the third-party funder requires the Company to furnish security, by way of a guarantee or otherwise, for the obligations of its subsidiary to the third-party funder arising from the issue of the preference shares. The Company has no immediate plans to use this authority and is simply obtaining the same in the interests of prudence and good corporate governance should the unforeseen need arise to use the authority.

For special resolution number 4 to be passed, votes in favour of the resolution must represent at least 75% of all votes cast and/or exercised at the meeting.

Impact of special resolutions 3 and 4

In terms of and pursuant to the provisions of sections 44 and 45 of the Act, the directors of the Company confirm that the Board will satisfy itself, after considering all reasonably foreseeable financial circumstances of the Company, that immediately after providing any financial assistance as contemplated in special resolution numbers 3 and 4 above:

- The assets of the Company (fairly valued) will equal or exceed the liabilities of the Company (fairly valued) (taking into consideration the reasonably foreseeable contingent assets and liabilities of the Company)
- The Company will be able to pay its debts as they become due in the ordinary course of business for 12 months
- The terms under which any financial assistance is proposed to be provided will be fair and reasonable to the Company
- All relevant conditions and restrictions (if any) relating to the granting of financial assistance by the Company as contained in the Company's MOI have been met

To transact such other business as may be transacted at an AGM

Identification, voting and proxies

In terms of section 63 (1) of the Act, any person attending or participating in the AGM must present reasonably satisfactory identification. The person presiding at the AGM must be reasonably satisfied that the right of any person to participate in and vote (whether as a shareholder or as a proxy for a shareholder) has been reasonably verified. Suitable forms of identification will include the presentation of valid identity documents, driver's licences and passports.

The votes of shares held by share trusts classified as schedule 14 trusts in terms of the Listings Requirements will not be taken into account at the AGM for approval of any resolution proposed in terms of the Listings Requirements.

A form of proxy is attached for the convenience of any certificated or dematerialised AfroCentric shareholders with own-name registrations who cannot attend the AGM but wish to be represented thereat.

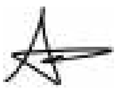
Forms of proxy and/or letters of representation may be presented at any time prior to the AGM and also at the AGM, but to enable the Company to ensure prior to the AGM that a quorum will be present at the AGM, it would be helpful if proxy forms and/or letters of representation could be delivered to the Company or the Company's transfer secretaries before 10h00 on 8 May 2025, being 48 hours prior to the AGM.

All beneficial owners of AfroCentric shares who have dematerialised their shares through a Central Securities Depository Participant (**CSDP**) or broker, other than those with own-name registration, and all beneficial owners of shares who hold certificated shares through a nominee, must provide their CSDP, broker or nominee with their voting instructions, in accordance with the agreement between the beneficial owner and the CSDP, broker or nominee as the case may be. Should such beneficial owners wish to attend the meeting in person, they must request their CSDP, broker or nominee to issue them with the appropriate letter of authority. If shareholders who have not dematerialised their shares or who have dematerialised their shares with own-name registration and who are entitled to attend and vote at the AGM do not deliver proxy forms to the transfer secretaries timeously, such shareholders will nevertheless, at any time prior to the commencement of the voting on the resolutions at the AGM be entitled to lodge the form of proxy in respect of the AGM, in accordance with the instructions therein with the Chairman of the AGM.

Each shareholder is entitled to appoint one or more proxies (who need not be shareholders of AfroCentric) to attend, speak and vote in their stead. On a show of hands, every shareholder who is present in person or by proxy shall have one vote, and on a poll, every shareholder present in person or by proxy shall have one vote for each share held.

AfroCentric does not accept responsibility and will not be held liable for any failure on the part of a CSDP or broker to notify such AfroCentric shareholders of the AGM.

By order of the Board



Lebohang Mpumlwana
Group Company Secretary
Roodepoort

7 April 2025

Annexure 1 – Summarised consolidated financial statements

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Notes	**Six months ended 31 December 2024 R'000**	Year ended 30 June 2024 R'000
ASSETS			
Non-current assets		**3 643 099**	3 790 706
Property and equipment		**362 597**	290 230
Land and buildings		**298 677**	301 422
Right-of-use assets		**140 721**	142 572
Investment property		**12 500**	12 500
Goodwill	1	**1 108 499**	1 327 661
Intangible assets	1	**1 432 938**	1 476 538
Investments in associates and joint ventures		**6 259**	8 732
Other financial assets		**20 209**	27 719
Deferred tax assets		**121 127**	132 015
Deferred payment assets		**3 778**	3 673
Insurance contract assets	4	**71 250**	67 644
Receivable – Sanlam Restricted Share Plan	5.1	**13 267**	–
Receivable – Sanlam Performance Deferred Share Plan	5.1	**51 277**	–
Current assets		**1 519 428**	1 618 849
Inventories		**440 837**	449 079
Trade and other receivables		**602 303**	786 276
Current tax asset		**128 492**	53 235
Cash and cash equivalents		**347 796**	330 259
Total assets		**5 162 527**	5 409 555

Annexure 1 – Summarised consolidated financial statements continued

CONSOLIDATED STATEMENT OF FINANCIAL POSITION continued

	Notes	Six months ended 31 December 2024 R'000	Year ended 30 June 2024 R'000
EQUITY AND LIABILITIES			
Capital and reserves		**3 245 743**	3 369 996
Issued ordinary share capital		**21 324**	21 324
Share premium		**2 537 411**	2 537 411
Share-based payment reserve		**17 646**	24 468
Treasury shares		**(2 240)**	(1 162)
Foreign currency translation reserve		**3 905**	(5 650)
Distributable reserves		**667 697**	793 605
Non-controlling interest		**33 350**	31 189
Total equity		**3 279 093**	3 401 185
Non-current liabilities		**923 655**	942 911
Lease liabilities		**101 721**	111 750
Deferred tax liabilities		**263 581**	259 628
Post-employment medical obligations		**1 631**	1 680
Borrowings	2	**556 722**	569 853
Current liabilities		**959 779**	1 065 459
Provisions		**13 059**	16 792
Borrowings	2	**62 373**	58 553
Trade and other payables		**628 211**	733 057
Current tax liability		**72 748**	9 374
Lease liabilities		**69 985**	65 336
Sanlam Performance Deferred Shares: IFRS 2 Liability	5.2	**2 003**	–
Employment benefit provisions		**111 400**	182 347
Total liabilities		**1 883 434**	2 008 370
Total equity and liabilities		**5 162 527**	5 409 555

Annexure 1 – Summarised consolidated financial statements continued

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Notes	Six months ended 31 December 2024 R'000	Year ended 30 June 2024 R'000
Revenue from contracts with customers		**4 240 923**	8 794 671
Fair value gains		**386**	1 769
Finance income	4	**23 523**	31 277
Other income		**3 052**	5 187
Compensation for impairment of property and equipment		**64 402**	–
Total income*		**4 332 286**	8 832 904
Insurance revenue	4	**51 058**	96 035
Insurance service expense	4	**(50 747)**	(90 100)
Insurance service result		**311**	5 935
Insurance finance income	4	**3 300**	6 731
Net insurance result*	4	**3 611**	12 666
Cost of pharmaceutical products and finished goods		**(878 351)**	(2 030 276)
Cost of distribution of pharmaceutical products		**(38 329)**	(71 624)
Employee benefit costs		**(1 418 316)**	(2 699 057)
Other expenses		**(437 173)**	(1 131 576)
Capitation funds		**(878 805)**	(1 645 000)
Amortisation		**(104 832)**	(192 690)
Rent and property costs		**(70 930)**	(123 050)
Right-of-use asset depreciation		**(31 282)**	(52 747)
Depreciation		**(56 210)**	(94 142)
IT costs		**(203 106)**	(212 819)
Write-off of intangibles		**(3 792)**	(6 060)
Impairment of other financial assets		**(7 210)**	–
Write-off of other financial assets		**(1 184)**	–
Impairment of goodwill		**(219 162)**	(230 835)
Impairment of investment in associates		**(274)**	(14 661)
Impairment of property and equipment		**–**	(26 611)
Impairment of loans		**–**	(2 158)
Share of losses from associates and joint ventures		**(2 199)**	(9 045)
Interest on lease liabilities		**(8 017)**	(19 190)
Finance costs		**(32 510)**	(77 045)
(Loss)/profit before tax		**(55 785)**	206 984
Income tax expense		**(63 369)**	(132 729)
(Loss)/profit for the period		**(119 154)**	74 255
(Loss)/profit for the period attributable to:			
Owners of Parent		**(125 865)**	55 381
Non-controlling interest		**6 711**	18 874
		(119 154)	74 255

** The net insurance result has been presented separately in the current period in order to enhance disclosure.*

Annexure 1 – Summarised consolidated financial statements continued

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME continued

	Six months ended 31 December 2024 R'000	Year ended 30 June 2024 R'000
(Loss)/profit for the period	**(119 154)**	74 255
Other comprehensive income		
Components of other comprehensive loss that will not be reclassified to profit or loss		
Total other comprehensive loss that will not be reclassified to profit or loss	**(43)**	(52)
Remeasurement of post-employment benefit obligations	**(59)**	(71)
Income tax relating to these items	**16**	19
Components of other comprehensive income/(loss) that will be reclassified to profit or loss		
Exchange differences on translation of foreign operations		
Total other comprehensive income/(loss) that will be reclassified to profit or loss	**9 555**	(9 381)
Foreign exchange gain/(loss)	**9 555**	(7 851)
Loss on cash flow hedge	**–**	(1 530)
Total other comprehensive income/(loss)	**9 512**	(9 433)
Total comprehensive (loss)/income	**(109 642)**	64 822
Comprehensive (loss)/income attributable to:		
Comprehensive (loss)/ income attributable to owners of parent	**(116 353)**	45 948
Comprehensive income attributable to non-controlling interests	**6 711**	18 874
	(109 642)	64 822

Annexure 1 – Summarised consolidated financial statements continued

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Six months ended 31 December 2024 R'000	Year ended 30 June 2024 R'000
Balance at beginning of the period	**3 401 185**	3 499 252
Issue of share capital	**–**	30
Share premium	**–**	11 724
Vested share-based awards*	**(9 084)**	(11 754)
Share-based awards reserve	**2 475**	3 133
Share-based awards reserve – prior year	**(213)**	(1 026)
Distributions to shareholders	**–**	(92 520)
Treasury shares**	**(1 078)**	–
Net (loss)/profit for the period	**(116 353)**	45 948
Profit attributable to minorities	**6 711**	18 874
Changes in ownership	**–**	(45 895)
Distributions to non-controlling interests	**(4 550)**	(26 581)
Balance at end of the period	**3 279 093**	3 401 185

* *During the current financial period 3 269 999 shares vested as follows:*
- *910 026 shares relating to the 2019 share awards were exercised at the weighted average price of R2.82 and the grant date price was R3.30;*
- *1 046 652 shares relating to the 2020 share awards were exercised at the weighted average price of R2.82 and the grant date price was R3.50; and*
- *1 313 321 shares relating to the 2021 share awards were exercised at the weighted average price of R2.82 and the grant date price was R5.50.*

At the end of the financial period 22 799 214 shares were outstanding for the incentive employee share scheme. The fair value of the shares granted was determined by obtaining the share price as traded on the JSE.

** *During the six months ended 31 December 2024, AfroCentric Investment Corporation Limited repurchased 403 649 shares at an average price of R2.67 in accordance with the 1 November 2024 Board resolution. The Board approved that AfroCentric Investment Corporation Limited could acquire up to 1% of its shares per the JSE Listing Requirements repurchase programme. The shares are still in the process of being delisted or cancelled.*

Annexure 1 – Summarised consolidated financial statements continued

CONSOLIDATED STATEMENT OF CASH FLOWS

	Six months ended 31 December 2024 R'000	Year ended 30 June 2024 R'000
Net cash flow from operating activities	**249 258**	695 368
Cash generated from operations	**343 158**	1 027 896
Net finance expense	**(17 004)**	(58 227)
Distribution to shareholders	**(4 550)**	(119 101)
Tax and other payments	**(63 122)**	(155 200)
LTIP share based payment vesting	**(9 224)**	–
Net cash flow from investing activities	**(198 908)**	(382 765)
Net additions to property and equipment	**(63 475)**	(73 681)
Payment for acquisition of subsidiaries, net of cash acquired	**–**	(46 121)
Purchase of intangible assets	**(70 466)**	(188 243)
Purchase of Sanlam shares	**(64 967)**	–
Purchase of other financial assets	**–**	10 528
Repayment of contingent consideration	**–**	(85 248)
Net cash flow from financing activities	**(42 368)**	(60 249)
Lease liabilities capital repayment	**(31 979)**	(60 249)
Capital settlement of borrowings	**(9 311)**	–
Share repurchase	**(1 078)**	–
Effect of foreign exchange benefit/(loss)	**9 555**	(7 851)
Net increase in cash and cash equivalents	**17 537**	244 503
Cash and cash equivalents at beginning of the period	**330 259**	85 756
Cash and cash equivalents at end of the period	**347 796**	330 259

Annexure 1 – Summarised consolidated financial statements continued

NOTES TO THE SUMMARISED CONSOLIDATED FINANCIAL STATEMENTS

1. Basis of preparation

These summarised audited consolidated financial statements for the six months ended 31 December 2024 have been extracted from the audited financial statements for the six months then ended, but are not audited themselves. The directors take full responsibility for the preparation of this summarised report and that the financial information has been correctly extracted from the underlying audited financial statements. These summarised consolidated financial statements have been prepared in accordance with the requirements of the JSE Limited Listings Requirements for summarised reports and the requirements of the South African Companies Act (Act No. 71 of 2008, as amended) as applicable to summarised financial statements.

The audited financial statements from which these summarised financial statements are extracted provides information in accordance with the following:

- the framework concepts and the measurement and recognition requirements of International Financial Reporting Standards (IFRS), the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee, Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council, the requirements of the International Accounting Standards Board's IAS 34: Interim Financial Reporting, the requirements of the Companies Act of South Africa and the JSE Limited Listings Requirements.

2. Audit report

The financial statements from which this summarised report was extracted were audited by KPMG Inc. who expressed an unmodified opinion thereon. The audited financial statements and the auditor's report thereon are available for inspection at the Company's registered office.

3. Segment information

	Six months ended 31 December 2024		30 June 2024	
	Revenue* R'000	**Operating profit R'000**	Revenue R'000	Operating profit R'000
Healthcare SA	**2 037 145**	**43 004**	4 146 192	328 345
Denis Group	**314 790**	**8 307**	569 479	54 097
Information Technology	**340 364**	**101 442**	635 652	213 352
Total SA administration business	**2 692 299**	**152 753**	5 351 323	595 794
Healthcare Africa	**123 985**	**40 291**	249 355	83 903
Total Group administration business	**2 816 284**	**193 044**	5 600 678	679 697
Healthcare Retail	**1 949 623**	**129 570**	4 251 575	210 646
Pharmacy Direct & Curasana Wholesaler	**706 111**	**70 114**	1 825 104	81 125
Activo Group	**561 166**	**37 040**	1 080 365	75 965
Scriptpharm	**682 346**	**22 416**	1 346 106	53 556
Total Healthcare	**4 765 907**	**322 614**	9 852 253	890 343
Other (including inter-segment elimination)	**(473 926)**	**–**	(961 547)	–
Total	**4 291 981**	**322 614**	8 890 706	890 343

* *Revenue comprises the Revenue from contracts with customers and the Insurance revenue.*

Annexure 1 – Summarised consolidated financial statements continued

NOTES TO THE SUMMARISED CONSOLIDATED FINANCIAL STATEMENTS continued

3. Segment information continued

	Six months ended 31 December 2024		30 June 2024	
	Profit before tax R'000	**Total assets R'000**	Profit before tax R'000	Total assets R'000
Healthcare SA	**30 094**	**1 693 124**	170 095	1 994 840
Denis Group	**7 753**	**167 781**	54 464	161 028
Information Technology	**54 320**	**1 511 803**	20 812	1 389 280
Total SA administration business	**92 167**	**3 372 708**	245 371	3 545 148
Healthcare Africa	**38 836**	**197 085**	81 184	192 638
Total Group administration business	**131 003**	**3 569 793**	326 555	3 737 786
Healthcare Retail	**62 021**	**1 606 981**	159 928	1 768 058
Pharmacy Direct & Curasana Wholesaler	**19 670**	**785 983**	64 178	894 141
Activo Group	**11 806**	**671 387**	32 325	787 974
Scriptpharm	**30 545**	**149 611**	63 425	85 943
Total Healthcare	**193 024**	**5 176 774**	486 483	5 505 844
Other (including inter-segment elimination)	**(248 809)**	**(14 247)**	(279 499)	(96 289)
Total	**(55 785)**	**5 162 527**	206 984	5 409 555

Composition of operating profit – % contribution	**Operating profit Dec 2024 %**	Operating profit June 2024 %	**Operating profit Dec 2024 R'000**	Operating profit June 2024 R'000
Total SA Administration business	**48**	67	**152 753**	595 794
Healthcare Africa	**12**	9	**40 291**	83 903
Healthcare Retail	**40**	24	**129 570**	210 646
	100	100	**322 614**	890 343

Annexure 1 – Summarised consolidated financial statements continued

NOTES TO THE SUMMARISED CONSOLIDATED FINANCIAL STATEMENTS continued

4. Earnings per share

	Six months ended 31 December 2024 R'000	Year ended 30 June 2024 R'000
Number of ordinary shares in issue	**841 088 241**	841 088 241
Weighted average number of ordinary shares	**841 088 241**	830 328 259
Weighted average number of shares for diluted EPS	**863 887 455**	850 393 806
Basic (loss)/earnings	**(125 865)**	55 381
Total basic (loss)/earnings	**(125 865)**	55 381
Adjusted by:	**157 795**	279 427
– Impairment of property and equipment	**–**	26 611
– Impairment of goodwill	**219 162**	230 835
– Compensation for impairment of property and equipment	**(64 402)**	–
– Impairment of investment in associate	**274**	14 661
– (Profits)/losses on disposal of assets	**(270)**	3 495
– Write off of intangible assets	**3 792**	6 060
– Fair value gain on investment property	**–**	(1 769)
Total tax effects of adjustment	**(761)**	(466)
Headline earnings	**31 930**	334 808
(Loss)/earnings per share (cents)		
– Attributable to ordinary shares (cents)	**(14.96)**	6.67
– Fully diluted EPS (cents)	**(14.57)**	6.51
Headline earnings per share (cents)		
– Attributable to ordinary shares (cents)	**3.80**	40.32
– Fully diluted HEPS (cents)	**3.70**	39.37

Annexure 1 – Summarised consolidated financial statements continued

NOTES TO THE SUMMARISED CONSOLIDATED FINANCIAL STATEMENTS continued

5. Fair value disclosure

Other financial assets

Other financial assets comprise the following balances:

	Group		Company	
	December 2024 R'000	June 2024 R'000	**December 2024 R'000**	June 2024 R'000
Measured at fair value				
Investments in Venture Capital Funds	**–**	8 394	**–**	–
Other equity investments	**94**	94	**–**	–
	94	8 488	**–**	–
Measured at amortised cost				
Mauritius government bonds	**20 115**	19 231	**–**	–
Total	**20 209**	27 719	**–**	–

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.

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

Annexure 1 – Summarised consolidated financial statements continued

NOTES TO THE SUMMARISED CONSOLIDATED FINANCIAL STATEMENTS continued

5. Fair value disclosure continued

Other financial assets continued

Fair value hierarchy continued

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.

Specific valuation techniques used to value financial instruments include:

- the fair value of the debt instruments measured at fair value through profit and loss are determined based on a valuation of the net asset value attributable to the investment;
- the fair value of the remaining financial instruments is determined using discounted cash flow analysis and price earnings (**PE**) ratios.

The assets disclosed below have been classified as level 3 financial instruments, i.e. the inputs are not based on observable market data. The carrying amount of all assets in the table below approximates the fair value of the assets.

Group fair value measurements using significant unobservable inputs (level 3):

	Group
	Level 3 R'000
Period ended 31 December 2024	
Unlisted investment	94
Year ended 30 June 2024	
Unlisted investment	8 488

Annexure 1 – Summarised consolidated financial statements continued

NOTES TO THE SUMMARISED CONSOLIDATED FINANCIAL STATEMENTS continued

5. Fair value disclosure continued

Other financial assets continued

Fair value hierarchy continued

The table below presents the movements for the period:

	Group				
	Financial assets at amortised cost	Financial assets at fair value through profit and loss			Financial assets at fair value through other comprehensive income
	Mauritius government bonds R'000	Investments in Venture Capital Funds R'000	Other equity investments R'000	Fair value through profit and loss Total R'000	Foreign currency Forward Contract R'000
Balance at 30 June 2023	29 758	8 394	243	8 637	1 530
Additions	–	–	–	–	–
Finance income*	1 742	–	–	–	–
Disposals*	(12 269)	–	(149)	(149)	(1 530)
Balance at 30 June 2024	19 231	8 394	94	8 488	–
Write off	**–**	**(1 184)**	**–**	**(1 184)**	**–**
Impairment	**–**	**(7 210)**	**–**	**(7 210)**	**–**
Finance income	**884**	**–**	**–**	**–**	**–**
Balance at 31 December 2024	**20 115**	**–**	**94**	**94**	**–**

* *The movement for the year ended 30 June 2024 was disaggregated to enhance disclosure.*

Annexure 1 – Summarised consolidated financial statements continued

NOTES TO THE SUMMARISED CONSOLIDATED FINANCIAL STATEMENTS continued

5. Fair value disclosure continued

Other financial assets continued

Valuation inputs and relationships to fair value

Investments in Venture Capital Funds

When the investments were made it was the intention of both parties to refund the value invested at the end of the investment term. However, based on the assessment performed at 31 December 2024, it was determined that the recoverable amount of the two instruments was less than the initial cost incurred. An impairment of R7.2 million was recognised during the current period.

For one of the venture capital funds investments, it was determined at 31 December 2024 that the prospects of recovering the investment were uncertain, and the investment was accordingly written off to a nil value.

The following table summarises the quantitative information about the significant unobservable inputs used in level 3 fair value measurements.

Description	**Fair value at 31 December 2024 R'000**	Fair value at 30 June 2024 R'000	Unobservable Inputs	**Input value used at 31 December 2024**	Input value used at 30 June 2024	Sensitivity of unobservable inputs on profit or loss
Investment in Venture Capital Funds	–	8 394	Cost of Investment	–	8 394	As the input is based on the cost of the investment, no sensitivity analysis is deemed necessary.

Valuation process

The finance department of the Group performs the valuations of the investments for financial reporting purposes, including level 3 fair values. The team reports directly to the CFO. Discussions of the valuation processes and results are held between the CFO and Group Finance at period end to determine the fair value of investments unless there is an indication of impairment which will result in a write off of the investment at that point in time.

Annexure 1 – Summarised consolidated financial statements continued

NOTES TO THE SUMMARISED CONSOLIDATED FINANCIAL STATEMENTS continued

6. Share-based payments

Long Term Incentive Plan

In the 2018 financial year a share award plan was implemented. The purpose of the plan is to retain, motivate and reward eligible employees who are able to influence the performance and growth strategies of individual companies within the Group, on a basis which aligns their interests with those of the Group's shareholders.

Share awards will be issued to identified participants by the Remuneration Committee and Board. The number of share awards to be allocated to an eligible employee will primarily be based on the identified employee's annual salary, grade, performance, retention and attraction requirements and market benchmarks. The number of share awards will be recommended by the Remuneration Committee at the time that share awards are granted per an award letter.

Eligibility for participation to the plan will be considered on an annual basis. Share awards will constitute conditional shares in AfroCentric Investment Corporation Limited and on the vesting date this will be issued to the identified participant in equity shares at no cost. The maximum annual allocation is 5 543 773 share awards (1% of current issued share capital of 554 377 328) and the maximum dilution limit is 27 718 866 (5% of the current issued share capital of 554 377 328).

AfroCentric expects that 90% of the awards will vest to participants at the end of the plan. The share awards are subject to staggered vesting, i.e. vesting of the share awards following the three-year retention period in three equal tranches. The charge for the period is R0 (June 2024: R1.3 million).

	Group					
	31 December 2024					
Offer date	Issue share price R	Balance at 30 June 2024 '000	Offered '000	Forfeited/ Vested '000	Balance at 31 December 2024 R'000	Fair Value at 31 December 2024 R'000
30 November 2019	3.30	337	–	(337)	–	–
7 December 2020	3.50	2 133	–	(1 166)	967	3 385
30 November 2021	5.50	4 600	–	(620)	3 980	21 890
Total		7 070	–	(2 123)	4 947	25 275

Fair value based on closing share price at grant date.

Weighted average remaining years of 1.82 years.

Annexure 1 – Summarised consolidated financial statements continued

NOTES TO THE SUMMARISED CONSOLIDATED FINANCIAL STATEMENTS continued

6. Share-based payments continued

Long Term Incentive Plan continued

	Group					
	30 June 2024					
Offer date	Issue share price R	Balance at 30 June 2023 '000	Offered '000	Forfeited/ Vested '000	Balance at 30 June 2024 R'000	Fair Value at 30 June 2024 R'000
1 November 2018	5.50	853	–	(853)	–	–
30 November 2019	3.30	2 720	–	(2 383)	337	1 111
7 December 2020	3.50	4 140	–	(2 007)	2 133	7 467
30 November 2021	5.50	5 360	–	(760)	4 600	25 300
Total		13 073	–	(6 003)	7 070	33 878

Fair value based on closing share price at grant date.

Weighted average remaining years of 2.02 years.

	Group		Company	
	December 2024 Number of shares	June 2024 Number of shares	**December 2024 Number of shares**	June 2024 Number of shares
Movements in number of instruments:				
Outstanding at the beginning of the period	**1 043 333**	408 558	**–**	–
Vested	**(650 005)**	634 775	**–**	–
Outstanding at the end of the period	**393 328**	1 043 333	**–**	–

This represents the shares vested but not yet exercised.

Forfeitable Share Plan

During the 2023 financial year a new Forfeitable Share Plan was implemented. The purpose of the plan is to attract, retain, motivate and reward employees on a basis which aligns their interests with those of the Group and the shareholders of the Company.

The Remuneration Committee will be responsible for selecting the employees who will from time to time participate in the plan as well as the extent of their participation. In making a decision, the Remuneration Committee will have regard to the employee's seniority, job function and role.

Forfeitable shares that are awarded will be transferred to the employees who will become the owner thereof but shall not be entitled to dispose of, or encumber, those forfeitable shares prior to vesting date. The shares will in all other respects enjoy the same rights as other issued shares.

NOTES TO THE SUMMARISED CONSOLIDATED FINANCIAL STATEMENTS continued

6. Share-based payments continued

Forfeitable Share Plan continued

Share awards will be subject to performance conditions linked to both a retention period as well as key performance indicators linked to the Group's performance.

The aggregate number of shares which may be utilised for the plan at any time shall not exceed 57 000 000 shares. The total aggregate of awards in the previous 10 years may not exceed 10% of the ordinary shares of the company in issue immediately prior to an award.

The aggregate number of shares that any one participant may acquire in terms of this plan may not exceed 11 400 000 shares.

AfroCentric expects that 65% of employees will be retained for the vesting period and that 50% of the shares awarded will vest based on the key performance indicators linked to the Group's performance.

The charge for the period is R3.5 million (June 2024: R3.3 million)

	Group					
	31 December 2024					
Offer date	**Issue share price R**	**Balance at 30 June 2024 '000**	**Offered '000**	**Forfeited/ Vested '000**	**Balance at 31 December 2024 R'000**	**Fair Value at 31 December 2024 R'000**
10 November 2022	**5.05**	**7 795**	**–**	**(1 165)**	**6 630**	**33 482**
08 February 2024	**3.20**	**12 996**	**–**	**(1 773)**	**11 223**	**35 914**
Total		**20 791**	**–**	**(2 938)**	**17 853**	**69 396**

Fair value based on closing share price at grant date.

Weighted average remaining years of 1.62 years.

	Group					
	30 June 2024					
Offer date	Issue share price R	Balance at 30 June 2023 '000	Offered '000	Forfeited/ Vested '000	Balance at 30 June 2024 R'000	Fair Value at 30 June 2024 R'000
10 November 2022	5.05	9 735	–	(1 940)	7 795	39 365
08 February 2024	3.20	–	12 996	–	12 996	41 587
Total		9 735	12 996	(1 940)	20 791	80 952

Fair value based on closing share price at grant date.

Weighted average remaining years of 2.11 years.

Annexure 1 – Summarised consolidated financial statements continued

NOTES TO THE SUMMARISED CONSOLIDATED FINANCIAL STATEMENTS continued

7. Litigation and contingent liabilities

Neil Harvey & Associates Proprietary Limited

In 2018, Neil Harvey and Associates (**NHA**) initiated a claim against Medscheme for unauthorised use of the EMI Broker Software from 2005 to 2007, a tool that Medscheme helped to develop.

The total quantum of the claims was initially approximately R80 million but over the years the claims grew vastly in quantum and scope to around R356 million.

In 2020, following a 30-day hearing, the arbitrator determined that Medscheme did not have joint ownership of the software, constituting a copyright infringement. A nominal R2.7 million was awarded to NHA. Additionally, claims against three former Medscheme executives were dismissed.

In 2021, NHA appended an additional R500 million claim relating to Medscheme's revenue from using a version of Nexus allegedly replicating Medware. NHA's expert quantified the total loss to exceed R1.5 billion.

During the prior period, the arbitrator dismissed the claims against Medscheme brought against it by NHA. NHA appealed the matter.

On 23 October 2024 a pre-appeal meeting was held to discuss procedural matters before the appeal meeting to be held between 21 to 25 July 2025.

As at 31 December 2024, due to the appeal that is underway, there is a possible obligation which its existence will only be confirmed by the outcome of the appeal hearing (an uncertain event not wholly within the control of Medscheme). The amount of this possible obligation cannot be measured with sufficient reliability, and it is also not probable that an outflow of resources embodying economic benefits will be required to settle the obligation.

Due to these uncertainties, a contingent liability in respect of the NHA matter has been disclosed.

8. Subsequent events

The directors are not aware of any significant matter or circumstance arising after the reporting date to the date of this report except as stated below:

- Resignation of JW Boonzaaier as the Group Chief Financial Officer and Executive Director effective 31 January 2025.
- Appointment of KT Moloele as CFO designate and executive director of AfroCentric effective 1 January 2025. He took office as the Group Chief Financial Officer effective 1 February 2025.

9. Preparation of the financial statements

The Group Annual Financial Statements of AfroCentric Investment Corporation Limited (AfroCentric/ the Group) for the six months ended 31 December 2024 were prepared by Bongiwe Ncube CA(SA), General Manager: Group Finance, AfroCentric Investment Corporation Limited and were reviewed by Thato Moloele CA(SA), Group Chief Financial Officer of AfroCentric Investment Corporation Limited.

Annexure 1 – Summarised consolidated financial statements continued

COMMENTARY ON RESULTS

Introduction and review

AfroCentric "ACT" is a Level 1 B-BBEE JSE listed investment holding company, which owns and operates a diverse range of healthcare-related enterprises that provide specialised medical scheme administration services and deliver a range of healthcare products and services to the public and private healthcare sectors. The principal objective of the Group is to ensure the delivery of efficient health management services and the distribution of quality products – all at a manageable and affordable cost for the benefit of our stakeholders. AfroCentric has successfully broadened its interests in the industry by continuing to pursue new opportunities to expand and rationalise its presence across the healthcare sector.

On 1 November 2024, the company announced on SENS that it has changed its financial year-end from 30 June to 31 December, with effect from 31 December 2024. To harmonise the financial reporting requirements of the company with those of the Sanlam Group, and to facilitate the reporting of financial information that is transparent and complete, the company resolved to change its financial year end from 30 June to 31 December. The comparative figures presented are in respect of the year ended 30 June 2024 and as such may not be comparable to the current reporting period.

The Board presents commentary on the Group's operating performance for the six months ended 31 December 2024. These results are at the backdrop of a strategy refresh process that AfroCentric embarked on during the financial year ended 30 June 2024. This was necessary to ensure that our Group remains agile, innovative and aligned with the dynamic needs of our industry and our clients.

Since then, we have spent time carefully analysing our ever-evolving operating environment, the challenges and opportunities we face as a business and how we should position ourselves for future success. The Board is fully aligned with the strategic direction that has been established, which is designed to steer the Group through these challenges and set us on a course for continuous and profitable growth into the future.

Our Vision 2030 ambition is bold and transformative in disrupting the healthcare landscape for the South African market. It is built on the simple but powerful idea: **To make AfroCentric the most trusted and innovative healthcare partner in Southern Africa.** We are committed to achieving this vision through a focus on customer obsession, innovation, operational excellence and aligned partnerships.

We have bedded down our growth drivers and key enablers, which include four pillars:

- **Building a winning health offering;**
- **Investing in data, digital and technology;**
- **Driving clinical innovation; and**
- **Evolving our culture and operating model.**

During the six months period to December 2024, AfroCentric began increasing focus in pursuit of this vision. We have seen employees respond to the call to service our clients with excellence, to be empathetic towards others and to focus on high performance outcomes. These efforts led to significant improvements in our client experience outcomes and staff engagement across the Group, and this has been recognised by our scheme members who interact with our business, as a marked improvement in our client service perception.

Annexure 1 – Summarised consolidated financial statements continued

COMMENTARY ON RESULTS continued

This period has also been one of transition, challenges, and resilience, but through it all, we have remained committed to our purpose and our customers. AfroCentric's financial performance for the six months was marked by marginal growth in the Services Cluster due to the loss of key contracts, but remains buoyant with total lives under management exceeding 4 million during this period. The Retail Cluster continued to face tough trading conditions resulting in declined revenue despite showing good progress on growing the average number of scripts dispensed.

Accordingly, some business units have been restructured to ensure sustainability of the wider Group. This has allowed us an opportunity to review our operating model and further reorganise the business to support our refreshed strategy, and increase our efficiency and effectiveness.

We have also faced challenges and uncertainty in the external environment, such as regulatory changes with the National Health Insurance Act (NHI) being signed into law, as well as shifts in the pharmaceutical market. We are advancing our strategy refresh, despite these challenges.

Our ambition to create a winning health offering in collaboration with our strategic partners, Sanlam and Fedhealth, is progressing well, with the first phase now successfully implemented. We have also seen vast improvements in our client experience efforts, as recognised by scheme member feedback and several client service awards obtained.

Financial performance

The focus for the past six months has been carefully analysing our ever-evolving operating environment, the challenges and opportunities we face as a business and how we should position ourselves for future success.

The Group's revenue for the last six months decreased by 3.3% compared to the same period in the prior year – this was mainly due to lower private patient scripts, the change in the frequency of dispensing CCMDD scripts from a 3-months' supply arrangement to a 4 – 6 months' supply arrangement, and the impact of the termination of the Bonitas Marketing Contract.

The Group's deliberate investment in innovative clinical capabilities, IT system modernisation, infrastructure and launching digital platforms and tools, such as our innovative Healthcare Professional Portal, and the modernisation of our contact centre environment to enhance scheme member experience, has resulted in additional costs being incurred in the last 6 months compared to the prior period. Consequently, this investment in our processes and capabilities has already yielded a notable operational improvement as observed in our service levels compared to previous years and we saw noteworthy improvements in the stability of our IT environment.

The Group's loss before tax for the period was R55.8 million (Dec 2023: profit before tax R262.2 million), and the headline earnings decreased by 81.8% to R31.9 million (Dec 2023: R175.4 million).

The overall financial performance is impacted by lower profitability due to margin erosion and channel pressure arising in the retail cluster, resulting in an impairment of goodwill within the retail cluster.

Despite the reduced profitability, the Group will continue with its investment in data capabilities to explore better and more efficient ways to service and engage our customers and scheme members, as this will position us to achieve our 2030 ambition.

Annexure 1 – Summarised consolidated financial statements continued

COMMENTARY ON RESULTS continued

Capital management and cashflow generation has been a focal point for the management team over the past few years, and during the past six months has yielded positive results in the cash and cash equivalents balances reaching R347.8 million (Dec 2023: R189.3 million) whilst borrowings remained stable at R619.1 million (Dec 2023: R638.7 million).

Outlook

The focus for the remainder of 2025 will be to deliver on our strategic priorities in pursuit of our 2030 ambition, and set our business on an exciting new growth trajectory. We will be focused on a more cohesive and integrated operating model that leverages the unique strengths of our diversified businesses.

As we move forward:

- Clinical innovation will become a key differentiator for our business. Critically, our track record to unlock significant value on Clinical Managed Care will remain a key asset and a success factor will be to transform the traditional care delivery programmes to focus on value-based care.
- We will unlock our core strengths in service delivery, allowing us to proactively respond to our customer needs, deliver exceptional experiences for our clients, and running an efficient business that is digitally enabled.
- We will continue to focus on key partnerships with our schemes, intermediaries and service providers to grow our networks and deliver a compelling proposition that is data and digitally enabled.
- We will work tirelessly to build trust and demonstrate our commitment to making a positive impact on the lives of those we serve, and most importantly, ensure the well-being of our people to remain motivated and engaged.

While we maintain a leading market position, there are internal and external factors that potentially pose a threat to our business.

The Group's core business however remains sound and diversified. Developing a cohesive value proposition that leverages our unique diverse healthcare assets in a more integrated approach will be key to our success.

Capital Management has been prudent with good cash generation. This positions the Group well for future investments in enhancing its product offering as we work on delivering on our 2030 ambition.

Annexure 1 – Summarised consolidated financial statements continued

COMMENTARY ON RESULTS continued

Dividends

The Board is pleased to announce that a final gross dividend of 6 cents (December 2023: 11 cents) per ordinary share, has been declared for the period ended 31 December 2024. Dividends are subject to Dividends Withholding Tax. The payment date for the dividend is Monday, 12 May 2025.

- Dividends have been declared out of profits available for distribution.
- South African Dividends Withholding Tax rate is 20%.
- The gross dividend amount is 6.00000 cents per ordinary share.
- Net cash dividend amount is therefore 4.80000 cents per ordinary share.
- The Company has 841 088 241 ordinary shares in issue as at the declaration date.
- The Company's income tax reference number is 9600148713.

The salient dates relating to the dividend are as follows:

Last day to trade cum dividend	Tuesday, 6 May 2025
Shares commence trading ex-dividend	Wednesday, 7 May 2025
Dividend record date	Friday, 9 May 2025
Dividend payment date	Monday, 12 May 2025

Share certificates for ordinary shares may not be dematerialised or rematerialised between Wednesday, 7 May 2025 and Friday, 9 May 2025, both days inclusive.

Annexure 2 – Directors' and Prescribed Officers' interests in the shares of the Company

DIRECTORS' ORDINARY SHAREHOLDINGS AS AT 31 DECEMBER 2024

Director	Direct beneficial	Indirect beneficial	Total	%
ATM Mokgokong (**Chairman**)	–	33 344 402	33 344 402	3.96
MJ Madungandaba (**Deputy Chairman**)	–	41 509 017	41 509 017	4.94
JW Boonzaaier	739	–	739	0.00
ND Munisi	7 000	37 124 619	37 131 619	4.41
AM le Roux	17 924	–	17 924	0.00
	25 663	111 978 038	112 003 701	13.31

There were no changes in the directors' interests between the end of the reporting period and date of approval of annual financial statements.

DIRECTORS' ORDINARY SHAREHOLDINGS AS AT 30 JUNE 2024

Director	Direct beneficial	Indirect beneficial	Total	%
ATM Mokgokong (**Chairman**)	–	33 344 402	33 344 402	3.96
MJ Madungandaba (**Deputy Chairman**)	–	41 509 017	41 509 017	4.94
JW Boonzaaier	739	–	739	0.00
ND Munisi	7 000	37 124 619	37 131 619	4.41
AM le Roux	17 924	–	17 924	0.00
	25 663	111 978 038	112 003 701	13.31

Annexure 3 – Shareholder analysis

ORDINARY SHAREHOLDERS

Shareholder spread	Number of shareholders	% of total shareholders	Number of shares	% of shares in issue
1 – 1 000 shares	6 565	75.43	509 473	0.06
1 001 – 10 000 shares	1 446	16.61	6 546 361	0.78
10 001 – 100 000 shares	611	7.02	16 111 802	1.92
100 001 – 1 000 000 shares	57	0.65	17 183 440	2.04
1 000 001 – shares and over	25	0.29	800 737 165	95.20
Total	8 704	100.00	841 088 241	100.00

Distribution of shareholders	Number of shareholders	% of total shareholders	Number of shares	% of shares in issue
Banks/Brokers	20	0.23	30 651 908	3.64
Close Corporations	6	0.07	289 453	0.03
Empowerment Trust	1	0.01	4 779 466	0.57
Endowment Funds	3	0.03	181 822	0.02
Individuals	8 448	97.07	43 758 509	5.20
Insurance Companies	3	0.03	180 018	0.02
Investment Company	1	0.01	62 912 483	7.48
Mutual Funds	11	0.13	7 475 377	0.89
Other Corporations	9	0.10	115 699	0.01
Private Companies	69	0.79	157 438 762	18.72
Public Companies	2	0.02	1 002	0.00
Retirement Funds	3	0.03	311 818	0.04
Sovereign Wealth Fund	1	0.01	6 372 130	0.76
Strategic Investor	1	0.01	494 431 629	58.78
Treasury Shares	6	0.07	24 650 636	2.93
Trusts	120	1.39	7 537 529	0.91
Total	8 704	100.00	841 088 241	100.00

Annexure 3 – Shareholder analysis continued

Public/non-public shareholder spread	Number of shareholders	% of total shareholders	Number of shares	% of shares in issue
31 December 2024				
Non-public shareholders	**15**	**0.17**	**631 086 109**	**75.03**
Directors and associates of the Company	**8**	**0.09**	**112 003 844**	**13.32**
Treasury shares*	**6**	**0.07**	**24 650 636**	**2.93**
Strategic holder (more than 10%)	**1**	**0.01**	**494 431 629**	**58.78**
Public shareholders	**8 689**	**99.83**	**210 002 132**	**24.97**
Total	**8 704**	**100.00**	**841 088 241**	**100.00**

* *The treasury shares include 403 649 shares that were repurchased at an average price of R2.67 in the current period in terms of the Board resolution passed on 1 November 2024. The shares are still in the process of being delisted or cancelled.*

Public/non-public shareholder spread	Number of shareholders	% of total shareholders	Number of shares	% of shares in issue
30 June 2024				
Non-public shareholders	14	0.16	630 893 829	75.00
Directors and associates of the Company	8	0.09	112 003 844	13.31
Treasury shares*	5	0.06	24 458 356	2.91
Strategic holder (more than 10%)	1	0.01	494 431 629	58.78
Public shareholders	8 628	99.84	210 194 412	25.00
Total	8 642	100.00	841 088 241	100.00

* *The treasury shares include 12 995 532 shares issued in the current financial period in terms of the forfeitable share plan for employees relating to the 2023 allocations.*

Major shareholders holding more than 5% of the issued share capital	Number of shares	% of total shares in issue
31 December 2024		
Sanlam Life Insurance Limited	**494 431 629**	**58.78**
Community Healthcare Holdings Proprietary Limited	**74 098 672**	**8.81**
ARC Financial Services Investments Proprietary Limited	**62 912 483**	**7.48**
Total	**631 442 784**	**75.07**

Annexure 3 – Shareholder analysis continued

Major shareholders holding more than 5% of the issued share capital	Number of shares	% of total shares in issue
30 June 2024		
Sanlam Life Insurance Limited	494 431 629	58.78
Community Healthcare Holdings Proprietary Limited	74 098 672	8.81
ARC Financial Services Investments Proprietary Limited	62 912 483	7.48
Total	631 442 784	75.07

Top 10 institutional shareholders	**Number of shares**	**% of total shares in issue**
31 December 2024		
Sanlam Life Insurance Limited	**494 431 629**	**58.78**
Visio Capital Management Proprietary Limited	**41 285 839**	**4.91**
Definitive Capital Management Proprietary Limited	**3 672 908**	**0.44**
Pershing Securities Limited	**1 608 114**	**0.19**
Peresec Prime Brokers Proprietary Limited	**984 932**	**0.12**
Nedbank Private Wealth Limited	**349 912**	**0.04**
Mergence Investment Managers Proprietary Limited	**275 579**	**0.03**
Barnard Jacobs Mellet Proprietary Limited	**244 641**	**0.03**
PSG Securities Limited	**229 958**	**0.03**
Ninety One Limited	**127 512**	**0.01**
Total	**543 211 024**	**64.58**

Annexure 4 – Share capital

ISSUED SHARE CAPITAL

	Group		Company	
	December 2024 R'000	June 2024 R'000	**December 2024 R'000**	June 2024 R'000
Authorised:				
1 billion ordinary shares at no par value	**10 000**	10 000	**10 000**	10 000
60 million redeemable preference shares of 1 cent each	**600**	600	**600**	600
Issued:				
841 088 241 ordinary shares of 1 cent each	**21 324**	21 324	**21 324**	21 324
- Opening balance	**21 324**	21 294	**21 324**	21 294
- Issue of share capital	**–**	30	**–**	30
Share premium	**2 537 411**	2 537 411	**2 537 411**	2 537 411
	2 558 735	2 558 735	**2 558 735**	2 558 735

The directors are authorised, by resolution of the shareholders and until the forthcoming AGM, to issue the unissued shares in accordance with the limitation set by members. All issued shares have been fully paid.

All ordinary shares rank equally regarding the Company's residual assets.

Major shareholders holding more than 5% of the issued share capital	**Number of shares**	% of total shares
31 December 2024		
Sanlam Life Insurance Limited	**494 431 629**	58.78
Community Healthcare Holdings Proprietary Limited	**74 098 672**	8.81
ARC Financial Services Investments Proprietary Limited	**62 912 483**	7.48
Total	**631 442 784**	75.07

Annexure 5 – Material change statement

The Directors report that there have been no material changes to the affairs, financial or trading position of the Company and Group since 31 December 2024 to the date of posting of this report other than disclosed in this report.

Annexure 6 – Curriculum vitae of directors up for re-election

Paul Hanratty B.Bus.Sci (Hons); FIA **Appointed:** 15 June 2023 **Committees:** N/A	Mr Hanratty is the CEO of Sanlam Limited. He has over 30 years of experience in insurance, asset management, wealth management, and banking in Africa, Europe, the UK, the USA, and India. He served as Chairman and CEO of several UK, European and South African financial services businesses, as well as a non-executive director of several financial services businesses and a major listed telecoms company.
Marinda Dippenaar BCompt (Hons), CA(SA) **Appointed:** 15 June 2023 **Committees:** Investment Committee	Marinda holds BCompt Honours and CTA in accounting and Bcom Accounting degrees and is a qualified Chartered Accountant (SA). She completed her articles at PwC in 2006, after which she joined the PwC Corporate Finance Valuations team, where she was involved in the valuation of large unlisted companies across various sectors as well as intangible asset valuations under IAS 38. Marinda joined Alexforbes in 2008 as a Corporate Finance Manager. In her eight years at the company, she was responsible for managing the debt after the delisting and leveraging of the Group in 2007 and managing the Group treasury and capital. She was also involved in disposing of certain non-core subsidiaries, including large multinational and cross-border transactions. In 2014, she was responsible for the complete restructuring of the Group balance sheet and the listing of Alexforbes on the JSE Limited (JSE). Marinda joined African Rainbow Capital Investments Limited (ARC) in 2017 as a Deal Executive. She was responsible for listing ARC on the JSE in September 2017. Over the last six years, she has taken responsibility for negotiating, structuring and implementing several of the non-banking Financial Services investments in the ARC portfolio. She also has executive responsibility for the portfolio management of the non-banking Financial Services group, where she is a board member. Marinda also serves on the boards of Alexander Forbes Group Holdings Limited, QED Actuaries & Consultants Proprietary Limited and ARC Financial Services Investments Proprietary Limited. In addition, she has primary executive responsibility for external funding and cash management across the wider ARC Group.
Alice le Roux BComp (Hons), Bachelors (Accounting), CA(SA), RA **Appointed:** 25 May 2020 **Committees:** Audit & Risk Committee; Remuneration Committee	Ms le Roux is a Chartered Accountant (SA) and a Registered Auditor. She is an audit and accounting industry professional with a career in finance, governance and audit spanning over 24 years. She currently serves as a member of the Audit and Risk Committee of the South African Revenue Services (SARS) and its companies, which reports directly to the Minister of Finance of South Africa. Previous roles include serving on the Board of Shoprite Holdings Limited, where she served on their Audit and Risk Committee as well as their Social and Ethics Committee, and serving as a non-executive director on the Board of South African Institute for Chartered Accountants in South Africa (SAICA) where she was the Chairperson of the Education and Training Committee and served on the Audit and Risk Committee.

Annexure 7 – Directors nominated for election as members of the Audit and Risk Committee

Bruno Fernandes BCom, BAcc, BCom (Hons) (InvM), CA(SA) **Appointed:** 23 November 2018 **Committees:** Audit and Risk Committee; Investment Committee	Mr Fernandes holds a B.Comm (Accountancy), B.Acc (Accountancy Honours) and B.Com Honours (Investment Management) Cum Laude and is a CA (SA). Bruno completed his clerkship accounting articles in audit at KPMG in 1995 and spent two years at KPMG Corporate Finance in Johannesburg and Manchester (UK). He is currently consulting privately. Bruno was a former Investment Banking Vice-President at Nedbank Investment Bank Limited and former Principal at Nedbank Limited. He was a former Group Operations Risk Review Manager at Balfour Beatty Limited in the UK, London.
Alice le Roux BComp (Hons), Bachelors (Accounting), CA(SA), RA **Appointed:** 25 May 2020 **Committees:** Audit & Risk Committee; Remuneration Committee	Ms le Roux is a Chartered Accountant (SA) and a Registered Auditor. She is an audit and accounting industry professional with a career in finance, governance and audit spanning over 24 years. She currently serves as a member of the Audit and Risk Committee of the South African Revenue Services (SARS) and its companies, which reports directly to the Minister of Finance of South Africa. Previous roles include serving on the Board of Shoprite Holdings Limited, where she served on their Audit and Risk Committee as well as their Social and Ethics Committee, and serving as a non-executive director on the Board of South African Institute for Chartered Accountants in South Africa (SAICA) where she was the Chairperson of the Education and Training Committee and served on the Audit and Risk Committee.
Karabo Morule B.Bus.Sci (Actuarial Science, Finance), PDip (Actuarial Science), AMP, Fellow with the IFOA, ASSA **Appointed:** 31 December 2024 **Committees:** Audit & Risk Committee; Social & Ethics Committee	Karabo is a qualified actuary, former investment banker and corporate executive, having held roles at JP Morgan and Old Mutual Limited, and has served on a number of boards and governing bodies. She is a 2018 Young Global Leader of the World Economic Forum. She has a Bachelor of Business Science degree in Actuarial Science and Finance, and also a Postgraduate Diploma in Actuarial Science, both from the University of Cape Town. Furthermore, she is an alumnus of Harvard Business School, having completed the Advanced Management Programme in 2019. She is a Fellow of the Actuarial Society of South Africa and the Institute and Faculty of Actuaries.

Annexure 8 – Directors nominated for election as members of the Social and Ethics Committee

Dr Nkateko Munisi MA, EMBA **Appointed:** 7 December 2015 **Committees:** Investment Committee; Social and Ethics Committee	Nkateko Munisi is a qualified and practising medical doctor with extensive experience in the medical industry, having served on numerous committees, boards and panels throughout his career. He is the chairperson of the medical panel at the Eskom Pension and Provident Fund and the RH Managers' advisory committee. He is also a representative in the Public Investment Corporation's healthcare infrastructure fund. Nkateko is a director and the current chairperson of Golden Pond Trading 175 (Pty) Ltd, a joint venture company between SGH and Community Healthcare Holdings Proprietary Limited, who are material shareholders in AfroCentric.
Karabo Morule B.Bus.Sci (Actuarial Science, Finance), PDip (Actuarial Science), AMP, Fellow with the IFOA, ASSA **Appointed:** 31 December 2024 **Committees:** Audit & Risk Committee; Social & Ethics Committee	Karabo is a qualified actuary, former investment banker and corporate executive, having held roles at JP Morgan and Old Mutual Limited, and has served on a number of boards and governing bodies. She is a 2018 Young Global Leader of the World Economic Forum. She has a Bachelor of Business Science degree in Actuarial Science and Finance, and also a Postgraduate Diploma in Actuarial Science, both from the University of Cape Town. Furthermore, she is an alumnus of Harvard Business School, having completed the Advanced Management Programme in 2019. She is a Fellow of the Actuarial Society of South Africa and the Institute and Faculty of Actuaries.
Aklaaq Mahmood BAccSci, MBA **Appointed:** 1 September 2018 **Committees:** Social & Ethics Committee	Aklaaq Mahmood has more than 18 years' experience in the healthcare industry. Formerly, he was the Deputy CEO of LA Health Medical Scheme and Principal Officer of ProSano Medical Scheme. An MBA graduate from the University of Stellenbosch where he received a highest achievement Merit Award for Strategy. Aklaaq began his career in healthcare serving as a trustee on the Board, Audit Committee and Pension Fund of Global Health Medical Scheme. He has also been a member of various other committees and forums, including Chairperson of the Audit Committee, Risk Committee and Mayoral Performance Evaluation Panel for the City of Cape Town. Aklaaq Mahmood is the Director for AfroCentric Group's Business Development and Chairperson of Medscheme Namibia. He is a Director for several AfroCentric Group subsidiaries. Further responsibilities include the integration of new acquisitions into the Group.

Annexure 9 – Remuneration Report

BACKGROUND STATEMENT

Remuneration Committee Chairperson's report

On behalf of the Remuneration Committee (the committee), I am pleased to present AfroCentric's remuneration report for the reporting period July to December 2024. This report supplements the information provided in the corporate governance report on pages 80 to 98. In addition, the report highlights the committee's focus areas for the period under review, outlines relevant policies and practices, and addresses AfroCentric's performance and corresponding remuneration outcomes.

The Committee's primary focus is on remuneration oversight and governance. We ensure that the remuneration policies and practices brought to our attention align appropriately with the company's strategic priorities and with shareholder interests.

Past six months in focus

The last six months of 2024 were characterised by preparation for the full alignment of AfroCentric's reward cycles to those of Sanlam. With effect from 2025, annual salary increases will be implemented in April and short-term incentives, when qualified for, will be awarded in March. The performance management cycle will run again for a full year, January through to December, and will be based on a cascade of key deliverables from the Group performance scorecard.

The committee is confident that AfroCentric is now poised and ready for a year of consolidation and delivery, having successfully navigated the Sanlam transition over the past 18 months. We are nonetheless cognisant of the challenges presented to AfroCentric leaders and staff, not only by the overall integration but also by having to deal with a condensed six-month period in which there has been limited time to see through key cycles of performance and reward.

Critical reward activities that the committee presided over during the past six months included the following:

- Shares due for vesting in November 2024, under the original AfroCentric long-term incentive (**LTI**) scheme, the Conditional Share Plan (**CSP**), were approved by the Committee. As a result, 48 eligible employees exercised their right to vest a total of 3 078 326 B shares in compliance with the scheme's rules. The vesting took effect in November 2024
- 2024 LTI awards for Exco, key leadership and critical talent: the Committee and the AfroCentric Board agreed to award 2024 LTI instruments linked to the Sanlam share price. The 2024 LTI awards awarded to incentivize and retain key talent comprised R64 967 200. The future vesting of these LTI instruments in June 2028 will be dependent upon the successful achievement of a set of key AfroCentric financial and non-financial targets directly linked to the AfroCentric business strategy.
- The Committee confirmed their agreement for adjusted vesting periods for LTI's (slightly longer) to ensure effective alignment to the new reward cycles
- The Committee also confirmed their support for a limited and discretionary bonus pool of R21.4 million to reward exceptional performance and to retain key talent. Whilst the financial results were not optimal for the period under review, there was significant work done to build the foundation for future growth. The Committee and subsequently the Board recognised the efforts of staff under challenging conditions.

Annexure 9 – Remuneration Report continued

Over and above matters related to reward, there was significant activity regarding a number of people and transformation initiatives that the Committee was encouraged by and pleased to support, including:

- The achievement of a Level 1 B-BBEE status for AfroCentric Investment Corporation and AfroCentric Health Limited. Transformation imperatives are core to AfroCentric, and delivery against these have been demonstrated by a keen focus on key leadership appointments impacting the Management Control element and good progress on the Skills Development element
- Leader-led engagements on a number of diversity and wellness initiatives are starting to shape organisational culture. A key focus has been on employees living with disabilities, and initiatives championed by leaders are shifting barriers and changing attitudes
- Engagement surveys that touch the pulse of the organisation are now a regular feature of organisational life, further shaping the way things are done in the organisation
- New and refreshed talent processes are regularly shared with the Committee, and we are pleased by the ways in which they are broadening the employee experience of life at work at AfroCentric. Mobility across the AfroCentric and Sanlam Groups is visibly increasing, and the alignment of the talent language across the full Group is facilitating this
- Organisational design practices are being visibly sharpened, supporting enhanced governance and clarity on roles, grades and structures

The committee is kept abreast of all matters impacting staff, particularly where there are potential staff cuts due to tenders or contracts being lost. Where this has taken place, the committee has noted the mitigation put in place by the management teams with regard to redeployment efforts and has supported these unconditionally.

Changes to the remuneration and related policies for the period June to December 2025

In keeping with our philosophy of ensuring fair and responsible remuneration, the committee continuously reviews the Group's remuneration policies and practices to ensure they remain relevant and responsive to organisational imperatives. We maintained our focus on reward governance and to this end have approved the introduction of a restraint of trade policy. We noted and supported the continued leveraging by management of the governance experience and frameworks of Sanlam.

Focus areas

The committee envisages the following focus areas in advancing the Company or Group's value proposition:

2025 focus areas
The introduction of additional reward policies to enhance remuneration governance. Consideration to be given to a **minimum shareholding requirement (MSR)** for executives participating in the LTI scheme.
An overall review and streamlining of the remuneration policy to limit repetition and improve flow so as to enhance readability and understanding.
Ongoing improvements to and enhanced packaging of the AfroCentric employee value proposition.
Revision of the long-term incentive scheme.
Matters related to pay equity and benchmarking.
People and transformation initiatives that will drive the culture to support the Company strategy refresh, Vision 2030.
Continued alignment with Sanlam to drive synergies and opportunities.

Annexure 9 – Remuneration Report continued

Shareholder engagement and voting

Shareholder voting results

Resolution	November 2024	November 2023
Ordinary resolution on non-binding advisory vote on remuneration policy	**93.23%**	99.67%
Ordinary resolution on non-binding advisory vote on implementation report	**94.57%**	50.26%
Special resolution on Non-executive Directors' fees	**94.59%**	100%
Special resolution on general authority to repurchase shares	**99.98%**	100%

The remuneration policy and implementation report were presented for shareholder voting at the AGM held on 7 November 2024. 93.23% of our shareholders endorsed the policy, and the implementation report received an in-favour vote of 94.57%. This latter vote is a strong indication of support for the positive governance changes we made during 2024 following shareholder engagement.

As required by the Companies Act and King IV, the above resolutions will be tabled for shareholder voting at the AGM to be held in May 2025, details of which can be found in the Notice of AGM (page 9).

In the event that either the remuneration policy or the implementation report, or both, are voted against by 25% or more of shareholders, the Board will engage with shareholders to understand the concerns raised. This engagement may be carried out by virtual meeting or in writing and will be implemented after the release of the voting results. Where possible and prudent, objections will be taken into consideration when formulating any amendments to the Company's remuneration policy and implementation report in the following financial year.

Appreciation

My first six months as Chairperson of the Remuneration Committee have been a privilege, characterised by exceptional support from my fellow committee members. They have shared their wisdom and expertise, demonstrating a deep commitment to ensuring that reward and human capital priorities receive the required oversight and governance.

As AfroCentric positions itself strategically to deliver on its Vision 2030, there is a sharp appreciation from all committee members that attracting and retaining key leaders and critical talent is the key enabler. It is therefore rewarding to oversee and shape the fundamentals of a compelling and robust employee value proposition designed for this very purpose. As a committee, we are confident that the assembled leadership team is well equipped for the journey ahead, and we look forward to supporting their progress.

Thank you to our shareholders for your support and engagement. We look forward to further interaction on AfroCentric's remuneration policy.

Alice le Roux
Remuneration Committee Chairperson

Annexure 9 – Remuneration Report continued

REMUNERATION OVERSIGHT AND POLICIES

Remuneration governance

AfroCentric's remuneration policy, structures and processes are set within a governance framework with designated levels of authority.

Shareholders	Board of Directors	Group Remuneration Committee	Group CEO and executives
Approve Non-executive Directors' fees and non-binding approval of the remuneration policy and implementation report	Approves the remuneration policy and provides the Group Remuneration Committee with specific mandates	Recommends policy and monitors the implementation of the remuneration policy	Implementation, oversight, communication and formulation of recommended policies and remuneration, supported by the Group CFO and Human Capital Executive

While we apply a common remuneration structure across the Group, we differentiate its implementation according to the size and operating models of various entities within the Group.

Remuneration principles

Employees are at the core of our business, as we require highly skilled, competent and experienced employees to drive our business growth. Accordingly, AfroCentric's remuneration policy is designed to reward employees for their performance and contribution towards value creation for our shareholders.

Annexure 9 – Remuneration Report continued

The following principles govern Group-wide remuneration at all levels:

Pay for performance	Pay-for-performance methodology, linking executive reward to business performance. This allows for differentiated increases based on the individual's contribution and performance.
Parity and equity	Ensure external parity is maintained, market relevance is achieved, balanced internal equity is ensured, and pay adjustments are affordable for the organisation.
Talent attraction and retention	Ensure a remuneration mix that will attract the best talent in the market and retain top talent in the organisation.
Performance incentives	Align executives to shareholder interests by linking **short-term incentives (STIs)** and LTIs to performance indicators that are not limited to financial indicators.
Fair and responsible pay	Internal equity: Ensuring all our employees are appropriately and fairly rewarded for their contributions, regardless of gender, race, age, ethnicity, religion or sexual orientation.

Remuneration policy design principles

Our remuneration policy provides a framework for managing total remuneration within the Group and supports the Group's employee value proposition.

Remuneration objectives

Talent motivation and engagement

Ensures strategic alignment with organisational and individual objectives, thus keeping employees engaged.

Talent attraction and retention

Manages high-calibre talent for the achievement of strategic objectives.

Leveraging the total reward offering and enhancing our employee value proposition

Balances financial and non-financial rewards for a holistic reward mix that is sustainable.

Annexure 9 – Remuneration Report continued

Pay for performance

Executives' remuneration is based on the level of accountability, complexity and nature of the role, which is sized relative to the organisation's turnover, number of employees (including wage bill), market cap, assets and net after-tax profitability benchmarked to the external market. The table below shows the relationship between the Group's strategy, its pay-for-performance philosophy and the requirements set out in King IV™:

Strategic objective: Maximise shareholder value and returns

Strategic aspiration: Operating profit (EBIT) target as agreed with the Board from time to time

The pillars of the balanced scorecard (BSC) support the delivery of our strategic objectives

Strategic impact	
– Sanlam-aligned scheme – Client value proposition – New target operating model – Fix technology platforms and automate key functions – Medscheme operating model: Focus on customer experience aspects that are linked to scheme objectives – Optimise human capital	**Financial (50% weighting)** **Environmental, social and governance (ESG) and risk management (10% weighting)** **Leadership, culture and transformation (10% weighting)** **Client perception and growth (20% weighting)** **Strategic initiatives (10% weighting)**

Our deliverables, contained in our BSCs, are derived from and directly support the Group strategy. The Group BSC cascades to the various business units and is aligned with the business unit and individual performance objectives.

Remuneration arrangements for other employees

Recognising the need to remunerate executive management fairly and responsibly in the context of the overall remuneration, we awarded higher increases to bargaining unit employees (5.59%) compared to executive levels (5.40%). Increases in respect of the bargaining unit are negotiated annually with NEHAWU, the recognised labour unions, considering various internal and external factors such as affordability, market conditions and benchmark information. Remchannel Salary Survey formed the basis for market benchmark information to facilitate the remuneration review.

Annexure 9 – Remuneration Report continued

Differences in remuneration policy for executives compared to other employees

There are differences in the structure of the remuneration policy for Executive Directors, prescribed officers and other salaried employees which are necessary to reflect the different levels of responsibility and market practices. The key difference is the increased emphasis on incentives or variable performance-related pay in senior roles. Lower maximum variable pay limits, as a percentage of guaranteed pay, apply for roles below the executive level, driven by market benchmarks and the relative impact of the role.

Senior executives, general management and key strategic resources at senior management, middle management or specialist level may participate in STI and LTI schemes where these plans are targeted at individuals with the greatest responsibility for Group performance.

General staff are eligible to participate in a performance-based bonus scheme.

Remuneration model

AfroCentric's remuneration model balances short-term and long-term financial and non-financial rewards to drive a high-performance culture. The critical components of this model, including policy elements, are illustrated below:

Guaranteed pay

This comprises the benchmarked, market-related fixed component of AfroCentric's remuneration offering, and is designed to attract and retain qualified and experienced employees.

Base pay benefits and allowances		Benefits and allowances	
Market-related salary reflecting individual contributions, roles and responsibilities		Market-related benefits including medical aid, retirement fund[1] and insured benefits such as Group death and disability benefits and Nedbank workplace banking benefits	
Purpose	To attract and retain qualified and experienced employees	**Purpose**	To retain employees and contribute to their overall wellbeing

Annexure 9 – Remuneration Report continued

Base pay benefits and allowances	
Mechanics	– All employees – Pay bands are set with reference to industries – For executives, benchmarks are derived from similar comparator groups – Salaries are paid monthly – Employees are eligible for adjustments when promoted to other positions; however, specific conditions apply – Market benchmarking according to job family grouping, job grade and individual long-term performance
Maximum opportunity	– Cost of annual increases is approved by the Remuneration Committee and set in accordance with expected market movements, affordability and forecast inflation – Increases granted to bargaining and non-bargaining unit employees are linked to individual performance

Benefits and allowances	
Mechanics	– Applicable to all employees – Allowances are paid in terms of statutory requirements or policy – Contributions to all benefits are made by both the employer and the employee – Beneficiaries of employees who pass away while in service receive additional benefits, such as education benefits, medical aid, premium waivers, etc.
Maximum opportunity	– In addition to the standard basket of benefits, employees can buy additional benefits (e.g. extended family funeral cover) at Group rates

[1] *Employees elect participation in either a pension fund or the NEHAWU Provident Fund, the latter being available only to NEHAWU members.*

Annexure 9 – Remuneration Report continued

Variable pay

Variable pay relates to additional financial compensation in the form of STIs and LTIs aligned with the Group's performance, strategy and value creation.

STI scheme

Performance-based Group annual incentive schemes

- Management strategic incentive scheme
- Management performance bonus scheme
- Performance-based bonus for all general staff
- Actuarial incentive scheme
- Other sales incentive schemes (self-funding)

LTI scheme

While the existing AfroCentric LTI remained in place, over the six-month transitional phase from July to December 2024, the Group carefully considered the most effective mechanism to align executive interests with long-term value creation. The decision to base the LTI award on Sanlam shares was driven by several key factors, including:

- Capital structure considerations – Utilising Sanlam shares avoids dilution of AfroCentric's equity, preserving shareholder value while still incentivising performance
- Performance-driven vesting conditions – While the LTI award is based on Sanlam shares, the vesting conditions remain directly tied to AfroCentric's performance. This ensures that executives are incentivised to achieve AfroCentric's key financial and strategic goals, creating long-term sustainable value
- Strategic alignment – The success of the Company is closely linked to the overall performance and strategic direction of Sanlam. This structure reinforces alignment with the broader corporate strategy while ensuring that executives remain motivated to drive the Company's specific objectives

This approach strikes a balance between providing a competitive and effective incentive structure while maintaining strong alignment with the Company's growth and shareholder interests.

Annexure 9 – Remuneration Report continued

STI scheme	
Purpose	– To motivate employees, management and executives to achieve short-term strategic, financial and non-financial objectives – To reward Company, business unit and individual performance – To recognise, motivate, attract and retain high-performing employees

LTI scheme	
Purpose	To retain, motivate and reward executives, senior management and other individuals who influence the long-term sustainability, value creation and strategic objectives of the Group on a basis that aligns their interests with those of the Group's shareholders.

Annexure 9 – Remuneration Report continued

STI scheme	
Mechanics	– Executive Committee members, general management[2], senior management[3] and management[4] at corporate and business unit level, as well as general staff – The STI consists of Group and individual performance targets – Group targets on a BSC basis are set each year and cascaded – Business unit targets are set in line with the approved business plans – Individual targets are recorded in the performance contract with reference to the role's requirements – Performance below the threshold results in a zero score, and the individual will not be eligible for an STI award – A hurdle for payment of any STI is the achievement of EBIT targets; however, a sliding scale is applicable at the Remuneration Committee's discretion once all other key performance area targets have been achieved – The committee approves any payments in respect of performance-based STIs – Other STIs, such as general staff performance bonuses or commissions, are paid quarterly or monthly as per the respective set of rules

LTI scheme	
Mechanics	– Vesting share scheme – Executive Committee members, general and senior management at Group and business unit level – Governance resides with the committee, which considers annual awards for eligible employees – The awards are linked directly to the role as well as long-term individual performance and potential – Group performance targets include: ◦ Financial (50%) • EBIT growth YoY – 30% • RoGEV – 20% ◦ Non-financial (50%) • Transformation targets – 20% • Support the Sanlam open scheme – 30%

Annexure 9 – Remuneration Report continued

STI scheme	
Maximum opportunity	– Stretch performance percentage of 150% of on-target quantum, or 14th cheque, depending on the scheme in which the employee participates – Participation is limited to one scheme only
Number of participants	– 554 for management; 3 440 for general staff

LTI scheme	
Maximum opportunity	– The employee's job grade determines the maximum allocation
Number of participants	– 119

STI schemes

The Group relies on various bonus schemes that are designed to achieve its strategic objectives.

Individual performance below the threshold results in a zero score, and the employee will not be eligible for consideration for an STI award.

Management strategic incentive scheme

The annual strategic management incentive scheme focuses on the executive team and tier two managers who report directly to the executives, and employees selected for value contribution and scarce and critical skills. This applies to employees whose roles directly impact the Group's strategic imperatives.

Strategic incentives are calculated as shown below; however, any payment is subject to achieving the Group performance scorecard on a sliding scale basis.

On-target % x business multiplier x individual performance multiplier

On-target %	Group performance multiplier	Individual performance multiplier
Determined by employee's level/job grade	Group performance is measured against targets set annually in advance	Determined by employee's performance score

Level	On-target % of annual Cost-to-company (CTC)
Group CEO	50%
Group CFO	45%
Group executives	40%

Financial target (EBIT)

Governance

Transformation

Strategic Company objectives

Performance rating	Individual Performance (IP) multiplier
Above stretch	150%
Stretch	125%
On-target	100%
Below target	50%
Missed targets	0%

Annexure 9 – Remuneration Report continued

Group performance

While the performance conditions for the STI bonus were not achieved for the year ending June 2024, management recommended a discretionary reduced bonus pool relative to the Group's overall 2.53 performance score on a 5-point rating scale.

Management performance bonus scheme

The management performance bonus scheme was introduced during the 2017 financial year at the request of the Remuneration Committee. This scheme targets exceptional performance through a reward of 100% of the guaranteed monthly package and additional bonus payments as prescribed in the rules.

Bargaining unit performance-based bonus scheme

The performance-based bonus scheme was introduced in 2019 with the Remuneration Committee's support. This scheme is aimed at non-management level employees and ensures an all-inclusive performance-based total reward strategy for the Group across all levels.

STIs on termination of employment

There is no automatic entitlement to annual STIs on termination, but it may be considered at the committee's discretion, considering performance measures during the period. Any such payment will be pro-rated to service. The governing rules require active employment on the date of payment. No bonus will be payable unless otherwise justified by special conditions.

LTI scheme

AfroCentric introduced a new FSP LTI scheme in November 2022, following Board approval. The Remuneration Committee approves the allocations for all participants.

Malus and clawback

Where defined trigger events occur, provision is made for redress against remuneration through either malus (pre-vesting forfeiture) or clawback (post-vesting forfeiture). Malus and clawback provisions and their application to trigger events are governed by the Group Malus and Clawback Policy.

Annexure 9 – Remuneration Report continued

Vesting share scheme

Award mechanism	Linked to job grade and allocated by the committee. The committee has discretion within a range per job grade with a maximum number of shares set per grade, aligned with shareholder expectations.
Vesting	Cliff vesting three years from the date of award subject to satisfaction of performance conditions.
Participation	Individual participation is reviewed annually by the committee to ensure alignment with the strategic objectives of the Group, and consideration is given to: – Individual long-term performance (over three years) – Scarce and critical skills, particularly at other levels – Strategic importance of the role – Potential or talent of the employee (in particular, ability, attitude and aspiration)
Conditions	Share award is conditional to the retention period, provided the employee is eligible.
Performance conditions	Long-term business performance criteria set for the relevant award cycle.

Remuneration mix

To maintain a high-performance culture and alignment with shareholders through value creation, the total reward mix for the Group CEO, Executive Directors, executives and senior management is geared towards a higher percentage of variable pay "at risk" for achieving stretch goals.

The chart below represents the potential mix of guaranteed pay, STI and LTI for the Group CEO at below, on-target and stretch levels. Below target assumes no variable incentive payments.

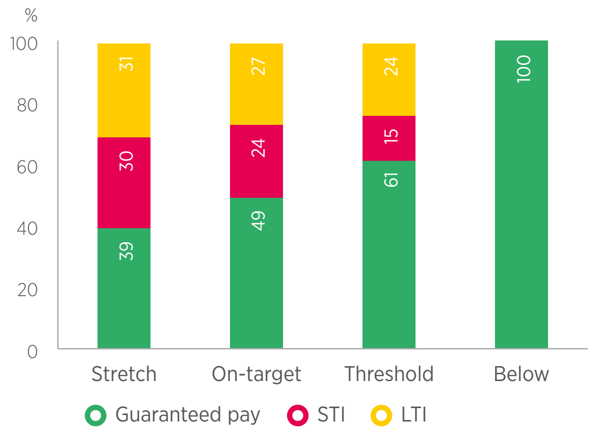
Remuneration processes

Service contracts and notice periods

AfroCentric can summarily terminate executive employment for any reason recognised by law in the respective jurisdiction. It is policy that the Executive Directors and executives have employment agreements with the Group that may be terminated with a three-month notice period. Executive Directors may be required to work during the notice period, but if not, the full notice period may be provided with pay in lieu of notice (subject to mitigation where relevant).

Annexure 9 – Remuneration Report continued

Executive management remuneration (%)



Non-executive Directors' remuneration

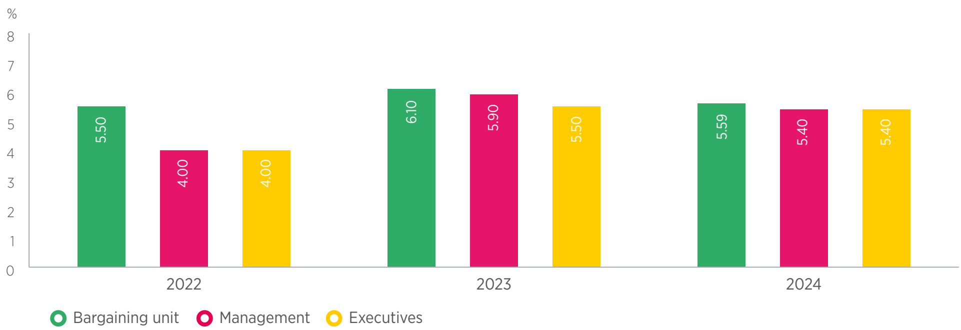
The table below sets out the remuneration principles applied by the Group for Non-executive Directors for the 2024 financial year. These principles also apply for the 2025 financial year and formed the underlying basis for the fees tabled for approval at the November 2024 AGM.

	Chairman Deputy Chairman	Directors and Lead Directors Committee
Objective	A market-related fee to attract and retain experienced and diverse Non-executive Directors.	Fees to reflect the additional responsibilities undertaken through membership of committees. Committee chairpersons receive an additional amount.
Fee principles	– Fees are reviewed annually, and fees in respect of the Chairman and Deputy Chairman were adjusted during the reporting period following the benchmarking done by PwC – Fees reflect the time commitments in respect of meetings and additional stakeholder relations as well as other standard duties associated with each role – Fees are fully inclusive – The Remuneration Committee recommends the fees to the Board for final approval	
Payable	**Main Board:** quarterly **Subsidiary board:** monthly	Per-meeting fee payable monthly

Annexure 10 – Implementation of the Remuneration Report and Remuneration Policy

It is the view of the Remuneration Committee that the remuneration policy achieved its stated objective.

Guaranteed pay – base pay increase (%)



Annexure 10 – Implementation of the Remuneration Report and Remuneration Policy continued

Total remuneration outcomes

Single figure remuneration (R'000)

	Guaranteed pay			
	Base pay		Benefits and allowances	
Executive Directors	**Dec 2024**	June 2024	**Dec 2024**	June 2024
G van Wyk	**2 259 124**	3 935 751	**227 426**	394 582
A Banderker	**–**	1 752 609	**–**	174 615
H Boonzaaier	**1 994 352**	3 817 565	**195 117**	370 136
TOTAL	**4 253 476**	9 505 925	**422 543**	939 333

* *STI was approved after the release of the Annual Financial Statements but before the publication of the Integrated Annual Report.*

STI performance outcomes

Financial performance indicators are measured against audited annual financial results and are net of STI accruals. Non-financial performance KPIs are based on a formal performance evaluation conducted by the Group CEO for executives and by the Remuneration Committee and Board Chairman for the Group Chief Executive.

Performance below the threshold does not attract STI payments, where the threshold for financial targets is 100% of the target.

Non-financial individual performance is assessed against suitable KPIs and rated on a sliding scale: a score of 2.75 represents threshold performance, 3 represents on-target performance, 4 represents excellent performance, and 5 represents stretch performance.

Annexure 10 – Implementation of the Remuneration Report and Remuneration Policy continued

Variable pay					
STI and retention awards		LTI		Total remuneration	
Dec 2024	June 2024*	**Dec 2024**	June 2024	**Dec 2024**	June 2024
526 354	1 522 623	**–**	3 525 001	**3 012 904**	9 377 958
–	–	**–**	–	**–**	1 927 224
–	1 094 560	**–**	–	**–**	5 282 261
526 354	2 617 183	**–**	3 525 001	**3 012 904**	16 587 443

Annexure 10 – Implementation of the Remuneration Report and Remuneration Policy continued

Management strategic incentive scheme

	Business objective	Outcome	
Weighting – 50%	Finance (revenue, expenses, EBIT and **return on invested capital (ROIC)**)	3.90 out of 5 (when measured against revised budget)	Target partially met
Weighting – 10%	ESG and risk management	2.70 out of 5	Target partially exceeded
Weighting – 10%	Leadership, culture and transformation	3.40 out of 5	Target partially exceeded
Weighting – 10%	Client perception and growth	1 out of 5	Target not met
Weighting – 20%	Strategic initiatives	2.79 out of 5	Target partially met
Total net weighted score		**3.20 out of 5**	**Target partially met**

Annexure 10 – Implementation of the Remuneration Report and Remuneration Policy continued

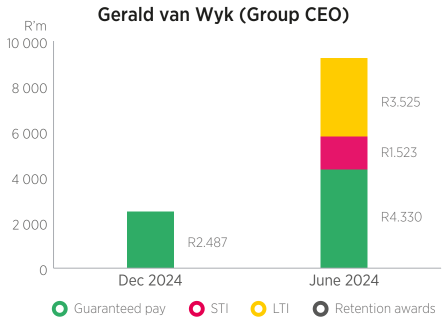
Comments
The Group achieved mixed results, with suboptimal performances against original budget while the re-forecast EBIT was achieved. While expense management exceeded expectations, revenue slightly underperformed and ROIC fell significantly below target.
The Group has strengthened its governance and assurance processes, with a focus on reducing incidents and penalties. The recruitment of a Chief Risk Officer was ongoing over the period, and governance structures such as the Audit and Risk Committee effectively reduced penalties and regulatory breaches. While targeted emission reductions were not fully achieved due to increased business travel and product-related emissions, improvements were seen in diesel and electricity consumption. On the social front, there was growth in scripts for Department of Health-covered lives, though primary health insurance sales did not meet expectations.
The Group made strong progress in diversity, equity and inclusion, with all senior and most mid-management hires coming from African, Indian and Coloured categories, though no new top management hires occurred. B-BBEE Level 1 was achieved for key entities, while succession planning met diversification targets but faced challenges in strengthening General Managers (**GM**) and Executive Managers (**EM**) pipelines. Employee engagement efforts included surveys, masterclasses and wellness initiatives, though participation fell slightly short of targets. The AfroTech migration was delayed to May 2025 due to challenges, but other change initiatives, such as staff redeployment and integration into Sanlam, progressed well. A broader effort to enhance change management capabilities through training sessions is also underway.
Strengthened and stabilised the operational areas to meet and exceed client experiences, culminating in Bonitas being awarded top open scheme in the market for client experience. Before the Bonitas cancellation, we also outperformed new business sales targets in driving membership growth. However, the growth initiatives in pharma product volume sales, Sanlam collaboration on sales growth in Bonitas and Fedhealth, and primary health insurance were not achieved as planned.
The Group finalised its partnership with Fedhealth for a Sanlam-supported open scheme, with key milestones and growth opportunities outlined. Client value initiatives progressed, with phase 1 of the customer value proposition achieving scheme simplification, while phase 2 (from 2026) will enhance life insurance integration. The Sanlam Rewards phase 1 launch was approved but delayed due to fintech dependencies. A value-based care pilot was approved for 2025. The new target operating model (TOM) received Board approval, with key transformation streams identified and progressing through various workflow phases. Digital transformation efforts, including six high-value digital use cases, are also in motion for 2025.

Annexure 10 – Implementation of the Remuneration Report and Remuneration Policy continued

Individual remuneration outcomes

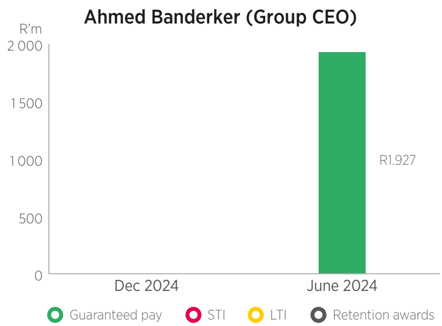
Gerald van Wyk (Group CEO)

	Dec 2024	June 2024
Salary	**2 259 124**	3 935 751
Medical aid	**56 068**	98 701
Retirement benefits	**124 294**	212 832
Other employee benefits	**47 064**	83 049
Total guaranteed pay	**2 486 550**	4 330 333
Increase in guaranteed pay	**5.30%**	–
STI#	**526 354**	1 522 623
Value of awarded shares	**–**	3 525 001
Total variable pay	**526 354**	5 047 624
Total remuneration	**3 012 904**	9 377 958



*Ahmed Banderker (Group CEO)**

	Dec 2024	June 2024
Salary	**–**	1 752 609
Medical aid	**–**	23 829
Retirement benefits	**–**	117 175
Other employee benefits	**–**	33 611
Total guaranteed pay	**–**	1 927 224
Increase in guaranteed pay	**–**	5.5%
STI (previous period)***	**–**	–
Retention awards***	**–**	–
Value of awarded shares	**–**	–
Total variable pay	**–**	–
Total remuneration	**–**	1 927 224



Annexure 10 – Implementation of the Remuneration Report and Remuneration Policy continued

*Hannes Boonzaaier (Group CFO)***

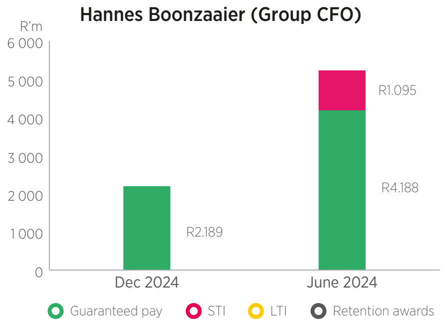
	Dec 2024	June 2024
Salary	**1 994 352**	3 817 565
Medical aid	**32 728**	63 368
Retirement benefits	**126 591**	238 851
Other employee benefits	**35 798**	67 917
Total guaranteed pay	**2 189 469**	4 187 701
Increase in guaranteed pay	**4.50%**	5.5%
STI#	**-**	1 094 560
Retention awards***	**-**	-
Value of awarded shares	**-**	-
Total variable pay	**-**	1 094 560
Total remuneration	**2 189 469**	5 282 261

* *Resigned 31 October 2023.*

** *Resigned effective 31 January 2025.*

*** *During 2022, the Remco appointed external consultants to benchmark the CEO and CFO rewards, which demonstrated shortcomings specifically relating to LTI awards. Given that backdating of share awards is not possible, cash payments were made in the various categories to rectify the shortcomings.*

\# *STI was approved after the release of the Annual Financial Statements but before the publication of the Integrated Annual Report.*



Annexure 10 – Implementation of the Remuneration Report and Remuneration Policy continued

Non-executive Directors' remuneration

The table below sets out the proposed fees for the period 1 January 2026 to 30 June 2026. This proposal will be tabled at the AGM in May 2025.

Main Board (annualised retainer fee*)
Subsidiary Board/committee (per meeting fee)
Audit and Risk Committee
Remuneration Committee
Nomination Committee
Social and Ethics Committee
Investment Committee
ICT Steering Committee
Special ad hoc Board/committee meeting (per meeting fee)

* *In practice, the fees are payable on a per meeting basis, based on attendance.*

Annexure 10 – Implementation of the Remuneration Report and Remuneration Policy continued

Position	**Current (Jan to Dec 2025) 12 months**	Proposed (Jan to June 2026) 6 months	Recommended increase (%)*
Chairman	**1 665 705**	872 830	4.80%
Lead Independent Director	**769 147**	403 033	4.80%
Member	**352 479**	184 699	4.80%
Chairperson	**27 587**	28 911	4.80%
Member	**20 307**	21 282	4.80%
Chairperson	**294 816**	154 484	4.80%
Member	**151 682**	79 482	4.80%
Chairperson	**153 221**	80 288	4.80%
Member	**83 375**	43 688	4.80%
Chairperson	**153 221**	80 288	4.80%
Member	**83 375**	43 688	4.80%
Chairperson	**142 132**	74 478	4.80%
Member	**82 566**	43 246	4.80%
Chairperson	**221 514**	116 074	4.80%
Member	**121 853**	63 852	4.80%
Member	**81 236**	42 568	4.80%
Member	**20 307**	21 282	4.80%

Annexure 10 – Implementation of the Remuneration Report and Remuneration Policy continued

Payments made to Non-executive Directors

The following fees were paid in respect of the AfroCentric Board:

Name of director	Directors' fees	Nomination Committee	Audit and Risk Committee	Investment Committee
Dr ATM Mokgokong	907 849	41 754	–	–
MJ Madungandaba	827 474	22 721	–	60 365
JB Fernandes	364 525	–	200 644	57 750
Dr ND Munisi	167 052	–	–	28 875
AM le Roux	192 109	–	152 729	–
M Chauke	83 526	–	96 865	–
M Dippenaar	167 052	–	–	57 750
K Morule*	–	–	–	–
	2 709 587	64 475	450 238	204 740

* *Ms K Morule was appointed effective 31 December 2024. She did not earn any fees during the six months.*

Termination of office payments

No termination office payments were made for AfroCentric directors during the period under review.

Statement regarding compliance with the remuneration policy

The committee satisfied itself that the remuneration policy as detailed in the report was complied with, and there were no substantial deviations from the policy during the period.

Advisory vote on the implementation report

The implementation report, as it appears above, is subject to an advisory vote by shareholders at the 2025 AGM. Accordingly, shareholders are requested to cast an advisory vote on the remuneration policy's implementation for the period under review.

Approval of the remuneration report by the Board

The Board approved the remuneration report on 2 April 2025.

Annexure 10 – Implementation of the Remuneration Report and Remuneration Policy continued

Remuneration Committee	Social and Ethics Committee	Pharma Cluster Audit Committee	Total
–	–	–	**949 603**
–	–	–	**910 560**
–	–	52 298	**675 217**
–	33 681	–	**229 608**
83 509	–	–	**428 347**
–	19 566	–	**199 957**
–	–	–	**224 802**
–	–	–	**–**
83 509	53 247	52 298	**3 618 094**

Annexure 11 – Company information

Registration number

1988/000570/06

Registered address

37 Conrad Road
Florida North
Roodepoort
1709

Postal address

PO Box 1101
Florida Glen
Roodepoort
1708

External Auditor

KPMG Inc.
Johannesburg

Group Investor Relations

Gift Dlamini
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investor-relations@afrocentric.za.com

Sponsor

Questco Corporate Advisory Proprietary Limited

Transfer Secretaries

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Group Company Secretary

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