AfroCentric GROUP
Healthier Together

AFROCENTRIC NOTICE OF ANNUAL GENERAL MEETING

'21

FORM OF PROXY AND SUMMARISED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

HEALTHIER TOGETHER

CONTENTS

Letter to shareholders

Dear Shareholder

Notice of Annual General Meeting and Proxy

The booklet accompanying this letter is our detailed notice of the AGM for the AfroCentric Investment Corporation Limited to be held at 10:00 on Thursday, 11 November 2021 at the AfroCentric Distribution Services Office, The Greens Office Park, Building L. 26 Charles De Gaulle Crescent, Highveld Ext 12, Centurion ("the AGM").

Although the intention is to hold the AGM on Thursday, 11 November 2021 at the set venue, AfroCentric strongly encourages its shareholders not to attend in person but to exercise their voting rights by way of electronic or written proxy and to submit their questions relating to the 2021 AGM Agenda in advance by email to the Company Secretary: billym@afrocentrichealth.com

Shareholders will also be able to follow the AGM remotely via a live audio webcast to be provided on our website https://www.corpcam.com/AfroCentricAGM2021.

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

We have also included in this notice of AGM summarised consolidated financial statements with explanatory notes and commentary and 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 2021 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 2021 Integrated Report and a full set of annual financial statements, please forward an email request to investor-relations@afrocentric.za.com. The Integrated Report and a full set of the annual financial statements is available for downloading on our website at www.afrocentric.za.com/cd-ar-reports.php.

Yours sincerely

Billy Mokale
Group Company Secretary
13 October 2021

Notice of AGM

Notice of the 15th annual general virtual meeting of shareholders to be held on Thursday, 11 November 2021, 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")
37 Conrad Street, Florida North, Roodepoort, 1709
PO Box 1101, Florida Glen 1708
Telephone: +27 (11) 671 2000
Website: www.afrocentric.za.com

Important notice to shareholders

All terms defined in the 2021 annual financial statements (AFS), to which this notice of Annual General Meeting (AGM) is attached, shall bear the same meanings when used in this notice of AGM.

Notice is hereby given that the 15th AGM of shareholders for the year-ended 30 June 2021 will be held at the AfroCentric Distribution Services Offices, the Greens Office Park, Building L, 26 Charles De Gaulle Crescent, Highveld Ext 12, Centurion on Thursday, 11 November 2021 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 Listings Requirements, as amended from time to time (Listings Requirements).

COVID-19 pandemic developments

One of AfroCentric's top priorities is to protect the health and safety of all our stakeholders, and with this in mind, we will continue to closely monitor developments around COVID-19.

Although the intention is to hold the AGM as scheduled on Thursday, 11 November 2021 at the set venue, **AfroCentric strongly encourages its shareholders not to attend in person but to exercise their voting rights by way of electronic or written proxy** and to submit their questions relating to the 2021 AGM agenda in advance by email to the Company Secretary at billym@afrocentrichealth.com.

Shareholders will also be able to follow the AGM remotely via a live audio webcast to be provided on our website https://www.corpcam.com/AfroCentricAGM2021.

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

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

If you are in any doubt as to what action you should take, please consult your banker, stockbroker, legal adviser, accountant or other professional adviser immediately.

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. Members attending the AGM of the Company on Thursday, 11 November 2021, at 10h00 are requested to ensure registration of attendance upon arrival

   *Kindly note that in terms of section 63(1) of the Companies Act 71 of 2008, as amended (**the Act**), from time to time, any person attending or participating in the AGM must present reasonable 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 date for shareholders to receive notice of the AGM being the notice record date as Friday, 1 October 2021.
4. The record date of the AGM for shareholders to participate in and vote at the AGM is Friday, 5 November 2021 (**the voting record date**).
5. The last date to trade in order to be eligible to participate in and vote at the AGM is Tuesday, 2 November 2021.

Salient dates

Please take note of the following important dates:

	2021
Record date for the purposes of determining which shareholders of the Company are entitled to receive notice of the AGM (**the notice record date**)	**Friday, 1 October**
Integrated report and notice of AGM to be posted	**Wednesday, 13 October**
The last date to trade in order to be eligible to participate in and vote at the AGM	**Tuesday, 2 November**
Record date for the purposes of determining which shareholders of the Company are entitled to participate in and vote at the AGM (**the voting record date**)	**Friday, 5 November**
Last day for lodging forms of proxy by 10h00	**Tuesday, 9 November**
Date of the AGM at 10h00	**Thursday, 11 November**
Results of the AGM published on SENS	**Thursday, 11 November**

Note:
Forms of proxy are requested to be lodged with the transfer secretary by 10h00 on Tuesday, 9 November 2021, however, if not delivered to the transfer secretary by this time may be submitted electronically/by hand to the Chairman of the AGM at any time prior to the commencement of the AGM.

Voting and proxies

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

Proxy forms must be delivered to the Company's transfer secretaries:

Computershare Investor Services Proprietary Limited
(Registration number 2004/003647/07)

15 Biermann Avenue
Rosebank, 2196

Private Bag X9000,
Saxonwold, 2132
Fax: +27 (11) 688 5238
Email: proxy@computershare.co.za

By no later than 10h00 on Tuesday, 9 November 2021

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 year-ended 30 June 2021, will be presented to shareholders as required in terms of section 30(3)(d) of the Act. The complete set of audited consolidated AFS, together with the report of the directors and the independent auditors' report are set out on pages 13 to 18 of the 2021 AFS. The Audit and Risk Committee report is set out on pages 3 to 5 of the 2021 AFS. The Integrated Annual Report is also available on the Company's website: www.afrocentric.za.com.

Resolutions

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

Election of directors appointed during the year under review

There were no directors appointed during the year under review.

Ordinary resolution number 1

Re-election of directors

In terms of the Company's MOI, one-third of the Non-executive Directors of the Company 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 has found them suitable for reappointment.

Dr ND Munisi
Mr FG Allen
and
Dr SA Zinn

Ordinary Resolution Number 1.1

Re-election of Dr ND Munisi as a Non-executive Director

"**RESOLVED** that Dr Munisi, 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 an Independent Non-executive Director of the Company."

Ordinary resolution number 1.2

Re-election of Mr FG Allen as a Non-executive Director

"**RESOLVED** that Mr Allen, 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 an Independent Non-executive Director of the Company."

Ordinary resolution number 1.3

Re-election of Dr SA Zinn as a Non-executive Director

"**RESOLVED** that Dr Zinn, 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."

Brief résumés for these directors appear on pages 18 and 19 of the 2021 Integrated Report.

For the above resolutions 1.1 to 1.3 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 2

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 is 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 Code on Governance for South Africa.

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 appear on page 19 of the 2021 Integrated Report."

Ordinary resolution 2.1

"**RESOLVED** that, subject to the passing of this ordinary resolution number 2.1, Mr JB Fernandes is elected as a member and Chairperson of the Audit and Risk Committee."

Ordinary Resolution 2.2

"**RESOLVED** that, subject to the passing of this ordinary resolution number 2.2, Ms AM le Roux is elected as a member of the Audit and Risk Committee."

Ordinary Resolution 2.3

"**RESOLVED** that, subject to the passing of this ordinary resolution number 2.3, Ms M Chauke is elected as a member of the Audit and Risk Committee."

For the above 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

Reappointment of independent auditor and designated audit partner

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

"**RESOLVED** that PricewaterhouseCoopers Incorporated, with the designated audit partner being Ms Julanie Basson, be and is hereby re-appointed as the independent auditor of the Group for the ensuing year."

For the above resolution number 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

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 28 712 062 shares, being 5% 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% of the weighted average traded price of those shares measured over the 30 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 30-business day period
8. After the Company has issued shares for cash which represent, on a cumulative basis within a financial year, 5% 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 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, net asset value 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), of the intended use of the funds shall be published when the Company has issued securities, or any other announcements that may be required in such regard in terms of the Listings Requirements, which may be applicable from time to time"

Reason for and effect

The reason and effect of this ordinary resolution number 4 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 5% (28 712 062 shares) of the number of ordinary shares of the Company in issue at the date of passing of this resolution, in order to enable the Company to take advantage of business opportunities that might arise in the future.

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

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

Ordinary resolution number 5

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 102 to 114 of the Integrated Report for 2021, be and is hereby endorsed."

Reason for and effect

The King IV Code on Governance for South Africa recommends that the remuneration policy of a company 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 5 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 take the outcome of the vote into consideration when considering amendments to the Company's remuneration policy.

For above 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

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 102 to 114 of the Integrated Report for 2021, be and is hereby endorsed."

Reason for and effect

The King IV Code on Governance for South Africa 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 6 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 take the outcome of the vote into consideration when considering amendments to the Company's remuneration policy.

For above resolution number 6 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 as per resolution number 5 and 6 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 in order 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, take those objections into consideration when formulating any amendments to the Company's remuneration policy and implementation report in the following financial year.

Ordinary resolution number 7

Authorise directors and/or 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 above 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.

Special resolutions

Special resolution number 1

Approval of Non-executive Directors' fees

Approval in terms of section 66 of the Act is required to authorise the Company to remunerate for their services as directors. Furthermore, in terms of the King Code on Governance for South Africa 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.

Based on the PwC 2021 non-executive director remuneration report, AfroCentric concluded that the fees for the Chairperson of the Audit Committee, the lead independent and director fees are significantly below the median for companies of similar size. As a result and after careful consideration, the Remuneration Committee considered it prudent to steadily adjust the fees for the 2022 financial year. Accordingly, the directors' fees for 2022 were increased by bigger percentages than previous years to bring the fees closer to aligning with the median for similar size companies as reported in the PwC 2021 non-executive director remuneration report.

"**RESOLVED** as a special resolution in terms of the Act that the remuneration of Non-executive Directors for the period 01 January 2022 until 31 December 2022 be and is hereby approved as follows:

	Position	Current (2021)	Proposed (2022)	Recommended increase (%)
Main Board (annualised fee)	*Chairman	1 445 849	1 445 849	0
	*Deputy	1 317 844	1 317 844	0
	Lead Independent Director	515 802	667 627	29.43
	Member	256 875	305 955	19.11
Audit and Risk Committee (Per meeting fee)	Chairperson	155 745	255 903	64.31
	Member	114 645	131 662	14.84
Remuneration Committee (Per meeting fee)	Chairperson	93 448	132 997	42.32
	Member	68 788	72 370	5.21
Nomination Committee (Per meeting fee)	Chairperson	70 086	132 997	89.76
	Member	51 591	72 370	40.28
Social and Ethics Committee (Per meeting fee)	Chairperson	93 448	123 372	32.02
	Member	71 668	71 668	0.00
Investment Committee (Per meeting fee)	Chairperson	140 172	192 277	37.17
	Member	103 182	105 769	2.51
ICT Steering Committee (Per meeting fee)	**Member	51 591	70 513	36.68

* *The Chairman and the Deputy Chairman remuneration is all inclusive.*

** *The Chairperson is currently an Executive Director and does not receive fees.*

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 next 12 months, payable quarterly in arrears, with effect from 01 January 2022 until 31 December 2022.

For above special resolution number 1 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 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 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:

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 counter party
2. At any point in time, the Company may only appoint 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 exceed 5% of the Company's issued share capital as at the date of passing of this general resolution or 10% 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% above the weighted average of the market value of the shares for the 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% 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% in aggregate of the initial number of that class acquired thereafter, the Company shall publish an announcement on SENS containing full details of such repurchase
7. The Board have passed a resolution authorising the repurchase and that the Company has passed the solvency and liquidity test contained in section 4 of the Act, and that since the test was done, there have been no material changes to the financial position of the Company"

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. For the avoidance of 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 above 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 opportunities 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:

» The Company and the Group will be able to pay their debts in the ordinary course of business
» The consolidated assets of the Company and of 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
» The share capital and reserves of the Company and of the Group are adequate for ordinary purposes
» 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, some of which may appear elsewhere in this report, is provided in terms of the Listing Requirements for purposes of the special resolution:

Major shareholders – page 12 of the 2021 AFS

Company's share capital – page 70 of the 2021 AFS

Directors' responsibility statement

The directors, whose names are given on page 1 of the 2021 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 on in the 2021 AFS, there has 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 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 Companies 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 that is related or inter-related (**related** or **inter-related** will herein have the meaning attributed to it in section 2 of the Act) 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.

For the above 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 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, authority 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.

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 where a subsidiary raised 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 same in the interests of prudence and good corporate governance should the unforeseen need arise to use the authority.

For the above 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 a period of 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 reasonable 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.

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 Annual Meeting 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 who wish to be represented thereat.

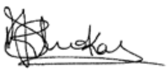
Forms of proxy and/or letters of representation may be presented at any time prior to the AGM and also at the AGM, but to enable the Company to ensure prior to the AGM that a quorum will be present at the AGM, it would be helpful if proxy forms and/or letters of representation could be delivered to the Company or the Company's transfer secretaries at 10h00 on Tuesday, 9 November 2021, 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 his/her 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 by him/her.

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 shareholder of the AGM.

By order of the Board



Billy Mokale
Group Company Secretary

Roodepoort
13 October 2021

Annexure 1 – Summarised consolidated financial statements

Summarised consolidated statement of financial position

As at 30 June 2021

	2021 R'000	2020 R'000
Assets		
Non-current assets	3 808 789	3 539 167
Property and equipment	369 065	210 583
Right of use asset	176 924	234 980
Land and buildings	321 504	261 374
Investment property	7 765	15 418
Goodwill	1 407 497	1 373 350
Intangible assets	1 375 369	1 321 837
Investment in associates and joint ventures	31 541	33 307
Other investments	29 661	3 711
Deferred income tax assets	89 463	84 607
Current assets	1 305 577	1 007 999
Trade and other receivables	503 270	504 335
Inventory	421 563	297 851
Current tax asset	32 560	28 133
Other investments	149 244	–
Cash and cash equivalents	198 940	177 680
Total assets	5 114 366	4 547 166
Equity and liabilities		
Capital and reserves	2 326 972	2 216 604
Issued ordinary share capital	18 892	18 885
Share premium	1 084 696	1 080 301
Share-based payment reserve	26 802	20 417
Treasury shares	(2 324)	(2 324)
Capital contribution by non-controlling interest	55 874	55 874
Foreign currency translation reserve	(6 139)	(14 632)
Distributable reserve	1 149 171	1 058 083
Non-controlling interest	928 752	902 491
Total equity	3 255 724	3 119 095

	2021 R'000	2020 R'000
Non-current liabilities	1 072 665	705 492
Deferred income tax liabilities	250 040	246 809
Lease liability	156 353	181 427
Non-current borrowings	655 785	266 311
Non-current provisions	8 350	8 350
Post-employment medical obligations	2 137	2 595
Current liabilities	785 977	722 579
Provisions	11 269	8 374
Borrowings	120 000	120 000
Lease liability	63 764	96 855
Trade and other payables	436 520	361 488
Taxation	23 808	33 086
Employment benefit provisions	130 616	102 776
Total liabilities	1 858 642	1 428 071
Total equity and liabilities	5 114 366	4 547 166

Summarised consolidated statement of comprehensive income

For the year ended 30 June 2021

	2021 R'000	2020 R'000
Healthcare Services revenue	3 834 256	3 282 853
Healthcare Services operating costs	(3 108 650)	(2 653 269)
Healthcare Services operating profit	725 606	629 584
Healthcare Retail revenue	4 240 162	3 136 059
Healthcare Retail cost of sales	(3 438 009)	(2 477 796)
Healthcare Retail operating costs	(495 589)	(404 491)
Healthcare Retail operating profit	306 564	253 772
Total healthcare operating profit (excluding lease reversals)	1 032 170	883 356
IFRS 16: Lease reversals	86 456	85 460
Total healthcare operating profit (Including lease reversals)	1 118 626	968 816
Profit on sale of investment	1 314	–
Other income	1 747	–
Fair value (losses)/gains	(6 307)	183
Impairment of assets and loans	(10 378)	(2 919)
Scrapping of intangible assets	(26 793)	–
Net finance and investment income	(36 498)	(45 224)
– Finance and investment income	20 595	26 503
– Finance costs: Lease liability	(21 420)	(27 839)
– Finance costs	(35 673)	(43 888)
Share-based payment expense	(10 694)	(8 876)
Share of profits from associates and joint ventures	8 294	7 990
Profit before depreciation and amortisation	1 039 311	919 970
Right of use asset depreciation	(66 564)	(71 026)
Depreciation	(78 202)	(62 179)
Amortisation of intangible assets	(195 027)	(164 091)
Profit before taxation	699 518	622 674
Taxation expense	(205 741)	(155 865)
Profit for the year after taxation	493 777	466 809
Loss from discontinued operations	(14 008)	(8 122)
Loss on disposal of subsidiary	(10 014)	–
Profit for the year from continuing operations	469 755	458 687
Other comprehensive (loss)/income	6 151	(368)
Comprehensive net income for the year	475 906	458 319
Attributable to:		
Equity holders of the parent	310 655	303 207
Non-controlling interest	165 251	155 112
	475 906	458 319

Summarised consolidated statement of changes in equity

For the year ended 30 June 2021

	2021 R'000	2020 R'000
Balance at beginning of the period	**3 119 095**	2 882 995
Issue of share capital*	**7**	–
Share premium*	**4 395**	–
Vested share-based awards*	**(4 402)**	–
Share-based awards reserve	**10 787**	9 131
Distributions to shareholders	**(194 788)**	(195 242)
Net profit for the period	**310 655**	303 207
Profit attributable to minorities	**165 251**	155 112
Business combinations	**–**	2 181
Changes in ownership	**(20 000)**	5 611
Disposal of subsidiary	**(2 353)**	–
Distributions to non-controlling interests	**(132 923)**	(43 900)
Balance at end of period	**3 255 724**	3 119 095

* *During the current financial year, 710 003 shares vested and were exercised at the weighted average price of R3.66 and the grant date prices was R6.20. At the end of the financial year, 16 590 000 shares were outstanding for the incentive share scheme. The fair value of the shares granted was determined by obtaining the share price traded on the JSE.*

Summarised consolidated statement of cash flows

For the year ended 30 June 2021

	2021 R'000	2020 R'000
Net cash inflow from operating activities	385 264	501 708
Cash generated from operations	1 013 012	939 745
Net finance cost	(37 498)	(44 887)
Dividends paid	(327 711)	(239 142)
Dividends received	4 292	4 626
Tax and other payments	(266 831)	(158 634)
Net cash outflow from investing activities	(658 214)	(431 749)
Net additions to property and equipment	(216 577)	(119 854)
Net additions to intangible assets	(205 543)	(284 210)
Net acquisition of financial assets, investments and subsidiaries	(236 094)	(27 685)
Net cash outflow from financing activities	298 589	(157 195)
(Decrease)/increase in borrowings	389 474	(105 255)
Changes in ownership interests in subsidiaries that do not result in loss of control	(20 000)	6 303
Net lease liability repayment	(70 885)	(58 243)
Effect of foreign exchange benefit	(4 379)	(380)
Net (decrease)/increase in cash and cash equivalents	21 260	(87 616)
Cash and cash equivalents at beginning of the period	177 680	265 296
Cash and cash equivalents at end of the period	198 940	177 680

Notes to the summarised consolidated financial statements

1. Basis of preparation

These summarised audited consolidated financial statements for the year ended 30 June 2021 have been extracted from the audited financial statements for the year 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 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 Listings Requirements.

2. Audit report

The financial statements from which this summarised report was extracted were audited by PricewaterhouseCoopers 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.

Notes to the summarised consolidated financial statements
continued

3. Segment information

	2021			
	Revenue R'000	Operating profit R'000	Profit before tax R'000	Total assets R'000
Healthcare SA	3 329 554	327 602	245 670	1 528 610
Denis Group	411 882	26 288	28 900	160 802
Information Technology	685 491	297 322	78 014	1 936 464
Total SA administration business	4 426 927	651 212	352 584	3 625 876
Healthcare Africa	197 368	74 394	70 104	150 486
Total Group administration business	4 624 295	725 606	422 688	3 776 362
Healthcare Retail	4 240 162	306 564	277 287	1 912 809
Pharmacy Direct & Curasana	1 541 243	111 057	99 180	789 334
Activo	759 990	144 779	127 690	882 450
Scriptpharm	1 602 485	44 146	52 050	126 708
MMed	336 444	6 582	(1 633)	114 317
Total Healthcare	8 864 457	1 032 170	699 975	5 689 171
Lease reversal adjustment	–	86 456	–	–
Other (including inter-segment elimination)	(790 039)	–	(457)	(574 805)
Total	8 074 418	1 118 626	699 518	5 114 366

3. **Segment information** continued

	2020			
	Revenue R'000	**Operating profit R'000**	**Profit before tax R'000**	**Total assets R'000**
Healthcare SA	3 123 984	275 574	194 471	1 637 655
Information Technology	532 834	287 061	137 795	1 307 117
Total SA administration business	3 656 818	562 635	332 266	2 944 772
Healthcare Africa	188 364	66 949	61 799	179 100
Total Group administration business	3 845 182	629 584	394 065	3 123 872
Healthcare Retail	3 136 059	253 772	235 829	1 194 073
Pharmacy Direct & Curasana	1 128 664	95 772	81 156	615 765
Activo	645 914	132 196	131 579	350 683
Scriptpharm	1 014 939	21 979	30 565	104 418
MMed	346 542	3 825	(7 471)	123 207
Total Healthcare	6 981 241	883 356	629 894	4 317 945
Lease reversal adjustment	–	85 460	–	–
Other (including inter-segment elimination)	(562 329)	–	(7 220)	229 221
Total	6 418 912	968 816	622 674	4 547 166

Notes to the summarised consolidated financial statements
continued

4. Earnings per share

	2021 R'000	2020 R'000
Number of ordinary shares in issue	**574 964 584**	574 241 248
Weighted average number of ordinary shares	**574 655 416**	574 241 248
Weighted average number of shares for diluted EPS	**591 245 416**	586 141 248
Basic earnings		
– From continuing operations	**316 041**	311 697
– From discontinued operations	**(14 008)**	(8 122)
Total basic earnings	**302 033**	303 575
Adjusted by:	**27 035**	3 175
– Reversal of loss on disposal of subsidiary	**10 014**	–
– Reversal of impairment of intangible assets	**2 411**	2 919
– Reversal of fair value gains/losses	**7 653**	–
– Loss on disposal of assets	**3 947**	2 130
– Reversal of scrapping of intangible assets	**26 793**	–
– Reversal of goodwill impairment	**771**	–
– Reversal of profit on disposal of investments	**(1 314)**	–
– Reversal of foreign currency translation reserve reclassification	**10 401**	–
Total tax adjustments	**(22 759)**	(596)
Total non-controlling interest adjustments	**(10 882)**	(1 278)
Headline earnings	**329 068**	306 750
Earnings per share (cents)		
– Attributable to ordinary shares (cents)	**52.56**	52.87
– Continuing operations	**55.00**	54.28
– Discontinued operations	**(2.44)**	(1.41)
– Fully diluted EPS (cents)	**51.08**	51.79
– Continuing operations	**53.45**	53.18
– Discontinued operations	**(2.37)**	(1.39)
Headline earnings per share (cents)		
– Attributable to ordinary shares (cents)	**57.26**	53.42
– Fully diluted HEPS (cents)	**55.66**	52.33

4. Earnings per share continued

	2021 R'000	2020 R'000
Normalised earnings per share (non-IFRS measure)		
Headline earnings	**329 068**	306 750
Adjusted by:	**24 718**	15 072
– Less rental reversal	**(86 628)**	(86 129)
– Depreciation	**66 564**	71 781
– Interest	**21 420**	27 886
– Discontinued operations reversal	**24 022**	8 122
Total tax effects of adjustments	**(380)**	(3 791)
Total NCI effects of adjustments	**(280)**	(2 797)
Normalised headline earnings	**353 786**	321 822
Normalised headline earnings per share (cents)		
– Attributable to ordinary shares (cents)	**61.56**	56.04
– Fully diluted HEPS (cents)	**59.84**	54.91

5. Fair value disclosure

Fair value hierarchy

The following hierarchy is used to classify financial and non-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).

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

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

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

Notes to the summarised consolidated financial statements continued

5. Fair value disclosure continued

The following table presents the Group's assets and liabilities that are measured at fair value at 30 June 2021:

	Group			Company		
	Level 1 R'000	Level 2 R'000	Level 3 R'000	Level 1 R'000	Level 2 R'000	Level 3 R'000
2021						
Investment property	–	–	7 765	–	–	–
Short-term loan	–	–	149 244	–	–	–
Investments in Cell Captive	–	–	21 267	–	–	–
Investments in Venture Capital Funds	–	–	8 394	–	–	–
	–	–	186 670	–	–	–
2020						
Investment property	–	–	15 418	–	–	–
Investments in Venture Capital Funds	–	–	3 711	–	–	–
	–	–	19 129	–	–	–

Specific valuation techniques used to value financial and non-financial instruments include:

» the fair value of the equity investments 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 short-term loan receivable is determined with reference to the market-related borrowing rate

» the fair value of the remaining financial instruments is determined using discounted cash flow analysis and PE ratios

» the fair value of the investment property is determined by using the comparable sales method

The assets disclosed above that have been classified as Level 3 financial and non-financial instruments i.e. the inputs are not based on observable market data. The carrying amount of all assets in the table above approximates the fair value of the assets.

5. **Fair value disclosure** continued

	Short-term loan R'000	Investments in Cell Captive R'000	Investments in Venture Capital Funds R'000	Investment property R'000
Opening balance	–	–	3 711	15 418
Acquisitions through business combinations	–	17 669	–	–
Additions	148 310	1 450	4 683	–
Fair value gains/(losses)	934	2 148	–	(7 653)
Closing balance	149 244	21 267	8 394	7 765

Valuation inputs and relationships to fair value

Investment property

The fair value of the investment property is derived by an external property valuer using the comparable sales method. In applying this approach the valuer has selected other properties that have similar risk, growth and cash-generating profiles. Management reviewed the valuation performed by the external valuer and is satisfied that the inputs used by the external property valuer are reasonable. The investment property is valued on an annual basis.

Investments in Venture Capital Funds and Investments in Cell Captive

The fair value of the equity investments measured at fair value through profit and loss are determined based on a valuation of the net asset value attributable to the investments, as management has deemed it representative of fair value.

Short-term loan receivable

The fair value of the short-term loan receivable is derived from the amortised cost, calculated using the borrowing rate for a similar instrument in an arms-length transaction.

Notes to the summarised consolidated financial statements continued

5. Fair value disclosure continued

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

Description	Fair value at 30 June 2021	Unobservable inputs	Input value used	Sensitivity of unobservable inputs on profit and loss
Investment property	**7 765**	Price per block building rights per square metre	R453 per square metre	If the fair value per square metre increased by 10% then the value of the property would increase by R776 500 in profit or loss. If the fair value per square metre decreased by 10% then the value of the property would decrease by R776 500 in profit or loss.
Investments in Cell Captive	**21 267**	Net asset value attributable to the investments	R21 267 000	As the input is based on the net asset value of the cell captive (which is representative of fair value), no sensitivity analysis is deemed necessary.
Short-term loan receivable	**149 244**	Borrowing rate for a similar instrument at arms-length	5.75%	If the borrowing rate decreased by 1 percent, the fair value will increase by R128 258. If the borrowing rate increased by 1 percent, the fair value will decrease by R126 942.

5. Fair value disclosure continued

Valuation process

The finance department of the Group performs the valuations of the investments for financial reporting purposes, including level 3 fair values (excluding the investment property). The team reports directly to the Chief Financial Officer (CFO). Discussions of the valuation processes and results are held between the CFO and the Group Finance at least once every six months, in line with the Group's bi-annual reporting periods.

6. Share-based payments

In the 2018 financial year a new 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 the Company, 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 vesting date this will be issued to the identified participant in equity shares at no cost. The maximum annual allocation is 5 742 411 share awards (1% of the Company's issued shares as at the date of approval of the AfroCentric Group Management Long Term Incentive Plan by the Board and shareholders of the Company) and the maximum dilution limit is 28 712 062 (5% of the Company's issued shares as at the date of approval of the AfroCentric Group Management Long-Term Incentive Plan by the Board and shareholders of the Company).

AfroCentric expects that 90% of 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 year is R10 million (2020: R9 million).

The share price on the respective grant dates on 07 December 2020 of R3.50 (2019: R3.30) and (2018: R5.20), was used to determine the IFRS 2 charge for 2021.

Notes to the summarised consolidated financial statements continued

6. Share-based payments continued

30 June 2021

	Group					
	Issue share price R	Balance at 30 June 2020 R'000	Offered R'000	Forfeited R'000	Balance at 30 June 2021 R'000	Fair value at 30 June 2021 R'000
8 December 2017	6.20	2 680	–	(500)	2 180	9 636
1 November 2018	5.50	3 530	–	(310)	3 220	14 232
30 November 2019	3.30	5 690	–	(200)	5 490	24 266
07 December 2020	3.50	–	6 240	(540)	5 700	25 194
Total		11 900	6 240	(1 550)	16 590	73 328

Fair value based on closing share price as at 30 June 2021 of R4.42. Weighted average remaining years of 3.3 years.

30 June 2020

	Issue share price R	Balance at 30 June 2019 R'000	Offered R'000	Forfeited R'000	Balance at 30 June 2020 R'000	Fair value at 30 June 2020 R'000
8 December 2017	6.20	4 440	–	(1 760)	2 680	9 889
1 November 2018	5.50	4 430	–	(900)	3 530	13 026
30 November 2019	3.30	–	5 690	–	5 690	20 996
Total		8 870	5 690	(2 660)	11 900	43 911

Fair value based on closing share price as at 30 June 2020 of R3.69. Weighted average remaining years of 2.75 years.

7. Litigation and contingent liabilities

Neil Harvey & Associates Proprietary Limited

The first issue determined in the arbitration case was Neil Harvey and Associates' ("NHA") claim relating to Medscheme's use, during 2005 to 2007, of a copy of an offline and online broker software module known as the EMI Broker software. The EMI Broker software module was rendered redundant by about 2008 as a result of developments in technology and Medscheme had in any event discontinued the use thereof by that time.

This portion of NHA's arbitration claims amounted to a claim for approximately R24 million (as a royalty) plus interest which NHA sought to claim from about 2005. The interest claim could have resulted in a substantial addition to the above capital amount of the claim.

The dispute over this issue was heard in July and August 2020 and an award was given during October 2020.

The Board is pleased to notify shareholders that the arbitrator ruled that NHA was entitled to a total of only R2.7 million, with interest only from October 2020 to date of payment, and costs. Medscheme had provided the specifications and also assisted in the development of this software and therefore considered it was entitled to use it during the above period. The Arbitrator however found that Medscheme's contribution fell short of the contribution required for joint authorship and ownership of the software, but as indicated limited NHA's claim to R2.7 million, and costs. The Arbitrator further dismissed NHA's claims against three of Medscheme's former executives, with costs and also awarded Medscheme the costs of a previous postponement of the arbitration.

Thus both NHA and Medscheme were ordered to pay costs.

The calculation of the costs relating to the aspect of the arbitration that was heard and resolved in 2020 is now being determined by both parties to assess what the net amount payable by either party will be.

R2.7 million has been expensed and a possible accrual raised for the legal costs. The next part of the case relating to the extension of the licensing agreement of the NHA administration system will commence in February 2022.

Notes to the summarised consolidated financial statements
continued

8. Subsequent events

8.1 Acquisition of Exeltis South Africa Proprietary Limited

AfroCentric via its subsidiary, Activo Health Proprietary Limited, entered into a sale of shares agreement with Shelsley Chemicals Proprietary Limited to acquire all of the shares in Exeltis South Africa Proprietary Limited, effective 1st August 2021.

The name of Exeltis South Africa Proprietary Limited has subsequently been changed to Activo Health Care Assets Proprietary Limited.

Exeltis South Africa is the holding company of Forrester Pharma Proprietary Limited, involved in the marketing, selling and distribution of pharmaceutical products in South Africa, Namibia and Botswana. The company owns a number of registered legal rights to manufacture and distribute a specific medicine molecule/brand and have the right to a substantial pipeline of Dossiers in the process of being registered with the South African Health Products Regulatory Authority ("SAHPRA").

The financial aspects of this transaction have not been recognised at 30 June 2021. The operating results and assets and liabilities of the acquired company will be consolidated 1st August 2021.

Purchase consideration and fair value of net assets acquired

Details of the consideration transferred are:

	R'000
Purchase consideration	
– Cash paid*	189 244
– Contingent liabilities	101 120
Total purchase consideration	290 364

* *Included in the cash paid is the R150 million loan advance made to the owners of Exeltis in May 2021. This loan advance has been applied against the purchase price.*

Afrocentric Group has provided a guarantee to Shelsley Chemicals Proprietary Limited that Activo Health Proprietary Limited will be able to meet its financial obligations as set out in the terms and conditions of the sale.

8. Subsequent events continued

8.1 Acquisition of Exeltis South Africa Proprietary Limited continued

The provisionally determined fair value of the assets and liabilities of Exeltis South Africa Proprietary Limited as at the date of acquisition are as follows:

	Fair value R'000
Cash and cash equivalents	1 171
Property, plant and equipment	151
Intangible assets	27 537
Intangible assets – new dossier registration	83 139
Receivables	178
Payables	(760)
Net deferred tax assets	6 638
Net identifiable assets acquired	118 054
Add: Goodwill	172 310
Net assets acquired	290 364

The goodwill is attributable to Exeltis Group substantial pipeline of first to market generic molecules, none of the goodwill is expected to be deductible for tax purposes.

In particular, the fair values of the assets and liabilities disclosed above have only been determined provisionally as the independent valuations have not been finalised.

It is also not yet possible to provide detailed information about each class of acquired receivable and any contingent liabilities of the acquired entity.

8.2 Acquisition of Sanlam Gap Cover

AfroCentric Health (RF) Proprietary Limited has entered into negotiations with Sanlam Health Solutions Proprietary Limited for the acquisition of a Gap Cover business that is supplementary to its current medical scheme offerings.

9. Preparation of the financial statements

These summarised consolidated financial statements were prepared by Bongiwe Ncube CA(SA), General Manager: Group Finance, AfroCentric Investment Corporation Limited and were reviewed by Hannes Boonzaaier CA(SA), Chief Financial Officer of AfroCentric Investment Corporation Limited.

Commentary on results

Introduction and review

AfroCentric is a Level 1, majority black-owned JSE listed investment holding company, which owns and operates a diverse range of healthcare-related enterprises that provide specialised medical scheme administration 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.

The Board takes pleasure in presenting commentary on AfroCentric's ("ACT") operating performance for the financial year ended 30 June 2021. These results have been achieved in a generally tough economic environment compounded by the persistent consequences of the COVID-19 pandemic. Despite the current circumstances, the Group has made great progress towards its strategic plans for growth and expansion.

With all our business units regarded as essential services, throughout the various levels of lockdown, we have successfully continued to service our clients. The Group has also continued to develop and implement innovative ways to ensure that scheme members and clients, have continued to enjoy quality services and product deliveries during the pandemic.

Financial performance

The financial results for the year, confirm the positive outcome of the Group's deliberate diversification strategy, particularly evident when measuring the impact of the Pharma Cluster, now productively integrated as a principal unit of Group operations.

The Group's revenue for the year increased by 25.8% from the prior year. This was mainly the result of a 35.2% increase in revenue from the Pharma Cluster. The medicine management contracts won by Scriptpharm during the previous year, together with the increased volumes in Pharmacy Direct and Activo Health, being the notable contributors.

The Services Cluster increased its revenue by 16.8%, despite the loss of the Sasolmed administration contract during the year, as well as member buy downs on certain medical aid options.

The various initiatives implemented to ensure operational efficiencies, have resulted in the Service Cluster operating profit increasing by 15.3%, and the Pharma Cluster operating profit increasing by 20.8%.

Following Board approval during the prior year, the Group exited the operations in Eswatini and Zimbabwe resulting in a loss from discontinued operations of R14.0 million (2020: R8.1 million) being incurred.

Group profits before tax, increased by 12.3% amounting to R699.5 million (2020: R622.7 million). More comprehensive analyses of the financial results are contained in the further notes provided.

Growth initiatives

AfroCentric has for some time focused on growth initiatives designed to create a value chain of healthcare enterprises to maximise the purchasing power of citizen's healthcare spend. Through models of co-operative partnerships and collaboration, the objectives are to improve the affordability of patient care, with viable patient outcomes for easier accessibility to a broader community.

In keeping with that principal philosophy, during the period under review and prior to publishing these results:

» ACT Healthcare Assets acquired the remaining 20% of the shares in Scriptpharm Risk Management, effective 1 August 2020.
» ACT Healthcare Assets acquired 100% of the shares in the DENIS Group, a company specialising in dental benefits management, effective 1 October 2020. The transaction will enable the Group to focus on innovation and efficiency management in dental treatment offerings to all South African medical schemes and their members.
» Medscheme was awarded the GEMS Managed Care Contract for a further 5 years, which includes additional services previously not part of the main managed care contract with regards to HIV management, maternity management and expanded services relating to medicine management, effective 1 January 2021.
» Activo Health acquired 100% of the shares in Exeltis SA (the holding company of Forrester Pharma), effective 1 August 2021. The acquisition is consistent with AfroCentric's growth objectives in the healthcare sector and will serve to strengthen Activo's product offering to the pharmaceutical market.
» AfroCentric Health (RF) Proprietary Limited has entered into negotiations with Sanlam Health Solutions Proprietary Limited for the acquisition of a Gap cover business that is supplementary to its current medical scheme offerings.

Outlook

While almost all South Africans have in one way or another, been affected by COVID-19, the full impact of the pandemic on our economy is not yet measurable. It is anticipated that economic weakness will likely continue in 2022 and beyond, as South Africa strives to overcome the effects of the pandemic and reboot and restore economic activity.

While medical scheme membership was expected to fall dramatically, we have seen members do everything in their power to retain their existing health cover, not only for their own protection, but also for the health needs of their families. Recognising this, and in line with the Group's strategy to reduce the cost of healthcare, the group will maintain its focus on driving efficiencies and supporting members' health, with greater emphasis on lifestyle risk management and mental wellbeing.

The financial position of the Group remains sound. We are sufficiently capitalised to meet immediate needs, and management will continue to promote organic growth and consider compatible bolt-on opportunities for acquisition. The impact and industry consequences of COVID-19 will be closely monitored, and the Group will naturally consider any changes to its plans in response to any such events.

Commentary on results continued

Our future focus will remain on enhancing each of the elements of the Group's businesses to leverage the full benefits of being the most diversified healthcare group in Southern Africa. Through these efforts we will make significant progress towards achieving our vision of more affordable healthcare.

Dividends

The Board has pleasure in announcing that a final gross dividend of 17.00000 cents per ordinary share has been declared for the year ended 30 June 2021. Dividends are subject to Dividends Tax. The payment date for the dividend is Monday, 15 November 2021.

» Dividends have been declared out of profits available for distribution.
» Local Dividends Withholding Tax rate is 20%.
» The gross dividend amount is 17.00000 cents per ordinary share.
» Net cash dividend amount is therefore 13.60000 cents per ordinary share.
» The Company has 574 964 584 ordinary shares in issue as at the declaration date.
» The Company's income tax reference number is 9600/148/71/3.

The salient dates relating to the dividend are as follows:

Last day to trade cum dividend	Tuesday, 9 November 2021
Shares commence trading ex-dividend	Wednesday, 10 November 2021
Dividend record date	Friday, 12 November 2021
Dividend payment date	Monday, 15 November 2021

Share certificates for ordinary shares may not be dematerialised or rematerialised between Wednesday, 10 November 2021 and Friday, 12 November 2021, both days inclusive.

Annexure 2 – Directors and prescribed officers interest in the shares of the company

Directors ordinary shareholdings as at 30 June 2021

	Direct beneficial	Indirect beneficial	Held by associate	Total	%
Director					
ATM Mokgokong (Chairman)	–	42 470 699*	–	42 470 699	7.39
MJ Madungandaba	–	98 514 964*	–	98 514 964	17.13
A Banderker	511 326	–	–	511 326	0.09
ND Munisi	7 000	70 000 000	–	70 007 000	12.18
WH Britz	–	115 164 537	–	115 164 537	20.03
JW Boonzaaier	96 667	–	–	96 667	0.02
FG Allen	46 880	–	–	46 880	0.01
AM le Roux	39 462	–	–	39 462	0.01
	701 335	326 150 200	–	326 854 535	56.85

* *During the current year, a detailed allocation of the Community Healthcare Holdings shares reflecting a percentage per representative director was done. This does not reflect a transaction for the sale of shares but rather a correction on full presentation.*

Since the end of the financial year and up to the date of this report, the interests of Directors have remained unchanged.

Directors ordinary shareholdings as at 30 June 2020

	Direct beneficial	Indirect beneficial	Held by associate	Total	%
Director					
ATM Mokgokong (Chairman)	–	140 426 628	–	140 426 628	24.45
MJ Madungandaba	–	570 266	–	570 266	0.10
A Banderker	511 326	–	–	511 326	0.09
ND Munisi	–	69 564 752	–	69 564 752	12.11
WH Britz	–	94 013 355	–	94 013 355	16.37
JW Boonzaaier	30 000	–	–	30 000	0.01
FG Allen	46 880	–	–	46 880	0.01
	588 206	304 575 001	–	305 163 207	53.14

Annexure 3 – Shareholder analysis

Shareholder spread

	No. of shareholdings	% of total shareholders	No. of shares	% of shares in issue
1 – 1 000 shares	3 747	54.72	568 796	0.10
1 001 – 10 000 shares	1 925	28.11	9 080 880	1.58
10 001 – 100 000 shares	1 011	14.76	27 988 717	4.87
100 001 – 1 000 000 shares	133	1.94	41 335 526	7.19
1 000 001 shares and over	32	0.47	495 990 665	86.26
Total	6 848	100.00	574 964 584	100.00

Distribution of shareholders

	No. of shareholdings	% of total shareholders	No. of shares	% of shares in issue
Banks/Brokers	24	0.35	22 015 617	3.83
Close Corporations	19	0.28	928 119	0.16
Empowerment	1	0.01	10 522 200	1.83
Endowment Funds	17	0.25	2 484 716	0.43
Individuals	6 424	93.81	106 144 341	18.46
Insurance Companies	11	0.16	296 326	0.05
Investment Company	1	0.01	322 774	0.06
Mutual Funds	17	0.25	12 015 878	2.09
Other Corporations	17	0.25	70 981	0.01
Private Companies	83	1.21	99 376 067	17.28
Public Companies	3	0.04	221 002	0.04
Retirement Funds	63	0.92	22 126 565	3.85
Strategic Investor	8	0.12	286 516 735	49.83
Treasury Shares	2	0.03	927 548	0.16
Trusts	158	2.31	10 995 715	1.91
Total	6 848	100.00	574 964 584	100.00

Public/non-public shareholders

	No. of shareholdings	% of total shareholders	No. of shares	% of shares in issue
Non-public shareholders	19	0.28	327 529 083	56.97
Directors and Associates of the Company holdings	12	0.18	186 888 438	32.50
Treasury Shares	2	0.03	927 548	0.16
Strategic Holder (more than 10%)	5	0.07	139 713 097	24.30
Public Shareholders	6 829	99.72	247 435 501	43.03
Total	6 848	100.00	574 964 584	100.00

Major shareholders holding more than 5% of the issued share capital

	No. of shares	% of total shares
Community Healthcare Holdings Proprietary Limited	139 713 097	24.30
WAD Holdings Proprietary Limited	85 219 923	14.82
Golden Pond Trading 175 Proprietary Limited	70 000 000	12.17
ARC Health Proprietary Limited	48 765 030	8.48
Total	343 698 050	59.77

Top 10 Institutional Holders

	No. of shares	% of total shares
Visio Capital Management	39 843 470	6.93
Prescient Investment Management	4 000 000	0.70
Sovereign Asset Management	3 198 111	0.56
Umthombo Wealth	2 261 493	0.39
Metal & Engineering Industries	2 138 377	0.37
Mazi Asset Management	1 133 000	0.20
Boutique Investment Partners	1 054 929	0.18
Pershing Securities	1 000 000	0.17
CACEIS Bank Deutschland GmbH	630 543	0.11
RISE Asset Management	569 907	0.10
Total	55 829 830	9.71

Annexure 4 – Share capital

	2021 R'000	2020 R'000
Authorised:		
1 billion ordinary shares at no par value	10 000	10 000
60 million redeemable preference shares of 1 cent each	600	600
Issued:		
Issued ordinary shares at 30 June 2019:		
574 964 584 made up as follows:		
Issued ordinary share capital		
574 964 584 (June 2020: 574 241 248) ordinary shares of 1 cent each		
– Opening balance	18 885	18 885
– Issue of share capital*	7	–
	18 892	18 885

* *During the current financial year, the first tranche of the share-based awards vested.*

The Directors are authorised, by resolution of the members and until the forthcoming Annual General Meeting to issue the unissued shares in accordance with the limitation set by members. All issued shares have been fully paid. There were no shares repurchased during the period.

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 30 June 2021 to the date of posting of this report other than disclosed in this report.

Annexure 6 – Impact of COVID-19 and going concern

The wide-spread international outbreak of the COVID-19 (Coronavirus) has significantly affected lives, and entities and economic activity around the world.

The COVID-19 pandemic has continued to effect economic activities across the globe and South Africa has not been spared. In an effort to stem the growth in cases, South Africa has been placed on various levels of lockdown's throughout 2021 financial period. Afrocentric Group on entities have been deemed essential services as defined and we have continued to operate unaffected during all the various levels of lockdown.

Therefore the impact of the COVID-19 pandemic and the related lockdown is immaterial. The following are potential future financial effects on the company:

» Revenue – The Group's core business of administration of medical aid and provision of medication is considered to be a healthcare-related essential service and has remained unaffected by the COVID-19 lockdown. The Group revenue have therefore remained unaffected.

» Inventory – The Group and its subsidiary entities have experienced no disruption in the supply chain during the year and this is expected to continue in financial 2021 period.

» Financial instrument risk disclosures – Due to the rapidly changing economic environment, the Group and its subsidiary entities have be subject to an increasing risk market risk and fair value risk To this effect, the Group's sensitivity analysis has been performed using a larger range for the risk effected variables (Note 3 and 8). This range is based on management expectation of COVID 19.

» Debt repayment and classification – The Group has borrowings as at 30 June 2021 the outstanding balance is R 776 m, the Group is not in breach of the covenants. The entity is anticipating to make R 120 m payments in the next 12 months as when they become due, not deferral of capital repayments is expected.

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

With the occurrence of the COVID-19 (Coronavirus) pandemic, Afrocentric Group and its subsidiary companies will still continue to operate as going concerns as there are sufficient financial resources to continue operating into the near future.

The COVID-19 pandemic and related, nation-wide lockdown (as outlined in note above) have not interfered with the Group's ability to continue its operations the entities have continued as normal even during the lockdown period, seeing as the following:

- administration of medical aid
- provision of chronic medication
- supply and distribution of medication
- primary and occupational healthcare services
- information technology solutions and
- health insurance.

were deemed to be a healthcare-related essential service.

The current contracts in place with the various medical aid schemes, private and public practitioners are not under threat as services were performed throughout all the respective levels of lockdown.

While the fierce headwinds of COVID-19 have put our most deeply held values to the test, our people have, time and time again, proven their resilience and commitment to delivering on our ambition of improving the quality of life of our stakeholders. Through the various alert levels and restrictions, our people have collaborated and supported one another to achieve broader aims. This was aptly demonstrated post-year-end as we navigated the unrest in areas of the country. The Group remained insulated and the unrest did not impact our operations.

Furthermore, there has not been any regulatory changes announced by the President of South Africa that will threaten the company's ability to continue as a going concern.

Annexure 7 – Curriculum vitae of directors up for re-election

Dr Nkateko Munisi

MBChB

(Age 55)

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.

Gary Allen

BComm Honours in Finance, B.Bus Honours in Marketing

Appointed: 12 September 2019

Committees:

» Remuneration Committee
» Investment Committee

Gary Allen is currently a Senior Executive within Sanlam Corporate. He currently leads various Sanlam Health businesses and previously performed a variety of CEO roles including CEO of Sanlam Reality, Sanlam Fiduciary Services and Marlborough Stirling South Africa. Gary started his career at Accenture where he was a Director.

Dr Shirley Zinn

BA, Post Graduate Higher Diploma in Education, B.Ed. Honours, M.Ed., Ed.M., and Doctorate in Education

(Age 60)

Appointed: 23 November 2018

Committees:

» Social and Ethics Committee

» Remuneration Committee

Dr Zinn is the former Group Head of Human resources at Woolworths Holdings Limited and former Human Resources Director of Standard Bank South Africa and Deputy Global Head of Human Resources for the Standard Bank Group (portfolio included BBBEE and CSI) and has since registered her own company: Shirley Zinn Consulting that provides consulting and advisory services in HR, Transformation, Leadership and Education. Prior to this she was the Group Executive HR at Nedbank. Before this, she was the General Manager for Human Resources at the South African Revenue Service (SARS). She is also an Extraordinary Professor at the University of Pretoria's Department of Human Resource Management and is the Past President of the Institute for People Management South Africa. She started her career as a secondary school teacher of English, then moved to the University of the Western Cape where she lectured in Teacher Education. After this, she served at Southern Life as Training Manager and then moved to the Department of Public Service and Administration's: South African Management Development Institute, in Pretoria as Director. She held the position of Executive Employment Equity at Computer Configurations Holdings. Before her appointment at SARS, she filled the role of Regional Human Resources Director for Middle East and Africa for Reckitt Benckiser, a global company listed on the London Stock Exchange.

Dr Zinn holds a BA (University of Western Cape), Post Graduate Higher Diploma in Education (University of the Western Cape); B.Ed. Honours (UNISA); M.Ed. (University of the Western Cape); Ed.M. (Harvard); and Doctorate in Education (Harvard).

Annexure 8 – Directors nominated for election as members of the Audit and Risk Committee

Bruno Fernandes as Chairperson Lead Independent Non-executive Director	Mr Fernandes holds a B.Comm (Accountancy), B.Acc (Accountancy Honours) and B.Com Honours (Investment Management) Cum Laude and is CA (SA). Bruno completed his accounting articles of Clerkship in audit at KPMG in 1995 and also 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 the former Group Operations Risk Review Manager at Balfour Beatty Limited in UK, London. Bruno has held memberships at the Chartered Institute of Business Management (ACIBM), Investment Analysts Society of SA (IAS), the Golden Key International Honour Society, the Public Accountants' & Auditors' Board (PAAB), the Independent Regulatory Board for Auditors (IRBA) and The South African Institute of Chartered Accountants (SAICA).
Alice le Roux Independent Non-executive Director	Ms le Roux, a Chartered Accountant, holds a BComp (Hons) and a Bachelors in Accounting. She is an audit and accounting industry professional with a track record of running her own successful business. Her career in finance, governance and audit spans over 20 years. She is currently a non-executive director of Shoprite Holdings Limited and serves on their audit and risk committee as well as their social and ethics committee.
Mmaboshadi Chauke Independent Non-executive Director	Ms Chauke, a Chartered Accountant, holds a BComm and a Bachelor of Accountancy (CTA), Auditing, Taxation, Financial Accounting and Financial Management. She is currently serving on the Mr Price Group Limited's Audit Committee.

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 year-ended June 2021. This report supplements the information provided in the corporate governance report on pages 85 to 101, highlights the committee's focus areas for the year, outlines our policies and practices, and addresses the Group's performance and corresponding remuneration outcomes.

During 2021, the focus was on refining the short-term incentive scheme structures in terms of the mechanics and the delivery model. To that end, the committee approved changes to the performance contracting and the formula for the bonus calculation. These changes will foster clear alignment of executives and general managers' performance to the business unit objectives and ensure that profitable business units are not subsidising business units that do not achieve the financial targets. It is critical that top performers are rewarded for their individual strategic contributions to the organisation's success.

An additional driver to the strategic incentive scheme amendments was to ensure that the interests of employees (key and critical staff) are aligned with that of shareholders and drive individual, business and Group performance. Furthermore, the amendments seek to enable the retention of key staff who are entrenched in the business and contribute to the success of AfroCentric's short-term business objectives and longer-term sustainable value creation for members and shareholders.

The committee also approved a single payment point of the various short-term incentive structures within the Group to ensure that employees are incentivised to maintain enhanced performance throughout the entire performance period. This further creates alignment and consistency of incentive structures throughout the organisation and strengthens the direct link between performance bonuses and performance outcomes.

The incentive policies for the Group's entities in other jurisdictions (Mauritius and Namibia) were strengthened and approved by the committee.

Operating context and performance highlights

The Group set itself an aggressive target of achieving an EBIT deliverable of R806 million for the 2021 financial year after recording a R740 million EBIT in 2020. It is encouraging to report that the group achieved an EBIT of R794 million despite an uncertain operating context, where the impact of COVID-19 continues to unsettle the environment. The Group also fared well with the other balanced scorecard (BSC) components, where the transformation, governance, culture and strategic impact key performance areas were met, and even partially exceeded in certain instances. To that end, the Group was able to declare bonuses and settle the bonus payments under the strategic and management incentive schemes. The total management performance bonus pool approved for distribution by the committee was R88 million (2020: R88.5 million).

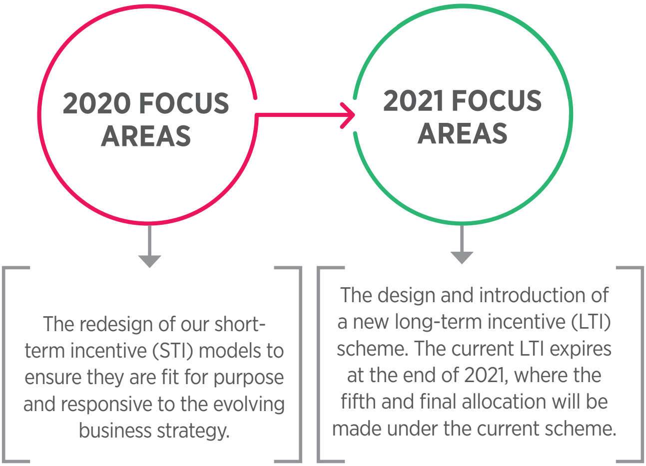
Further detail on the Group's overall performance is provided in our CEO's and CFO's reviews.

Changes to the remuneration and related policies

In keeping with our philosophy of ensuring fair and responsible remuneration, the committee continuously reviews the Group's remuneration policies and practices to ensure that they remain relevant and responsive to organisational imperatives. No material changes were made to the Group's remuneration policy for the year under review.

Focus areas

The Remuneration Committee envisages the following focus areas in advancing the organisation's value proposition:



Shareholder engagement and voting

Shareholder voting results

Resolution	November 2020	November 2019
Ordinary resolution on non-binding advisory vote on remuneration policy	93.90%	96.89%
Ordinary resolution on non-binding advisory vote on implementation report	99.33%	96.89%
Special resolution on Non-executive Directors' fees	99.34%	99.47%
Special resolution on general authority to repurchase shares	99.75%	99.96%

The remuneration policy and implementation report were presented for shareholder voting at the AGM held on 10 November 2020. The policy was endorsed by 98% of our shareholders, and the implementation report received an in favour vote of 97%.

As required by the Companies Act and King IV, the following resolutions will be tabled for shareholder voting at the AGM, details of which can be found in the Notice of AGM on pages 120 to 121 of the Integrated Report.

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

Appreciation

I would like to thank my fellow Remuneration Committee members for their contribution and support. It is the view of the Remuneration Committee that the remuneration policy achieved its stated objective of attracting and retaining high-calibre talent within the organisation. I am satisfied that the committee responsibly and professionally discharged its obligations.

Thank you to our shareholders for your support and engagement in 2021.

Dr Shirley Zinn

Remuneration Committee Chairperson
13 September 2021

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

Approve Non-executive Directors' fees and non-binding approval of the remuneration policy and implementation report

BOARD OF DIRECTORS

Approval of the remuneration policy

Provide Group Remuneration Committee with specific mandates

GROUP REMUNERATION COMMITTEE

Recommends the policy and monitors implementation of the remuneration policy

GROUP CEO AND EXECUTIVES

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 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.

Remuneration oversight and policies continued

Remuneration principles

Our people are at the core of our business success as we require highly skilled, competent and experienced employees to drive our business growth. AfroCentric's remuneration policy is designed to reward employees for their performance and contribution towards value for our shareholders. 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, balanced internal equity, 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 within the organisation.

PERFORMANCE INCENTIVES

Align executives to shareholder interests by linking STIs and LTIs to performance indicators not limited to financial indicators.

FAIR AND RESPONSIBLE PAY

Internal equity: Ensuring all our employees are appropriately and fairly rewarded for their contributions, irrespective of gender, race, age, ethnicity, religion or sexual orientation.

Pay for performance

Executives' remuneration is based on their 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 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

Pillars of the BSC support the delivery of our strategic objectives	
Strategic impact » Enhancing our operating model » Stabilising IT systems and enhancing the infrastructure » Launching and implementing primary care products to create a unique value proposition for the Group » Delivering a successful medicine capitation model with full value chain optimisation	**FINANCIAL (40% WEIGHTING)**
	GOVERNANCE (10% WEIGHTING)
	TRANSFORMATION (10% WEIGHTING)
	ORGANISATIONAL CULTURE (5% WEIGHTING)
	STRATEGIC IMPACT (35% 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 oversight and policies continued

Remuneration arrangements for other employees

Recognising the need to remunerate executive management fairly and responsibly in the context of the overall remuneration, we award higher increases to bargaining unit employees than to executive levels (see page 110 of the Integrated Report). Increases for the bargaining unit are negotiated annually with National Education, Health and Allied Workers' Union (NEHAWU), the recognised labour union, considering various internal and external factors such as affordability, market conditions, and benchmark information. PwC's Remchannel Salary Survey formed the basis for market benchmark information to facilitate the remuneration review.

Differences in remuneration policy for executives compared to other employees

There are differences in the remuneration policy's structure 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 positions 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 levels may participate in both STI and LTI schemes, where these plans are targeted at individuals who have 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 set to attract and retain qualified and experienced employees

Base pay	Benefits and allowances
Market-related salary reflecting individual contribution, roles and responsibilities	Market-related benefits, including medical aid, retirement fund[1] and insured benefits such as Group death and disability benefits, Nedbank workplace banking benefits
Purpose To attract and retain qualified and experienced employees	**Purpose** To retain employees and contribute to their overall wellbeing
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	**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 employee » Beneficiaries of employees who pass away while in service receive additional benefits such as education benefits, medical aid premium waivers, etc.
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	**Maximum opportunity** » In addition to the standard basket of benefits, employees can buy additional benefits at Group rates, e.g. extended family funeral cover

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

Remuneration oversight and policies continued

VARIABLE PAY

Additional financial compensation in the form of STIs and LTIs aligned with the Group's performance, strategy and value creation

STI scheme	LTI 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)	Share scheme designed to incentivise the delivery of long-term strategic goals aligned with shareholder expectations
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	**Purpose** To retain, motivate and reward executives and senior management or 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

Mechanics

- Executive Committee members, general management[1], senior management[2] and management[3] 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 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 upon achieving all other key performance area targets
- The committee approves any payments in respect of performance-based STIs
- Other STIs, as general staff performance bonuses or commissions, are paid quarterly or monthly as per the respective set of rules

Mechanics

- Vesting share scheme
- Executive Committee members, general and senior management at Group and business unit levels
- The LTI scheme consists of conditional shares subject to vesting conditions
- Three-year staggered vesting as follows: Year three – one-third, year four – one-third, and year five – one-third
- Governance resides with the committee, which considers annual awards for eligible employees and discretionary or bonus awards for retention purposes
- Annual awards are linked directly to the role as well as long-term individual performance and potential
- Share value is determined by volume-weighted average price measured 30 days before award date
- Group performance targets include EBIT (40%), governance (10%), organisational culture (5%), transformation (10%) and strategic impact (35%) (see page 56)

Maximum opportunity

- Stretch performance percentage of guaranteed pay of 150%, or 14th cheque depending on the scheme in which the employee participates
- Participation is limited to one scheme only

Maximum opportunity

- The employee's job grade determines the maximum allocation

Number of participants

489 FOR MANAGEMENT

3 193 FOR GENERAL STAFF

Number of participants

59

1 *General management is defined as positions at grade levels E1 to E3 on the Paterson grading scale.*

2 *Senior Management is defined as positions at grade levels D3 to D5 on the Paterson grading scale.*

3 *Management is defined as positions at grade level D2 on the Paterson grading scale.*

Remuneration oversight and policies continued

STI schemes

The Group relies on various bonus schemes 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 the STI award.

Management strategic incentive scheme

The annual strategic management incentive scheme is focused on the executive team and tier two managers, being those who report directly to the executives and employees selected for value contribution as well as scarce and critical skills. This applies to employees whose roles have a direct impact on the Group's strategic imperatives.

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

On-target % X business multiplier X individual performance multiplier

On-target %

DETERMINED BY EMPLOYEE'S LEVEL/JOB GRADE

Level	On-target % of annual CTC
Group CEO	50%
Group CFO	45%
Group executives	40%

Group performance multiplier

GROUP PERFORMANCE MEASURED AGAINST TARGETS SET ANNUALLY IN ADVANCE

Financial target (EBIT)

Governance

Transformation

Strategic Company objectives

Individual performance (IP) multiplier

DETERMINED BY EMPLOYEE'S INDIVIDUAL PERFORMANCE SCORE

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

Group performance

The Group achieved an EBIT of R794 million compared to a budget of R806 million which falls within an acceptable range (5%) of the target being met.

Management performance bonus scheme

The management performance bonus scheme was introduced during the 2017 financial year at the Remuneration Committee's request. This scheme targets exceptional performance by rewarding 100% of the guaranteed monthly package and additional bonus payments as given in the rules.

Performance-based bonus

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 in the case of misconduct or resignation, unless done under extenuating circumstances.

LTI scheme

AfroCentric's LTI scheme (the vesting share scheme) commenced in November 2017, following approval by the Board and shareholders at the AGM held on 8 November 2017.

The Remuneration Committee approves the allocations for all participants.

Malus and clawback

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

Remuneration oversight and policies continued

Vesting share scheme

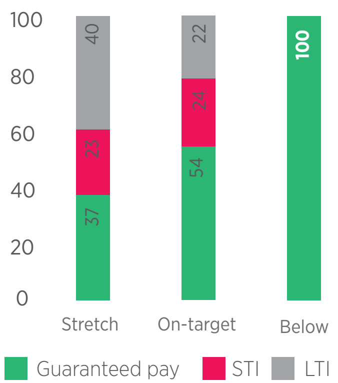
Award mechanism	Linked to job grade and allocated by the committee. The Remuneration Committee has discretion within a range per job grade with a maximum number of shares set per grade.
Bonus shares	Discretionary allocation by the committee considering scarce skills, personal performance ratings, leadership and potential.
Vesting	Five-year vesting based on the anniversary of allocation: Year three – one-third, year four – one-third and year five – one-third.
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, aspiration)
Conditions	Share award is conditional to the retention period provided the employee is eligible.
Performance conditions	Long-term individual performance.

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. The below target assumes no variable incentive payments.

Executive management remuneration (%)



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).

Non-executive Directors' remuneration

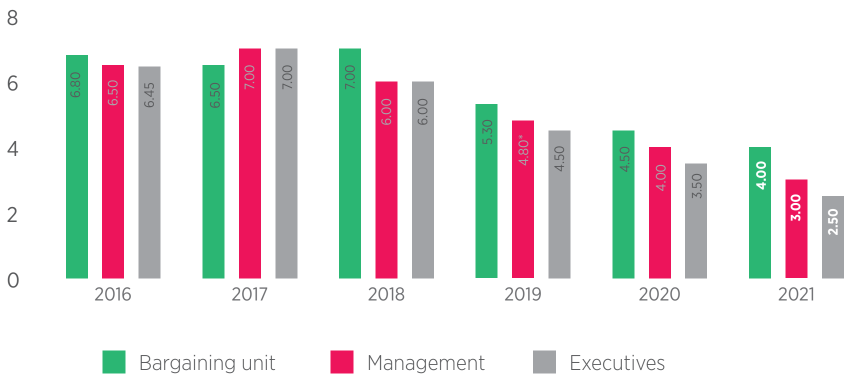
The table below sets out the remuneration principles applied by the Group for the 2021 financial year for Non-executive Directors. These policies also apply for the 2021 financial year and form the underlying basis for the fees tabled for approval at the AGM to be held on 11 November 2021.

<table>
<tr><th></th><th>Chairperson</th><th>Deputy Chairperson</th><th>Directors and Lead Directors</th><th>Committee</th></tr>
<tr><td>Objective</td><td colspan="2">A market-related fee to attract and retain experienced and diverse Non-executive Directors</td><td colspan="2">Fees to reflect the additional responsibilities undertaken through membership of committees
Committee chairpersons receive an additional amount</td></tr>
<tr><td>Fee principles</td><td colspan="4">» Fees are reviewed annually, and fees in respect of the Chairperson and Deputy Chairperson were adjusted during the reporting period following the benchmark 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</td></tr>
<tr><td>Payable</td><td colspan="2">Main Board: quarterly
Subsidiary board: monthly</td><td colspan="2">Per meeting fee payable monthly</td></tr>
</table>

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.

2021 guaranteed pay – base pay increase (%)



* *Middle management was awarded a 3.3% increase, senior managers 3%, and general management was awarded a 2.5% increase.*

Total remuneration outcomes

Single figure remuneration (R'000)

	Guaranteed pay			
	Base pay		Benefits and allowances	
	2021	2020	2021	2020
Executive directors				
A Banderker	**4 948 450**	4 781 364	**452 817**	435 788
W Britz	**4 142 382**	3 975 310	**380 481**	394 235
H Boonzaaier	**3 404 936**	3 061 646	**314 452**	276 436
S Mmakau	**3 464 020**	3 347 678	**337 507**	323 939
TOTAL	**15 959 788**	15 165 998	**1 485 257**	1 430 398

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 Chairperson for the Group CEO.

Performance below the threshold attracts no STI payments, where the threshold for financial targets is 100% of the target.

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

R59.9 million was paid out on the management performance bonus scheme aligned with individual performance scores.

	Variable pay				Total remuneration	
	STI		LTI			
	2021	2020	2021	2020	2021	2020
	4 000 000	3 242 207	–	1 750 000	9 401 267	10 209 360
	–	Waived fee	–	–	4 522 862	4 369 545
	2 083 405	1 755 613	1 460 000	1 750 000	7 262 792	6 843 695
	1 449 711	1 479 066	1 095 000	875 000	6 346 239	6 025 683
	7 533 116	6 476 886	2 555 000	5 025 000	27 533 160	27 448 283

Management strategic incentive scheme

Business multiplier	
Weighting – 40%	Finance (EBIT)
Weighting – 10%	Governance
Weighting – 10%	Transformation
Weighting – 5%	Culture
Weighting – 35%	Strategic impact » Enhancing our operating model specifically in the administration and managed care business » Stabilising IT systems and enhancing the infrastructure » Launching and implementing primary care products to create a unique value proposition for the Group » Delivering a successful medicine capitation model with full value chain optimisation

Outcome		Comments
3 out of 5	Target met	EBIT of R794 million achieved, relative to the target of R806 million (on-target)
3.8 out of 5	Target partially exceeded	The risk management processes continue to evolve, with more relevant aspects being monitored earlier in the process. The internal audit findings have been reduced significantly
4 out of 5	Target partially exceeded	ACT maintained its level 1 B-BBEE rating. Pharmacy Direct maintained its Level 1 B-BBEE rating, and other subsidiary entities improved ratings from the prior year
3 out of 5	Target met	We have achieved more than 50% of our culture goals and the business culture assessment score has remained largely the same as the previous assessment score
3 out of 5	Target met	While the Group achieved its targets of enhanced leadership culture, value chain optimisation and lowering the cost of healthcare, targets set in respect of strategic projects were partially met

LTI performance outcomes

The Remuneration Committee reviewed participation in the scheme to ensure alignment with the strategic objectives of the Group and consideration was given to individual long-term performance (measured over three years), scarce and critical skills required, the strategic importance of the role and the individual's talent measured in a nine-box matrix.

The vesting share scheme was implemented in 2017, and the first 4 410 000 shares were awarded to participants in terms of the registered rules. The vesting period is three years, with the second third of shares awarded in 2017 vesting in 2021.

	Date awarded	Number of shares awarded
Ahmed Banderker	April 2019	**500 000**
	November 2019	**500 000**
Hannes Boonzaaier	November 2018	**200 000**
	November 2019	**500 000**
	November 2020	**400 000**
Sello Mmakau	November 2019	**250 000**
	November 2020	**300 000**

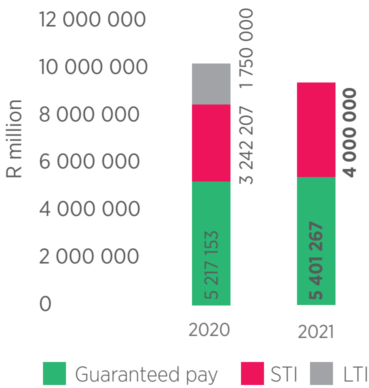
	Vesting criteria		
Grant value (R)	Tranche 1 33.33%	Tranche 2 33.33%	Tranche 3 33.33%
2 400 000	800 000	800 000	800 000
1 750 000	583 333	583 333	583 333
1 000 000	335 333	335 333	335 333
1 750 000	583 333	583 333	583 333
1 460 000	486 666	486 666	486 666
875 000	291 666	291 666	291 666
1 095 000	365 000	365 000	365 000

Individual remuneration outcomes

Ahmed Banderker (Group CEO)

	2021 (R)	2020 (R)
Salary	4 948 450	4 781 364
Medical aid	47 852	44 968
Retirement benefits	325 093	314 260
Other employee benefits	79 872	76 560
Total guaranteed pay	5 401 267	5 217 153
Increase in guaranteed pay	3.5%	4.3%
STI	4 000 000	3 242 207
Number of shares awarded	–	500 000
Value of awarded shares	–	1 750 000
Total variable pay	4 000 000	4 992 207
TOTAL REMUNERATION	9 401 267	10 209 360

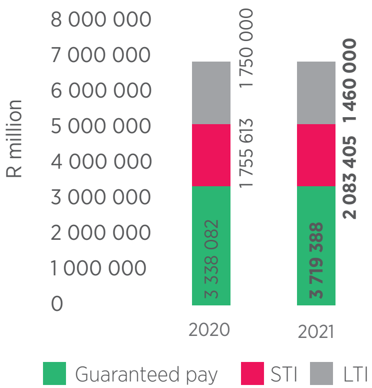
Total Remuneration



Hannes Boonzaaier (Group CFO)

	2021 (R)	2020 (R)
Salary	3 404 936	3 061 646
Medical aid	52 872	49 444
Retirement benefits	209 988	182 492
Other employee benefits	51 592	44 500
Total guaranteed pay	3 719 388	3 338 082
Increase in guaranteed pay	11.4%	4.31%
STI	2 083 405	1 755 613
Number of shares awarded	400 000	500 000
Value of awarded shares	1 460 000	1 750 000
Total variable pay	3 543 405	3 505 613
TOTAL REMUNERATION	7 262 792	6 843 695

Total Remuneration

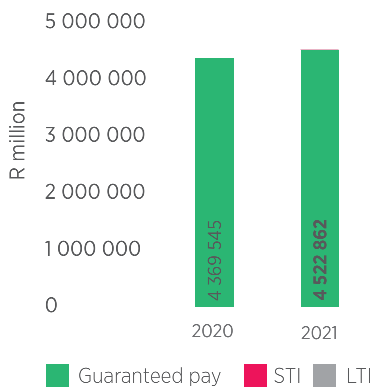


Willem Britz (prescribed officer)

	2021 (R)	2020 (R)
Salary	4 142 382	3 975 310
Medical aid	104 892	128 272
Retirement benefits	221 234	213 862
Other employee benefits	54 355	52 101
Total guaranteed pay	4 522 862	4 369 525
Increase in guaranteed pay	3.5%	4.3%
STI*	–	–
Total variable pay	–	–
TOTAL REMUNERATION	4 522 862	4 369 525

** STI waived due to shareholding. No LTI plan allocation.*

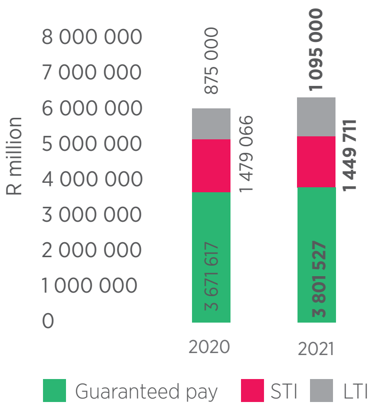
Total Remuneration



Sello Mmakau (prescribed officer)

	2021 (R)	2020 (R)
Salary	3 464 020	3 347 678
Medical aid	59 540	55 680
Retirement benefits	223 143	215 708
Other employee benefits	54 824	52 551
Total guaranteed pay	3 801 527	3 671 617
Increase in guaranteed pay	3.5%	4.3%
STI	1 449 711	1 479 066
Number of shares awarded	300 000	250 000
Value of awarded shares	1 095 000	875 000
Total variable pay	2 544 711	2 354 066
TOTAL REMUNERATION	6 346 239	6 025 683

Total Remuneration



Non-executive Directors' 2021 remuneration

Based on the PwC 2021 non-executive director remuneration report, AfroCentric concluded that the fees for the Chairperson of the Audit Committee, the lead independent and director fees are significantly below the median for companies of similar size. As a result and after careful consideration, the Remuneration Committee considered it prudent to steadily adjust the fees for the 2022 financial year. Accordingly, the directors' fees for 2022 were increased by bigger percentages than previous years to bring the fees closer to aligning with the median for similar size companies as reported in the PwC 2021 non-executive director remuneration report.

The following table sets out the fees for the period 1 January 2021 to 31 December 2021 approved by means of majority vote during the AGM:

	Current 2021 (R)	Proposed 2022 (R)	Recommended increase (%)
Main Board (annualised retainer fee)			
Chairman*	**1 445 849**	1 445 849	0
Deputy Chairman*	**1 317 844**	1 317 844	0
Lead Independent Director	**515 802**	667 627	29.43
Member	**256 875**	305 955	19.11
Audit and Risk Committee (per meeting)			
Chairperson	**155 745**	255 903	64.31
Member	**114 645**	131 662	14.84
Remuneration Committee (per meeting)			
Chairperson	**93 448**	132 997	42.32
Member	**68 788**	72 370	5.21
Nomination Committee (per meeting)			
Chairperson	**70 086**	132 997	89.76
Member	**51 591**	72 370	40.28
Social and Ethics Committee (per meeting)			
Chairperson	**93 448**	123 372	32.02
Member	**71 668**	71 668	0.00
Investment Committee (per meeting)			
Chairperson	**140 172**	192 277	37.17
Member	**103 182**	105 769	2.51
ICT Steering Committee (per meeting)			
Member**	**51 591**	70 513	36.68

* *The Chairman and the Deputy Chairman remuneration is all inclusive.*

** *The Chairperson is currently an Executive Director and does not receive fees.*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SCANNING
Help?

Payments made to Non-executive Directors

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

Name of director	Directors' fees	Social and Ethics Committee	Medscheme Board	ADS Board	PD/Curasana Board
Dr Anna Mokgokong	1 555 377	–	–	–	–
Joe Madungandaba	1 167 449	–	25 958	38 215	78 782
Bruno Fernandes	252 526	22 572	–	–	–
Gary Allen	290 411	–	–	–	–
Jurie Strydom	192 775	–	–	–	–
Prof Shirley Zinn	361 765	96 875	–	–	–
Dr Nkateko Munisi	250 360	91 078	–	–	–
Alice Le Roux	302 022	–	–	–	–
Mmaboshadi Chauke	252 526	–	–	–	–
	4 625 211	210 525	25 958	38 215	78 782
Ronald Mundalamo	–	–	–	–	–
Total	4 625 211	210 525	25 958	38 215	78 782

Termination of office payments

No termination of payments were made for ACT directors during the year 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 year.

Advisory vote on the implementation report

The implementation report, as it appears above, is subject to an advisory vote by shareholders at the 2021 AGM. Accordingly, shareholders are requested to cast an advisory vote on the remuneration policy's implementation for 2021.

Approval of the remuneration report by the Board

The Board approved the remuneration report on 13 September 2021.

Remuneration Committee	Nomination Committee	Internal Control Review Panel	Pharma Audit and Risk Committee	Audit and Risk Committee	Investment Committee	Total Fees
–	52 824	–	–	–	–	**1 608 201**
98 558	38 884	–	–	–	105 648	**1 553 494**
–	–	22 929	46 724	182 682	67 624	**595 057**
19 777	–	–	–	26 368	19 777	**356 333**
–	–	–	–	–	–	**192 775**
103 965	–	–	–	25 477	–	**588 082**
–	–	–	–	–	67 042	**408 480**
–	–	–	–	154 645	–	**456 667**
–	–	–	–	134 474	–	**387 000**
222 300	91 708	22 929	46 724	523 646	260 091	**6 146 089**
67 042	–	–	–	–	–	**67 042**
289 342	91 708	22 929	46 724	523 646	260 091	**6 213 131**

Annexure 11 – Company information

Directors

ATM Mokgokong** (Chairman), MJM Madungandaba** (Deputy Chairman), A Banderker*** (CEO), JW Boonzaaier*** (CFO), SE Mmakau*** (CIO), WH Britz***, FG Allen**, JJ Strydom**, ND Munisi**, JB Fernandes*, SA Zinn*, AM le Roux*, M Chauke*

* *Independent Non-executive*
** *Non-executive*
*** *Executive*

Group Company Secretary

Billy Mokale

Sponsor

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Notes

Notes

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