

**AFROCENTRIC INVESTMENT CORPORATION LIMITED**

Incorporated in the Republic of South Africa

Registration Number: 1988/000570/06

JSE Code: ACT

ISIN: ZAE 000078416

("AfroCentric")

**TRADING STATEMENT**

In terms of paragraph 3.4(b)(i) of the JSE Limited Listings Requirements, companies are required to provide guidance to the market when they are satisfied that a reasonable degree of certainty exists that the financial results for the financial year ended 30 June 2023 (the "current reporting period") to be reported on, will differ by at least 20% from the year ended 30 June 2022 (the "previous corresponding period").

Accordingly, AfroCentric shareholders are advised that:

- earnings per share for the current reporting period is expected to be between 29.88 and 35.31 cents reflecting a decline of between 35% and 45% in comparison to the 54.32 cents per share in the previous corresponding period (as restated – see below) and reflecting a decline of between 35.3% and 45.2% in comparison to the 54.57 cents per share in the previous corresponding period (as previously reported); and
- headline earnings per share for the current reporting period is expected to be between 32.89 and 38.37 cents reflecting a decline of between 30% and 40% in comparison to the 54.81 cents per share in the previous corresponding period (as restated – see below) and reflecting a decline of between 30.3% and 40.3% in comparison to the 55.07 cents per share in the previous corresponding period (as previously reported).

The decline in earnings for the current reporting period is mainly attributed to once off costs associated with various corporate activities and business unit restructuring. The Group also decided to close down its operations in the procurement of hospital surgical consumables through its subsidiary MMed. This closure has resulted in a once off impairment of inventory and recoverability of debtors provisions.

The trading in the pharmaceutical cluster has also normalised back to pre-Covid levels and therefore decreasing from the high levels experienced in the June 2022 financial year which was driven by the Covid-19 impact. Adverse price adjustments in some of the main product lines of the pharmaceutical cluster has had a negative impact on profitability.

The medical scheme administration cluster has been stable with growth in various public and private medical schemes during the year.

During the current reporting period AfroCentric disposed of its 74% interest in Private Health Administrators (Pty) Ltd, which will now be reflected as discontinued operations, in line with IFRS5: Non-current assets held for sale and discontinued operations. The comparative results for the previous corresponding reporting period have been restated accordingly. Further information regarding, *inter alia*, the restatement will be provided in AfroCentric's results for the current financial period, which are expected to be published on or about 18 September 2023.

The financial information on which this trading statement is based has not been audited or reported on by AfroCentric's external auditors.

Johannesburg  
14 September 2023

Sponsor



Questco Corporate Advisory (Pty) Ltd