

UNAUDITED INTERIM RESULTS  
FOR THE SIX MONTHS ENDED 30 JUNE

**2025**



[WWW.AFROCENTRIC.ZA.COM](http://WWW.AFROCENTRIC.ZA.COM)

# FINANCIAL HIGHLIGHTS

## REVENUE\*

**R4 211 million**

June 2024: R4 323 million

\* Excludes discontinued operations

## HEADLINE EARNINGS PER SHARE

**11.68 cents**

June 2024: 19.00 cents

## HEADLINE EARNINGS

**R98.2 million**

June 2024: R157.8 million

## EARNINGS PER SHARE

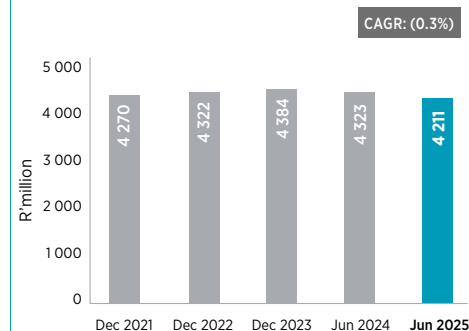
**11.54 cents**

June 2024: Loss per share (14.26) cents

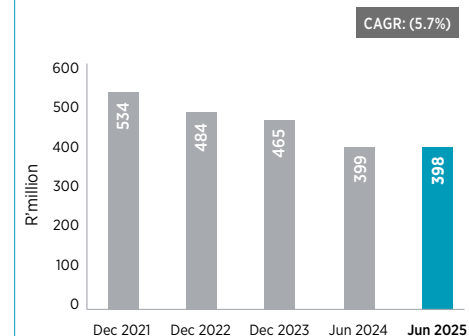
## B-BBEE RATING

**Level 1**

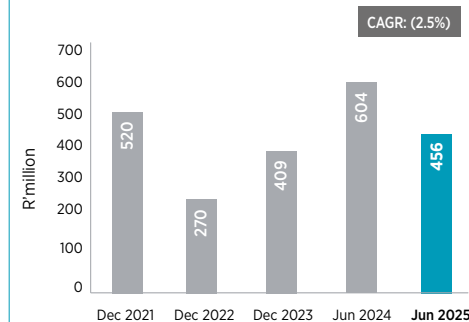
### Revenue



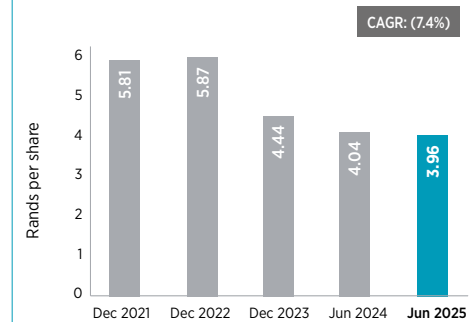
### Operating profit (non-IFRS measure)



### Cash generated from operations (excluding dividends paid)



### NAV per share





### Introduction and review

AfroCentric “ACT” is a Level 1 B-BBEE JSE listed investment holding company, committed to transforming and advancing healthcare access and affordability across Southern Africa. Through our diversified portfolio of subsidiaries, we deliver integrated health management solutions, including medical aid administration, managed care, medicine provision, wellness services and digital health innovations. The Group plays a pivotal role across the public and private sectors, driving efficiencies, health outcomes and enabling sustainable healthcare delivery. Our strategic focus remains on expanding our footprint, leveraging technology and clinical innovation, and fostering partnerships that support inclusive, value-based healthcare for all.

The Board presents commentary on the Group’s operating performance for the six months ended 30 June 2025. These results have been achieved on the backdrop of losses of some contracts with clients in the prior year, as well as the intentional investment that the Group has made in executing on the refreshed strategy.

Last year, we firmly established the growth drivers and key enablers that will propel us towards our Vision 2030: to become the most trusted and innovative healthcare partner in Southern Africa. In 2025, we have continued to execute on this vision, making meaningful progress in delivering on our strategic objectives.

Over the past six months, the Board has been intentional about executing on Vision 2030:

#### Building a winning health offering

At the core of Vision 2030, AfroCentric is the enabling partner that supports Sanlam’s ambition to build a leading open medical scheme with its strategic partner, Fedhealth. Following the 2024 Fedhealth launch, Sanlam

made a bold move by migrating all its employees to the scheme. In support of this, AfroCentric Distribution Services was rebranded to Sanlam Health Distribution and integrated into Sanlam Corporate Distribution. This strategic integration enables AfroCentric to seamlessly embed its healthcare offering within Sanlam’s extensive distribution ecosystem, thereby expanding our market presence and unlocking significant strategic value for AfroCentric shareholders – achieved on a cost-efficient basis.

#### Investing in data, digital platforms and technology

In strengthening AfroCentric’s partnership with Sanlam as well as to leverage off Sanlam’s world-class data centre that has ample power capacity, secondary power sources and optimal cooling facilities, AfroCentric successfully relocated its computer servers and storage hardware that were housed in its two data centres located in Johannesburg to the Sanlam facilities in Cape Town in April 2025.

This transition enables AfroCentric to benefit from a more stable and secure IT environment, enhancing the resilience of our infrastructure, reducing operational downtime risk, and reinforcing our commitment to delivering uninterrupted, high-quality service to our Medical Scheme clients.

Progress has been made in implementing the Data Refresh Strategy. In strengthening data governance, a Data Governance Committee has been established, bringing together representatives from across the Group. In support of the modern customer engagement strategy, AfroCentric Technologies adopted the ScaleForce architecture, thus enhancing our integration and data capabilities available for servicing clients.

### Strengthening our managed care leadership through clinically driven innovations

We launched the Orthocare Spinal Programme on 1 January 2025 for selected schemes. The programme implements a multi-disciplinary biopsychosocial rehabilitation approach, integrating psychological support and exercise therapy to improve pain management function and coping skills through a Documentation-Based Care (DBC) process. This programme will improve clinical outcomes for patients with chronic lower back pain through evidence-based care pathways, while simultaneously reducing the incidence of unnecessary spinal surgeries and interventions. This will thus enhance operational efficiency, optimise resource utilisation, and support sustainable cost containment.

### Evolving our operating model to support our growth strategy

Key changes to our operating model and business structure were implemented to ensure that we have the right organisational and leadership foundations in place to deliver on our strategic intent. They are a critical part of our journey to help us realise our long-term objectives.

- AfroCentric Technologies is in the process of being restructured, with IT operations moving into Medscheme and IT infrastructure into Sanlam Group Technology. These changes will ensure that our technology capabilities are closely connected to business needs, enabling better security and faster agile delivery of services.
- In line with our long-term strategy, we are evolving the structure of the Pharma division in the context of Scriptpharm Risk Management to better align and leverage pharmacy and medicine management with Medscheme – allowing for an integrated, streamlined service to members.

Strategic changes also include creating the Chief Risk Officer position to strengthen risk and governance, which is part of the refreshed strategy.

These changes are more than structural – they are strategic enablers for our future. They are designed to assist us to streamline our business and bring greater focus to how we execute our purpose within a stable and secure environment, strengthen our partnerships, and position us to lead with confidence and purpose.

### Financial performance

This period has been one of continued transition, adapting to our ever-evolving operating environment, the challenges and opportunities we face as a business and how we should position ourselves for future success. AfroCentric’s financial performance for the six months was marked by growth in the operating earnings of the Services Cluster due to revenue growth but is diluted by the decrease in the operating earnings of the Retail Cluster. The Retail Cluster continued to face tough trading conditions resulting in a decline in revenue.

The Group’s revenue for the last six months decreased by 2.6% compared to the six months ended 30 June 2024 – the decreased revenue is mainly due to lower private patient scripts pursuant to the loss of the designated service provider contracts in Pharmacy Direct, and the loss of margin in hospital products.

The Group’s profit before tax for the period of R161.0 million is a significant improvement to the loss incurred for the six months ended 30 June 2024 of R81.2 million. The headline earnings of R98.2 million is a decrease to the headline earnings for the six months ended 30 June 2024 of R157.8 million.

The performance for the six months ended 30 June 2024 was impacted by lower profitability due to margin erosion and channel pressure arising in the retail cluster, resulting in an impairment of goodwill within the Retail Cluster.

AfroCentric continues to make deliberate and forward-looking investments aligned with our Vision 2030. Over the past six months, we have committed approximately R9 million toward executing our refreshed strategy.

While the benefit of these investments is still unfolding, they have already begun shaping the foundation for long-term value creation.

Looking ahead, the Group is preparing for further significant investments in the next six months. These will be targeted at accelerating our strategic transformation, strengthening our managed care leadership, and delivering innovative, technology-driven healthcare solutions. This continued investment underscores our commitment to building a resilient, future-ready business that delivers sustainable growth and shareholder value.

Capital management and cashflow generation continues to be a focal point for management. During the past six months, this has yielded positive results in the cash and cash equivalents balances reaching R483.1 million (Jun 2024: R329.9 million). Borrowings marginally increased to R654.2 million (Jun 2024: R628.4 million) due to a R45 million mortgage bond in Namibia and the interest incurred.

## Cluster review Services Cluster

The Services Cluster, substantially comprising the medical scheme administration and managed care business, has an ambitious strategy centred on driving change to how we do business. This strategy and the projects that support it, are critical to our ambition of driving

growth and profitability, creating greater efficiencies, and delivering greater value to our clients.

We have an aggressive agenda to strengthen our client value proposition, thereby enabling us to retain existing client relationships and to build new strategic partnerships. Key to these strategic partnerships is the partnership with Sanlam, that will allow us to leverage the Sanlam distribution networks, product offerings and operations that complement our own.

The key strategic shifts that the Cluster is focusing on, includes the following:

- We are reorganising our structures to create better alignment, collaboration, and efficiency in operations and administration areas.
- To unlock value and untapped business opportunities, we are consolidating capabilities within Medscheme.
- We are aligning towards a value-based care approach in the Managed Care area.
- We are enhancing our technology, digital and data enablement capabilities to fully support our business ambitions. This includes the technology we use, the roles people play and our utilisation of data across a broad range of business areas.
- We are shifting our culture, leadership, and underlying values, to one where empathy, care and integrity are in the system, while maintaining our focus on performance excellence, efficiency, client-obsession, ethical standards and sound business practices.

In aligning towards a value-based care approach, as a leader in managed care, we are committed to clinical innovation towards quality clinical outcomes and best-in-class coordination of healthcare services. By leveraging a data-driven approach to monitor clinical and financial impacts, Medscheme continues to set the standard for managed care excellence, ensuring patients receive the most effective and sustainable treatment solutions.

The Cluster has seen a 8.7% increase in revenue to the six months ended 30 June 2024 – revenue growth is attributed to the growth in membership of some of the open schemes bolstered by the growth in Fedhealth, supported by the migration of Sanlam employees, fees increases, and the growth in primary health insurance revenue. This growth has however been diluted by lower Bonitas membership attributed to the termination of the Boncap option administration contract, as well as marketing revenue that was recognised in ADS in the prior year but has been excluded in the current year due to the termination of this contract in August 2024.

The increased costs in clinical servicing of medical claims, investment in new product development capabilities, as well as the enhancement of the Group's cybersecurity posture and IT licences has however increased in line with the revenue growth resulting in a marginal 3.7% increase in operating earnings.

## Retail Cluster

The Retail Cluster seeks to participate throughout the pharmaceutical value chain to reduce medicine and related costs and improve adherence to medication.

Through its subsidiary, Pharmacy Direct, the Cluster continues to position itself as a key partner for the government in the National Health Insurance (NHI) environment. In the recent past, Pharmacy Direct has demonstrated significant success in driving access to care by increasing the script volumes on the Central Chronic Medicines Dispensing and Distribution (CCMDD) programme despite challenges, such as the net decline in price per script.

The Retail Cluster has seen a 14.2% reduction in revenue – performance has been adversely affected by lower private scripts mainly attributed to the loss of the designated service provider contract on the Boncap option, Primary option and the Primary Select option.

Performance was further adversely affected by the loss of margin on the hospital products. The decrease in revenue has however been diluted by the increase in revenue in the Scriptpharm business due to inflationary fee increases. Following the loss of contracts, the Pharma Cluster embarked on a costs rationalisation process which was concluded in April 2025. The combination of these events resulted in a 13.2% decrease in operating earnings.

On a positive note, the Cluster has made progress on enhancing efficient working capital management practices to address stock holding.

High stock holdings will remain an area of focus for the Group for the remainder of the year as we seek to improve our working capital management.

## Growth Initiatives

Following the approval of the Board, AfroCentric concluded two inter-related transactions to sell AfroCentric Distribution Services Proprietary Limited (ADS), together with its subsidiaries, and Wellworx Proprietary Limited (Wellworx) to Sanlam Life Insurance Limited (Sanlam Life). The transactions were implemented on 28 July 2025.

The details of the transactions are:

- AfroCentric Health (RF) Proprietary Limited disposed of its entire interest in ADS, along with its wholly owned subsidiaries Tendahealth Proprietary Limited (Tendahealth) and AfroCentric Financial Services Proprietary Limited (AFS) to Sanlam Life for R2.8 million.
- Medscheme Limited disposed of its entire interest in Wellworx to Sanlam Life for R12.2 million.

These transactions are pivotal to advancing our strategic objectives as they lay the foundation for a unified and scalable healthcare offering, leveraging the strengths of both AfroCentric and Sanlam Life.

These transactions will further enable the development of a strong distribution network, led by Sanlam Life, to promote AfroCentric's health solutions across a broader customer base, with an expectation to grow the number of members using Medscheme-administered medical schemes and enhance our joint operational efficiency, as well as strengthen our position in the market and improve how we support both public and private medical schemes.

## Outlook

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

As we move forward:

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

AfroCentric enters the second half of 2025 with a clear focus on delivering against our strategic priorities and advancing our Vision 2030 ambition. While we maintain a leading market position, we remain vigilant to both internal and external factors that could influence our trajectory.

Externally, regulatory developments – including ongoing NHI discussions and the recent Council of Medical Schemes (CMS) Low-Cost Benefit Options (LCBOs) report recommending the phasing out of Primary Health Insurance – continue to shape the healthcare landscape and require agile strategic responses.

Internally, we are navigating a complex operating environment that includes performance pressures in certain clusters, evolving client needs, and the natural dynamics of client contract renewals.

Despite these challenges the Group's core business remains sound and competitive. Our diversified healthcare assets, strong partnerships, and prudent capital management position us well to respond to market shifts and unlock new opportunities.

We are committed to developing a cohesive value proposition that leverages our strengths in a more integrated and scalable way, ensuring we continue to deliver sustainable value to shareholders.

## Directors

The following changes were made to the Board during the six months under review:

- Mr Hannes Boonzaaier resigned as the AfroCentric Group Chief Financial Officer and Executive Director effective 31 January 2025.
- Mr Thato Moloele was appointed as CFO designate and Executive Director of AfroCentric effective 1 January 2025. He took office as the Group Chief Financial Officer effective 1 February 2025.

- On 26 February 2025, the Nominations Committee resolved that the role of deputy chairman was no longer required on the board. Mr Joe Madungandaba, who previously held this role, continuous to serve as a Non-Executive Director on the board.
- Ms Charlotte Mokoena was appointed as an Independent Non-Executive Director, effective 1 October 2025.

## Basis of preparation

The Condensed Consolidated interim financial statements for the six months ended 30 June 2025 have been prepared in accordance with and containing the information required by IAS 34: *Interim Financial Reporting*, the Financial Pronouncements as issued by the Financial Reporting Standards Council and SAICA Financial Reporting Guides as issued by Accounting Practices Committee (collectively "JSE Financial Reporting Requirements"), IAS 34: *Interim Financial Reporting* and the South African Companies Act.

The accounting policies applied in the Condensed Consolidated Financial Statements are the same as those applied in the Group's Audited Consolidated and Separate Financial Statements for the year ended 31 December 2024.

The Board of Directors (the Board) takes full responsibility for the preparation of this report. These unaudited and unreviewed Condensed Consolidated Financial Statements have been prepared under the supervision of Thato Moloele CA (SA), the Group Chief Financial Officer. This announcement does not include the information required pursuant to paragraph 16 (A)(j) of IAS 34 and this is available on our website ([www.afrocentric.za.com/investor-centre/](http://www.afrocentric.za.com/investor-centre/)), or at our offices upon request.

## Responsibility statement

The AfroCentric Board, individually and collectively, accepts responsibility for the information contained in this announcement insofar as it relates to AfroCentric. In addition, the AfroCentric Board confirms that, to the best of its knowledge and belief, the information contained in this announcement, as it relates to AfroCentric, is true and correct and, where appropriate, does not omit anything that is likely to affect the importance of the information contained herein, and that all reasonable enquiries to ascertain such information have been made.

On behalf of the Board



**Dr ATM Mokgokong**  
Chairman



**Mr GN Van Wyk**  
Group Chief Executive Officer

Johannesburg  
2 September 2025

## Condensed Consolidated Statement of Financial Position

		Unaudited six months ended 30 June 2025 R'000	Restated* Audited year ended 30 June 2024 R'000	Restated* Audited six months ended 31 December 2024 R'000
Notes				
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property and equipment		3 617 900	3 760 103	3 612 511
Land and buildings		341 032	290 197	362 579
Right-of-use assets		341 383	270 852	268 107
Investment property		117 351	142 572	140 721
Goodwill	1	12 500	12 500	12 500
Intangible assets	1	1 108 499	1 327 661	1 108 499
Investments in associates and joint ventures		1 392 757	1 476 538	1 432 938
Other financial assets		8 122	8 732	6 259
Deferred tax assets		22 885	27 719	20 209
Deferred payment assets		124 995	132 015	121 127
Insurance contract assets		3 890	3 673	3 778
Receivable – Sanlam Restricted Share Plan		81 791	67 644	71 250
Receivable – Sanlam Performance Deferred Share Plan		10 812	-	13 267
		51 883	-	51 277
<b>Current assets</b>				
Inventories		1 806 861	1 618 493	1 517 181
Trade and other receivables		412 047	449 079	440 837
Current tax asset		711 798	786 276	602 303
Cash and cash equivalents	3	199 837	53 235	127 938
Assets Held for Sale	4	483 179	329 903	346 103
		24 600	30 959	32 835
<b>Total assets</b>				
		5 449 361	5 409 555	5 162 527
<b>EQUITY AND LIABILITIES</b>				
<b>Capital and reserves</b>				
Issued ordinary share capital		3 289 874	3 369 996	3 245 743
Share premium		21 323	21 324	21 324
Share-based payment reserve		2 536 334	2 537 411	2 537 411
Treasury shares		20 657	24 468	17 646
Foreign currency translation reserve		(1 162)	(1 162)	(2 240)
Distributable reserves		(1 648)	(5 650)	3 905
Non-controlling interest		714 370	793 605	667 697
		39 940	31 189	33 350
<b>Total equity</b>				
		3 329 814	3 401 185	3 279 093
<b>Non-current liabilities</b>				
Lease liabilities		911 865	938 462	918 970
Deferred tax liabilities		74 269	111 750	101 721
Post-employment medical obligations		253 902	255 179	258 896
Borrowings	2	1 631	1 680	1 631
		582 063	569 853	556 722
<b>Current liabilities</b>				
Provisions		1 196 176	1 065 123	959 576
Borrowings	2	10 465	16 792	13 059
Trade and other payables		72 186	58 553	62 373
Current tax liability		758 595	732 722	628 009
Sanlam Performance Deferred Shares: IFRS 2 liability		134 813	9 373	72 747
Lease liabilities		9 167	-	2 003
Employment benefit provisions		69 982	65 336	69 985
Liabilities Held for Sale	4	140 968	182 347	111 400
		11 506	4 785	4 888
<b>Total liabilities</b>				
		2 119 547	2 008 370	1 883 434
<b>Total equity and liabilities</b>				
		5 449 361	5 409 555	5 162 527

\* The prior year periods have been restated for the prior period error (refer to note 8 for further details).

## Condensed Consolidated Statement of Comprehensive Income

		Unaudited six months ended 30 June 2025 R'000	Unaudited six months ended 30 June 2024 R'000	Re-presented* Audited six months ended 31 December 2024 R'000
% change				
<b>Continuing operations</b>				
Revenue from contracts with customers	(2.6)	4 211 131	4 322 875	4 195 378
Dividends received		143	-	-
Fair value gains		-	1 769	380
Finance income		17 955	16 044	21 823
Other income		130	-	3 052
Compensation for impairment of property and equipment		-	-	64 402
<b>Total Income</b>				
	(2.6)	4 229 359	4 340 688	4 285 035
Insurance revenue		67 705	69 975	51 058
Insurance service expense		(60 719)	(65 651)	(50 747)
<b>Insurance service result</b>				
		6 986	4 324	311
Insurance finance income		3 557	4 905	3 300
<b>Net insurance result</b>				
	14.2	10 543	9 229	3 611
Cost of pharmaceutical products and finished goods	19.4	(830 432)	(1 030 844)	(878 351)
Cost of distribution of pharmaceutical products		(29 811)	(37 691)	(38 329)
Employee benefit costs	(4.3)	(1 427 683)	(1 368 788)	(1 385 701)
Other expenses	14.0	(426 428)	(495 790)	(425 437)
Capitation funds	(2.0)	(856 684)	(840 010)	(878 805)
Amortisation (Note 1)		(108 689)	(97 695)	(104 642)
Rent and property costs		(60 086)	(63 750)	(68 155)
Right-of-use asset depreciation		(32 287)	(19 197)	(31 282)
Depreciation		(62 337)	(48 839)	(55 884)
IT costs		(201 305)	(88 898)	(199 815)
Write-off of intangible assets		(9 421)	(6 060)	(3 792)
Impairment of goodwill		-	(230 835)	(218 000)
Impairment of other financial assets		-	(826)	(7 210)
Write-off of other financial assets		-	-	(1 184)
Impairment of investment in associates		-	(14 661)	(274)
Impairment of property and equipment		-	(26 611)	-
Impairment of loans		-	(1 266)	-
Reversal of impairment of loans		33	-	-
Share of profits/(losses) from associates and joint ventures		2 600	(11 550)	(2 199)
Interest on lease liabilities		(7 278)	(10 697)	(8 017)
Finance costs		(29 083)	(37 075)	(32 298)
<b>Profit/(loss) before tax</b>				
	298.4	161 011	(81 166)	(50 729)
Income tax expense	(9.3)	(52 914)	(48 403)	(62 786)
<b>Profit/(loss) from continuing operations</b>				
	183.4	108 097	(129 569)	(113 515)
Owners of the parent		101 036	(137 733)	(120 579)
Non-controlling interests		7 061	8 164	7 064
<b>Profit/(loss) from continuing operations</b>				
		108 097	(129 569)	(113 515)
<b>Discontinued Operations</b>				
(Loss)/profit from discontinued operations net of tax (Note 7)		(6 544)	18 848	(5 639)
Profit on sale of subsidiary (Note 5)		5 101	-	-
<b>(Loss)/profit from discontinued operations</b>				
		(1 443)	18 848	(5 639)
Owners of the parent		(3 972)	19 353	(5 286)
Non-controlling interests		2 529	(505)	(353)
<b>(Loss)/profit from discontinued operations</b>				
		(1 443)	18 848	(5 639)

\* The Condensed Consolidated Statement of Comprehensive Income has been re-presented to separately disclose discontinued operations that were previously included in continuing operations for the comparative periods presented (refer to note 7 for further details).

## Condensed Consolidated Statement of Comprehensive Income continued

	Unaudited six months ended 30 June 2025 R'000	Unaudited six months ended 30 June 2024 R'000	Re-presented* Audited six months ended 31 December 2024 R'000
<b>Profit/(loss) for the period attributable to:</b>			
Owners of the parent	97 064	(118 380)	(125 865)
Non-controlling interests	9 590	7 659	6 711
<b>Profit/(loss) for the period</b>	<b>106 654</b>	<b>(110 721)</b>	<b>(119 154)</b>
<b>Other comprehensive income</b>			
<b>Components of other comprehensive loss that will not be reclassified to profit or loss</b>			
<b>Total other comprehensive loss that will not be reclassified to profit or loss</b>	<b>-</b>	<b>(52)</b>	<b>(43)</b>
Remeasurement of post-employment benefit obligations	-	(71)	(59)
Income tax relating to these items	-	19	16
<b>Components of other comprehensive (loss)/income that will be reclassified to profit or loss</b>	<b>(5 555)</b>	<b>(8 380)</b>	<b>9 555</b>
Foreign exchange (loss)/gain	(5 555)	(8 380)	9 555
<b>Total other comprehensive (loss)/income</b>	<b>(5 555)</b>	<b>(8 432)</b>	<b>9 512</b>
<b>Total comprehensive income/(loss)</b>	<b>101 099</b>	<b>(119 153)</b>	<b>(109 642)</b>
<b>Comprehensive income/(loss) attributable to:</b>			
Comprehensive income/(loss) attributable to owners of parent	91 509	(126 812)	(116 353)
Comprehensive income attributable to non-controlling interests	9 590	7 659	6 711
	<b>101 099</b>	<b>(119 153)</b>	<b>(109 642)</b>

\* The Condensed Consolidated Statement of Comprehensive Income has been re-presented to separately disclose discontinued operations that were previously included in continuing operations for the comparative periods presented (refer to note 7 for further details).

## Condensed Consolidated Statement of Changes Equity

	Unaudited six months ended 30 June 2025 R'000	Unaudited six months ended 30 June 2024 R'000	Audited six months ended 31 December 2024 R'000
<b>Balance at beginning of the period previously reported</b>	<b>3 279 093</b>	3 674 767	3 401 185
IFRS 17 transition restatement	-	385	-
<b>Balance at beginning of the period – Restated</b>	<b>3 279 093</b>	3 675 152	3 401 185
Decrease in share capital*	(1)	-	-
Share premium*	(1 077)	-	-
Vested share-based awards	-	-	(9 084)
Share-based awards reserve	3 007	(4 206)	2 475
Share-based awards reserve – prior year	-	(1 026)	(213)
Dividends paid to shareholders	(50 385)	(92 520)	-
Treasury shares*	1 078	-	(1 078)
Comprehensive income/(loss) for the period attributable to owners of parent	91 509	(126 812)	(116 353)
Comprehensive income attributable to non-controlling interests	9 590	7 659	6 711
Changes in ownership	-	(45 895)	-
Dividends paid to non-controlling interests	(3 000)	(11 167)	(4 550)
<b>Balance at end of the period</b>	<b>3 329 814</b>	3 401 185	3 279 093

\* On 14 March 2025, AfroCentric Investment Corporation Limited delisted 403 649 shares repurchased during the period ended 31 December 2024 after receiving approval from the Johannesburg Stock Exchange.



## Condensed Consolidated Statement of Cash Flows

	Unaudited six months ended 30 June 2025 R'000	Unaudited six months ended 30 June 2024 R'000	Audited six months ended 31 December 2024 R'000
<b>Net cash inflow from operating activities</b>	<b>298 813</b>	<b>395 268</b>	<b>247 921</b>
Cash generated from operations	455 504	604 275	343 158
Net finance cost	(17 580)	(25 866)	(17 004)
Dividends paid	(53 384)	(103 687)	(4 550)
LTIP share based payment vesting	-	-	(9 224)
Tax and other payments	(71 069)	(77 162)	(63 122)
Cash movement in operating activities classified as Held for Sale	(14 658)	(2 292)	(1 337)
<b>Net cash outflow from investing activities</b>	<b>(158 165)</b>	<b>(241 141)</b>	<b>(198 908)</b>
Purchase of property and equipment*	(48 999)	(4 994)	(64 474)
Payment for acquisition of subsidiaries, net of cash acquired	-	(46 121)	-
Purchase of intangible assets	(69 272)	(115 534)	(70 466)
Purchase of Sanlam shares	-	-	(64 967)
(Purchase)/disposal of other financial assets	(2 675)	10 528	-
Purchase of subsidiary	(75 627)	-	-
Repayment of contingent consideration	-	(85 248)	-
Dividends received	143	-	-
Proceeds from sale of tangible assets*	2 372	228	999
Proceeds from sale of subsidiary	35 809	-	-
Cash movement in investing activities classified as Held for Sale	84	-	-
<b>Net cash inflow/(outflow) from financing activities</b>	<b>1 983</b>	<b>(2 034)</b>	<b>(42 368)</b>
Lease liabilities capital repayment	(33 775)	(4 421)	(31 979)
Share repurchase	-	-	(1 078)
Proceeds from borrowings	45 000	-	-
Capital settlement of borrowings	(9 840)	-	(9 311)
Cash movement of financing activities classified as Held for Sale	598	2 387	-
Effect of foreign exchange (loss)/benefit	(5 555)	(8 380)	9 555
<b>Net increase in cash and cash equivalents</b>	<b>137 076</b>	<b>143 713</b>	<b>16 200</b>
Cash and cash equivalents at beginning of the period	346 103	186 190	329 903
<b>Cash and cash equivalents at end of the period</b>	<b>483 179</b>	<b>329 903</b>	<b>346 103</b>

\* Purchase of property and equipment and proceeds from sale of tangible assets were disaggregated for enhanced disclosure as per IAS 7.21.

## Earnings attributable to equity holders

	% change	Unaudited six months ended 30 June 2025 R'000	Unaudited six months ended 30 June 2024 R'000	Audited six months ended 31 December 2024 R'000
Number of ordinary shares in issue		840 684 592	841 088 241	841 088 241
Weighted average number of ordinary shares		840 987 329	830 328 259	841 088 241
Weighted average number of shares for diluted EPS		863 786 543	850 393 806	863 887 455
<b>Basic earnings/(loss)</b>	182.0	<b>97 064</b>	<b>(118 380)</b>	<b>(125 865)</b>
<b>Total basic earnings/(loss)</b>		<b>97 064</b>	<b>(118 380)</b>	<b>(125 865)</b>
Adjusted by:		<b>1 124</b>	<b>276 169</b>	<b>157 795</b>
- Impairment of property and equipment		-	26 611	-
- Impairment of goodwill		-	230 835	219 162
- Compensation for impairment of property and equipment		-	-	(64 402)
- Impairment of investment in associate		-	14 661	274
- Profit on sale of subsidiary		(5 101)	-	-
- (Profits)/losses on disposal of assets		(1 481)	1 377	(270)
- Write off of intangible assets		9 421	6 060	3 792
- Fair value gain on investment property		-	(1 769)	-
Total tax adjustments		(1 715)	(1 606)	(761)
<b>Headline earnings</b>	(37.8)	<b>98 188</b>	<b>157 789</b>	<b>31 930</b>
<b>Earnings/(loss) per share from continuing and discontinued operations</b>				
- Attributable to ordinary shares (cents)	180.9	<b>11.54</b>	(14.26)	(14.96)
- Fully diluted EPS (cents)	180.7	<b>11.24</b>	(13.92)	(14.57)
<b>Headline earnings per share (cents) from continuing and discontinued operations</b>				
- Attributable to ordinary shares (cents)	(38.5)	<b>11.68</b>	19.00	3.80
- Fully diluted HEPS (cents)	(38.7)	<b>11.37</b>	18.55	3.70



## NOTE 1: INTANGIBLE ASSETS

	Carrying amount			Amortisation		
	Unaudited six months ended 30 June 2025 R'000	Audited year ended 30 June 2024 R'000	Audited six months ended 31 December 2024 R'000	Unaudited six months ended 30 June 2025 R'000	Unaudited six months ended 30 June 2024 R'000	Audited six months ended 31 December 2024 R'000
<b>Goodwill</b>	<b>1 108 499</b>	<b>1 327 661</b>	<b>1 108 499</b>	<b>-</b>	<b>-</b>	<b>-</b>
AfroCentric Health	705 329	706 491	705 329	-	-	-
Pharmacy Direct and Curasana	140 608	140 608	140 608	-	-	-
Activo	167 930	328 746	167 930	-	-	-
DENIS	34 918	34 918	34 918	-	-	-
Activo Healthcare Assets	59 714	116 898	59 714	-	-	-
<b>Intangible assets</b>	<b>1 392 757</b>	<b>1 476 538</b>	<b>1 432 938</b>	<b>(108 689)</b>	<b>(97 695)</b>	<b>(104 642)</b>
Customer relationships – Pharmacy Direct and Curasana	1 833	10 781	6 307	(4 474)	(4 475)	(4 474)
Activo Dossiers	230 319	244 828	236 910	(6 591)	(9 303)	(7 918)
Customer relationships – DENIS	2 168	16 256	8 670	(6 504)	(6 501)	(7 586)
Activo Healthcare Assets Dossiers	119 332	134 551	129 639	(12 085)	(8 572)	(10 655)
<b>AfroCentric Health intangible assets</b>	<b>86 106</b>	<b>101 457</b>	<b>92 502</b>	<b>(12 294)</b>	<b>(10 921)</b>	<b>(10 517)</b>
AfroCentric Health intangible PPA	34 680	38 534	36 607	(1 927)	(2 012)	(1 927)
AfroCentric Health intangible Software	51 426	62 923	55 895	(10 367)	(8 909)	(8 590)
<b>Administration Systems – Self Generated</b>	<b>952 999</b>	<b>968 665</b>	<b>958 910</b>	<b>(66 741)</b>	<b>(57 923)</b>	<b>(63 492)</b>
Nexus and Other Healthcare Administration Systems	952 999	968 665	958 910	(66 741)	(57 923)	(63 492)
	<b>2 501 256</b>	<b>2 804 199</b>	<b>2 541 437</b>	<b>(108 689)</b>	<b>(97 695)</b>	<b>(104 642)</b>

## NOTE 2: BORROWINGS

	Unaudited six months ended 30 June 2025 R'000	Audited year ended 30 June 2024 R'000	Audited six months ended 31 December 2024 R'000
Borrowings (non-current)	582 063	569 853	556 722
Borrowings (current)	72 186	58 553	62 373
<b>Total borrowings</b>	<b>654 249</b>	<b>628 406</b>	<b>619 095</b>

On 13 June 2025, Medscheme (Namibia) Proprietary Limited entered into a mortgage loan agreement with the Bank of Windhoek to a value of N\$45 million to purchase 100% shares in Silberstein Trading Enterprises Proprietary Limited, a special purpose entity that houses the current building that Medscheme (Namibia) Proprietary Limited operates from. The mortgage loan is repayable over 10 years at the bank's prime rate minus 0.25% per annum.

## NOTE 3: NET CASH

	Unaudited six months ended 30 June 2025 R'000	Audited year ended 30 June 2024 R'000	Audited six months ended 31 December 2024 R'000
Cash and cash equivalents	483 179	329 903	346 103
<b>Net cash</b>	<b>483 179</b>	<b>329 903</b>	<b>346 103</b>

**NOTE 4: ASSETS AND LIABILITIES CLASSIFIED AS HELD FOR SALE****4.1 AfroCentric Distribution Services Proprietary Limited Group (ADS Group) and Wellworx Proprietary Limited (Wellworx)**

As part of the Group's refreshed strategy, the Group aims through the business of Medscheme Holdings Proprietary Limited to establish an integrated healthcare offering in collaboration with its core strategic partner, Sanlam Life Insurance Limited. The Group determined that the critical enablers of the strategic initiative, supporting the development of a cohesive and comprehensive healthcare ecosystem is the establishment of a dedicated and integrated sales distribution function effected through the disposal of the following entities which were integrated into the broader Sanlam distribution function:

- AfroCentric Distribution Services Proprietary Limited (ADS) together with its wholly owned subsidiaries Tendahealth Proprietary Limited and AfroCentric Financial Services Proprietary Limited (ADS Group); and
- Wellworx Proprietary Limited (Wellworx).

**Assets and liabilities transferred into Held for Sale**

At 30 June 2025, commercial terms were agreed with Sanlam Life Insurance Limited to dispose of 100% of the shares held in ADS and Wellworx; both entities forming part of the Healthcare SA segment. Given the probability around the likelihood of finalisation of the sale within the next 12 months, management concluded that the ADS and Wellworx assets and liabilities meet the criteria of Held for Sale under IFRS 5 *Non-current assets Held for Sale and Discontinued operations* and were classified as Held for Sale at 30 June 2025.

At this date, the Group measured the ADS Group and Wellworx businesses at the lower of fair value less costs of disposal and the carrying amount. The fair value less costs of disposal equalled the carrying amount. No fair value adjustment was required.

As at 30 June 2025, the Group had a binding agreement with Sanlam Life Insurance Limited for R15 million. After year end, all the conditions precedent to the disposal were fulfilled and the sale and purchase agreements were duly signed and therefore the disposal transaction was complete (refer to note 9 for further details).

	30 June 2025 R'000
<b>Assets Held for Sale</b>	<b>24 600</b>
<b>Liabilities Held for Sale</b>	<b>(11 506)</b>
<b>Net Assets Held for Sale</b>	<b>13 094</b>
<b>Movement during the period</b>	
Opening balance	-
Movements in:	
<b>Transferred to</b>	
Transfer to assets classified as Held for Sale	24 600
Transfer to liabilities classified as Held for Sale	(11 506)
<b>Net Assets Held for Sale</b>	<b>13 094</b>

As at 30 June 2025, the disposal groups and individual assets classified as Held for Sale were stated at fair value less costs to dispose and comprised the following:

	ADS Group Disposal Group R'000	Wellworx Disposal Group R'000	Total R'000
<b>ASSETS</b>			
<b>Non-current assets</b>	<b>3 046</b>	<b>13</b>	<b>3 059</b>
Property and equipment	1 129	-	1 129
Intangible assets	639	-	639
Deferred tax assets	455	13	468
Receivable – Sanlam Performance Deferred Share Plan	823	-	823
<b>Current assets</b>	<b>9 832</b>	<b>11 709</b>	<b>21 541</b>
Trade and other receivables	4 005	101	4 106
Cash and cash equivalents	5 694	11 608	17 302
Current tax asset	133	-	133
<b>TOTAL ASSETS</b>	<b>12 878</b>	<b>11 722</b>	<b>24 600</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>	<b>(10 911)</b>	<b>(595)</b>	<b>(11 506)</b>
Trade and other payables	(7 014)	(54)	(7 068)
Sanlam Performance Deferred shares – IFRS 2 liability	(381)	-	(381)
Intercompany loans	(44)	(176)	(220)
Deferred tax liability	(23)	-	(23)
Current tax liability	(214)	(317)	(531)
Provisions	(3 235)	(48)	(3 283)
<b>TOTAL LIABILITIES</b>	<b>(10 911)</b>	<b>(595)</b>	<b>(11 506)</b>
<b>Net Assets Held for Sale</b>	<b>1 967</b>	<b>11 127</b>	<b>13 094</b>

**NOTE 4: ASSETS AND LIABILITIES CLASSIFIED AS HELD FOR SALE** continued**4.2 Demushuwa Property Investments Thirty One Proprietary Limited (Demushuwa)**

On 5 August 2022, Medscheme (Namibia) Proprietary Limited entered into an agreement to dispose 100% of the shares held in Demushuwa Property Investments Thirty One Proprietary Limited (Demushuwa) to Demushuwa Property Developer Proprietary Limited and Steps Towers Property Investments Proprietary Limited (the purchasers) for an amount of N\$35.8 million.

**Assets and liabilities transferred into Held for Sale**

One of the conditions precedent for the sale to be concluded was for the purchasers to obtain a loan from a financial institution for the purchase price. This would be evidence by the purchasers delivering to the sellers a guarantee or letter of undertaking securing the payment of the full amount of the purchase price. This guarantee was obtained on 5 July 2023. The transaction therefore became effective on 5 July 2023.

As at the date of the agreement, the transaction met the requirements of IFRS 5 *Non-current Assets Held for Sale and Discontinued Operations*. The assets and liabilities should have been classified as Held for Sale from this date till the transfer of the shares to the new owners, effective 22 May 2025 (refer to note 8 for further details).

	30 June 2024 R'000	31 December 2024 R'000
<b>Assets Held for Sale</b>	30 959	32 835
<b>Liabilities Held for Sale*</b>	(16 292)	(16 494)
<b>Net Assets Held for Sale</b>	14 667	16 341
<b>Movement during the period</b>		
Opening balance	-	14 667
<b>Movements in:</b>		
Non-current assets	-	(15)
Current assets	-	1 891
Non-current liabilities	-	(236)
Current liabilities	-	34
<b>Transferred to</b>		
Transfer of assets classified as Held for Sale	30 959	-
Transfer of liabilities as Held for Sale	(16 292)	-
<b>Net Assets Held for Sale</b>	14 667	16 341

\* This balance includes intercompany loan that is eliminated at Group level.

As at 30 June 2024 and 31 December 2024, the disposal groups and individual assets classified as Held for Sale were stated at fair value less costs to dispose and comprised the following:

	30 June 2024 R'000	31 December 2024 R'000
<b>Assets</b>		
<b>Non-current assets</b>	30 603	30 588
Property and equipment	33	18
Land and buildings	30 570	30 570
<b>Current assets</b>	356	2 247
Current tax asset	-	554
Cash and cash equivalents	356	1 693
<b>Total assets</b>	30 959	32 835
<b>Liabilities</b>		
<b>Non-current Liabilities</b>	(4 449)	(4 685)
Deferred tax	(4 449)	(4 685)
<b>Current Liabilities</b>	(11 843)	(11 809)
Trade and other payables	(335)	(202)
Intercompany loans*	(11 507)	(11 606)
Current tax liability	(1)	(1)
<b>Total Liabilities</b>	(16 292)	(16 494)
<b>Net Assets Held for Sale</b>	14 667	16 341

\* The intercompany loan is between Medscheme (Namibia) Proprietary Limited and Demushuwa Property Investments Thirty One Proprietary Limited and is eliminated at Group level.

**NOTE 5: DISPOSAL OF A SUBSIDIARY**

During 2020 Demushuwa Property Developer Proprietary Limited (DPD) approached Medscheme (Namibia) Proprietary Limited (Medscheme Namibia) to purchase the Medscheme Namibia offices which would be converted to consulting rooms for additional health care providers. In return they offered another property very close to the current offices.

The key benefits of relocating Medscheme Namibia will be to accommodate all Windhoek based operations under one roof, have adequate parking, excellent branding opportunity, and readiness with new growth opportunities, and the opportunity to custom design the offices and comply with Group standards.

On 5 August 2022, Medscheme Namibia entered into an agreement to dispose all shares it held in Demushuwa Property Investments Thirty One Proprietary Limited (Demushuwa) to Demushuwa Property Developer Proprietary Limited and Steps Towers Property Investments Proprietary Limited (the purchasers) for an amount of N\$35.8 million. This sale would be recognised by the sale of 100% shares and cession of all loan account claims held by Medscheme Namibia.

This sale agreement was entered into on 5 August 2022 contemporaneously with the agreement whereby Medscheme Namibia is to acquire all shares in Silberstein Trading Enterprises Proprietary Limited (Silberstein) from Demushuwa Property Developer Proprietary Limited and Steps Towers Property Investments Proprietary Limited (the sellers) for a total purchase price of N\$74.8 million.

On 22 May 2025, Medscheme Namibia concluded the disposal of its 100% shareholding in Demushuwa, and cash proceeds of N\$35.8 million were received from the purchasers.

Demushuwa formed part of the Healthcare Africa segment. In the AfroCentric Group accounts, Demushuwa has been deconsolidated with effect 1 June 2025. The financial results of Demushuwa are reported under discontinued operations as from the start of the comparative periods for the Condensed Consolidated Statement of Comprehensive Income and Condensed Consolidated Statement of Cash Flows.

	30 June 2025 R'000
<b>Profit on disposal of Demushuwa</b>	
<b>Total assets</b>	<b>30 760</b>
Property and equipment	30 578
Goodwill	182
<b>Total liabilities</b>	<b>(52)</b>
Trade and other payables	(52)
<b>Net assets sold</b>	<b>30 708</b>
<b>Total cash proceeds net of transactions costs</b>	<b>35 809</b>
Purchase consideration	35 809
Less: Transaction costs paid	-
<b>Profit on sale of subsidiary before taxation</b>	<b>5 101</b>
Taxation	-
<b>Profit on sale of subsidiary</b>	<b>5 101</b>

**NOTE 6: ACQUISITION OF A SUBSIDIARY**

On 5 August 2022, Medscheme (Namibia) Proprietary Limited (Medscheme Namibia) entered into an agreement with Demushuwa Property Developer Proprietary Limited and Steps Towers Property Investments Proprietary Limited (the sellers) to acquire the benefits to be derived from the property unit to be registered in the name of Silberstein Trading Enterprises Property Limited (Silberstein) by means of purchasing 100% shares in Silberstein from the sellers for a total purchase price of N\$74.8 million.

This purchase agreement was entered into contemporaneously on 5 August 2022, with the agreement whereby Medscheme Namibia is to dispose and Demushuwa Property Developer Proprietary Limited and Steps Towers Property Investments Proprietary Limited (the purchasers) are to acquire all rights title, and interest of Medscheme Namibia in Demushuwa. This will be recognised as the sale of all shares and cession of all loan account claims held by Medscheme Namibia by the purchasers for an amount of N\$35.8 million.

On 13 June 2025, following the conclusion of the development of the property unit, Medscheme Namibia acquired all the issued share capital of Silberstein. A cash payment to date of N\$75.6 million was made to the sellers – this included the total purchase price of N\$74.8 million and additional costs to the value of N\$0.8 million.

The asset recognised as part of the acquisition is as follows:

	30 June 2025 R'000
Land and buildings	76 147
<b>Total identifiable asset acquired</b>	<b>76 147</b>



**NOTE 7: DISCONTINUED OPERATIONS****Identification and classification of discontinued operations****7.1 AfroCentric Distribution Services Proprietary Limited Group (ADS Group) and Wellworx Proprietary Limited (Wellworx)**

The Group deemed AfroCentric Distribution Services Proprietary Limited (ADS), together with its wholly owned subsidiaries Tendahealth Proprietary Limited and AfroCentric Financial Services Proprietary Limited; and Wellworx Proprietary Limited (Wellworx) as ancillary businesses to achieving the Group's refreshed strategy.

At 30 June 2025, commercial terms were agreed with Sanlam Life Insurance Limited to dispose of 100% of the shares held in ADS and Wellworx; both entities forming part of the Healthcare SA Segment.

Given the probability around the likelihood of finalisation of the sale within the next 12 months, management concluded that the ADS Group and Wellworx businesses meet the criteria of Discontinued Operations under IFRS 5 *Non-current assets Held for Sale and Discontinued operations* and were classified as Discontinued Operations at 30 June 2025.

After year end, all the conditions precedent to the disposal were fulfilled and the sale and purchase agreements were duly signed and the disposal transaction was completed (refer to note 9 for further details).

**7.2 Demushuwa Property Investments Thirty One Proprietary Limited (Demushuwa)**

During 2020 Demushuwa Property Developer Proprietary Limited (DPD) approached Medscheme (Namibia) Proprietary Limited (Medscheme Namibia) to purchase the Medscheme Namibia offices which would be converted to consulting rooms for additional health care providers. In return they offered another property very close to the current offices.

The development of the new property was concluded during the current period resulting in the finalisation of the sale of the shares in Demushuwa in May 2025.

On 22 May 2025, Medscheme Namibia concluded the disposal of its 100% shareholding in Demushuwa, and cash proceeds of N\$35.8 million were received from the purchasers – Demushuwa Property Developer Proprietary Limited and Steps Towers Property Investments Proprietary Limited. Demushuwa forms part of the Healthcare Africa segment.

As the sale has been finalised, it meets the criteria of discontinued operations under IFRS 5 *Non-current assets Held for Sale and Discontinued operations*. It has been classified as a Discontinued Operation at 30 June 2025. A corresponding profit on sale of the subsidiary was recognised (refer to note 5 for further details).

The (loss)/profit for the period from discontinued operations comprises of ADS Group, Wellworx and Demushuwa.

The Group is required to represent the results of ADS Group, Wellworx and Demushuwa, previously presented in continuing operations, as discontinued operations for all periods presented.

The impact of the re-presentation of the prior period (loss)/profit for the period was as follows:

	31 December 2024		
	Previously presented R'000	Re-presented R'000	Impact R'000
Continuing operations	(119 154)	(113 515)	5 639
Discontinued operations	-	(5 639)	(5 639)

The (loss)/profit from discontinued operations are analysed as follows:

	Unaudited six months ended 30 June 2025 R'000	Unaudited six months ended 30 June 2024 R'000	Audited six months ended 31 December 2024 R'000
Revenue from contracts with customers	38 372	87 410	45 544
Finance income	1 744	1 190	1 700
Fair value gain	-	-	6
<b>Total income</b>	<b>40 116</b>	<b>88 600</b>	<b>47 250</b>
Employee benefit costs	(31 445)	(40 811)	(32 613)
Other expenses	(12 232)	(14 611)	(11 739)
Reversal of impairment of loans	446	826	-
Amortisation	(190)	(190)	(190)
Depreciation	(326)	(356)	(326)
Rent and property costs	(2 982)	(1 593)	(2 774)
Right of use asset depreciation	-	(1 601)	-
IT costs	(2 254)	(3 929)	(3 291)
Impairment of goodwill	-	-	(1 162)
Interest on lease liabilities	-	(252)	-
Finance costs	(85)	(113)	(212)
<b>(Loss)/profit before tax</b>	<b>(8 952)</b>	<b>25 970</b>	<b>(5 057)</b>
Income tax credit/(expense)	2 408	(7 122)	(582)
<b>(Loss)/profit for the period</b>	<b>(6 544)</b>	<b>18 848</b>	<b>(5 639)</b>
<b>Results per share (cents)</b>			
(Loss)/earnings – basic	(0.78)	2.27	(0.67)
(Loss)/earnings – diluted	(0.76)	2.22	(0.65)
<b>Net cash flows in relation to discontinued operations:</b>	<b>(13 976)</b>	<b>95</b>	<b>(1 337)</b>
Cash outflow from operating activities	(14 658)	(2 292)	(1 337)
Cash inflow from investing activities	84	-	-
Cash inflow from financing activities	598	2 387	-

**NOTE 8: RESTATEMENT OF PRIOR PERIODS****8.1 Restatement of June 2024 and December 2024 results**

In August 2022, Medscheme (Namibia) Proprietary Limited entered into an agreement with Demushuwa Property Developer Proprietary Limited and Steps Towers Property Investments Proprietary Limited (the purchasers) to dispose 100% of the shares it held in Demushuwa Property Investments Thirty One Proprietary Limited.

One of the conditions precedent for the sale to be concluded was for the purchasers to obtain a loan from a financial institution for the purchase price. This would be evidence by the purchasers delivering to the sellers a guarantee or letter of undertaking securing the payment of the full amount of the purchase price. This guarantee was obtained on 5 July 2023. The transaction therefore became effective on 5 July 2023.

At the date of securing the guarantee (5 July 2023), the transaction met the requirements of IFRS 5 *Non-current Assets Held for Sale and Discontinued Operations*. At this date, the assets and liabilities should have been classified as Held for Sale from this date till the transfer of the shares to the new owners, effective 22 May 2025.

During June 2023, June 2024 and December 2024 financial periods, the assets and liabilities were erroneously not classified as Held for Sale.

The error has been corrected by restating each of the affected financial statement lines for prior periods as follows:

**Statement of financial position**

	30 June 2024	Adjustment (decrease) /increase	31 December 2024	Adjustment (decrease) /increase	31 December 2024
Consolidated statement of financial position (extract)	As previously reported R'000	R'000	30 June 2024 Restated R'000	As previously reported R'000	31 December 2024 Restated R'000
<b>Non-current assets</b>	3 790 706	(30 603)	3 760 103	3 643 099	3 612 511
Property and equipment	290 230	(33)	290 197	362 597	362 579
Land and buildings	301 422	(30 570)	270 852	298 677	268 107
<b>Current assets</b>	1 618 849	(356)	1 618 493	1 519 428	1 517 181
Current tax assets	–	–	–	128 492	127 938
Cash and cash equivalents	330 259	(356)	329 903	347 796	346 103
Assets Held for Sale	–	30 959	30 959	–	32 835
<b>Total Assets</b>	5 409 555	–	5 409 555	5 162 527	5 162 527
<b>Non-current liabilities</b>	942 911	(4 449)	938 462	923 655	918 970
Deferred tax liabilities	259 628	(4 449)	255 179	263 581	258 896
<b>Current liabilities</b>	1 065 459	(336)	1 065 123	959 779	959 576
Current tax liabilities	9 374	(1)	9 373	72 748	72 747
Trade and other payables	733 057	(335)	732 722	628 211	628 009
Liabilities Held for Sale	–	4 785	4 785	–	4 888
<b>Total liabilities</b>	2 008 370	–	2 008 370	1 883 434	1 883 434

**Statement of comprehensive income**

The error did not have a material impact on the Group's statement of comprehensive income, as it affected the depreciation expense that is not quantitatively material.

**Statement of cash flows**

	30 June 2024	Adjustment (decrease) /increase	31 December 2024	Adjustment (decrease) /increase	31 December 2024
Consolidated statement cash flows (extract)	As previously reported R'000	R'000	30 June 2024 Restated R'000	As previously reported R'000	31 December 2024 Restated R'000
Net cash inflow from operating activities	397 560	(2 292)	395 268	249 258	247 921
Net cash outflow from financing activities	(4 421)	2 387	(2 034)	–	–
Net increase in cash and cash equivalents	143 618	95	143 713	17 537	16 200
Cash and cash equivalents at beginning of the period	186 641	(451)	186 190	330 259	329 903
Cash and cash equivalents at end of the period	330 259	(356)	329 903	347 796	346 103

**NOTE 9: SUBSEQUENT EVENTS**

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

- As per the SENS dated 24 July 2025, the Group announced the conclusion of the disposal of AfroCentric Distribution Services Proprietary Limited together with its wholly owned subsidiaries Tendahealth Proprietary Limited and AfroCentric Financial Services Proprietary Limited and Wellworx Proprietary Limited to Sanlam Life Insurance Limited for a value of R2.8 million and R12.2 million respectively. Refer to the SENS for further details on the disposal.
- During August 2025, the Group finalised the Net Asset Value (NAV) for: (i) AfroCentric Distribution Services Proprietary Limited together with its wholly owned subsidiaries Tendahealth Proprietary Limited and AfroCentric Financial Services Proprietary Limited; and (ii) Wellworx Proprietary Limited. As part of this process, it was identified that the preliminary NAV, used to determine the proceeds in relation to the sale of these assets was overstated by R1.9 million due to tax expenses pertaining to the period prior to 30 June 2025. Sanlam Life Insurance Limited is in the process of instituting an indemnity claim against AfroCentric Health (RF) Proprietary Limited and Medscheme Limited for this amount in line with the terms of the sale agreements.
- On 20 August 2025, Medscheme (Namibia) Proprietary Limited repaid N\$15 million of the capital portion of the mortgage loan.
- Ms Charlotte Mokoena was appointed as an Independent Non-Executive Director, effective 1 October 2025.

## Segmental analysis

	Growth 2024/2025		Unaudited six months ended 30 June 2025			Unaudited six months ended 30 June 2024			Re-presented Audited six months ended 31 December 2024		
	Revenue	Operating profit	Revenue*	Operating profit	Operating margin	Revenue*	Operating profit	Operating margin	Revenue*	Operating profit	Operating margin
	%	%	R'000	R'000	%	R'000	R'000	%	R'000	R'000	%
Healthcare SA	7	31	2 123 041	145 728	7	1 989 563	111 266	6	1 991 600	47 284	2
DENIS Group	2	(48)	301 506	19 749	7	295 284	37 972	13	314 790	8 307	3
Information Technology	7	(9)	337 971	112 033	33	317 110	123 615	39	340 364	101 442	30
<b>Total SA administration business</b>	6	2	2 762 518	277 510	10	2 601 957	272 853	10	2 646 754	157 033	6
Healthcare Africa	8	19	129 554	43 168	33	119 845	36 348	30	123 985	41 012	33
<b>Total Group administration business</b>	6	4	2 892 072	320 678	11	2 721 802	309 201	11	2 770 739	198 045	7
<b>Healthcare Retail</b>	(14)	(13)	1 856 142	77 604	4	2 163 612	89 397	4	1 949 623	129 570	7
Pharmacy Direct & Curasana Wholesaler	(29)	(97)	640 250	1 325	-	902 641	39 904	4	706 111	70 114	10
Activo Group	(9)	100	513 596	42 538	8	564 223	21 259	4	561 166	37 040	7
Scriptpharm	1	20	702 296	33 741	5	696 748	28 234	4	682 346	22 416	3
<b>Total Healthcare</b>	(3)	-	4 748 214	398 282	8	4 885 414	398 598	8	4 720 362	327 615	7
Other (including inter-segment elimination)	5	-	(469 378)	-	-	(492 564)	-	-	(473 926)	-	-
<b>Total</b>	(3)	-	4 278 836	398 282	9	4 392 850	398 598	9	4 246 436	327 615	8

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

	Growth 2024/2025		Unaudited six months ended 30 June 2025				Unaudited six months ended 30 June 2024				Re-presented Audited six months ended 31 December 2024			
	Profit before tax	Profit after tax	Profit before tax	Profit after tax	Net margin	Total assets	Loss before tax	Loss after tax	Net margin	Total assets	Loss before tax	Loss after tax	Net margin	Total assets
	%	%	R'000	R'000	%	R'000	R'000	R'000	%	R'000	R'000	R'000	%	R'000
Healthcare SA	603	>999	156 073	125 840	6	2 259 035	22 190	(40)	-	1 994 840	33 151	12 669	1	1 693 124
DENIS Group	(49)	(47)	20 098	15 312	5	181 409	39 512	28 621	10	161 028	7 753	5 996	2	167 781
Information Technology	(209)	(170)	(8 839)	(9 763)	(3)	1 534 984	8 117	13 875	4	1 389 280	54 320	34 776	10	1 511 803
<b>Total SA administration business</b>	140	209	167 332	131 389	5	3 975 428	69 819	42 456	2	3 545 148	95 224	53 441	2	3 372 708
Healthcare Africa	2	32	35 603	28 876	22	213 840	35 005	21 922	18	192 638	39 670	30 644	25	197 085
<b>Total Group administration business</b>	94	149	202 935	160 265	6	4 189 268	104 824	64 378	2	3 737 786	134 894	84 085	3	3 569 793
<b>Healthcare Retail</b>	40	49	90 712	72 720	4	1 626 847	64 590	48 862	3	1 768 058	62 021	42 004	2	1 606 981
Pharmacy Direct & Curasana Wholesaler	(12)	20	31 271	33 647	5	743 928	35 660	28 113	3	894 141	19 670	13 912	2	785 983
Activo Group	581	429	17 401	8 368	2	711 154	(3 619)	(2 547)	-	787 974	11 806	5 750	1	671 387
Scriptpharm	29	32	42 040	30 705	4	171 765	32 549	23 296	3	85 943	30 545	22 342	3	149 611
<b>Total Healthcare</b>	73	106	293 647	232 985	5	5 816 115	169 414	113 240	2	5 505 844	196 915	126 089	3	5 176 774
Other (including inter-segment elimination)	47	49	(132 636)	(124 888)	27	(366 754)	(250 580)	(242 809)	49	(96 289)	(247 644)	(239 604)	51	(14 247)
<b>Total</b>	298	183	161 011	108 097	3	5 449 361	(81 166)	(129 569)	(3)	5 409 555	(50 729)	(113 515)	(3)	5 162 527

	Operating profit June 2025	Operating profit June 2024	Operating profit Dec 2024	Operating profit June 2025	Operating profit June 2024	Operating profit Dec 2024
Composition of operating profit – % contribution	%	%	%	R'000	R'000	R'000
Total SA Administration business	70	69	48	277 510	272 853	157 033
Healthcare Africa	11	9	12	43 168	36 348	41 012
Healthcare Retail	19	22	40	77 604	89 397	129 570
	100	100	100	398 282	398 598	327 615

# Disaggregated revenue

## REVENUE

Disaggregation of revenue from contracts with customers:

In the following table, revenue from contracts with customers is disaggregated by primary geographical market, major products and service lines and timing of revenue recognition. The table also includes a reconciliation of the disaggregated revenue with the Group's reportable segments.

	Administration fees R'000	Health risk management fees – medical aid schemes R'000	Management fees R'000	Healthcare insurance R'000	IT revenue and other R'000	Retail R'000	Health risk management fees – Capitation fees R'000	Marketing fees R'000	Group total R'000
<b>30 June 2025</b>									
<b>Primary geographical markets</b>									
South Africa	871 229	952 203	3 068	37 549	236 150	1 087 032	879 496	14 850	4 081 577
Outside of South Africa	108 456	10 574	973	-	9 551	-	-	-	129 554
	<b>979 685</b>	<b>962 777</b>	<b>4 041</b>	<b>37 549</b>	<b>245 701</b>	<b>1 087 032</b>	<b>879 496</b>	<b>14 850</b>	<b>4 211 131</b>
<b>Major product or service line</b>									
Admin health	979 685	-	-	-	245 701	-	-	14 850	1 240 236
Retail (Pharma)	-	-	-	-	-	1 087 032	-	-	1 087 032
Managed healthcare	-	962 777	4 041	37 549	-	-	879 496	-	1 883 863
	<b>979 685</b>	<b>962 777</b>	<b>4 041</b>	<b>37 549</b>	<b>245 701</b>	<b>1 087 032</b>	<b>879 496</b>	<b>14 850</b>	<b>4 211 131</b>
<b>Timing of revenue recognition</b>									
Products transferred at a point in time	-	-	-	-	-	1 087 032	-	-	1 087 032
Products and services transferred over time	979 685	962 777	4 041	37 549	245 701	-	879 496	14 850	3 124 099
	<b>979 685</b>	<b>962 777</b>	<b>4 041</b>	<b>37 549</b>	<b>245 701</b>	<b>1 087 032</b>	<b>879 496</b>	<b>14 850</b>	<b>4 211 131</b>
<b>30 June 2024</b>									
<b>Primary geographical markets</b>									
South Africa	845 682	885 969	10 832	29 371	193 764	1 354 065	875 498	7 853	4 203 034
Outside of South Africa	100 438	10 333	934	-	8 136	-	-	-	119 841
	<b>946 120</b>	<b>896 302</b>	<b>11 766</b>	<b>29 371</b>	<b>201 900</b>	<b>1 354 065</b>	<b>875 498</b>	<b>7 853</b>	<b>4 322 875</b>
<b>Major product or service line</b>									
Admin health	946 120	-	-	-	201 900	-	-	7 853	1 155 873
Retail (Pharma)	-	-	-	-	-	1 354 065	-	-	1 354 065
Managed healthcare	-	896 302	11 766	29 371	-	-	875 498	-	1 812 937
	<b>946 120</b>	<b>896 302</b>	<b>11 766</b>	<b>29 371</b>	<b>201 900</b>	<b>1 354 065</b>	<b>875 498</b>	<b>7 853</b>	<b>4 322 875</b>
<b>Timing of revenue recognition</b>									
Products transferred at a point in time	-	-	-	-	-	1 354 065	-	-	1 354 065
Products and services transferred over time	946 120	896 302	11 766	29 371	201 900	-	875 498	7 853	2 968 810
	<b>946 120</b>	<b>896 302</b>	<b>11 766</b>	<b>29 371</b>	<b>201 900</b>	<b>1 354 065</b>	<b>875 498</b>	<b>7 853</b>	<b>4 322 875</b>
<b>31 December 2024</b>									
<b>Primary geographical markets</b>									
South Africa	864 811	896 022	4 179	19 655	203 364	1 175 558	890 059	17 745	4 071 393
Outside of South Africa	105 154	10 518	975	-	7 338	-	-	-	123 985
	<b>969 965</b>	<b>906 540</b>	<b>5 154</b>	<b>19 655</b>	<b>210 702</b>	<b>1 175 558</b>	<b>890 059</b>	<b>17 745</b>	<b>4 195 378</b>
<b>Major product or service line</b>									
Admin health	969 965	-	-	-	210 702	-	-	17 745	1 198 412
Retail (Pharma)	-	-	-	-	-	1 175 558	-	-	1 175 558
Managed healthcare	-	906 540	5 154	19 655	-	-	890 059	-	1 821 408
	<b>969 965</b>	<b>906 540</b>	<b>5 154</b>	<b>19 655</b>	<b>210 702</b>	<b>1 175 558</b>	<b>890 059</b>	<b>17 745</b>	<b>4 195 378</b>
<b>Timing of revenue recognition</b>									
Products transferred at a point in time	-	-	-	-	-	1 175 558	-	-	1 175 558
Products and services transferred over time	969 965	906 540	5 154	19 655	210 702	-	890 059	17 745	3 019 820
	<b>969 965</b>	<b>906 540</b>	<b>5 154</b>	<b>19 655</b>	<b>210 702</b>	<b>1 175 558</b>	<b>890 059</b>	<b>17 745</b>	<b>4 195 378</b>



## Supplementary information operating performance (non-IFRS measure)

		Unaudited six months ended 30 June 2025 R'000	Unaudited six months ended 30 June 2024 R'000	Re-presented* Audited six months ended 31 December 2024 R'000
	% change			
Healthcare services revenue	8.7	2 422 694	2 229 240	2 296 813
Healthcare services operating costs	(9.6)	(2 145 196)	(1 956 988)	(2 139 863)
IFRS 16: Lease reversals		43 180	36 949	41 095
<b>Healthcare services operating profit</b>	3.7	<b>320 678</b>	309 201	198 045
Healthcare retail revenue	(14.2)	1 856 142	2 163 612	1 949 623
Healthcare retail cost of sales	12.2	(1 515 250)	(1 725 552)	(1 563 362)
Healthcare retail operating costs	24.5	(263 288)	(348 663)	(256 691)
<b>Healthcare retail operating profit</b>	(13.2)	<b>77 604</b>	89 397	129 570
<b>Total healthcare operating profit</b>	(0.1)	<b>398 282</b>	398 598	327 615
Loss on sale of investment		-	(5)	-
Dividends received		143	-	-
Fair value gains		-	1 769	380
Other income		130	-	3 052
Compensation for impairment of property and equipment		-	-	64 402
Impairment of assets and loans		-	(274 198)	(226 667)
Write off of intangible assets		(9 421)	(6 060)	(3 792)
Reversal of impairment of loans		33	-	-
Net finance and investment income		(14 849)	(26 823)	(15 192)
- Finance and investment income		21 512	20 949	25 123
- Finance costs: Lease liabilities		(7 278)	(10 697)	(8 017)
- Finance costs		(29 083)	(37 075)	(32 298)
Share-based payment (expense)/income		(12 594)	2 834	(6 520)
Share of profits/(losses) from associates and joint ventures		2 600	(11 550)	(2 199)
<b>Profit before depreciation and amortisation</b>	330.8	<b>364 324</b>	84 565	141 079
Depreciation	(27.6)	(62 337)	(48 839)	(55 884)
Right of use assets depreciation	(68.2)	(32 287)	(19 197)	(31 282)
Amortisation of intangible assets	(11.3)	(108 689)	(97 695)	(104 642)
<b>Profit/(loss) before taxation</b>	298.4	<b>161 011</b>	(81 166)	(50 729)
Taxation expense	(9.3)	(52 914)	(48 403)	(62 786)
<b>Profit/(loss) for the period from continuing operations</b>	183.4	<b>108 097</b>	(129 569)	(113 515)
(Loss)/profit from discontinued operations net of tax		(6 544)	18 848	(5 639)
Profit on sale of subsidiary		5 101	-	-
<b>Profit/(loss) for the period ended</b>		<b>106 654</b>	(110 721)	(119 154)
Other comprehensive (loss)/income		(5 555)	(8 432)	9 512
<b>Comprehensive net income/(loss) for the period</b>	(184.8)	<b>101 099</b>	(119 153)	(109 642)
<b>Attributable to:</b>				
Equity holders of the Parent		91 509	(126 812)	(116 353)
Non-controlling interest		9 590	7 659	6 711
		<b>101 099</b>	(119 153)	(109 642)

\* This supplementary information operating performance (non-IFRS measure) table has been re-presented to separately disclose discontinued operations which were previously included in continuing operations for the comparative periods presented.

## Company information

### AFROCENTRIC INVESTMENT CORPORATION LIMITED

Incorporated in the Republic of South Africa  
Registration number 1988/000570/06  
JSE Code: ACT  
ISIN: ZAE 000078416  
("AfroCentric" or "the Company" or "the Group")

### REGISTERED OFFICE

37 Conrad Rd Florida North Roodepoort 1709

### SPONSOR

Questco Corporate Advisory Proprietary Limited

### GROUP COMPANY SECRETARY

LSM Mpumlwana

### GROUP INVESTOR RELATIONS

G Dlamini  
[investor-relations@afrocentric.za.com](mailto:investor-relations@afrocentric.za.com)  
Tel: +27 11 671 2475

### DIRECTORS

ATM Mokgokong\*\* (Chairman)  
MJM Madungandaba\*\*  
GN Van Wyk\*\*\* (CEO)  
KT Moloele\*\*\* (CFO)  
JB Fernandes\* (Lead)  
AM le Roux\*  
K Morule\*  
ND Munisi\*\*  
PB Hanratty\*\*  
KN Mkhize\*\*  
MK Dippenaar\*\*

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

[www.afrocentric.za.com](http://www.afrocentric.za.com)

