

Unaudited interim results, Dividend declaration and change in the role of a Director for the six months ended 31 December 2021



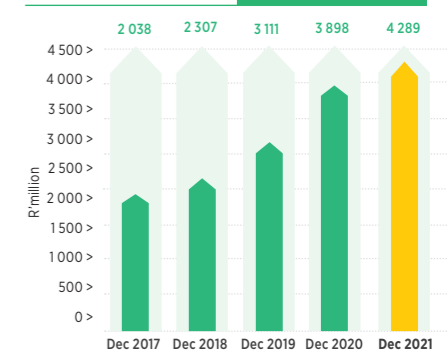
AfroCentric GROUP

Healthier Together

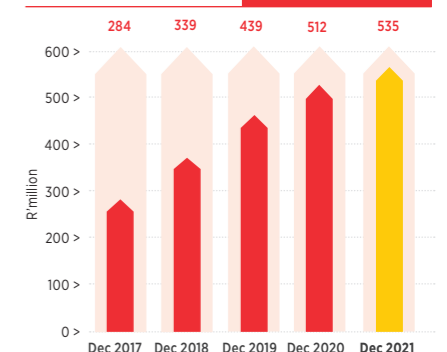


FINANCIAL HIGHLIGHTS

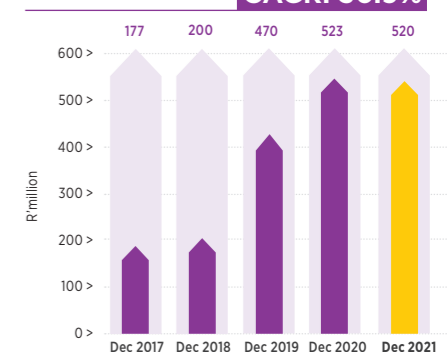
Total revenue CAGR: 20.4%



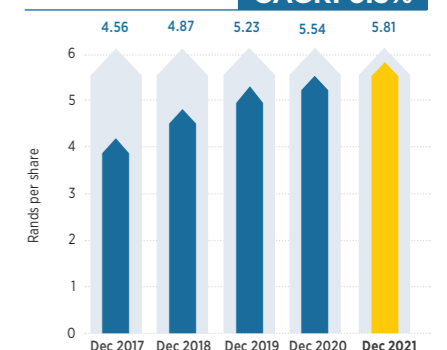
Operating profit CAGR: 17.2%



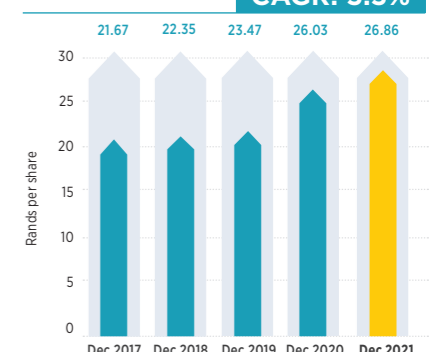
Cash generated from operations CAGR: 30.9%



NAV per share CAGR: 6.3%



Headline earnings per share CAGR: 5.5%



SALIENT FEATURES

	% change	Unaudited six months ended 31 December 2021	Unaudited six months ended 31 December 2020	Audited year ended 30 June 2021
Total revenue (R'million)	10.0	4 288.6	3 898.2	8 074.4
Operating profit/EBITDA (R'million)	4.6	535.5	511.8	1 118.6
Operating profit (excluding lease reversals) (R'million)	5.8	496.3	469.1	1 032.2
Healthcare Service operating profit (R'million)	3.9	329.3	316.8	725.6
Healthcare Retail operating profit (R'million)	9.7	167.0	152.3	306.6
Profit before tax (R'million)	(0.2)	323.8	324.4	699.5
Profit after tax (R'million)	1.3	233.6	230.7	493.8
Basic earnings (R'million)	5.6	154.3	146.0	302.0
Headline earnings (R'million)	3.4	154.5	149.5	329.1
Normalised headline earnings (R'million)	0.3	152.5	152.1	353.8
Basic earnings (cents per share)	5.5	26.83	25.43	52.56
Headline earnings (cents per share)	3.2	26.86	26.03	57.26
Normalised headline earnings (cents per share)	0.1	26.51	26.48	61.56
Weighted average number of ordinary shares (million)	0.0	575.1	574.3	574.7
Dividends declared (cents per share)	0.0	17	17	34

FINANCIAL PERFORMANCE

The Services Cluster, substantially comprising of medical scheme administration business, has provided a satisfactory result during the period under review. The cluster achieved a 16.6 % increase in revenue, despite the constraint in membership growth over the period. The contracts secured in the prior year, with the Group's prior and continuing investment in IT capacity, systems development and more efficient operating cost control routines, continues to yield cost containment, and in turn prompted processes in robotics, call centre management and customer/member contact via digital platforms.

The investment and participation in the nationwide vaccination programme affected the profitability of the segment, which still managed to increase its operating profit year on year by only 3.9%.

The Pharma Cluster's performance during the financial period was supported by a diverse mix of entities, despite the headwinds affecting Pharmacy Direct and Activo Health as a result of the decline in members adherence to chronic medication (R22 million). The cluster achieved a 4.2% increase in revenue and 9.7% growth in operating profit. This has been driven largely by the efficiencies, cost controls and well-coordinated and managed pharmacy network in Scriptpharm.

Group profits before tax, decreased by 0.2% amounting to R323.8 million (2020: R324.4 million). Group profits after tax (PAT) increased by 1.3% amounting to R233.6 million (2020: R230.7 million).

DEVELOPMENTS

During the period under review and prior to publishing these results:

- Activo Health concluded its acquisition of Forrester Pharma, effective 1 August 2021, to expand its product offering to the pharmaceutical market. The acquisition is consistent with AfroCentric's growth objectives in the healthcare sector and will strengthen Activo's product offering to the pharmaceutical market.
- AfroCentric Health (RF) Proprietary Limited's acquisition of the Sanlam Gap cover business effective 1 September 2021, is expected to provide supplementary services to the Group's medical scheme offerings.

DIRECTORS

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

- Dr SA Zinn resigned as an Independent Non-Executive Director effective 18 November 2021.
- Mr SE Mmakau resigned as an Executive Director effective 31 January 2022.

Change in the role of a Director

In compliance with paragraph 3.59(c) of the JSE Limited Listings Requirements, the AfroCentric Board of Directors ("the Board") hereby notifies Shareholders that Mr Willem Britz has stepped down as an Executive Director with effect from 10 March 2022. He will however remain on the Board as a Non-Executive Director going forward.

DIVIDENDS

The Board has pleasure in announcing that an interim gross dividend per ordinary share of 17 cents, has been declared for the period ended 31 December 2021. Dividends are subject to Dividends Withholding Tax. The payment date for the dividend is Monday, 16 May 2022. For further details on the dividend declaration, refer to the full announcement on AfroCentric's website (<http://www.afrocentric.za.com/inv-reporting.php>).

FULL ANNOUNCEMENT

This short-form announcement is the responsibility of the directors and is only a summary of the information contained in the full announcement which was released on 15 March 2022 and can be found on the Company's website (<http://www.afrocentric.za.com/inv-reporting.php>). The information in this press announcement has been extracted from the unaudited unreviewed information, which was prepared under the supervision of the Group CFO. Copies of the full announcement may also be requested at no charge at the Company's registered office, during office hours. Investment decisions should be based on the full announcement published on SENS and the Company's website.

On behalf of the Board

Dr ATM Mokgokong
Chairman

Johannesburg
16 March 2022

Mr A Banderker
Group Chief Executive Officer

INTRODUCTION TO THE AFROCENTRIC GROUP

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. 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 six months ended 31 December 2021. These results are a demonstration of the Group's resolve to continue to achieve operational excellence through the challenges of the COVID-19 pandemic.

PARTICIPATION IN COVID VACCINATION PROJECT

In line with the Group's overarching ambition to impact society, AfroCentric worked closely with the government, and utilised its infrastructure to rapidly distribute the procured vaccines - 210 503 vaccines were administered in some of the major cities in South Africa. The overall performance of Group was impacted by the vaccination programme it undertook, as approximately R25 million was invested in this project.

Directors

ATM Mokgokong** (Chairman), MJM Madungandaba** (Deputy Chairman), A Banderker*** (CEO), JW Boonzaaier*** (CFO), G Allen**, WH Britz**, M Chauke*, JB Fernandes* (lead), AM le Roux*, ND Munisi**, J Strydom**

*Independent non-executive **non-executive ***executive

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AfroCentric Investment Corporation Limited

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("AfroCentric" or "the Company" or "the Group")