Notes to the financial statements continued

for the year ended 30 JUNE 2021

29. Dividends

AfroCentric Investment Corporation Limited passed two resolutions whereby dividends were declared in the 2021 financial year. The first dividend was declared in September 2020 of 17 cents per share and the second dividend was declared in March 2021 of 17 cents per share, being the interim dividend. The Rand value of R97.5 million was paid in November 2020 for the first dividend and R97.6 million was paid in May 2021 for the second dividend. These dividends were debited to retained earnings in 2021.

	Group		Company	
	2021 R'000	2020 R'000	2021 R'000	2020 R'000
Dividend declared by AfroCentric Investment Corporation Limited in September 2020	97 517	97 621	97 702	97 621
Dividend declared by AfroCentric Investment Corporation Limited in March 2021	97 271	97 621	97 744	97 621
	194 788	195 242	195 446	195 242
Dividends declared and paid to non-controlling interests in the Group	132 923	43 900	–	–
Dividend declared and paid by Medscheme (Namibia) Proprietary Limited	4 940	9 230	–	–
Dividend declared and paid by Allegra Proprietary Limited	8 330	10 780	–	–
Dividend declared and paid by Scriptpharm Risk Management Proprietary Limited	–	1 344	–	–
Dividend declared and paid by ACT Healthcare Assets Proprietary Limited	80 423	22 546	–	–
Dividend declared and paid by AfroCentric Distribution Services Proprietary Limited	19 600	–	–	–
Dividend declared and paid by Essential Group Services Proprietary Limited	19 630	–	–	–
	327 711	239 142	195 446	195 242

30. 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 current issued share capital of 574 241 248) and the maximum dilution limit is 28 712 062 (5% of current issued share capital of 574 241 248).

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).

30 June 2021	Group					
Offer date	Issue share price R	Balance at 30 June 2020 '000	Offered '000	Forfeited '000	Balance as at 30 June 2021 '000	Fair Value as 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.