

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS continued

for the year ended 30 June 2024

28. CONTINGENCIES, COMMITMENTS AND GUARANTEES

Contingencies

Exposure to errors and omissions in ordinary course of business

As for any business with similar operations, the Group is exposed to various potential claims relating to alleged errors and omissions or non-compliance with laws and regulations in the conduct of its ordinary course of business. At the date of these Annual Financial Statements, the Group is unaware of any material claims, actual or contemplated, by any of the Group's stakeholders or customers, except for those listed below.

Neil Harvey & Associates Proprietary Limited

In 2018, Neil Harvey and Associates (**NHA**) initiated a claim against Medscheme for unauthorised use of the EMI Broker Software from 2005 to 2007, a tool that Medscheme helped to develop.

The total quantum of the claims was initially approximately R80 million but over the years the claims grew vastly in quantum and scope to around R356 million.

In 2020, following a 30-day hearing, the arbitrator determined that Medscheme did not have joint ownership of the software, constituting a copyright infringement. A nominal R2.7 million was awarded to NHA. Additionally, claims against three former Medscheme executives were dismissed.

In 2021, NHA appended an additional R500 million claim relating to Medscheme's revenue from using a version of Nexus allegedly replicating Medware. NHA's expert quantified the total loss to exceed R1.5 billion.

During the year, the arbitrator dismissed the claims against Medscheme brought against it by NHA. For further details relating to this matter, refer to the SENS announcement to shareholders on 27 March 2024. However, the matter remains ongoing as NHA is of the view that they have grounds for appeal. NHA has appealed the matter.

Guarantee

	Group		Company	
	2024 R'000	2023 R'000	2024 R'000	2023 R'000
GUARANTEES				
Guarantees issued in respect of office rental for premises occupied by the Group	3 516	3 516	-	-
South African Post Office	3 800	3 800	-	-
City Power Johannesburg	390	500	-	-
	7 706	7 816	-	-