# NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS continued

for the year ended 30 June 2024

## 30. PENSIONS AND OTHER RETIREMENT OBLIGATIONS

The Group has made provision for pension and provident schemes covering substantially all employees. All eligible employees are members of defined contribution schemes administered by third parties. The assets of the schemes are held in administered trust funds separated from the Group's assets. Scheme assets primarily consist of listed shares, bonds and cash. The South African funds are governed by the Pensions Fund Act of 1956.

### Medscheme Provident Fund and Medscheme Employees Provident Fund

These funds are defined contribution plans. Contributions are fully expensed during the year in which they are funded. Contributions of 7.6% of retirement funding remuneration are paid by the employer and contributions paid by the employee range between 0% and 12% of retirement funding remuneration. In the interest of the employee members of these funds, the trustees are encouraged to obtain an independent actuarial assessment of the performance of the funds.

## 31. CONTINGENT CONSIDERATION

In instances where on acquisition of an entity by one of the entities within AfroCentric, the full purchase consideration is not paid at the time of acquisition, a contingent consideration is recognised for the amount that will be payable in the future.

The contingent consideration is calculated as the fair value at the reporting date of the amount to be paid in the future.

### 31.1 Contingent consideration comprises:

| | Group | | Company | |
|---|---|---|---|---|
| | 2024 R'000 | 2023 R'000 | 2024 R'000 | 2023 R'000 |
| Contingent consideration on Activo Healthcare Assets Proprietary Limited | – | 80 123 | – | – |

This represents the fair value of the contingent consideration relating to the acquisition of Activo Healthcare Assets Proprietary Limited during the prior financial period. The fair value has been assessed at year-end.

In January 2024, a settlement of the final portion of the purchase price consideration acquisition of Forrester Pharma was settled.

### 31.2 Reconciliation of the movement:

| | Group | | Company | |
|---|---|---|---|---|
| | 2024 R'000 | 2023 R'000 | 2024 R'000 | 2023 R'000 |
| Opening Balance | 80 123 | 75 798 | – | – |
| Fair value adjustment | – | (5 176) | – | – |
| Finance cost | – | 9 501 | – | – |
| Derecognition | (80 123) | – | – | – |
| **CURRENT LIABILITIES** | – | 80 123 | – | – |

The contingent consideration was settled in January 2024.