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Sanlam concludes AfroCentric transaction

Sanlam today announced the successful conclusion of its transaction to acquire a controlling shareholding in AfroCentric Investment Corporation Limited (AfroCentric). AfroCentric is a black-owned investment holding company with significant interests in the healthcare market, including the Medscheme medical scheme administration business and a pharmaceutical business. The conclusion of the transaction has resulted in Sanlam acquiring a 60% shareholding in AfroCentric.

The transaction adds a strong healthcare capability to Sanlam's existing suite of financial products which include financial planning, investments, insurance, retirement, and wealth management. Sanlam believes in the long-term growth potential of AfroCentric and the businesses' combined abilities to deliver a differentiated proposition in the healthcare sector. AfroCentric is focused on delivering affordable medical aid, health insurance and administration, which complements Sanlam's purpose of enabling its clients to live with financial confidence.

The partnership with AfroCentric was initiated in December 2015 when Sanlam acquired a 28.7% stake in ACT Healthcare Assets, a wholly owned subsidiary of AfroCentric. Since then, the Group has been steadily working to build and deliver a competitive and expanded healthcare offering.

Going forward, Sanlam will integrate AfroCentric's product offering into its ecosystem, while AfroCentric will continue focusing on delivering affordable medical aid and health insurance products. AfroCentric will be integrated into the Sanlam Corporate cluster, a leading provider of financial advice, insurance, retirement solutions and investment services to companies in South Africa. AfroCentric will gain access to Sanlam's extensive distribution network and a suite of financial products.

Ms Kanyisa Mkhize, CEO of Sanlam Corporate said: "We are delighted to welcome AfroCentric shareholders, management, and key stakeholders into the Sanlam Group. Sanlam prides itself on delivering superb outcomes for all our stakeholders, and we are confident that this transaction will complement our existing capabilities and services, as well as deliver excellence in healthcare for our customers."

AfroCentric CEO Ahmed Banderker said, "This acquisition demonstrates the company's immense value as a diversified healthcare enterprise and a tangible commitment to positive change in the South African healthcare industry."

“This milestone signifies the power of the union of two industry giants, harnessing our collective strengths and expertise as we revolutionise the healthcare landscape in Africa. Between Sanlam and AfroCentric there is a collective drive and commitment towards affordable and accessible healthcare. We are not merely broadening our reach, amplifying innovation, and expanding our capabilities, we are resolutely pursuing the realisation of equitable healthcare,” says Banderker. “Beyond COVID-19 and the current economic climate, this acquisition couldn’t have come at a more crucial time for the majority of South Africans who find quality healthcare options out of reach.”

Established in 2008, AfroCentric is listed in the healthcare sector on the Johannesburg Securities Exchange (JSE Limited).

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About Sanlam

Sanlam is a pan-African financial services group listed on the Johannesburg, Namibian and A2X stock exchanges. Through its clusters - Retail Mass, Retail Affluent, Sanlam Corporate, Sanlam Emerging Markets, Sanlam Investment Group and Santam, the Group provides comprehensive and bespoke financial solutions to institutional clients and consumers across all market segments. Sanlam’s areas of expertise include life and general insurance, financial planning, retirement, investments, and wealth management.

Established in 1918 as a life insurance company, Sanlam has evolved into the largest non-banking financial services group in Africa through its diversification strategy.

Headquartered in South Africa, Sanlam has a direct stake in financial services entities in Namibia, Botswana, Swaziland, Zimbabwe, Mozambique, Mauritius, Malawi, Zambia, Tanzania, Rwanda, Uganda, Kenya, and Nigeria. The Group has a footprint of insurance operations in Morocco, Angola, Algeria, Tunisia, Ghana, Niger, Mali, Senegal, Burkina Faso, Cote D’Ivoire, Togo, Benin, Cameroon, Gabon, Madagascar, and Burundi.

Sanlam also has business interests in India, Malaysia, and the United Kingdom.

For more information on Sanlam, visit www.sanlam.com

ABOUT THE AFROCENTRIC GROUP

The AfroCentric Group is the most diversified healthcare company in Southern Africa, with more than 3.8 million lives under management (39% market share) serviced in the region. The Group is a majority black-owned, JSE-listed investment holding company with a focus on health administration, health risk management, pharmaceuticals, wellness, and disease management as well as health-centric information and communications technology-based solutions.

Entities within the AfroCentric Group include AfroCentric Technologies, AfroCentric Distribution Services, Wellness Odyssey, AfroCentric Primary Care, Pharmacy Direct and Medscheme, its biggest subsidiary.

Medscheme is the largest health risk management services provider and is among the leading medical scheme administrators in South Africa, with more than 3.8 million lives under management. Its clients include some of the country's major medical schemes, including Bonitas, Fedhealth, GEMS and Polmed, among others.

Website: www.afrocentric.za.com

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