

Healthy increased profits for AfroCentric

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JOHANNESBURG – AfroCentric, the black-owned JSE-listed investment holding company providing specialised services to the public and private healthcare sectors was on the roll in the year ended June, reporting increased profit before tax of 46.9 percent to R538.4 million, up from R366.7m in the same period last year.

The forward-looking group, which is already preparing for the National Health Insurance (NHI) scheme coming on stream, saw earnings per share increase by 118 percent and headline earnings per share spike by 110.7 percent.

AfroCentric declared a final gross dividend of 16 cents per ordinary share, which after dividends withholding tax of 20 percent came to 12.8c per ordinary share.

“Profit after tax increased by 74.9 percent, a satisfying and positive result delivered through great effort and efficient management control,”the group said.

AfroCentric’s principal subsidiary is Medscheme, with 3.7 million lives presently under management.

The group is also invested in other essential segments of the public and private healthcare markets, with rapidly expanding activity in the wholesale supply of pharmaceuticals, a chronic medication distribution network, specialised disease management, information technology solutions, transactional switching, fraud detection, and the development and marketing of tailored health and insurance solutions and products, in partnership with Sanlam.

AfroCentric said that, given the debate over and progress with NHI, it was creating a platform to establish a value chain of healthcare diagnosis, treatments, pharmaceutical and medical services, to optimise the purchasing power of the healthcare rand.

“Given the renewal of certain of these contracts and certain additional contracts awarded, AfroCentric invested R100m in the acquisition and refurbishment of a larger warehouse to manage the increased script volumes for dispensing and delivery to state and private patients with chronic condition,” the group said.