NOTES TO CONSOLIDATED ANNUAL FINANCIAL STATEMENTS CONTINUED

for the year ended 30 September 2020

26. ACQUISITIONS AND DISPOSALS OF INVESTMENTS IN SUBSIDIARIES AND JOINT VENTURES

Acquisitions that resulted in business combinations

Priamar SRL

Acquirer	Alliance Medical
Country of incorporation	Italy
Acquisition date	30 December 2019
Percentage voting equity interest acquired	100%
Primary reasons for business combination	In line with Life Healthcare's strategy to establish a sizeable international business, and complements the Group's existing diagnostic services segment
Qualitative factors that make up goodwill recognised	Attributable to expected synergies from combining the acquired operations with the existing Alliance Medical Group.
Contingent liabilities at acquisition	None

None of the goodwill recognised is expected to be deductible for income tax purposes.

Details of the fair value of net assets acquired and goodwill are as follows:

	Priamar 2020 R'm
Total purchase consideration	**(10)**
Cash portion	**(10)**
Fair value of net assets acquired	**(2)**
Property, plant and equipment	**3**
Trade and other receivables	**1**
Cash and cash equivalents	**4**
Trade and other payables	**(10)**
Goodwill	**(12)**
Cash outflow to acquire business, net of cash acquired	
Initial cash consideration	**10**
Less: Cash at acquisition	**(4)**
	6
Impact on consolidated information from date of acquisition	
Revenue	**18**
Net loss	**(3)**
Impact on consolidated information if business combination took place on 1 October 2019	
Revenue	**25**
Net loss	**(2)**

26. ACQUISITIONS AND DISPOSALS OF INVESTMENTS IN SUBSIDIARIES AND JOINT VENTURES continued

	2020 R'm	2019 R'm
Contingent consideration liabilities		
Balance at 1 October	**543**	534
Arising on acquisition of subsidiaries	**–**	16
Paid during the year	**(74)**	(79)
Fair value adjustment recognised in profit or loss	**37**	(2)
Unwinding of contingent consideration (included as part of finance cost)	**66**	44
Effect of foreign currency movement	**70**	30
Balance at 30 September	**642**	543
Included under non-current liabilities	**631**	506
Included under current liabilities	**11**	37
	642	543

Transactions with non-controlling interests

Increases and decreases in ownership interest in southern Africa

During the current and previous financial year, the Group had increases in its percentage shareholdings in some of its subsidiary companies.

	2020 R'm	2019 R'm
Total purchase consideration	**(152)**	(125)
Cash portion	**(152)**	(125)
Carrying amount of non-controlling interest recognised	**44**	57
Carrying amount of non-controlling interest acquired	**44**	57
Excess of consideration paid recognised in the transactions with non-controlling interests reserve within equity	**108**	68

During the current and previous financial year, the Group disposed of marginal percentages of its holdings in subsidiary companies to non-controlling interest.

The Group still maintained control over the subsidiary entities after the decrease in ownership interest.

Total value of decrease in carrying amount of non-controlling interest	**(10)**	(13)
Transactions with non-controlling interest reserve	**–**	(8)
Proceeds on disposal of investments	**10**	21