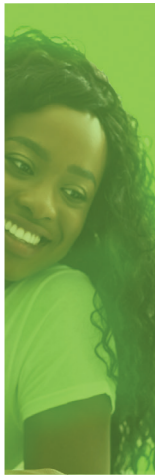


2025

# Annual General Meeting (AGM)



20 June 2025: 12h00-14h00

The Ridge Hotel, N4 Highway and Mandela Street  
(President Avenue), Witbank

# Notice of the Annual General Meeting

Year ended 31 December 2024

Thebemed Medical Aid Scheme ('Thebemed'/'the Scheme') will hold its Annual General Meeting ('AGM') on 20 June 2025.

This meeting is open to all members in good standing and the Scheme's Board of Trustees encourages members to attend the AGM.

The AGM will also be broadcast live (virtually) to enable members, who are unable to attend

in-person, to do so online. The link and platform will be shared closer to the date of the AGM.

Members attending the AGM in person, will be required to provide their South African Identity Number/Passport Number, together with their membership number.

## **Thebemed Board of Trustees**

## Details of the meeting

### **Date:**

Friday, 20 June 2025

### **Time:**

12h00-14h00

### **Venue:**

The Ridge Hotel, N4 Highway and Mandela Street (President Avenue), Witbank

Thebemed Annual Financial Statements for the year ended **31 December 2024**, the minutes of the AGM held on 20 June 2024 will be available on our website - <https://bit.ly/4iPdvxQ>

Detailed printed copies of the Annual Financial Statements are available on request.

# Agenda of the Annual General Meeting

20 June 2025 at 12h00-14h00

1. Welcome and Quorum.
2. Announcement of venue safety procedures and meeting schedule.
3. Introduction of the Scheme Board of Trustees.
4. Approval of the minutes of the previous Annual General Meeting held on 20 June 2024.
5. Chairman's Report.
6. Principal Officer's Report.
7. Audit, Risk and Investment Committee's Report.
8. Adoption of the audited financial statements for the year ended 31 December 2024.
9. Appointment of the auditors of the Scheme for the ensuing year.
10. Proposed amendment rules 4.17.3, 4.17.3.1 and 4.17.4.
11. Approval of trustee remuneration.
12. Motions in terms of rule 26.1.5.
13. Vote of thanks.
14. Closure.

## Notices of Motions-Rule 26.1.5

Please notify the PO of any motions at least seven days prior to the meeting (by Thursday 12 June 2025). Notices of motions may be sent by email to [principalofficer@thebemed.com](mailto:principalofficer@thebemed.com)

## Proxies-Rule 27.2

Each member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy (who must be a member of the Scheme) to attend, speak and vote on the member's behalf. The proxy must be in writing (in a proxy form) and must be signed by the member and the person appointed as the proxy.

# Chairman's Report

20 June 2025 at 12h00-14h00

Dear Members

This is the third Annual General Meeting since the lifting of curatorship in May 2022. I am pleased to report on the Scheme's continued progress and strengthening over the past year, which is a testament to the effective management and oversight of the Scheme. The Council for Medical Schemes (CMS) formally advised the Scheme on the 25 July 2024 that it was no longer under post-curatorship monitoring. The CMS commended the Board and PO's conduct and cooperation throughout the close monitoring period.

The Board of Trustees ('the Board'), with the support of the Principal Officer, implemented the key resolutions approved by members at the 2024 AGM. The resolutions included the appointment of the new Scheme auditors with strong BBBEE credentials, RSM SA, who have conducted the Scheme external audit and signed off the Scheme 2024 Annual Financial Statements, which are presented to the AGM today. Finally, the rule change to allow for Scheme elected Trustee by members by ballot, prior to the general meeting, at the discretion of the Board from time to time and at the general meeting, in accordance with the voting provisions contained in rule 18.2 to include the option to vote both prior to and at the AGM were implemented to Rule 18.1.1.1 was duly submitted to the CMS for consideration and we are awaiting approval.

The Board ensured a successful leadership transition of Principal Officer from Advocate Gugulethu Tladi to Dr Vuyo Mpongoshe. This was followed by the election of the new Board Chairperson Mr. Tekantsho Mokoena and Board Deputy Chairperson Dr Gunvant Goolab.

The Board, the PO and Scheme administrator worked tirelessly and collaboratively to engage constructively with Sibanye Stillwater (Sibanye) to deal with the ring-fencing of Thebemed. On 17 October 2024, Thebemed received a formal letter from Dr. Kgasane Jameson Malemela on behalf of Sibanye. Dr Malemela indicated after close monitoring of various schemes in the Sibanye environment, they noted a significant improvement in Thebemed's performance and as a result, Sibanye have decided to lift the current ring-fencing measures on Thebemed. The Scheme will now have the opportunity to market Thebemed within the Rustenburg operations of Sibanye in 2025. On behalf of the Thebemed Board, the Scheme places on record its sincere thanks and appreciation of the decision by Dr Malemela on behalf of Sibanye.

Amongst the Scheme's key objectives is to keep the Scheme's solvency ratio above the minimum statutory solvency requirement of 25%. I can confirm that the Scheme's solvency ratio was 40.70% on 31 December 2024 (2023: 32.67%).

Another priority objective is to increase the Scheme's membership and as at the end of December 2024, the Scheme had 12 076 principal members, which is a positive outcome given the ringfencing by

Sibanye in 2024.

Insurance revenue increased to R400 million (2023: R376 million) which is a 6.27% increase from the prior year. Insurance service expenses (excluding amounts attributable to future members) also increased to R366.6 million (2023: R361.4 million) which is 1.44% higher than the same period last year. Other operating expenses increased by 28.48% to R14.1 million or 3.52% of insurance revenue (2023: 3%).

As of 31 December 2024, the Scheme reflected amounts attributable to future members (surplus after investment income) of R41.6 million, which was above the revised budgeted amounts attributable to future members (surplus after investment income) of R1.5 million. Insurance contract liabilities to future members (previously referred to as reserves) as of 31 December 2024 stood at R178.2 million (2023: R136.5 million). All the scheme options are self-supporting.

Thebemed continues to enjoy a healthy membership profile with an average age of beneficiaries of 29 years and a pensioner ratio of 0.39%, which is amongst the best in the industry. Service levels have been maintained, and all the Scheme's wellness and disease management programmes are assisting members in leading healthy and productive lives.

The financial year 2025 promises to present similar challenges in terms of balancing our need for growth with the need to maintain our reserves. The economic climate is likely to remain challenging and will necessitate extra effort to ensure good service to our members to ensure membership retention.

On behalf of the Board of Trustees, I would like to assure you of our continued commitment to providing excellent value to our members.

In closing, I would like to thank you, the members, for your loyal support during this time of rebuilding Thebemed. I would also like to extend a thank you to the Principal Officer, fellow Board members, Audit committee members and all our service providers for their continued support and commitment in ensuring that the Scheme's sustainability is maintained.



**Mr. Tekantsho Mokoena**  
Board Chairperson

# Principal Officer's Report

20 June 2025 at 12h00-14h00

I am pleased to present this report to you for the first time as the new PO of the Scheme. In 2024, I had an opportunity to attend the 2024 Thebemed AGM in Cullinan as newly appointed PO, since then I have travelled to members and stakeholders to different parts of the country, and I am excited to share some of our significant successes achieved at this time.

These include the lifting of ring-fencing at Sibanye, the welcoming back of Thungela into Thebemed and the achievement of 40% solvency at the end of the year signalling a new sustainable era for Thebemed Medical Aid Scheme. We are also happy to welcome new companies to Thebemed such as UMM Contractors, Blue Mining and Modi Mining.

The 2023-2025 Strategy document adopted by the Board of Trustees requires the Scheme to build on existing successes and to continue to provide affordable, accessible, quality medical aid cover for its members.

The theme for this strategic period is to strive to eliminate co-payments and out of pocket payments for members, while ensuring that benefits are available for the full year, without experiencing benefit exhaustion before the year end.

As the Principal Officer, I am the accounting officer of the Scheme, and it is my responsibility to ensure that the Scheme's operational plans are geared towards the effective and efficient execution of the strategy approved by the Board.

It is with great pride to be able to highlight to the members that the Board of Thebemed has approved significant benefit design enhancements which completely removed significant co-payments for most procedures for members at the point of service.

This process of benefit design was assisted greatly by members' suggestions, input from different stakeholders as well as BERICO analysis, which assisted in confirming the competitive positioning of the Scheme against other Medical Aid Schemes in order to position us as a Scheme offering affordable, equitable and good quality healthcare services to its members and their families.

We are also grateful for robust tariff negotiations with service providers and managed healthcare protocols that are in place to ensure the efficient use of member healthcare benefits and continuous offering value for money for healthcare services. The passages below detail the performance indicators against strategic objectives.

## Objectives for 2024

**Growing the Scheme's membership base to 12 799 principal members and 24 082 beneficiaries.**

Membership	Strategy	2024
Main members	12 799	12 076
Beneficiaries	24 082	23 067

During 2024, Thebemed has experienced a significant decline in membership. This was mainly due to retrenchment observed at employer level and the ringfencing of Thebemed at Sibanye. This decline in membership was associated with decrease in contribution paid as well as change in age demographics of the Scheme, hence increasing the age of the Scheme.

#### **Increasing contribution income to R 431 million in contribution income in 2024.**

	Strategy	2024
Contribution Income	R 431 million	R 400 million

#### **Growing and building solvency levels to R 132 million, growing the solvency ratio to 30.0% in 2024.**

Solvency	Strategy	2024
Level	R 132 million	R 172 million
Ratio	30.0%	40.7%

	2019	2020	2021	2022	2023	2024
Solvency Ratio	9.4%	23.6%	32.6%	30.6%	32.7%	40.7%

We are delighted to share that as at the end December 2024, the Scheme Solvency Ratio was 40.7%. This was primarily driven by an outstanding investment strategy in place as well as good managed health-care interventions that assisted in the management of claims.

#### **Reducing non-healthcare costs to 11.0% of contribution income by 2024.**

	Strategy	2024
Non-healthcare Expenses	11.0%	12.3%

The non-healthcare cost was above budget, and this was primarily due to marketing costs necessarily incurred for onboarding of new employer groups, Sibanye and Thungela window period.

#### **Increase investment returns to CPI + 3.0% by 2024.**

	Strategy	2024
Investment returns	CPI + 3.0%	CPI + 6.02%

The Scheme has observed good investments returns through the implementation of its investment strategy. The investment objective of the Scheme is to achieve CPI plus 3% as a target over a 3-year rolling period. The investment of the Scheme grew by 11.87% for the 1-year period ending 31 December 2024. CPI+3% measured 6.02% over the same period. The investments have therefore outperformed the target (CPI+3%) by 5.85% over the same period under review.

#### **Reducing claims ratio to 87.0% by 2024 and hospital admission rate to 10.7% by 2024.**

Claims Ratio and Hospital Admissions	Strategy	2024
Claims Ratio	87.0%	83.5%
Hospital Admissions	10.7%	12.5%

A decrease in claim ratio was observed. We are grateful for our robust managed healthcare interventions that are in place in ensuring access to affordable, quality healthcare services to our members. Despite the increase in hospital admission rate, the cost per hospital event was lower because of a drop in large hospital admissions.

#### **Driving Thebemed value offering for Thebemed members and their families for sustained wellbeing into the future.**

Thebemed has always been aligned to worker families, through our relationships with labour unions, ensuring that the scheme is the preferred healthcare partner for members especially in the mining sector; we are also pleased to note increasing levels of engagement with employers as experienced recently with all our clients during the 2024 Freedom of Choice (FOC) period.

In order to confront the challenges of the future, we remain vigilant of the various regulatory developments on the horizon. These include, the NHI process updates, with the publication of regulations by the department of Trade Industry and competition on a tariff negotiation framework to manage affordability of healthcare services in future. We are supportive of the Universal Health Coverage and to this end we remain engaged through our industry body the Board of Healthcare Funders in the process of implementation of the NHI. We have also noted the Minister's call for proposals on the Basic Healthcare Benefit.

#### **Disease management.**

We are pleased that we have a well-structured preventative offering for our members and their families. These benefits include screening for medical conditions, and it is paid from the risk pool. By making use of these services, it will ensure that the conditions are diagnosed early and managed appropriately.



Thebemed remains committed to supporting its members in managing chronic conditions through disease management programmes, which entail targeted educational communiques, regular monitoring of medicine compliance and pathology tests done, telephone counselling, provider engagements. This is aligned to one of our strategic pillars of ensuring improved clinical outcomes.

The table below focuses on the top three chronic conditions affecting our members namely HIV, Hypertension and Diabetes Mellitus.

Conditions	Number of beneficiaries
HIV	2 164
Hypertension	2 095
Diabetes Mellitus	604
Others chronic conditions	605
<b>Total Beneficiaries registered with chronic conditions</b>	<b>4 213</b>

A total of 4 213 unique lives were enrolled on the programme at the end of quarter four 2024. HIV/AIDS remains the highest prevalent condition with 2 164 lives enrolled (9.3% prevalence), followed by Hypertension with 2 095 and Diabetes with 604 beneficiaries, respectively.

In line with the World Health Organization (WHO) strategy for HIV management, Thebemed tracks its performance against and is on track to achieve the 95-95-95 targets by 2030 as indicated below.

95-95-95 Key Indicator	Target	Thebemed Q4 2024 performance
People living with HIV know their status	95%	87%
People living with HIV on ongoing ARV treatment	95%	95%
People living with HIV on ongoing ARV treatment with viral suppression	95%	94%

## Participation in Health Quality Assessment (HQA)

Assessing the quality of care is a vital part of improving healthcare services. Quality measurement is a critical component in the continuous improvement of healthcare delivery. Thebemed is a proud member of the Health Quality Assessment (HQA), an independent entity that facilitates standardized methodologies for clinical quality measurement and reporting across the medical aid sector.

The HQA benchmark provides a comprehensive analysis of each participant's performance over time, facilitating evaluation of annual progress, comparative positioning among peers and alignment with

national and international standards. I am happy to share that Thebemed has observed an improvement in the following indicators:

- The proportion of births that are admitted to the neonatal intensive care unit dropped from 16.6% to 12.6%, and neonates with low birth weight dropped from 11.7% to 9.1% year on year.
- The screening for Mammogram coverage increased from 6.5% to 7.3% and colorectal cancer screening increased from 2.6% to 2.7% year on year.

#### *Reduction in admission rate for chronic related diagnoses (HQA report).*

Condition	2022	2023
COPD	7.9%	5.4%
Ischemic Heart Disease	41%	28%
Diabetes Mellitus	11.6%	12%
Asthma	9.4%	7%
HIV	5%	5%

### **Governing and managing risk**

The Board of Trustees of Thebemed Medical Aid Scheme, embraces and practices the governance principle of King IV code.

The Scheme has an effective Audit Risk and Investment Committee which is responsible for managing all the Scheme's risks and also ensuring compliance to statutory requirements on behalf of the Board.

### **Focus Areas going forward**

We consistently promote the utilisation of preventative benefits and encourage both members and their families to enrol in disease management programmes.

The Scheme remains committed to ensuring its relevance by delivering affordable, equitable, and high-quality healthcare services.

We aim to sustain growth through the expansion of our existing employer groups, the acquisition of new employer groups, and diversification beyond the mining sector.



**Dr. Vuyokazi Mpongoshe**  
Principal Officer

# Audit, Risk and Investment Report

Year ended 31 December 2024

## I. Audit, Risk and Investment Committee

During 2024 the Committee comprised: M. Tonjeni (chairperson), S. Maharaj, T. Mochatsi, Dr G. Goolab (trustee) and W. Modisapodi (trustee).

The Committee met on five occasions during the year:

1 February 2024

10 April 2024

20 May 2024

7 August 2024

1 November 2024

The CEO of the administrator, the scheme Principal Officer and the external auditors attend all Audit Committee meetings and have unrestricted access to the chairperson of the Committee.

In accordance with the provisions of the Act, the primary responsibility of the Committee is to assist the Board of Trustees in carrying out its duties relating to the scheme's accounting policies, internal control systems and financial reporting practices. The external auditors formally report to the Committee on critical findings arising from audit activities.

The Committee has a critical role in terms of detailed analysis and management of service provider inputs, and operates as an overseer and a maker of recommendations to the Board for consideration and final approval.

The Committee does not assume the responsibility for risk management which remain the responsibility of the Board. The Committee merely ensures the detailed analysis is conducted in order to provide recommendations and advice to the Board.

The Committee acts in terms of the delegated authority of the Board as recorded in these terms of reference. It has the power to investigate any activity within the scope of its terms of reference. The Board should be kept informed at all times as to the activities and investigations being undertaken by the Committee. This will be via the trustee meetings (and minutes as such) or via written communication on an ad hoc basis.

The Audit, Risk and Investment Committee is pleased to report that:

- It has carried out its duties in terms of the Medical Schemes Act;
- The external auditors have confirmed their independence;
- The assurances provided by management, external auditors and the internal auditors have satisfied the Committee that the controls are adequate and effective;
- It has had oversight of the financial reporting process; and
- It has reviewed the Annual Financial Statements and the audit report thereon and recommended the acceptance thereof by the Board of Trustees.

## 2. Meeting Attendance and Remuneration

The following schedule sets out the attendance at meetings and meeting fees received by members of the audit, risk and investment committee.

Name	Audit, Risk and Investment Committee Meetings		Meeting fees	Expenses
	A	B	R	R
Dr. G. Goolab - resigned as Chairperson of Board of Trustees on 5 November 2024*	5	5	-	-
W. Modisapodi*	5	5	-	-
M. Tonjeni	5	5	141 800	980
S. Maharaj	5	5	114 383	835
T. Mochatsi	5	5	114 383	1 752
Adv. G. Tlali (Principal Officer) - term of office ended 30 June 2024	4	4	-	-
Dr. V. Mpongoshe (Principal Officer) appointed 1 July 2024	2	2	-	-
<b>Total</b>	<b>31</b>	<b>31</b>	<b>370 566</b>	<b>3 567</b>

\* - Trustee

**A** - total possible number of meetings could have attended

**B** - actual number of meetings attended

Mr. Ishmael Tau of Old Mutual Wealth attends all the audit, risk and investment committee meetings.



M. Tonjeni Chairperson

Date: 16 April 2025

## Statement of Responsibility by the Board of Trustees

Financial Statements for the year ended 31 December 2024

The Trustees are responsible for the preparation and fair presentation of the annual financial statements of Thebemed Medical Aid Scheme, comprising the statement of financial position at 31 December 2024, and the statements of comprehensive income and cash flows for the year ended, and the notes to the financial statements, which include a summary of significant accounting policies and other explanatory notes in accordance with IFRS® Accounting Standards and in the manner required by the Medical Schemes Act of South Africa, no. 131 of 1998 as amended.

The Trustees consider that in preparing the annual financial statements they have used the most appropriate accounting policies, consistently applied and supported by reasonable and prudent judgements and estimates.

The Trustees are satisfied that the information contained in the annual financial statements fairly presents the financial performance for the year and the financial position of the scheme at year end. The Trustees also prepared the other information included in the annual financial report and are responsible for both its accuracy and its consistency with the financial statements.

The Trustees are responsible for ensuring that accounting records are kept. The accounting records disclose with reasonable accuracy the financial position of the scheme which enables the Trustees to ensure that the financial statements comply with the relevant legislation.

Thebemed Medical Aid Scheme operates in a well-established control environment, which is well documented and regularly reviewed. This incorporates risk management and internal control procedures, which are designed to provide reasonable, but not absolute assurance that assets are safeguarded and the risks facing the business are being managed.

The going concern basis has been adopted in preparing the annual financial statements. The Trustees have no reason to believe that the scheme will not be a going concern in the foreseeable future, based on forecasts and available cash resources. These annual financial statements support the viability of the scheme.

The scheme's external auditor is responsible for auditing the annual financial statements in terms of International Standards on Auditing and their report is presented on pages 18 to 22.

The annual financial statements were approved by the Board of Trustees on 16 April 2025 and are signed on its behalf.



**T. Mokoena**  
Chairperson



**Dr. G. Goolab**  
Trustee



**Dr. V. Mpongoshwe**  
Principal Officer

# Statement of Corporate Governance by the Board of Trustees

Financial Statements for the year ended 31 December 2024

Thebemed Medical Aid Scheme is committed to the principles and practices of fairness, openness, integrity and accountability in all dealings with its stakeholders. The Trustees are satisfied that these standards have been met. The Trustees are appointed and elected by the members of the scheme in terms of the rules of the scheme.

## Board of Trustees

The Trustees meet regularly and monitor the performance of the Administrator and service providers according to service level agreements. They address a range of key issues and ensure that discussion of items of policy, strategy and performance is critical, informed and constructive. The performance of the Board and individual Trustees is evaluated annually taking into account their attendance at meetings.

## Risk Management and Internal Controls

The Board of Trustees is accountable for the process of risk management and internal controls. The ultimate responsibility for the implementation of the internal controls and risk management has been delegated to the Administrator. Risks are reviewed and identified annually and appropriate strategies are implemented to mitigate these risks. These actions are monitored quarterly by the Board and monthly by the Principal Officer.

The Administrator of the scheme maintains internal controls and the system is designed to provide reasonable assurance as to the integrity and reliability of the annual financial statements and to safeguard, verify and maintain accountability for its assets adequately. Such controls are based on established policies and procedures and are implemented by trained personnel with the appropriate segregation of duties.

Internal control audits are performed on a regular basis.

The Trustees call on expert and professional advice as and when required.

The scheme conducts its affairs in accordance with standards of acceptable corporate practice and conduct as it applies to medical schemes and trustees.

No event or item has come to the attention of the Board of Trustees that indicates any material breakdown in the functioning of the key internal controls and systems during the year under review.



**T. Mokoena**  
Chairperson



**Dr. G. Goolab**  
Trustee



**Dr. V. Mpongoshe**  
Principal Officer

## Operational Statements

Financial Statements for the year ended 31 December 2024

	ENERGY	UNIVERSAL	FANTASY	TOTAL
Average number of members during the accounting period	1 301	5 152	5 926	12 379
Number of members at the end of the accounting period	1 351	5 037	5 688	12 076
Average number of beneficiaries during the accounting period	4 307	7 168	11 997	23 473
Number of beneficiaries at 31 December	4 439	7 010	11 501	22 950
Dependant ratio at 31 December	2.29	0.39	1.02	0.90
Insurance revenue per average member per month (R)	5 254	1 950	2 776	2 693
Insurance revenue per average beneficiary per month (R)	1 587	1 402	1 371	1 420
Insurance service expenses per average beneficiary per month (R) *	1 334	1 278	1 304	1 302
Relevant healthcare expenses incurred per average beneficiary per month (R) *	1 173	1 166	1 203	1 186
Directly attributable insurance service expenses per average beneficiary per month (R)	153	132	109	124
Other expenses per average beneficiary per month (R)	56	49	53	52
Insurance service expenses as a percentage of insurance revenue *	84%	91%	95%	92%
Relevant healthcare expenses incurred as a percentage of insurance revenue *	74%	83%	88%	84%
Directly attributable insurance service expenses as a percentage of insurance revenue	10%	9%	8%	9%
Other expenses as a percentage of insurance revenue	3%	3%	4%	4%
Average age per beneficiary	25.26	33.99	28.20	29.15
Pensioner ratio at 31 December (percentage of beneficiaries > 65 years)	0.69	0.45	0.23	0.39
Average insurance contract liability to future members per member at 31 December (R)	-	-	-	14 753
Return on investments as a percentage of investments (%)	-	-	-	7.91%

\* Excluding amounts attributable to future members

# Statement of Financial Position

As at 31 December 2024

	Notes	2024 R	2023 R
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Plant and equipment	5	189 162 813	96 698 879
Financial assets at fair value through profit or loss	6	42 180	13 479
		189 120 633	96 685 400
<b>Current Assets</b>			
Financial assets at amortised cost	7	67 682 483	130 918 588
Cash and cash equivalents	8	19 308 130	37 958 333
Reinsurance contract assets	10	47 698 396	92 292 454
		675 957	667 801
<b>Total Assets</b>		<u>256 845 296</u>	<u>227 617 467</u>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Insurance contract liabilities	11.2	178 152 785	136 526 454
<b>Current Liabilities</b>			
Trade and other payables	9	78 692 511	91 091 013
Insurance contract liabilities	11.1	130 688	247 019
		78 561 823	90 843 994
<b>Total Liabilities</b>		<u>256 845 296</u>	<u>227 617 467</u>

## Solvency Ratio

The solvency ratio is calculated on the following basis:

	2024 R	2023 R
Insurance contract liabilities to future members	178 152 785	136 526 454
Less: cumulative unrealised net gains	(6 391 706)	(5 258 277)
Insurance contract liabilities to future members excluding unrealised gains	171 761 079	131 268 177
Gross contributions	422 020 708	401 839 961
Ratio of insurance contract liabilities (future members) to gross annual contribution income	40.70%	32.67%



# Statement of Comprehensive Income

Financial Statements for the year ended 31 December 2024

2024	Energy R	Universal R	Fantasy R	Total R
Insurance revenue	82 045 697	120 573 099	197 438 096	400 056 892
Insurance service expenses (excluding amounts attributable to future members)	(68 971 426)	(109 961 807)	(187 671 918)	(366 605 151)
Net expense from reinsurance contracts held	430 102	(1 737 728)	(1 186 355)	(2 493 980)
Reinsurance expenses from reinsurance contracts held	(4 029 673)	(8 009 158)	(11 133 029)	(23 171 859)
Reinsurance income from reinsurance contracts held	4 459 775	6 271 430	9 946 674	20 677 879
<b>Insurance service result (net healthcare result)</b>	13 504 372	8 873 565	8 579 824	30 957 761
Interest income from financial assets	2 668 451	3 923 201	12 049 390	18 641 042
Net fair value gains on fair value investments	662 563	974 111	2 991 802	4 628 476
<b>Net investment income</b>	3 331 014	4 897 311	15 041 193	23 269 518
<b>Net result after investment income</b>	16 835 387	13 770 876	23 621 016	54 227 279
Sundry income	408 335	600 341	1 092 298	2 100 974
Other operating expenses	(2 751 972)	(4 043 548)	(7 302 686)	(14 098 206)
Investment consulting	(1 117 336)	(1 172 508)	(3 133 872)	(6 033 716)
<b>Net surplus (deficit) for the year</b>	14 374 414	10 155 161	17 096 756	41 626 331
<b>Members at 31 December 2024</b>	<b>1 351</b>	<b>5 037</b>	<b>5 688</b>	<b>12 076</b>

2023	Energy R	Universal R	Fantasy R	Total R
Insurance revenue	72 254 105	119 375 388	184 820 429	376 449 922
Insurance service expenses (excluding amounts attributable to future members)	(56 167 033)	(123 804 812)	(181 422 810)	(361 394 655)
Net expense from reinsurance contracts held	(54 596)	(1 006 449)	532 899	(528 147)
Reinsurance expenses from reinsurance contracts held	(3 243 799)	(7 544 640)	(10 026 601)	(20 815 041)
Reinsurance income from reinsurance contracts held	3 189 203	6 538 191	10 559 500	20 286 894
<b>Insurance service result (net healthcare result)</b>	16 032 476	(5 435 873)	3 930 518	14 527 120
Interest income from financial assets	1 934 200	3 195 065	9 533 993	14 663 258
Net fair value gains on fair value investments	51 039	84 311	251 581	386 931
<b>Net investment income</b>	1 985 239	3 279 376	9 785 574	15 050 189
<b>Net result after investment income</b>	18 017 715	(2 156 497)	13 716 092	29 577 309
Sundry income	341 410	563 968	992 996	1 898 374
Other operating expenses	(1 979 281)	(3 276 372)	(5 717 569)	(10 973 222)
Investment consulting	(80 086)	(1 132 293)	(232 932)	(445 310)
<b>Net surplus (deficit) for the year</b>	16 299 758	(5 001 194)	8 758 587	20 057 151
<b>Members at 31 December 2023</b>	<b>1 048</b>	<b>5 399</b>	<b>6 289</b>	<b>12 736</b>

**RSM South Africa Inc.**  
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## INDEPENDENT AUDITOR'S REPORT

### To the Members of Thebemed Medical Aid Scheme

#### Opinion

We have audited the financial statements of Thebemed Medical Aid Scheme, set out on pages 9 to 62, which comprise the statement of financial position as at 31 December 2024, and the statement of profit or loss and other comprehensive income, the statement of changes in members' funds and the statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, these financial statements present fairly, in all material respects, the financial position of Thebemed Medical Aid as at 31 December 2024, and its financial performance and cash flows for the year then ended, in accordance with IFRS Accounting Standards and the requirements of the Medical Schemes Act of South Africa.

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of Thebemed Medical Aid Scheme in accordance with the Independent Regulatory Board for Auditors' Code of Professional Conduct for Registered Auditors (IRBA Code) and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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CEO P D Schulze Directors N L Ashom, E Bergh, C D Betty, E Chapanduka, M G Q de Faria, M S Dolamo, A C Galloway, J Gondo, N C Hughes, J Jones, J Kitching, T R Mathebula, J P Mgiba, M M Ndlovu, R Rawoot, E K Rutgers, T P Singo, M Steenkamp, A D Young

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## Key Audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How the matter was addressed in the audit
<p><b><u>Outstanding claims Provision IBNR</u></b></p> <p>The carrying amount of the Outstanding Claims Provision ("IBNR") as of 31 December 2024 was R23 939 738.</p> <p>The determination of the outstanding claims provision (IBNR) requires the Scheme's Actuaries to make assumptions in the valuation thereof, which is determined with reference to an estimation of the amount to be paid by the Scheme after the end of the reporting period in respect of the claims incurred during the reporting period.</p> <p>The outstanding claims provision (IBNR) is calculated by the Actuaries after considering the results of both the Basic Chain Ladder BCL model and Bornhuetter-Ferguson method B. The Basic chain ladder technique is the official valuation method used by the Scheme and the Bornhuetter-Ferguson will serve as a reasonability check.</p> <p>These valuation methods take into consideration the:</p> <ol style="list-style-type: none"> <li>Previous experience in claims patterns.</li> <li>Claims settlement patterns and</li> <li>Trends in claims frequency.</li> </ol> <p>The above-mentioned factors require significant judgement and assumptions to be made by the Scheme's Actuaries and therefore accordingly, for the purposes of our audit, we identified the valuation of the IBNR as a key audit matter.</p>	<p>For the audit of the IBNR estimation and disclosure we performed the following audit procedures:</p> <ul style="list-style-type: none"> <li>We obtained an understanding from the Scheme's actuaries regarding the process followed in calculating the outstanding claims provision.</li> <li>The actuarial methods applied by the Scheme are generally applied within the medical scheme industry and these were assessed as reasonable.</li> <li>We assessed the assumptions used by management expert/Actuary by: <ul style="list-style-type: none"> <li>Testing the current year's IBNR by comparing the balance to actual claims settled subsequent to year-end up to February 2025</li> <li>Testing the integrity of the information used in the calculation of the IBNR by performing substantive procedures, on a sample basis, on the completeness and accuracy of the claims data used in calculating the IBNR.</li> </ul> </li> <li>Evaluating the independence, objectivity, competence of management experts and placing reliance on their work; and</li> <li>Assessing the presentation and disclosure in respect of the IBNR and considering whether the disclosures are in line with the IFRS Accounting standards requirements in accounting for the IBNR.</li> </ul>



## Other information

The Scheme's trustees are responsible for the other information. The other information comprises the information included in the document titled Report of the Board of Trustees, Statement of responsibility by the Board of Trustees and the Statement of Corporate Governance by the Board of Trustees. The other information does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## Responsibilities of the Scheme's Trustees for the Financial Statements

The Scheme's trustees are responsible for the preparation and fair presentation of the financial statements, in accordance with IFRS Accounting Standards and the requirements of the Medical Schemes Act of South Africa, and for such internal control as the Scheme's trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Scheme's trustees are responsible for assessing the Scheme's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless the Scheme's trustees either intend to liquidate the Scheme or to cease operations, or have no realistic alternative but to do so.

## Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.



As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Scheme's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Scheme's trustees.
- Conclude on the appropriateness of the Scheme's trustees' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists in relation to events or conditions that may cast significant doubt on the Scheme's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Scheme to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Scheme's trustees regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



## Report on Other Legal and Regulatory Matters

### ***Non-compliance with the Medical Schemes Act of South Africa***

As required by the Council for Medical Schemes, we report the following material instances of non-compliance with the requirements of the Medical Schemes Act of South Africa, as amended, that have come to our attention during the course of our audit:

#### ***1. Regulation 35(8)(a) of the Act***

In terms of the Medical Schemes Act and specifically Regulation 35(8) (a), a medical scheme shall not invest in a participating employer. During the year the Scheme had pooled investments with exposure to the participating employer. The Scheme last obtained an exemption in terms of Section 8(h) from Section 35(8) of the Act from the Council of Medical Schemes on 3 October 2022 for a period of three (3) years. The exemption had been granted with the proviso that the Scheme does not make any direct investments in these entities.

#### ***2. Contravention of Section 26(7) of the Act***

In terms of section 26(7) of the Medical Schemes Act, contributions must be paid over to the Scheme within 3 days after becoming due. A few members did not adhere to the prescriptions of the Act.

#### ***3. Contravention of Section 59(2) of the Act***

In terms of section 59(2) of the Medical Schemes Act, accounts must be paid to the member or supplier of the services, any benefit owing to that members or supplier of services within 30 days after the day on which the claim in respect to the benefits was received by the scheme. Instances were noted where settlements took more than 30 days.

## Audit Tenure

As required by the Council for Medical Schemes' Circular 38 of 2018, Audit Tenure, we report that RSM South Africa Inc. has been the auditor of Thebemed Medical Scheme for 1 year.

The engagement partner, James Gondo, has been responsible for Thebemed Medical Scheme's audit for 1 year.

Signed by:



RSM South Africa Inc.

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RSM South Africa Inc.

**James Gondo**  
**Chartered Accountant (SA)**  
**Registered Auditor**  
**Director**

**Date** 25 April 2025



# Resolutions for the 21st Thebemed Medical Scheme Annual General Meeting

To be held on 20 June 2025

The affairs of the Scheme are managed by the Board of Trustees in accordance with the Rules of the Scheme and the Medical Schemes Act. Whilst the Board is entitled to alter or rescind some rules, there are specific rules and decisions that require member approval prior to adoption. The following Resolutions must be presented to members of the Scheme at the Annual General Meeting for voting.

## I. AGENDA ITEM 10: RESOLUTION 01

### PROPOSED AMENDMENT OF RULES 4.17.3, 4.17.3.1 and 4.17.4

#### Current Scheme Rule

- 4.17.3 a child dependant of a member who is 21 years or older who has not reached the age of 25 years and who is a student at a school or other education institution recognised and accepted as such by the Board, provided that:

#### Proposed New Scheme Rule

- 4.17.3 a child dependant of a member who is 21 years or older who has not reached the age of 25 years and who is a **full-time** student at a school or education institution recognised and accepted as such by the Board, or if the child is **studying part-time, proof is submitted that child is living with principal member, and not receiving a salary higher than the state pension**, provided that:

#### Current Scheme Rule

- 4.17.3.1 acceptable proof is submitted to the effect that the child is a registered student at the institution in question

#### Proposed New Scheme Rule

- 4.17.3.1 acceptable proof is submitted to the effect that the child is a registered **full-time** student **or part-time** student at the institution in question,

#### Current Scheme Rule

- 4.17.4 the immediate family of a member in respect of whom the member is liable for family care and support, and where such financial dependency can be proven

#### Proposed New Scheme Rule

- 4.17.4 the immediate family of a member (**including a child of the principal member**) in respect of whom the member is liable for family care and support, and where such financial dependency can be proven, can be admitted to the scheme at adult rates. **Proof required is an affidavit that dependant is living with the principal member and not receiving a salary higher than the state pension.**

## 2. AGENDA ITEM 11: RESOLUTION 02

### APPROVAL OF TRUSTEE REMUNERATION IN ACCORDANCE WITH RULE 18.6.11

- 18.6.11. The Board may decide on a remuneration to be paid to its members, provided that remuneration paid to a member of the Board shall be separately disclosed in the annual financial statements to be laid before the next ensuing annual general meeting for approval.

Having considered the guidelines from CMS on trustee remuneration in that:

- remuneration must be per actual attendance at board meetings and sub-committee meetings; and
- reference should be made to the CMS annual report for similar size schemes.

The Board of Trustees proposes a budgeted increase of 5% (R1 192) to the 2025 remuneration for inflationary purposes.



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Thebemed is administered by  
Momentum Thebe Ya Bophelo PTY LTD

