PROFMED

MINUTES OF THE 54th ANNUAL GENERAL MEETING OF PROFMED HELD AT 15:30 ON WEDNESDAY, 11 JUNE 2025 VIA VIDEOCONFERENCE IN THE PPSHA BAOBAB BOARDROOM

	NAME	TITLE
PRESENT:	Mr G S Harvey	Chairperson (Exiting) and Member
	Mr H P du Toit	Trustee and Member
	Adv J J Crouse	Trustee and Member
	Mrs N E Curry-Jandrell	Trustee (Exiting) and Member
	Prof C A Joseph	Trustee and Member
	Ms N D Maidi	Trustee and Member
	Ms K P M Simelane	Trustee and Member
	Dr J Welgemoed	Trustee and Member
	Dr H J Woermann	Trustee (Newly Appointed) and Member
	Mr A H G Wright	Trustee (Newly Appointed) and Member
	C E M Balie	Member
	J Barnard	Member
	U Bennett	Member (in-person)
	D Bettoni	Member
	S Brits	Member
	S Buekes	Member
	C Conwood	Member
	D de Bude	Member
	E de Crom	Member
	F de Jonge	Member
	L de Klerk	Member
	R Essa	Member
	S Fagan	Member
	L Ferreira	Member
	R Ferriera	Member
	H C Gouws	Member
	A Hendriks	Member
	J H Immink	Member
	C Isherwood	Member
	M Jeena	Member
	E Joynt	Member
	Z Khoza	Member
	M F Kindoki	Member
	J Kruger	Member
	M Labuschagne	Member
	J Lacy	Member
	Z Lekgothoane	Member
	M Loots	Member
	T Mancosa	Member
	L Marimuthu	Member
	S Mbanjwa	Member
	S Mcopele	Member
	D Mitchell	Member
	Z Moola	Member
	C Nel	Member
	V November	Member
	B Ntsoane	Member
	D Nyoni	Member
	M Opperman	Member (in-person)
	T Pienaar	Member
	S Rasethaba	Member
	N Shabangu	Member
	N Singh	Member
	J P Snyman	Member
	T Stemmet	Member
	M Swart	Member

	NAME	TITLE
	R Theunissen	Chairperson of the Audit and Risk Committee and Member
	D Twiddy	Member
	R Uys	Member
	E L Prins-van den Berg	Member
	H van den Berg	Member
	L van der Nest	Member
	D van Dyk	Member
	F van Molendorff	Member
	A van Rooyen	Member
	N van Rooyen	Member
	D van Staden	Member
	C Wasserman	Member
	C Wilcock	Member
	S Wilson	Member
BY INVITATION:	Z Dorat	BDO Auditors
	E da Costa	BDO Auditors
	K Gadinabakao	Council for Medical Schemes Representative
	K Naidu	Independent Remuneration Committee Member
	N Mavuso	Deloitte (External Auditors)
	Z Javu	OMT (IT Consultants)
	M Makwena	OMT (IT Consultants) [in-person]
	A Ramdhani	PPSHA Staff Member
IN ATTENDANCE:	Mr C W Comrie	Principal Officer and Member
	Ms A Albert	Executive Scheme Manager and Member
	Ms T Murugan	Scheme Secretary and Member
APOLOGIES:	Mr I Smit	PPS Chief Executive Officer
	Mr P L Marais	Chairperson of the Remuneration Committee
NUMBER OF PROXIES:	0	

1. WELCOME AND OPENING REMARKS

1.1. The Chairperson welcomed all to the 54th Annual General Meeting (AGM) of Profmed (the Scheme) and advised that in terms of Rule 28.1.3 of the Rules of the Scheme, the Chairperson of the Profmed Board of Trustees should preside as Chairperson at the Annual General Meeting of Profmed and therefore he would preside as Chairperson of this Annual General Meeting.

1.2. The Chairperson extended a special welcome to the Profmed Board of Trustees, who were in attendance along with the Independent Auditors, Deloitte, Ms Gadinabokao, a representative from the Council of Medical Schemes (CMS), Mr Theunissen, the Chairperson of the Audit and Risk Committee, as well as the other Committee members, who were also attending. The Chairperson also acknowledged the attendance of Ms Bassudev, the Chief Executive Officer of PPSHA, along with other Scheme management and staff.

1.3. The Chairperson informed the meeting that the minutes of the last annual general meeting were available for inspection and if members would like a copy, they could e-mail their request to agm2025@profmed.co.za or visit the Scheme's website. Also, a link to the minutes was provided in the Q&A section on the right-hand of the screen.

2. CONSTITUTION OF THE MEETING

The Chairperson stated that he had been informed that proper notice had been given of the meeting in terms of Rule 28.1.4 and that such notice of the meeting had been available for inspection by members. As a quorum was present in terms of Rule 28.1.6 of the Rules of the Scheme, the meeting was therefore properly constituted for the purposes of passing resolutions.

3. PURPOSE OF THE MEETING

3.1. The purpose of the meeting was set out in the Notice convening the meeting, which was called for the following purposes:

3.1.1. Resolution for the adoption of the Annual Financial Statements for the year ended 31 December 2024 (including the reports of the trustees, Audit and Risk Committee and the auditor).

3.1.2. Resolution for the appointment of Deloitte as the auditors of Profmed.

3.1.3. Resolution for the acceptance of the Profmed Remuneration Policy by means of a non-binding advisory vote.

3.1.4. Resolution for the approval of the remuneration of trustees for the period 2025/2026.

3.1.5. To announce the appointment of two (2) trustees in accordance with Rule 20.1.3 of the Rules of Profmed.

3.1.6. To transact such other business as may be transacted at an annual general meeting.

3.2. The Chairperson informed the meeting that should a member want to access the documents pertaining to the resolutions, a URL link to the Scheme's website has been provided in the Q&A section on the right-hand side of the screen.

4. INTRODUCTION

4.1. The Chairperson stated that, in terms of Rule 28.1.4 of the Rules of the Scheme, the Notice convening the meeting would be taken as **READ**.

4.2. The Chairperson stated that, in terms of Rule 29.4 of the Rules of the Scheme, a poll had been taken in respect of each resolution and voted upon.

4.3. The Chairperson indicated that independent auditors had been appointed to act as scrutineers for the purpose of the polls and that he would announce the results at the end of the meeting.

5. CHAIRPERSON'S REPORT

5.1. The Chairperson reported on the 2024 financial year and the following was noted:

5.1.1. The Chairperson informed the meeting that over the past year the Scheme had faced challenges head-on, these included continuous debates over National Health Insurance (NHI), sluggish economic growth and higher than normal unemployment rates. The Scheme had reflected the tenacity of its members, and our resilience had laid the foundation for improvements in benefits and lower contribution increases for 2025.

5.1.2. The Board believed that healthcare should serve our members and the core values of the Scheme was to care for members who all own an equal share of the Scheme's success. While medical inflation had come in higher than projected, the Scheme's 2025 annual contribution increases were one of the lowest in the industry. The ability to offer our members value for their contributions and be responsive to their changing needs was essential. The Scheme's value creation model stood us in good stead with R30 million worth of enhanced benefits being introduced for 2025. For the period under review, the Scheme had reported a net surplus (amounts attributable to future members) of R180.6 million with a positive variance to budget of R146.8 million. The solvency ratio had exceeded targets for the past two years ending 2024 with 41.5% which confirmed a positive financial performance and stability of the Scheme.

5.1.3. Regarding the Investment Markets Outperforming Expectations, the Chairperson informed the members that the year 2024 had proved highly rewarding albeit volatile for investors in South African markets. On the political front the formation of a Government of National Unity (GNU) had been well received by investors, loadshedding appeared to be a feature of the past and green shoots of economic recovery had started to appear. The country had managed to keep inflation in check at the lower-end of the South African Reserve Bank's target range of 3–6% and the Monetary Policy Committee had responded with two 0.25% cuts in the repo lending rate in the latter part of the year.

5.1.4. Local equities had demonstrated resilience amidst global and local uncertainties to end the year up 13.4%. The South African listed property sector had rebounded to close the year as the best performing asset class at a nearly 30% return, also benefitting from the decline in long-term interest rates, as well as more positive sentiment towards expected GDP growth. Looking at the broad local equity market sectors, Financials had delivered a solid return of 22.4% over the year while Industrials had followed at 18.5%. However, commodity stocks had detracted over the year (Resources sector down 8.6%) as investors weighed up environmental concerns, an underwhelming economic stimulus package from China and muted automobile catalyst demand. Cash and money market instruments had provided a safe harbour for investors seeking liquidity and capital preservation, while providing a stable 8.5% return (STeFI Composite Index) over the 2024 calendar year.

5.1.5. In terms of promoting healthy behaviour, the Chairperson stated that research indicated that some of the societal drivers that would impact healthcare were a longer-living population and the emergence of transformative technologies with applications across the spectrum. On the technology side, artificial intelligence (AI) promises to dramatically change everything from the way medicine was developed and patients were treated to the business and commercial side of healthcare. This emergence was the driving force behind many of the trends of personalised health plans to more accurate early diagnosis of dread diseases. These powerful changes would shift the focus from reactive to preventive care in the hope of improving healthy living whilst living longer. The 2025 benefit design and introduction of the Amplifire benefit, addressed the current trend and shift from reactive to proactive strategic priorities for the Scheme.

5.1.6. Regarding Amplifier, the boosting benefits, the Chairperson informed the meeting that the Scheme continues to make health risk assessments and preventative care screenings a core enabler to help care for its members. The Scheme continuously expands its members' access to programmes aimed at improving or maintaining their health and wellness by utilising technology and data to build personalised health pathways. A key focus area was to enhance the benefits by introducing Amplifier. Amplifier was centred on meeting individual member needs and promoted the Scheme's Screening and Prevention Benefit. The Scheme believed that a personalised approach to healthcare led to better patient outcomes and more efficient use of medical resources which would also play an increasingly important role in addressing the healthcare challenges of the future. In the evolving landscape of medical diagnostics, an intriguing development had been the emergence of facial analysis as a tool for detecting health issues. This method combined the intricacies of biometric technology, artificial intelligence (AI), and deep learning. The Scheme was proud to launch this innovative facial scan as part of the benefits in 2025. The newly designed Profmed App included an easy to use digital assessment. The Scheme was moving away from only understanding a member's health when receiving a claim for medicine or hospital account. This digital assessment was a non-invasive scan that provided an initial indication of the health of an individual and could detect early signs and risks of chronic conditions.

5.1.7. Regarding service, monitoring and keeping close to current trends across various demographics, the Chairperson informed the meeting that the Scheme had noted that consumers were again basing their purchasing decisions on factors beyond price. One way of measuring and gaining insights on whether the Scheme was getting it right, was through independent surveys and audits from industry bodies. In 2024, the Scheme had contracted Greenfields Research to conduct a comprehensive member and provider survey. The outcome of the survey had confirmed improved satisfaction with the Scheme, on categories of pricing, benefits and service delivery. An initiative that had contributed positively to the survey outcome had been the implementation of a more restrictive administration and managed healthcare service level agreement initiated by Mr Comrie, the Scheme's Principal Officer. A total of 201,847 calls had been received, with over 80% of them answered in under 20 seconds. Additionally, 233,597 pieces of written correspondence had been handled, all within a three-hour turnaround time. 5,400,068 claim lines had been processed and had maintained a Global Credit Rating of AA(ZA) with a positive outlook, which had attributed to an improving solvency ratio. Furthermore, non-health expenses had been at 9.3%, which remained below the regulatory requirement.

5.1.8. The Chairperson further informed the meeting that the NHI Act had been passed, and regulations were expected soon. However, the current plan was the "path of most resistance" to greater equality in health care. The Act had not been amended despite multiple submissions that emphasised several flaws. It was likely to face strong legal challenges and political opposition. The government's lack of response to several constructive and practical proposals, including indications regarding the imminent publication of NHI regulations, had necessitated the need for legal challenge to the NHI legislation. The Scheme would continue to support industry bodies such as the Health Funders Association to lodge the relevant challenges to protect the constitutional rights of medical scheme members. Although the Scheme could pre-empt the outcome of the anticipated legal challenges, it was confident that the courts would come to a favourable conclusion regarding the continued operation of medical schemes. There had been contradictory statements recently in the press on whether the NHI Act would continue allowing private medical schemes to operate fully, with mounting criticism from the private healthcare sector and various stakeholders. While the GNU has reportedly been exploring amendments to the legislation, the National Health Department had dismissed speculation of any formal agreements to revise the laws. The Scheme, therefore anticipated some uncertainty until this matter was resolved in the Courts.

5.1.9. Lastly, the Chairperson indicated that despite the challenges in the healthcare industry, in 2024 the Scheme had continued to run a tight ship, staying on course to meet the diverse needs of its members with innovative benefits and a commitment to affordable quality care.

5.1.10. In conclusion, the Chairperson extended his gratitude to the Trustees and Independent Committee Members for their thoughtful engagement in governing and overseeing the Scheme, their support and guidance were invaluable to the Scheme as well as to Mr Comrie, his team and PPSHA, the Scheme's Administrator, who had again performed with dedication and excellence in an environment where carefully balancing operational and strategic objectives in the immediate and long-term interests of the members was essential.

6. ANNUAL FINANCIAL STATEMENTS

6.1. The Chairperson indicated that the Scheme's annual financial statements for the year ended 31 December 2024 (including the reports of the trustees, and the Audit and Risk Committee) were included in the Annual Integrated Report, which had been made available to all members. The highlights of the Scheme's results had also been made available to all members and would take the annual financial statements as read. The Chairperson indicated that any related queries relating to these annual financial statements would be responded to at the end of the meeting and that representatives from the Scheme's external auditors, Deloitte, and the Chief Financial Officer from the Scheme's Administrator, were in attendance and would assist in responding to any questions in this regard.

6.2. The Chairperson informed the meeting that the auditor had reported on the financial statements and the accounts examined by them and their comments had been included in the annual financial statements and would be taken as read.

6.3. The Chairperson proposed that the Annual Financial Statements for the year ended 31 December 2024 (including the reports of the trustees, the Audit and Risk Committee and the auditor) be adopted. This was seconded by Ms Mariette Labuschagne. Seventy-four (74) votes had been received in favour, three (3) votes against and sixteen (16) abstentions. It was agreed to by majority vote that the Annual Financial Statements for the year ended 31 December 2024 be adopted.

7. APPOINTMENT OF AUDITORS

The Chairperson proposed that Deloitte be appointed as the auditors of Profmed for the year-ending 31 December 2025, which was seconded by Ms Ruth Uys. Eighty-two (82) votes had been received in favour, five (5) votes against and six (6) abstentions. It was agreed to by majority vote that Deloitte be appointed as auditors to Profmed for the year-ending 31 December 2025.

8. ACCEPTANCE OF THE PROFMED REMUNERATION POLICY

The Chairperson proposed that the acceptance of the Profmed Remuneration Policy be adopted, which was seconded by Ms Chamelle Nel. Sixty-four (64) votes had been received in favour, eight (8) votes against and twenty-one (21) abstentions. It was agreed to by a majority vote to accept the Profmed Remuneration Policy.

9. APPROVAL OF THE REMUNERATION OF THE TRUSTEES

The Chairperson proposed that the remuneration of trustees for the period 2025/2026 be approved, which was seconded by Ms Sonette Fagan. Sixty-one (61) votes had been received in favour, nine (9) votes against and twenty-three (23) abstentions. It had been agreed to by a majority vote to approve the Remuneration of the Trustees for 2025/2026.

10. ELECTION OF TRUSTEES

10.1. The Chairperson stated that the Scheme had eight (8) trustees of which four (4) were elected by members and the other four (4) were appointed by the Board.

10.2. The Chairperson informed the meeting that there had been two vacancies on the Board of Trustees for appointed positions. The Board subsequently appointed Dr Hans Woermann and Mr Anthony Wright to fill these roles. The Board also bid farewell to Mrs Curry-Jandrell and the Chairperson, whose terms of office had come to an end.

10.3. The Principal Officer took the opportunity on behalf of the Board and the Scheme, to thank Mrs Curry-Jandrell and Mr Harvey for their commitment to the Board and their return in the future to serve on the Board again.

11. MOTIONS

The Chairperson informed the meeting that there were no valid motions submitted. However, the Scheme had acknowledged receipt of a request proposing the inclusion of Arts Therapy within the Mental Health benefit offering. This request had been referred to the Scheme's Benefits Working Group where it would be formally presented for consideration at the meeting scheduled for Thursday, 30 July 2025.

12. PRESENTATION: LONG-TERM RESERVING STRATEGY OF THE SCHEME

12.1. The Principal Officer made a presentation to the meeting on the Long-Term Reserving Strategy of the Scheme under the following:

- Profmed Solvency Ratio
- Industry Increases 2025
- Profmed long-term strategy
- Service Level Enhancements
- Strategic Initiatives
  - Amplifire
  - finDR

A copy of the AGM presentation would be made available on the Scheme website for the members' information.

13. GENERAL

13.1. There were two (2) questions posted on the Q&A, they being:

1. Will NHI affect medical schemes in the future?
2. Why is Profmed excluding other healthcare practitioners such as physiotherapists, from the finDR initiative?

13.2. The Principal Officer addressed the questions about the impact of NHI on medical schemes and the exclusion of other healthcare practitioners from the finDR initiative. The Principal Officer emphasised the Scheme's commitment to protecting healthcare and expanding the finDR platform to include more professions.

13.3. The Principal Officer informed the meeting that should members have any further questions they could email their questions to agm2025@profmed.co.za which would be reviewed by the Board at its meeting being held the next day.

15. CLOSURE

There being no further business to transact, the Chairperson thanked the members for their attendance and declared the meeting closed at 16:08.

Signed as a correct recording of the proceedings of the minutes of the 54th Annual General Meeting held on 11 June 2025:

22/08/2025 09:44:13(UTC+02:00) SIGNIFLOW

CHAIRPERSON

20 AUGUST 2025

DATE APPROVED