

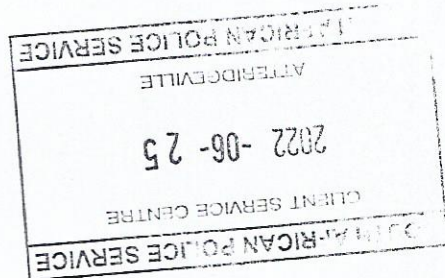
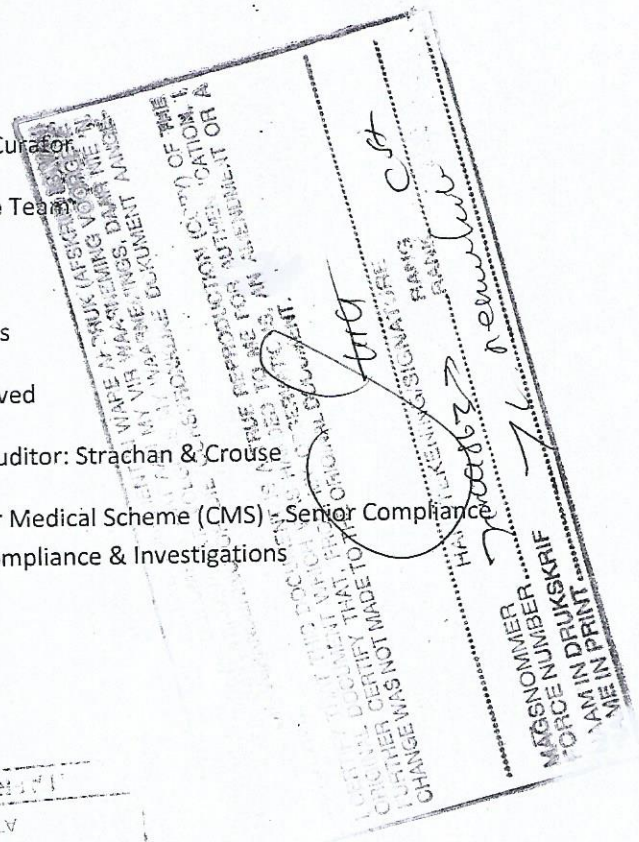
Minutes of the 18th Annual General Meeting held at 12h00 on the 26 May 2022 at ANEW Hunters Rest Hotel, R24 Rustenburg Rd, in Rustenburg

Curatorship Team Present

Mr. I Fleming Chairman/Curator
Mr. I Fuller Curatorship Team

Members Present

Members attended at the venue: 57 Members
Proxies received: None received
Observers and service providers: External Auditor: Strachan & Crouse
Council for Medical Scheme (CMS) Senior Compliance Officer: Compliance & Investigations



1. WELCOME AND CONFIRMATION OF A QUORUM

Mr Fuller welcomed everyone present at the 18th Annual General Meeting of Thebemed Medical Aid Scheme.

A quorum was confirmed at 12:08 and the meeting was constituted and continued.

2. PROCEDURE FOR ASKING QUESTIONS

Mr. Fuller advised members that if they have any questions relating to agenda points, they are welcomed to interject, however there will also be a general question and answer session at the end of the meeting.

3. INTRODUCTION OF KEY STAKEHOLDERS

Mr Fuller thanked all the members who had taken their time to attend the meeting at the venue. He further introduced the key Stakeholders in attendance as follows:

- Members of the Scheme, Union members and employer representatives,
- Representative of the Council for Medical Scheme (CMS) in attendance as an Observer
Avril Jacobs
- Auditors of the Scheme: Strachan & Crouse: Mr Gert Meiring
- Thebemed Administrator team (MomentumTYB)
- The Madladla Consulting team (Marketing and Distribution)

Mr Fuller advised members that on their tables, there was the AGM pack as well as the letter from CMS confirming that the Scheme's curatorship will be lifted on 27 May 2022.

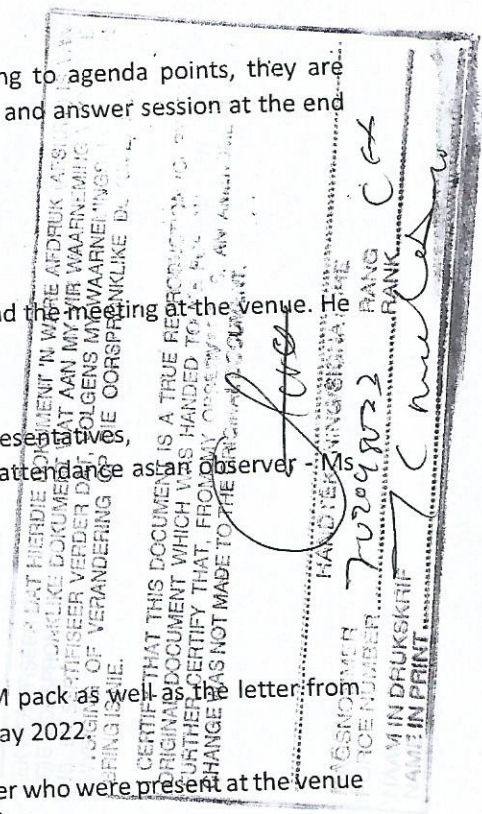
- Introduction of the new Board of Trustees and Principal Officer who were present at the venue

Trustees: Ms Wyna Modisapodi and Dr Guvant Goolab

Principal Officer: Adv. Gugulethu Tlali

Mr Fuller also advised that the other trustees, Mr Motobatsi Stephen Dijo and Mr Mashabela Parys Pule could not attend AGM.

Mr Fuller further added that the AGM was a historic moment for the Scheme as the Scheme was transitioning back to normality, he then called on the curator Mr Ian Fleming to address the AGM.



4. FINANCIAL PERFORMANCE FOR THE PERIOD ENDED 31 DECEMBER 2021.

Mr Fleming presented the curator's report included in the AGM booklet and highlighted the following:

- The Scheme's solvency ratio had recovered from 6.6% at the time curatorship commenced to 34.1% as at 31 December 2021 (2020: 22.9%).
- Risk contribution income was 15.2% lower in line with reduced membership at R309.2 million (2020: R356.1 million) whilst relevant healthcare expenditure decreased by 5.2% to R254.8 million.
- During the same period non-healthcare expenditure decreased by 16.7% to R42.7 million or 14% (2020: 13%) of gross contributions.
- As the Scheme's financial position improved and markets recover from the worst of the Covid-19 pandemic, investment income surged to R10.6 million (2020: R3.9 million).
- The Scheme recorded a surplus for the year of R25.2 million (2020: R50.8m).
- Furthermore, the prior year's performance benefited from lower claims during the harsh lockdown and sacrifices made by service providers to accelerate the recovery of the Scheme.
- Members' funds as at 31 December 2021 stood at R114.3 million (2020: R89.1 million).
- The Scheme continues to enjoy a healthy member profile with an average age of 30 years and a pensioner ratio of 0.5%.
- The service levels and wellness programs have been maintained. These programs help members live a productive and healthy lifestyle.
- All three Scheme options were self-supporting during 2021.
- In preparation for the lifting of curatorship, the process for electing a new Board of Trustees and appointing a new Principal Officer was completed in 2021.
- Despite some delays in obtaining a court date, they should settle into their new roles by the end of the second quarter of 2022.
- During the curatorship period, the world was devastated by a Coronavirus pandemic. South Africa and the Scheme were not spared. The virus has infected nearly two thousand of the Scheme's beneficiaries but unfortunately, twenty-nine of them have died. Mr Fleming extended condolences to the beneficiaries' families, friends, and colleagues.

The Scheme has spent R7.2 million on Covid testing, R15.6 million was spent on hospital stays as a direct result of the pandemic and R3.9 million was spent on vaccines.

The Scheme membership has increased by more than 12% since year-end, reflecting the confidence employers, unions, brokers and other stakeholders have in the Scheme and its vision to make private healthcare more affordable.

He further elaborated that the new Board of Trustees will continue to further strengthen the Scheme's financial standing and position it for long-term growth.

The Board will have the task of considering and evaluating a mutually beneficial merger partner, in line with industry trends. Members will be consulted should such an opportunity arise.

In conclusion, Mr. Fleming thanked members for their loyal support during this period of reconstruction. Additionally, he thanked all service providers for their continued support and sacrifices to ensure that the Scheme's recovery was accelerated. Lastly, he thanked the Registrar for Medical Schemes and his team, especially Ms Avril Jacobs, for their support and guidance.

5. APPROVAL OF THE MINUTES OF THE PREVIOUS ANNUAL GENERAL MEETING HELD ON 24 JUNE 2021

Mr Fleming asked for a proposer and seconder for adoption of the minutes. Mr William Moseithe (member 001099803) proposed and he was seconded by Mr Silverton Shabangu (Member 001044750). Mr Fleming confirmed the adoption of the previous AGM minutes.

6. ADOPTION OF THE AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 TOGETHER WITH THE REPORTS OF THE CURATOR AND AUDITOR.

Mr Fleming asked for a proposer and seconder for the adoption of the financial statements for the year ended 31 December 2021. Ms Sinothando Shabangu (Member 001085904) proposed and was seconded by Mr Sibusiso Magazi (Member 001046380). Mr Fleming confirmed the adoption of the audited financial statements for the year ended 31 December 2021.

7. APPOINTMENT OF THE AUDITORS OF THE SCHEME FOR THE ENSUING YEAR

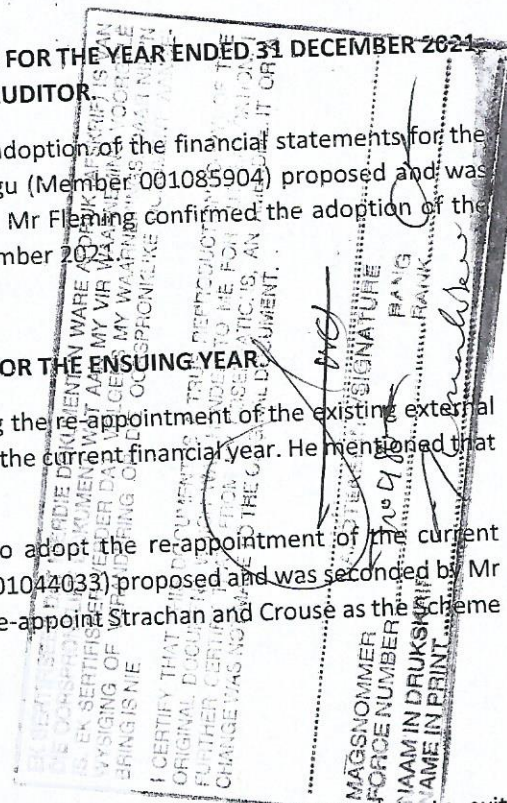
Mr Fleming informed the attendees that he is proposing the re-appointment of the existing external auditor, Strachan and Crouse as the Scheme auditors for the current financial year. He mentioned that the auditor qualified for re-appointment.

Mr Fleming requested for a proposer and seconder to adopt the re-appointment of the current financial year auditors. Mr Paseka Mokoena (member 001044033) proposed and was seconded by Mr Alpheus Kgatshe (member 001083536). The motion to re-appoint Strachan and Crouse as the scheme current year auditors was confirmed.

8. TRUSTEE REMUNERATION

Mr Fleming informed the attendees that due to the delay in obtaining the court date to exit curatorship this matter will be addressed in the next AGM.

9. OPERATIONAL REPORT



Leah Moshia presented the Thebemed's Operations report for the period from January 2021 to December 2021 and highlighted the following.

Scheme Membership- Scheme membership declined to 11 258 at the end of 2021. The beginning of 2022 saw an increase in the number of principal members to 12,728 which is an increase of 1,470. Two new employer Groups joined the Scheme in 2022 namely Exxaro Coal and IT Mining group. 50% of the members are from the North-West province followed by the Mpumalanga province.

Call centre management: The call centre improved on the drop calls percentage from 0.3% to 1.2% in quarter 4 2021. Calls per member were sitting at 0.3% in quarter 4 as compared to the target of 0.5%. Benefit enquiries noted an increase and the rest of the call types has decreased.

Assessing indicators: The percentage of claims received electronically was at 99% and on average, claims were paid within a week of receipt.

Membership indicators: The membership average turnaround time was 3 days, which is excellent given that CMS require that claims must be paid within 30 days. The accuracy of membership processing was an average of 99%.

Sales Review. At the end of 2021 the Scheme started recruiting in North-West particularly from Sibanye Stillwater's in Rustenburg area. The Scheme is continuing engagements with relevant stakeholders to increase membership

10. MOMENTUM WELLNESS

Mr Mazwi Ximba from the Wellness department in partnership with Momentum Wellness requested an opportunity to address the meeting. He thanked member who participated in the Wellness screenings that took place outside the AGM venue. He further explained that the aim of the screening is to demonstrate services that are available to members of the Scheme and explained the benefits of health screening. He further requested members to lobby with their employers to allow the Scheme access at members' workplaces.

He assured members that the Thebemed team remain committed to promoting a healthy lifestyle and making sure members are aware of health risks before they may incur. Having said that, Mr Mazwi encouraged members to visit the screening station again after the AGM meeting.

11. GENERAL QUESTIONS

Five members posed questions at the AGM, however the total number of questions received were eight (8). Questions that had action items were flagged for investigated after the meeting. Please refer to Annexure A for question and answers.

12. VOTE OF THANKS

ANNEXURE A

	Questions and Recommendations	Response
	Molotwane Tefo	
1	What were the reasons for the terminations and the areas where terminations were coming from? Could it be included in the operations presentation next time?	Mr Fuller responded termination are tracked by province, employer, and termination reason. The majority of the terminations were because the member had left the employer (Resigned or Retrenched). Dr Mahlaba further added that most terminations occurred during the window period (end of the year). Some employer groups were struggling due the economic environment in the country and had to retrench employees.
2	The Communication SMSs to member to let them know of all the claims paid have not been sent timeously by the Scheme? He was not certain if it was the doctor sending all consolidated claims to the Scheme after the month or if the doctor submits the claims immediately after the consultation. He requested if the doctor send the claim immediately he would like the SMS to be sent immediately to the members. The member will be able to identify if there were fraudulent claims. He requested that the SMS stipulate the name of the doctor and the dependent code.	Dr Mahlaba responded that the Scheme has a weekly payment run, however SMSs are only sent to members at the end of the month with the view of not confusing the members. The Scheme will endeavour the logistics of providing SMS's after each claim has been processed without necessarily confusing the members.
	Dineo Lelaka	
3	The drop in the Universal option membership from 7536(2020) to 5913 (2021) Is the Scheme concerned? Other than the fact that most members lost their jobs, what are other factors causing the decrease? Is there something that the Scheme can do to either retain members on the Universal option?	Dr Mahlaba responded that during this period the curatorship was already in progress. Some companies decided to leave. Such decisions were also influenced by unions or brokers. Examples of such exits included companies such as Murray and Roberts, a union and broker decision, Safrican after they were acquired by Sanlam, Anglo Coal (now Thungela Resources Limited) which cited the low solvency ratio as the key reason, and Lanxess mine which closed down due to tough economic conditions. The Scheme is proud of the hard work done to retain the majority of its membership. A word of thank you to members and union partners, including members in attendance that assisted in this process, was expressed. Members clearly

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