



**ANNUAL GENERAL MEETING**

**AGM**

**2025**

**Information Pack**



3 June 2025

Dear Member,

## PLATINUM HEALTH 26<sup>TH</sup> ANNUAL GENERAL MEETING

You are invited to attend the Platinum Health Medical Scheme's 26<sup>th</sup> Annual General Meeting (AGM) at the King's Palace Hotel, Rustenburg, on Friday, 27 June 2025 at 10:00.

The following documents are attached:

- Notice of meeting
- Agenda 2025 AGM
- The minutes of the 25<sup>th</sup> Annual General Meeting on 21 June 2024
- The Board of Trustees' Report
- The Annual Financial Statements for the year ended 2024
- Governance matters for consideration
- A proxy form

Please **RSVP** "Yes I will attend" to Carrie-ann Rudman on [carrie-ann.rudman@platinumhealth.co.za](mailto:carrie-ann.rudman@platinumhealth.co.za) by Friday 20<sup>th</sup> June 2025.

If you would like to select another member to vote on your behalf, please e-mail a completed and signed proxy form to [Carrie-ann.Rudman@platinumhealth.co.za](mailto:Carrie-ann.Rudman@platinumhealth.co.za)

Yours sincerely,

P.W. Mboniso  
**PRINCIPAL OFFICER**



## PLATINUM HEALTH MEDICAL SCHEME

**NOTICE IS HEREBY GIVEN THAT THE 26<sup>TH</sup> ANNUAL GENERAL MEETING OF THE  
PLATINUM HEALTH MEDICAL SCHEME WILL BE HELD ON  
27<sup>TH</sup> JUNE 2025 AT 10:00 AT THE KING'S PALACE HOTEL, RUSTENBURG**

## **A G E N D A**

1. Notice of meeting
2. Agenda of meeting
3. Minutes of the Annual General Meeting held on 21 June 2024
4. Board of Trustees Report for the year ended 2024
5. Governance matters for consideration:
  - 5.1 Main rule change for approval – Rule 18.14
  - 5.2 Ratification of Board of Trustees
6. Annual Financial Statements for the year ended 2024
7. Appointment of auditors
8. Any other business of which due notice has been given

*Notice for any **notions** to be placed before the Annual General Meeting must reach the office of the Principal Officer ([welcome.mboniso@platinumhealth.co.za](mailto:welcome.mboniso@platinumhealth.co.za)) by no later than Friday 20<sup>th</sup> June 2025.*

Completed and signed **proxy forms** are to be sent to Carrie-ann Rudman:

*[Carrie-ann.Rudman@platinumhealth.co.za](mailto:Carrie-ann.Rudman@platinumhealth.co.za)*



**PLATINUM  
HEALTH**

**MINUTES OF THE 25<sup>TH</sup> PLATINUM HEALTH MEDICAL SCHEME ANNUAL GENERAL MEETING  
HELD ON 21 JUNE 2024 AT 12:00  
AT THE KING'S PALACE HOTEL, RUSTENBURG**

|                          |                    |                                     |
|--------------------------|--------------------|-------------------------------------|
| <b><u>Present</u></b>    | Mr Colin Smith     | Chairperson, PHMS Board of Trustees |
|                          | Mr Welcome Mboniso | Principal Officer, Platinum Health  |
|                          | Members            | 88                                  |
|                          | Proxies            | 1                                   |
| <b><u>Apologies:</u></b> | None               |                                     |
| <b><u>Scribe:</u></b>    | AB Heyns           |                                     |

**1. NOTICE OF MEETING AND WELCOME**

**1.1** Mr Welcome Mboniso, the Principal Officer of the Scheme, opened the meeting at 12:00 and welcomed all present. A special word of welcome was extended to the CMS representative attending the meeting.

Mr Mboniso introduced the Chairperson of the Platinum Health Medical Scheme Board of Trustees, Mr Colin Smith, who presided over the meeting. Mr Smith officially opened the 25<sup>th</sup> Annual General Meeting of the Platinum Health Medical Scheme.

The Chairperson confirmed that due notice of the meeting and agenda had been circulated to members by post and email, and that notices had also been published in all the Scheme's official publications.

The Principal Officer confirmed that a quorum as specified in the rules of the Scheme was present, and registered proxies were noted. The gathering could proceed as an official meeting of the Scheme.

**2. APPROVAL OF MINUTES OF THE 24<sup>TH</sup> ANNUAL GENERAL MEETING HELD ON 30 JUNE 2023**

**2.1** The minutes of the previous AGM meeting, held on 30 June 2023, were approved with no amendments.

Proposed: Dan le Roux  
Seconded: Chris Kern

**3. BOARD OF TRUSTEES REPORT**

**3.1** Mr Tiiseko, the Scheme's CFO, guided discussion on the Board of Trustees report for the financial year 2023.

a. The Scheme achieved solvency ratio exceeding 40% in 2023, well above the minimum threshold of

- 25% imposed by the CMS. A risk-based capital requirements of the Scheme identified that the Scheme is well funded and has sufficient funds to meet its obligations.
- b. The Scheme is required to report non-compliance with the regulations to the Scheme. Non-compliance during the past year arose from investments in participating employers, namely Northam Platinum and Impala Platinum, through the Scheme's investment portfolio that is being managed by Allan Gray. The Scheme has received CMS exemption on these matters.
  - c. The Scheme has also established a Risk Compliance Committee which reports to the Audit and Risk Committee to ensure that the Scheme's risk exposure is properly managed.
  - d. Membership increased by just over 5% from 2022 to 2023. An increase in membership requires a focus on risk, which identified that the Scheme's average membership grew by younger members who are generally healthier and claim less, which benefits the Scheme.
  - e. Average contributions per beneficiary per month compared to competitor schemes remain low when the rich benefit offering is considered. The Scheme continues to focus on maintaining this competitive advantage. The increase in membership includes beneficiaries in addition to main members, indicating that members also consider the Scheme's offering to be of good value.
  - f. Considering Platinum Health's healthcare expenditure year on year, an increase of 3.4% versus the official inflation rate of 5.9% was maintained. This ensures the ongoing sustainability of the Scheme.
  - g. The Scheme's highest expenditure categories are for hospitalisation and specialists. The Primary Healthcare pathway, which channels members to consult first with nurses before they are referred to doctors, ensures that costs for general doctor visits remain lower.
  - h. The Scheme managed to reduce the average length of stay in hospital through effective managed care protocols. From 2021 to 2023, length of stay reduced exponentially without compromising the level of care provided.
  - i. The Scheme is proud of improved service levels across the Scheme. This included extensive upgrades at three pharmacies and a new pharmacy at Brits, and members expressed appreciation for the improved facilities and better patient flow.
  - j. The Scheme also upgraded its fleet of vehicles, which are essential to offer improved services such as patient transportation, medication delivery and enable staff like client liaison officers to carry out their duties more efficiently.
  - k. The BHF recognised the Scheme's efforts to increase members' accessibility and interaction with the Scheme. This is particularly noteworthy when one considers that the Scheme competes against far larger open schemes that are generally much more firmly established.
  - l. The Scheme has also been awarded Managed Care accreditation by the CMS, meaning that it is now able to effectively manage its own disease management protocols in-house.
  - m. The annual financial statements for the year 2023 were presented. The CMS released two circulars, Circulars 21 and 27, which detailed that the annual statutory returns submission process would be delayed. A new accounting standard, IFRS17, has also been introduced recently.
  - n. The Scheme grew its assets to R 1.2 billion in the 2023 financial year. In addition, the Allan Gray investment portfolio grew to R 472 million, while cash holding grew to R 636 million at the end of 2023.
  - o. The impact of IFRS17 on reporting means that the Scheme is viewed as a mutual entity, and no longer reports on equity. The Scheme's only equity is held in RA Gilbert (Pty) Ltd.
  - p. The IFRS17 reporting guideline also means that the Scheme must provide for R 834 million in liability for future members. The current portion provided for future liabilities amounts to R 11 million in the budget for 2024.
  - q. The insurance results speak to how contributions from members were spent on healthcare costs. R 2 billion have been received in contributions and R 2.1 million was spent in providing healthcare services to members. The Scheme generated a generous surplus of R 110.6 million in 2023, but

mutual entities are expected to generate zero surplus, meaning that this amount will be added to the Scheme's reserves.

The AGM was requested to approve the trustees' report, financial statements and annual statutory returns to be submitted to the CMS.

In response to a question, the CFO confirmed that the restatement was not needed to correct a mis-statement, but that IFRS17 had been applied retrospectively.

#### **4. APPROVAL OF ANNUAL FINANCIAL STATEMENTS AND STATUTORY RETURNS FOR THE YEAR 2023**

##### **4.1 Resolution:**

The AGM approved the group annual financial statements and annual statutory returns for the year 2023.

Proposed: Dr Mel Mentz

Seconded: Mr Peter Greaves

#### **5. RATIFICATION OF BOARD OF TRUSTEES**

- 5.1**
- a. It was noted that the CMS reviewed the Scheme's rules and identified that the previous constituency-based basis to determine membership was not in keeping with the specifications of the Medical Schemes Act.
  - b. The Board is in the process of revising the Scheme's rules, which must be tabled to the CMS before 30 June 2024. In the interim, the following arrangement will apply:
    - The current BoT will remain in place until the new rules have been approved and new processes are introduced. As vacancies occur, new nominations will be called for.
    - Two members, Dr Kelvin Naidoo and Mr Willem McCarthy, tendered their resignations during the past year. Replacements for these members will also be appointed once the amended rules have been approved.

#### **6. APPOINTMENT OF AUDITORS**

##### **6.1 Resolution:**

The AGM noted and approved the BoT's recommendation to re-appoint Deloitte as external auditors to the Scheme for the 2024 financial year.

Proposed: Mr Peter Greaves

Seconded: Mr Dan le Roux

#### **7. ANY OTHER BUSINESS**

- 7.1** It was noted that no other business had been tabled for discussion in the AGM. Members wishing to clarify any operational issues were welcomed to approach any of the Scheme's staff members present.

#### **8. CLOSURE**

- 8.1** Mr Smith congratulated the Scheme's management team for the accolades received and for the Scheme's sustained excellent performance during the past year.

He thanked all members of the Scheme for their attendance and participation, and formally closed the meeting the meeting at 13:00.

**PLATINUM HEALTH MEDICAL SCHEME**

**REGISTRATION NUMBER: 29/4/2/1583**

**ANNUAL GROUP FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED**

**31 DECEMBER 2024**

## PLATINUM HEALTH MEDICAL SCHEME

Registration Number: 29/4/2/1583

### ANNUAL GROUP FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

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# PLATINUM HEALTH MEDICAL SCHEME

Registration Number: 29/4/2/1583

## REPORT OF THE BOARD OF TRUSTEES

The Board of Trustees hereby presents its report for the year ended 31 December 2024.

### 1. MANAGEMENT

#### 1.1 Board of Trustees in office during the year under review

| <b>Name</b>              | <b>Designation</b>                                  |
|--------------------------|---|
| <b>Employer Trustees</b> |   |
| Mr C Smith*              | Northam Platinum Mine                               |
| Dr K Naidoo              | Anglo American Platinum (Resigned 29 February 2024) |
| Mr S Bullock             | Anglo American Platinum                             |
| Ms MM Baxter             | Modikwa Platinum Mine                               |
| Mr P Coetzer             | Impala Bafokeng Platinum                            |
| Mr I Osman               | Siyanda Bakgatla Platinum Mine                      |
| <b>Member Trustees</b>   |   |
| Mr J Hlangweni           | Northam Platinum (Term ended 21 June 2024)          |
| Mr GG Mmusi              | Anglo American Platinum (Resigned 01 July 2024)     |
| Mr BC Lekoro             | Impala Bafokeng Platinum                            |
| Ms HT Maroga             | Modikwa Platinum                                    |
| Mr S Mkhonto             | Anglo American Platinum                             |
| Ms M Malatji             | Anglo American Platinum                             |
| Mr DM Noko               | Siyanda Bakgatla Platinum                           |

\* Chairperson of the Board of Trustees

**PLATINUM HEALTH MEDICAL SCHEME  
REPORT OF THE BOARD OF TRUSTEES (Continued)**

**1. MANAGEMENT (Continued)**

**1.2 Trustee meeting attendance**

The following schedule sets out Board of Trustee meeting attendances for periods between 12 February 2024 to 26 November 2024.

|                          | <i>Trustee Meetings</i> |          | <i>Audit and Risk Committee Meetings</i> |          | <i>Other Meetings</i> |          |
|--------------------------|-------------------------|----------|--|----------|-----------------------|----------|
|                          | <b>A</b>                | <b>B</b> | <b>A</b>                                 | <b>B</b> | <b>A</b>              | <b>B</b> |
| <b>Employer Trustees</b> |                         |          |  |          |                       |          |
| Mr C Smith               | 5                       | 5        |  |          | 5                     | 4        |
| Ms MM Baxter             | 5                       | 4        |  |          |                       |          |
| Dr K Naidoo              | 0                       | 0        |  |          | 1                     | 1        |
| Mr S Bullock             | 5                       | 5        |  |          | 4                     | 4        |
| Mr P Coetzer             | 5                       | 2        |  |          | 4                     | 3        |
| Mr I Osman               | 5                       | 5        | 4  | 3        | 3                     | 3        |
| <b>Member Trustees</b>   |                         |          |  |          |                       |          |
| Mr J Hlangweni           | 3                       | 3        |  |          | 1                     | 1        |
| Mr G Mmusi               | 3                       | 3        | 1  | 1        | 0                     | 0        |
| Mr B Lekoro              | 5                       | 0        |  |          | 4                     | 3        |
| Mr S Mkhonto             | 5                       | 5        |  |          | 9                     | 7        |
| Ms HT Maroga             | 5                       | 5        |  |          | 0                     | 0        |
| Ms M Malatji             | 5                       | 5        |  |          | 4                     | 4        |
| Mr D Noko                | 5                       | 4        | 4  | 4        | 3                     | 3        |

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

**B** - Actual number of meetings attended

Other Committees consist of the following:

- Dispute committee
- Investment committee
- Remuneration committee
- Product committee
- Communication committee
- Medical Ex-gratia committee

**PLATINUM HEALTH MEDICAL SCHEME  
REPORT OF THE BOARD OF TRUSTEES (Continued)**

**1. MANAGEMENT (Continued)**

**1.3 Principal Officer**

Mr P W Mboniso  
Platinum Health Medical Scheme  
3 Kgwebo Street  
Rustenburg  
0299

Private Bag X82081  
Rustenburg  
0300

**1.4 Registered Office**

Platinum Health Medical Scheme  
3 Kgwebo Street  
Mabe Park  
Rustenburg  
0299

Private Bag X82081  
Rustenburg  
0300

**1.5 Fund Administrator**

Platinum Health Medical Scheme  
3 Kgwebo Street  
Mabe Park  
Rustenburg  
0299

Private Bag X82081  
Rustenburg  
0300

**1.6 Independent Auditors**

Deloitte  
5 Magwa Crescent  
Waterfall City  
Waterfall  
Gauteng  
2090

Private Bag X6  
Gallo Manor  
2052

**1.7 Investment Managers**

Allan Gray Life Limited  
1 Silo Square  
V & A Waterfront  
Cape Town  
8001  
FSP 6663

**1.8 Independent Investment Advisor**

Mr M Mgwaba (appointed 10 April 2024)  
PO 1949  
Midvaal

**1.9 General Information**

|                           |   |
|---------------------------|---|
| Domicile:                 | Registered Office<br>3 Kgwebo Street<br>Mabe Park<br>Rustenburg<br>0300 |
| Legal form:               | Medical Aid Scheme  |
| Country of incorporation: | South Africa  |
| Nature of the entity:     | Non-profit organisation   |
| Principal activities:     | Provides medical aid cover to members of the Scheme                     |

**PLATINUM HEALTH MEDICAL SCHEME  
REPORT OF THE BOARD OF TRUSTEES (Continued)**

**1.10 Investment in subsidiary**

|                                 |   |
|---------------------------------|---|
| RA Gilbert Proprietary Limited: | 100% (Acquired 1 June 2020)   |
| Directors:                      | Mr C Smith, Mr W McCarthy (Resigned:31 December 2023),<br>Mr I Osman (Appointed:18 September 2024),<br>Mr T Tsiki and Mr R Gounden. |
| Principal activities:           | Rental of equipment to the Scheme and acting as procurement agent of<br>pharmaceuticals to the Scheme.                              |

**2. DESCRIPTION OF THE MEDICAL SCHEME**

**2.1 Terms of registration**

The Platinum Health Medical Scheme is a non-profit restricted Medical Scheme registered in terms of the Medical Schemes Act 131 of 1998 (the Act), as amended.

No guarantees have been received from third parties, in favour of Platinum Health Medical Scheme.

**2.2 Healthcare options within the Platinum Health Medical Scheme**

The Scheme offers three options:

- PlatComprehensive
- PlatCap
- PlatFreedom

**2.3 Risk transfer arrangements**

The Scheme has entered into fixed fee contracts with a number of specialists in Rustenburg for the rendering of specialist health services to its members.

The services are based on negotiated fixed monthly payments to the specialist and an adjustment of fees is negotiated if there is a substantial increase in members (up more than 10% growth from date of signing the contract). The services rendered to members are billed at Platinum Health Medical Scheme rates and the difference between the services provided at the rates and the fixed amount paid is the risk transfer surplus or deficit.

There is some transfer of claims variability risk since the specialists receive a fixed fee rather than making variable claims to the Scheme. However, the level of claims variability is not significant relative to the size of the scheme and total claims incurred. The Scheme retains the risk of the specialists not being consulted and therefore retaining specific risks that would normally be transferred to these specialists. The risk transfer arrangements is therefore not considered as reinsurance for IFRS 17 purposes because it is insignificant.

**2.4 Own facilities**

The Scheme has entered into medical services contracts with a number of participating employer companies for the rendering of work-based health services to the employees and contractors of the employer groups. The services include occupational health care, rehabilitation and functional assessment, curative care and trauma emergency services. These services are rendered at the participating employer's premises at favourable conditions to the Scheme and are accounted for under own facility surplus (Note 14).

**PLATINUM HEALTH MEDICAL SCHEME  
REPORT OF THE BOARD OF TRUSTEES (Continued)**

**3. INVESTMENT POLICY OF THE FUND**

The trustees have invested the reserves in line with the Regulations of the Medical Schemes Act 131 of 1998, as amended. There has been no change in the policy during the year under review.

The Group's investment objectives are to maximise the return on its investments on a long-term basis at minimal risk. The Group's investments consist of a portfolio which is being managed by Allan Gray in a pooled portfolio. The investment in the Allan Gray Life Domestic Stable Portfolio consists of equity, bills, bonds and cash and deposits.

The investment strategy takes into consideration both constraints imposed by legislation and those imposed by the Board of Trustees.

Allan Gray is mandated to comply with all the requirements of the Medical Schemes Act regarding the Allan Gray Life Domestic Stable Portfolio.

**4. INSURANCE RISK MANAGEMENT**

The primary insurance activity carried out by the Scheme assumes the risk of loss from members and their dependants that are directly subject to the risk. This risk relates to the health of the Scheme members. As such the Scheme is exposed to the uncertainty surrounding the timing and severity of claims under the contract.

The Scheme manages its insurance risk through approval procedures for transactions that involve pricing guidelines, pre-authorisation and case management, service provider profiling, centralised management of risk transfer arrangements, and the monitoring of emergency issues.

The Scheme uses several methods to assess and monitor insurance risk exposures both for individual types of risks insured and overall risks. These methods include internal risk measurement models, sensitivity analyses, scenario analyses and stress testing. The theory of probability is applied to the pricing and provisioning for a portfolio of insurance contracts. The principal risk is that the frequency and severity of claims are greater than expected. A significant portion of health services are rendered through in-house service providers. Since the biometric identification is deployed the risk to the Scheme is significantly reduced.

**PLATINUM HEALTH MEDICAL SCHEME  
REPORT OF THE BOARD OF TRUSTEES (Continued)**

**5. REVIEW OF THE YEAR'S ACTIVITIES**

|  | 2024        |          |         |          |
|--|-------------|----------|---------|----------|
|  | All Options | PlatComp | PlatCap | PlatFree |
| Number of members at year-end  | 56 387      | 53 306   | 1 657   | 1 424    |
| Average number of members for the year*  | 57 930      | 54 820   | 1 686   | 1 424    |
| Average administration and managed care cost incurred per beneficiary per month          | 134         | 134      | 131     | 133      |
| Non-Healthcare expenses as a Percentage of gross contributions                           | 7%          | 7%       | 8%      | 5%       |
| Dependant ratio as at 31 December  | 1:0.81      | 1:0.82   | 1:0.10  | 2:0.49   |
| Number of beneficiaries at year-end  | 103 161     | 96 999   | 1 825   | 4 337    |
| Average number of beneficiaries during the accounting period                             | 105 287     | 99 051   | 1 852   | 4 385    |
| Net contributions per average beneficiary per month*                                     | R1,686      | R1,683   | R1,342  | R1,879   |
| Insurance service expense per average beneficiary per month*                             | R1,813      | R1,861   | R1,014  | R1,084   |
| Relevant Healthcare expenditure incurred per average beneficiary per month               | R1,682      | R1,730   | R886    | R951     |
| Directly attributable insurance service expenses (DAE) per average beneficiary per month | R1,369      | R1,369   | R1,369  | R1,369   |
| Non-Healthcare expenditure per average beneficiary per month*                            | 115         | 116      | 113     | 103      |
| Insurance service expenses as a percentage of gross contributions                        | 106%        | 109%     | 74%     | 56%      |
| Average age of beneficiaries at 31 December  | 30.76       | 30.87    | 37.39   | 25.46    |
| Pensioners ratio at 31 December  | 1.61%       | 1.71%    | 0.05%   | 0.05%    |
| Return on investments as a percentage of investments at 31 December                      | 9.16%       | 9.16%    | 9.16%   | 9.16%    |

\* Averages are calculated using the sum of the 12 months' actual monthly membership divided by 12

**PLATINUM HEALTH MEDICAL SCHEME  
REPORT OF THE BOARD OF TRUSTEES (Continued)**

**5. REVIEW OF THE YEAR'S ACTIVITIES (Continued)**

**2023**

**5.1 Operational Statistics (continued)**

|  | <b>All Options</b> | <b>PlatComp</b> | <b>PlatCap</b> | <b>PlatFree</b> |
|--|--------------------|-----------------|----------------|-----------------|
| Number of members at year-end  | 57 995             | 53 762          | 2 660          | 1 533           |
| Average number of members for the year *   | 56 036             | 51 621          | 2 914          | 1 501           |
| Average administration and managed care costs incurred per beneficiary per month         | R128               | R128            | R125           | R128            |
| Non-healthcare expenses as a percentage of gross contributions                           | 7%                 | 7%              | 9%             | 6%              |
| Dependant ratio as at 31 December  | 1:0.804            | 1:0.801         | 1:0.075        | 1:2.181         |
| Number of beneficiaries at year-end  | 104 571            | 96 836          | 2 859          | 4 876           |
| Average number of beneficiaries during the accounting period                             | 100 964            | 93 051          | 3 119          | 4 795           |
| Net contributions per average beneficiary per month *                                    | R1,590             | R1,587          | R1,328         | R1,809          |
| Insurance service expense per average beneficiary per month*                             | R1,585             | R1,626          | R604           | R1,301          |
| Relevant Healthcare expenditure incurred per average beneficiary per month               | R1,588             | R1,629          | R606           | R1,301          |
| Directly attributable insurance service expenses (DAE) per average beneficiary per month | R1,344             | R1,344          | R1,344         | R1,344          |
| Non-healthcare expenditure per average beneficiary per month *                           | R113               | R1130           | R116           | R109            |
| Insurance service expense as a percentage of gross contributions                         | 92%                | 95%             | 36%            | 65%             |
| Average age of beneficiaries at 31 December  | 30.64              | 30.61           | 40.04          | 24.68           |
| Pensioners ratio at 31 December  | 1.44%              | 1.56%           | 0.06%          | 0.03%           |
| Return on investments as a percentage of investments at 31 December #                    | 6.98%              | 6.98%           | 6.98%          | 6.98%           |

\* Averages are calculated using the sum of the 12 months' actual monthly membership divided by 12

# Restated

**PLATINUM HEALTH MEDICAL SCHEME  
REPORT OF THE BOARD OF TRUSTEES (Continued)**

**5. REVIEW OF THE YEAR'S ACTIVITIES (Continued)**

**5.2 Results of operations**

The results of the Group are set out in the annual consolidated financial statements, and the trustees believe that no further clarification is required.

|  | <b>2024</b>      | 2023           |
|--|------------------|----------------|
|  | <b>R'000</b>     | R'000          |
| <b>5.3 Solvency margin</b>   |                  |                |
| Liability attributable to future members   | <b>822,759</b>   | <b>837,654</b> |
| Less: Cumulative unrealised net gains on re-measurement to fair value of financial instruments | <b>(19,189)</b>  | <b>(972)</b>   |
| Liability for future members per Regulation 29   | <b>803,570</b>   | <b>836,682</b> |
|  | <b>2,129,587</b> | 2,038,479      |
| Gross insurance income   |                  |                |
| Solvency margin  | <b>38%</b>       | 41%            |

**Cumulative unrealised net gains on re-measurement to fair value of financial instruments**

|   |                 |              |
|---|-----------------|--------------|
| Net cumulative unrealised gains opening balance                                       | <b>(972)</b>    | <b>(808)</b> |
| Add: Unrealised (gain) /loss on re-measurement to fair value of financial instruments | <b>(18,217)</b> | <b>(164)</b> |
|   | <b>(19,189)</b> | <b>(972)</b> |

**5.4 Liability for future members**

Movements in the member's funds have been replaced by liability for future members in accordance with IFRS 17. The liability for future members is disclosed under note 3.2. There have been no unusual movements that the trustees believe should be brought to the attention of the members of the Group.

**5.5 Liability for incurred claims (LIC)**

The basis of calculation of the LIC is disclosed in Note 1.5 (accounting policies) of the financial statements and this basis used in estimating the provision for outstanding claims in the previous financial year is the same as the current year, with the exception that in prior years data processed post year-end was used to adjust the outstanding claims reserves. Movements on the outstanding claims provision are set out in Note 3.1.

**6. ACTUARIAL VALUATION**

An actuarial valuation report accompanies the contribution, liability for incurred claims, liability for remaining coverage and benefit levels submitted to the Council for Medical Schemes.

**7. SUBSEQUENT EVENTS**

There are no significant events after the reporting date which requires disclosure or adjustment to the annual consolidated financial statements.

**PLATINUM HEALTH MEDICAL SCHEME  
REPORT OF THE BOARD OF TRUSTEES (Continued)**

**8. TRUSTEES' REMUNERATION AND EXPENSES**

Trustees are not remunerated for their services, other than disbursements for attending conferences and training. An attendance and cell phone allowance are paid to those trustees who opted for this allowance. The disbursements and allowances for the year are R159,060 (2023: R734,152).

**9. FIDELITY COVER**

The Scheme has fidelity cover in place and the premiums are fully paid up and in place until 30 June 2025. The Health Professionals employed by the Scheme, Trustees elected, and Independent Committee Members are covered for any claims with regard to services rendered by them.

**10. NON-COMPLIANCE WITH MEDICAL SCHEMES ACT 131 of 1998**

The following areas of non-compliance of the Medical Schemes Act 131, 1998 were identified during the year:

**(1) Investments in employer and administrator companies**

*Nature and cause of non-compliance*

In terms of the Medical Schemes Act and specifically Section 35 (8)(a) it is a requirement that a medical scheme shall not invest any of its assets in the business of or grant loans to an employer who participates in the Medical Scheme, or any administrator or any arrangement associated with the Medical Scheme. As per the explanatory Note 8 to Annexure B in terms of the Medical Schemes Act, compliance is tested on a look-through principle. Therefore, if the Scheme has invested in a pooled fund/collective investment Scheme which has invested some of their assets in the Scheme's employer group, the Scheme is non-compliant to the requirements of section 35(8).

The following investments are held indirectly in employer companies at year-end through the Allan Gray pooled funds:

|                                    | <b>2024</b>  | <b>2023</b>  |
|------------------------------------|--------------|--------------|
|                                    | <b>R'000</b> | <b>R'000</b> |
| • Northam Platinum Limited         | <b>2,337</b> | 4,499        |
| • Impala Platinum Holdings Limited | -            | 440          |

*Possible impact of non-compliance*

The contravention of the Act will have an insignificant impact on the Scheme as the amounts invested in employer companies and administrator companies are immaterial and the Scheme has no influence over the investment decision. The Council for Medical Schemes have not imposed any penalties on these contraventions.

*Corrective course of action adopted to ensure compliance, including the timing of the corrective action*

Compliance with the Medical Scheme Act should always be considered when investments are made by the Scheme or by the portfolio managers. If not in compliance, the Registrar should be informed immediately. The Scheme has no direct or indirect influence over the Allan Gray investment strategies as the pooled funds.

**PLATINUM HEALTH MEDICAL SCHEME  
REPORT OF THE BOARD OF TRUSTEES (Continued)**

**10. NON-COMPLIANCE WITH MEDICAL SCHEMES ACT 131 of 1998 (Continued)**

Funds are invested to optimise return on investment for the entire portfolio. A letter confirming the exemption from investing in employer group and medical scheme administrators through asset managers where such investment choices are not influenced by the Scheme was received from the Council for Medical Schemes for a period of 3 years, commencing 1 December 2022.

**(2) 3 Day rule – contributions not received within 3 days of becoming payable**

*Nature and cause of non-compliance*

In terms of the Medical Schemes Act and specifically Section 26 (7), contributions should be received in accordance with the rules of the Scheme. The rules indicate that contributions payable should be received no later than the third day of each month. As at 31 December 2024, there were contribution debtors outstanding for more than 30 days to the amount of R83,101 (2023: R1,759,140). This amount represents about 1% of the total contributions received during the year, but the delay in receipt is in contravention of Section 26(7) of the Medical Schemes Act.

*Possible impact of non-compliance*

The contravention of the Act may result in the Council for Medical Schemes imposing penalties for the non-compliance.

*Corrective course of action adopted to ensure compliance, including the timing of the corrective action*

The Scheme continually strives to have all membership changes updated before the following contribution run. Due to the nature of the membership movement, and the communication process between the employer's administrators on the one hand and the Scheme on the other, this is not always possible.

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

*Nature and cause*

Section 59(2) of the Act states that, "A medical scheme shall, in the case where an account has been rendered, subject to the provisions of this Act and the rules of the medical scheme concerned, pay to a member or a supplier of service, any benefit owing to that member or supplier of service within 30 days after the day on which the claim in respect of such benefit was received by the medical scheme."

In the ordinary course of the Scheme's business, providers/members are periodically flagged for claims that are indicative of fraud, waste or abuse. In such instances claims are investigated and placed on forensic withhold and may be paid beyond the 30 day period, following consultation with, and communication to, the provider/member. In other instances providers/members have provided incomplete payment information which results in delays in settling claims.

*Possible impact*

Providers and/or members not settled timeously may amount to non-compliance if there is no communication within 30 days.

**PLATINUM HEALTH MEDICAL SCHEME  
REPORT OF THE BOARD OF TRUSTEES (Continued)**

**10. NON-COMPLIANCE WITH MEDICAL SCHEMES ACT 131 of 1998 (Continued)**

*Corrective course of action*

Providers flagged for forensic withhold are informed formally in writing through the office of the Principal Officer of the delays in payment, pending the outcome of the forensic investigation. The communication strategy is formalised in the fraud, waste and abuse policies and procedures with Regulations 6(2) and 6(3) of the Act as a basis. In terms of the Regulation, “if a medical scheme is of the opinion that an account, statement or claim is erroneous or unacceptable for payment, it must inform both the member and the relevant health care provider within 30 days after receipt of such account, statement or claim that it is erroneous.”

Claims submitted with incomplete payment information are considered incomplete claims in terms of Rule 15.1 of the registered Scheme Rules and communication is sent to providers/members within 30 days requesting the outstanding information.

**(4) Options to be self-sustaining and self-supporting**

*Nature and cause*

In terms of Section 33(2) of the Act, the Registrar may withdraw the approval of such benefit options which, in his opinion, are not financially sound. For the year ended 31 December 2024 the Scheme reported a net healthcare deficit on one (2023: one) of its benefit options:

|                   | <b>R'000</b>     | <b>R'000</b>    |
|-------------------|------------------|-----------------|
|                   | <b>2024</b>      | <b>2023</b>     |
| PlatComprehensive | <b>(213,945)</b> | <b>(50,848)</b> |

The net healthcare deficit agrees to the insurance service result.

*Possible impact of non-compliance*

A loss-making benefit option erodes the solvency margin of the Scheme. However, due to prudent financial management and positive returns on investments, the Scheme has accumulated sufficient member reserves to be able to absorb these losses.

*Corrective course of action adopted to ensure compliance, including the timing of the corrective action*

The Scheme has levied contribution increases in the 2025 year that are reflective of the utilisation of benefits and will result in improved financial performance. This forms the basis for the long-term strategy adopted by the Scheme to correct the loss-making option into the future. This strategy will be complemented by initiatives to improve the outcomes of hospital negotiations and dedicated service provider networks. The Scheme has also embarked on interventions to reduce both healthcare and non-healthcare expenditure over the short and medium term.

**PLATINUM HEALTH MEDICAL SCHEME  
REPORT OF THE BOARD OF TRUSTEES (Continued)**

**11. RELATED PARTY TRANSACTIONS**

Refer to related party disclosure in Note 22 of the annual consolidated financial statements.

**12. INVESTMENTS IN AND LOANS TO PARTICIPATING EMPLOYERS OF MEMBERS OF THE MEDICAL SCHEME**

The Medical Scheme holds no direct investments in or loans to participating employers of Medical Scheme members, other than the pooled investment through Allan Gray (refer to 10.1 above).

**13. AUDIT AND RISK COMMITTEE**

An Audit and Risk Committee was established in accordance with the provisions of the Medical Schemes Act 131 of 1998. The Board of Trustees mandates the Committee by means of written terms of reference as to its membership, authority, and duties. The Committee consists of five members of which three are independent members.

The majority of the members, including the chairperson, are independent of the Scheme. The Committee met on 12 February 2024, 03 April 2024, 26 August 2024, and 11 November 2024.

The Chief Executive Officer, Principal Officer and the Chief Financial Officer of the Medical Scheme and the internal and external auditors attend the 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 Group's accounting policies, internal control systems and financial reporting practices. The internal and external auditors formally report to the Committee on critical findings arising from the audit activities.

The principal activities of the Audit and Risk Committee which are formulated in the Audit and Risk Committee Charter are:

- Review of the effectiveness of internal controls and the financial functions
- Monitoring of governance and risk management processes
- Review of effectiveness of internal and external audits
- Recommendation of appointment of external auditors and fees
- Recommendation of appointment of internal auditors and fees
- Evaluation of external and internal audit reports
- Recommending approval of Financial Statements

The Audit Committee comprises of the following:

|               |                           | Meetings Attended |
|---------------|---------------------------|-------------------|
| Mr I Catt     | (Independent)             | 4 of 4            |
| Mr D Cathrall | (Independent)             | 4 of 4            |
| Mr I Osman    | (Trustee)                 | 3 of 4            |
| Dr L Konar    | (Independent Chairperson) | 4 of 4            |
| Mr D Noko     | (Trustee)                 | 4 of 4            |

**PLATINUM HEALTH MEDICAL SCHEME  
REPORT OF THE BOARD OF TRUSTEES (Continued)**

**14. INVESTMENT COMMITTEE**

An Investment Committee was established and is mandated by the Board of Trustees by means of written terms of reference as to its membership, authority and duties. This Committee consists of four members of which two must be members of the Board of Trustees. One of the members is an independent advisor.

The Committee met on 03 April 2024, 26 August 2024 and 18 November 2024.

The Chief Executive Officer, the Principal Officer and the Chief Financial Officer of the Medical Scheme attend the Investment Committee meetings and have unrestricted access to the chairperson of the committee.

The primary responsibility of the Investment Committee is to assist the Board of Trustees in carrying out its duties relating to the investment policy of the Group.

The mandate of the committee is to ensure that:

- the Group remains liquid;
- investments are placed at minimum risk and at the best possible rate of return;
- investments made are in compliance with the regulations of the Act; and
- a risk assessment is performed with feedback to the Board of Trustees with recommendations on the risks identified.

The Investment Committee comprises of the following:

|                |  | Meetings Attended |
|----------------|--|-------------------|
| Mr I Osman     | (Chairperson Trustee)                                      | 3 of 3            |
| Mr C Smith     | (Trustee)  | 2 of 3            |
| Mr J Hlangweni | (Trustee) (term ended 21 June 2024)                        | 1 of 1            |
| Mr M Mgwaba    | (Independent Investment Advisor) (appointed 10 April 2024) | 2 of 2            |

**PLATINUM HEALTH MEDICAL SCHEME  
REPORT OF THE BOARD OF TRUSTEES (Continued)**

**15. REMUNERATION COMMITTEE**

A Remuneration Committee was established and is mandated by the Board of Trustees by means of written terms of reference as to its membership, authority and duties. The Remuneration Committee should consist of at least three members of which at least two must be members of the Board of Trustees based on the Rules of the Scheme and should have comprehensive Human Resources or Finance background. Proficiency in remuneration and benefits will be a pre-requisite.

The Committee met on 09 April 2024 and 06 November 2024.

The Chief Executive Officer, Chief Financial Officer and the Chief People Officer attend the Remuneration Committee meetings.

The Committee's terms of reference, and as such its primary responsibility, is to advise the Board of Trustees on remuneration guidelines, policies and strategies with respect to remuneration, incentives and other related benefits.

The Remuneration Committee comprises of the following:

|              |                           | Meetings<br>Attended |
|--------------|---------------------------|----------------------|
| Mr C Smith   | (Trustee)                 | 2 of 2               |
| Mr D Noko    | (Trustee)                 | 2 of 2               |
| Ms Z Jasper  | (Independent)             | 2 of 2               |
| Dr M Bussin  | (Independent Chairperson) | 2 of 2               |
| Mr K Mothibi | (Independent)             | 1 of 2               |

**16. GOING CONCERN**

The Board of Trustees are satisfied that the Group has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the Group continues to adopt the going concern basis in preparing the annual consolidated financial statements.

The Board of Trustees are of the opinion that the annual consolidated financial statements fairly present the financial position of the Scheme as at 31 December 2024, and the results of its operations and cash flow information for the year then ended.



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**Chairperson  
Mr C Smith**

22 April 2025  
Johannesburg

**PLATINUM HEALTH MEDICAL SCHEME  
CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2024**

|   | <i>Note</i> | <b>2024</b>      | Restated  | Restated  |
|---|-------------|------------------|-----------|-----------|
|   |             | <b>R'000</b>     | 2023      | 2022      |
|   |             |                  | R'000     | R'000     |
| <b>Assets</b>   |             |                  |           |           |
| <b>Non-current assets</b>                             |             | <b>590,548</b>   | 531,239   | 493,631   |
| Property, plant and equipment                         | 2           | 16,068           | 14,276    | 14,526    |
| Right of use asset                                    | 2           | 45,514           | 44,272    | 42,134    |
| Investments held at fair value through profit or loss | 6           | 528,966          | 472,691   | 436,971   |
| <b>Current assets</b>                                 |             | <b>653,376</b>   | 682,640   | 567,424   |
| Pharmaceutical inventories                            | 4           | 6,852            | 7,317     | 5,726     |
| Trade and other receivables                           | 5           | 58,312           | 38,860    | 35,357    |
| Cash and cash equivalents                             | 7           | 588,212          | 636,463   | 526,341   |
| <b>Total assets</b>                                   |             | <b>1,243,924</b> | 1,213,879 | 1,061,055 |
| <b>Equity and liabilities</b>                         |             |                  |           |           |
| <b>Equity</b>   |             |                  |           |           |
| Accumulated loss                                      |             | (1,596)          | (1,684)   | (1,722)   |
| <b>Non-current liabilities</b>                        |             | <b>899,672</b>   | 906,407   | 800,873   |
| Liability for future members                          | 3.2         | 809,009          | 826,791   | 730,825   |
| Long-term liabilities                                 | 8           | 90,663           | 79,616    | 70,048    |
| <b>Current liabilities</b>                            |             | <b>345,848</b>   | 309,156   | 261,904   |
| Insurance contract liabilities                        | 3.1         | 30,521           | 19,076    | 43,476    |
| Liability for future members                          | 3.2         | 13,750           | 10,863    | -         |
| Trade and other payables                              | 9           | 280,361          | 262,347   | 201,334   |
| Leave accruals  | 10          | 21,216           | 16,870    | 17,094    |
| <b>Total equity and liabilities</b>                   |             | <b>1,243,924</b> | 1,213,879 | 1,061,055 |

**PLATINUM HEALTH MEDICAL SCHEME**  
**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 31 DECEMBER 2024**

|   | <i>Note</i> | <b>2024</b><br><b>R'000</b> | Restated<br>2023<br>R'000 |
|---|-------------|-----------------------------|---------------------------|
| <b>Insurance revenue</b>  | 11          | <b>2,129,587</b>            | <b>2,038,479</b>          |
| <b>Insurance service expense*</b>   |             | <b>(2,291,017)</b>          | (2,032,847)               |
| Claims incurred   | 11.1        | <b>(2,110,393)</b>          | (1,861,508)               |
| Attributable expenses incurred  | 11          | <b>(144,116)</b>            | (143,560)                 |
| Accredited managed healthcare services (no risk transfer)                             | 11,12       | <b>(24,717)</b>             | (20,481)                  |
| Third party claims recoveries   | 11          | <b>780</b>                  | 194                       |
| Changes that relate to past service – adjustment to the liability for incurred claims | 11          | <b>(12,571)</b>             | (7,492)                   |
| <b>Net expense from risk transfer</b>   | 11          | <b>(3,480)</b>              | <b>(3,162)</b>            |
| Amounts recovered from risk transfer arrangements                                     |             | 11,321                      | 10,755                    |
| Premiums paid for risk transfer   |             | (14,801)                    | (13,917)                  |
| <b>Insurance service result</b>   |             | <b>(164,910)</b>            | 2,470                     |
| <b>Other Income</b>   |             | <b>330,565</b>              | 287,776                   |
| Net gains on financial assets   | 6           | 18,217                      | 165                       |
| Fair value adjustment on employee benefits  | 8.2         | 1,898                       | 4,465                     |
| Management fee  | 14.1        | 3,315                       | 3,517                     |
| Income from use of own facilities by external parties                                 | 14          | 173,419                     | 160,544                   |
| Investment income   | 18          | 83,667                      | 77,184                    |
| Sundry income   | 19          | 50,049                      | 41,901                    |
| <b>Net healthcare result</b>  |             | <b>165,655</b>              | <b>290,246</b>            |
| <b>Other expenditure</b>  |             | <b>(180,462)</b>            | <b>(183,379)</b>          |
| Cost incurred in provision of own facilities to external parties                      | 14          | (156,781)                   | (162,138)                 |
| Finance costs   | 15          | (5,673)                     | (5,043)                   |
| Asset management fees   | 17          | (3,160)                     | (2,871)                   |
| Sundry expenses   |             | (14,848)                    | (13,327)                  |
| <b>(Loss)/Profit before amounts attributable to future members</b>                    |             | <b>(14,807)</b>             | <b>106,867</b>            |
| <b>Amounts attributable to future members</b>   |             | <b>14,895</b>               | <b>(106,829)</b>          |
| <b>Other comprehensive income</b>   |             | -                           | -                         |
| <b>Total comprehensive income for the year</b>  |             | <b>88</b>                   | <b>38</b>                 |

\* Circular 6 of 2025 issued by the CMS requires medical schemes to present 'Amounts attributable to future members' separate from the "Insurance service expenses" and the "Insurance service result". This resulted in a representation of the prior year affected line items as follows: "Amounts attributable to future members" to the value of a deficit (R14,895); profit (2023: R106,829), are now being disclosed as a separate line item on the Statement of comprehensive income before the "Surplus/deficit for the year".

Insurance Service Expense in accordance with IFRS 17 includes amounts attributable to future members, the total value of insurance expense therefore amounts to (R2,276,122); 2023: (R2,139,676).



## PROPOSED RULE CHANGE

Dear member,

The Platinum Health Board of Trustees hereby proposes the amendment of rule 18.14 as follows:

### **Current rule:**

*18.14 The chairperson may convene a special meeting should the necessity arise. Any two members of the Board may request the chairperson to convene a special meeting of the Board, stating the matters to be discussed at such meeting.*

### **Proposed amendment:**

*18.14 The chairperson may, on his or her own accord, convene a special Board meeting should the necessity arise. Any two members of the Board may request the chairperson to convene a special Board meeting, stating the matters to be discussed at such meeting. If a quorum is not present within 30 minutes of the scheduled start time of a special Board meeting, convened by the chairperson, on his or her own accord, or at the request of any two members of the Board ("original meeting"), the original meeting shall be adjourned, and a special Board meeting may be reconvened within 7 days following the adjournment of the original meeting ("reconvened meeting"). Written notice of either the original meeting or the reconvened meeting, as the case may be, must be given to all Board members at least 48 hours in advance of the relevant meeting. At a reconvened meeting those Board members present shall constitute a quorum, provided proper notice was given for both the original meeting and the reconvened meeting.*

Sincerely,

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P.W. Mboniso

PRINCIPAL OFFICER



# PLATINUM HEALTH MEDICAL SCHEME

**ANNUAL GENERAL MEETING  
27 JUNE 2025 AT 10:00  
KING'S PALACE, RUSTENBURG**

## PROXY FORM

I, \_\_\_\_\_

Being a member of Platinum Health Medical Scheme hereby appoints:

\_\_\_\_\_

or failing, that person, the Chairman of the meeting, to act as my proxy to vote on my behalf at the Annual General Meeting of the Scheme to be held on 27 June 2025.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2025.

Signature of Member \_\_\_\_\_ Membership Number 

|  |  |  |  |  |  |  |  |  |  |
|--|--|--|--|--|--|--|--|--|--|
|  |  |  |  |  |  |  |  |  |  |
|--|--|--|--|--|--|--|--|--|--|

Signature of Appointed Proxy \_\_\_\_\_ Membership Number 

|  |  |  |  |  |  |  |  |  |  |
|--|--|--|--|--|--|--|--|--|--|
|  |  |  |  |  |  |  |  |  |  |
|--|--|--|--|--|--|--|--|--|--|

*Please note that the proxy must be signed by the member and the person appointed as the proxy.*