

remedi

2026

REMEDY
MEDICAL AID SCHEME

**ANNUAL
GENERAL
MEETING**

The Remedi Board of Trustees considered the options available to ensure that the Scheme's Annual General Meeting (AGM) for 2026 is held in line with the Scheme's registered rules and has decided to host a virtual AGM.

Notice is hereby given that the 2026 AGM of the members of the Remedi Medical Aid Scheme (Remedi) will be held on 23 June 2026 as detailed in this notice.

Date: 23 June 2026

Time: 13:30

Venue: Virtual attendance only.

Registration: Registration will close at 13:30 on 22 June 2026.

Members must register by going to

<https://reg.lumiengage.com/LumiLandingPage/remedi-mas-2026-agm/login>

Please note: By registering your attendance on the Lumi system, you give Lumi Technologies SA Pty Ltd consent to process your personal information on behalf of Remedi for purposes of ascertaining your membership status with Remedi and establishing your eligibility to vote at the AGM.

AGENDA FOR THE MEETING IS AS FOLLOWS:

1. Welcome and quorum
2. Approval of the minutes of the Annual General Meeting held on 26 June 2025
3. Adoption of Chairperson's Report for 2025
4. Adoption of the Annual Financial Statements, including the Auditor's Report and the Annual Report of the Board of Trustees, for the financial year ended 31 December 2025
5. Governance:
 - 5.1 Confirm and appoint the External Auditors for the 2026 financial year
 - 5.2 Approval of the new Member-elected Trustees and confirming the constitution of the Board of Trustees as presented at the AGM
 - 5.3 Noting of composition of the Audit and Risk Committee
 - 5.4 Noting of composition of the Disputes Committee



ANNUAL FINANCIAL STATEMENTS, CHAIRPERSON'S REPORT AND COPIES OF THE MINUTES OF THE PREVIOUS ANNUAL GENERAL MEETING

Enclosed with this document is the Chairperson's Report of 2025 with the highlights of the financials that were updated with the audited financial results of 2025, as well as the minutes of the previous Annual General Meeting. The full set of the annual financials, with the Board of Trustees' Report, will be made available to members at least 21 days prior to the meeting date – not later than 13:30 on 2 June 2026 – and may be obtained by visiting the Scheme's website at www.yourremedi.co.za.



PLEASE NOTIFY THE PRINCIPAL OFFICER OF ANY MOTIONS

The Rules of the Scheme require that attendees notify the Principal Officer of any motions for discussion at least 7 days before the date of the meeting – not later than 13:30 on 16 June 2026.

Email remediagm@discovery.co.za if any motions need to be added to the agenda of the meeting.



CHAIRPERSON'S REPORT

INTRODUCTION

The healthcare industry in South Africa remains volatile and continues to experience regulatory challenges, escalating costs driven by South Africa's constrained economic performance, the growing burden of disease, an ageing population, the introduction of more expensive medicines, and the continuous increase in healthcare utilisation by members and providers. National Health Insurance (NHI) continues to progress, although its implementation is subject to significant legal and constitutional challenges. The government and private healthcare industry are committed to universal healthcare, but private sector resistance and funding challenges mean NHI rollout will be gradual and uncertain.

Overall, in 2025, Remedi experienced a good year with actual claims patterns in line with what was budgeted. While we have been able to maintain a sound financial position, several of the trends below suggest increased utilisation that could be cause for concern:

- The number of hospital admissions decreased by 0.23% compared to 2024.
- The hospital cost-per-event increased by 6.51% compared to 2024.
- The number of high-cost admissions in 2025 decreased by 0.65% compared to 2024.
- The cost of in-hospital and out-of-hospital claims for professional services such as general practitioners, orthopaedic surgeons, physicians, dentists and surgeons has increased by 6.82% compared to 2024.

- Pathology and radiology increased by 8.50% and 5.61% compared to 2024.
- Members claiming for oncology benefits increased by 5.3% compared to 2024.
- Members claiming chronic benefits increased by 2.9% compared to 2024.

Maintaining affordable contribution increases while facing healthcare cost inflation above CPI is becoming increasingly challenging. Rising demand for healthcare services remains a key challenge for the Board of Trustees, requiring ongoing focus on efficiency and value for money.

Despite these challenges, Remedi delivered a solid performance, with a net claims percentage of 92.7% in 2025 compared to 101.5% in 2024. The higher ratio in 2024 was driven by the contribution holiday granted in that year. The average relevant healthcare expenditure per person per month was R2,505 in 2025, compared to R2,369 in 2024. Membership growth remained strong, with a 4.2% increase in the total number of main members compared to 2024. The gradual increase in the average age and the pensioner ratio remains an area of focus for the Board. Although both metrics remain below industry averages, the direction is not favourable and will continue to be monitored closely.



SCHEME PERFORMANCE OVERVIEW

Overall, Remedi remains stable and is financially sound. In 2025, the Scheme delivered reasonably well on most of its key metrics considering the impact of the contribution holiday:

METRIC	2025 VS 2024	CURRENT STATUS
Membership growth	4.2% ↑	Membership increased to 22 004 main members at the end of 2025
Average age	0.9% ↑	Average age at 32.2 is slightly higher than 2024, and below the industry average of 34.2 (CMS Annual Report: 2024)
Pensioner ratio (65+)	0.0% ↔	Pensioner ratio of 7.2% is in line with 2024 and below the industry average of 9.8% (CMS Annual Report: 2024)
Reserve ratio	-2.9% ↓	Decreased to 68.74% from 70.77% in 2024 and is well above the legal requirement of 25%. The contribution holiday in 2024 contributed to the decrease
Net insurance and investment result	R194.2 m ↑	Net insurance and investment surplus of R220.1 million for 2025 vs R25.9 million in 2024. The lower result in 2024 is due to the contribution holiday in 2024.
Net insurance expense as % of Net contributions	-9.0% ↓	Decreased to 97.2% from 106.8% in 2024 as a result of the contribution holiday in 2024
Non-healthcare expenses as % of gross contributions	-10.5% ↓	Decreased to 5.1% from 5.7% in 2024

The financial performance of Remedi remains strong and sustainable. This enabled the Board of Trustees to approve an average contribution increase of 5.2% for 2026, which is well below medical inflation, estimated at 8.1%, and was achieved without any reduction in member benefits. The increase compares very favourably with the average contribution increases announced by open medical schemes, which ranged from 6.8% to 9.9%.

The Board of Trustees remains committed to balancing affordability with long-term sustainability and will continue to manage contributions and benefits responsibly in the best interest of members.

PROGRESS IN KEY STRATEGIC FOCUS AREAS FOR 2025 AND BEYOND

Each year, the Board of Trustees reviews Remedi's strategy and sets priorities to support the long-term sustainability of the Scheme. I am pleased to report that satisfactory progress was made during 2025. In the short term, the Board aims to:

- Better understand healthcare cost drivers and implement targeted interventions to manage utilisation and costs. Several initiatives and benefit enhancements were implemented with effect from 1 January 2026, including:
 - The introduction of Virtual Urgent Care (VUC), which aims to address an unmet need of members by providing 24-hour access to virtual consultations for non-life threatening but urgent medical needs. This initiative aims to improve access to care while reducing unnecessary and costly emergency room visits and was introduced by the end of 2025.
 - The introduction of deductibles for certain in-hospital dental procedures, in line with industry benchmarks. A deductible is an upfront amount payable by the member to the hospital or clinic for specific procedures.

- Changes to allied healthcare funding to limit pressure on risk benefits.
- An increase of 9% in day-to-day (Insured Out-of-Hospital) limits for 2026, reflecting expected inflationary increases plus an additional 5% enhancement. Certain benefit limits remained unchanged, including the Specialised Medicine Benefit (also called the Specialised Medicine and Bariatric Surgery Benefit, which is only available to members registered on the Comprehensive Option), as well as the oncology limits applicable to the Classic Option.
- Enhance member communication and education. Member education webinars were conducted throughout 2025 and will continue in 2026, with a focus on promoting informed healthcare choices.
- Improve operational efficiency. Alongside strategic initiatives, the Board continues to pursue tactical and operational improvements to strengthen overall Scheme governance and administration.

BENEFITS OF REMEDI AS A RESTRICTED MEDICAL SCHEME

Remedi is a restricted medical scheme registered with the Council for Medical Schemes. This means that only employees of participating employer groups can join the Scheme. Participating employer groups include Remgro, Mediclinic, Heineken Beverages, BAT, Tracker Connect, Trans Hex Group, Jack Black Brewing Company, World Wide Fund for Nature and Richemont Luxury Goods Africa.

This structure allows for active involvement by both employers and members in the governance of the Scheme. Trustees are elected and appointed by participating employers and employee members, ensuring strong representation and accountability.

The absence of financial adviser commissions and trustee remuneration contributes to lower administration and non-healthcare costs, ensuring that most contributions are directed toward member healthcare benefits. There are many other cost-saving initiatives in a restricted medical scheme environment. Therefore, members of a restricted medical scheme are assured that their contributions are mainly used for medical expenses and not paid towards elaborate non-healthcare expenses.

Offering only three benefit options limits inappropriate buy-downs and supports effective cross-subsidisation between options. This enables the Board to make well-informed decisions when considering contribution increases and benefit structures.

Restricting membership to participating employers also reduces the risk of anti-selection, which supports the long-term financial sustainability of the Scheme.

REGULATORY ENVIRONMENT

■ *National Health Insurance (NHI)*

Since the NHI Act was signed into law in May 2024, at least 12 court cases have been filed challenging its constitutionality, citing procedural flaws, inadequate public participation, financing concerns, and restrictions on private medical aids. The NHI is South Africa's strategy to achieve universal health coverage through a centralised fund that will purchase healthcare services from both public and private providers, allowing eligible residents to access care without direct payment. However, the implementation of NHI is effectively frozen due to legal and constitutional challenges. President Cyril Ramaphosa and Health Minister Aaron Motsoaledi have agreed to delay the proclamation of any sections of the NHI Act until the Constitutional Court delivers judgments on cases related to public participation, scheduled for May 2026.

■ *Excessive pricing of COVID-19 PCR tests by laboratory groups*

The Health Funders Association (HFA) filed a complaint with the Competition Commission in 2022 against Pathcare, Ampath and Lancet regarding their pricing of COVID-19 PCR tests during the 2020 – 2021 pandemic. Litigation had progressed slowly through a series of procedural challenges which have since being resolved. With the filing of HFA's replying affidavit, pleadings are now closed, and the matter can move closer to the evidentiary phase. During this stage, information will be requested and exchanged between the parties. The litigation will continue during 2026 and the timing of the hearing date is unknown at this point.

■ *Section 59 investigation -Inquiry into allegations of unfair racial discrimination and procedural unfairness by medical schemes*

The Section 59 Investigation Panel's final report has been met with mixed reactions from the healthcare industry. The Council for Medical Schemes (CMS) welcomed the findings, highlighting systemic racial discrimination in the implementation of fraud, waste, and abuse systems by medical schemes and administrators. The findings revealed that black healthcare providers were significantly more likely to be found guilty of fraud, waste, and abuse compared to their non-black counterparts. However, the Health Funders Association (HFA) stated that the report does not make legal findings of unfair discrimination, emphasizing that the findings were based on flawed methodologies.

■ *Road Accident Fund (RAF)*

The RAF issued a directive on 12 August 2022, which provided that no payments must be made to claimants if their medical scheme has already paid for their medical expenses. The ongoing legal battle between the Road Accident Fund (RAF) and Discovery Health has escalated to the Supreme Court of Appeal (SCA) in February 2026. Judgement pending.

RISK MANAGEMENT

Risk is defined as the possibility of an event occurring that could negatively affect the achievement of the Scheme's strategic objectives. Given the nature and size of the Scheme, the Board has adopted a practical, fit-for-purpose approach to risk management.

The Board of Trustees has adopted the following principles in fulfilling its oversight responsibilities:

- Establishing a defined process to identify, assess and manage key risks
- Ensuring that risk management processes are proportionate to Remedi's operational realities
- Regularly reviewing and reporting on agreed risks and mitigation actions

This approach supports informed decision-making across strategic, tactical and operational activities. Risks are identified through a combination of Board-level risk workshops and bottom-up input from committees and management.

TRUSTEE ELECTIONS AND APPOINTMENTS SINCE THE AGM HELD IN 2025

British American Tobacco SA (Pty) Ltd

Mr Imraan Adams resigned as a member-elected trustee effectively on 25 August 2025. Following his resignation, Greenfields Research was appointed as the independent election officer to oversee the election process. Elections to fill the vacancy commenced on 9 September 2025 and two nominations were received for Mr Abrie du Plessis and Mr Jeandre Coetzee. Mr Coetzee received the most votes and was appointed as a member-elected trustee. His appointment is to be ratified by the members at the 2026 AGM.

Heineken Beverages (SA)

Ms Ilani van Zyl resigned as an employer-appointed trustee effective 1 December 2025. The vacancy left by Ms van Zyl will be filled by an appointment made by Heineken Beverages (SA) in due course.

SCHEME MANAGEMENT

The following people are currently serving as members of the Board of Trustees:

- Mr JJ du Plessis (Chairperson) – Remgro and other employer groups
- Dr N van Soelen (Vice Chairperson) – Mediclinic
- Mr J Coetzee – BAT
- Ms J Tollig – BAT
- Mr N Boonzaier – Remgro and other employer groups
- Mr BJ Otto – Mediclinic
- Ms K Calder – Mediclinic
- Ms T van Rooyen – Mediclinic
- Ms IJ van Staden – Tracker Connect
- Mr W Barends – Tracker Connect
- Ms IM Roux - Heineken Beverages

The following Trustees resigned since the 2025 AGM:

- Ms I van Zyl – Heineken Beverages (effective 1 December 2025)
- Mr I Adams (effective 25 August 2025)

I would like to thank Ms Ilani van Zyl and Mr Imraan Adams for their ongoing support and valuable input delivered during their term as Trustees.

SUMMARY

The Trustees are satisfied that the Scheme remains financially sustainable and continues to offer strong value to its members relative to comparable medical schemes. The Board's strategic priorities will ensure that Remedi continues to provide members with peace of mind through comprehensive healthcare cover at an affordable contribution level.

THANKS AND APPRECIATION

I would like to express my thanks and appreciation to the following stakeholders for their efforts and contributions:

- The Remedi Trustees
- Members of the Audit and Risk, Medical Advisory, Benefit Review and Disputes committees
- Jaco Janse van Vuuren, our Principal Officer
- Participating employer groups, their representatives and human resources teams
- The Scheme's administrator, Discovery Health
- Our preferred providers: Mediclinic, ER24, Dental Risk Company (DRC) and Preferred Provider Negotiators (PPN)
- The Scheme's external auditors, PwC
- The Scheme's investment consultants, Alexforbes

Regards

Mr JJ du Plessis

Chairperson

April 2026



MINUTES OF THE ANNUAL GENERAL MEETING OF REMEDI MEDICAL AID SCHEME

Held on 26 June 2025 at 13:30, hosted by the Board of Trustees in person at Devonvale Golf & Wine Estate, Bottelary Road, Stellenbosch and virtually hosted by Lumi Technologies SA Pty Ltd.

TRUSTEES/SCHEME OFFICE PRESENT IN PERSON IN GOOD STANDING

Mr J J du Plessis	Chairperson, employer-appointed trustee (Opened the meeting - Departed at 13:40)
Mr C F van As	Employer-appointed trustee (Chairperson from 13:41)
Ms I J van Staden	Employer-appointed trustee
Ms I van Zyl	Employer-appointed trustee (departed at 13:57)
Dr N van Soelen	Employer-appointed trustee
Mr W Barends	Member-elected trustee
Ms T van Rooyen	Member-elected trustee
Mr N Boonzaier	<i>Member-elected trustee</i>
Ms K Calder	Observer: Employer-appointed trustee effective 1 July 2025

PRINCIPAL OFFICER REPRESENTING MEMBER IN GOOD STANDING VIA PROXY

Mr J J Janse van Vuuren Principal Officer

GUESTS PRESENT IN PERSON AT DEVONVALE

Ms E Fourie	Fund Manager, Discovery InHouse
Ms K Lamb	Fund Coordinator
Ms M Martin	Corporate Health Manager
Ms S Pothiah	Discovery Health
Ms T Baloyi-Motaung	Senior Investigator Council for Medical Schemes ("CMS")

SPECIAL GUESTS PRESENT VIRTUALLY VIA LUMI TEAMS VIRTUAL HOST LINK

Mr D Spangenberg	Finance Manager, Scheme Finance, Discovery InHouse
Mr J Hillier	Lumi Technologies representative
Mr K Sonn	PwC

1. WELCOME, APOLOGIES, QUORUM AND MOTIONS

ATTENDANCE TABLE FOR QUORUM PURPOSES:

MEMBERS OF REMEDI IN PERSON, DEVONVALE	MEMBERS OF REMEDI VIRTUAL ATTENDANCE	BOARD OF TRUSTEES AS MEMBERS	PROXIES RECEIVED
10 in person	20 dialled in at 1:30	8 in person	7

A quorum for the AGM is 30 members in terms of the registered Rules of the Scheme. The Chairperson of the Board of Trustees, Mr du Plessis opened the meeting and welcomed the 10 members in attendance in person. The Principal Officer attended the meeting in his capacity as a member as well, having been appointed by a member of the Scheme to vote and participate in the meeting by means of a valid proxy received. Eight (8) Trustees attended in the meeting in their capacity as members in good standing and could vote and speak during the meeting. The remainder of the members were required to pre-register to attend the meeting and a total of 45 members were confirmed to be in attendance.

The meeting was therefore confirmed quorate and the meeting could proceed.

Mr du Plessis advised that the Notice convening the Annual General Meeting (“AGM”), together with the Chairperson’s Report, Minutes of the Previous Meeting and Highlights of the Annual Financial Statements (“AFS”) for the year ending 31 December 2024 was sent to members at least 21 days prior to the meeting, in line with the registered Rules of the Scheme.

It was further confirmed that zero motions to be added to the Agenda of the Meeting were received.

Mr du Plessis informed the members that he would need to leave the meeting and hand over the Chair due to an unforeseen personal commitment. He advised that the Vice Chairperson, Mr van As, the Vice Chairperson of the Board of Trustees, would assume the role of Chairperson for the remainder of the meeting. Mr du Plessis departed at 13:40.

Mr van As proceeded to preside over the meeting.

2. APPROVAL OF THE MINUTES OF THE ANNUAL GENERAL MEETING (“AGM”) HELD ON 11 JULY 2024

Mr van As advised that the minutes of the Annual General Meeting held on 11 July 2024 were made available to members, together with the Notice of the meeting which was sent to members prior to the meeting. These documents were also made available on the Scheme’s website and on the virtual meeting platform prior to the meeting. The minutes were therefore taken as **READ**.

The members attending the meeting in person were asked to vote in favour or against the approval of Minutes of the Previous Meeting, while members attending virtually were asked to cast their vote making use of the Lumi Technologies Platform. The motion was carried with the majority of members voting in favour of the adoption of the minutes.

3. ADOPTION OF THE CHAIRPERSON’S REPORT FOR 2024

Mr van As confirmed that the Chairperson’s Report was issued and sent to members together with the Notice of the meeting and was also made available on the Scheme’s website and virtual meeting platform. The report was therefore taken as **READ**.

The Principal Officer, Mr Jaco Janse van Vuuren, presented an overview of the Scheme’s results. **NOTED**.

During the presentation questions received were addressed and responded to.

With no concerns or objections raised, the members were asked to vote in favour or against the approval of the Chairperson’s Report. The motion was carried with the majority of members voting in favour of the adoption of the Report.

4. ADOPTION OF THE ANNUAL FINANCIAL STATEMENTS (“AFS”), INCLUDING THE AUDITOR’S REPORT AND THE ANNUAL REPORT OF THE BOARD OF TRUSTEES, FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

Mr van As advised that highlights of the 2024 Annual Financial Statements were distributed to members, together with the Notice of the meeting, while the full set of the audited AFS and the Board of Trustees’ Report were made available on the Scheme’s website and was also made available via the Lumi Technologies Virtual Platform. These reports were therefore taken as **READ**, while the Scheme’s results presented by the Principal Officer contained a summary of some of these key results as well.

The Chairperson confirmed that the AFS had been reviewed by the Board of Trustees, as well as by the Audit and Risk Committee, who recommended that these reports be approved by the members of the Scheme.

The following four non-compliance matters with the reported corrective actions were highlighted:

- Sustainability of benefit options
- Outstanding contributions
- Claims not settled within 30 days
- Investment in participating employer and medical administrators

With no concerns or objections raised, the members were asked to vote in favour or against the approval of the AFS and Board of Trustees Report. The motion was carried with the majority of members voting in favour of the adoption of the Reports.

5. GOVERNANCE

5.1 Confirm and appoint the External Auditors for the 2025 financial year

Having concluded another successful year of external auditing, the reappointment of PricewaterhouseCoopers ("PwC") as the Scheme's external auditors for the 2025 financial year-end was recommended by the Audit and Risk Committee and supported by the Board of Trustees.

The Chairperson requested that the members at the meeting consider the ratification of the external auditor's appointment for the 2025 financial year-end.

With no concerns or objections raised, the members were asked to vote in favour or against the approval of the appointment of PwC as the Scheme's external auditors for the 2025 financial year-end. The motion was carried with the majority of members voting in favour of the appointment of PwC.

5.2 Approval of the new Member-elected Trustees, and the constitution of the Board of Trustees as presented at the AGM

The Principal Officer reported that the affairs of the Scheme shall be managed according to the Scheme's registered rules, which states that a Board consisting of twelve persons who are members of the Scheme and who are fit and proper to be Trustees, should be elected and appointed as members of the Board. 6 (six) of such Trustees must be elected from amongst members to serve terms of office of five years each, terminating at the Annual General Meeting of the relevant year. These members shall be elected by members of the Scheme, who are employed at the Scheme's participating employer groups, as follows:

- Mediclinic Corporation Limited — Two Members
- British American Tobacco SA (Pty) Ltd — One Member
- Heineken Beverages — One Member
- Remgro Ltd and remaining Employers — One Member
- Tracker Connect (Pty) Ltd — One Member

The other six Trustees are appointed by the participating employer groups to hold office until their appointment is terminated by any such participating employer, as follows:

- Mediclinic Corporation Limited — Two Members
- British American Tobacco SA (Pty) Ltd — One Member
- Heineken Beverages — One Member
- Remgro Ltd and remaining Employers — One Member
- Tracker Connect (Pty) Ltd — One Member

Each participating employer group may appoint any member of the Scheme.

The Principal Officer advised that since the last AGM held in July 2024, the following trustee elections took place, in line with Rule 18.2:

Heineken Beverages SA (Pty) Ltd

The member-appointed trustee Ms L Uys had resigned effective 31 January 2025 and the vacancy left by Ms Uys needed to be filled. Greenfields Research was appointed as the Independent Election Officer to oversee the process. The election process took place from 12 February 2025 to 30 May 2025. One nomination was received for Ms M Roux. The members noted the appointment of Ms Roux to fill the vacancy left by Ms Uys.



Remgro Limited, and the remaining Employer Group Companies

The term of office for the current member elected trustee, Mr N Boonzaier, which ended at the 2025 AGM needed to be filled by means of a member-election process. Greenfields Research was appointed as the Independent Election Officer to oversee the process. The election process took place from 12 February 2025 to 30 May 2025. Two nominations were received. Members were invited to vote for either Ms Gabriels or Mr Boonzaier. Greenfields Research confirmed that Mr Boonzaier was re-elected by the members who were employees of Remgro Limited and the remaining participating employer groups, by means of a ballot.

The Principal Officer advised that Mr C van As, who was an employer-appointed trustee of Remedi will be retiring on 30 June 2025 and following nominations received from the participating employer group, Mediclinic, the Board agreed to fill his vacancy with Ms K Calder effective from 1 July 2025. At this point, the Principal Officer thanked Mr van As for his valuable contribution as an employer-appointed trustee. Mr van As acknowledged the recognition and thanked the Board and members for the opportunity to have been able to serve on the Board of Trustees.

Having concluded the required vetting processes, the Chairperson of the Meeting, Mr van As proposed that members confirm the Board of Trustees of the Scheme for the 2025 year as follows:

J J du Plessis (Chairperson of the Board)	Employer-appointed trustee
N van Soelen (Dr)	Employer-appointed trustee
K Calder	Employer-appointed trustee
I van Zyl	Employer-appointed trustee
J Tollig	Employer-appointed trustee
I van Staden	Employer-appointed trustee
T van Rooyen	Member-elected trustee
B Otto	Member-elected trustee
M Roux	Member-elected trustee
N R Boonzaier	Member-elected trustee
I Adams	Member-elected trustee
W Barends	Member-elected trustee

With no concerns or objections raised, the Board of Trustees for the ensuing year until the next AGM was considered duly constituted.

5.3 Noting of composition of the Audit and Risk Committee

Mr van As notified the members in attendance that the following resignations of Independent Committee Members were received since the last AGM held in 2024:

- Ms C Hanekom effective 31 October 2024
- Ms A Kotze effective 31 March 2025

Following their resignations, Mr G Ho was appointed by the Board, upon recommendation received from the Audit and Risk committee, as an Independent Committee Member to fill one of the vacancies left. Mr Ho was appointed effective 21 November 2024.

Having considered the Terms of Reference of the Audit and Risk Committee, the members were assured that the committee is duly constituted, while the following Independent Committee Members and representatives of the Board of Trustees held positions on the committee:

P de Villiers (Chairperson of the committee)	Chairperson, Independent Committee Member
G Ho	Independent Committee Member
A de Kock	Independent Committee Member
B Otto	Trustee Representative
I Adams	Trustee Representative

With no concerns or objections raised, the Audit and Risk Committee of Remedi for the ensuing year until the next AGM was considered duly constituted.

5.4 Noting of composition of the Disputes Committee

The members in attendance were advised that Ms C Findlay had resigned as an Independent Disputes Committee Member effective 30 September 2024.

The Board of Trustees will address the vacancy left by Ms Findlay, and members will be informed at the next AGM about the appointment to fill the vacancy. The remaining committee members were confirmed as follows:

L Joubert	Chairperson, Independent Committee Member
W de Wet	Independent Member

No concerns were raised by members in attendance at the meeting.
NOTED.

6. GENERAL

The Chairperson of the Meeting, Mr van As confirmed that motions for discussion at the meeting were required to reach the Principal Officer at least 7 (seven) days before the date of the meeting. He confirmed that zero motions had been submitted for discussion.

He opened the floor for general questions for discussion.

During the meeting and at this point of the meeting, the following three questions and comments were received from the members attending the meeting in person:

1. Economic Pressure on Pensioners

Members expressed concern regarding the financial challenges faced by pensioners and queried how Remedi could provide support to both pensioners and members to ensure the Scheme remains affordable, particularly in the context of the prevailing economic environment. The Trustees were requested to strategically think about this challenge. The Chairperson confirmed that the Board is tracking out-of-pocket spend as well as utilisation which could be shared in future.

2. Heineken SA Cohort and Demographic Suitability

A comment was made regarding the Heineken Pension Fund, which encompasses both Heineken and Distell pensioners, and a question arose concerning its effect on Remedi. It was clarified that no current Heineken pensioners have joined Remedi; rather, only new Heineken employees will be enrolled. It was concluded that these new joiners from Heineken are likely to be younger, which should have a positive impact on the growth and sustainability of the Scheme.

3. GAP Insurance

Members sought clarity on GAP insurance. Members were advised that GAP insurance falls under the scope of general insurance and is not governed by the Medical Schemes Act. Consequently, Remedi is not in a position to assist with this matter, and it was advised that the issue be referred to the participating employers to provide insight and guidance to members and employees.

With no further questions being received, the Chairperson of the Meeting closed the question and answer section.

7. CLOSURE AND THANKS

Mr van As closed the meeting giving thanks, and appreciation to the following stakeholders:

- Members of Remedi's Board of Trustees for their support, participation and services offered, while receiving no remuneration or financial benefit for services rendered
- Mr Jaco Janse van Vuuren, for his dedication to Remedi and commitment assisting members as the Principal Officer
- The participating employer groups and their respective HR departments
- The members of the Remedi Audit and Risk Committee, the Executive Committee, Benefit Review Committee, and the Medical Advisory Committee for the additional time set aside to attend meetings and provide support to the Trustees of the Scheme
- The management and staff at Discovery Health, the Scheme's administrator
- All service providers
- The external auditors, PricewaterhouseCoopers
- All members present and members not present who continue to support the Scheme.

**WITH THERE BEING NO FURTHER MATTERS TO DISCUSS,
THE MEETING WAS CLOSED AT 14:35.**



HIGHLIGHTS FROM THE SCHEME'S FINANCIAL RESULTS AS AT 31 DECEMBER 2025

Remedi Medical Aid Scheme

Statement of Financial Position

ASSETS	2025 (R)	2024 (R)
NON-CURRENT ASSETS	679 135 935	545 766 032
Financial assets at fair value through profit or loss	679 135 935	545 766 032
CURRENT ASSETS	659 302 991	579 668 101
Financial assets at fair value through profit or loss	288 060 387	263 386 131
Fixed deposit accounts	15 700 000	19 300 000
Financial assets at amortised cost	5 274 626	2 775 430
Cash and cash equivalents	350 267 978	294 206 540
TOTAL ASSETS	1 338 438 926	1 125 434 133

LIABILITIES	2025 (R)	2024 (R)
NON-CURRENT LIABILITIES	1 187 457 663	982 647 495
Insurance contract liability to future members	1 187 457 663	982 647 495
CURRENT LIABILITIES	150 981 263	142 786 638
Insurance contract liabilities	139 581 056	131 915 219
Reinsurance contract liability	641 506	-
Trade and other payables	10 758 701	10 871 419
TOTAL LIABILITIES	1 338 438 926	1 125 434 133

Statement of Comprehensive Income

	2025 (R)	2024 (R)
INSURANCE REVENUE	1 521 078 914	1 288 378 810
INSURANCE SERVICE EXPENSE	-1 478 956 466	-1 375 359 795
Incurring claims*	-1 383 565 868	-1 286 308 500
Accredited managed care services (no risk transfer)*	-28 636 745	-26 558 074
Third party claim recoveries	1 818 242	1 102 068
Other directly attributable expenses	-68 572 095	-63 595 289
NET INCOME FROM REINSURANCE CONTRACTS HELD*	4 215 401	1 537 684
Reinsurance premium	-11 331 131	-9 871 207
Reinsurance recovery	15 546 532	11 408 891
INSURANCE SERVICE RESULT	46 337 849	-85 443 301
Interest from assets at amortised cost	22 939 941	24 446 024
Investment income from investments at fair value through profit and loss	161 044 890	96 968 422
NET INVESTMENT INCOME	183 984 831	121 414 446
FINANCE EXPENSES FROM INSURANCE CONTRACTS ISSUED (ON PERSONAL MEDICAL SAVINGS ACCOUNT MONIES)	-10 257 736	-10 060 351
Net insurance finance expenses	-10 257 736	-10 060 351
NET INSURANCE AND INVESTMENT RESULT	220 064 944	25 910 794
SUNDRY INCOME REVERSED	-6 381	-6 718
ASSET MANAGEMENT FEES	-3 000 730	-2 663 054
OTHER OPERATING EXPENSES	-12 247 665	-12 120 485
NET SURPLUS BEFORE AMOUNTS ATTRIBUTABLE TO FUTURE MEMBERS	204 810 168	11 120 537
AMOUNTS ATTRIBUTABLE TO FUTURE MEMBERS	-204 810 168	-11 120 537
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	0	0

* Relevant healthcare expenditure: Consists of net claims incurred, accredited managed healthcare services and net income from risk transfer arrangements.

Statement of Cash Flows

	2025 (R)	2024 (R)
CASH FLOWS FROM OPERATING ACTIVITIES		
CASH RECEIPTS FROM MEMBERS AND PROVIDERS	1 568 204 638	1 335 171 713
Cash receipts from members – contributions	1 566 386 396	1 334 069 645
Cash receipts from members and providers – other	1 818 242	1 102 068
CASH PAID TO PROVIDERS, EMPLOYEES AND MEMBERS	-1 536 967 359	-1 443 433 987
Cash paid to providers and members – claims	-1 443 495 618	-1 356 755 783
Cash paid for non-healthcare expenditure	-81 080 767	-75 555 646
Cash paid to members – savings plan refunds	-12 390 974	-11 122 558
CASH GENERATED/(USED IN) FROM OPERATIONS	31 237 279	-108 262 274
INTEREST RECEIVED	21 224 159	24 257 735
NET CASH FLOWS GENERATED/(USED IN) FROM OPERATING ACTIVITIES	52 461 438	-84 004 539

CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisitions of investments	-	-3 800 000
Proceeds on disposals of investments	3 600 000	80 000 000
NET CASH FLOWS FROM INVESTING ACTIVITIES	3 600 000	76 200 000
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	56 061 438	-7 804 539
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	294 206 540	302 011 079
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	350 267 978	294 206 540





NON-COMPLIANCE MATTERS FOR THE 2025 FINANCIAL YEAR

1. SUSTAINABILITY OF BENEFIT OPTIONS

Nature and impact

In terms of section 33(2) of the Act, each benefit option shall be self-supporting in terms of membership and financial performance and be financially sound. At 31 December 2025 the Comprehensive Option incurred a net insurance service deficit of R140,050,844 (2024: R172,358,547) and the Standard Option incurred a net insurance service deficit of R13,430,585 (2024: R17,443,327).

Causes for the failure

The risk profile of the Comprehensive Option is the main reason for the benefit option to record a deficit for the year. Although the Comprehensive Option recorded a deficit, the benefit option performed better than expected. Higher than expected claims were incurred in the Standard Option.

Corrective action

The Trustees review the performance of the benefit options offered by means of an annual actuarial review of contributions and benefits. The deficits incurred is in line with the Scheme's pricing strategy, approved by the CMS when the Rules were registered for 2025. The Scheme's pricing strategy allows for some cross-subsidisation between benefit options, to ensure contributions remain affordable. The matter is high on the agenda of the Board of Trustees and is monitored and discussed regularly throughout the benefit year. However, as the Scheme has more than adequate reserves, in excess of the requirement in terms of the Act, the Trustees have a deliberate strategy to resist major contribution adjustments.

The Board of Trustees has again, for 2026, budgeted for a deficit (before investment income) on the Comprehensive Option, with approval from CMS.

2. OUTSTANDING CONTRIBUTIONS

Nature and impact

In terms of Section 26(7) of the Act, contributions should be received in accordance with the Rules of the Scheme which indicates that it should be received by the latest three days after it becomes due. There were instances where the Scheme received contributions after three days of it becoming due, however, there are no contracts in place agreeing to any such arrangements.

An amount of R19,439,035 (2023: R12,306,260) was received outside the period of three days during the current financial year.

Causes for the failure

Administrative delays and late payments.

Corrective action

The Trustees provided the administrator with a debt mandate, stipulating the different actions to be taken against defaulting members and employer groups. Appropriate feedback is provided to the Trustees through the operations and Board meetings.

3. CLAIMS NOT SETTLED WITHIN 30 DAYS

Nature and impact

In terms of Section 59(2) and Regulation 6(2) of the Act a medical scheme shall pay a member or supplier of services any benefit owing to that member or supplier within 30 days of receipt of the medical claim. A limited number of exceptions were noted where settlement took longer than 30 days from receipt.

Causes for the failure

A few complex cases also took more than 30 days to resolved for payment.

Corrective action

Management is committed to resolve these matters in a responsible manner and in the best interest of the member and the Scheme.

4. INVESTMENT IN PARTICIPATING EMPLOYER AND MEDICAL ADMINISTRATORS

Nature and impact

In terms of Section 35(8) of the Act, a medical scheme is prohibited from investing any of its assets in an employer who participates in that scheme or any medical scheme administrators.

At 31 December 2025 the Scheme held shares in participating employers and medical scheme administrators which amounted to 0.76% (2024: 1.20%) of the full investment portfolio. The breakdown is as follows:

	2025 R	2024 R
Remgro Limited	2 120 358	1 851 078
British American Tobacco Plc	2 351 124	2 514 847
Discovery Limited	2 131 061	1 412 573
Momentum Group Limited	4 453 542	4 553 250
Sanlam Limited	2 810 329	2 250 507
Alexforbes	1 513	1 948

Causes for the failure

The Scheme's asset manager has full discretion in terms of the instruments that are included in the investment portfolio. This is to enable the asset manager to maximise investment returns.

Corrective action

The Scheme applied for exemption from Section 35(8) and the Regulator granted the Scheme an exemption from compliance with this section for the period up to 31 December 2028.



KEY FINANCIAL AND SERVICE METRICS FOR THE YEAR ENDED 31 DECEMBER 2025

Remedi Medical Aid Scheme

	2025	2024
Members' funds	R1 078 904 386	R944 781 896
Solvency ratio	68.74%	70,77%
Membership (lives)	47 530	46 197
Gross contribution income	R1 569 586 132	R1 334 938 116
Insurance revenue	R1 521 078 914	R1 288 378 810

KEY METRICS PER BENEFIT OPTION FOR THE YEAR ENDED 31 DECEMBER 2025	2025 COMPREHENSIVE	2025 CLASSIC	2025 STANDARD	2025 TOTAL
Number of members at year-end	4 969	11 303	5 732	22 004
Average number of beneficiaries for the accounting period	10 099	24 629	12 030	46 758
Average age of beneficiaries for the accounting period	44,1	28,8	29,4	32,2
Pensioner ratio	22.1%	3.6%	2.7%	7,2%
Dependant ratio	50.2%	54.9%	54.1%	53.7%
Average contributions net of savings per member per month	R7 286	R6 390	R3 554	R5 884
Relevant healthcare expenditure per member per month*	R9 345	R4 622	R3 493	R5 437
Members' funds per member at 31 December	N/A	N/A	N/A	R53 966
Non-health expenses as a percentage of gross contributions**	3.9%	4.9%	8.8%	5.1%
Return on investments as percentage of investments at 31 December	N/A	N/A	N/A	13.6%

KEY METRICS PER BENEFIT OPTION FOR THE YEAR ENDED 31 DECEMBER 2024	2024 COMPREHENSIVE	2024 CLASSIC	2024 STANDARD	2024 TOTAL
Number of members at year-end	5 059	10 894	5 168	21 121
Average number of beneficiaries for the accounting period	10 426	24 170	11 418	46 014
Average age of beneficiaries for the accounting period	43,6	28,5	28,9	31,9
Pensioner ratio	21,0%	3,5%	2,6%	7,2%
Dependant ratio	50,7%	55,2%	55,5%	54,3%
Average contributions net of savings per member per month	R6 281	R5 507	R3 087	R5 115
Relevant healthcare expenditure per member per month *	R8 773	R4 453	R3 143	R5 193
Members' funds per member at 31 December	N/A	N/A	N/A	R46 525
Non-health expenses as a percentage of gross contributions **	4,3%	5,5%	9,7%	5,7%
Return on investments as percentage of investments at 31 December	N/A	N/A	N/A	10,6%

*Relevant healthcare expenditure includes all claims incurred and managed care fees.

**Administration cost include both directly attributable administration cost and other administration costs.

