

GENESIS MEDICAL SCHEME

Registration No. 339

SUMMARISED FINANCIAL STATEMENTS

31 DECEMBER 2025

GENESIS MEDICAL SCHEME
Registration No. 339

SUMMARISED FINANCIAL STATEMENTS

For the year ended 31 December 2025

CONTENTS	PAGE
STATEMENT OF RESPONSIBILITY BY THE BOARD OF TRUSTEES	2
STATEMENT OF CORPORATE GOVERNANCE BY THE BOARD OF TRUSTEES	3
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GENESIS MEDICAL SCHEME	4 - 5
REPORT OF THE BOARD OF TRUSTEES	6 - 14
STATEMENT OF FINANCIAL POSITION	15
STATEMENT OF COMPREHENSIVE INCOME	16
STATEMENT OF CASH FLOWS	17
NOTES TO THE SUMMARISED FINANCIAL STATEMENTS	18 - 26

GENESIS MEDICAL SCHEME

Registration No. 339

SUMMARISED FINANCIAL STATEMENTS

For the year ended 31 December 2025

STATEMENT OF RESPONSIBILITY BY THE BOARD OF TRUSTEES

The Trustees are responsible for the preparation, integrity and fair presentation of the summarised financial statements of Genesis Medical Scheme, comprising the statement of financial position at 31 December 2025, the statement of comprehensive income, the cash flow statement for the year then ended, and the notes to the financial statements. The notes include a summary of significant accounting policies and other explanatory notes, in accordance with IFRS® Accounting Standards and in the manner required by the Medical Schemes Act 131 of 1998, as amended.

The Trustees' responsibility includes: designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of these financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

The Trustees' responsibility also includes maintaining adequate accounting records and an effective system of risk management. The Trustees have ultimate responsibility for the system of internal controls.

The Trustees are satisfied that the information contained in the summarised financial statements fairly presents the financial performance for the year and the financial position of the Scheme at year end in terms of IFRS® Accounting Standards. The Trustees also prepared the other information included in the summarised report and are responsible for both its accuracy and its consistency with the financial statements.

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

The Trustees have made an assessment of the Scheme's ability to continue as a going concern and there is no reason to believe the Scheme will not be a going concern in the year ahead.

The auditor is responsible for reporting on whether the summarised financial statements are fairly presented in accordance with the applicable financial reporting framework.

Approval of summarised financial statements

The summarised financial statements have been derived from the annual financial statements of Genesis Medical Scheme which were approved by the Board of Trustees on 17 April 2026 and signed on 17 April 2026.

GENESIS MEDICAL SCHEME
Registration No. 339

SUMMARISED FINANCIAL STATEMENTS

For the year ended 31 December 2025

STATEMENT OF CORPORATE GOVERNANCE BY THE BOARD OF TRUSTEES

The Genesis Medical Scheme is committed to the principles and practice of fairness, openness, integrity and accountability in all dealings with its stakeholders. The Trustees are proposed and elected by the members of the Scheme.

BOARD OF TRUSTEES

The Trustees meet regularly and monitor the administration of the Scheme. They address a range of key issues and ensure that discussion of items of policy, strategy and performance is critical, informed and constructive.

All Trustees have access to the advice and services of the Principal Officer and, where appropriate, may seek independent professional advice at the expense of the Scheme.

INTERNAL CONTROL

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

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

GOVERNANCE

The Audit Committee assists the Board of Trustees in discharging their corporate governance responsibility. This Committee aids the Board in giving attention to specific areas of the Board's duties and responsibilities without mitigating or dissipating the Board's overall discharge of its responsibilities.

Forvis Mazars, Rialto Road
Grand Moorings Precinct Century City, 7441
PO Box 134, Century City, 7446

Tel: +27 21 818 5000
Fax: +27 21 818 5001
Email: office.za.cpt@forvismazars.com

forvismazars.com/za



Independent Auditor's Review

31 December 2025

To the Members of Genesis Medical Scheme

Report on the Summarised Financial Statements

We have reviewed the summarised financial statements of Genesis Medical Scheme, set out on pages 15 to 26, which comprise the summarised statement of financial position as at 31 December 2025 and the summarised statements of comprehensive income and cash flows for the year then ended, and selected explanatory notes in accordance with IFRS® Accounting Standards and in the manner required by the Medical Schemes Act 131 of 1998, as amended.

Trustees' Responsibility for the Summarised Financial Statements

The trustees are responsible for the preparation and presentation of these summarised financial statements in accordance with the requirements of IFRS® Accounting Standards and in the manner required by the Medical Schemes Act 131 of 1998, as amended, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on these summarised financial statements. We conducted our review in accordance with International Standard on Review Engagements (ISRE) 2410, which applies to a review of historical information performed by the independent auditor of the entity. ISRE 2410 requires us to conclude whether anything has come to our attention that causes us to believe that the summarised financial statements are not prepared in all material respects in accordance with the applicable financial reporting framework. This standard also requires us to comply with relevant ethical requirements.

A review of summarised financial statements in accordance with ISRE 2410 is a limited assurance engagement. We perform procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluating the evidence obtained.

The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing. Accordingly, we do not express an audit opinion on these summarised financial statements.

Registered Auditor – A firm of Chartered Accountants (SA) • IRBA Registration Number 900222

Partners: MV Ninan (Country Managing Partner), C Abrahamse, SJ Adlam, JPMP Atwood, JM Barnard, AK Batt, S Beets, T Beukes, WI Blake, HL Burger, MJ Cassan, J Coetzee, JC Combrink, JR Comley, TVDL De Vries, CR De Wee, G Deva, Y Dockrat, S Doolabh, M Edelberg, JJ Eloff, T Erasmus, F Esterhuizen, Y Ferreira, MH Fisher, B Frey, T Gangen, M Groenewald, K Hoosain, MY Ismail, B Jansen, J Kasan, D Keeve, Z Khan, J Marais, TL Maree, N Mayat, B Mbunge, F Mohamed, G Molyneux, R Murugan, W Olivier, MT Rossouw, M Pieterse, E Pretorius, W Rabe, D Resnick, L Roeloffze, M Saayman, E Sibanda, MR Snow, M Steenkamp, EM Steyn, HH Swanepoel, AL Swartz, DM Tekie, MJA Teuchert, N Thelander, S Truter, R van Molendorff, JC Van Tubbergh, N Volschenk, S Vorster, J Watkins-Baker

Our offices: Bloemfontein, Cape Town, Durban, Gqeberha, Johannesburg, Paarl, Pretoria

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the summarised financial statements of Genesis Medical Scheme for the year ended 31 December 2025 are not prepared, in all material respects, in accordance with the requirements of the IFRS® Accounting Standards and in the manner required by the Medical Schemes Act 131 of 1998, as amended, as set out in note 2 to the summarised financial statements.

Forvis Mazars

Forvis Mazars
Partner: Fazlin Esterhuizen
Registered Auditor
13 May 2026
Cape Town

GENESIS MEDICAL SCHEME

Registration No. 339

REPORT OF THE BOARD OF TRUSTEES

For the year ended 31 December 2025

The Board of Trustees hereby presents its report for the year ended 31 December 2025.

1. MANAGEMENT

- 1.1 **Board of Trustees in office during the year under review**
 Mr. JF Klopper Chairman
 Ms. H Kruger Trustee
 Mr. R Metz Trustee
 Mr. LDR van der Merwe Trustee
 Mr. D Welsh Trustee
- 1.2 **Principal Officer**
 Mr. D van der Merwe
- 1.3 **Audit Committee**
 Ms. AC Gouws External – Chairperson
 Ms. K De Brauwere External – Scheme member
 Ms. M Hulme External
 Mr. JF Klopper Trustee
 Mr. D Welsh Trustee
- 1.4 **Registered office address and postal address**
 4th Floor, The Terraces PO Box 144
 Black River Park Observatory
 Fir Street 7935
 Observatory
 7925
- 1.5 **Medical scheme administrator during the year**
 The Scheme is self-administered.
- 1.6 **Bankers**
 Nedbank
 PO Box 688
 Cape Town
 8000
- 1.7 **Auditor**
 Forvis Mazars PO Box 134
 Forvis Mazars House Century City
 Rialto Road 7446
 Century City
 7446
- 1.8 **Registration Number**
 339

GENESIS MEDICAL SCHEME

Registration No. 339

REPORT OF THE BOARD OF TRUSTEES (Continued)

For the year ended 31 December 2025

2. DESCRIPTION OF SCHEME**2.1 Terms of registration**

Genesis Medical Scheme is a not for profit open medical scheme registered in terms of the Medical Schemes Act 131 of 1998 (the Act), as amended and is domiciled in South Africa.

2.2 Benefit options within Genesis Medical Scheme

The Scheme offered the following benefit options to members during the year:

- **MED-100**, is a benefit option that provides members with statutory cover, hospitalisation and dental cover;
- **MED-200**, is a benefit option that provides members with statutory cover, hospitalisation, major medical illnesses cover and dental cover;
- **MED-200 Plus**, is a benefit option that provides members with statutory cover, hospitalisation, major medical illnesses cover, dental cover and a self-managed fund.

2.3 Risk transfer arrangements

The Scheme had no risk transfer arrangements in place during the year under review.

3. INVESTMENT POLICY OF THE SCHEME

The Scheme's investment objectives are to maximise the return on its investments on a long term basis at minimal risk. The investment strategy takes into consideration both constraints imposed by legislation and those imposed by the Board of Trustees.

The Scheme continued to invest in low risk listed equities that seek capital growth rather than income yield to maximise its return in the long term.

The Scheme invested in fixed deposits, cash instruments and listed equities during 2025. This investment policy is reviewed regularly, taking into consideration compliance with the Act, the risk and returns of the various investment instruments and the surplus of funds available.

GENESIS MEDICAL SCHEME
Registration No. 339

REPORT OF THE BOARD OF TRUSTEES (Continued)

For the year ended 31 December 2025

4. REVIEW OF THE YEAR'S ACTIVITIES

4.1 Operational statistics

As at 31 December 2025	MED-100	MED-200	MED-200 Plus	Total
Number of members at year end	2,757	4,157	2,310	9,224
Number of beneficiaries at year end	5,851	8,813	4,698	19,362
Average number of members for the year	2,689	4,117	2,290	9,096
Average number of beneficiaries for the year	5,683	8,773	4,676	19,132
Average age of beneficiaries for the year	33.8	42.5	39.8	39.2
Pensioner ratio (beneficiaries > 65 years)	4.53%	15.30%	12.62%	11.39%
Average non-current liability to members for future benefits per member at year end				R128,949
Dependant ratio to members at year end	1.12	1.12	1.03	1.10
Insurance revenue per average beneficiary per month	1,277	1,901	2,466	1,853
Insurance service expense per average beneficiary per month	(837)	(1,944)	(2,622)	(1,781)
Relevant healthcare expenditure per average beneficiary per month	(695)	(1,733)	(2,348)	(1,575)
Directly attributable insurance service expenses per average beneficiary per month	(142)	(211)	(274)	(206)
Insurance service expense ratio	0.66	1.02	1.06	0.96
Relevant healthcare expenditure ratio	0.54	0.91	0.95	0.85
Directly attributable insurance service expenses ratio	0.11	0.11	0.11	0.11

As at 31 December 2024	MED-100	MED-200	MED-200 Plus	Total
Number of members at year end	2,647	3,984	2,210	8,841
Number of beneficiaries at year end	5,571	8,535	4,520	18,626
Average number of members for the year	2,549	3,929	2,212	8,690
Average number of beneficiaries for the year	5,341	8,484	4,551	18,376
Average age of beneficiaries for the year	33.5	42.2	39.8	39.0
Pensioner ratio (beneficiaries > 65 years)	4.45%	15.06%	12.50%	11.26%
Average non-current liability to members for future benefits per member at year end				R121,058
Dependant ratio to members at year end	1.10	1.14	1.05	1.11
Insurance revenue per average beneficiary per month	1,222	1,787	2,311	1,752
Insurance service expense per average beneficiary per month	(942)	(1,913)	(2,833)	(1,859)
Relevant healthcare expenditure per average beneficiary per month	(803)	(1,711)	(2,571)	(1,660)
Directly attributable insurance service expenses per average beneficiary per month	(138)	(202)	(262)	(199)
Insurance service expense ratio	0.77	1.07	1.23	1.06
Relevant healthcare expenditure ratio	0.66	0.96	1.11	0.95
Directly attributable insurance service expenses ratio	0.11	0.11	0.11	0.11

GENESIS MEDICAL SCHEME
Registration No. 339

REPORT OF THE BOARD OF TRUSTEES (Continued)

For the year ended 31 December 2025

4.2 Results of operations

The results of the Scheme are clearly set out in the financial statements, and the Board of Trustees believe that no further clarification is required.

4.3 Accumulated funds ratio (Solvency level)

	2025	2024
	R	R
The accumulated funds ratio is calculated on the following basis:		
Total members' funds	1,189,421,722	1,070,272,287
Less: Accumulative unrealised gains	<u>(171,956,848)</u>	<u>(129,716,573)</u>
Accumulated funds per Regulation 29	1,017,464,874	940,555,714
Gross annual contribution income (GCI)	425,518,524	386,423,363
Accumulated funds ratio:		
$\frac{\text{Accumulated funds}}{\text{GCI}} \times 100\%$		
= Accumulated funds ratio per Regulation 29 (1) of the Act	239%	243%

4.4 Outstanding claims

There have been no unusual movements that the Board of Trustees believe should be brought to the attention of the members of the Scheme.

The Board of Trustees is of the opinion that adequate provision has been made for claims incurred but not intimated to the Scheme at the year end.

5. POST STATEMENT OF FINANCIAL POSITION EVENT

There have been no events that have occurred subsequent to the financial year end that affect the annual financial report and that the Board of Trustees consider should be brought to the attention of the members of the Scheme.

GENESIS MEDICAL SCHEME

Registration No. 339

REPORT OF THE BOARD OF TRUSTEES (Continued)For the year ended 31 December 2025

6. GUARANTEES RECEIVED BY THE SCHEME FROM A THIRD PARTY

No guarantees were received by the Scheme from a third party during the year.

7. INVESTMENTS IN AND LOANS TO PARTICIPATING EMPLOYERS OF MEMBERS OF THE MEDICAL SCHEME AND TO OTHER RELATED PARTIES

The Scheme holds no investments in participating employers of the Scheme.

8. AUDIT COMMITTEE

The Scheme has an established audit committee, in accordance with provisions of the Medical Schemes Act of 1998, as amended. The Committee is mandated by the Board of Trustees by means of written terms of reference as to its membership, authority and duties. The Committee consists of five members of which two are members of the Board of Trustees. The majority of the Committee members are not officers of the Scheme. The Committee met on four occasions during the year.

The Chairman of the Scheme and the external auditor have unrestricted access to the Chairman of the Committee. In accordance with the provisions of the Act, the primary responsibility of the Committee is to assist the Board of Trustees in carrying out its duties relating to the Scheme's accounting policies, internal control systems and financial reporting practices. The composition of the Committee is noted under item 1.3.

9. ACTUARIAL IFRS 17 VALUATIONS

Prognosys Actuaries and Consultants were used by the Scheme to determine the level of the insurance contract liabilities as determined by IFRS 17.

10. GENERAL**Governance and issues of non-compliance**

The Scheme is governed by a board of independent, professional trustees elected by members. The business of the Scheme is managed by a team of executive managers.

GENESIS MEDICAL SCHEME
Registration No. 339

REPORT OF THE BOARD OF TRUSTEES (Continued)

For the year ended 31 December 2025

10. GENERAL (Continued)

Late payment of claims

In terms of section 59(2) of the Medical Schemes Act, a medical scheme shall 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. This requirement was not met in certain instances due to issues of timing. The Scheme reimburses claims once a month, at the end of the month. The instances of non-compliance occurred as a result of differences in timing between the date of receipt and the next scheduled payment of claims.

The issues of non-compliance, as referred to above, relates to a negligible number of claims that does not warrant the financially prejudicial cost of scheduling an additional claims payment date.

Investment limits

The Medical Schemes Act prescribes limits within which a medical scheme may invest assets in excess of the minimum reserves that must be maintained to ensure the solvency reserve contemplated at Regulation 30(3A) of the Medical Schemes Act 131 of 1998 to the Act. Due to the substantial increase in the market value of the Scheme's investments in equities the Scheme exceeded the 40% limit prescribed by Regulation 30(3A). By using the cost value of the investments, the Scheme was comfortably within the limit prescribed. The Scheme obtained exemption from the requirements of Regulation 30(3A) of the Medical Schemes Act 131 of 1998, as amended, from the Council of Medical Schemes, in a letter dated 13 June 2022. The exemption allows the Scheme to deviate from the 40% limitation imposed on category 4 (equities) to Annexure B up to a maximum of 50% of the Scheme's Regulation 30 assets. The Scheme's solvency reserve computation comfortably exceeds the prescribed minimum by some ten times. Accordingly, this issue is not viewed as one of non-compliance with the Act.

Looking back over 2025

The past year was again shaped by developments around the proposed National Health Insurance (NHI). As government continues to advance implementation plans, uncertainty has remained across the healthcare environment, with medical schemes, healthcare professionals and other stakeholders turning to the courts to clarify important constitutional and operational questions arising from the Act.

This has inevitably affected confidence about the future of South Africa's health system. We, your Board of Trustees, remain of the view that unless and until every doctor in the country supports the NHI and all that it entails, the healthcare landscape will continue to be plagued by uncertainty and lack of stability.

GENESIS MEDICAL SCHEME
Registration No. 339

REPORT OF THE BOARD OF TRUSTEES (Continued)

For the year ended 31 December 2025

10. GENERAL (Continued)

Despite this uncertain environment, Genesis delivered another strong financial year. We were pleased to again be in a position to offer the lowest contribution increase among open medical schemes - the twelfth consecutive year in which this has been achieved - while still improving benefits for members. It is also encouraging that Scheme membership continues to grow, following the disruption caused by COVID-19, reflecting renewed confidence in Genesis and the value it provides.

The Scheme's strong financial position is the result of careful governance, prudent financial management and responsible oversight by the scheme management and Board of Trustees. An analysis of the year's results shows that all contribution income received by the scheme, after administration costs, was paid back to members in the form of healthcare claims. The surplus recorded for the year arose mainly from the Scheme's sound and conservative investment approach, which remains focused on protecting members' funds.

Financial results

One of the matters that has occupied much of our attention over the past two years has been the introduction of the IFRS 17 accounting standard and the Registrar's directive that medical schemes implement this reporting standard. As Trustees, we remain concerned that IFRS 17 was not designed for medical schemes in South Africa and that, in certain respects, it may not always reflect a fair picture of a scheme's true financial position.

For this reason, and in fulfilment of our responsibility to present members with a clear and transparent view of the Scheme's finances, the Board has once again prepared supplementary financial statements. These include a Balance Sheet, Income Statement and Cash Flow Statement prepared in accordance with our interpretation of the Medical Schemes Act. All audited figures have been retained, with the only adjustment relating to the calculation of the claims liability, or IBNR, which has been calculated in line with the requirements of the Act.

We have obtained legal advice on this approach and are satisfied that the Scheme remains fully compliant with both the law and the Registrar's directive regarding IFRS 17.

During the year, the Scheme reimbursed claims totalling approximately R362 million. The ten highest claims accounted for around R20 million of this amount, with the single highest claim reaching R3.6 million. While significant, this remains well below the exceptional claim of R18 million paid during 2019, illustrating both the unpredictable nature of healthcare costs and the importance of maintaining strong financial reserves to protect members when such events arise.

GENESIS MEDICAL SCHEME
Registration No. 339

REPORT OF THE BOARD OF TRUSTEES (Continued)

For the year ended 31 December 2025

10. GENERAL (Continued)

The year ahead

Anticipating what lies ahead is often as difficult as looking back. Indications are that the NHI Act will almost certainly be resolved through the courts in what will no doubt be a very long and protracted legal battle for all concerned. This means that uncertainty within the healthcare environment is likely to continue for some time.

Turning to matters within the Scheme, your Trustees have once again taken care to limit contribution increases for members. For 2026, adult contributions were increased by just R100 per month, while child contributions rose by just R30 per month.

At the same time, a number of cost pressures remain a concern. One such issue is the growing practice by some healthcare providers of classifying all claims as emergency cases, which results in significantly higher claims being submitted. The Council for Medical Schemes increasingly interprets the law in favour of such claims, with the resulting costs borne by the Scheme and, ultimately, by its members.

Further upward pressure on claims costs arises from the Registrar's interpretation of Regulation 8 and the application of the pay-in-full principle, regardless of the amount charged by the healthcare provider. This interpretation raises important questions about how the law is being applied, particularly where regulations appear to override provisions of the Medical Schemes Act. Genesis is seeking to have the regulation 8 interpretation settled by the superior courts in the near future.

In closing

As we do each year, we wish to express our sincere appreciation to the Management Team and staff of Genesis for their continued dedication and commitment to serving our members. We firmly believe that one of the key qualities that sets Genesis apart from other medical schemes is the care and standard of service we provide to our members.

While hospital facilities and healthcare professionals may be shared across all schemes, the experience members receive from their medical scheme is defined by service - and this remains an area of pride for Genesis.

Finally, and most importantly, we extend our sincere thanks to you, our members, for your loyalty and continued support of the Scheme. In return, we, your Trustees, remain committed to serving and protecting your best interests at all times.

GENESIS MEDICAL SCHEME
Registration No. 339

REPORT OF THE BOARD OF TRUSTEES (Continued)

For the year ended 31 December 2025

11. OTHER MATTERS

In terms of section 26(7) of the Medical Schemes Act it requires all subscriptions or contributions to be paid directly to a medical scheme not later than three days after payment thereof becoming due. Instances where members paid contributions more than three days after they were due were noted during the year. The Scheme has appropriate processes in place to encourage members to pay contributions within three days as required by the Scheme's rules.

12. TRUSTEE MEETING ATTENDANCE AND REMUNERATION

The following schedule sets out Board of Trustees and Audit Committee meeting attendances by members.

Trustee/Sub-Committee Member	Board Meetings		Audit Committee Meetings	
	A	B	A	B
JF Klopper	6	6	4	3
H Kruger	6	6		
R Metz	6	6		
LDR van der Merwe	6	6		
D Welsh	6	6	4	4
AC Gouws			4	4
K De Brauwere			4	4
M Hulme			4	4

A – Possible number of meetings could have attended

B – Actual number of meetings attended

The Trustees' report was approved by the Board of Trustees on 17 April 2025.

GENESIS MEDICAL SCHEME
Registration No. 339

STATEMENT OF FINANCIAL POSITION

For the year ended 31 December 2025

	Notes	2025 R	2024 R
<u>ASSETS</u>			
Non-current assets		586,209,545	517,138,217
Property, plant and equipment		1,441,036	1,458,382
Right-of-use assets		-	3,440,856
Financial assets at fair value through profit or loss		584,768,509	512,238,979
Current assets		681,685,852	630,483,176
Other receivables		1,065,511	2,704,727
Right-of-use assets		1,564,026	-
Cash and cash equivalents		679,056,315	627,778,449
Total assets		1,267,895,397	1,147,621,393
<u>LIABILITIES</u>			
Non-current liabilities		1,189,421,722	1,072,408,850
Lease liabilities		-	2,136,563
Insurance contract liability	3	1,189,421,722	1,070,272,287
Current liabilities		78,473,675	75,212,543
Other payables		2,879,326	2,880,138
Lease liabilities		2,136,563	2,231,413
Insurance contract liability	3	73,457,786	70,100,992
Total liabilities		1,267,895,397	1,147,621,393

GENESIS MEDICAL SCHEME
Registration No. 339

STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2025

	Notes	2025 R	2024 R
Insurance revenue	4	425,518,524	386,423,363
Insurance service expenses	4	(408,881,470)	(409,836,436)
Net claims incurred		(361,537,636)	(366,060,555)
Claims incurred		(361,537,636)	(366,060,555)
Directly attributable expenses	4	(38,998,408)	(36,055,757)
Insurance acquisition cash flows expenses	4	(8,345,426)	(7,720,124)
Insurance service result		16,637,054	(23,413,073)
Net investment income		115,555,750	79,417,366
Interest revenue from financial assets not measured at FVTPL	5	51,717,790	54,882,562
Net fair value gains on fair value investments	5	40,268,452	8,454,881
Investment income from fair value investments	5	23,569,508	16,079,923
Sundry income		1,100	-
Other finance costs		(303,568)	(487,593)
Non-attributable expenses		(12,740,903)	(14,027,309)
Profit for the year before amounts attributable to members for future benefits		119,149,433	41,489,391
Transfer to liability to members for future benefits	3	(119,149,433)	(41,489,391)
Net surplus for the year		-	-
Other comprehensive income		-	-
Total comprehensive income for the year		-	-

GENESIS MEDICAL SCHEME
Registration No. 339

STATEMENT OF CASH FLOWS

For the year ended 31 December 2025

	Notes	2025 R	2024 R
Cash flows from operating activities			
Cash receipts from members and providers		425,711,091	386,699,226
Cash receipts from members - contributions	3	425,711,091	386,699,226
Cash receipts from members and providers – other		-	-
Cash paid to providers, employees and members		(416,225,819)	(420,459,523)
Cash paid to providers and members - claims	3	(358,373,410)	(364,733,303)
Cash paid to providers and employees - non healthcare expenditure			
- Directly attributable expenses	3	(47,343,833)	(43,775,882)
- Non-attributable expenses		(10,508,576)	(11,950,338)
Net cash from/(used in) operating activities		9,485,272	(33,760,297)
Cash flows from investing activities			
Purchase of property, plant and equipment		(582,301)	(99,621)
Proceeds on disposal of property, plant and equipment		1,100	-
Purchase of investments		(32,261,078)	(32,086,012)
Proceeds on disposal of investments		-	2,022,861
Interest received		53,296,778	54,730,285
Dividend income received	5	23,569,508	16,079,923
Net cash flows from investing activities		44,024 007	40,647 436
Cash flows from financing activities			
Principal elements of lease payments		(2,231,413)	(1,892,671)
Net cash flows used in financing activities		(2,231,413)	(1,892,671)
Net increase in cash and cash equivalents		51,277,866	4,994,468
Cash and cash equivalents at beginning of the year		627,778,449	622,783,981
Cash and cash equivalents at the end of the year		679,056,315	627,778,449

GENESIS MEDICAL SCHEME
Registration No. 339

NOTES TO THE SUMMARISED FINANCIAL STATEMENTS

For the year ended 31 December 2025

1. GENERAL INFORMATION

The information contained in this summarised set of financial statements is an extract from the annual financial statements for the year ended 31 December 2025. The annual financial statements can be obtained from the Scheme's office.

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES

The summarised financial statements are prepared in accordance with the requirements of Circular 6 of 2013 issued by the Council for Medical Schemes for summarised financial statements. Circular 6 of 2013 issued by the Council for Medical Schemes requires summarised financial statements to be prepared in accordance with the framework concepts and the measurement and recognition requirements of IFRS® Accounting Standards and to also, as a minimum, adhere to the presentation and disclosure requirements of IAS 34 Interim Financial Reporting. The accounting policies applied in the preparation of these summarised financial statements are in terms of International Financial Reporting Standards and are consistent with those applied in the previous annual financial statements.

3. INSURANCE CONTRACT LIABILITY

Insurance contract liabilities are made up of the following two components:

- Liability attributable to current members; and
- Liability attributable to members for future benefits.

Insurance contract liability – Current Liability attributable to current members
 Insurance contract liability – Non-Current Liability attributable to members for future benefits

	2025 R	2024 R
	73,457,786	70,100,992
	1,189,421,722	1,070,272,287
	1,262,879,508	1,140,373,279

GENESIS MEDICAL SCHEME
Registration No. 339

NOTES TO THE SUMMARISED FINANCIAL STATEMENTS (Continued)

For the year ended 31 December 2025

3. INSURANCE CONTRACT LIABILITY (Continued)

3.1 Liability attributable to current members

Reconciliation of the liability for remaining coverage and the liability for incurred claims

2025	LFRC Excluding loss component R	LIC BEL * R	LIC RA * R	Total R
Insurance contracts issued				
Opening insurance contract assets	-	-	-	-
Opening insurance contract liabilities	4,221,329	62,686,136	3,193,527	70,100,992
Net balance as at 1 January 2025	4,221,329	62,686,136	3,193,527	70,100,992
Insurance revenue				
New contracts	(425,518,524)	-	-	(425,518,524)
Total insurance revenue	(425,518,524)	-	-	(425,518,524)
Insurance service expenses				
Incurred claims and other directly attributable expenses	-	414,510,805	2,997,232	417,508,037
Changes that relate to past service – adjustments to LIC	-	(13,778,466)	(3,193,527)	(16,971,993)
Insurance acquisition cash flows expensed	-	8,345,426	-	8,345,426
Total insurance service expenses	-	409,077,765	(196,295)	408,881,470
Insurance service result	(425,518,524)	409,077,765	(196,295)	(16,637,054)
Finance income/(expenses) from insurance contracts issued	-	-	-	-
Total amounts recognised in comprehensive income	(425,518,524)	409,077,765	(196,295)	(16,637,054)
Other changes – Correction of prior period transfer to debtors from LIC to LFRC	(63,474)	63,474	-	-
Cash flows				
Contributions received	425,711,091	-	-	425,711,091
Claims and other directly attributable expenses paid	-	(405,717,243)	-	(405,717,243)
Total cash flows	425,711,091	(405,717,243)	-	19,993,848
Net balance as at 31 December 2025	4,350,422	66,110,132	2,997,232	73,457,786
Closing insurance contract assets	-	-	-	-
Closing insurance contract liabilities	4,350,422	66,110,132	2,997,232	73,457,786
Net balance as at 31 December 2025	4,350,422	66,110,132	2,997,232	73,457,786

*LIC – Liability for Incurred Claims
BEL – Best Estimate Liability
RA – Risk Adjustment

GENESIS MEDICAL SCHEME
Registration No. 339

NOTES TO THE SUMMARISED FINANCIAL STATEMENTS (Continued)

For the year ended 31 December 2025

3. INSURANCE CONTRACT LIABILITY (Continued)

Closing balance consists of:

2025	LFRC Excluding loss component R	LIC BEL R	LIC RA R	Total R
Insurance contract receivables	(81,451)	(194,182)	-	(275,633)
Contributions outstanding	(81,451)	-	-	(81,451)
Amount due from members and suppliers	-	(194,182)	-	(194,182)
Insurance contract payables	4,431,873	32,727,156	-	37,159,029
Contributions received in advance	4,431,873	-	-	4,431,873
Amounts due to members	-	1,264,639	-	1,264,639
Amounts due to service providers	-	31,462,517	-	31,462,517
Liability for incurred claims	-	33,577,158	2,997,232	36,574,390
Provision for claims incurred but not reported	-	33,577,158	-	33,577,158
Risk adjustment	-	-	2,997,232	2,997,232
Total insurance contract liability	4,350,422	66,110,132	2,997,232	73,457,786

GENESIS MEDICAL SCHEME
Registration No. 339

NOTES TO THE SUMMARISED FINANCIAL STATEMENTS (Continued)

For the year ended 31 December 2025

3. INSURANCE CONTRACT LIABILITY (Continued)

Reconciliation of the liability for remaining coverage and the liability for incurred claims

2024	LFRC Excluding loss component R	LIC BEL R	LIC RA R	Total R
Insurance contracts issued				
Opening insurance contract assets	-	-	-	-
Opening insurance contract liabilities	3,881,992	61,740,770	2,880,266	68,503,028
Net balance as at 1 January 2024	3,881,992	61,740,770	2,880,266	68,503,028
Insurance revenue				
New contracts	(386,423,363)	-	-	(386,423,363)
Total insurance revenue	(386,423,363)	-	-	(386,423,363)
Insurance service expenses				
Incurred claims and other directly attributable expenses	-	407,616,267	3,193,527	410,809,794
Changes that relate to past service – adjustments to LIC	-	(5,818,366)	(2,880,266)	(8,698,632)
Insurance acquisition cash flows expensed	7,720,124	-	-	7,720,124
Total insurance service expenses	7,720,124	401,797,901	313,261	409,831,286
Insurance service result	(378,703,239)	401,797,901	313,261	23,407,923
Finance income/(expenses) from insurance contracts issued	-	-	-	-
Total amounts recognised in comprehensive income	(378,703,239)	401,797,901	313,261	23,407,923
Other changes – Premium debtors to LIC	63,474	(63,474)	-	-
Cash flows				
Contributions received	386,699,226	-	-	386,699,226
Claims and other directly attributable expenses paid	-	(408,509,185)	-	(408,509,185)
Insurance acquisition cash flows expensed	(7,720,124)	7,720,124	-	-
Total cash flows	378,979,102	(400,789,061)	-	(21,809,959)
Net balance as at 31 December 2024	4,221,329	62,686,136	3,193,527	70,100,992
Closing insurance contract assets	-	-	-	-
Closing insurance contract liabilities	4,221,329	62,686,136	3,193,527	70,100,992
Net balance as at 31 December 2024	4,221,329	62,686,136	3,193,527	70,100,992

GENESIS MEDICAL SCHEME
Registration No. 339

NOTES TO THE SUMMARISED FINANCIAL STATEMENTS (Continued)

For the year ended 31 December 2025

3. INSURANCE CONTRACT LIABILITY (Continued)

Closing balance consists of:

2024	LFRC Excluding loss component R	LIC BEL R	LIC RA R	Total R
Insurance contract receivables	-	(343,001)	-	(343,001)
Contributions outstanding	-	(63,474)	-	(63,474)
Amount due from members and suppliers	-	(279,527)	-	(279,527)
Insurance contract payables	4,221,329	26,628,649	-	30,849,978
Contributions received in advance	4,221,329	-	-	4,221,329
Amounts due to members	-	1,069,945	-	1,069,945
Amounts due to service providers	-	25,558,704	-	25,558,704
Liability for incurred claims	-	36,400,488	3,193,527	39,594,015
Provision for claims incurred but not reported	-	36,400,488	-	36,400,488
Risk adjustment	-	-	3,193,527	3,193,527
Total insurance contract liability	4,221,329	62,686,136	3,193,527	70,100,992

3.2 Liability attributable to members for future benefits

	2025 R	2024 R
Opening balance	1,070,272,287	1,028,782,896
Movement in insurance liability attributable to members for future benefits	119,149,435	41,489,391
	1,189,421,722	1,070,272,287

GENESIS MEDICAL SCHEME
Registration No. 339

NOTES TO THE SUMMARISED FINANCIAL STATEMENTS (Continued)

For the year ended 31 December 2025

4. INSURANCE REVENUE AND SERVICE EXPENSES

	2025 Insurance contracts R	2024 Insurance contracts R
Insurance revenue		
Insurance revenue from contracts measured under the PAA	425,518,524	386,423,363
Total insurance revenue	425,518,524	386,423,363
Insurance service expenses		
Incurred claims and other directly attributable expenses	(417,508,037)	(410,809,794)
Incurred claims	(378,509,629)	(374,754,037)
Computer expenses	(5,431,043)	(4,909,236)
Emergency response	(385,354)	(348,980)
Funding advisors	(585,723)	(842,464)
Pharmacy and chronic disease administration	(2,048,364)	(1,943,424)
Salaries	(30,547,924)	(28,011,653)
Changes that relate to past service – adjustments to LIC	16,971,993	8,693,482
Insurance acquisition cash flows expensed	(8,345,426)	(7,720,124)
Total insurance service expenses	(408,881,470)	(409,836,436)
Total insurance service result	16,637,054	(23,413,073)

5. INVESTMENT INCOME AND INSURANCE FINANCE EXPENSE

	2025 R	2024 R
Net investment income (expenses) – financial assets		
Interest revenue from financial assets not measured at FVTPL	51,717,790	54,882,562
Net fair value gains on fair value investments	40,268,452	8,454,881
Investment income from fair value investments	23,569,508	16,079,923
Net investment income	115,555,750	79,417,366

GENESIS MEDICAL SCHEME
Registration No. 339

NOTES TO THE SUMMARISED FINANCIAL STATEMENTS (Continued)

For the year ended 31 December 2025

6. RELATED PARTY TRANSACTIONS

Key management personnel and their close family members

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Scheme. Key management personnel include the Board of Trustees, Principal Officer and Management Team. The disclosure deals with full-time personnel that are compensated on a salary basis (Principal Officer and Management Team), and part-time personnel that are compensated on a fee basis. The Management Team comprises of the Scheme executives, financial, operational, clinical, quality and IT managers. Close family members include close family members of the Board of Trustees, Principal Officer and Management Team.

Transactions with related parties

The following table provides the total amount of transactions, which have been entered into with related parties for the relevant financial year.

	2025 R	2024 R
Compensation		
Short term employment benefits	18,284,438	17,505,295
Contributions and claims		
Gross contributions received	(372,420)	(345,120)
Claims paid from the Scheme	189,464	566,286
Total related party transactions	18,101,482	17,726,461

Contributions and claims

Contributions paid and claims incurred for the related parties were on the same terms as applicable to all members. No ex-gratia payments were awarded to any related party.

The terms and conditions of the related party transactions were as follows:

Transaction	Nature of transactions and terms and conditions thereof.
Contributions received	This constitutes the contributions paid by the related party as a member of the Scheme, in their individual capacity. All contributions were on the same terms as applicable to all members.
Claims incurred	This constitutes amounts claimed by the related parties, in their individual capacity as members of the Scheme. All claims were paid out in terms of the rules of the Scheme, as applicable to all members.
Claims reported not yet paid	These are claims that have been reported, but not yet paid due to the fact that the Scheme reimburses claims once a month. All claims are aimed to be settled within 30 days of being received.

GENESIS MEDICAL SCHEME
Registration No. 339

NOTES TO THE SUMMARISED FINANCIAL STATEMENTS (Continued)

For the year ended 31 December 2025

7. EVENTS AFTER REPORTING PERIOD

There have been no events that have occurred subsequent to the financial year end that affect the annual financial report and that the Board of Trustees consider should be brought to the attention of the members of the Scheme.

8. SURPLUS FROM OPERATIONS PER BENEFIT OPTION

	MED-100	MED-200	MED-200 Plus	Total Scheme
2025	2025	2025	2025	2025
	R	R	R	R
Insurance revenue	87,078,207	200,085,691	138,354,626	425,518,524
Insurance service expenses	(57,060,584)	(204,674,271)	(147,146,615)	(408,881,470)
Insurance service result	30,017,623	(4,588,580)	(8,791,989)	16,637,054
Net investment income	23,793,083	54,243,826	37,518,841	115,555,750
Interest revenue from financial assets not measured at FVTPL	10,579,948	24,321,877	16,815,965	51,717,790
Net fair value gains on fair value investments	8,370,446	18,838,110	13,059,896	40,268,452
Investment income from fair value investments	4,842,689	11,083,839	7,642,980	23,569,508
Sundry income	226	506	368	1,100
Other finance costs	(62,987)	(142,270)	(98,311)	(303,568)
Non-attributable expenses	(2,561,269)	(6,228,609)	(3,951,025)	(12,740,903)
Net surplus for the year	51,186,676	43,284,873	24,677,884	119,149,433
Member numbers as at 31 December 2025	2,757	4,157	2,310	9,224

GENESIS MEDICAL SCHEME
Registration No. 339

NOTES TO THE SUMMARISED FINANCIAL STATEMENTS (Continued)

For the year ended 31 December 2025

8. SURPLUS FROM OPERATIONS PER BENEFIT OPTION (Continued)

	MED-100	MED-200	MED-200 Plus	Total Scheme
2024	2024	2024	2024	2024
	R	R	R	R
Insurance revenue	78,339,003	181,889,089	126,195,271	386,423,363
Insurance service expenses	(60,354,839)	(194,766,567)	(154,715,030)	(409,836,436)
Insurance service result	17,984,164	(12,877,478)	(28,519,759)	(23,413,073)
Net investment income	16,068,195	37,367,118	25,982,053	79,417,366
Interest revenue from financial assets not measured at FVTPL	11,124,499	25,833,473	17,924,590	54,882,562
Net fair value gains on fair value investments	1,685,036	3,985,553	2,784,292	8,454,881
Investment income from fair value investments	3,258,660	7,548,092	5,273,171	16,079,923
Sundry income	(102,343)			
Other finance costs	(2,806,184)	(229,929)	(155,321)	(487,593)
Non-attributable expenses		(6,848,329)	(4,372,796)	(14,027,309)
Net surplus for the year	31,143,832	17,411,382	(7,065,823)	41,489,391
Member numbers as at 31 December 2024	2,647	3,984	2,210	8,841

9. CONTINGENCIES

The scheme has ongoing litigations relating to the business of operating the medical scheme. For the ongoing cases, management is confident of a positive outcome and the prospects of success are good. The impact of the cases cannot be determined at this time. Assets or Liabilities cannot be recognised as the outcome is not virtually certain.