

# Metropolitan Health, Thebe Health and Validate-Workerslife Consortium enter into empowerment partnership

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Metropolitan Health, Thebe Health Group (Thebe Health), Workerslife Group (an affiliate of the PGC Group of Companies) and Validate (a group of healthcare industry players) have entered into a strategic partnership where Thebe Health and the Validate/Workerslife consortium will own a 49% stake in Metropolitan Health.

Metropolitan Health (a division within the health solutions environment of MMI Holdings Limited) administers the Government Employees Medical Scheme and provides wellness services to a number of clients, covering over 1.8 million lives. The key strategic focus of Metropolitan Health is to achieve financial wellness for public sector communities by enabling and delivering sustainable integrated outcomes-based healthcare solutions as a transformed organisation.

Financed through a combination of equity and vendor finance, the transaction creates an exciting partnership which will empower a

broad range of stakeholders including the POPCRU Trust and Thebe Health's broad base of shareholders and beneficiaries.

Hannes Viljoen, CEO of the MMI health business, said "Metropolitan Health is pleased and excited about the prospects that this partnership creates. We look forward, not only to creating value for our partners and their stakeholders, but also to continue to deliver reliable, effective and quality healthcare services to current and prospective members. We believe that this transaction will help strengthen the MMI health business to become an even more significant player in providing greater access to quality healthcare in South Africa. Ultimately, this partnership demonstrates the parties' commitment to the socio-economic development of a broader base of South Africa's population", says Viljoen.

Thebe Health is a subsidiary of the pioneering black-owned investment company Thebe Investment Corporation. Executive chairman Vusi Khanyile said, "Thebe has always been looking for strategic partners to grow its presence in the provision of sustainable healthcare services. This transaction will serve to strengthen and embed Thebe's presence in this critical sector of our economy. We are very excited about this partnership and we believe that it is merely the beginning of what will be a long and enduring relationship".

Zwi Mdletshe, Workerslife CEO says, "We are delighted with this deal, as it is yet another bold step towards the transformation of the healthcare sector, which promises to bring dignity to the lives of ordinary South Africans. This partnership is in line with the organisation's commitment to providing short and long-term

financial support to our clients, while ensuring sustainable growth and value for our shareholders”.

Solly Motuba, lead for the Validate group said, “Validate is a hands-on and value adding partner in all the healthcare and related investments that we participate in. The deal presents us with an opportunity to become a significant player in the South African healthcare industry. It will also help address the transformation agenda. The consortium brings a wealth of experience, expertise and technology, to the partnership”.

In a separate transaction, Thebe Health will become a 48% shareholder in a merged entity that comprises the mining-sector healthcare business of Providence Healthcare Risk Managers and Thebe Health. The Providence Healthcare Group, acquired by Metropolitan Health in 2013, delivers administration and managed care services for restricted membership schemes. The merged business will be called Momentum Thebe Ya Bophelo and will manage the healthcare costs for over 120 000 employees on behalf of a number of blue-chip mining houses across the sector.

“Quality healthcare forms an important component to financial wellness and we are committed to delivering this to our people, their business and their communities; it will be a privilege to walk this path with our new partners,” concludes Viljoen.