

BUSINESS

BRIEF

SPECIAL EDITION

PPS FINANCIAL RESULTS 2024

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PPS is a licensed insurer conducting life insurance business,
a licensed controlling company and an authorised FSP.



FOR PROFESSIONALS
SINCE 1941

PPS RESULTS 2024

Mutuality in action: PPS returns unprecedented value to graduate professionals

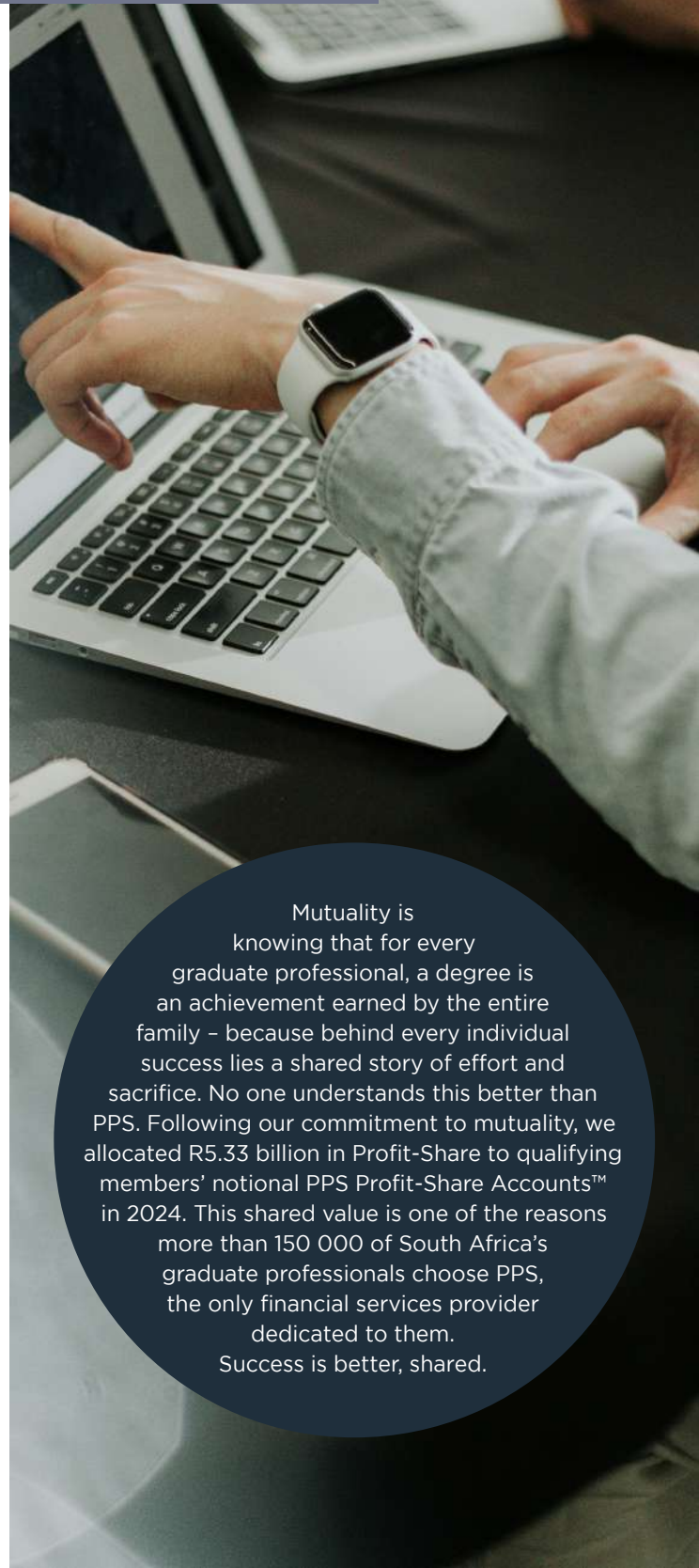
PPS ACHIEVED A RECORD-BREAKING RETURN OF VALUE TO ITS MEMBERS IN 2024, ALLOCATING R5.33 BILLION IN PROFIT-SHARE TO MEMBERS IN SOUTH AFRICA WITH QUALIFYING LIFE-RISK PRODUCTS' NOTIONAL PPS PROFIT-SHARE ACCOUNTS™.

This marks the **largest allocation in its 84-year history**, up from R4.35 billion in 2023, reinforcing PPS's unwavering commitment to its mutual model, where all value generated is returned to members. The allocation consists of an all-time-high **R1.74 billion from operating profit** and **R3.59 billion from investment returns**.

"Last year's performance is a testament to our commitment to mutuality and shared success. We are dedicated to helping our members build strong financial foundations both for today and retirement, while also fostering financial resilience and contributing to broader economic growth," says Izak Smit, PPS Group CEO.

Beyond Profit-Share allocations, PPS returned a total of **R5.95 billion in benefits** to members in South Africa and Namibia in 2024. This included R1.96 billion in Profit-Share payouts to members exiting their life-risk cover phase, primarily due to retirement. Permanent incapacity benefit payments amounted to R973.6 million and life cover benefits paid to R1.15 billion. Additionally, PPS supported its members with R972.7 million in sickness claims, R536.2 million in critical illness benefits and R161.3 million in lump-sum disability benefits.

In South Africa, **PPS Life Insurance** delivered a solid performance despite economic pressures. Gross earned premium revenue grew by 7.3% to R6.44 billion, while the lapse rate remained low at just under 4.42%. New life-risk annual premium income grew by 5% to R257.5 million. The number of members with PPS life-risk products in South Africa increased from 127 490 at the end of 2023 to 129 366 at the end of 2024, while the total number of members across the PPS Group rose from 155 554 to 159 252.



Mutuality is knowing that for every graduate professional, a degree is an achievement earned by the entire family – because behind every individual success lies a shared story of effort and sacrifice. No one understands this better than PPS. Following our commitment to mutuality, we allocated R5.33 billion in Profit-Share to qualifying members' notional PPS Profit-Share Accounts™ in 2024. This shared value is one of the reasons more than 150 000 of South Africa's graduate professionals choose PPS, the only financial services provider dedicated to them. Success is better, shared.



PPS Investments demonstrated remarkable growth, despite global political uncertainty and widespread elections. Total assets under management increased by 14.9% to R96.52 billion, with gross inflows of R9.67 billion. This reflects the business's resilience and the strength of its investment processes.

PPS Short-Term Insurance

exceeded expectations, with gross written premiums rising by 23% to

PPS Insurance Namibia delivered impressive results, with operating profit increasing to N\$62.3 million, up from N\$49.3 million in 2023. Gross insurance premium revenue rose by 9.7% to N\$255.8 million, while total net claims (after reinsurance) increased from N\$83.3 million to N\$98.4 million. Members also benefited from strong investment market returns, with allocations to their notional PPS Profit-Share Accounts™ rising from N\$176.9 million

designed to broaden access to mutuality-driven benefits in South Africa. **glu** targets professionals between the ages of 25 and 55 with a degree, diploma, or a connection to an existing PPS member, allowing them to share in the business's annual returns.

"Our unique model ensures that success is shared, enabling members to safeguard their financial well-being while benefiting from the long-term value generated," concludes Smit.

“ R5.95 billion in benefits shared. ”

R421.5 million. The business reported a profit before tax of R31.3 million, including the first-ever profit of R6.8 million from its Personal and Commercial Lines division.

PPS Health Professions Indemnity

also contributed R24.5 million in profit, recording strong gross written premiums of R146.1 million in its sixth year.

PPS Healthcare Administrators

continued its growth trajectory. Trends indicate a rise in elective procedures, increasing claims for non-communicable diseases and mental health treatment – particularly among younger individuals – and a shift towards home-based care as members seek alternatives to extended hospital stays.

in 2023 to N\$201.6 million in 2024. The number of Namibian members with PPS life-risk products increased from 5 444 to 5 718 over the year.

PPS Mutual in Australia, now in its ninth year, continued its strong performance, serving more than 13 000 graduate professionals with annual in-force premiums exceeding A\$90 million. The business was once again named Best Retail Life Insurer by Adviser Ratings, securing a place in the top two across all categories.

Looking ahead, PPS is preparing to extend mutuality to **New Zealand** in late 2025, pending regulatory approval. The Group also launched **glu** in January 2025, an innovative division



Izak Smit

PROFIT-SHARE: Knowledge at your fingertips



The PPS Profit-Share Account™ is a long-term benefit for members that continues from graduation through to retirement and beyond. The balance in the PPS Profit-Share Account™ can grow to significant values and is accessible at retirement, starting from the age of 60, as a unique retirement benefit or upon earlier death. Members who hold qualifying products across the PPS Group have the opportunity to earn more boosted allocation in their PPS Profit-Share Account™. Exciting news: as of 1 January 2025, members can continue to receive boosted allocations post-retirement in their Vested PPS Profit-Share Account™ if they hold qualifying PPS Group products*.

This means members who have vested their Profit-Share and no longer hold PPS Provider™ products but still hold PPS subsidiary and affiliate products can benefit from the PPS Profit-Share Cross-Holdings Booster. Therefore, we encourage members to retain the Vested PPS Profit-Share Account™ with PPS Investments to maximise the probable growth of the accumulated returns.

2024 PPS Profit-Share Cross-Holdings Booster tiers

CROSS-HOLDINGS BOOSTER TIERS	MEMBER'S PPS GROUP PORTFOLIO	BOOSTER PERCENTAGE
1	PPS Insurance product or Vested PPS Profit-Share Account™ plus one from the Group	10%
2	PPS Insurance product or Vested PPS Profit-Share Account™ plus two from the Group	20%
3	PPS Insurance product or Vested PPS Profit-Share Account™ plus three from the Group	30%

Group refers to PPS subsidiaries and affiliates (PPS Investments, PPS Short-Term Insurance, PPS Health Professions Indemnity and Profmed).

A minimum balance of R50 000 must be held in the Vested PPS Profit-Share Account™ for a member to qualify for PPS Profit-Share Cross-Holdings Booster allocations. However, if a member's Vested PPS Profit-Share Account™ is below R50 000 and they have never withdrawn from their Vested PPS Profit-Share Account™, they will qualify for PPS Profit-Share Cross-Holdings Booster allocations.

* These allocations will only be applied as from 2025 and will be included in PPS Profit-Share Account™ statements as when results are declared in April 2026.

Results info at a glance

As is tradition, PPS has unveiled its 2024 Financial Results online, providing a clear and comprehensive view of the Group's performance over the past year. When you visit PPS online, you will find everything you need in one place. A key highlight is an exclusive discussion video featuring Theo Vorster in conversation with PPS Group Chief Executive Officer, Izak Smit and PPS Chief Financial Officer, Simphiwe Johnson. They unpack the Group's financial performance, key achievements and what lies ahead. In addition to the video, the eight-page results brochure provides a concise summary of the 2024 financial results, including a message from the CEO. The Claims Fact Sheet offers further insights into how PPS supported its members through claims during the year. For those seeking a deeper analysis, the complete Integrated Report, brochure

and fact sheet are available for [download here](#). We encourage you to explore, share, and stay informed about PPS's continued growth and success.



R3.7 billion paid in claims

In 2024, PPS remained dedicated to providing crucial support to our members, driven by a strong sense of responsibility to ensure they receive the protection they need, regardless of the circumstances.

The numbers speak for themselves. In 2024, PPS Life Insurance supported more than 15 000 members, paying out more than R3.7 billion in claims. This included R925.6 million in sickness claims, R944.5 million for the Permanent Incapacity benefit and more than R1.1 billion to life cover beneficiaries for legacy continuation.

In addition, we paid R526.4 million for critical illnesses and R155.9 million for disability claims, providing our members with the financial security they deserve during times of vulnerability. At PPS, we take great pride in offering our members peace of mind through comprehensive financial protection.

[Click here](#) to download the 2024 PPS Claims Fact Sheet. This document outlines the specific breakdown of the claims paid in 2024, offering greater transparency into how we are fulfilling our commitment to financial protection and support for our members.

Find your clients' info online

The PPS Profit-Share Account™ Member Insight Hub is a handy tool for you as a financial adviser, providing a comprehensive overview of members within your PPS Life Insurance portfolio. This secure, password-protected dashboard allows you to see which members have accessed their Profit-Share statements, creating an opportunity for meaningful client engagement.

The dashboard features include:

- View the list of members that are part of your PPS Life Insurance profile and that received a Profit-Share statement.

- Access the personalised link to each member's PPS Profit-Share Account™ statement.
- Select to send an e-mail to the member. If you click on this option, a pre-populated pop-up screen appears.
- Know the password type that was communicated to the member.
- See when the member logged into the statement.

We trust that this allows you to enhance your client interactions and maintain the exceptional relationships with them.

Mutuality is knowing for you and your clients, success is a joint project.

When it comes to managing your clients' money, their wins become yours. That's what mutuality is all about. You invest the time into understanding their needs and risks so you can help them reach their financial goals. Because success is never a case of just yours or mine, it's always a case of ours.

Experience the power of mutuality.

www.pps.co.za/advisers



Success is better, shared.

Life Insurance | Investments | Financial Planning | Short-Term Insurance | Medical Aid