Keep calm and carry on investing

Frank Tsui explains how the Coronavirus has affected markets and says that growth is likely to rebound

An outbreak of litigation

Peter Rudd-Clarke on litigation risks when responding to an epidemic

Ping An Good Doctor

Oliver Wang on Covid-19 and his expansion plans for Asia

MARCH 2020 | Volume 1 | Issue 10

HealthcareMarkets international

Investing in healthcare globally

In focus

Efficient healthcare

Hong Kong leads the global healthcare efficiency index. What will it take to stay on top?

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In this issue of Healthcare Markets *international* we are looking at Hong Kong and, because of current circumstances, Covid-19.

Ping An Good Doctor's Oliver Wang talks about how the company has stood up to the Coronavirus (p26).

SR Dinesh, vice president and business head of healthcare at Frost & Sullivan, writes about the challenges facing the health sector in Hong Kong (p30).

Peter Rudd-Clarke, legal director at RPC, talks about litigation risks when responding to an epidemic (p34).

And Frank Tsui, senior fund manager at Value Partners in Hong Kong, explains how the Coronavirus has affected markets.

THE EPIDEMIC HAS INCREASED PEOPLE'S ACCEPTANCE OF ONLINE HEALTHCARE,

Oliver Wang, p26

Ping An Good Doctor is an online healthcare services platform

The world is facing a shortage of high-quality healthcare resources

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This month…

Editor, **Adrian Murdoch** *looks at this edition's key issues*

This month, HM*i* planned to focus entirely on Hong Kong. But half-way through February, the issue was hijacked by the Coronavirus, Covid-19.

On the Monday before we go to press, 68 countries have reported more than 89,000 cases and more than 3,000 people have died. Indeed, this issue of HM*i* is one feature short – a correspondent in Hong Kong was unable to deliver her story because she was struck down by the illness, though thankfully she is improving.

At the start of the month, markets were at a record high, but as I type this, the S&P 500 has reported its biggest weekly crash since 2008.

Some countries and healthcare services around the world have reacted well. Singapore, for example, has been applauded for the way it has handled the crisis. And as a company, Ping An Good Doctor (PAGD) has stood out.

As chief executive Oliver Wang tells us, PAGD has set up free consultation hotlines and online consultations, it has joined hands with 56 provinces and it is working with over 30 leading enterprises.

If any good can come out of this crisis, it might be the final acceptance of online healthcare.

COMMUNITY

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UAE

NMC boss axed and shares suspended

Trading in the shares of NMC Health has been suspended and chief executive Prasanth Manghat has been removed with immediate effect (26 February).

The London-listed company also announced that its chief financial officer, Prashanth Shenoy, had been granted extended sick leave.

The board has asked Michael Davis, current chief operating officer, to assume the position as interim CEO for the foreseeable future.

The private healthcare operator has been facing severe scrutiny since December when US short seller Muddy Waters published a damaging report calling into question the company's finances and governance, resulting in NMC commissioning an independent review into its finances led by former FBI director Louis Freeh.

When published in mid-December, Muddy Waters said that it had 'serious doubts about the company's financial statements, including its asset values, cash balance, reported profits, and reported debt levels.'

The due diligence specialist went on to say that NMC had 'deliberately understated' its debt by around US$320m.

Since then NMC's share have lost around 70% of their value.

This past month the largest healthcare operator in the UAE has seen its shares value continue to plummet and its founder and chairman, BR Shetty resign, along with three other significant shareholders and board members.

There had been a glimmer of hope for the company and its shares jumped following an announcement (10 February) that it had 'received highly preliminary approaches from Kohlberg Kravis Roberts [KKR] and GK Investment regarding possible offers for the company.'

That glimmer, however, had faded slightly by the following day after private equity giant KKR denied that it had made a proposal 'nor discussed with NMC the terms of any possible offer'. More to the point, it said that it did not intend to make one.

On the other hand, GKSD Investment, which is backed by sponsors of Italy's Gruppo San Donato, confirmed its interest. It admitted that GK Investment, as its adviser, had made the approach on its behalf and it was 'in the preliminary stages of considering an offer for NMC'.

The company has been dealt yet another blow following an update from the independent review committee.

Interim findings published on 26 February raised potential discrepancies and inconsistencies in the company's cash position and uncovered a supply chain financing arrangement understood to have been used by its founder as well as a major shareholder that was guaranteed by NMC, but was not approved by the board or disclosed to the market.

The draw-down on the facilities as of 31 December 2019 was approximately US$335m and the current draw-down on the facilities is the subject of ongoing verification.

James Vane-Tempest, analyst at Jefferies, said in a report, however, that it estimates US$2.5bn of total debt.

'As NMC states that the current drawdown of supply chain facilities is unknown, we assume $2.5bn of total debt. We also believe it may be prudent to consider the possibility that at FY there may be some adjustments to profitability,' he said.

As a result of these issues and a belief that the independent review has been obstructed, one member of NMC's treasury team has been suspended, and the company does not expect to be in a position to publish its FY2019 before the end of April.

In response to the changes, Carson Block, founder of Muddy Waters, said: 'At this point, the company's announcements speak for themselves and seem to be even more damning than our initial report was.'

Trading in the shares of NMC have been suspended in the wake of this even deeper financial scandal.

In a statement, NMC said that the Financial Conduct Authority had agreed to its request for the temporary suspension of its shares 'to ensure the smooth operation of the market'.

The company said that it is focused on providing additional clarity to the market as to its financial position and to restoring its admission to trading.

Founded in 1974 in Abu Dhabi, NMC owns and manages a network of hospitals, medical centres and fertility clinics across 19 countries. It listed in London in 2012.

Prasanth Manghat, removed from his role as CEO at NMC

EUROPE

Shake out in diagnostic services continues

Private equity firm Cinven is looking to exit Germany laboratories group Synlab via an initial public offering, just as Apax Partners looks to sell its stake in Swiss diagnostic services provider Unilabs.

Reuters reports that Cinven has appointed boutique investment bank Lilja to help and could pull the trigger on an IPO in the second half of the year.

The company is also looking at a trade sale.

Led by Mathieu Floreani, Munich-based Synlab is present in more than 40 countries across four continents and claims a leading position in most markets.

It has annual sales on around €2bn (US$2.2bn)

Cinven has held Synlab since June 2015, when it acquired the group from BC Partners for €1.8bn, soon after it had acquired French medical diagnostics provider Labco for €1.2bn. It then merged the two groups.

The Synlab sale is part of a broader shakeup in the European diagnostics market which remains fragmented.

Apax Partners-owned Swiss diagnostic services provider Unilabs is also up for sale. Rothschild is managing the deal.

Market rumour suggests that some of the larger private equity players are considering whether the two companies could be merged.


Mathieu Floreanir, chief executive, Synlab

GERMANY

Quadriga Capital buys Medical Senioren-Park

Quadriga Capital has acquired the Medical Senioren-Park chain of care homes, together with six inpatient facilities from care home group Convico.

'The Medical Senioren-Park Group is a very successful family business with a unique culture. Quadriga Capital's participation will give the newly formed nursing home operator the opportunity to become a leading nationwide service provider in the long term through targeted acquisitions and new homes,' said Quadriga partner Philip Matlachowsky.

The Medical Senioren-Park Group is a family business founded by Rita and Tadeusz Cymerman with around 800 employees. Over the past 20 years, the company has specialised in the acquisition, construction and operation of care facilities and real-estate. The group owns five care facilities with over 550 beds in Hessen, Nordrhein-Westfalen and Bavaria as well as a rehabilitation clinic providing treatment for women with addiction problems with over 60 therapy places in Rheinland-Pfalz.

Kathrin Ludwig, managing director, has been with the care provider for almost 20 years and will continue to manage the operational business. The previous owners Rita and Tadeusz Cymerman will retain close ties with the company. In the future, they intend to support the group's organic growth by focusing on the further development of Medical Senioren-Park's real estate.

Convivo has been active in the care market for over 25 years and currently combines 100 care facilities, residential communities, outpatient care services as well as facilities for serviced living and alternative forms of housing for senior citizens in 'Convivo Parks'. The six transferred facilities cater to more than 700 residents in Nordrhein-Westfalen, Rheinland-Pfalz, Niedersachsen, Schleswig-Holstein and Hamburg. Convivo will continue to provide operational support to these facilities during a transition phase to ensure the greatest possible continuity for residents and staff.

GERMANY

3B Scientific acquires iSimulate

3B Scientific, a manufacturer and marketer of anatomical models and medical simulation products for healthcare and patient education, is to acquire iSimulate, a leader in clinical education technology.

'iSimulate has revolutionised simulation training in healthcare through its creative simulation solutions including ALSi, REALITi, CTGi and AURiS,' said Todd Murray, chief executive of 3B Scientific. 'We are extremely excited to further develop the 3B Scientific platform and add the great products and people of iSimulate to our company.

The healthcare simulation market has experienced significant growth in the past decade and is estimated to reach US$2.3bn by 2021, according to a 2016 MarketsandMarkets report.

After the deal closes, founders Peter McKie, Anthony Lewis and Bobby Syed will remain active in the company and continue to drive the business plan for iSimulate.

iSimulate operations will remain unchanged and will continue to be based in both Canberra, Australia, and Albany, New York.

The acquisition will close by the end of the first quarter.

Gibson, Dunn and Crutcher and Clayton Utz are legal advisors to 3B Scientific. Schwartz Heslin is financial advisor to iSimulate, and Pepper Hamilton and MinterEllison are serving as legal advisors to iSimulate.

GERMANY

Meine Radiologie acquires Strahlentherapie

Meine Radiologie has acquired the Strahlentherapie Augsburg. Financial terms for the deal have not been disclosed.

Strahlentherapie Augsburg was founded by radiation experts Jörg Hombrink, Christoph Reiter and Hubert Gilg and is regarded as one of the leading practices for radiation therapy in Germany.

Formerly known as Deutsche Radiologie, Meine Radiologie was founded in 2017 in Frankfurt. The company describes itself as accompanying 'radiological, nuclear medicine and radiotherapeutic practices on the path to succession planning as a financially strong investor and professional management partner'.

Triton invested in the company in January last year.

SWEDEN

EQT to exit Lima Corporate

EQT is looking to exit its investment in Italian orthopaedic implant manufacturer Lima Corporate, according to Bloomberg. The Swedish investment firm took a majority stake in the San Daniele del Friuli-based company from Ardian in December 2017.

Lima Corporate is a global medical device company providing reconstructive orthopaedic solutions to surgeons. Its product range includes large joint revision and primary implants and complete extremities solutions including fixation.

Bloomberg reports that EQT is looking at a trade sale and IPO. Lima Corporate's valuation could top US$1.1bn. Morgan Stanley is advising EQT.

FRANCE

MedEuropa to expand in France

MedEuropa has acquired the radiotherapy centre Centre Catalan d'Oncologie in Perpignan.

Investment house Ardian provided the loan to support the acquisition which also includes a committed acquisition facility to finance future build-ups.

Headquartered in Switzerland, the MedEuropa platform was founded in 2017 by Telemos Capital. It is a European cancer care company with a strong focus on radiotherapy.

The network was initially created through the acquisition of two radiotherapy centres in Germany in January 2019.

'We look forward to the long term cooperation with the MedEuropa management team and Telemos Capital, valuable partners with strong expertise in the European healthcare services market. We are convinced that MedEuropa will achieve further growth via strategic acquisitions in the fragmented European radiotherapy market,' said Guillaume Chinardet, head of Ardian Private Debt France.

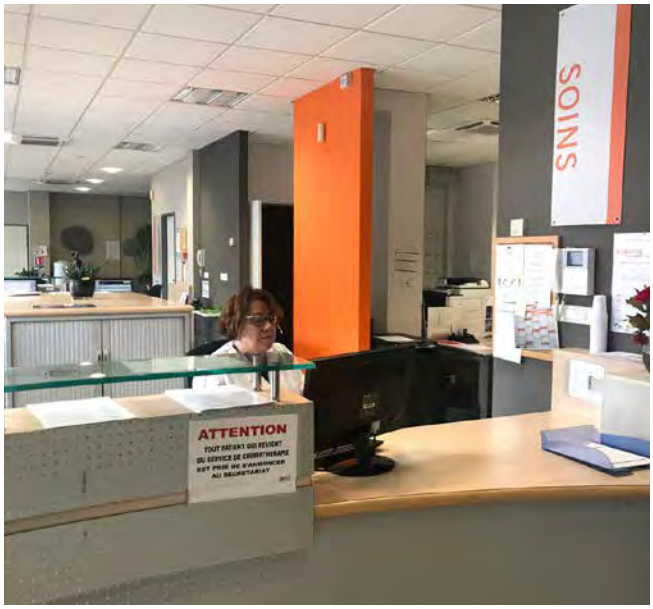
The combination of all three entities will form a group operating six treatment machines treating a total of 2,900 patients per year.

The Centre Catalan d'Oncologie centre is located in Perpignan, in the South of France. It focuses on radiotherapy treatments through the operation of linear accelerators, treating a total 1,800 patients.

It also provides some chemotherapy treatments in a more limited manner. Centre Catalan d'Oncologie Perpignan enjoys a strong local reputation in the Pyrenées-Orientales region.

'We look forward to the long term cooperation with the MedEuropa management team and Telemos Capital.'

Law firms Winston & Strawn and Willkie Farr & Gallagher served as advisors for the buyer while the target was advised by Lamartine Conseil and Seido Avocats.



SWITZERLAND

Takeover talks for SHL Medicine

Swiss-listed Israeli medtech firm SHL Telemedicine has confirmed that it has been in discussions regarding a possible merger or a takeover transaction.

The company develops personal telemedicine systems and the provision of medical call centre services, focused on cardiovascular and related diseases, to end-users and to the healthcare community.

SHL has been the subject of rumours of a takeover for more than a year.

The company said that it has been in discussion with Israel-based nursing and HR specialists Danel.

'At this point, the parties have not yet taken any decision nor entered into any binding obligation with regard to the realisation of such transaction. SHL will further inform the market as required,' it said in a statement.

SHL Medicine's app-driven solutions

NORWAY

Litorina acquires Klinikk For Alle

Swedish private equity firm Litorina has acquired Klinikk For Alle (KFA), a provider of physical manual therapy treatments in Norway.

'We plan for a rapid roll-out of clinics in Norway and internationally, with Sweden being the next step on this growth journey,' said Litorina partner Gustav Thott.

Founded in 1989, it is the market-leader provider of physical manual therapy treatments in the country. It performs around 425,000 treatments per year across its 30 clinics, and with an annual turnover of Kr300m (US$33.7m).

In a statement Litorina said that the market for physical manual therapy is characterised by low cyclicality and a strong growth outlook primarily driven by an ageing population, increasing obesity, lack of physical activity, as well as increased awareness and acceptance of the specialised and preventive care which physical manual therapy offers. As the market is very fragmented, it added, KFA is well-positioned as the dominant player to continue driving consolidation and development of the profession.

Litorina currently has SKr8bn (US$840m) in assets under management across five funds.

Gustav Thott, partner, Litorina

FRANCE

Vygon takes over APD

Single-use medical devices group Vygon has taken over Lyon-based start-up Advanced Perfusion Diagnostics (APD), which specialises in the development of monitoring solutions for critical care and the operating room.

Financial terms of the agreement have not been disclosed.

'This acquisition is in line with our strategy of external growth. APD is an ideal fit for our vision and a start-up that we have been keeping an eye on for some time,' said Vygon chief executive Stéphane Regnault. He added that manufacturing of the monitor would be brought in-house this year.

APD, founded in 2014, has developed IKORUS, a device that detects changes in visceral microvascular blood flow in the most critically ill hospital patients. There are currently no professional tools for continuous real-time monitoring of visceral microvascular blood flow in shock states. IKORUS addresses an unmet need in anaesthesia and critical care.

It obtained CE marking in June last year, enabling the launch of an expanded clinical trial phase with several leading European centres.

The APD acquisition follows the start-up's entry into receivership in October. The takeover of the company includes technology, patents and the onboarding of APD's staff.

In October Vygon acquired Italian firm Pilot, which specialises in electrocardiography guidance (ECG) devices.

Stéphane Regnault, chief executive, Vygon

NETHERLANDS

Korian expands in the Netherlands

Ten months after entering the Dutch market, Korian Group, Europe's largest retirement home operator, has acquired two networks and diversified into independent living and rehabilitation centres.

Korian will acquire nine assets – three existing ones and six sites under development from Het Gouden Hart, a family-owned company that has specialised in care residences. The founders will stay on with Korian.

It has also reached an agreement with Ontzorgd Wonen, the largest private operator in the Netherlands to acquire five facilities close to Amsterdam. An additional acquisition of seven facilities is currently under exclusive discussions with the vendor.

Financial terms for none of the deals have been disclosed.

In June last year, the group entered the market through the acquisition of Stepping Stones, which operates 14 residential facilities specialised in the care of Alzheimer's, from Gilde.

The Stepping Stones network is expected to reach around 25 homes by the end of 2021.

SPAIN

KKR pulls out of deal with Spanish dental chain Dentix

US investment firm KKR has pulled out of its deal with Spanish dental clinics operator Dentix.

The news comes shortly after KKR and Dentix announced the appointment of Enrique Francia as the new chief executive officer of the Spanish dental company earlier in February.

'KKR and Enrique Francia have resigned from entering Dentix after verifying the real situation of the company.'

KKR and Enrique Francia have resigned from entering Dentix after verifying the real situation of the company during the mandatory due diligence, *Europa Press* reports.

KKR said that it had been provided with erroneous and/or incomplete financial information.

In December, KKR reached an agreement with Dentix founder Angel Lorenzo Muriel, to acquire a majority stake in the company.

The transaction was made through funds managed by KKR and aimed to support the growth of the dental clinic network.

KKR has supported Dentix since 2016 when the firm granted it a long-term loan.

Ángel Lorenzo, president and founder of Dentix, said: 'KKR has worked closely with me since 2016 and we have created a successful relationship and I am confident that this will continue to be the case in this new phase of growth to lead the dental business.'

In April, Dentix hired Rothschild to carry out a 30% capital increase, with the goal of continuing to open clinics in order to go public in five years.

Founded in 2010, Dentix has a network of more than 350 dental practices located throughout the UK, Spain, Portugal, Italy, Mexico, Colombia and Chile.

FINLAND

Terveystalo buys physiotherapy centre in Varkaus

Terveystalo, the country's largest healthcare services company, has acquired Varkauden Fysiokeskus Oy, a private physiotherapy centre in Varkaus.

The company employs five physiotherapists and one osteopath. Last year, the company's revenue was approximately €0.4m (US$0.4m).

'People are increasingly interested in their own wellness, and the number of wellbeing programmes of pioneer companies has increased,' said Hanna Puhakka who is in charge of Terveystalo's well-being operations.

She added that Terveystalo employs more than 1,000 experts in this field: as physiotherapists, psychologists, psychotherapists, dieticians and more than 100 trained masseuses at its Rela-hierojat Terveystalo subsidiary.

Varkaus, Finland

DOMINICAN REPUBLIC

Fresenius Kabi expands in the Dominican Republic

Fresenius Kabi, the German group's blood transfusion business, has opened a €30m (US$33m) expansion of the company's production site in Haina, just outside the Dominican Republic's capital and biggest city, Santo Domingo.

Fresenius Kabi's first plant building at the Haina site, which opened in 1987, covers around 18,000 square meters. The €30m expansion doubles the size of the site's newer, second plant building to around 15,000 square meters.

The new space houses advanced production equipment, plasma kit assembly lines and sterilisation units that double the cleanroom and storage capacity. The site also includes a large warehouse.

'Broadening our production activities in the Dominican Republic will increase our ability to produce and supply essential products for patients around the globe,' said Christian Hauer, president transfusion medicine and cell therapies division.

SOUTH AFRICA

Mediclinic finally takes over Matlosana

South African healthcare group Mediclinic International has finally received approval for its proposed acquisition of a controlling share in Matlosana Medical Health Services, based in Klerksdorp in the North-West Province of South Africa.

'We are delighted to expand our current care offering within the North West Province of South Africa. Mediclinic remains focused on delivering high-quality healthcare services across the continuum of care and an excellent client experience,' said Koert Pretorius, chief executive officer of Mediclinic Southern Africa.

The acquisition includes two multi-disciplinary hospitals: the 185-bed Wilmed Park Hospital and the 62-bed Sunningdale Hospital. In addition, the acquisition includes a 51% share in the 50-bed Parkmed Neuro Clinic psychiatric hospital.

The proposed merger was announced in September 2016. A year later, in June 2017, the Competition Commission recommended that the merger be blocked. The companies appealed. They said denied that the proposed merger would have any negative effects on competition and argued that it would lead to a number of efficiencies. These included improved costs of procurement and increased clinical quality and patient experience at the target hospitals.

There had been concerns that the takeover would give Mediclinic an almost two-thirds market share in the area.

The existing management team at the hospital will remain in place.

AFRICA

UKEF supports projects in Ghana and Zambia

British export credit agency UK Export Finance (UKEF) has provided £354m (US$461m) to support healthcare projects in Ghana and Zambia. In Ghana, support worth £110m will enable the upgrade and construction of a hospital. Contracta Construction UK will upgrade Kumasi teaching hospital, the main regional hospital for the Ashanti region in south Ghana, creating 750 beds for maternity care.

'The modernisation of Kumasi Teaching Hospital and airport terminal will bring real benefits and we are pleased to be leading on their delivery,' said Fabio Camara, director at Contracta Construction UK.

And in Zambia, a direct loan of £244m will support the design, construction, equipping and operation of 108 rural healthcare clinics and three hospitals by NMS. Each rural clinic will be powered by solar energy, ensuring renewable, reliable power in remote areas.

'This high social impact project will be transformational on healthcare and the lives of local people, especially in remote areas,' said Frederik Hsu, deputy chairman, NMS Infrastructure.

AFRICA

54gene launches Nigerian genetic study

African-focused healthtech genomics and AI start-up 54gene is to launch the African Centre for Translational Genomics (ACTG), an initiative which will facilitate translational genomics research by African scientists.

'Through this consortium, we aim to engage senior scientists that have made their mark in the field of cardiometabolic research in teaching hospitals across the country to ensure representativeness and quality,' said Babatunde Lawal Salako, director-general of the Nigeria Institute of Medical Research and co-leader of the steering committee.

The establishment will also re-invest in the health ecosystem by empowering the next generation of African genomic scientists through the provision and implementation of grants, fellowships, internships and training for medical researchers, trainees and students. Additionally, the initiative will facilitate precision medicine across continental Africa.

Leading members of the steering committee

The ACTG will fund its first study under the Non-Communicable Diseases - Genetic Heritage Study Consortium. This will see over 100,000 Nigerians participate in the eponymous study which will seek to understand the genetic basis of the highly prevalent non-Communicable Diseases (NCDs) in Nigeria such as cancers, diabetes, Alzheimer's, chronic kidney and sickle cell disease, among others.

Alongside Salako, the steering committee is made up of Oyekanmi Nash, director of National Biotechnology Development Agency's Centre for Genomics Research and Innovation, Abasi Ene-Obong, chief executive of 54gene, Segun Fatumo, assistant professor at the London School of Hygiene and Tropical Medicine and Omolola Salako, consultant oncologist at the College of Medicine, University of Lagos.

EGYPT

Speed Medical signs MoU with El Dakhakhny Laboratories

Egyptian healthcare group Speed Medical has signed a memorandum of understanding (MoU) with El Dakhakhny Laboratories.

Under the agreement, Speed Medical's name will be added to El Dakhakhny Laboratories, the company said in a bourse disclosure on 16 January.

The medical laboratory testing company's name will be changed to Speed El Dakhakhny Laboratories, the statement added.

Speed Medical said that it will manage El Dakhakhny Laboratories for a trial period before conducting an evaluation of a potential acquisition.

At the start of the month, the Cairo-based healthcare group announced it was looking to more than triple its capital to E£213.9m (US$13.5m) as part of a company expansion.

It intends to increase its capital by E£142.6m during 2020, by selling two-for-one shares at E£0.20 each. No date as yet been set.

During the first nine months of 2019, the company logged a 49.2% jump in profits to E£16.4m.

MALAYSIA

Symphony sells down stake in IHH

London listed strategic investment company Symphony International has sold down its stake in IHH Healthcare, Asia's largest healthcare company at a profit.

'Symphony International completed another successful exit that has provided strong risk-adjusted returns. The healthcare sector in Asia remains attractive and we will continue to explore new opportunities to strategically build on our portfolio,' said Anil Thadani, chairman of Symphony Asia.

Symphony International invested US$50m in IHH's Turkish subsidiary, Integrated Healthcare Hastaneler Turkey, in February 2012 that was later converted into shares in IHH at the time of IHH's initial public offering later the same year.

Symphony has exited the shares in IHH through a series of partial sales since 2015 that has generated an annualised return of 11.2% over a period of approximately eight years or 1.8 times the cost of investment.

UAE

Aster gets government approval for 100% ownership

Aster DM Healthcare has been granted 100% legal ownership of its business in Dubai by the UAE government.

The completion of the transfer of 100% legal ownership of the subsidiaries in Dubai is expected to conclude by the end of the current financial year.

Previously, as per UAE law requirements, nationals of the UAE were required to be the legal or registered owners of UAE companies and foreign investors were only allowed to hold up to a maximum 49% stake in a company.

As part of recent developments, however, the UAE government has granted approval of 100% ownership to foreign companies in approved sectors, including the healthcare sector.

Azad Moopen, founder chairman and managing director of Aster DM, said: 'Dubai is a significant market for us as it contributes almost 80% to our GCC business. I thank [the rulers of UAE] for this forward-looking change in law which will give impetus for more investments into the country.'

Headquartered in Dubai, Aster DM Healthcare is one of the largest private healthcare service providers operating in multiple GCC states, extending across nine countries in the UAE, Oman, Qatar, Bahrain, Saudi Arabia, India as well as the Philippines.

As HM*i* reported in August, Aster DM intends to expand into India and open four new multi-speciality hospitals.

UAE

Al Hosn Hospital partners with Spanish hospital group

Quirónsalud Barcelona Hospital

Abu Dhabi-based Al Hosn Hospital Surgery Center has signed a partnership agreement with Quironsalud, Spain's largest private hospital group.

Under the agreement, Quironsalud doctors will visit Al Hosn Surgery Center, while Al Hosn Surgery Center will send physicians for short observational training in different specialities to be done in the Quironsalud Hospitals in Barcelona.

It will also treat patients referred to by Al Hosn Hospital Surgery Center, including medical or diagnostic tests, supplementary tests, surgical interventions, and hospitalisation.

'This collaboration paves the way for deeper ties between Spain and the UAE and will also help achieve growth and progress for the medical fields of both nations,' said Sheikh Abdulla bin Butti Al Hamed, chairman of the Department of Health in Abu Dhabi.

Quironsalud operates 50 hospitals and 90 health centres across Spain. It has been owned by Germany's Fresenius since 2016.

Most recently, Quironsalud has been expanding in Latin America. It acquired two hospitals in Colombia and the diagnostics group CediMed in November.

UAE

American Hospital Dubai to launch several new technologies

American Hospital Dubai, part of Mohamed & Obaid Al Mulla Group, is set to launch multiple new technologies at its hospital.

At the Arab Health 2020 conference in Dubai, it signed an agreement with United Imaging, one of the leading companies in advanced medical imaging and radiotherapy equipment.

'This partnership will make American Hospital Dubai an important clinical application reference site and help us to better serve the patients from the UAE and across the region,' said Sherif Beshara, chief executive officer of Mohamed & Obaid Al Mulla Group.

This will see a high-performance (PET/CT) scan machine – manufactured by United Imaging – installed at American Hospital Dubai's Nuclear Medicine Department.

Both companies intend to cooperate in clinical and scientific research.

The new scan machine will be used to analyse several conditions, including cancers, heart disease and brain disorders.

Also during Arab Health 2020, the hospital inked a telehealth service with Etisalat Digital.

This will enable UAE residents to request and set up remote medical consultations with American Hospital doctors via the Etisalat communication platform service.

'We are consistently seeking Artificial Intelligence methods to reach as many patients as possible and in the fastest time,' said Beshara.

'As a result, our partnership with Etisalat Digital comprises a giant step forward for our consultation services.'

UAE

Department of Health – Abu Dhabi partners with Dubai Health Authority

The Department of Health – Abu Dhabi (HAAD) and the Dubai Health Authority (DHA) have announced a strategic partnership to develop an international healthcare model.

Both parties will work together in order to form a clear agenda to achieve common goals.

These goals include electronically linking health systems between Dubai and Abu Dhabi through Malaffi and Nabidh, health insurance rules and procedures, exchange of data and information related to health regulation, especially the licensing process for doctors, visiting physicians, medical education and research, capacity planning and the outpatient treatment system.

Both parties have also shared the initiatives and plans on which they are currently working.

HAAD presented details on Malaffi, which is the first system of its kind in the region, launched for exchanging health information. The new system will link more than 2,000 public and private health facilities, which provides services to more than 3 million people.

Meanwhile, the DHA shared its latest developmental strategy, Salama medical electronic system and initiatives and expansion plans which aim to raise the quality of health services provided to the people of Dubai.

'Working with one team spirit is the basis for laying the foundation for the next ambitious stage of the health sector and drawing the features of its future,' said Sheikh Abdulla Bin Mohamed Al Hamed, chairman of the Department of Health- Abu Dhabi. 'The next phase will be based on technology, innovation and artificial intelligence.'

Humaid Al Qutami, director-general of the DHA, said that the authority looks forward to this partnership and to sharing experiences with HAAD, which has achieved a distinctive health model with many successful experiences, especially in comprehensive care systems.

Al Qutami went onto say that this will directly contribute to reaching a healthier future and at the same time reinforces all efforts made to provide a distinctive healthy climate making it the ideal destination for medical tourists.

Heads from HAAD and DHA

UAE

American Hospital Dubai launches robotic surgery

American Hospital Dubai, part of Mohamed & Obaid Al Mulla Group, has expanded its range of services with the launch of robotic surgery.

The hospital is the first medical facility in Dubai to introduce the fourth generation of the da Vinci Xi surgical system to conduct robotic surgery services.

The launch of the service aligns with the overarching goals of the UAE Centennial 2071 and the recent three-year budget cycle (2020-2022), which its rulers hope will to make Dubai one of the most liveable cities in the world.

It also comes as part of American Hospital Dubai's 2020 expansion plans, which include the opening of six new medical centres this year.

The hospital will continue to develop its services along the lines of its joint venture deal with Livio to meet the region's growing demand for fertility-related treatments and services.

Established in 1996, American Hospital Dubai is a 252-bed, acute care, general medical/surgical private hospital able to perform more than 40 medical and surgical specialities.

SAUDI ARABIA

Saudi German Hospital opens in Dammam

Hospital provider Middle East Healthcare Company has received the final license from the Saudi ministry of health to operate its Saudi German Hospital (SGH) in Dammam.

The 150-bed hospital is the Middle East Healthcare Company's sixth hospital in Saudi Arabia and began to receive patients from 1 February, it said in a statement.

'All the required tests related to the medical systems construction systems availability of all required medical and administrative staff has been done to enable actual operation of the hospital to begin,' it said.

Construction on the SGH in Dammam completed in June, including the installation of medical and other equipment.

The facility was built by International Hospital Construction Company under a R336m ($90m) deal. The project was partly funded by seven-year R200 million Murabaha agreement that Saudi German signed with Samba Financial Group at the end of July 2018.

The Saudi German Hospital Group established its first hospital in Jeddah in 1988 and continued to expand to other areas across Saudi Arabia. The group currently operates hospitals in Aseer, Riyadh, Madinah, Hail and Jeddah.

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SAUDI ARABIA

Saudi German Hospital secures deal with Mayo Clinic

Saudi German Hospital, Riyadh

The Saudi German Hospital in Riyadh has partnered with US non-profit organisation Mayo Clinic to provide healthcare services in Saudi Arabia.

Critical cases will now be reviewed with Mayo Clinic doctors and patients can obtain treatment without having to travel abroad.

'This agreement… is in accordance with the 2030 vision of the Kingdom of Saudi Arabia [and will] build strong cooperation with international standard-organisations to improve the healthcare sector in Saudi Arabia,' it said in a statement to the Tadawul.

As HM*i* reported in November, Mayo Clinic partnered with Abu Dhabi Health Services Company to operate the Sheikh Shakhbout Medical City, a 741-bed hospital and one of the largest hospitals in the UAE.

INDIA

Vakrangee develops rural healthcare network with Aetna

IT service management company Vakrangee has signed an agreement with Aetna-owned vHealth to offer telemedicine services and access to its nationwide network of hospitals and clinics.

'We are happy to partner with vHealth to offer our customers professional telemedicine services in underserved rural locations in a very cost-effective manner,' said Dinesh Nandwana, managing director and group chief executive of Vakrangee.

vHealth uses digital technology and a network of healthcare partners to offer health checkups, blood tests, pharmacy services, dental and home healthcare services as it aims to bring access to care into local communities, homes and offices.

'Our partnership will help us expand our reach well beyond urban centres and into the most rural parts of India where primary healthcare plays an important role in the development and growth of these regions,' said Damian Delaney, managing director of Aetna India.


Dinesh Nandwana, managing director and group chief executive, Vakrangee

INDIA

Medvarsity partners with People Tree Hospitals

Medvarsity, India's largest online healthcare training company, has partnered with People Tree Hospitals to provide healthcare professionals with a fellowship programme in emergency medicine.

'In India, 90% of the patients with head injuries do not receive optimal care during the first hour of treatment, which leads to the fatality of one out of six victims. This is due to the significant dearth of medical professionals specialising in emergency care or having skill-sets required to treat the patients in the initial phase of the injury or a traumatic condition,' said Medvarsity chief executive Gerald Jaideep.

The prime goal of the fellowship programme is to strengthen the medical practitioners to be able to handle emergency cases with precision. This also focuses on bridging the gap between the number of emergency medicine healthcare professionals (HCPs) in India and the foreseeable requirement for the future.

According to PRS Legislative Research, the number of road deaths in India has remained steady at 150,000 a year.

The blended learning programme has 240 hours of learning content and 48 weeks of skill sessions which helps students gain comprehensive coverage of the subject. It also has live lectures and webinars by renowned clinicians.

Medvarsity Online is India's first and largest online healthcare training company. To date, it has trained and certified more than 45,000 medical professionals.

SINGAPORE

Acromec wins Singapore General Hospital Campus

SGX-listed Acromec, which designs and builds medical and sterile cleanrooms, has won a S$19.5m (US$14.3m) sub-contract at a new medical building in Singapore General Hospital Campus.

'This is a sizeable and longer duration project as compared to our other projects which typically runs for less than a year,' said Lim Say Chin, managing director of Acromec. He added that the contract would provide more stability and visibility to the company's revenue, order book and resource planning.

It is expected to contribute positively to the earnings per share and net tangible assets per share of the group for FY2020, he concluded.

The contract is to supply, deliver and install an air-conditioning and mechanical ventilation system at a new 12-storey health and medical care building in the Singapore General Hospital Campus. The medical building is intended for acute care and it will include an accident and emergency facility, acute medical wards, and isolation rooms.

The project should complete by December 2022.

'The contract will provide stability and visibility to the company's revenue, order book and resource planning.'

SINGAPORE

Novena Global buys two day surgeries

Singapore-based Novena Global Lifecare Group has bought a 55% stake in two day surgery in Singapore for S$55m (US$40.8m).

'We are excited with this acquisition as the day surgery centres further complement our suite of medical healthcare and aesthetic services. Day surgery centres are known to be more cost-effective as it helps patients to save time and costs in today's escalating healthcare costs,' said Terence Loh, co-founder of DORR Group which owns Novena Global.

Aptus Surgery Centre opened in Paragon Medical Centre in 2016 and Novaptus Surgery Centre was operational at Camden Medical Centre in 2019. Each has four operating theatres with cableless pendant systems and are equipped for a range of surgeries, including plastic, dental and eye procedures. Patients are also able to have laparoscopic surgery and endoscopic diagnostic procedures carried out.

In 2019, there were 20 Ministry of Health-approved ambulatory surgical centres in Singapore.

Founded in 2010, Novena Global is one of Asia's largest and fastest-growing integrated medical healthcare and aesthetic groups. It delayed plans in 2018 for an IPO. The previous year it announced plans to raise US$150m through a listing on the Taiwan Stock Exchange to expand regionally in North Asia both organically and through acquisitions.

In July 2018, it signed an MoU with Korea's Yozma BioScience Holdings to commercialise its technology and make investments in startups together.

And last year it created the US$150m Sino-Singapore Healthcare Fund with private equity firms Sinopharm Capital and Cedarlake Capital Group.

MYANMAR

Prudential and MyanCare partner to offer free healthcare

Life insurer Prudential Myanmar is to partner with telemedicine company MyanCare to provide free healthcare consultation to 5,000 families in Myanmar.

'PRUCare, our first initiative with MyanCare, will allow us to recognise people across the country who work tirelessly to support our society and communities. To reduce their stress and financial pressure of seeking medical consultations for themselves or their family members, we will provide quality healthcare consultations at the click of a button and fully cover the related fees for a one-year period,' said Asit Rath, chief executive officer of Prudential Myanmar.

The PRUCare programme intends to identify 5,000 teachers, nurses, social workers, security personnel and janitors across the country and provide them and their families with unlimited free voice and video healthcare consultations facilitated through the MyanCare mobile application.

The programme will be rolled out in phases across 2020.

Rath added that while this programme would cater to 5,000 families, the company aimed to extend this initiative to more families across the country.

NEW ZEALAND

Cornerstone shareholder exits Oceania Healthcare

Macquarie Group, a cornerstone shareholder in Oceania Healthcare since its IPO, has completed its exit from New Zealand's third-largest residential aged care provider.

Oceania Healthcare Holdings, the vehicle through which Macquarie held its stake, raised NZ$301.4m (US$197m) after it sold 251.2 million shares at NZ$1.20 per share.

This was a 4% discount to the pre-deal close of NZ$1.25.

Oceania said that the transaction was fully underwritten with the shares sold to a range of New Zealand and Australian institutional investors, and New Zealand retail investors.

The deal was underwritten by Craigs Investment Partners, Jarden Partners and Macquarie Securities.

The sale by Macquarie follows the NZ$105m that it raised in September 2018 after selling 95 million shares, a 15.6% stake, at NZ$1.10 per share.

Oceania Healthcare priced its NZ$200m initial public offering at NZ$0.79 per share in May 2017. This was near the bottom of the NZ$0.76 to NZ$1.04 indicative range. Macquarie Capital, Deutsche Craigs and First NZ Capital managed the deal.

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GLOBAL MARKET REPORT

FIRST EDITION

Population Health market set for exponential growth as global demand increases

LaingBuisson has published the first edition of its new Population Health Management global market report in association with McGrigor Group, leading experts in global health insurance and health management services. With Google's recent acquisition of Fitbit and the development of 'Haven' by Amazon, Berkshire Hathaway and J P Morgan, never has the issue of population health management been so prominent.

The report is vital reading to anyone – governments, corporates, health and life insurers and re-insurers, healthcare providers, employers and other payers – who have an interest in population health management. This will be especially important as the pressures created by an ageing population and a rise in chronic disease are felt across markets globally, not just in the West. The report covers the key questions and solutions facing the market globally and in its main regional markets today.

Population health management is the current favoured solution to tackling this looming crisis and has been developed over the past 30 years, with the US at the forefront. Between 2015 and 2025, it is expected to grow at a rate of 12% per year with the US providing the greatest short-term revenue opportunity with other markets, including North Asia, Europe and Latin America also showing good growth.

The aim of population health management is to manage health by understanding the full risk and providing tailored solutions for populations holistically, creating collaborative approaches between all players in the market and addressing overall wellbeing rather than physical health alone. As an approach, there has been a measure of trial and error in the development of population health management, underlining that it only really provides return and value on the investment when done properly. The report looks at the top ten lessons based on best practice, from setting a clear long-term strategy to getting programme design right. Focus is also given to the future of population health management, particularly the role of prescriptive data and high-level technology to enable it to be used on a larger scale. This will be necessary if programmes are to be successful at national scale and move beyond those adopted by corporates, healthcare providers and health insurers. Technology developments will be fundamental in creating interconnectivity with telehealth, e-mobile approaches, big data and the new wearables and sensor technology.

Technology is also widening supplier involvement, led by employee benefits consultancies and global assistance companies and including med-data/med-tech companies, pharmaceuticals and pharmacy, and the sport and food sectors. This breadth of supplier involvement is facilitating consumer engagement in managing their own health which will ultimately transform health into an individually-led industry.

To understand more about this dynamic and growing sector, purchase this report today.

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What the report covers

Introduction to PHM
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Global picture for chronic disease
Economic impact of chronic disease globally and by region
Economic impact of chronic disease on employers
History of PHM
Solutions:
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Frank Tsui, senior fund manager at Value Partners in Hong Kong, explains how the Coronavirus has affected Asian markets and says normal service will resume and that growth is likely to rebound

Value Partners
Investing through discipline

Keep calm and carry on investing

History, from diseases to economic cycles, often uncannily effects a playback. While health experts believed that the world was statistically overdue for a global viral outbreak, no one predicted that a Coronavirus which first broke out in Wuhan, the capital of Hubei province, China in late 2019, could escalate into infecting over 75,000 globally, with close to 99% of cases confined to the mainland.

Across China, the public and health authorities are on high alert as the respiratory infection, known officially as Covid-19, has claimed more than 2,000 lives on the mainland – conjuring a sense of déjà vu to the experience of 2003 severe acute respiratory syndrome (SARS). With the number of Coronavirus deaths surpassing the SARS epidemic, investors are now assessing its potential impact, given that the latter had clobbered both the economy and markets at large.

China's economy unmasked

China is the conduit of global supply chains as the workshop of the world and ripples would be greater in magnitude compared to SARS as its economy is much larger now than it was in 2003. The measures to curb the spread of the virus – city lockdowns, quarantines and extensions to the Chinese New Year holiday season means that production schedules in 20 provinces have been affected. The resumption of production in these factories play a role in China's first-quarter growth as these provinces are estimated to contribute over 70% of China's gross domestic product (GDP).

The tertiary or services sector in China which grew to a 53% share of the economy (from 41% in 2002), is also expected to take a dive as consumption levels suffer from the curtailed movement of people in the near term.

These services cover a wide range of sectors from tourism services to catering that is an increasingly important role for China as spending power increases. China's economy grew by 6.1% in 2019, according to the National Bureau of Statistics, and growth will certainly be under pressure in the first quarter as a result of the virus outbreak.

Rearview mirror

Although a short-term impact is unavoidable, a long term material impact is unlikely. In a similar vein, we noticed in 2003 that initially, the magnitude of market declines was inversely related to the new number of SARS cases. Thereafter, both the MSCI China and MSCI Hong Kong emerged from the trough when the number of SARS cases peaked which meant that markets reacted positively upon a rate of a decline in new cases.

To put things into perspective, the MSCI China and MSCI Hong Kong recovered alongside observable control to the epidemic before surging further towards the end of 2003 – total returns were over 100% and 52% respectively from the lows in April 2003 after they tumbled around 13% from their highs in early 2003.

The selling pressures associated with SARS lasted little over three months and abated even before the World Health Organization lifted the travel warning for Hong Kong in May 2003.

Vital signs of recovery

If we use 2003 as a guide, the Coronavirus would be a one-off event with growth levels resuming to normal once the conditions are settled.

Beginning on 4 February 2020, several indexes (the Hang Seng, MSCI China and S&P 500) showed signs of rebound after new infections began to show signs of deceleration.

Additionally, noticeable differences exist between the death rates; Covid-19 has an overall fatality rate of around 2% (as of 20 February 2020), which is significantly lower than the SARS mortality rate of about 10%.

Among the infected, an estimated 14,000 (or nearly 19%) have survived the ordeal, and markets have reacted optimistically upon acceleration to the recovery cases.

Post-mortem notes

Concurrently, many unknowns to the Coronavirus (including its spread and control measures) means uncertainty and market volatility are here to stay in the near term. Since the impact of the virus disproportionally affects the Greater China region, the overall risk premium to China and Hong Kong markets have increased. Against the uncertain market outlook, we expect policymakers to ignite stimulus plans on a larger scale for both monetary and fiscal policy easing. Before the virus outbreak, our portfolios had insignificant exposures to sectors that were vulnerable to lower tourism traffic and consumer spending appetite, namely airlines, transportation, hotels, casinos and luxury brands. These will require some recovery time from the dampened sentiment and face challenges to their earnings forecasts in 2020.

Hong Kong markets are also priced attractively, as fear-based sentiments are driving valuations similar to during the

SARS period with the Hang Seng Index trading at 0.6 standard deviation below its ten-year average price to earnings ratio.

Breathing room

In spite of the near-term volatility, we continue to be driven by bottom-up stock selection, favouring companies that exhibit solid growth over the medium to long term. Much of our conviction remains on technology, consumption upgrades, and healthcare.

In the Greater China bond markets, travel and consumer-related sectors will see a benign impact as these sectors have fewer bonds outstanding. The main component to watch is property, keeping in mind that housing demand amongst buyers should be delayed and should resume once the epidemic is contained.

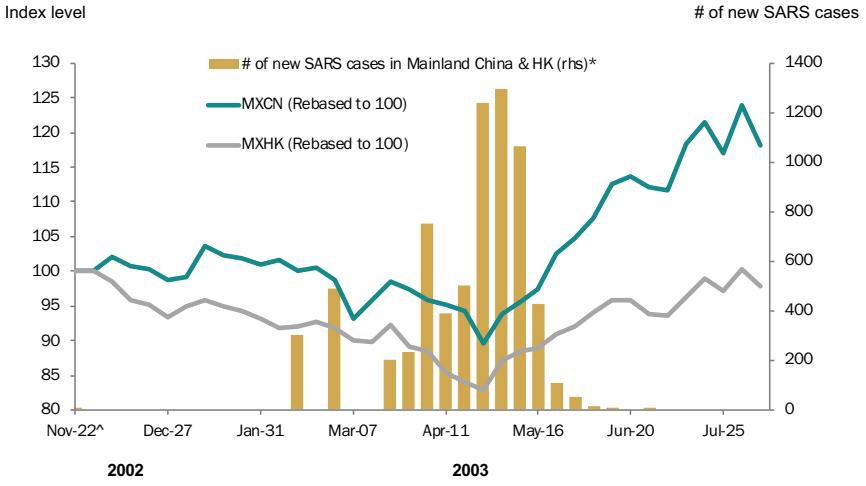
The imminent impact will be on property developers' sales in the first quarter of this year. We believe it could lead to softer contracted sales guidance in 2020 from the previous growth rate expectation of 10-30%. That said, while January and February are normally slack seasons for property sales, developers are expected to further postpone project launches to cope with the situation.

When it comes to developers with landbanks in the USD bond space, we do not foresee a big shortfall in saleable resources from developers to support a mild growth in contracted sales for the year. This is because most developers have a diversified landbank, and Hubei province (including Wuhan city) typically accounts for a single-digit percentage point of landbanking in gross floor area. On the liquidity side, amid expectation of slower sales in 1Q, developers are likely to remain financially prudent to preserve liquidity. As such, land purchases and new construction project will dip.

According to ratings agency Standard and Poor's, rated developers issued US$74bn worth of offshore bonds in 2019. Since the beginning of 2020, more than US$17bn (investment grade: US$1.5bn; high yield: US$15.9bn) worth of bonds have been issued, which already covers the majority of refinancing needs for 2020 at a total of US$23bn.

The credit metrics are hence manageable unless the contagion stretches over an unreasonably long duration.

SARS PEAK COINCIDED WITH EQUITY MARKET LOWS
HONG KONG AND CHINA



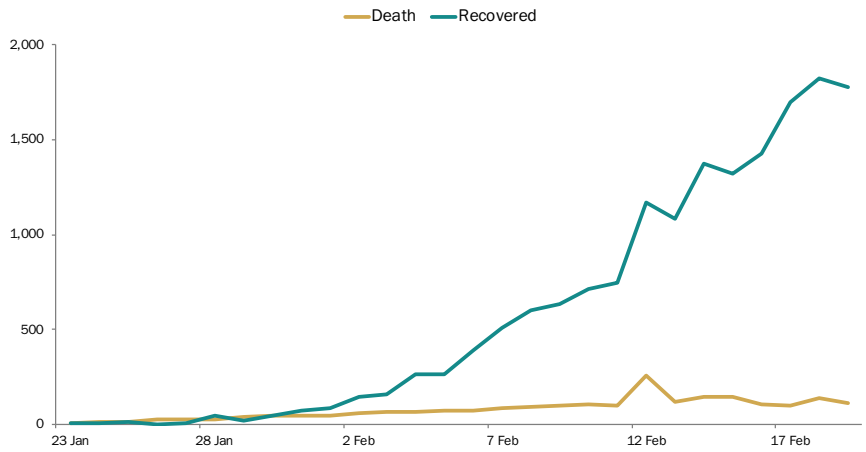
NOTES 1. DATA POINTS BEFORE 28 MAR 2003 ARE THE INCREMENTAL VALUES FROM PREVIOUS REPORTED DATES. DATA POINTS FOR AND AFTER THE WEEK ENDING 28 MAR 2003 ARE THE WEEKLY INCREMENTAL VALUES 2. THE FIRST KNOWN CASE IN CHINA OCCURRED ON 16 NOV 2002, BUT IS NOT IDENTIFIED UNTIL MUCH LATER.
SOURCE FACTSET, MSCI, WORLD HEALTH ORGANIZATION, GOLDMAN SACHS GLOBAL INVESTMENT RESEARCH, AS OF 14 FEBRUARY 2020

Seasons in the sun

Viruses do not last forever – many tend to peak in the colder winter months and die down in warmer summer weather. Scientists from Hong Kong University showed that low temperatures and low humidity enabled viruses such as SARS to survive longer than they would in high temperatures and high humidity, and the current Coronavirus strain would slow when the weather warms up. The comparisons to SARS in terms of economic fallout and rebound above suggests that the market prognosis from Covid-19 will follow a similar trajectory, that is, growth will rebound and the economy will resume normalcy.


Frank Tsui, senior fund manager, Value Partners

ROAD TO RECOVERY
NUMBER OF NEW CASES (AS OF 19 FEB 2020)



SOURCE NATIONAL HEALTH COMMISSION OF THE PEOPLE'S REPUBLIC OF CHINA, HUBEI HEALTH COMMISSION, TENCENT NEWS

LaingBuisson Healthcare intelligence

Major international hospital groups[1]

March 2020

Hospital Group	Country	Market Cap $m	Revenue $m	Hospitals	Beds	ABPH[2]	Countries	EBITDA margin %
Al Hammadi	Saudi Arabia	782	252	3	1,328	443	1	25.2%
AMEOS	Switzerland	Private	N/A	93	10,000	108	3	N/A
Angeles Health	Mexico	Private	N/A	28	2,554	91	1	N/A
Apollo	India	3,223	1,337	71	12,000	169	3	10.5%
Asklepios	Germany	Private	3,793	150	26,500	177	2	12.1%
Aster DM Healthcare	India	1,147	1,177	24	3,887	162	9	11.2%
Bangkok Chain	Thailand	1,243	285	13	2,245	173	1	26.6%
Bangkok Dusit Medical Services	Thailand	12,839	2,632	48	8,299	173	2	20.5%
Bumrungrad	Thailand	3,137	597	1	580	580	1	31.6%
CARE Hospitals	India	Private	N/A	12	2,200	183	1	N/A
China Resources Medical Holdings	China	730	270	144	23,000	160	1	27.5%
Columbia Asia	India	Private	N/A	30	2,600	87	4	N/A
Dallah	Saudi Arabia	970	331	1	448	448	1	17.6%
Dr. Soliman Fakeeh Hospital (DSFH)	Saudi Arabia	Private	N/A	1	475	475	1	N/A
Elsan	France	Private	2,281	80	10,900	136	1	0.0%
Fresenius (Helios and Quiron Salud)1	Germany	29,283	9,721	136	37,126	273	2	0.0%
Georgia Healthcare Group	Georgia	215	328	52	3,320	64	1	15.9%
Gruppo San Donato	Italy	Private	N/A	19	5,532	291	1	N/A
Gruppo Villa Maria	Italy	Private	N/A	46	3,421	74	6	N/A
Hadassah Medical Center	Israel	Private	N/A	2	1,193	597	1	N/A
HCG	India	Private	136	21	1,872	89	2	12.8%
Healthscope	Australia	Private	1,574	43	5,100	119	2	14.7%
Humanitas Group	Italy	Private	N/A	8	1,861	233	1	N/A
IHH Healthcare (Parkway, Acibadem, Fortis)	Malaysia	12,150	3,418	80	15,000	188	10	22.7%
KPJ Healthcare	Malaysia	986	836	30	3,313	110	4	3.1%
Life Healthcare	South Africa	2,457	1,694	49	9,136	186	6	27.5%
Manipal Hospitals	India	Private	209	11	5,000	455	2	0.0%
Max Healthcare	India	Private	N/A	14	2,500	179	1	N/A
MD Medical Group	Russia	377	244	41	1,319	32	1	28.7%
Medanta	India	Private	N/A	16	1,250	78	1	N/A
Medical Park	Turkey	591	575	25	6,000	240	1	14.1%
Mediclinic (Al Noor, Hirslanden, Spire)1	South Africa	3,653	N/A	76	10,500	138	4	N/A
Medicover	Sweden	1,474	860	17	2,241	132	3	12.6%
Medsi Group	Russia	Public	338	38	N/A	N/A	1	26.1%
Meinian OneHealth	China	7,826	1,270	>600	N/A	N/A	1	20.1%
Mouwasat	Saudi Arabia	2,211	477	6	1,200	200	1	32.1%
Narayana Health	India	998	433	23	6,579	286	2	12.3%
Netcare	South Africa	880	1,425	56	10,471	187	1	20.3%
NMC	Abu Dhabi	2,487	2,361	51	2,186	43	19	22.2%
Paracelsus-Kliniken	Germany	Private	N/A	14	3,794	271	1	N/A
Raffles Medical	Singapore	1,325	365	1	300	300	5	19.3%
Ramsay (Capio, Generale de Sante)	Australia	10,616	7,657	75	25,000	333	6	13.0%
Rhön-Klinikum	Germany	1,239	1,608	7	5,370	767	1	7.9%
Sana Kliniken	Germany	Private	3,065	53	11,243	212	1	8.5%
Saudi German Hospitals	Saudi Arabia	796	378	11	2,725	248	4	7.7%
Shalby Hospitals	India	152	68	11	2,012	183	4	18.9%
Siloam International Hospitals	Indonesia	776	495	31	6,300	203	1	7.5%
SingHealth	Singapore	Private	3,743	7	4,345	621	1	0.0%
Star Medical	Mexico	Private	N/A	14	600	43	1	N/A
Sterling Hospitals	India	Private	N/A	6	815	136	1	N/A
VPS Healthcare	Abu Dhabi	Private	N/A	20	5,000	250	3	N/A

NOTES 1 EXCLUDES US 2 ABPH - AVERAGE BEDS PER HOSPITAL N/A NOT AVAILABLE
SOURCE LAINGBUISSON DATA; ANNUAL REPORTS AND PUBLIC FILINGS

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Healthcare intelligence

"This is a time of immense change and opportunity in healthcare, driven by substantial market, economic and policy challenges"

Stephen Dorrell
Non-executive director, LaingBuisson

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MARCH 2020

AN EFFICIENT HEALTHCARE SYSTEM

Hong Kong leads the global healthcare efficiency index. What will it take to stay on top?

HM*i* meets... Oliver Wang

A long-standing darling of the Hang Seng, Oliver Wang, chief executive of Ping An Good Doctor, talks about the challenges that the company has faced with the Coronavirus, how it is working with local authorities and his broader strategy for expansion in Asia

The annual figures from Ping An Good Doctor – released in late February – were impressive. The largest healthcare platform in China, but listed in Hong Kong, reported a 52% bump in revenues to Rmb5.065bn (US$720m) while the company's core business of online medical services saw growth of 109% to Rmb858m.

The company remains a stock market darling. Over the last year, its shares have returned just over 108%.

But the company has won broader plaudits too for the way that it has handled the Coronavirus problem. As an online doctor, it is perhaps not surprising that it saw a tenfold jump in the number of new registered users every day between January 22 and February 6. But what the company did then was to provide free online and telephone consultations to a public that was worried about the deadly virus.

Chief executive of Ping An Good Doctor is Oliver Wang. Named one of Jack Ma's 'Five Tiger Generals' in his early days at Alibaba, as president of Alibaba Software he oversaw the company become one of China's best-known online software operators and the SaaS vendor with the largest market share and most registered users in the country.

In 2013, Wang joined Ping An and from March 2014 to June 2016, he served as chairman and chief executive officer of Ping An Health Insurance. At the same time, Wang led a team of internet experts to create Ping An Health Cloud, where he was the chairman and CEO and established Ping An Good Doctor – in only one year.

The growth of Good Doctor has been unstoppable. In April 2016, it raised US$500m Series A funding round of financing giving the company a value of US$3bn. And it took a pre-IPO investment of US$400m from Masayoshi Son's Softbank Vision Fund in December the following year before listing in May 2018.

Cornerstone investors were a who's who of international investors: Blackrock, Capital Group, GIC, Canada Pension Plan Investment Board, Khazanah Nasional, Swiss Re and CP Group.

But it is a sign of how the company is regarded that the public tranche of the company's initial public offering was oversubscribed 658 times.

The following transcript of HM*i*'s interview with Oliver Wang has been edited for brevity and clarity.

HM*i* **How has Ping An Good Doctor reacted to the Coronavirus outbreak?**

OW We believe our online medical services are our core business and future growth driver. During the novel Coronavirus outbreak, online consultation has become the best choice for users for medical treatment due to the advantages of no contact and no cross-infection. Online consultation of Ping An Good Doctor has also played an important role in the fight against the epidemic.

In tackling the epidemic, Ping An Good Doctor is fully using the advantage of its online healthcare services, given that it requires no contact and face-to-face interaction and offers the public health guidance through its free consultation hotlines and online consultations. A thousand of our doctors voluntarily gave up their Chinese New Year vacation and worked around the clock to provide services at the forefront of online consultations.

We have joined hands with 56 provinces, municipalities and local governments including Wuhan, Fujian, Beijing and Chongqing, to provide real-time online consultation services for novel Coronavirus-infected pneumonia. The company has set up free anti-epidemic consultation hotlines and have been providing consultation for novel Coronavirus-infected pneumonia, as well as guidance on prevention of epidemic diseases spread.

In addition, Ping An Good Doctor has collaborated with more than 30 leading enterprises including Baidu, WeChat Work, Pinduoduo, Meituan Dianping, Kuaishou, Weibo, Moji Weather, Zhihu, Ximalaya, Gaotie Guanjia and so on, to export 24-hour online consultation services, forming a more extensive service network to offer help and guidance to more members of the public.

During the epidemic, the visits to the platform of Ping An Good Doctor reached 1.11 billion, new registered users increased tenfold, the daily consultation by new users was nine times as high as usual, and the cumulative views of relevant videos exceeded 98 million.

Meanwhile, the epidemic has largely increased people's acceptance of online healthcare, considerably shortening the

HM*i* meets...
Oliver Wang

Chief executive officer, Ping An Good Doctor

Career
Chairman and CEO, Ping An Health Insurance (2014-present)
Senior vice president, Alibaba Group and president at Alibaba Software (Shanghai) (2007-2014)
Vice president of technology, Alibaba Group (2004-2007)
Chief technology officer and vice president, Kingsoft Software (2002-2004)
Chief executive officer, Skyworth Optical-Electronic Co (2000-2002)
R&D department, Microsoft (1996-2000)

Education
Nanjing University
BA Computer Software (1985)
Southwest Texas State University
MA Computing (1993)

user education cycle and accelerating users' shift from offline health care to online, in the same way that the unexpected 2003 SARS outbreak prompting Chinese people to develop the habit of online shopping. The epidemic has also, objectively, created greater opportunities for our online consultation business, as well as for China's online healthcare industry as a whole.

HMi Would it be fair to describe you as a data company as much as a healthcare company?

OW Ping An Good Doctor is an online healthcare services platform. The nature of our business determines that we hold a lot of user data.

We attach great importance to online information safety and protecting our customers' privacy. We strictly comply with national laws and regulations. We have established a sound information security management system, sorted out the internal staff's right to use customer information, strengthened the monitoring of user information usage behaviour within the company, and protected customer data from being leaked.

Our stringent data protection is also recognised by [stock market index provider] MSCI. Ping An Good Doctor was awarded its first ESG rating by MSCI. The rating result was BBB, which was at the same level as Ping An Group, Alibaba and Tencent. MSCI considered that compared with its industry peers, Ping An Good Doctor implemented stronger measures for data privacy and safety and could better regulatory manage risks related to the safety of its information.

HMi You have signed a number of deals with cities like Quzhou and Guangxi to help provide healthcare services. How does your 'internet+healthcare' model work with local authorities?

OW On one hand, Ping An Good Doctor combines the advantages of our services such as our online platform, online medical consultations and AI-based medical system with the government's offline health resources to build online hospital service platforms, resolving people's difficulties and troubles relating to seeking medical diagnosis and consultations.

For example, in December 2019, we collaborated with the health commission of Fuzhou, Fujian Province to develop an online hospital service platform for Fuzhou City. Since the platform was launched, Fuzhou residents can enjoy services such as online follow-up, prescription renewal for chronic illness and medicine purchase and collection through the internet by logging in to the platform with their registered social security card. This is China's first actual regional online hospital services platform.

The government and industry players are actively exploring and steadily pushing the development of 'internet + healthcare' especially after the outbreak of the current Covid-19 epidemic. The central and regional governments are scrambling to introduce guidelines and policies to encourage online medical consultation. In its recently issued guidance, the National Health Commission requested 'full utilisation of the unique advantages of online hospitals and medical consultations and encourage the introduction of online follow-up consultations for common and chronic diseases and drug delivery service'. These policies recognise and encourage the role of online healthcare in combating the epidemic. This majorly benefits Ping An Good Doctor as it brings more cooperation opportunities for our online medical business.

HMi You have traditionally focused on the domestic market, but you have rolled out your doctor's AI assistant in Singapore and have launched a video consultation service with BDMS in Thailand. What is your strategy for Asia?

OW The world is facing a shortage of high-quality healthcare resources. The offline public healthcare system cannot meet people's growing demand for healthcare services. We believe that internet healthcare is an effective solution to this problem. Therefore, while focusing on domestic markets, we export our technological strengths and internet healthcare experience to overseas markets, working with local partners to provide local residents with efficient and high-quality online healthcare services.

Our joint venture with Grab, the largest online-to-offline internet company in Southeast Asia, officially launched an online healthcare service platform in Indonesia in the fourth quarter of last year, promising to serve nearly 300 million Indonesian users with services such as online diagnosis, drug delivery, online health mall, and offline appointment to create the largest internet healthcare ecosystem in Southeast Asia.

In 2019, we established another joint venture with Softbank Group, Japan's largest telecommunications company, and launched an online healthcare service platform in Japan at the end of the year. The platform offers comprehensive services, covering online consultation, hospital recommendation, health mall, counselling, and corporate health management. Supported by SoftBank's strong local network and market influence, the joint venture will build a one-stop Internet healthcare platform for 130 million Japanese users.

HMi Over the past year you have signed agreements with a number of banks and insurance companies. Are your customers happy with that level of convergence?

OW In the second half of 2019, Ping An Good Doctor launched Private Doctor Membership with one-on-one private doctors and renowned doctors from the nation's top 100 hospitals. Private Doctor Membership will provide users with such all-round active medical and healthcare services as 7x24 online consultation, second-round consultation by renowned doctors, offline clinical arrangement, health management, chronic disease management and so on.

Meanwhile, Ping An Good Doctor has entered into strategic partnership with 29 leading players: China Mobile, BAIC Group, China CITIC Bank, Wyeth Nutrition, China Everbright Bank, Minsheng Life, Pearl River Life, PKU Founder Life to name just a few of them.

The 29 enterprises operate in such industries as banking, insurance, automobile, communications and maternity. In the future, the users of these strategic partners will be able to enjoy Private Doctor Membership's all-round high-quality and one-stop medical and healthcare service.

After its launch, Private Doctor Membership received wide positive response from users. According to Ping An Good Doctor's 2019 annual report, the feedback from users of Private Doctor Membership was much higher than the average, reaching a user satisfaction rate of 99.85%.

Its average monthly consultation volume is three times that of ordinary users and the participation rate for health courses is four times that of ordinary users. For users, their doctors have turned from random strangers to acquaintances with a long-term, stable relationship, which is the reason for users' recognition of Private Doctor Membership services.

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DIGITAL HEALTH
UK MARKET REPORT

FIRST EDITION

Improve your understanding of IT and digital support in UK healthcare

This new LaingBuisson report provides insight and understanding of the current digital health landscape in the UK and the direction in which the market is set to grow over the coming years.

The market report looks at the key end markets and technologies used in support of the treatment of patients, the administration of health organisations in the UK and the general delivery of healthcare services. It analyses the providers of different healthcare IT systems in those markets, as well as pushing aside the hype and hyperbole to identify where future growth and innovation is truly set to come from.

In doing so LaingBuisson considers the legacy technology embedded in UK healthcare (first generation), the current landscape of technologies and suppliers (second generation), and how healthcare providers in the UK, mainly the NHS organisations, can adopt the new technologies which are currently coming on stream (third generation). At the same time, the report looks at how healthcare can make best use of more traditional technologies, which may themselves not yet be fully embedded, while starting to gain benefit from the new wave of health technology solutions.

Despite a wealth of headlines covering an assumed digital revolution in accessing NHS and private healthcare services, the report shows that while clearly a growing area of digital health, online appointments/consultations/wearables, AI and app-led services remain a tiny slice of the market when put next to the existing, large IT systems at work across the NHS.

This work analyses primary, secondary, mental health, community and specialist care systems covering Patient Administration Systems (PAS); Electronic Patient Records (EPR); ePMA (Electronic Prescribing and Medicines Administration), document management and much more.

The report explores the latest technologies and new providers emerging to potentially disrupt existing supplier markets and models of care, and move healthcare provision toward a Digital First offering.

Who is the report for

- Investors
- Banks
- Private Equity
- Think Tanks
- Lawyers
- Management Consultants
- Central and Local government
- Healthcare vendor C-Suite
- Hospital and clinical C-Suite professionals
- Specialist acute medical care providers
- Private medical insurance groups.
- Clinical Commissioners
- NHS Foundation Trusts
- Property Developers and consultants

What the report covers

Healthcare IT
Digital Health Initiatives
Legacy Technology
New Tech Innovation
Politics and Regulation
Market Divisions
(Primary, Secondary, Community, Mental Health)
Investors
Market Potential

Appendices
Glossary
Regulators
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SR Dinesh, vice president and business head of healthcare at Frost & Sullivan, Asia Pacific, explains why private-public partnerships, especially in primary care, are critical for Hong Kong

An efficient healthcare system

Hong Kong is described as a place where East meets West due to its Chinese roots and the culture brought by the British colonisation. It is also a major trading and services centre – In 2018 it was the seventh-largest merchandise trading entity and the world's sixth-largest banking centre.

Over the past two decades, Hong Kong's economy has grown by an average of 3.7% per annum while its GDP has grown by 3.1% in real terms.

The country's healthcare spend stood at 6.2% of the GDP in 2018 as compared to an OECD average of 8.8% in 2017 out of which public healthcare spend was 50.8% and private spend was 49.2%. The total healthcare spending as a percentage of GDP has increased from 3.6% in 1989-1990 to 6.2% in 2017-2018.

As per Food and Health Bureau (FHB) estimates in 2008, the total healthcare expenditure is expected to increase an at annual average of 1.5% from 2004 through 2033 constituting 27.3% of total government spending.

Hong Kong's healthcare system is ranked as the most efficient in the world according to the Bloomberg Healthcare efficiency index.

An ageing people

The system, however, is facing formidable challenges due to the growing and ageing population. This is attributed to the low birth rate of 7.3 per 1,000 population as compared to the OECD index of 12 births, and the higher life expectancy of 82 -87 years. The birth rate has been projected to decrease further by 3.2% between 2016-2066. The latest demographic projection reveals that Hong Kong's population will increase from 7.4 million in 2018 to 8.22 million in 2043 in which the proportion of people aged 65 and above will double from 17% to 34%.

The fundamental principle of 'no one is denied adequate medical treatment due to lack of means' guides Hong Kong healthcare system.

The public and private healthcare providers service the Hong Kong healthcare system, the government being the primary payer through general tax revenue and provider of inpatient services while the private sector focuses on the ambulatory care or outpatient services.

> THE FUNDAMENTAL PRINCIPAL OF 'NO ONE IS DENIED ADEQUATE MEDICAL TREATMENT DUE TO LACK OF MEANS' GUIDES THE HONG KONG HEALTHCARE SYSTEM

The public health system is under the Food and Health Bureau (FHB) of Hong Kong SAR and provides services such as inpatient care; healthcare protection, prevention services, community and social care services. The department of health (DH) under FHB is the government's strategic advisor on health issues. DH operates the centre of health protection (CHP), which looks into the prevention of communicable and non-communicable diseases. It also operates specialised clinics such as elderly health, dental, drug treatment, maternal and child health services.

The Hospital Authority (HA) in Hong Kong is a statutory body under the Hospital Authority Ordinance and has been responsible for managing the public hospital services since 1991. It manages around 43 hospitals and institutions with around 28,000 beds, 40 specialised outpatient clinics, and 73 general outpatient clinics.

The private healthcare sector complements the public sector through operations of 88 registered clinics and 12 private hospitals that provide inpatient and outpatient (general and specialised) services.

Challenges

Though recognised as one of the most efficient healthcare systems in the world, Hong Kong's public health system seems to be plagued by its own challenges.

The primary challenge is the lack of doctors in the public health system. The doctors to 1,000 population ratio is around 1.9 in Hong Kong, which is lower than the OECD average of 3.4, and Singapore too, which was at 2.3 doctors in 2015. The supply of doctors has not kept pace with the changing demographics and the demands of the ageing population and an increasing population of chronic diseases.

The public hospitals provide services to 90% of the inpatients while it employs only 51% of the local doctors.

This is also aggravated by the fact that the public health system loses doctors regularly to the private sector that promis-

es better pay, working hours and conditions. A Food and Health Bureau report projected a shortfall of 1,007 doctors by 2030 if Hong Kong maintains its current level of service.

Non-communicable diseases contributed to around 50% of the deaths in Hong Kong in 2016. Of the 44,662 registered deaths, more than half were attributed to cancer, heart diseases, stroke, chronic respiratory diseases and diabetes.

With an increasing number of patients with chronic diseases, the stress on public healthcare services is expected to increase over time.

For patients with at least one chronic condition, 81.6% of patients seek outpatient services in the public sector compared to only 59% in the private sector, while 44.7% seek care in both the sectors.

Also, the outpatient care is oriented towards episodic illness that does not support continuous care and hence lack of control of chronic diseases.

WITH AN INCREASING NUMBER OF PATIENTS WITH CHRONIC DISEASES, THE STRESS ON PUBLIC HEALTHCARE IS EXPECTED TO INCREASE OVER TIME

Inpatient/outpatient

Hong Kong's healthcare system is oriented more towards inpatient services than outpatient services with hospitals dominating the funding and utilisation of services.

Lack of focus on primary care is evident from the fact that more than two-thirds of outpatients are treated by the private sector while just under a third were treated by the public health services in 2017. This trend along with the current funding pattern leads to fragmented care within the healthcare system as patients move between public and private health clinics for continuous care.

The rise in an aged population, chronic diseases, lack of doctors and the focus on acute care by the public health system has made it imperative for Hong Kong to look again at its healthcare system that focuses largely on integrated and continuous care, primary and social care and preventative care.

The Hong Kong government has

earmarked $470bn for two ten-year hospital development plans that involve 35 projects to deliver 14,000 additional beds and other facilities to meet up the demand for service in 2036.

The immediate focus of the system, however, is to accelerate the build-up of the primary care market that provides continuous care to patients and to ensure that it is integrated across the healthcare system.

Self-managed conditions

Doctors have to be encouraged and incentivised to help patients manage their chronic diseases other than just tending to patients with regular ailments such as cold, fever and so on.

To provide integrated care, it is necessary to integrate the electronic health records across the healthcare systems so that patients and doctors have access to it and are able to provide continuous care to the patients.

There have to be stronger linkages between hospitals and primary care providers that can help design personalised/patient-centric care pathways and plans for patients.

To ensure that there are more doctors enrolled in the system, the Hospital Authority has set up a locum office to enhance flexibility and efficiency in attracting and recruiting part-time doctors and nurses. Hong Kong needs to recruit specialists trained at medical schools in other countries to work in Hong Kong without having to sit for the licensing exams. Singapore, which also faces the shortage of doctors, has adopted a similar plan. It allows graduates from international medical schools to apply for conditional registration that lets them work under the supervision of a registered medical practitioner. The conditional registration can be converted into a full registration after completing a specified period of conditional registration.

The current care model is more disease-based, a fee-for-service-based conventional model that needs to change to a more preventative care model that encourages self-management and control of chronic diseases and outcome-based payment models.

The department of health drew up a comprehensive plan titled *Towards 2025: Strategy and Action Plan to Prevent and Control Noncommunicable Diseases (NCD) in Hong Kong* in 2018 to reduce non-communicable disease burden in Hong Kong by 2025.

The strategic action plan focuses on four non-communicable diseases and four shared behavioural risk factors that have a significant impact on population health and prevention of non-communicable diseases. One of the key elements of the action plan is to empower people and communities to gain control over decisions and actions that influence health.

Digital technologies can play an important role in helping patients and doctors manage chronic diseases. While technologies for diseases such as cancer are still prohibitive in terms of costs, diseases such as diabetes and cardiovascular diseases can be diagnosed and monitored using digital technologies as evident from countries such as the US. This will not only help bring down the cost of chronic disease management but also enable continuous care and self-management.

Private opportunities

While the public healthcare system drives acute care services, private services have a critical role to play in moving towards preventative health.

Private-public partnerships, especially in primary care and a bigger role of primary care professionals to help manage population health, is critical for Hong Kong to move towards health from healthcare.

Having achieved the distinction of being the most efficient healthcare system in the world, Hong Kong now has to shift its service models to make the system fit for changing population demographics. Though the healthcare spend is below some of its comparable peers, it has to devise ways of reducing the increasing burden of healthcare costs.

With its well-developed healthcare infrastructure delivering enviable healthcare benefits to the population, changes will enable Hong Kong healthcare system to be integrated, efficient and sustainable in the decades to come and hopefully retain its *numero uno* position in the global healthcare efficiency index.

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UK HEALTHCARE MARKET REVIEW

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Industry-leading *UK Healthcare Market Review* now in its 31st edition

In 2017 the UK's total expenditure on healthcare was £197 billion, up almost 3% on the 2016 total of £192 billion. Almost 80% of this expenditure is accounted for by public spending, but LaingBuisson figures demonstrate how the independent sector, whether as a provider of services directly to private payers or as a partner to local authority and public health services in delivering health and social care services, continues to play a vital role in our healthcare economy.

New for 2019, the *Review* looks in more detail at UK healthcare spending benchmarked against international comparators from the EU, G7 and OECD in the context of trends in global healthcare. As chosen provider of data on the UK independent healthcare sector to the Office for National Statistics, LaingBuisson contributes market data that is in turn submitted to the OECD, WHO and Eurostat who combine it with their international datasets to benchmark UK spending against other nations.

This makes LaingBuisson's *UK Healthcare Market Review* vital reading not only for those independent providers but also commissioners, advisors and investors in the sector

LaingBuisson's *UK Healthcare Market Review* gives a valuable overview of the operating landscape for health and social care service providers across all parts of the market. It looks at current market values and capacity, recent trends, market concentration, leading players and funding sources as well as at key issues for the future. It also covers UK healthcare expenditure in context – benchmarking per capita spending in the UK against other EU and G7 countries and OECD comparators.

Subscribers to the Review will also get access to a fully searchable, cloud-based curated Care*Directory*, through our iLaingBuisson portal suite. This enables online, real-time searches of independent healthcare and social care providers across all segments of the market, including details of their management team, locations and five year financials with full adjusted profit and loss, balance sheet and cash flow. This database is updated in real time and is an invaluable business development tool.

What the report covers

Healthcare expenditure in context
Private acute healthcare
Health cover
Care homes for older people
Adult specialist care
Homecare and supported living
Mental health hospitals
Children's residential care
Foster care
Special education
Dentistry
Primary care
Occupational health
Community health services
In Vitro Fertilisation
Politics and regulation
Private equity in healthcare
Care*Directory* access

Who is the report for

- C-suite professionals from right across the independent healthcare and social care environment
- CCG and local authority commissioners
- Directors of Adult Social Services
- Directors of Children's Services
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Peter Rudd-Clarke, legal director at RPC, explains why the Coronavirus illustrates the litigation risks for manufacturers and healthcare providers when responding to an epidemic or pandemic

Coronavirus and the risk of an outbreak of litigation

Coronavirus serves as a reminder that the scientific community has been consistent in warning that it is a matter of 'when', not 'if', the next epidemic or pandemic emerges. A new virus presents challenges to companies in the healthcare sector. If they make mistakes, they could be sued by patients, members of the public or their families. Businesses and hospitals will benefit in the long run by taking the opportunity to stress-test their responses to the threat of emerging and little understood contagious diseases.

21st-century problems

Every time a new virus emerges, whether SARS, Ebola or now Coronavirus, there is an increased risk that the virus could spread further and faster than the last outbreak. Pathogens such as Coronavirus thrive in 21st-century conditions. Cities are increasingly crowded, the world's population is ageing and international air travel is becoming more common. These conditions increase the prospect of a new virus emerging in one part of the world and soon presenting problems elsewhere. We have seen well-documented examples of Coronavirus spreading quickly between continents. When a new and little understood virus appears in a new country, the authorities must scramble to respond to its challenges. Inevitably, this puts pressure on manufacturers to provide equipment and new drugs. Hospitals must be prepared for an influx of patients.

Equipment manufacturers

Although it is early days, medical equipment is proving to be a key part in developing an effective response to Coronavirus. Facemasks are ubiquitous in Asia, although the scientific community is split over their effectiveness. Surgical facemasks are in demand by hospitals. Kits are being developed to speed up the diagnosis of Coronavirus, in recognition of the fact that laboratory testing is relatively slow and expensive. Public officials are using hazmat suits when decontaminating areas or interacting with people suspected of carrying the virus.

> INNOVATIVE COMPANIES THAT CAN RESPOND QUICKLY COULD PROFIT FROM AN INCREASED NEED FOR PROTECTION

Innovative companies that can respond quickly to demand could profit from an increased need for protective equipment. Experience suggests, however, that manufacturers need to exercise caution in responding to frantic demands for products to be brought to the market more quickly than normal.

Protective equipment or diagnostic kits can fail for any number of reasons, sometimes due to user error or unforeseeable circumstances. Nevertheless, in cases where failure leads to cases of infection, hospital staff and members of the public could bring claims against manufacturers if the equipment was poorly designed or the manuals accompanying the equipment were not fit for purpose. Importers or distributors could also face claims, particularly if they assume responsibility for the effectiveness of equipment, or if claimants consider them to be the easiest target to sue.

Manufacturers should ensure that the limitations of protective equipment and diagnostic devices are properly explained. They should also prepare training materials that are easily understood by users.

Hospitals might not escape liability if protective equipment failed because they did not provide adequate training to their staff, or if they failed to warn patients or staff of the risks associated with such equipment. Litigation, where equipment fails, is, therefore, likely to focus on the chain of causation to pinpoint where failures occurred and who was to blame.

Healthcare providers should stress-test the guidance and disclaimers that accompany the equipment. These documents need to be updated to ensure that they are easy to understand, track the current state of knowledge on the ways that Coronavirus can be transmitted and guarded against, and clearly spell out how the equipment is to be used.

Pharmaceutical manufacturers

In normal circumstances, vaccines can take years to develop. Often, it can take around 12 years for a new

medicine to be developed from its research phase through to marketing authorisation being granted. However, in the case of Coronavirus, experimental drugs are being developed at a much greater speed.

Clinical trials are needed to test whether new medicines are safe and effective. Industry guidelines provide for compensation for patients in the event of injury sustained due to clinical trials. The agencies and companies involved in clinical trials will need to ensure that the risks of participation in clinical trials for a Coronavirus vaccine are made clear to trial subjects, particularly regarding unknown side effects, and that all patients involved receive a high standard of care.

Ebola provides an interesting counterpoint to Coronavirus. Urgent research and manufacturing of a vaccine for Ebola proved effective. In the case of Ebola, the urgency was sparked by statistics showing that the fatality rate was around 70%. The fatality rate associated with Coronavirus is much lower (believed to be around 2%). Pharmaceutical companies may, therefore, take a more cautious approach to rushing production of a vaccine, at least until the side effects of a new drug are better understood.

Hospitals and doctors

Hospitals may be particularly exposed to litigation. Healthcare workers in China have contracted the disease after treating patients. This serves as a warning that healthcare workers elsewhere may contract the disease if an outbreak of the virus occurs in their countries. Equally, failures in hospital systems could lead to avoidable cases of Coronavirus in patients or members of the public.

Fast-moving circumstances, where the authorities lack a full understanding of a disease, increase the risks of litigation.

If there are claims, the claimant population could include members of the public, patients and hospital employees. Where a member of the public visiting a hospital, or a nurse treating a patient, is infected, claimant lawyers may see opportunities to bring claims against hospitals, doctors and health agencies. Hospitals could be sued if they do not train staff to respond to a Coronavirus case. Individual doctors who do not spot symptoms could also face claims.

If there is litigation, it may be difficult to resolve due to the unique challenges presented by Coronavirus. A hospital has a duty of care to protect its staff, patients it treats, and potentially, members of the public who visit the hospital.

A claim against a hospital or doctor will hinge upon determining whether the defendant was in breach of that duty of care. Determining the standard of care, however, could prove difficult as healthcare agencies across the world continually update their protocols for dealing with the disease. In the initial stages, the standards healthcare agencies must adhere to are not clear-cut, particularly where difficult triage decisions need to be taken.

Extraordinary circumstances can make determining whether defendants were in breach of their duty of care difficult to resolve.

If not now, when?

Ultimately, it is hoped that the current outbreak of Coronavirus will be contained and businesses, and the public in general, will be spared the consequences of a 'worst case' scenario that could lead to litigation. By appreciating where liability risks lie, however, manufacturers and hospitals can put in place policies to reduce the risk of being sued where errors over treatment or use of medical products could cause infection, injury or loss of life.

What is certain is that there will be further challenges, even after Coronavirus is contained.

In September 2019, just weeks before the current outbreak, the World Health Organization warned that the world was facing 'an acute risk of devasting disease pandemics' which would kill millions.

Coronavirus is a reminder that robust policies to cater for the risk of infectious diseases should be kept under constant review.

INBUSINESS

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SAUDI ARABIA

Saudi Arabia completes first healthcare privatisation

The privatisation of Saudia Medical Services Company (SMS), a subsidiary of Saudi Arabian Airlines, has been completed through the sale of a majority stake in SMS to Dr Soliman Abdel Kader Fakeeh Hospital Company.

The transaction is the first privatisation of a government-owned healthcare entity.

'SMS was established in 1970 to provide medical care to the employees of Saudi Airlines and their dependents,' said Mohammed Hashim Bafaqeeh, chief executive officer of SMS.

Jadwa Investment acted as the financial advisor, providing advisory services on several key aspects of the transaction, including the corporatisation and restructuring of SMS from a cost centre that was operated by Saudi Arabian Airlines into an independent, commercially managed healthcare entity which will provide healthcare services to the beneficiaries of Saudi Arabian Airlines.

'We are proud to have worked with Saudia and SMS on this landmark initiative, and towards completing the first privatisation transaction of a government-owned healthcare entity under the government's privatisation programme,' said Tariq Al-Sudairy, managing director and CEO of Jadwa Investment.

HONG KONG

More healthcare listings for Hong Kong

In the run-up to Chinese New Year, two healthcare companies filed plans to list on the Hong Kong Stock Exchange.

The larger company is Hillhouse Capital-backed medical device company Peijia Medical. Although it has not given any details on timing or size, market rumour has it that it is looking to raise around US$200m.

Founded in 2012, Peijia is a leading domestic player in each of the transcatheter valve therapeutic medical device market and the neuro-interventional procedural medical device market in China. In 2018, the company merged with Achieva Medical, a company focused on neuro-interventional devices.

Peijia posted a loss of Rmb241.9m (US$35m) for the first three quarters of last year.

It last raised US$100m Series C funding in November last year, one of the largest rounds for the med-tech sector. The round was led by Hillhouse Capital, CCT Fund and Grand Flight Investment, as well as existing investors Matrix Partners China and Lilly Asia Ventures.

Joint sponsors for the IPO are Morgan Stanley and Huatai International.

Raily Aesthetic Medicine, an aesthetic medical service provider in Zhejiang Province, has also filed plans to list.

It specialises in aesthetic medical services to various parts of the face or body; minimally invasive aesthetic services, primarily injection procedures; and aesthetic dermatology services.

Peijia Medical facility

It posted profits for the first three quarters of last year of Rmb17.1m on revenues of Rmb137.8m.

Sole sponsor on the deal is Innovax Capital.

MALAYSIA

Top Glove sets up M$3bn perpetual Sukuk programme

Top Glove, the world's largest manufacturer of medical rubber gloves, is to set up a M$3bn (US$739m) perpetual Sukuk programme to raise proceeds for refinancing and working capital.

The Sukuk is guided under the Shariah principle of Wakalah Bi-Al Istithmar.

'The perpetual Sukuk programme provides [Top Glove] with the flexibility to issue unsecured and subordinated perpetual Sukuk from time to time,' the group said in a statement.

'All utilisation of proceeds raised under the Sukuk Wakalah shall be Shariah-compliant,' it added.

CIMB and Hong Leong are the joint principal advisers and joint lead arrangers. CIMB is also the Sukuk programme's shariah adviser.

The Malaysia Rating Corporation Berhad (MARC) has given the programme an initial rating of AA- rating.

This is one notch lower than MARC's AA rating of Top Glove itself. The company has the same rating from RAM Rating. Both the AA and AA-ratings carry a stable outlook.

'The strong credit ratings assigned by the two rating agencies reflect their confidence in the solid business fundamentals of Top Glove and the company's commitment to strengthening its financial profile,' Top Glove's executive chairman Lim Wee Chai said.

MALAYSIA

Thomson Medical pushes out curve

Thomson Medical Group, Singapore's second-largest healthcare group, has pushed out its debt curve with the sale of S$175m (US$130m) five-year paper.

The oversubscribed bonds came in 30 basis points from initial price guidance of 4.35% to price at 4.05%.

Proceeds will be used to refinance existing loan facilities.

In July last year, the company made its debut in the bond markets with a S$225m three-year bond that priced at 4.8%. Since then, that bond has traded up and was last seen at a bid/ask of 3.50%/3.28%.

Both bonds were printed off the group's S$500m multi-currency debt programme that it set up last year.

DBS was sole global coordinator for both bonds, though Maybank Kim Eng and Standard Chartered joined as bookrunners for the 2025s.

Thomsons Hospital's Kota Damansara facility

MENA

IFC supports Humania with US$125m package

IFC, a member of the World Bank Group, is the lead arranger for an Islamic financing package of up to US$125m to Humania, a private healthcare company, to help expand health services and improve medical care in Morocco and Egypt.

'Healthcare and development are inextricably linked,' said Sobhi Batterjee, chairman of Humania. 'Our partnership with IFC will allow us to provide world-class healthcare to more patients in Egypt and Morocco, and thus play a role in improving the healthcare systems and well-being of the communities in these countries.'

IFC will provide Humania with a US$35m Islamic facility for its own account and is the lead arranger for the rest of the financing from the Finnish Fund for Industrial Cooperation Ltd (Finnfund), OPEC Fund for International Development, European Bank for Reconstruction and Development, and the IFC Managed Co-Lending Portfolio Program (MCPP).

MCPP is a syndications platform that offers institutional investors the ability to participate passively in IFC's future senior loan portfolio.

The financing will help Humania develop a network of multispecialty hospitals and healthcare assets in Egypt and Morocco. The first phase of its investment program includes three hospitals and a medical tower with nearly 600 inpatient beds and 240 outpatient clinics. The company's growth is considered key in both countries, where there are shortages of doctors and hospital beds.

Egypt's healthcare sector needs US$60bn in investment by 2050 to meet rising demand for medical services, while Morocco is also facing a need to improve healthcare delivery, especially for women and young children.

HONG KONG

China Dental Medical Group IPO

China Dental Medical Group, the largest private dental service provider in Wenzhou, is planning an initial public offering on the Hong Kong Stock Exchange.
Founded in 2011, the group owns four private dental hospitals in Wenzhou: Wenzhou Hospital and Lucheng Hospital in Wenzhou City Area, Rui'an Branch Hospital in Rui'an City and Cangnan Hospital in Longgang City.
The group had profits of Rmb16.6m (US$2.4m) for the first nine months of last year on revenues of Rmb63.2m.
The company intends to use IPO proceeds for strategic acquisitions as well for expansion – it intends to establish a couple of new dental hospitals in Wenzhou.
Innovax Capital is managing the deal.

LEBANON

Basma raises US$1.2m in seed funding

Beirut-based digital dental startup Basma has raised US$1.2m in seed funding to help it open up access to simple and affordable orthodontics in the MENA region. The round was led by Beirut-based venture capital firms B&Y Venture Partners and Cedar Mundi Ventures, with joint participation from iSME and various business angels.


Basma senior team

'Seven out of ten people in the Arab world can benefit from straighter teeth. But we think that everyone deserves to smile confidently,' said founder and chief executive Cherif Massoud.

Basma is a direct-to-consumer healthcare brand that wants to give customers straighter and brighter teeth. It says that it was founded on the belief that affordable dental care should be accessible to everyone.

'We see much appetite for HealthTech and cosmetics services in the Middle East, both from consumers and professionals. And the teeth aligner industry is only getting started here,' said Bassel Attieh, chairman and managing partner of Cedar Mundi Ventures.

Funds raised will be used to push Basma's tech base and for expansion in the MENA region.

ASIA

Baring Private Equity Asia closes new fund at US$6.5bn

Baring Private Equity Asia has closed its seventh private equity fund – The Baring Asia Private Equity Fund VII –at a hard cap of US$6.5bn.

'We are extremely grateful to our investors who have entrusted us with their capital,' said chief executive Jean Eric Salata. 'During our history of investing in Asia over the last 23 years we have seen a transformation in the scale and quality of businesses in the region and Asian private equity now operates on a global scale. We have the conviction that the higher rates of growth in the region and maturing market opportunity will continue to offer superior returns to investors in the coming years.'

The fund will focus on mid- and large-cap buyouts across the Asia-Pacific region. Target sectors include healthcare, education, IT services & software, business services, financial services, consumer, and advanced manufacturing.

Fund VII, which is more than 60% larger than its predecessor fund, received strong support from existing investors and attracted a large number of new global institutions. The majority of the capital was raised from pension funds and sovereign wealth funds, including many of the largest sovereign wealth funds in the Asia Pacific region.


Jean Eric Salata, chief executive, Baring Private Equity Asia

Campbell Lutyens acted as global placement agent and Debevoise & Plimpton acted as legal counsel.

SWEDEN

Hemsö sells US$110m sustainable debt

Hemsö, an owner of properties for public use in Sweden, has sold more than US$110m debt within its framework for sustainable bonds.

'Our sustainable financing is diversifying the company's funding and supports Hemsö's sustainable work with a focus on energy efficiency and social infrastructure,' said group treasurer Jonas Rosengren.

It sold SKr500m (US$51.5m) five years debt at the Stockholm Interbank Offered Rate (STIBOR) plus 0.53% and €55m (US$59.6m) 10-year debt at 0.47%.

In 2016 Hemsö issued the first sustainable bond in the Nordic region and it has, since then, obtained sustainable and green financing from the Nordic Investment Bank and the European Investment Bank.

The company said that proceeds will be allocated to sustainable and green assets according to Hemsö's framework for sustainable bonds established in 2018.

AUSTRALIA

Loop+ raises A$3m in seed funding

Loop+, an early stage health technology enterprise based in Australia developing a pressure and movement tracking device for wheelchair-bound patients, has raised A$3m (US$2m) seed funding.

The oversubscribed seed funding round was led by Yamaha Motor Ventures & Laboratory Silicon Valley (YMVSV), the strategic business development and investment arm of Yamaha Motor Co, with additional investments from Giant Leap Fund, Eleanor Venture and other investors based in Australia.

'Yamaha Motor is actively supporting innovation in the health tech sector to help bring technology to the market to address challenges and leverage opportunities for better patient care. Loop+ is one such company, taking a preventative health approach to help avoid suffering and lower costs associated with prevalent pressure-related conditions for wheelchair users,' said George Kellerman, chief executive and managing director of YMVSV.

The Loop+ platform features a wheelchair sensor mat that continuously measures pressure, position, environmental conditions like humidity, and general activity throughout the day. This alerts healthcare professionals to potential risks like pressure wounds allowing for early intervention and prevention as well as to promote healthy wheelchair habits and reduce the acceleration of scoliosis and respiratory issues.


George Kellerman, chief executive and managing director, YM-VSV

UAE

Healthtech company secures US$10m Series A funding

Dubai-based healthcare technology company Okadoc has closed a US$10m (D36.7m) Series A round of funding.

This is the largest Series A funding secured by a healthtech firm in the MENA region.

Okadoc will use the funding to launch telemedicine services in the UAE, allowing doctors to offer remote virtual consultations to their patients.

Institutional and private investors participated in the Series A round, including Abu Dhabi Investment Office (ADIO) and Ithmar Capital Partners.

This latest round of funding follows a US$2.3m seed round in 2018.

Okadoc is a healthcare app where patients can find doctors, book appointments online and receive reminders for upcoming appointments. More than 100 doctors based in Dubai Healthcare City (DHCC) doctors from 32 specialities and 11 hospitals and clinics are bookable online.

More of Okadoc's featured providers include Medcare, Aster Hospitals and Emirates Healthcare Group.

The company plans to expand operations into Saudi Arabia and enter more Gulf countries next year.


Fodhil Benturquia, founder and chief executive officer of Okadoc

'We are fixing the broken patient experience that exists today, while at the same time improving operational efficiency for payors and providers,' said Fodhil Benturquia, founder and chief executive officer of Okadoc. 'This funding round and our continued rapid growth will help us achieve our goal of hitting 30% market penetration in the UAE by the end of 2021.'

INDIA

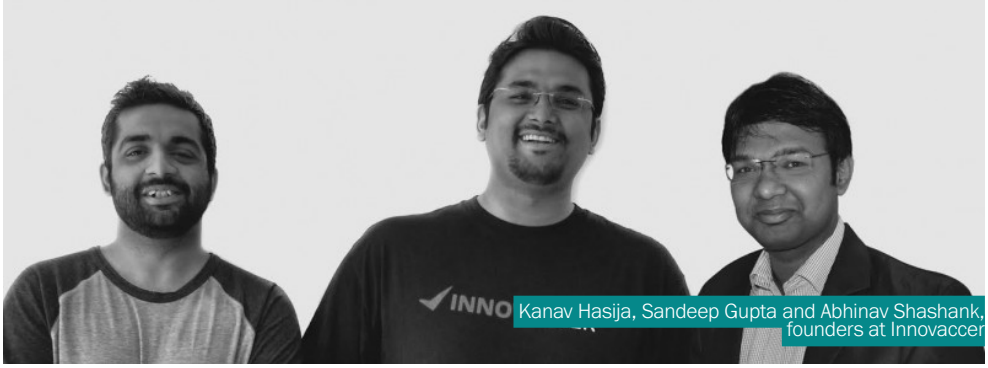
Innovaccer raises US$70m Series C

India and US-based healthtech company Innovaccer has raised US$70m in Series C funding round from Steadview Capital, Tiger Global, Dragoneer, Westbridge, Mubadala and Microsoft's Venture Fund M12.

Founded in 2014, Innovaccer uses artificial intelligence and analytics to automate routine workflows and reduce manual overhead to facilitate more patient-centred care.

'Despite technology growing steadily, the deep-rooted inefficiencies in healthcare make it difficult to deliver patient-centred care. The fragmented nature of the current healthcare system is the biggest challenge we have to address in enabling healthcare to care as one and make care delivery substantially more efficient,' said Kanav Hasija, co-founder and chief customer success officer.

'The fragmented nature of the current healthcare system is the biggest challenge we have to address in enabling healthcare to care.'



Kanav Hasija, Sandeep Gupta and Abhinav Shashank, founders at Innovaccer

To date, Innovaccer says that its Data Activation Platform has helped its customers unify more than 3.8 million patient records and generate savings of more than US$400m.

The company has streamlined data from health plans, primary care providers, pharmacies, labs and hospitals, and made it available to more than 25,000 providers. Its aim is to generate 100 million unified patient records accessible to 500,000 care team members through its platform over the next few years.

The company said that it plans to use the latest funds to improve existing processes that digitise healthcare for providers, payers and patients by strengthening its Data Activation Platform.

This brings the total capital raised by the company to US$124.1m in five rounds according to Crunchbase.

BELGIUM

OncoDNA raises €19m Series B

Gosselies-based healthtech company OncoDNA has raised €19m (US$20m) Series B funding led by Vesalius Biocapital III and Swisscanto Invest by Zürcher Kantonalbank.

'We are delighted to have successfully raised sufficient new capital from such quality investors who will enable us to grow and increase our support to oncologists and cancer patients with our data-driven solutions,' said founder and CEO Jean-Pol Detiffe.

There was also significant support from SFPI-FPIM. Historical shareholders together with CPH Bank, Inventures, Sambrinvest, Sofinim (Ackermans & Van Haaren) and SRIW also participated.

OncoDNA is a private, oncology-focused healthcare technology company that combines comprehensive testing of all clinically relevant cancer biomarkers (DNA, RNA and protein profiles) from both solid and liquid biopsies with a proprietary cancer treatment knowledge database.

The company says that this one-stop-shop analysis and interpretation service gives oncologists actionable results to enable the selection of treatments tailored to the individual patient's cancer profile.

It employs 50 employees in four countries, works with an international network of 35 distributors covering approx. 50 countries and is collaborating with a sub-contracted laboratory of 300 collaborators.

OncoDNA closed its €8m Series A fundraising in September 2016.

The new funding will support rapid international growth, accelerate software development and hiring initiatives.


Jean-Pol Detiffe, CEO, OncoDNA

INDIA

Iora Health closes US$126m Series F funding

Boston-based primary care provider network Iora Health has closed its US$126m Series F funding led by India's Premji Invest, the billion-dollar investment group of Wipro chairman Azim Premji.

Existing investors Cox Enterprises, Temasek F-Prime Capital, Devonshire Investors, .406 Ventures, Flare Capital Partners, Polaris Partners, and Khosla Ventures also joined the round.

'At Premji Invest, we see the dire need – and ripe opportunity – for innovation in healthcare,' said Dhiraj Malkani, partner at Premji Invest. 'The team at Iora is at the forefront of this transformation. The impact they have already made on the thousands of patients they serve is impressive and we're most excited about the future development and growth that will lead to making even larger impact on both people and the bottom line.'

Iora Health was founded to transform healthcare. With a two-year compound annual growth rate of more than 70%, the company has 48 practices across the US serving thousands of Medicare beneficiaries. Iora patients averaged over four visits in 2019 with twice as many electronic interactions with their care teams. The model has driven a steep decrease of over 40% in hospitalisations.

Iora will use the Series F funding to accelerate growth and refine and optimize their care model. Additionally, Iora is increasing its investment in its proprietary collaborative care platform, Chirp, to deliver new and improved features to be certified as a Medicare Certified Electronic Health Records (EHR) system. Two of the most important new features are the capability to generate and consume standardized electronic patient information, and the ability to share such information to specialists and non-Iora providers via a standard encrypted messaging protocol called Direct.

Azim Premji, chairman, Wipro

GERMANY

SHS invests in Selfapy

Online mental health treatment company Selfapy has raised €6m (US$6.6m) funding led by German healthcare investor SHS Gesellschaft für Beteiligungsmanagement.

It is the fourth round of funding for the company.

As well as SHS, existing investors Think.Health, VC Fonds Kreativwirtschaft Berlin and High-Tech Gründerfonds also participated.

'With its 16 already existing cooperations with health insurance funds, Selfapy has proven itself to be at the forefront of the latest digital healthcare models,' said SHS managing partner Hubertus Leonhardt.

'We are expecting further tailwind for Selfapy thanks to the positive changes in the area of reimbursement,' he added.

Selfapy is the country's leading supplier of online therapies for psychological stress.

Sufferers can take part in its online therapy programmes – that are based on cognitive behavioural therapy – anonymously, flexibly, and accompanied by psychologists.

The company targets individuals with stress symptoms, depression, and anxiety and eating disorders. It said that it aims to close a gap in care and fits optimally to the traditional healthcare system.

The company currently cooperates with 16 health insurance funds in Germany and Switzerland.

Funds raised will be used for national and international growth, further development and further clinical validation of Selfapy's online therapy platform.

EGYPT

Vezeeta secures US$40M

Egypt's digital healthcare booking platform, Vezeeta, has secured US$40m (E£627.7m) in a Series D round led by the Middle East's largest alternative asset management firm Gulf Capital.

The round had strong support from existing investor, Saudi Technology Ventures (STV), which led Vezeeta's Series C round in September 2018, allowing the digital healthcare platform to bolster its expansion plans primarily in Saudi Arabia.

This latest growth capital funding is Gulf Capital's sixth investment in the technology sector.

Cairo-based Vezeeta, which operates in the Middle East and Africa, allows patients to search, book and review doctor and medical services online.

It operates in 50 cities across Egypt, Saudi Arabia, Jordan and Lebanon and generates 4 million appointments every year.

This year, the company plans to roll out new services, including pharmacy and telehealth across the markets where it operates, as well as in new locations.

Since its launch in 2012, Vezeeta has raised more than US$63m in funds, attracting other high-profile investors including BECO Capital, Silicon Badia, Vostok New Ventures, Crescent Enterprises' CE-Ventures and Endeavour Catalyst.

'Building a global healthcare powerhouse requires a strong investor base to support and drive continuous innovation and disruptive solutions,' said Amir Barsoum, founder and chief executive officer of Vezeeta. 'Gulf Capital provides us with the perfect synergy for our future plans to diversify and expand our product portfolio on a global scale.'

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Company	Sub Sector	HQ	Local Currency		Technical		TTM Fundamentals (GBP £m)							Valuation		
			Share Price	Market Cap (m)	% of 52-Week High	YTD (%)	Market Cap	Net Debt	EV	Sales	EBIT-DA	EBIT-DA Margin	Net Debt/ EBIT-DA	EV/ Sales	EV/ EBIT-DA	PE
Fresenius Medical Care	Ambulatory Clinics	Germany	€ 72.8	€ 22,163	98.6%	14.7%	18,704	10,314	29,018	14,512	2,986	20.6%	3.5x	2.0x	9.7x	17.3x
Integrated Diagnostics	Diagnostics	UK	$4.5	$671	87.6%	8.4%	518	9	526	104	43	41.3%	0.2x	5.1x	12.3x	26.9x
Medica	Diagnostics	UK	£1.5	£170	92.8%	40.5%	170	1	171	42	12	29.3%	0.1x	4.0x	13.8x	23.0x
Ambea	Elderly Care	Sweden	SEK 76.90	SEK 7,276.28	97.2%	5.7%	582	671	1,254	783	98	12.6%	6.8x	1.6x	12.7x	33.0x
Attendo	Elderly Care	Sweden	SEK 53.50	SEK 8,634.37	79.3%	(21.2)%	691	900	1,591	936	133	14.2%	6.8x	1.7x	12.0x	107.0x
Humana	Elderly Care	Sweden	SEK 62.10	SEK 3,299.99	87.7%	(1.6)%	264	287	551	581	52	9.0%	5.5x	0.9x	10.5x	17.4x
Korian	Elderly Care	France	€ 43.8	€ 3,625	100.0%	42.4%	3,059	2,689	5,749	2,927	438	15.0%	6.1x	2.0x	13.1x	30.2x
Le Noble Age	Elderly Care	France	€ 47.3	€ 459	93.8%	3.0%	388	507	894	451	71	15.8%	7.1x	2.0x	12.6x	21.1x
Orpea	Elderly Care	France	€ 121.9	€ 7,877	100.0%	41.3%	6,648	4,721	11,369	3,022	662	21.9%	7.1x	3.8x	17.2x	34.6x
CompuGroup	HCIT	Germany	€ 64.3	€ 3,419	86.7%	30.1%	2,886	371	3,257	634	155	24.4%	2.4x	5.1x	21.1x	40.7x
Craneware	HCIT	UK	£19.3	£518	60.8%	(28.2)%	518	Cash	480	55	18	32.4%	Cash	8.7x	26.9x	34.5x
EMIS	HCIT	UK	£11.6	£736	95.0%	29.2%	736	Cash	711	155	51	32.9%	Cash	4.6x	13.9x	31.4x
Fresenius	Hospitals	Germany	€ 48.6	€ 27,089	92.7%	7.1%	22,860	21,444	44,304	29,480	5,092	17.3%	4.2x	1.5x	8.7x	14.3x
Georgia Healthcare	Hospitals	Georgia	£1.3	£167	47.4%	(45.8)%	167	146	312	250	40	15.9%	3.7x	1.2x	7.8x	4.5x
GHP Specialty Care	Hospitals	Sweden	SEK 18.60	SEK 1,270.06	93.5%	40.2%	102	9	111	94	7	7.4%	1.4x	1.2x	16.0x	29.1x
IHH Healthcare	Hospitals	Malaysian	RM5.8	RM50,626	97.3%	2.3%	9,619	1,164	10,783	2,706	614	22.7%	1.9x	4.0x	17.6x	52.5x
Medical Park Hospitals	Hospitals	Turkey	17.8 ₺	3,697 ₺	94.3%	38.0%	481	263	744	467	66	14.1%	4.0x	1.6x	11.3x	0.0x
Mediclinic International	Hospitals	UK	£3.9	£2,844	92.9%	28.0%	2,844	2,480	5,324	3,060	514	16.8%	4.8x	1.7x	10.4x	22.7x
Medicover[1]	Hospitals	Sweden	SEK 108.60	SEK 14,740.82	99.3%	43.1%	1,180	288	1,467	672	85	12.6%	3.4x	2.2x	17.3x	61.0x
NMC Health	Hospitals	UK	£9.3	£1,933	31.1%	-64.0%	1,933	1,111	3,042	1,826	406	22.2%	2.7x	1.7x	7.5x	7.1x
Pihlajalinna	Hospitals	Finland	€ 15.3	€ 347	99.5%	51.7%	292	166	458	411	36	8.6%	4.7x	1.1x	12.9x	76.6x
Ramsay Health Care	Hospitals	Australia	$79.3	$16,021	99.8%	38.3%	8,312	2,814	11,125	5,995	781	13.0%	3.6x	1.9x	14.2x	29.9x
Rhoen-Klinikum	Hospitals	Germany	€ 17.1	€ 1,146	63.5%	(24.4)%	967	Cash	845	1,255	99	7.9%	Cash	0.7x	8.6x	28.5x
Spire Healthcare	Hospitals	UK	£1.3	£505	87.9%	2.3%	505	1,083	1,589	931	116	12.5%	9.3x	1.7x	13.6x	42.0x
Life Healthcare	Hospitals	South Africa	R 0.3	R 37,220	90.0%	0.6%	1,937	589	2,526	1,336	367	27.5%	1.6x	1.9x	6.9x	28.4x
Al Hammadi	Hospitals	Saudi Arabia	SAR 24.1	SAR 2,897	93.9%	(3.4)%	597	137	735	192	48	25.2%	2.8x	3.8x	15.2x	34.5x
Apollo	Hospitals	India	₹1,665.8	₹231,863	98.1%	32.8%	2,515	261	2,776	1,043	110	10.5%	2.4x	2.7x	25.3x	98.2x
Aster DM Healthcare	Hospitals	India	₹163.3	₹82,504	97.2%	5.4%	895	516	1,411	918	103	11.2%	5.0x	1.5x	13.7x	24.6x

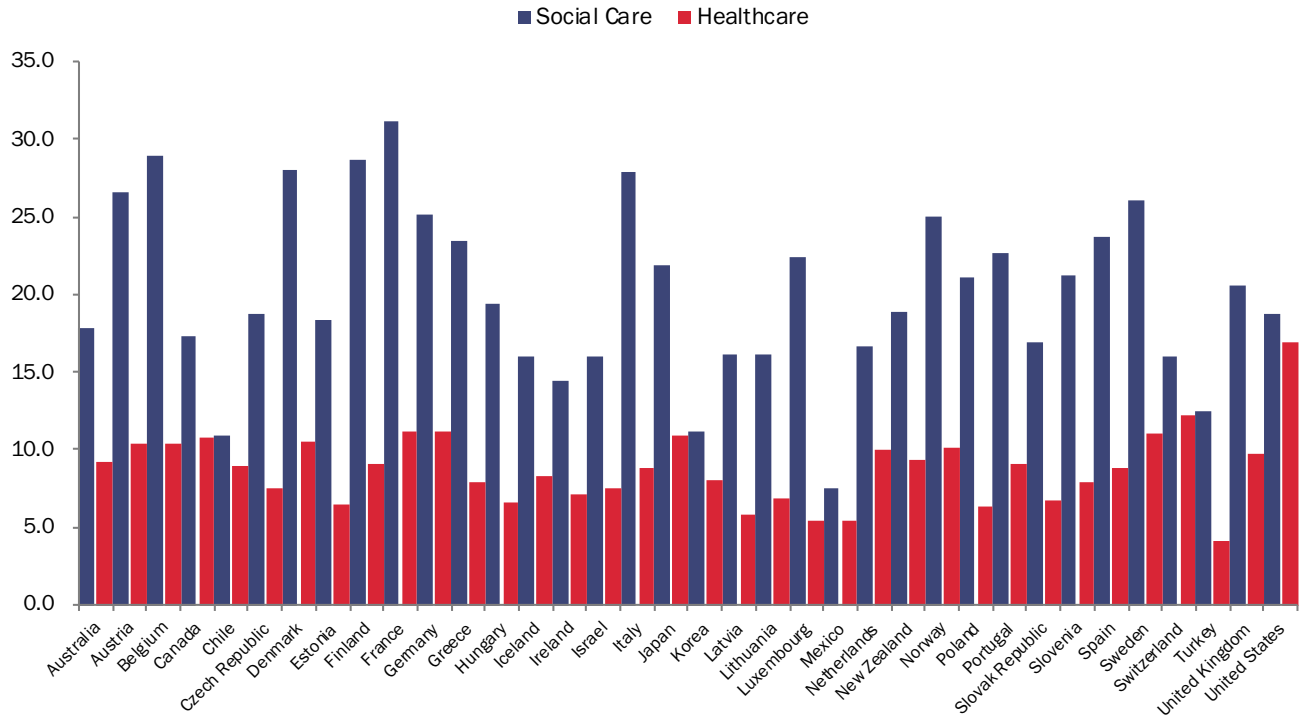
Company	Sub Sector	HQ	Local Currency		Technical		TTM Fundamentals (GBP £m)							Valuation		
			Share Price	Market Cap (m)	% of 52-Week High	YTD (%)	Market Cap	Net Debt	EV	Sales	EBIT-DA	EBIT-DA Mar-gin	Net Debt/ EBIT-DA	EV/ Sales	EV/ EBIT-DA	PE
Bangkok Chain	Hospitals	Thailand	฿15.6	฿38,844	86.8%	(5.4)%	971	109	1,080	223	59	26.6%	1.8x	4.9x	18.2x	33.2x
Bangkok Dusit Medical Services	Hospitals	Thailand	฿25.3	฿401,223	94.4%	7.6%	10,031	401	10,432	2,056	422	20.5%	1.0x	5.1x	24.7x	27.2x
Bumrungrad	Hospitals	Thailand	฿134.5	฿98,029	70.6%	(25.6)%	2,451	Cash	2,333	466	147	31.6%	Cash	5.0x	15.8x	25.6x
China Resources Phoenix Healthcare	Hospitals	China	$4.4	$5,707	69.6%	(19.3)%	568	Cash	424	210	58	27.5%	Cash	2.0x	7.3x	13.2x
Dallah	Hospitals	Saudi Arabia	SAR 47.9	SAR 3,593	106.6%	-10.2%	741	195	936	253	45	17.6%	4.4x	3.7x	21.0x	38.0x
KPJ Healthcare	Hospitals	Malaysia	RM0.96	RM4,109	88.1%	(11.1)%	781	180	961	662	107	16.2%	1.7x	1.5x	9.0x	23.5x
MD Medical	Hospitals	Russia	€ 4.7	€ 349	89.6%	20.7%	295	50	347	190	55	28.7%	0.9x	1.8x	6.4x	4.3x
Meinian OneHealth	Hospitals	China	¥14.0	¥54,958	85.5%	2.1%	6,092	658	6,750	988	198	20.1%	3.3x	6.8x	34.0x	66.8x
Mouwasat	Hospitals	Saudi Arabia	SAR 81.9	SAR 8,190	94.0%	12.5%	1,689	110	1,799	364	117	32.1%	0.9x	4.9x	15.4x	21.8x
Narayana Hrudayalaya	Hospitals	India	₹351.5	₹71,833	99.9%	82.4%	779	75	854	338	41	12.3%	1.8x	2.5x	20.6x	120.4x
Netcare	Hospitals	South Africa	R 9.3	R 13,337	31.1%	(64.0)%	694	266	960	1,123	228	20.3%	1.2x	0.9x	4.2x	5.4x
Raffles Medical	Hospitals	Singapore	SGD 1.0	SGD 1,867	88.5%	(5.0)%	1,041	17	1,058	286	55	19.3%	0.3x	3.7x	19.1x	27.1x
Saudi German Hospitals	Hospitals	Saudi Arabia	SAR 32.0	SAR 2,950	86.3%	1.6%	608	167	775	289	37	12.8%	4.5x	2.7x	20.9x	32.7x
Shalby Hospitals	Hospitals	India	₹101.5	₹10,963	65.0%	(23.9)%	119	Cash	115	53	10	18.9%	Cash	2.2x	11.5x	34.6x
Siloam International Hospitals	Hospitals	Indonesia	Rp6,525.0	Rp10,635,750	88.0%	95.9%	602	Cash	597	384	29	7.5%	Cash	1.6x	20.7x	189.2x
Acadia Healthcare	Mental Health	USA	$33.3	$2,948	95.3%	24.4%	2,280	2,351	4,631	2,374	401	16.9%	5.9x	2.0x	11.5x	16.7x
Universal Health Services	Mental Health	USA	$140	$11,213	89.9%	5.5%	8,670	2,947	11,617	8,688	1,249	14.4%	2.4x	1.3x	9.3x	14.3x
UDG Healthcare	Pharma Services	UK	£7.7	£1,932	92.7%	27.2%	1,932	81	2,011	1,004	120	10.9%	0.7x	1.8x	16.8x	33.5x
CareTech	Specialist Care	UK	£4.9	£550	100.0%	47.5%	550	306	856	395	84	21.3%	3.6x	2.2x	10.2x	27.2x
MEDIAN					**93.5%**	**5.7%**	**781**	**297**	**1,080**	**634**	**99**	**17.3%**	**2.4x**	**2.0x**	**13.6x**	**28.5x**
MEAN					**277.8%**	**10.2%**	**2,793**	**1,521**	**4,078**	**2,025**	**355**	**18.9%**	**2.7x**	**2.7x**	**14.5x**	**36.7x**
TOTAL							**131,261**		**191,658**							

NOTES 1 MEDICOVER'S MARKET CAP INCLUDES ALL OUTSTANDING SHARES AND NOT ONLY THE ONES LISTED ON THE NASDAQ NORDIC
TTM TRAILING TWELVE MONTHS **EBITDA** EARNINGS BEFORE INTEREST, TAXES, DEPRECIATION AND AMORTISATION **YTD** YIELD-TO-DATE **PE** CURRENT SHARE PRICE DIVIDED BY NON-FULLY DILUTED EARNINGS PER-SHARE
EPRA EARNINGS IS THE IFRS PROFIT AFTER TAXATION ATTRIBUTABLE TO SHAREHOLDERS OF THE COMPANY EXCLUDING INVESTMENT AND DEVELOPMENT PROPERTY REVALUATIONS, GAINS/LOSSES ON INVESTING AND TRADING PROPERTY DISPOSALS, CHANGES IN THE FAIR VALUE OF FINANCIAL INSTRUMENTS AND ASSOCIATED CLOSE-OUT COSTS AND THEIR RELATED TAXATION. **EPRA** IS THE EUROPEAN PUBLIC REAL ESTATE ASSOCIATION, THE INDUSTRY BODY FOR EUROPEAN REITS.
EPRA NET ASSET VALUE (EPRA NAV) IS A PROPORTIONALLY CONSOLIDATED MEASURE, REPRESENTING THE IFRS NET ASSETS EXCLUDING THE MARK-TO-MARKET ON DERIVATIVES AND RELATED DEBT ADJUSTMENTS, THE MARK-TO-MARKET ON THE CONVERTIBLE BONDS AS WELL AS DEFERRED TAXATION ON PROPERTY AND DERIVATIVE VALUATIONS. IT INCLUDES THE VALUATION SURPLUS ON TRADING PROPERTIES AND IS ADJUSTED FOR THE DILUTIVE IMPACT OF SHARE OPTIONS. A RECONCILIATION BETWEEN IFRS NET ASSETS AND EPRA NAV IS INCLUDED IN TABLE B WITHIN THE SUPPLEMENTARY DISCLOSURES.
LOCAL CURRENCY REFERS TO THE CURRENCY THAT THE STOCK IS LISTED IN

DATA CORRECT AS OF 10 FEBRUARY 2020

LaingBuisson
Healthcare intelligence

Global healthcare and social care expenditure, as % of GDP
2020



SOURCE OECD.STAT **DATA EXTRACTED 17 APRIL 2019**

LaingBuisson Healthcare intelligence

Selected recent international healthcare private equity deals

Date	Company	Country	Sector	Sub Sector	Buyer	Deal Value GBP(m)
Feb 2020	Ascent Behavioral Health	USA	Healthcare Services	Adult Specialist Care	Veronis Suhler Stevenson	N/A
Feb 2020	West Dermatology (Enhanced Healthcare Partners)	USA	Healthcare Services	Cosmetics	Sun Capital Partners, Inc.	N/A
Feb 2020	Doctopsy	France	Medtech	Telemedicine	Qare (Kamet)	N/A
Feb 2020	Young Medical	Netherlands	Healthcare Services	Other	Vanguard Healthcare Solutions (Livingbridge)	N/A
Feb 2020	Adonia Medical Group	United Kingdom	Healthcare Services	Cosmetics	sk:n (TriSpan)	N/A
Feb 2020	Mears Group (domicilliary care business)	United Kingdom	Healthcare Services	Care Services	Cera Care	4
Jan 2020	RIEMSER Pharma	Germany	Pharma	Drug development	Esteve Pharmaceuticals	N/A
Jan 2020	Oxford Nanopore Technologies	United Kingdom	Healthcare Services	Medical equipment	Undisclosed bidder	108
Dec 2019	BMI Healthcare	United Kingdom	Healthcare Services	Hospitals	Circle Health	N/A
Dec 2019	Harvest Healthcare	United Kingdom	Healthcare Services	Equipment	Prism UK Medical	N/A
Dec 2019	Proliva	Sweden	Healthcare Services	Hospitals	Aleris	N/A
Dec 2019	Nescure	Germany	Healthcare Services	Hospitals	Oberberg	N/A
Nov 2019	The Harley Medical Group	United Kingdom	Healthcare Services	Hospitals	Lasercare Clinics (Harrogate)	N/A
Nov 2019	Tannlegesenteret	Norway	Healthcare Services	Hospitals	Oral Care	N/A
Nov 2019	LGC	United Kingdom	Medtech		Investor Consortium led by Cinven Partners and Astorg Partners	2,943
Nov 2019	Tomma Diagnostyka Obrazowa	Poland	Healthcare Services	Hospitals	PZU Zdrowie	N/A
Nov 2019	Takeda Pharmaceutical	Russia	Pharma	Drug development	STADA Arzneimittel	499
Nov 2019	Walmark	Czech Republic	Pharma	Drug development	STADA Arzneimittel	N/A
Oct 2019	MDM	Italy	Pharma	Drug development	Neopharmed Gentili	N/A
Oct 2019	Bemasce Tecnica	Spain	Healthcare Services	Medical equipment & services	Palex Medical	N/A
Oct 2019	Mediko Pflege- und Gesundheitszentren	Germany	Healthcare Services	Hospitals	Schones Leben Gruppe	N/A
Oct 2019	Creta InterClinic	Greece	Healthcare Services	Hospitals	Hellenic Healthcare	N/A
Oct 2019	Medidental	Italy	Healthcare Services	Hospitals	Primo Group	N/A
Oct 2019	Takeda Pharmaceutical	Ukraine	Pharma	Drug development	Acino International	152
Oct 2019	Nova Vita Kliinik	Estonia	Healthcare Services	Hospitals	FutureLife	N/A
Sept 2019	STipe Therapeutics	Denmark	Medtech		Novo A/S; Wellington Partners; Sunstone Life Science Ventures A/S; Arix Bioscience	17
Sept 2019	CMR Surgical	United Kingdom	Medtech		LGT Group; Escala Capital; Cambridge Innovation Capital; Watrium; Zhejiang Silk Road Fund	185
Sept 2019	Healthcare 21 Group	Ireland (Republic)	Healthcare Services	Medical equipment & services	Lucid Group Communications	N/A
Sept 2019	Panorama Fachklinik	Germany	Healthcare Services	Hospitals	Oberberg	N/A
Sept 2019	Sineldent	Spain	Healthcare Services	Medical equipment & services	Phibo Dental Solutions	N/A
Aug 2019	Silmaasema Oy (67.61% Stake)	Finland	Healthcare Services	Medical equipment & services	Coronaria Oy	92
Aug 2019	Eyescan	Netherlands	Healthcare Services	Hospitals	Ober Scharrer Gruppe	N/A
Aug 2019	Practiser	Spain	Healthcare Services	Hospitals	Centro Medico Virgen De La Caridad	N/A
Aug 2019	cytena	Germany	Healthcare Services	Medical equipment & services	Cellink	23

SOURCE LAINGBUISSON DATABASE; COMPANY WEBSITES

WELLNESS

Hotels now compete with spas and gyms

Hotel group Accor has published a white paper dedicated to wellness in the hospitality industry. It claims that hotels now compete with spas and gyms for wellness market share.

It's A Wellness World: The Global Shift Shaking Up Our Business explores the belief that being healthy is achievable in the mainstream hotel industry, beyond the walls of spas and gyms. Accor describes it as a major societal shift.

The paper highlights the opportunities the wellness movement provides for hoteliers, and some of the unique ways the Accor brands will deepen their commitments in this area throughout 2020 and beyond.

The report states that 77% of consumers take steps in their daily lives to stay healthy and active, make informed food choices and manage stress, while 56% of affluent travellers place a top priority on the statement, 'I'm striving to become healthier in the coming year'.

It also explores the economic and social factors that are driving the rise of wellness around the world, such as the ageing population. This is affecting the industry, as rising healthcare costs associated with an ageing population are driving an increased focus on prevention through lifestyle changes to promote wellbeing into old age.

Emlyn Brown of Accor explained: 'By investing in holistic wellness experiences that help our guests feel good throughout the customer journey, we are establishing a model for strong revenue growth through return bookings, word-of-mouth referrals, and positive social media presence, contributing to a steady and sustainable business for years to come.

'At Accor, our goal is to have guests experience a sense of wellbeing during their stay and that they leave feeling better than when they arrived; better rested, more nourished and in a happier state of mind. Our hotel brands are embracing the challenge of continuously surprising our guests with new ways to achieve health and wellbeing during their travels, inspiring them to choose our hotels again and again,' he added.

The report showcases examples of how Accor's leading hotel brands are evolving with the wellness movement. Raffles Hotels and Resorts employ feng shui and biophilia techniques to bring peace and balance to its interior spaces, while the company's menus are designed to enhance sleep, counter jet lag and promote digestive health. The company also offers guests sleep rituals with aromatherapy and luxury sleep masks.

Accor is also seeking to energise the company's wellness teams globally, enhancing the five key pillars that guide Accor's overall approach to wellbeing – active nutrition, holistic design, bodies in movement, leveraging spa and embracing mindfulness.

HUNGARY

Plans for free IVF for Hungarians

According to *BioNews*, Hungarian prime minister, Viktor Orban has announced that Hungary will provide free IVF to couples to combat the country's declining birth rate. This could reduce outbound fertility travel.

The article states that Hungary's population has been progressively declining for four decades due to Hungarians having fewer children and a rise in the emigration of working-age people to other EU nations.

In December 2019 the government acquired six fertility clinics. By bringing fertility clinics under state control, Orban hopes to 'make what happens to the fertilised eggs fully transparent during the entire process. The government has decided that from 1 February medications used in fertility treatment will be free of charge [and] IVF treatment will no longer be market-based,' he said.

The article says that it is currently unclear as to the eligibility criteria for receiving a free cycle and whether it will be restricted to certain demographics.

Other measures have also been launched to encourage Hungarians to have more children, including income tax exemptions-for-life for couples with four or more children, and certain loans being voided for couples with three or more children. The government is also considering the income tax exemption to include single women who have three children.

UKRAINE

Visa cancellation helps medical travel from Ukraine

According to an article in Interfax-Ukraine, in 2019, Ukraine patients still preferred to travel abroad for oncology and cardiac treatments, including to Poland, Germany and Turkey. The flow in Europe has been improved with the cancellation of visa requirements between the EU and Ukraine.

The article quotes various medical travel agencies and clinics claiming the number of Ukraine patients to both Germany and Poland have increased.

It includes an interview with the director-general of medical tourism promotion foundation, Proturmed Mariusz Arent in Poland saying that the number of Ukrainian patients visiting Polish clinics had tripled in 2019, to around 10,000 people. The article did state, however, that this is mainly due to an increase in the number of Ukrainian migrants in Poland.


Emin Çakmak, board chairman, Turkish Association of Medical Tourism

The article also mentions the Institute of Research and Development of Medical Tourism (Poland), which states that the total number of medical tourists in Poland was around 182,000 people in 2018. Ukrainian patients apparently travel to Poland for treatment of oncology, orthopaedic surgery, cardiac diseases and rehabilitation after injuries.

The article quotes the board chairman of the Turkish Association of Medical Tourism Emin Çakmak (Turkey), who said that in general Turkey receives around US$10bn from medical tourists from 165 countries. Around 1 million foreign medical tourists annually visit Turkey, of which 45,000 were Ukrainians in 2019. The number of Ukrainian patients in Turkey is growing annually by 10-15%. The majority of Ukrainian patients travel to Turkey for treatment of oncology diseases and for paediatric rehabilitation.

The article also states that the Ukrainian Association of Medical Tourism (UAMT) claims that around 160,000 patients left Ukraine for treatment in 2018. Germany, Israel and Turkey were the most popular destinations for medical tourism from Ukraine. During the same time, UAMT says, around 65,000 foreign patients came for treatment to Ukrainian clinics.

SRI LANKA

Plans to regulate wellness tourism in Sri Lanka

An article in the *Sunday Observer* describes the ongoing work, led by the Sri Lanka Export Development Board (EDB), to develop standards and regulation for the wellness tourism sector in the country. Within this sector, the EDB includes ayurveda, the Western medical sector, yoga, meditation, spa and relaxation activities.

The article states that the Department of Ayurveda has drafted regulations to ensure quality, standards and safety. There will also be accreditation and guidelines for ayurvedic practitioners. With a view to ensuring credibility of service, an Act will soon be introduced with specific rules and regulations.

The EDB is working in collaboration with the Department of Ayurveda to develop national standards/regulations for Ayurveda Private Healthcare Institutions to regulate the industry. According to this process, the Department of Ayurveda has now developed the 'Draft Rules and Regulations on Traditional Medicine (Medical Tourism) Institutions' (under Section 10 of the Ayurveda Act, No. 31 of 1961).

The article quotes deputy director, technical-medical, Ministry of Health, Nutrition and Indigenous Medicine, T. Weerarathna. A pilot project to set up wellness centres is currently underway to promote the sector in a regulated environment, he said.

The article also says that practitioners in the wellness tourism industry have endorsed the formation of the Sri Lanka Wellness Tourism Association (SLWTA).

The article explains that EDB has identified the health sector as a prominent export sector, and in 2017, the sector was selected as the key focus sector in the National Export Strategy (NES). The Wellness Tourism Strategy was developed as part of the NES of Sri Lanka with three main objectives with development and promotional activities in collaboration with the ayurveda, Western medical and tourism sector stakeholders.

The first objective concentrates on sector coordination and cohesion. The traditional wellness and the western medicine segments need clusters to organise and improve cooperation among stakeholders.

'A pilot project to set up wellness centres is currently underway to promote the sector in a regulated environment.'

The second objective focuses on regulation and quality assurance through standardisation, licensing of activities and recognition of traditional healing in target markets and streamlining of institutional procedures.

The third objective focuses on gathering more information on the sector through a more effective collection of statistics and sharing sector information, to the local population and to foreigners in target markets.

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Healthcare intelligence

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MEDICAL TRAVEL AND TOURISM

GLOBAL MARKET REPORT

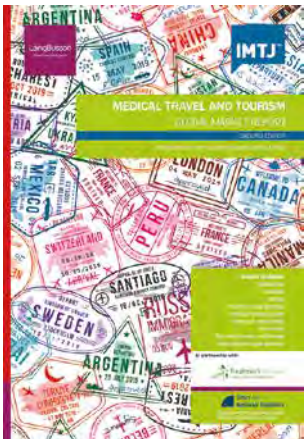
SECOND EDITION

Global oversight of an international market

The second edition of LaingBuisson's Medical Travel and Tourism global market report is essential reading if you wish to make more informed decisions and deliver a better return on your investment when targeting the international patient.

This report will help you to understand the competition in terms of which countries have the highest number of incoming medical travellers and the US$ earned, and identify which countries have significant outgoing medical travel flows. It will give you the benefit of an impartial, un-hyped view of what is happening now and what the future trends may be.

Monitoring the ever-changing world of medical tourism is a challenge for every destination and healthcare provider involved in the international patient business. Organisations must adapt their medical tourism strategy in response to a changing market. To do that, they need to know which countries are doing well or badly, who is going where, the treatments they are seeking, why they are going there, and how political, economic, social and technological changes are impacting the medical tourism market.



The Medical Travel and Tourism global market report, second edition provides extensive insight into what is happening now, and what the future trends may be.

Purchase includes online access to IMTJ Country Profiles and a 12-month subscription to IMTJ.

What the report covers

- Overview
- International medical tourism global figures
- Top 50 medical tourism destinations
- Top 45 outbound sources
- Top 40 health and wellness destinations
- International, regional and domestic market commentary
- Agencies and facilitators
- Customer profiles
- Products and services
- Insurance
- EU cross-border healthcare
- **Also included** Access to IMTJ's online Country Profiles and a 12-month subscription to IMTJ

Who is the report for

- Professionals working in healthcare markets around the world
- Hospital and clinic groups operating internationally
- International patient departments
- Medical tourism facilitators and agencies
- Medical travel destinations, associations and clusters
- International insurers
- Governments and policy-makers
- Travel and tourism organisations
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WHO appoints directors for Africa and Europe

The World Health Organization executive board has re-appointed Matshidiso Moeti for a second term as WHO regional director for Africa and Hans Kluge as regional director for Europe in his first term.

'I am greatly honoured to have been appointed to serve a second term as the WHO regional director for Africa and I would like to thank you for the trust you have shown,' said Moeti. 'As Africa increasingly faces the double burden of diseases, the next five years in public health will be crucial in laying a strong foundation to reverse this burden.'

Moeti, who is from Botswana, said she will accelerate action towards attaining universal health coverage so that everyone can access care without financial hardship. Despite significant health challenges in the African region, which serves 47 countries, progress is being made in strengthening health systems, combating diseases and improving people's health. Recent efforts by member states include policies to tackle tobacco use, vaccines for cervical cancer and malaria prevention as well as joint initiatives to procure medicines affordably.

Reappointment of AFRO regional director Matshidiso Moeti (WHO/Pierre Albouy)

As the first woman WHO regional director for Africa, Moeti was elected as WHO regional director for Africa in February 2015.

In his new role as regional director for Europe, Hans Kluge will direct international health work across the 53 countries of the WHO European region, serving a population of 900 million people. He said that his vision for health in the European region is for no one to be left behind and that major government policies should include health for people-centred and financially sustainable healthcare and public health services, including affordable medicines.

Over the past decade at WHO/Europe, Kluge helped introduce community-based primary healthcare in Greece during the financial crisis, the Tallinn Charter implementation, and in 2018, pushing forward commitments adopted at the Global Conference on Primary Health Care in Astana, Kazakhstan.

'As Africa increasingly faces the double burden of diseases, the next five years in public health will be crucial in laying a strong foundation to reverse this burden.'

SOG appoints Eric Choo as CEO

Eric Choo has been appointed chief executive officer of Singapore O&G (SOG). He replaces Ivan Lau who stepped down in November last year.

'Together with his strong background in the healthcare and finance industries, we look forward to his leadership and steering SOG to the next phase of growth,' said SOG executive chairman Beh Suan Tiong.

Choo has a history with the women's healthcare specialist. Although he comes from Eagle Eye Centre where he was chief financial officer, he used to be CFO of Singapore O&G. He was with the company between 2014 and 2018 and spearheaded the company's initial public offering in 2015.

He also served close to 10 years in the finance industry, as an auditor in Singapore and the US. Before joining the healthcare industry, he was audit senior manager with KPMG where he provided audit and assurance services to public companies listed on the Singapore Exchange and stock exchanges in the US. During his tenure with KPMG, he was also involved in several sustainability advisory and assurance projects.

Eric Choo, chief executive officer, Singapore O&G

Maria Maieli steps down at Ellex

Maria Maieli has stepped down as interim chief executive officer of Australian ophthalmic laser specialists Ellex Medical Lasers. She was appointed in July last year. Ellex's current executive chairman, Victor Previn said: 'On behalf of Ellex we wish Maria all the best into the future and thank her for her service over a number of years at Ellex including as chief financial officer, company secretary and more recently as interim CEO during this very important time for the company.' Previn will assume management responsibilities with Keith Byrne, Ellex's current vice-president of global operations. Maieli's resignation comes less than two months after the sale of the company's lasers and ultrasound business to France's Lumibird for A$100m (US$66.9m). The new Ellex will focus on the glaucoma surgery device market.

Aedifica strengthens team in Germany

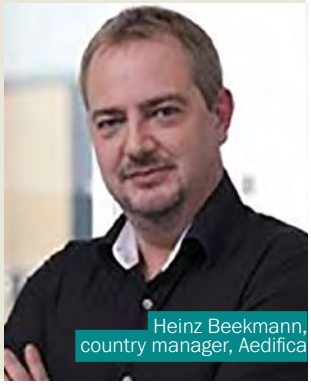
Belgian healthcare REIT Aedifica has recruited Heinz Beekmann to strengthen its German team as country manager. He will supervise the management of the German portfolio and the group's growth in the German market, and lead the German team in place from mid-April.

'Heinz's experience in the healthcare sector as an executive officer of a major care home operator is a great added value for Aedifica's team in Germany,' said Aedifica chief executive Stefaan Gielens.

Beekmann has several years of experience in the healthcare sector: he worked within the Armonea Group as CEO of the German branch and, in May last year, he also took on the position of CEO Armonea Belgium.

He was also a member of the non-executive board of Lebenshilfe Syke, a non-profit organisation for persons with disabilities that operates residential homes, family support services and schools.

Previously, he worked for more than 19 years for Anheuser-Busch InBev and held various international positions.


Heinz Beekmann, country manager, Aedifica

Dalal named COO of Sahyadri Hospitals

Sahyadri Hospitals, Maharashtra's largest chain of multi-speciality hospitals, has named Abrarali Dalal as its chief operating officer.

He is a healthcare and telecom industry veteran who was pivotal in building North India's first private children's hospital in his previous role as group COO of Rainbow Children's Hospitals. Earlier, he was facility director at Fortis Healthcare, New Delhi.

'With his rich and diverse experience, Dalal will take the Sahyadri Group towards the next level of growth and help achieve our aim to increase the bed count and revenue significantly in five years,' said Charudutt Apte, founder and chairman of Sahyadri Hospitals.

In October 2019, healthcare investor The Everstone Group acquired a controlling stake in Sahyadri Hospitals.

Founded in 1994, the Pune-headquartered Sahyadri Hospitals currently operates five tertiary care and three secondary care hospitals with 750 beds across Pune (Deccan Gymkhana, Nagar Road, Kothrud, Bibwewadi, Kasba Peth and Hadapsar), Nashik and Karad.


Abrarali Dalal, chief operating officer, Sahyadri Hospitals

Nordic Capital names Daniel Berglund partner

Private equity group Nordic Capital has promoted Daniel Berglund to partner. He joined the group in 2010 and has, since then, focused particularly on investments in healthcare IT.

'Daniel has been a formidable deal generator since early on at Nordic Capital and is excellent at portfolio company interaction. He has admirable business skills and is also a very strong representative of our collaborative and team-spirited culture,' said Kristoffer Melinder, managing partner, Nordic Capital Advisors.

Berglund has been instrumental in advising on several of Nordic Capital's major acquisitions and exits over the years, including Bambora, Trustly, ArisGlobal and ERT.

He currently serves on the boards of five of Nordic Capital's portfolio companies and has previously been a board member of a further six companies.


Daniel Berglund, partner, Nordic Capital

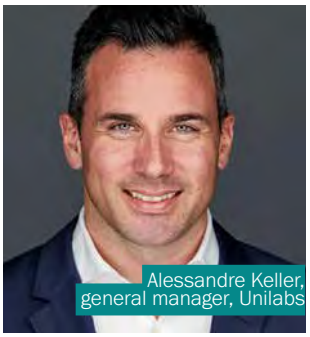
Unilabs appoints new general manager in Switzerland

Swiss diagnostic services provider Unilabs has appointed Alessandre Keller as general manager Unilabs Switzerland, effective immediately.

In a statement, the company said that Martin Schlatter, Unilabs' group regional director centre and chief commercial officer, who has also been Swiss GM, will support Keller to ensure continuity.

'Switzerland is a key market for Unilabs and we are delighted Alessandre has joined the team,' said Schlatter. 'His international experience and operational expertise will be a huge asset as Unilabs continues to go from strength to strength.'

Keller joins Unilabs from Nestlé, the world's largest food company, where he was Global Business Head for Maternal, Infant & Toddler Health & Nutrition solutions.


Alessandre Keller, general manager, Unilabs

Cofinimmo expands team in the Netherlands

Belgian real estate company Cofinimmo has expanded its team in the Netherlands. Kees Zachariasse has been appointed managing director Netherlands at Superstone, a subsidiary of Cofinimmo. He will manage, together with a team of four, the healthcare portfolio.

Zachariasse has worked as a real estate partner at Deloitte Financial Advisory Services since 2002, where he advised clients on the purchase or sale of real estate properties, portfolios or equity interests in real estate companies and on (re)financing of real estate.

He started his career in 1988 in audit and corporate finance at Arthur Andersen.

Zachariasse will take over the responsibilities previously carried out by Wim Van De Velde under the supervision of Sébastien Berden, chief operating officer of healthcare.

DAC Beachcroft boosts Spanish presence

In a move which boosts DAC Beachcroft's Madrid office, the international law firm has joined forces with Spanish law firm and healthcare law specialists Asjusa.

'This move sends a clear message to the market about our continued focus on being the law firm of choice for the global insurance industry,' said DAC Beachcroft managing partner David Pollitt.

As part of the integration of the two businesses, a three-partner and 20-strong specialised team of professional liability and insurance lawyers focused on the healthcare segment of the insurance market, has joined DAC Beachcroft.

DAC Beachcroft's expansion in Madrid follows on from its launch in Paris and expansion in Dublin during 2019, as well as its recent domestic growth, having launched an office in Belfast and welcoming a new five-partner team in Glasgow.

The firm is also a founding member of Legalign Global, a closely integrated alliance of four multi-national law firms with 60 offices across the globe.


DAC Beachcroft's new Spanish team