



5 March 2019

## Update on KSA Joint Venture: Definitive agreements signed for formation of the JV

NMC Health plc (LSE: **NMC**), the leading private healthcare operator in the Gulf Cooperation Council (GCC) with international services across 18 countries, announces the signing of definitive documents to form a joint venture in healthcare (“**JV**”) with Hassana Investment Company (“**Hassana**”), the investment arm of the General Organization for Social Insurance (“**GOSI**”) in Saudi Arabia. The General Organization for Social Insurance is one of the largest pension funds in the world by assets under management. It is a government administered pension fund covering private sector employees in Saudi Arabia.

All commercial terms and agreements have been finalised between NMC and Hassana, with both parties working towards customary closing requirements. The JV is formed by NMC’s contribution of its five assets in KSA and an additional cash injection at closing, and GOSI’s contribution of 38.88% stake in Tadawul-listed National Medical Care Company (“**Care**”) at a price of SAR 54 per share. At the closing of the transaction, NMC will own a 52% stake (through the combination of asset contribution and cash injection) and GOSI will own a 48% stake (through a wholly-owned subsidiary vehicle) in the JV. NMC will have operational control of the JV.

NMC and GOSI have agreed to a well-defined long-term sustainable growth plan for the JV. Moreover, in addition to building solid operational teams at its facilities in KSA, NMC has also meticulously set up an independent corporate team in the Kingdom. It has appointed highly capable and experienced Country CEO, CFO and respective Heads of Strategy, Business Development and Human Resources and believes that the corporate team in KSA is well positioned to integrate and drive the strong growth envisioned for the JV.

### **Prasanth Manghat, Chief Executive Officer of NMC Health, commented;**

*“We are pleased to reach this important milestone in the creation of our JV with GOSI, which sets a clear line of sight to the near-term completion of the transaction. This partnership will allow NMC to significantly increase its pace of expansion in the Kingdom, while simultaneously bringing best practices to the country. The attractive, but underserved Saudi healthcare market offers significant growth opportunities and the JV is uniquely placed to benefit from them.”*

### **Saad bin Abdulmohsen Al-Fadly, Chief Executive Officer of Hassana, commented;**

*“The signing of definitive agreements represents a major step towards the formalization of our partnership with NMC. The combination of Hassana/GOSI as one of the pre-eminent financial institutions in the region and NMC Health, the largest and one of the most successful healthcare operators in the GCC, represents a leap forward in our commitment to invest in the healthcare sector in Saudi Arabia. The new JV is well positioned to capitalize on the market opportunities in Saudi and we look forward to transforming the JV into one of the leading healthcare players in the Kingdom.”*

## **Contacts**

### NMC

Prasanth Manghat, Chief Executive Officer	+971 (0)50 522 5648
Prashanth Shenoy, Chief Financial Officer	+971 (0)56 329 0545
Asjad Yahya, Investor Relations	+971 (0)56 219 0975

### Media

FTI Consulting, London	
Brett Pollard / Victoria Foster Mitchell	+44 (0)20 3727 1000

FTI Consulting, Gulf	
Shane Dolan	+971 (0)4 437 2100

## **About NMC Health**

NMC the leading private healthcare operator in the GCC with an international network of hospitals across 18 countries. NMC also ranks as one of the top three in-vitro fertilisation (“**IVF**”) operators globally. The Group is

also a leading provider of long-term medical care in the UAE through its subsidiary ProVita. Pursuing an aggressive international expansion program from 2016, NMC has identified the Kingdom of Saudi Arabia (KSA) in particular as a key growth market, where the company has introduced long-term and multi-specialty care services. NMC received over 5.7m patients in 2017. The Group is also a leading UAE supplier of products and consumables across several key market segments, with the major contribution coming from healthcare related products. The Group reported revenues of US\$1.6 billion for the year ended 31 December 2017.

In April 2012 NMC was listed on the Premium Segment of the London Stock Exchange. NMC is a constituent of the FTSE 100 Index.