

NMC Healthcare Shares Surge As Firm Closes Deals Worth \$250 Million

The U.A.E.-based hospital operator NMC Healthcare's shares have surged 8.11% after the firm announced that it increased its stake in Fakh IVF and As Salama Hospital on January 4, 2018.

The London Stock Exchange-listed firm had a share of 51% in Fakh IVF and a 70% stake in As Salama Hospital. Both the companies were acquired at the same enterprise value which was set in 2016 during its initial purchase.

NMC bought the remaining 30% of As Salama for cash summing up to \$45 million while Fakh IVF's deal is being settled in the form of cash and newly issued shares in NMC with a total consideration of \$205 million with 27% being paid in cash and the remaining 73% in newly issued shares of NMC Healthcare. Post the deal, Dr. Michael Fakh will retain his role as a Medical Director in NMC and will continue his practice while NMC expands the clinic network within the U.A.E. and Oman.

The healthcare giant also received regulatory approvals for 60% stake in Al Qadhi Hospital in Najran and a 100% stake in Al Rashid Hospital in Ha'il—acquired in September 2017 for an aggregate consideration of \$40 million.

“The acquisition of the outstanding minority stakes in Fakh IVF and As Salama Hospital represent highly value accretive transactions for NMC's shareholders,” said Dr. Prashant Manghat CEO of NMC Healthcare. “In particular, the Fakh IVF transaction provides us with an enhanced platform from which to grow our fertility business.

“We will continue to seek opportunities to consolidate minority stakes in our subsidiaries, as we increase our knowledge and understanding of these businesses, where we can create further value for shareholders.”

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