

Gulf Healthcare International consolidates its position in the healthcare segment

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Global Investment House {Gloobal} announced today that Gulf Healthcare International (GHI), owned by the

private equity funds managed by Global Private Equity Group- **Global Capital Management** is expected to report a two fold increase in its net profits for the year ending 2008.

GHI owns the "MedSol" brand of pathological laboratories as well as private clinics in Kuwait and UAE. The company's charter is to use international best practices in management to provide high quality and specialized healthcare to the people of the region. Based in Dubai, GHI has expanded aggressively in both UAE and Kuwait in the past couple of years and is now in the process of establishing its presence in Saudi Arabia. The company has seen its revenues grow to almost USD 35 million in the current year from a level of USD 14 million two years back. It currently owns the largest private sector laboratory operations in both Kuwait and Dubai.

Mr. Shailesh Dash, Managing Partner at **Global Capital Management** said: "The record performance of GHI is as a result of our continued efforts to grow the company both through organic and inorganic routes. From 4 laboratories in Dubai in 2006, we now are building a network of 14 laboratories. We have successfully established our operations in UAE and Kuwait and are exploring opportunities to enter into other Countries in the region including Saudi Arabia."

MedSol FZ, the Dubai based subsidiary of GHI, offers a broad range of diagnostic services to local hospitals and private healthcare providers including clinical pathology, blood banking, immuno and general hematology, endocrinology, immunology, serology, microbiology, histopathology and cytopathology. The MedSol FZ laboratories constitute the single largest private pathology laboratory concern in Dubai in terms of revenues and test volumes. The combined range of investigative as well as personnel expertise available is second to none. It currently offers a "one stop shop" for approximately 90% of local pathology requirements with referral laboratory associations in Europe for the esoteric profiles in immunology, molecular biology, chromosomal analysis and specialized histopathology.

During the current year, GHI successfully established itself in Kuwait by acquiring 2 laboratories and 2 medical centers including "Salmiya Lab", which is the oldest and the most popular laboratory in Kuwait. The 2 medical centers - "British Medical Center" and "German Medical Center" provide various medical services in the areas of general practice, dermatology, pathology, and gynecology. GHI will look to integrate these assets into its existing business model, thereby expanding the service offering and growing revenues in the coming year.

Going forward, GHI intends to offer central reference laboratory services that will offer the widest range of pathology tests including routine & esoteric laboratory tests in the MENA region. This will be a center of excellence and apart from offering testing services it will also offer laboratory management services to hospitals in the region. The company will also offer allied services such as education, training and consulting in the field of laboratory medicine.

Private sector penetration in the healthcare sector is low in the region with only around 25% of the total healthcare spend contributed by the private sector. This is expected to increase with the development focus of GCC Governments, who are promoting private sector participation in healthcare. Mckinsey estimates healthcare spending in the region to increase at a CAGR of 10% till 2025. **Global Capital Management** was among the first GCC private equity houses to invest in the healthcare sector when it promoted Gulf Healthcare International (GHI) in 2006.

{Zawya}

