Early Warning System

IFC-38066

AHG Bulgaria

Early Warning System
AHG Bulgaria

IFC-38066

Quick Facts

Countries	Bulgaria
Financial Institutions	International Finance Corporation (IFC)
Status	Approved
Bank Risk Rating	B
Voting Date	2017-02-09
Borrower	ACIBADEM CITY CLINIC B.V.
Sectors	Education and Health
Investment Type(s)	Equity
Investment Amount (USD)	$ 16.13 million

Project Description

Acibadem Health Group ("AHG") invited IFC to invest in Acibadem City Clinic B.V., a Special Purpose Vehicle (“SPV” or “AHG Bulgaria” or the “Company”) established by AHG, its subsidiary Acibadem Sistina (“Sistina”) and several existing shareholders of City Clinic, a healthcare company in Bulgaria operating three hospitals and one clinic in Sofia, Varna and Burgas to acquire Tokuda Hospital Group running the largest hospital including an outpatient clinic and a small insurance business in Bulgaria. The total project cost is estimated at $111 million (equivalent to EUR 100 million) and IFC is considering an up to $16.7 million (equivalent to EUR 15 million) straight equity investment into AHG Bulgaria.

Investment Description

- International Finance Corporation (IFC)

AHG is a prominent hospital group in Turkey, 60 percent owned by IHH Healthcare Berhad, a Malaysia-based healthcare and medical education company with operations in eight countries across Asia, Central and Eastern Europe, Middle East and North Africa. AHG's 15 percent are indirectly held by Bagan Lalang Ventures Sdn Bhd, a subsidiary of Khazanah Nasional Berhad, a Malaysian sovereign fund. The remaining 25 percent is held by the founding shareholder, Mehmet Ali Aydinlar and family.AHG operates 16 hospitals and 13 medical centers in Turkey with 17,000 employees of whom 2,600 are medical doctors.

AHG's first foreign investment took place in 2011, with the acquisition of 32 percent share of Sistina Hospital in Skopje, Macedonia. AHG also provides management services to Faruk Medical City in Erbil, Iraq.AHG invited IFC to invest in Acibadem City Clinic B.V., a Special Purpose Vehicle ("SPV" or "AHG Bulgaria" or the "Company") established by AHG, its subsidiary Acibadem Sistina ("Sistina") and several existing shareholders of City Clinic, a healthcare company in Bulgaria operating three hospitals and one clinic in Sofia, Varna and Burgas to acquire Tokuda Hospital Group running the largest hospital including an outpatient clinic and a small insurance business in Bulgaria.

The total project cost is estimated at $111 million (equivalent to EUR 100 million) and IFC is considering an up to $16.7 million (equivalent to EUR 15 million) straight equity investment into AHG Bulgaria.AHG Bulgaria will be comprised of City Clinic hospitals (a 84-bed Cardiovascular Hospital and an outpatient clinic in Sofia covering 4,700 m2 area operational since 2012, an 80-bed Oncology Hospital in Sofia covering 10,700 m2 area operational since 2015, an outpatient clinic in Varna covering 2,300 m2 area, part of the group since 2011, a 31-bed Cardiology Center in Burgas covering 1,396 m2 area operational since 2011 acquired on July 2015; and Tokuda Hospital Group entities including 560-bed Tokuda Hospital in Sofia (covering 55,000 m2 area operational since 2006), Tokuda Medical Center (MC Tokuda), an outpatient clinic operating as separate entity within Tokuda Hospital.

Contact Information

ACCOUNTABILITY MECHANISM OF IFC

The Compliance Advisor Ombudsman (CAO) is the independent complaint mechanism and fact-finding body for people who believe they are likely to be, or have been, adversely affected by an IFC or MIGA- financed project. If you submit a complaint to the CAO, they may assist you in resolving a dispute with the company and/or investigate to assess whether the IFC is following its own policies and procedures for preventing harm to people or the environment. If you want to submit a complaint electronically, you can email the CAO at CAO@worldbankgroup.org. You can learn more about the CAO and how to file a complaint at http://www.cao-ombudsman.org/