

## 'IPO values Medcorp at \$375.8M'



Trinidad and Tobago Stock Exchange CEO Eva Mitchell hands over the certification confirming Medcorp as an official listing to the TTSE to Dr Dinesh Mor, vice chairman of Medcorp yesterday.  
PHOTO BY ABRAHAM DIAZ

GEISHA KOWLESSAR-ALONZO SENIOR MULTIMEDIA JOURNALIST  
GEISHA.KOWLESSAR@GUARDIAN.CO.TT

Medical facilities operator Medcorp Ltd yesterday became the fourth company to be listed on the SME (Small and Medium-sized Enterprises) market.

Its listing, which marks the first within the medical services industry on the T&T Stock Exchange (TTSE), has increased the SME Index by over \$375 million, bringing the total SME Index market capitalisation to approximately \$1.1 billion as of today (yesterday) CEO Eva Mitchell said.

Medcorp's market capitalisation is the company's 7,829,977 issued share capital multiplied by its \$48 listing price, which is \$375.83 million. Medcorp listed 350,000 shares at its Initial Public Offering (IPO), which is 4.47 per cent of its issued share capital.

The listing of Medcorp, Mitchell said, has contributed to pushing the overall market value of to \$75.2 billion.

She made the remarks while delivering opening remarks at the listing ceremony, which took place at the offices of the TTSE, Independence Square, Port-of- Spain yesterday.

Stating that Medcorp stands as a testament to the company's commitment to organic growth,

Mitchell said with its listing on the SME market Medcorp would benefit from a ten-year tax holiday — paying no taxes for the first five years and benefitting from a 50 per cent reduction in taxes for the following five years. This, she said, applies to both top-line and bottom-line taxes. She said the resulting tax savings would enable Medcorp to retain more profits, strengthen its retained earnings, and contribute further to its capital growth and expansion.

“Listing on the SME market clearly makes sense. The listing not only benefits Medcorp but also expands the range of options for investors interested in the medical services sector,” Mitchell added.

She also acknowledged Republic Wealth Management Ltd, the lead broker for this listing, and Republic Bank Ltd, the lead investment adviser, for their roles in guiding Medcorp through this process.

Dr Dinesh Mor, vice-chair of Medcorp Ltd in an interview with Guardian Media following the announcement said going public was the next step, something which the company was thinking about for a long time.

“It took us about three to four years to come to the market and that was our plan from the beginning.

Medcorp just started from a small clinic but then we grew and we always had a corporate governance and listing was the next move every financial person suggested to us,” he explained.

Independent director John Tang Nian added that the directors decided they wanted to go to the next stage of the evolution of organisation in an expansionary mode hence the natural step would be to go on the Stock Exchange and on the equity market.

“Because that is one strategy that we have thought about for many years. I think this is the opportunity and we grabbed it with both hands,” he said.

On whether he was surprised by the response to the IPO, Tang Nian said the company expected a strong response because of the strength of its financials as well as its “fundamentals” which he described as “very strong.”

“We have no doubt that it will be fully subscribed at a minimum, which we achieved,” he added.

Part of the prospectus spoke about availability of occupancy for non-nationals.

Asked how this would work in the new business model Tang Nian outlined, “In the expansion, I think in the prospectus, we spoke about going into the expansion in the region. So we are looking at virtual and providing maybe medical services for the Caribbean. Trinidad being a hub, instead of going north, we come to Trinidad and we have the facilities, we have all the technology.

So, we feel that once we offer it, there are great opportunities for further expansion.”

Medcorp was founded on December 31, 1993, by a group of physicians as a limited liability company. It originally acquired Parks Nursing Home—the longest-established private hospital in Trinidad and Tobago, which now operates as St Clair Medical Centre.