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## HOSPITALS & HEALTH CARE

● Things looked a little rosier in 2023 for the broader health-care sector on the JSE – notwithstanding its rather anaemic appearance at mid-year, when private hospitals giant Mediclinic International delisted. Let's not even talk about the looming National Health Insurance. For the record, the health-care index shifted up from about 4,400 points to 5,560 and the health-care providers segment edged up to 5,866 points (from 5,631 at the start of the year).

During the year a buyout and delisting of day clinics group Advanced Health took place as well, and as the year closed, a scheme for the potential delisting of health-care products group Ascendis was proposed.

The star performer for 2023 was Aspen, which lunged close to 50% (if the dividend is added back) – easily outstripping its staid rival, Adcock Ingram, which could not quite reach a 20% annual gain, even with the dividend worked back. The two remaining private hospital groups, Life and Netcare, endured a tougher time – the former

## ADCOCK INGRAM

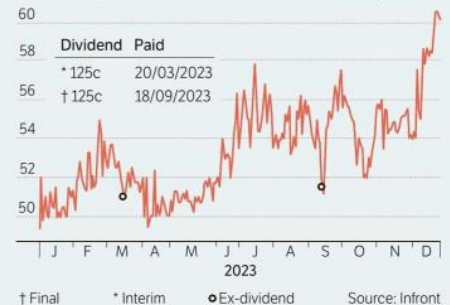
As at 08/01/2024

<b>Share price:</b>	R59.50
<b>Market capitalisation:</b>	R9.7bn
<b>P:e:</b>	10.6
<b>Dividend yield:</b>	3.36%
<b>Year-end (06/2023)</b>	
<b>Operating profit:</b>	R1.14bn
<b>EPS:</b>	561c
<b>Listed:</b>	2008
<b>CEO:</b>	Andy Hall



**Risks and opportunities:** There is not much to choose from these days on the much-diminished health boards of the JSE. Possibly the sector will bulk up if investment counter Brait decides to list fitness chain Virgin Active — though that event might still require a strenuous sweating of assets to attain an ebitda number that woos serious investor interest. While Netcare looks somewhat enticing at current levels, the FM has opted to play it safe and back the redoubtable Adcock Ingram. It is a well-managed business with well-known brands that trades at a fairly modest rating. There is also the reassuring presence of Bidvest as a major shareholder.

### Share performance (R) – daily



managed a high single-digit gain (with dividends) and the latter was pretty much static for the year (with dividends).

Perhaps most surprising was the 33% gain registered by small private hospital and health-care services group

RH Bophelo, which declared quite a generous 31c a share dividend for its interim period ended August. The share is highly illiquid, though, and traded at about 100c–450c between June and July. ✕ **Marc Hasenfuss**