

# A first for Soweto – Hospital modernisation made possible through Getinge Financial Services

## Starting point

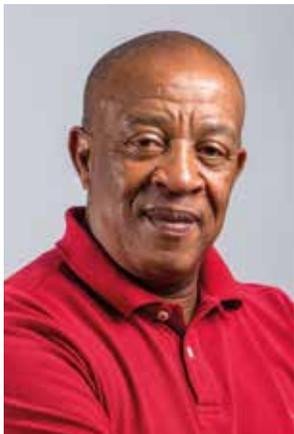
South African Health Group Clinix has been working hard for decades to bring affordable healthcare to the poorest regions of the country. The group's flagship facility in Soweto, Clinix Lesedi Private Hospital, had just been renamed as Dr SK Matseke Memorial Hospital, and was undergoing a major renovation. Clinix decided to equip all seven operating rooms – including two hybrid ORs with preliminary rooms – with state-of-the-art medical equipment and technology manufactured by global leader Getinge Group.

## Challenge

Regarding the purchase of the new equipment, the Clinix Group faced several challenges. For one, South Africa's private healthcare system and its medical schemes cater to an affluent community with greater medical care options. In contrast, the Clinix Group aims to bring quality healthcare to poor communities, whose medical care options include lower tariffs for the hospital providing the treatment. Finding a suitable financing partner was therefore no easy task.



Construction is still underway. The new hybrid ORs, as seen here, will contain state-of-the-art medical equipment. Getinge is assisting with the entire project, from planning to completion.



**Dr Khamane Obed Peter Matseke – Acting CEO, Clinix Health Group:** "Clinix Health Group is currently driving large-scale investment projects, to ensure superior healthcare provision to emerging markets in South Africa. Getinge supports this vision by delivering innovative and secure solutions – both in medical technology and financing."



## Solution

This is why the Clinix Group chose to partner with Getinge for the renovation of Dr SK Matseke Memorial Hospital.

As well as providing state-of-the-art equipment, Getinge offers comprehensive financial advisory services through its Getinge Financial Services division.

The medtech provider was able to arrange secure funding at competitive rates that took into account the hospital's equipment needs and financial possibilities.

In addition to large transaction volumes, the Getinge Financial Services division specializes in small and mid-sized transaction volumes, starting at 150 000 USD – a perfect match for Clinix's seven-figure project budget.

»Within a short time frame, we developed a financing solution that offered the best possible cost-benefit ratio for the new hospital and accommodated the group's request for a long-term repayment scheme«,

explains Sebastien Blanche, Global Head of Export & Project Finance at Getinge Financial Services.

Sebastien continues: "Dr SK Matseke Memorial Hospital received a buyer credit backed by an overseas Export Credit Agency (ECA). This type of loan has the added benefit of relieving the hospital's main lines of credit."

The buyer credit provided favourable interest rates on a Euro basis and covered the entire Getinge product range.

It also offered secure funding and financial planning options which could most likely not have been found on the local market.

At the same time, the terms of the loan were flexible enough to allow for changes. This proved to be of great advantage when it was decided that the hospital's modernisation needed to be split into two separate phases.

At very short notice, Getinge Financial Services was able to adapt the hospital's existing financing package to the new renovation plan.

## Finishing line

Due to the close cooperation between the Clinix Group, the Getinge sales representative and Getinge Financial Services, the refurbishment and upgrade of medical equipment at Dr SK Matseke Memorial Hospital were able to commence just a short time after the initial talks.

One of the major benefits for the hospital is that repayment of the loan does not begin until after the completion of phases one and two, respectively, of the refurbishment. By this time, the hospital's new equipment will already be up and running, generating income to help repay the loan.

### ECA-covered buyer credit

