

## Content

Nr. 33 | September 2020

P. 3 **Post COVID-19 healthcare in UAE**

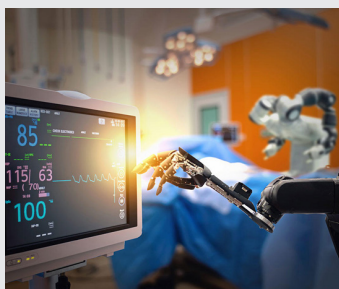
P. 6 **Faster lab testing in UAE**

P. 7 **News**



The onset of the global COVID-19 pandemic has accelerated the shift towards telehealth and tele-medicine as various lockdowns and curfews saw patients swapping the doctor's waiting room for the computer screen. Read more about the future of Healthcare in the UAE post COVID-19 ...

[Read the report on Page 3](#)



## ADNOC successfully completes US\$1 billion institutional placement of ADNOC distribution shares

Abu Dhabi National Oil Company, ADNOC, announced on Monday that it has successfully completed a placement to institutional investors of 1.25 billion shares in Abu Dhabi National Oil Company for Distribution PJSC, ADNOC Distribution, which are listed and traded on the Abu Dhabi Securities Exchange, ADX.

This represents 10 percent of ADNOC Distribution's total share capital. With this additional 10 percent placement, valued at US\$1 billion, the company's free float will increase to 20 percent, contributing to improved liquidity of ADNOC Distribution shares.

At the time of ADNOC Distribution's initial public offering in 2017, ADNOC

conveyed its intention to sell more of its shareholding in ADNOC Distribution to increase the stock's free float and liquidity on the ADX and provide an attractive investment opportunity, while continuing to hold a majority strategic stake in the company.

This transaction is part of ADNOC's stated strategy and its continued focus on value creation. The placement was priced at AED 2.95 per share, which is 18 percent above the IPO price of AED 2.50 and represents a 5 percent discount on the company's three-month volume weighted average price.

ADNOC will own 80 percent of ADNOC Distribution's registered share capital following the placement and continues



- > to see strong and deliverable growth potential in the company.

ADNOC launched this placement due to significant investor demand for ADNOC Distribution stock and has delivered the largest block placement of a publicly listed GCC company to date.

Dr. Sultan Ahmed Al Jaber, ADNOC Group CEO, said, “Since its initial public offering in 2017, ADNOC Distribution has continued to deliver on its growth ambitions, introduced a range of new customer-orientated services and enhanced its progressive dividend policy. It has delivered solid business results and demonstrated to customers and investors its resilience and steadfast focus on safe, smart growth. We saw significant investor demand in ADNOC Distribution shares and quickly and efficiently responded through an institutional placement.”

He continued to say, “This transaction highlights the attractive nature of ADNOC Distribution to investors, and once again demonstrates the high quality investment opportunities offered by ADNOC and more broadly by Abu Dhabi and the United Arab Emirates.

“For the investors, it presented a unique opportunity to access a sizeable stake

in ADNOC Distribution and invest in a stable and highly compelling equity story, with an attractive and resilient dividend policy. It also contributes to increased liquidity in the trading of shares in ADNOC Distribution, while broadening the shareholder base,” the CEO said.

“The ADNOC Group fully supports ADNOC Distribution as a committed and long term majority shareholder and remains confident that the company will continue to excel as a leading fuel and convenience retailer in the region,” Al Jaber added.

Citigroup Global Markets Limited and First Abu Dhabi Bank PJSC acted as Joint Bookrunners on the transaction. Moelis & Company acted as independent financial advisor to ADNOC.

ADNOC Distribution is a leading fuel distributor and convenience store operator in the United Arab Emirates. As of 30th June 2020, ADNOC Distribution operates 406 retail fuel service stations in the UAE and two retail fuel service stations in the Kingdom of Saudi Arabia.

ADNOC Distribution maintains a strong balance sheet and remains well positioned to expand both its domestic and international portfolio in line with

its smart growth strategy. As of 30th June 2020, ADNOC Distribution held AED 2.4 billion in cash and cash equivalents (including term deposits) and AED 2.8 billion in its unutilised revolving credit facilities.

In its Q2 2020 results announcement, ADNOC Distribution confirmed that its 2020 dividend policy is set to continue with an increase of 7.5 percent in 2020 to AED 2.57 billion, after a 62 percent increase in the 2019 dividend to AED 2.39 billion.

The company expects to pay the first six-month dividend of 2020 (10.285 fils per share) in October of this year, subject to board approval in accordance with the dividend policy. During its General Assembly meeting in March 2020, the company announced an amendment to its dividend policy for 2021 onwards, setting an AED 2.57 billion dividend for 2021 and a dividend equal to at least 75 percent of distributable profits from 2022 onwards, subject to board approval in accordance with the dividend policy.

Since announcing the expansion of its partnership and investment model and the more proactive management of its assets and capital in 2017, designed to unlock value for the United Arab Emirates and Abu Dhabi, ADNOC entered the debt capital markets for the first time, issuing a US\$3 billion bond backed by the Abu Dhabi Crude Oil Pipeline; partially floated ADNOC Distribution on the ADX, the first-ever initial public offering of an ADNOC Group company; and entered into several strategic partnerships in its drilling, refining, fertilizer and trading businesses, amongst others.

ADNOC also recently closed landmark investment partnerships with leading global institutional investors and operators in both its oil and gas pipeline infrastructure and its real estate infrastructure. The company is returning to the capital markets with this placement.

The quality and unique nature of ADNOC Group’s assets continue to be attractive to investors, reinforcing ADNOC’s role as a catalyst for responsible and sustained investment and value creation for Abu Dhabi and the United Arab Emirates.



**ADNOC RAISES USD 1 BILLION THROUGH INSTITUTIONAL PLACEMENT OF 10% OF ADNOC DISTRIBUTION SHARES**

**STRONG INVESTOR APPETITE**

Largest block trade placement of a publicly listed GCC company to-date

**MAJORITY SHAREHOLDER**

ADNOC retains 80% ownership in ADNOC Distribution, a leading fuel and convenience retailer with exciting growth potential

**INCREASES FREE-FLOAT**

Institutional placement broadens shareholder base, while increasing free float and liquidity of ADNOC Distribution on the Abu Dhabi Securities Exchange (ADX)

**STRONG FINANCIAL PERFORMANCE**

Transaction leverages significant investor demand for ADNOC Distribution shares due to strong performance and a progressive dividend policy

<https://www.wam.ae/en/details/1395302869650>





## Is this the future of healthcare in the UAE after coronavirus?

### Study finds 60% of people plan to continue using telehealth technology in a post Covid-19 world

The onset of the global coronavirus pandemic has accelerated the shift towards telehealth and telemedicine as various lockdowns and curfews saw patients swapping the doctor's waiting room for the computer screen.

According to a global study from Frost & Sullivan, telehealth consultation grew by 2,000 percent between March and April this year, while 90 percent of physicians started using telehealth during Covid, up from 15 percent prior to the start of the pandemic. And 60 percent plan to continue using it post-Covid.

Mohamed Berrada, partner and head of healthcare practice for Kearney Middle East, told Arabian Business: "Healthcare was already evolving and was its own path to digital transformation;

however, the pandemic accelerated this and proved that the industry is capable of adaptability, agility and innovation. Widespread integration of technology has been integral to containment and treatment processes such as contact tracing and testing."

Earlier this year nationals and residents of the UAE were able to access medical consultation via phones through the new Prime Telehealth platform licensed by the Dubai Health Authority.

While during the height of the spread, Dubai-based Mulk Holdings launched the Middle East's first e-hospital with access to over 2,000 doctors across the world.

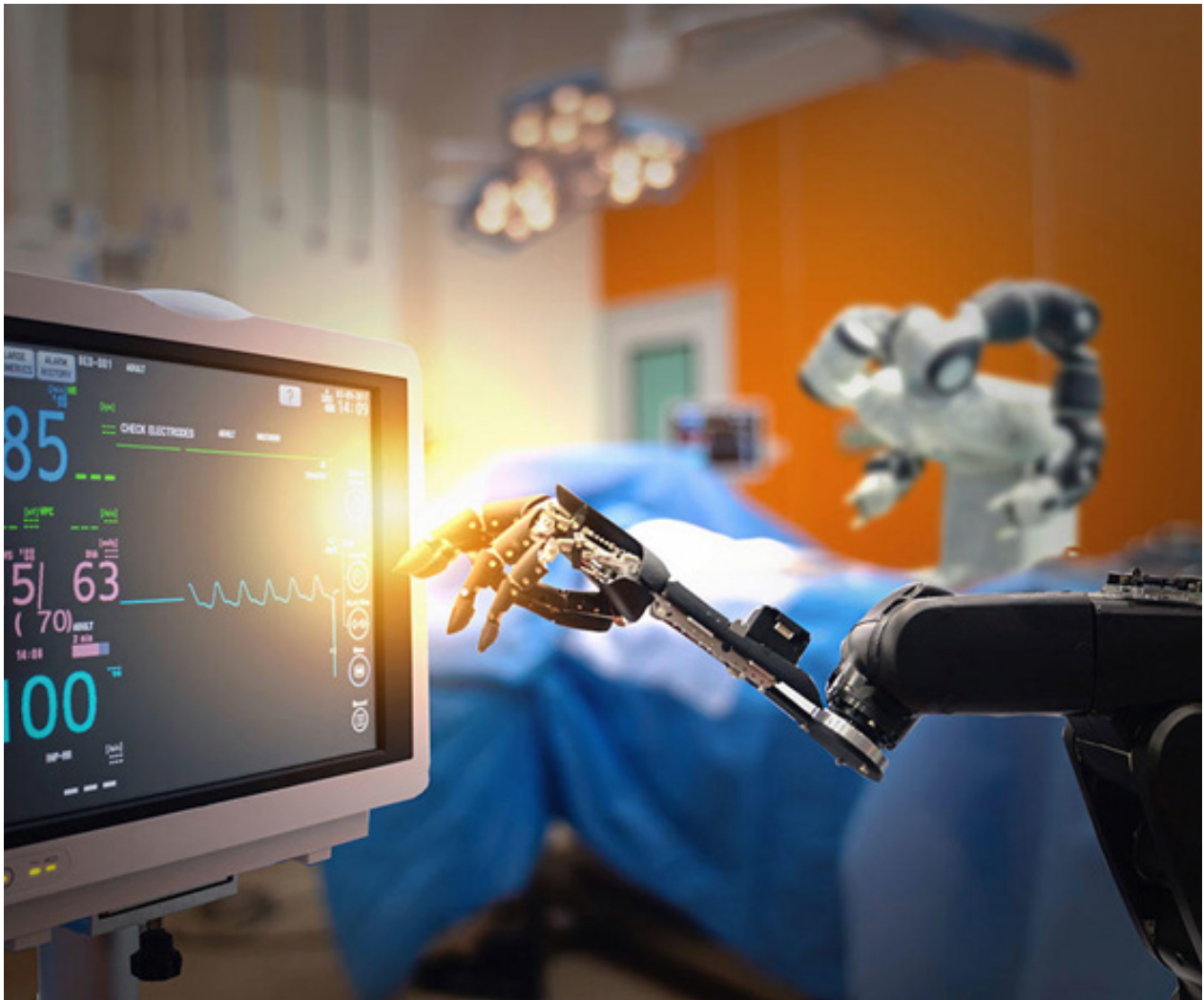
"Going forward, we expect these virtual healthcare platforms like video con-

ferencing and digital monitoring to be adopted worldwide," said Berrada.

Frost & Sullivan's global report also highlighted that 80 percent of patients are interested in, or prefer, virtual visits. It said a 15-20-minute virtual visit saves two-to-three hours of a patient's time and five-to-six hours-a-day for a physician.

**Ultimately, the net cost savings per telemedicine visit range from US\$19 to US\$121.**

Dr. Ibtesam Al Bastaki, director of health investment and partnership at Dubai Health Authority (DHA), said: "Telehealth has been embraced during this crisis situation and it is a great tool to build the rapport between patients and healthcare professionals in various



fields to ensure the right quality of services towards the patients.”

Smartphone penetration rate is 85 percent in the UAE, while it is anticipated that lifestyle disorders, aging population and rising demand for personalised patient care and self-health management tools will continue to drive the market.

While there may previously have been a reluctance to adopt telehealth, from both a patient and healthcare provider’s point of view, coronavirus has clearly witnessed a shift in attitudes.

Dr. Gireesh Kumar, senior manager for healthcare and education at Knight Frank Middle East, said: “The adoption of telehealth as a mainstream service, has been beneficial for healthcare providers during the lockdown as they were able to provide services to their patients with minimal disruption.

“This has also led to patients overcoming their age old reluctances associated with telehealth services. In addition to this, given the wider acceptance of telehealth by insurance providers, this service line is expected to experience greater demand going forward.”

Also, the implementation of several other technologies is expected to increase in the next few years.

“Adoption of Artificial Intelligence (AI) in augmenting healthcare workflows and decision making can help with faster diagnosis and risk prediction of diseases. Wearable biometric monitoring devices will enable patients and healthcare providers to remotely monitor their medical status, allowing for safe medical care at remote locations,” said Berrada.

“There will also be an exponential growth in the application of technolo-

gies such as Augmented Reality (AR), Machine Learning (ML), Big Data, blockchain, robotics, and Internet of Medical Things (IoMT).”

<https://www.arabianbusiness.com/healthcare/451688-is-this-the-future-of-healthcare-in-the-uae-after-coronavirus>





### Al Dhafra Solar Photovoltaic (PV) Independent Power Producer (IPP) project:

Secured one of the most cost-competitive tariffs for solar PV energy in the world, set at **AED 4.97 fils/kWh**.

#### 2 GW

Electricity generation capacity. Once fully operational, the plant will increase Abu Dhabi's solar power capacity to approximately 3.2 GW

More than  
**DOUBLE**  
the size of Noor Abu Dhabi

Will provide approximately  
**160,000**  
households across the UAE with electricity

#### 2.4 MILLION

metric tonnes reduction in CO<sub>2</sub> emissions per year, equivalent to removing approximately 470,000 cars off the road



**2022**  
commercial operation date

**Noor Abu Dhabi:** In 2017, Noor Abu Dhabi broke the world-record for the most competitive tariff achieving **AED 8.888 fils/kWh**.



The world's largest single solar project with a production capacity of  
**1,177MW**



**3.2 MILLION**  
solar panels featured



**1 MILLION**  
metric tonnes reduction in CO<sub>2</sub> emissions per year equivalent to removing 200,000 cars off the roads



Early power delivered  
**6 MONTHS**  
ahead of planned commercial operation date (PCOD)



## ADQ launch of Union71 to introduce faster, more accessible, sophisticated lab testing in the UAE



ADQ, one of the region's largest holding companies with a broad portfolio of major enterprises spanning key sectors of Abu Dhabi's diverse economy, has announced the launch of Union71, a new laboratory testing company for healthcare providers in the UAE.

The lab company aims to improve healthcare outcomes and reduce costs on both a national and regional basis by making high-quality testing and clinical support accessible. In addition, key benefits for patients includes faster, more reliable results, supporting swifter patient recoveries.

Union71 will initially be responsible for delivering diagnostic services to Abu Dhabi Health Services Company, SEHA, through a comprehensive test repertoire and lab services. This will provide an opportunity to leverage economies of scale from the high volume of tests the lab company will perform for SEHA's hospitals and clinics.

Jaap Kalkman, Chief Investment Officer at ADQ, said, "ADQ continues to play a

leading role in contributing to the future of healthcare in the UAE. In line with our vision to ensure world-class systems and processes for the benefit of Abu Dhabi's communities, we are continuously evaluating opportunities to expand our healthcare investments and help drive a performance-driven culture across our portfolio companies. By separating the laboratory business from SEHA, Union71 will focus on delivering faster, lower cost and more accessible testing through a diagnostics-based approach for healthcare providers."

Dr. Gareth Goodier, CEO of SEHA, said, "SEHA had already been on a journey of transformation, with clear objectives to build a sustainable healthcare network fit for the 21st century. As we continue to align our business to put patients at the heart of everything we do, adopting new organisational models enable us to become more focused on productivity and efficiency. We are confident that our new partner, Union71, will deliver the highest quality lab results quickly to help us ensure we are delivering world-class patient care."

Union71 will offer a wide spectrum of testing services, with the long-term aim of supporting clinical workflow through timely, accurate and quality data building upon ISO15189 and CAP standards. Union71 will have complex lab testing capabilities, sub-specialty consultant pathologists, experienced technologists and equipment not readily available in other labs in the region, as well as the ability to ramp up quickly during emergency situations.

ADQ's healthcare portfolio also includes Abu Dhabi Health Services Co., SEHA, the UAE's largest and most comprehensive healthcare network; National Health Insurance Company, Daman, the UAE's leading health insurer; and Rafed, a new Group Purchasing Organisation, GPO, to manage and develop the procurement of healthcare-related products.

<https://www.wam.ae/en/details/1395302870096>

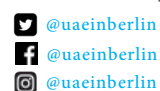




## Imprint

Publisher  
Embassy of the  
United Arab Emirates  
Hiroshimastr. 18-20  
D-10785 Berlin

Telefon: + 49 (0)3051651451  
www.uae-embassy.ae



Ghorfa Arab-German Chamber  
of Commerce and Industry e.V.  
Garnisonkirchplatz 1  
D-10178 Berlin

Telefon: + 49 (0)30278907-0  
www.ghorfa.de



Ambassador  
H.E. Hafsa Al Ulama

Secretary General  
Abdulaziz Al-Mikhlaifi

Editor  
Khalfan Al Matrooshi  
Ahmed Shalaby

Layout:  
Fadhl Al-Romaima