

Competition Tribunal gives the green light for Netcare/Akeso deal

The Competition Tribunal has approved Netcare's acquisition of Akeso Clinics, a group of 12 dedicated mental healthcare facilities. Netcare will make use of existing resources to fund the R1.3bn acquisition.



Dr Richard Friedland, CEO: Netcare

“The Netcare is largely under-represented in the mental healthcare field, as we do not currently have bespoke or dedicated mental health or psychiatric facilities in our portfolio,” says Dr Richard Friedland, chief executive officer of Netcare. Akeso has 811 beds in facilities located throughout South Africa in areas such as Cape Town, George, Johannesburg, Pretoria, Nelspruit, Umhlanga and Pietermaritzburg.

Disposal of Netcare Rand and Netcare Bell Street

The transaction was subject to various regulatory approvals, including the sanction of the Competition Tribunal. Following numerous engagements, a joint proposal by Netcare, Akeso and the Competition Commission was presented to the tribunal. This included that the proposed transaction be approved subject to certain conditions, including the disposal of Netcare Rand and Netcare Bell Street hospitals.

Friedland assured staff, doctors and patients that the two hospitals would continue to function as normal for the foreseeable future and that a process to dispose of the facilities would ensue.

“We are engaging with our staff at Netcare Rand and Netcare Bell Street hospitals and encourage them to remain fully focused on delivering quality patient care and excellent service. There will be job and employment continuity opportunities for all staff currently working at these facilities and we will engage with them to keep them fully apprised of all developments as they unfold,” he added.

“The acquisition by Netcare will enable an additional investment in what is already a successful model for the delivery of mental healthcare, while assisting Akeso to further expand our existing footprint. This is therefore a strategically important step for Akeso and we look forward to long-term growth resulting from our inclusion in the Netcare Group,” said Allan Sweidan, co-founder and managing director of Akeso Clinics.

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