



**DOCTORS HOSPITAL
HEALTH SYSTEM
(DHHS)**

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NEWS RELEASE

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Doctors Hospital Health System acquires Kidney Centre Limited (KCL) to combine pioneering Leadership in the Healthcare Sector

NASSAU, BAHAMAS – April 24, 2024 Doctors Hospital Health System (DHHS), the leading publicly traded healthcare provider listed on the Bahamas International Securities Exchange (BISX), is pleased to announce its plans to acquire 100% equity of Kidney Centre Limited (KCL). The acquisition signifies a move aimed at expanding DHHS's service offerings and solidifying its position as a market leader in the healthcare sector.

KCL will operate as a wholly owned subsidiary of DHHS, with all of its operations in The Bahamas (New Providence, Grand Bahama and Abaco) included within the scope of the deal. With an acquisition closure today, this strategic move underscores the significant potential for synergy in the treatment of end stage renal disease (dialysis treatments and kidney transplant) and further enhances DHHS's commitment to providing comprehensive healthcare services to communities throughout the Commonwealth of The Bahamas.

“We are thrilled to welcome Kidney Centre Limited into our DHHS family of entities,” said Dr. Charles Diggiss, President and Chief Executive Officer of DHHS. “The market leadership of KCL combined with the vision and quality oversight of DHHS will undoubtedly, enhance the delivery of healthcare services in The Bahamas. We are particularly excited about continuing the expertise and leadership of Dr. Ronald Knowles, whose experience, added to his advisory role will be beneficial to DHHS's overall strategy.”

Dr. Knowles is expected to remain engaged with KCL for at least three (3) years and to serve as a strategic advisor and consultant to DHHS, given his broad expertise in the national healthcare landscape.

The consideration for the purchase of shares is approximately 1x the KCL's asset value plus the purchase of both the Grand Bahama and Abaco buildings at market value. Following the acquisition, KCL's total assets (approximately \$5.3 million) will be fully consolidated in the financial statements of DHHS for the fiscal period ending January 31, 2025. KCL's Revenues are approximately \$10.0 million and its consolidation into DHHS financial structure is expected to be accretive overall. Post-acquisition, KCL will represent approximately 8% of DHHS total revenues (estimated). Goodwill (excess of purchase price above fixed assets) will be recovered within three (3) years on an EBITDA basis.

"We recognize the necessity of dialysis services and the critical need for affordability in healthcare," stated Dennis Deveaux, Chief Financial Officer of DHHS. "As a new addition to DHHS, we are committed to ensuring the viability of this essential service. Leveraging our ongoing relationship with Health City Cayman Islands (HCCI), we aim to drive our dialysis costs down while maintaining the highest standards of care. We are eager to onboard KCL into the DHHS family and we look forward to the benefit of our synergies and areas of collaboration."

"The decision to join the Doctors Hospital Health System strengthens the continued impact that the Kidney Centre Limited will have on the delivery of quality hemodialysis services in The Bahamas," says Dr Ronald Knowles, President, and Chief Executive Officer of the Kidney Centre Ltd. "Our experience in providing quality, affordable services in The Bahamas for over 40 years will undoubtedly now be expanded throughout the region as we leverage the knowledge, expertise, and synergies this relationship will provide."

The acquisition marks a significant milestone for both DHHS and KCL, signaling a new era of growth and innovation in the healthcare industry. DHHS remains dedicated to providing affordable, accessible, high- quality healthcare services to the Bahamian community.

Both institutions firmly believe that by joining forces, there is a substantial opportunity to deliver high- quality care throughout The Bahamas at the lowest cost possible.

During the change in ownership and resulting transition, all associates, patients, payors, and vendors can expect no immediate changes to the day-to-day operations of either Doctors Hospital Health System or Kidney Center Limited. Management structures and routine functions will remain undisturbed.

About Doctors Hospital

Accredited by Joint Commission International in 2010, Doctors Hospital Health System ("Doctors Hospital") is the premier tertiary healthcare institution in The Bahamas. Doctors Hospital Bahamas was formerly named The Rassin Hospital, founded in 1955 by the late Dr. Meyer Rassin, a leading orthopedic surgeon who opened the original 20,000 square-foot, 24-bed medical facility. Today, Doctors Hospital Bahamas is a 94-bed multi-site health system comprising two unique facilities. The main hospital situated at the corner of Collins Avenue and Shirley Street, provides a full range of inpatient and outpatient services. Outside of the main hospital, Doctors Hospital Bahamas operates two outpatient centres in Grand Bahama, one urgent care centre in Exuma, and several outpatient centres and retail pharmacies in New Providence.

About Kidney Centre Limited

The Kidney Centre Limited, established in 1985 by Dr. Ronald Knowles, operates three dialysis units across New Providence, Abaco, and Grand Bahama. Known for its specialized expertise in dialysis care, the Kidney Centre provides high-quality healthcare services to the Bahamian community.

