



شركة الشرق الأوسط للرعاية الصحية (ميكو)
MIDDLE EAST HEALTHCARE COMPANY (MEAHCO)
SAUDI GERMAN HOSPITALS GROUP
مجموعة مستشفيات السعودي الألماني

Middle East Healthcare Company (MEAHCO)

Investor Presentation – March 2020

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MEAHCO's network of services

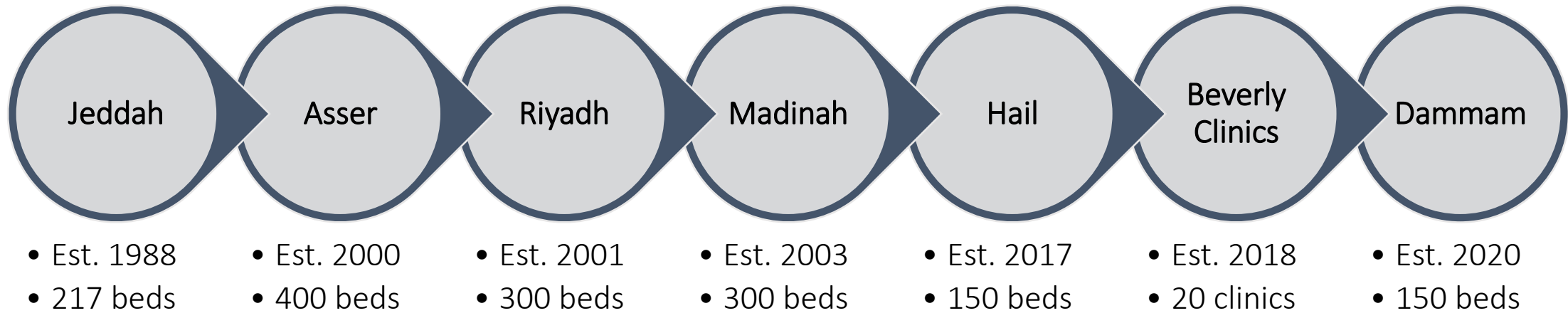


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- Saudi Arabia's most geographically diversified healthcare player
- Full fledged footprint in six cities (Jeddah, Asser, Riyadh, Madinah, Hail, Dammam)
- Comprehensive network covering ~90% of Saudi Arabia's population
- Ongoing expansion into Makkah, along with Madinah, to capitalize on religious tourism and further expand reach
- Successful launch of Beverly Clinics to add new catchment areas in Jeddah



Expansion timeline



Notes

- Based on licensed bed capacity. Operational bed capacity is ~1k beds
- Hail hospital is 32.33%-owned by MEAHCO






Hospitals under management contract



- Operational
 - SGH Yemen – est. 2006
 - SGH Dubai – est. 2012
 - SGH Cairo – est. 2015
 - SGH Sharjah – est. 2018
 - SGH Ajman – est. 2019
- Pipeline
 - SGH Alex West (Egypt)
 - SGH Giza (Egypt)
 - SGH Lahore (Pakistan)
 - SGH Islamabad (Pakistan)
 - SGH Karachi (Pakistan)
 - BTPL Lahore (Pakistan)
 - SGH Casablanca (Morocco)

Accreditation



	Jeddah	Asser	Riyadh	Madinah	Hail	Dammam
	Accredited	Accredited	Accredited	Accredited	Postponed	In process
	Accredited	Accredited	Accredited	Accredited	Accredited	In process
	In process	In process	In process	In process	In process	In process
	Accredited	In process	In process	Accredited	Accredited	In process
	In process	In process	In process	In process	In process	In process

Notes

- Hail JCI accreditation was postponed by the management till bed capacity justifies financial feasibility of the accreditation
- SGH Dammam needs 6 months mandatory waiting time, from start of commercial operations, to apply for JCI accreditation, and 12 month to apply for CBAHI accreditation

Ongoing restructuring plan

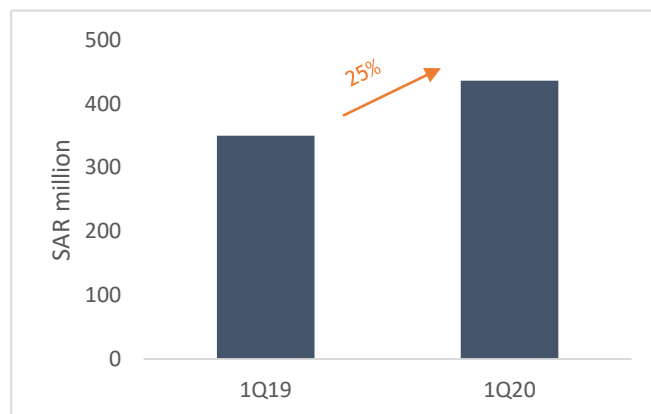


- Leveraging the Group's scale
 - Appointed McKinsey, based on success fees, to standardize and restructure the group procurement cycle
 - Renegotiated existing facilities' terms with most of the banks at favorable terms
 - Successful renewal of pricing with select insurance companies at a premium
- Focus on hospitals' accreditation
 - MEAHCO obtained the CAP accreditation for Madinah and Hail in 4Q19 and Jeddah in 1Q20
 - Saudi German Hospital (SGH) Riyadh joined the Mayo Clinic Care Network in January 2020
- Cost control measures
 - Layoff of underperforming employees and above the age of 60
 - Adapting an offshore model to mobilize most support functions to Cairo and Manilla
- Enhancement of patient relationship
 - Launched a VIP Club Program in Jeddah and Asser
 - Hired Chief of Patient Relations and Patient Experience

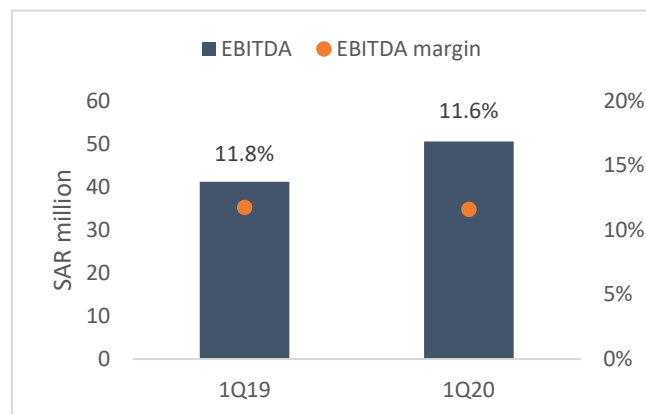
Key financial indicators



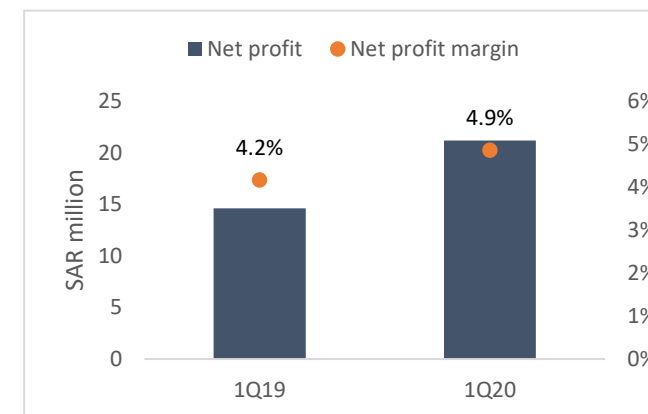
Revenue, Revenue growth



EBITDA, EBITDA margin



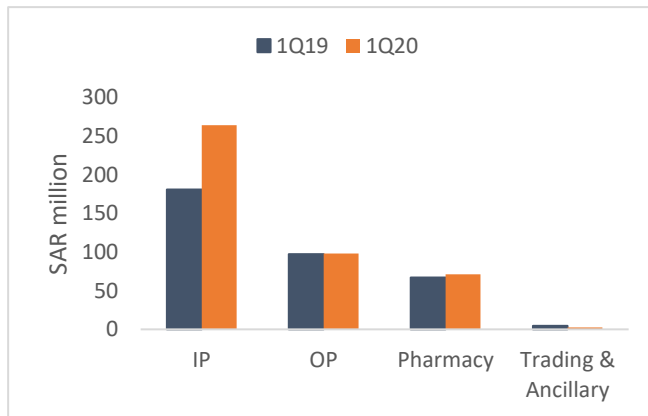
Net profit, Net profit margin



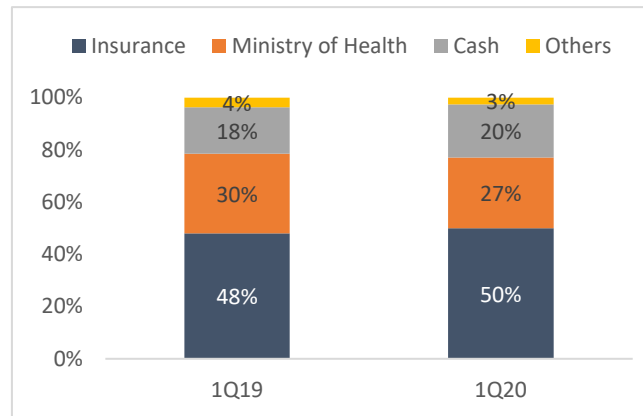
Revenue structure



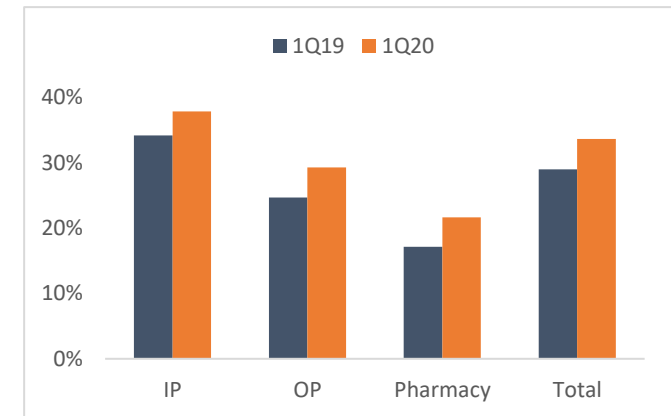
Revenue breakdown by service



Revenue breakdown by clientele



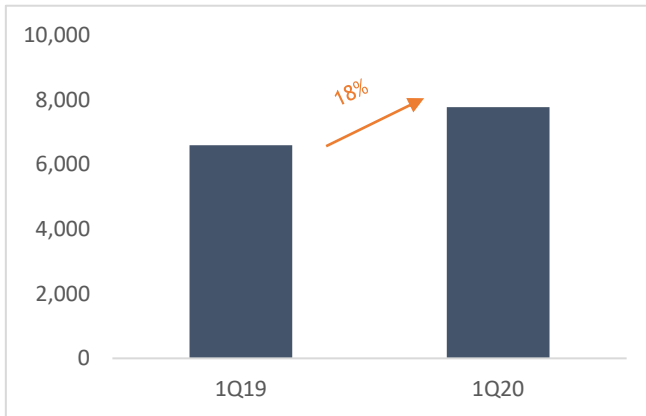
GPM breakdown by service



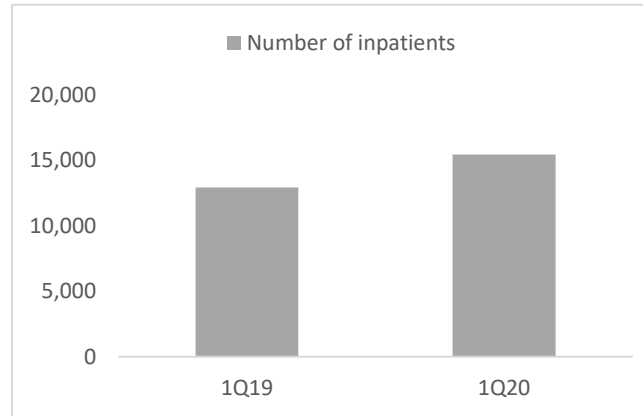
Operational KPIs



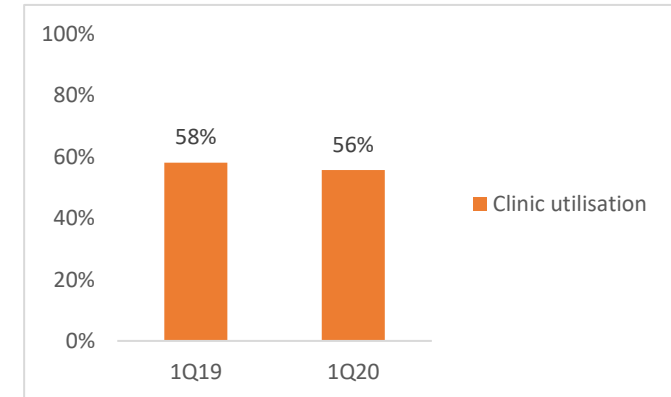
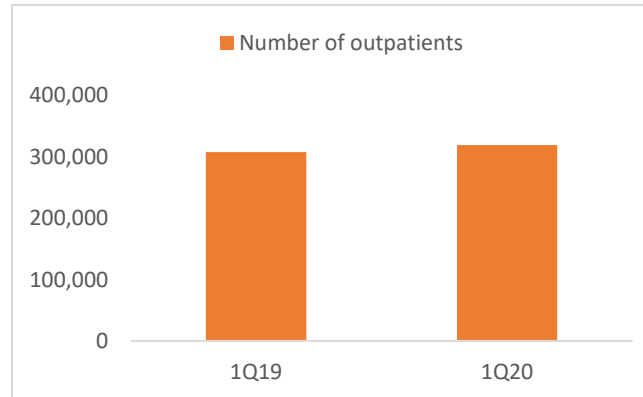
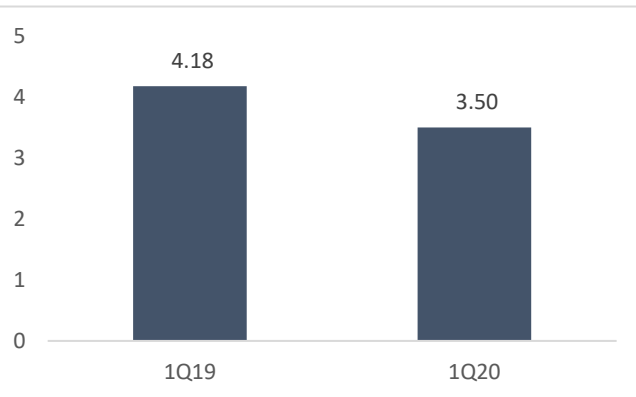
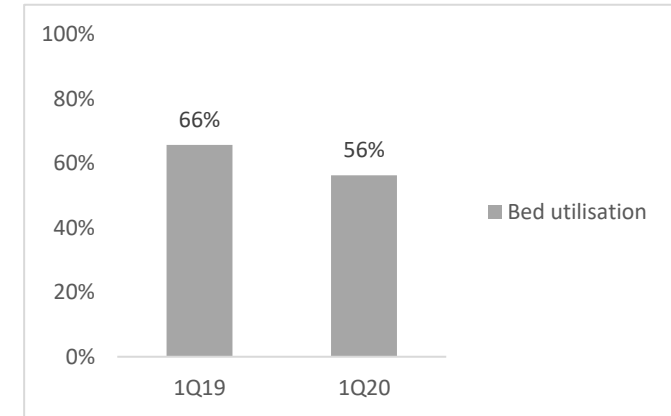
Performed surged vs. ALOS



Patients' evolution



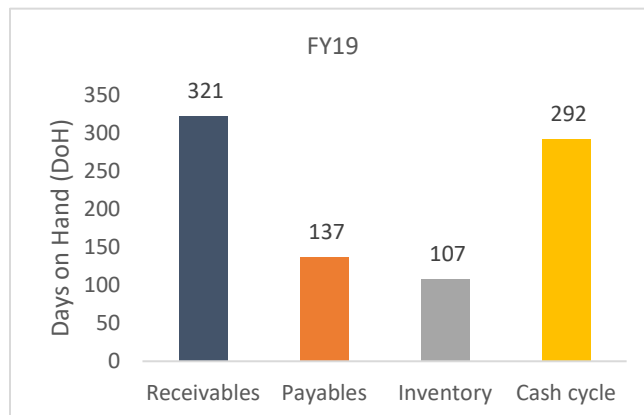
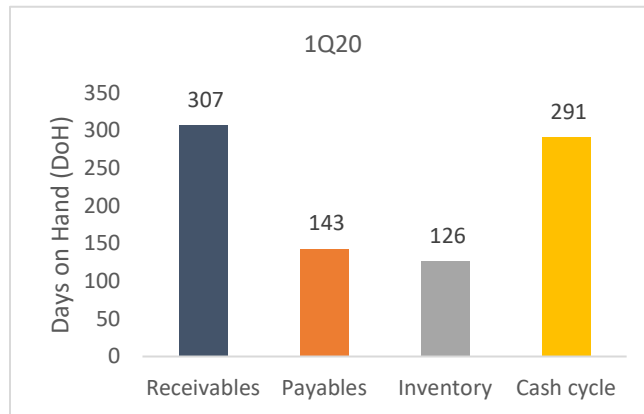
Utilisation rate



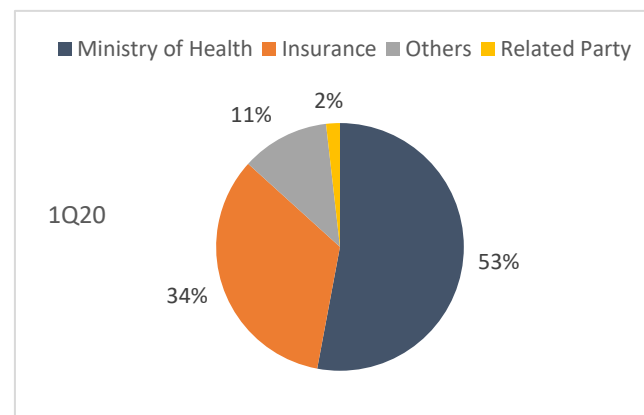
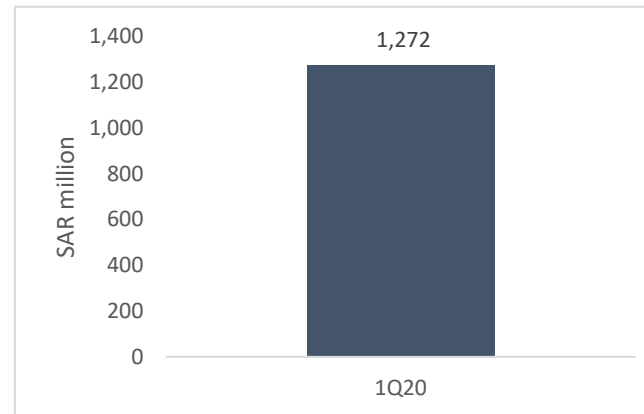
Balance sheet and cash cycle



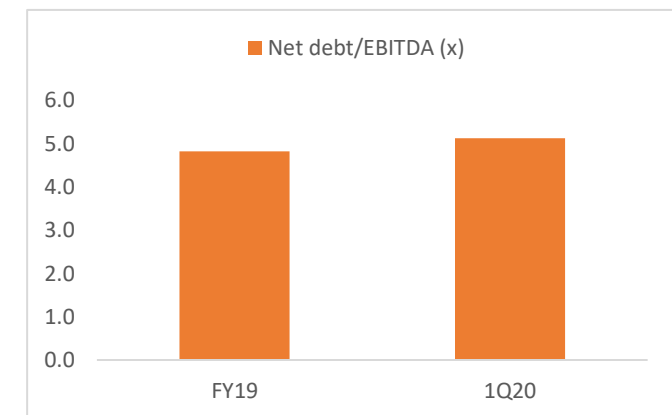
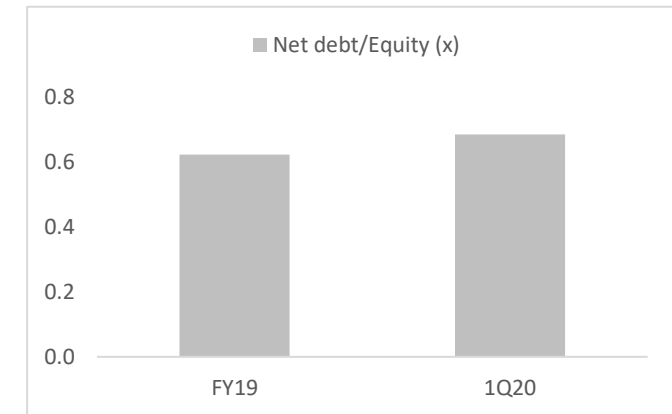
Cash conversion cycle



Receivables, Receivables split



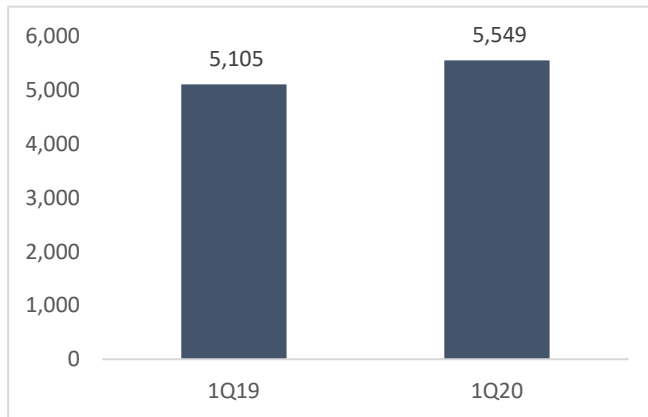
Leverage



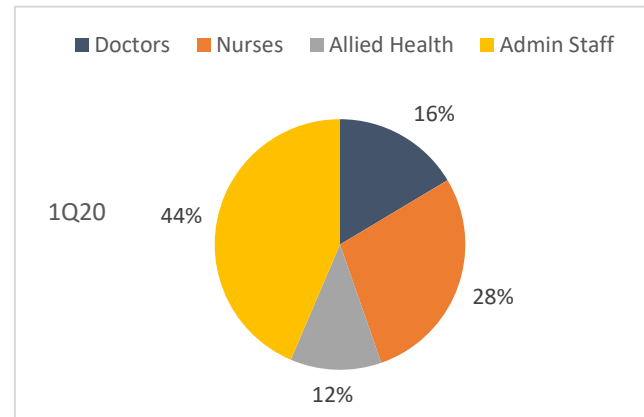
Employees statistics



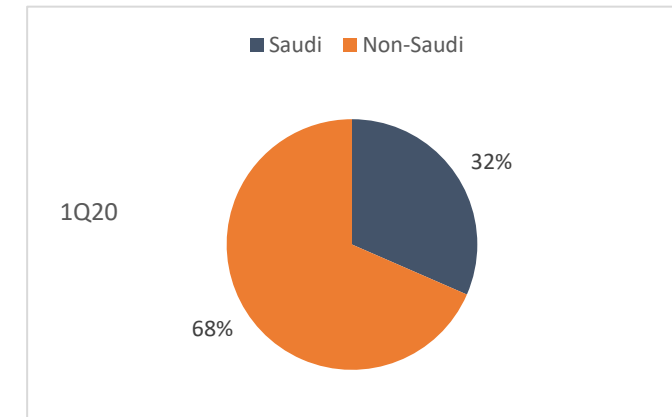
Number of employees



Headcount split by profession



Saudisation rate



Capex and expansion plan



- SGH Riyadh Outpatient Tower and Beds Expansion
 - 134 bed, 76 clinic
 - Capex 194 million
 - To be operational 1Q 2021
- SGH Makkah Hospital
 - 300 bed
 - Capex SAR 389 million
 - To be operational 2H 2021
- SGH Makkah Housing
 - Capex SAR 114 million
 - To be operational 2H 2021
- SGH Dammam Housing
 - Capex SAR 90 million
 - To be operational 2H 2021

Shareholder information



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Stock Data:

Bloomberg / Reuters: MEH AB / 4009.SE

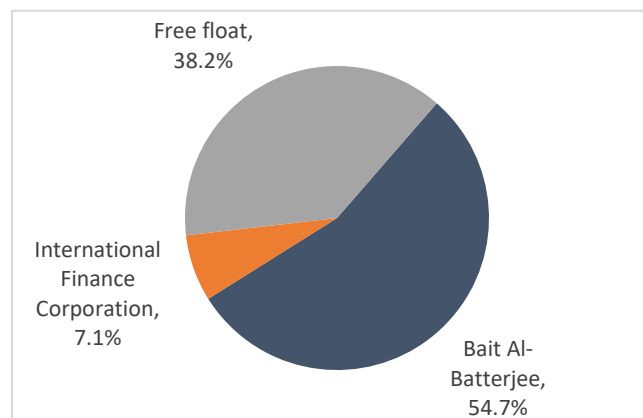
Outstanding shares: 92,040,000

Free float: 38.1%

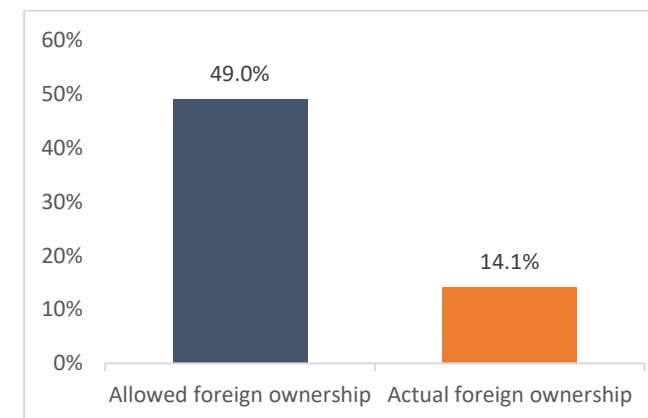
Mkt. Cap: USD 691 million

3M ADVT: USD 2.1 million

Shareholder structure



Foreign ownership*



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(* As of 2 June 2020)



Thank you