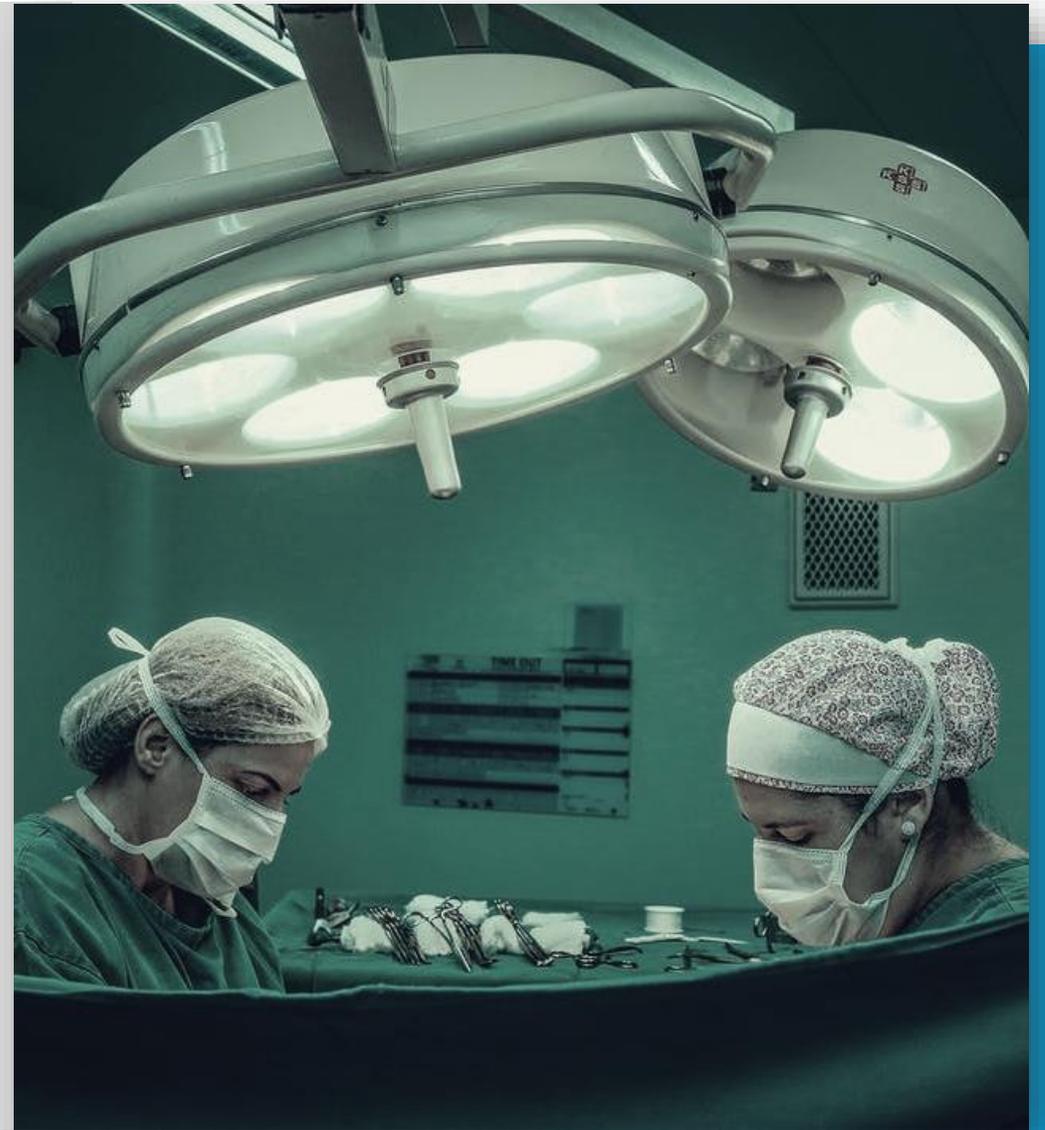


# Saudi German Health

Investor Presentation – 1Q 2022



Saudi  
German  
Health



# SGH at a Glance



**7**  
Hospitals

**~1k bed**  
Operational Capacity

**~90%**  
Population Access

**5.8k**  
Total Staff

**991**  
Total Doctors

**2.0k**  
Total Nurses

**4.1**  
Avg. Length of Stay

**63%**  
Utilization Rate (Beds)

**62%**  
Utilization Rate (Clinics)

**405k\***  
Inpatient Censes

**8.7mn\***  
Outpatient Censes

**216k\***  
Performed Surgeries

\*Aggregate figures from 2015 till 1Q 2022

# The Group



## Mission

To Provide Evidence-Based, Safe Medical Services Delivered with Effective Management, Engagement with Our Community and Fulfillment of Our Stakeholder's Needs.



## Vision

To be the Leader in Improving People's Lives.

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## Overview



# Our People



**Eng. Sobhi Batterjee**  
Chairman



**Makarem Batterjee**  
President and Vice Chairman



**Dr Ahmed Shebl**  
Group Chief Executive Officer



**Madani Hozaien**  
Group Chief Financial Officer

# About Saudi German Health

## Saudi German Health at a Glance

Middle East Healthcare Company (MEAHCO), publicly known as Saudi German Health (SGH), is a leading healthcare provider in Saudi Arabia. Building on a long family legacy as medical pioneers in the Kingdom, Saudi German Health was founded by the Batterjee family 33 years ago to relieve people's suffering and have a positive impact on their health.

In 1988, Eng. Sobhi Batterjee, Chairman of Saudi German Health, and Dr. Khalid Batterjee, Vice President of Saudi German Health, established the first hospital in Jeddah and collaborated with German University Hospitals to bring advanced German healthcare standards and expertise to the local community for the first time in the Kingdom of Saudi Arabia. These associations inspired the 'German' in our name.

Since then, MEAHCO has been expanding and growing its presence organically on firm footing. MEAHCO is the most geographically diverse healthcare player in Saudi Arabia with a total licensed capacity of 1,517 beds and a comprehensive network of 7 full-fledged hospitals in Jeddah, Asser, Riyadh, Madinah, Hail and Dammam, enabling it to access ~90% of the Kingdom's population.

## A Revamped Vision

### Old Branding



### New Branding



# Equity Growth Story



217 Licensed Beds  
204 Operational Beds  
131 Clinics

1988

Establishment in Jeddah



300 Licensed Beds  
214 Operational Beds  
69 Clinics

2001

Establishment in Riyadh



2000  
Establishment in Asser  
400 Licensed Beds  
291 Operational Beds  
89 Clinics



150 Licensed Beds  
90 Operational Beds  
24 Clinics

2017

Establishment in Hail



2003  
Establishment in Madinah  
300 Licensed Beds  
197 Operational Beds  
58 Clinics



150 Licensed Beds  
98 Operational Beds  
16 Clinics

2020

Establishment in Dammam & Riyadh Hospital Joined Mayo Clinic Network



2018  
Beverly Clinics  
20 Clinics



35 Operational Beds  
16 Clinics

2022

Launch of One-Day Surgery Hospital in Jeddah



2021  
Rebranding to "Saudi German Health"



# Saudi German Health's Brand Footprint



4  
COUNTRIES

---

12  
HOSPITALS

---

30+  
YEARS

---

44  
SPECIALITIES

## Saudi Arabia

- 6 Owned
  - Jeddah
  - Asser
  - Riyadh
  - Madinah
  - Hail
  - Dammam
- 1 Leased
  - Jeddah

## United Arab Emirates

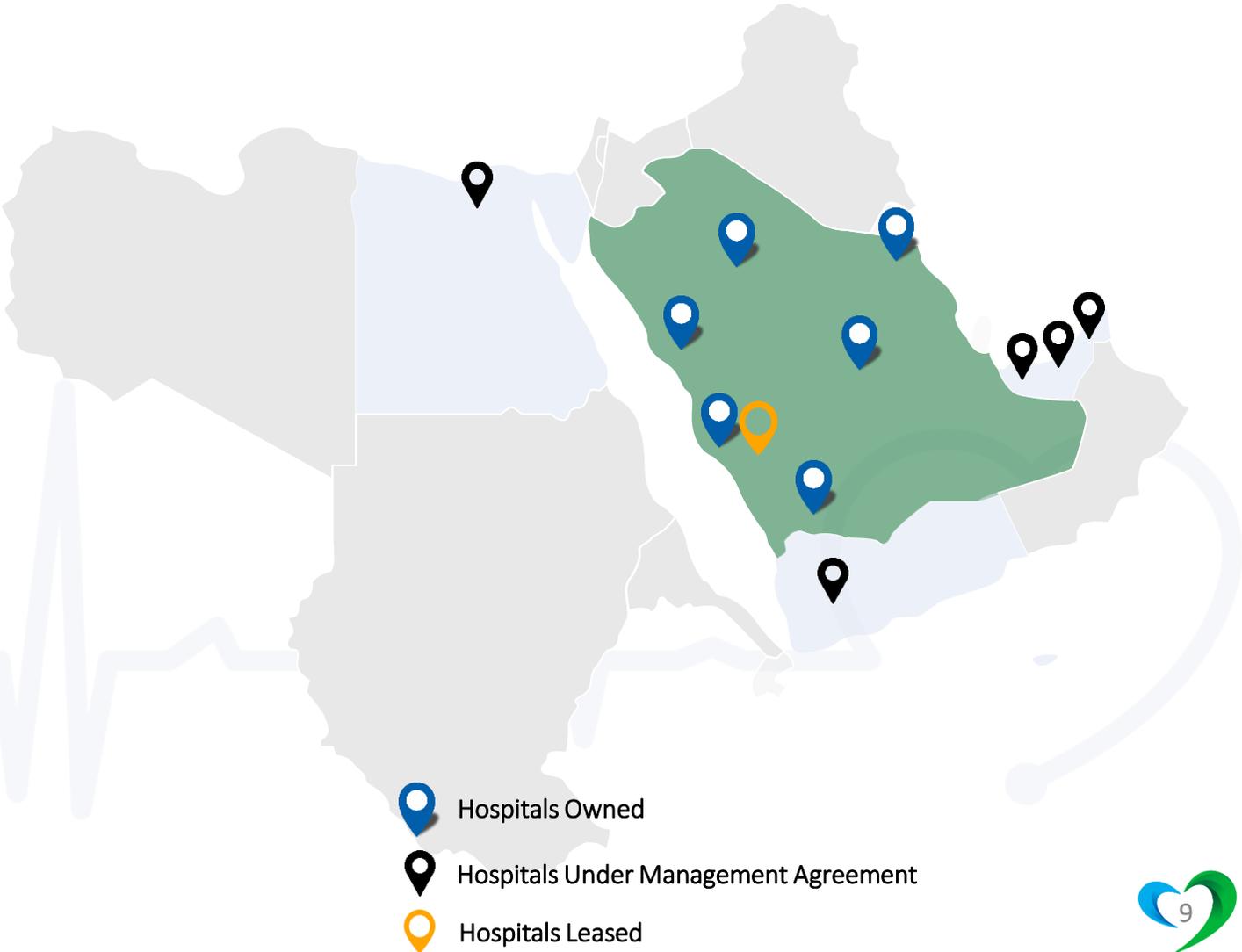
- 3 Hospitals
  - Dubai
  - Sharjah
  - Ajman

## Egypt

- 1 Hospital
  - Cairo

## Yemen

- 1 Hospital
  - Sana



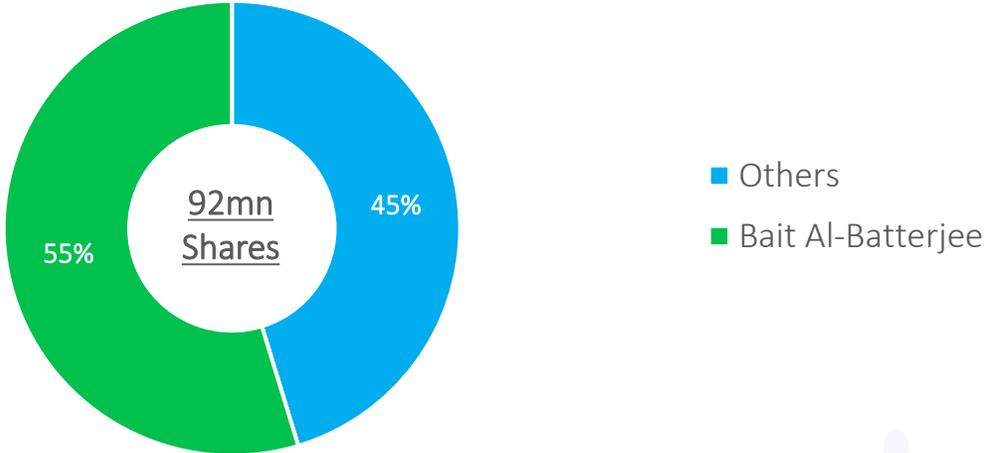
# Accreditations

	Jeddah	Asser	Riyadh	Madinah	Hail	Dammam
	Accredited	Accredited	Accredited	Accredited	In Progress	In Progress
 <b>CBAHI</b> المركز السعودي لاعتماد المنشآت الصحية Saudi Central Board for Accreditation of Healthcare Institutions	Accredited	Accredited	Accredited	Accredited	Accredited	Accredited
 <b>Himss</b>	Accredited	Accredited	Accredited	Accredited	Accredited	In Progress
 <b>CAP ACCREDITED</b> COLLEGE of AMERICAN PATHOLOGISTS	Accredited	Accredited	Accredited	Accredited	Accredited	Accredited
 <b>aaBB</b>	Accredited	Accredited	In Progress	In Progress	In Progress	In Progress

■ Accredited  
■ In Progress

# Share Overview

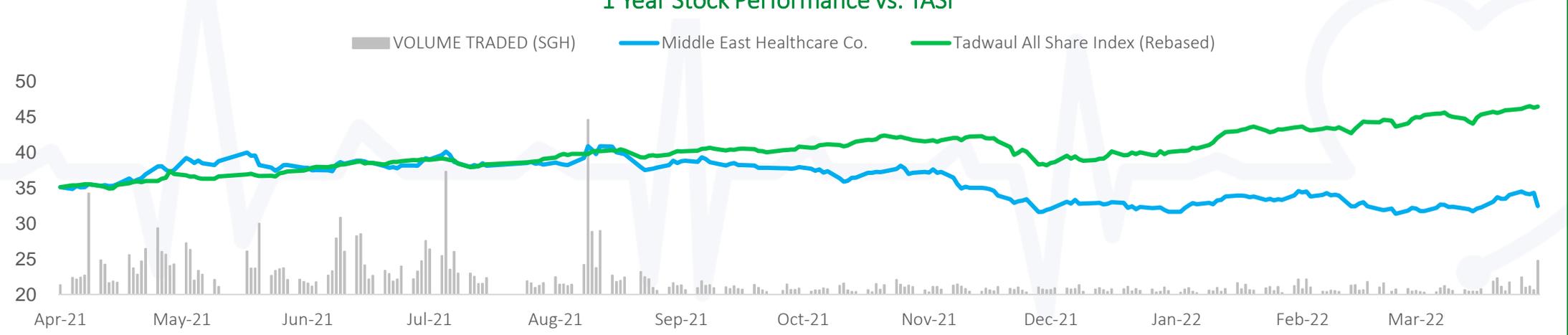
Shareholder Structure



SGH Share Data

Market Cap. (SAR mn)	2,987
Market Cap. (USD mn)	796
52-Week High (SAR)	40.85
52-Week Low (SAR)	31.35
3-month ADTV (SAR mn)	13
12-month ADTV (SAR mn)	32

1 Year Stock Performance vs. TASI



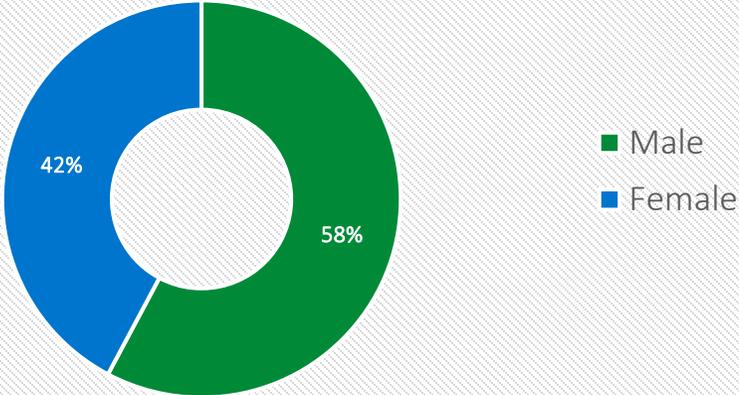
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## Market Overview

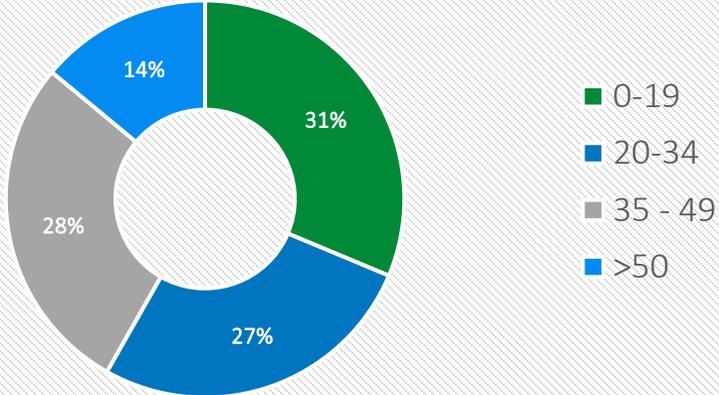


# Population at a Glance

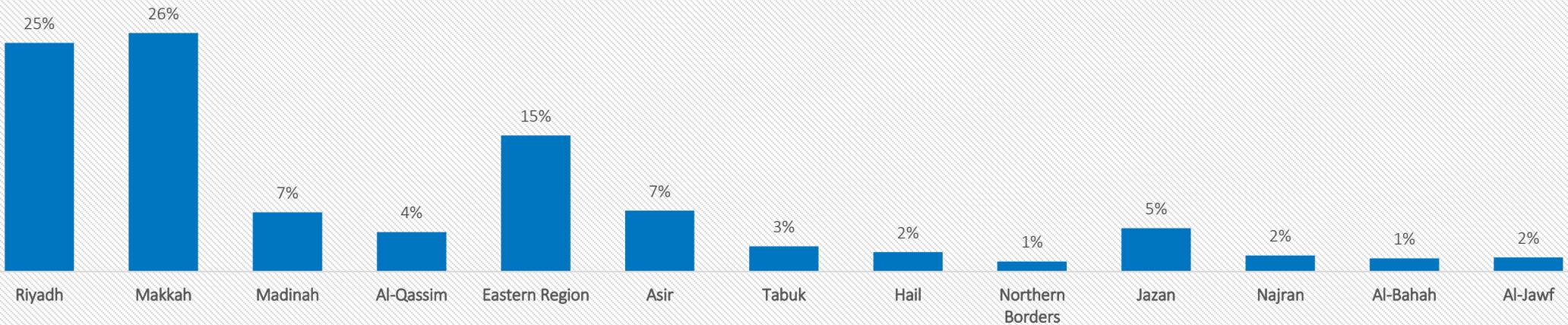
Gender Breakdown (%)



Age Breakdown (%)



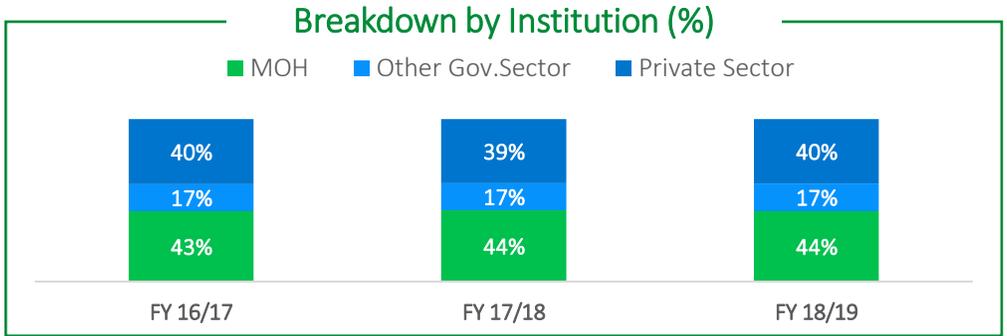
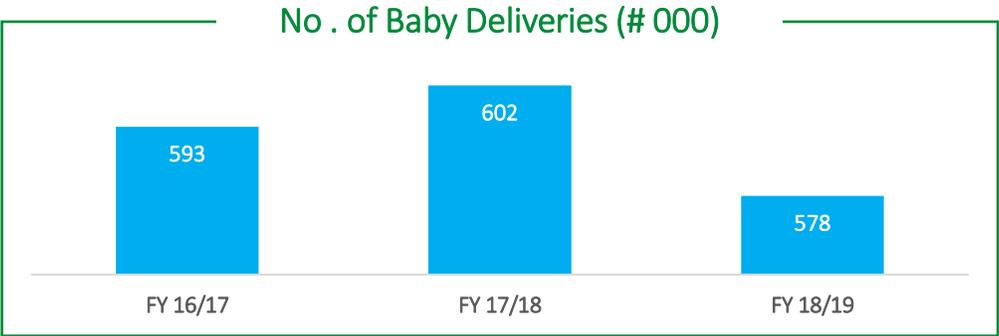
Breakdown by Administrative District (%)



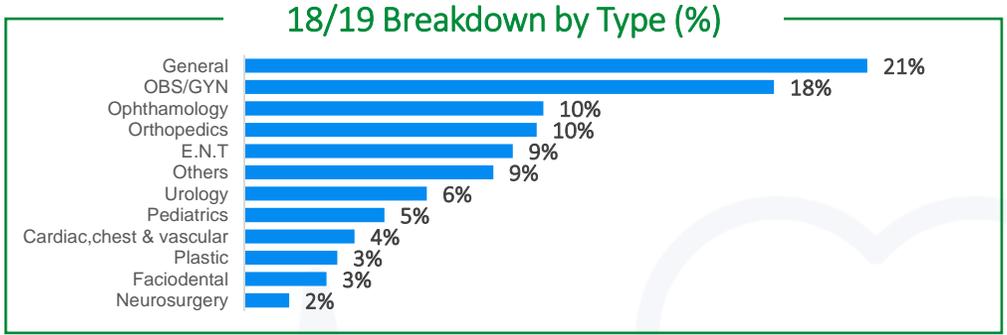
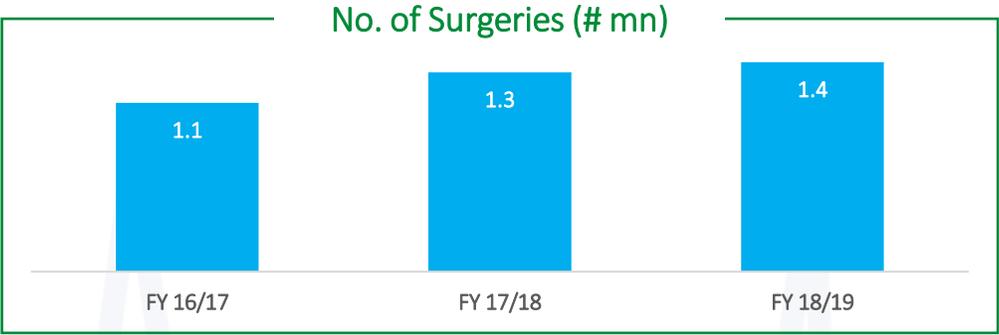
\*Sources: Kingdom of Saudi Arabia - General Authority for Statistics

# Sector Growth Profile

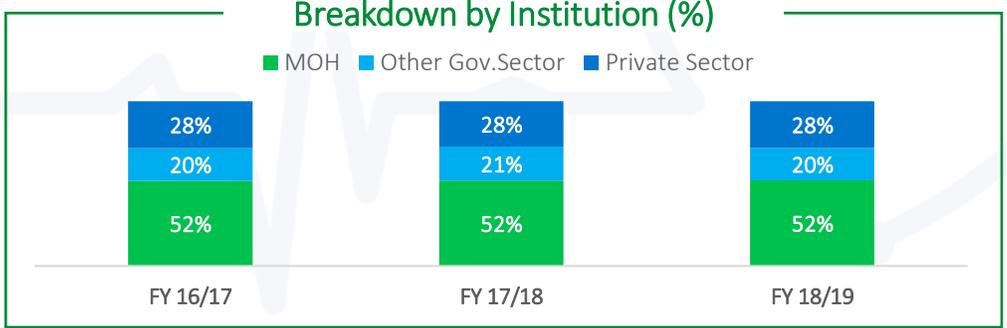
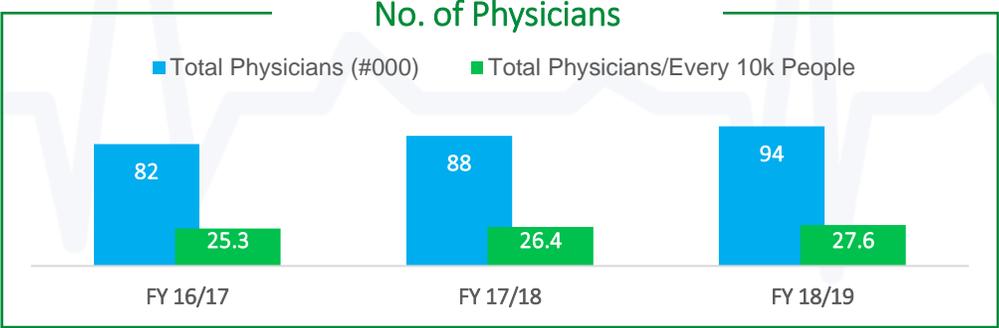
## Baby Deliveries



## Surgeries



## Physicians

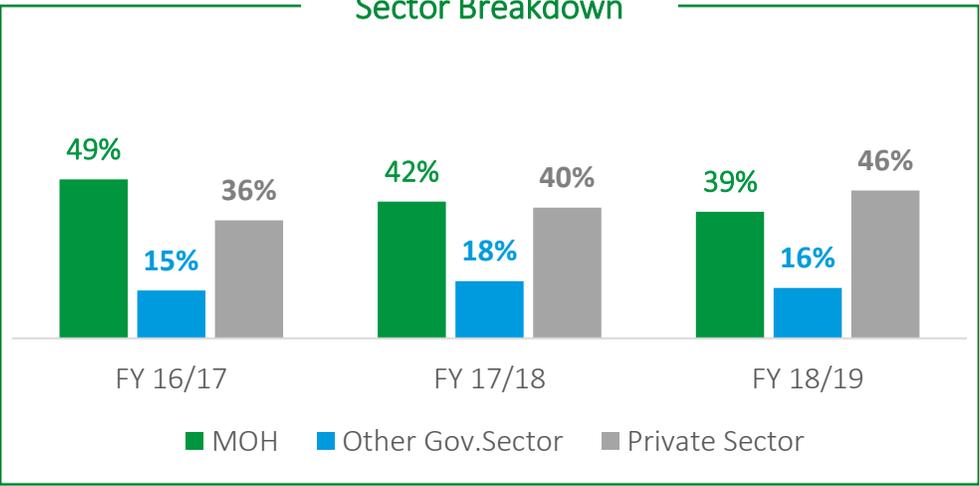
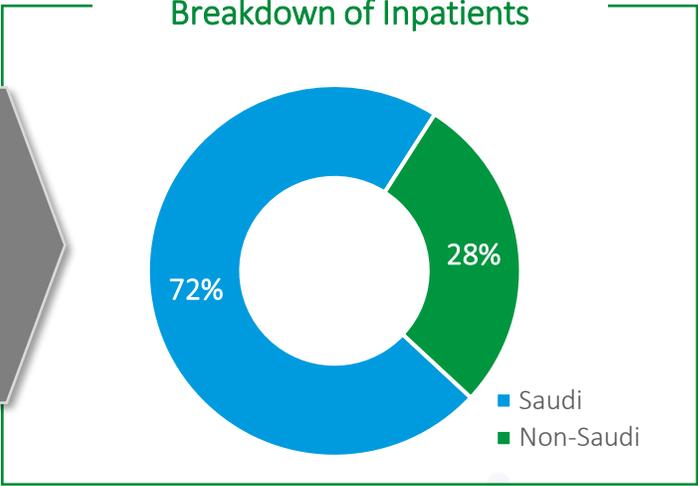


\*Sources: Kingdom of Saudi Arabia - General Authority for Statistics

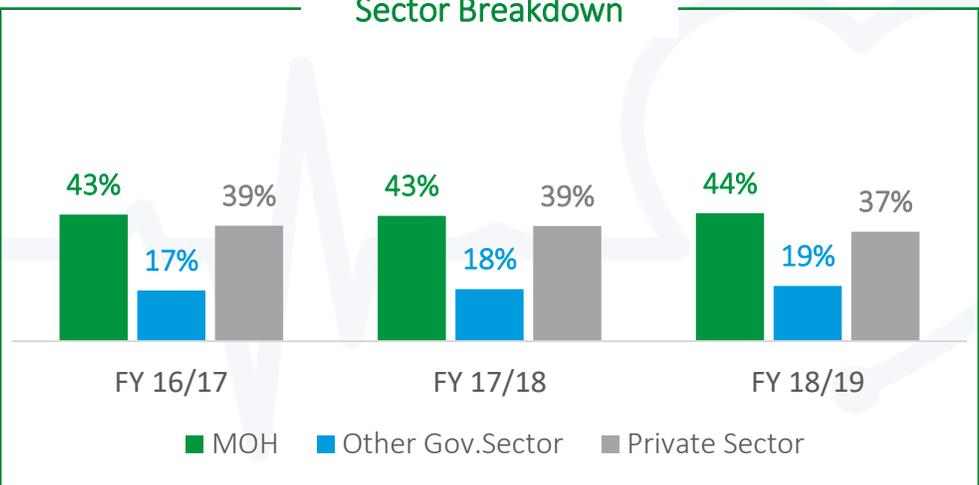
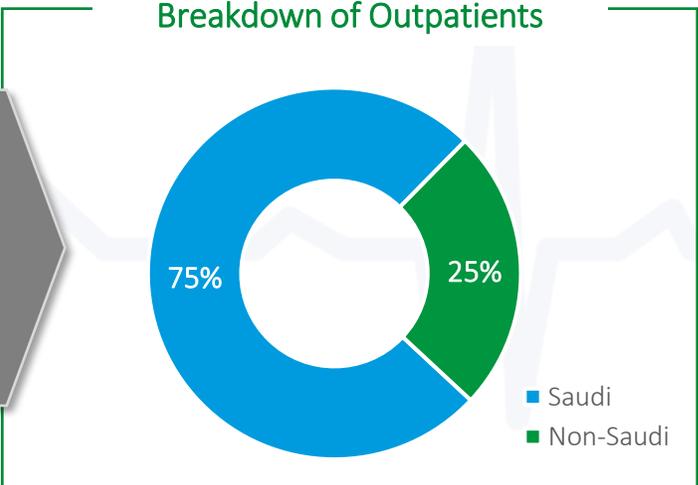
# Inpatients & Outpatients at a Glance



Inpatients



Outpatients

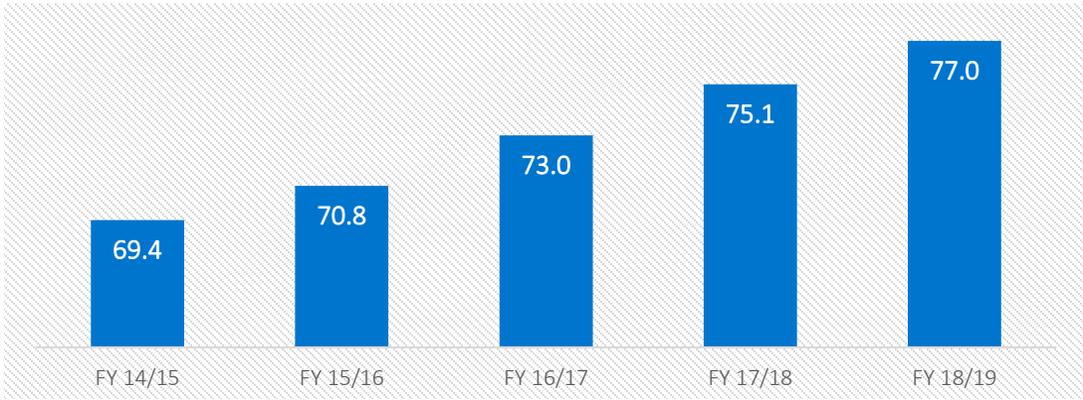


\*Sources: Kingdom of Saudi Arabia - General Authority for Statistics

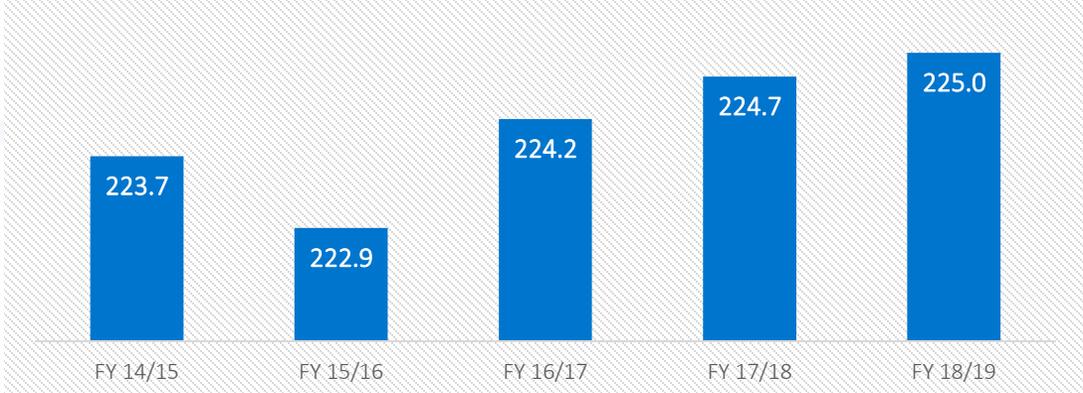
# With Clear Room for Growth

## Beds

### No. Beds (# 000)

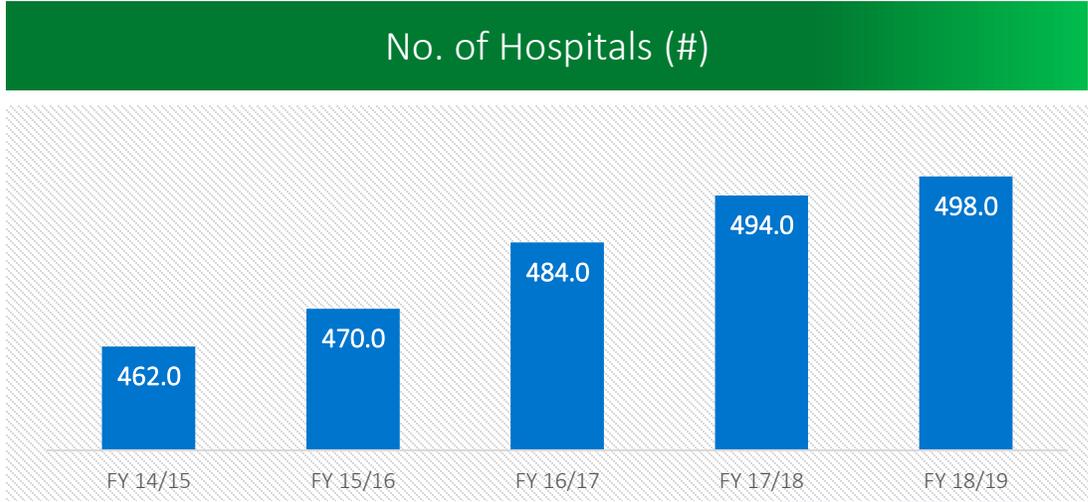


### No. of Beds/ 100k Person (#)

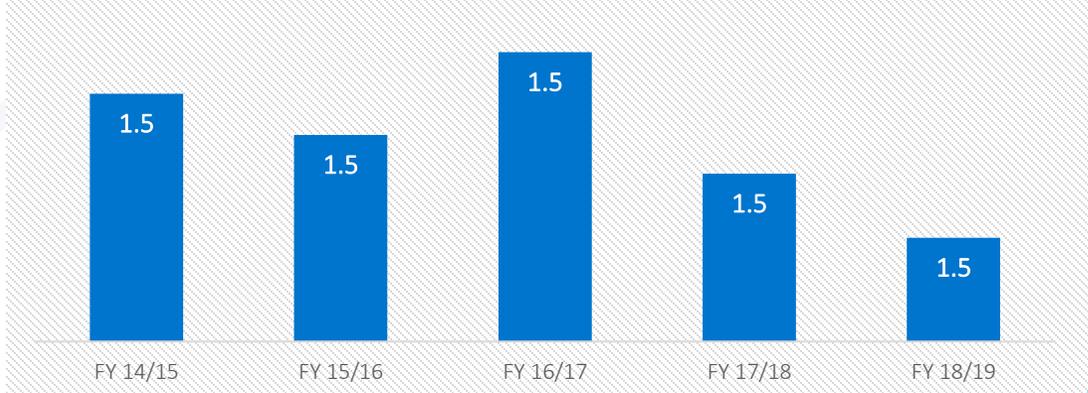


## Hospitals

### No. of Hospitals (#)



### No. of Hospitals/ 100k Person (#)



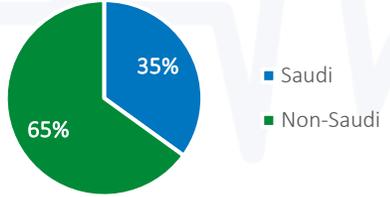
\*Sources: Kingdom of Saudi Arabia - General Authority for Statistics

# Health Insurance (1-2)

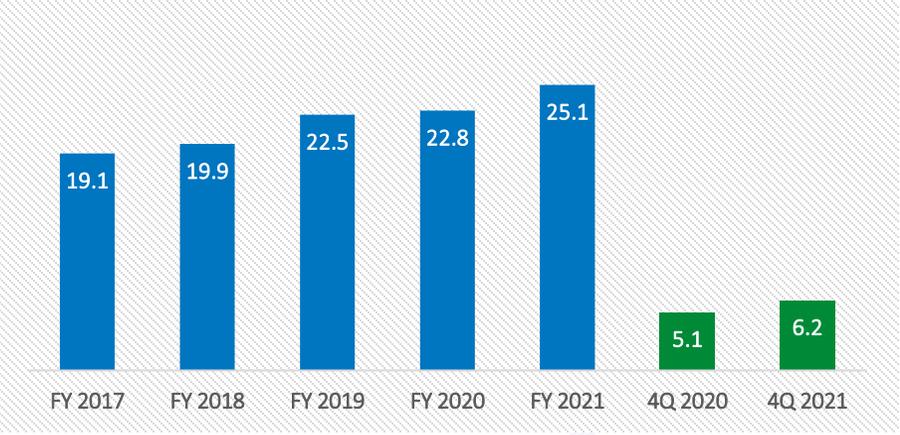
Highlights

**24**  
Total Saudi Insurance Companies

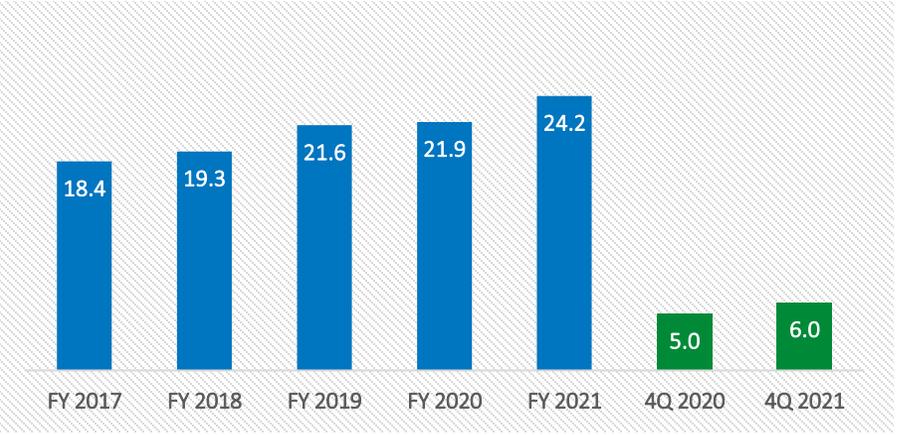
**10.7mn**  
Contributors in Health Insurance Policies



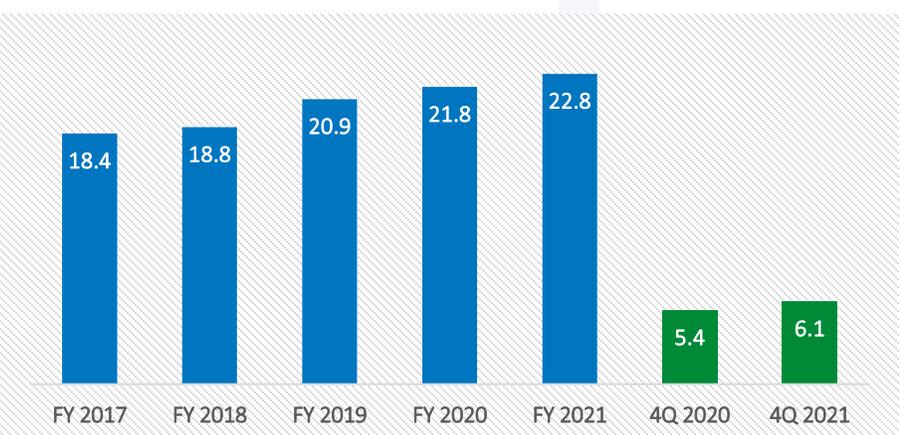
Gross Written Premiums (SR bn)



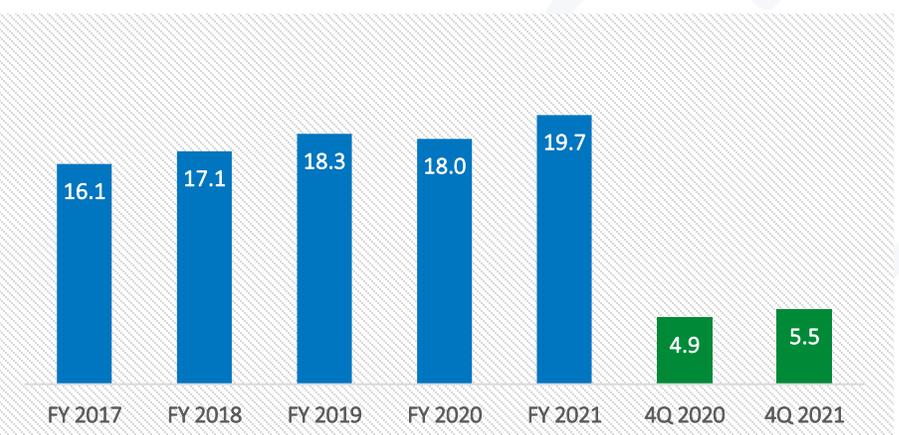
Net Written Premiums (SR bn)



Net Earned Premiums (SR bn)



Net Claims Incurred (SR bn)

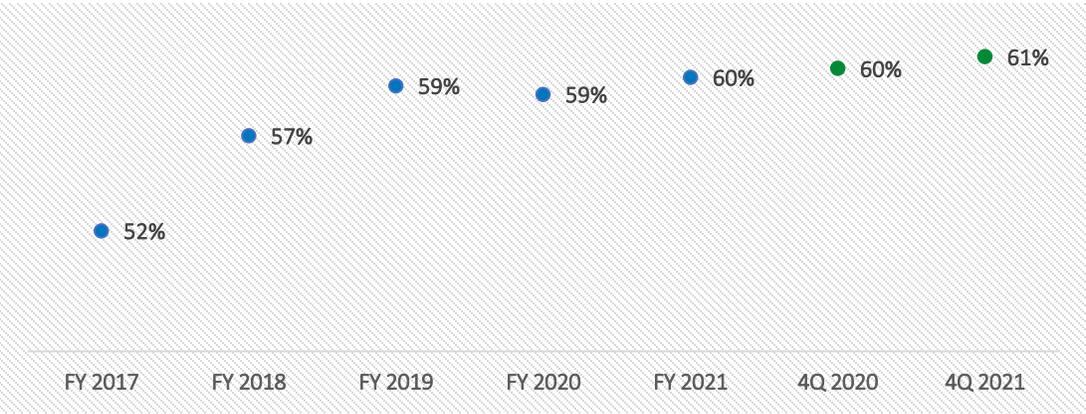


\*Sources: Saudi Central Bank, Council of Cooperative Health Insurance

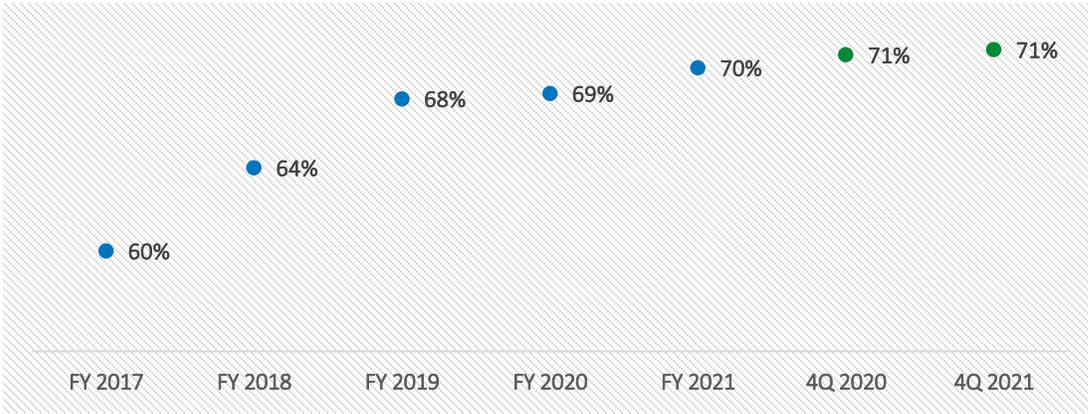
# Health Insurance (2-2)



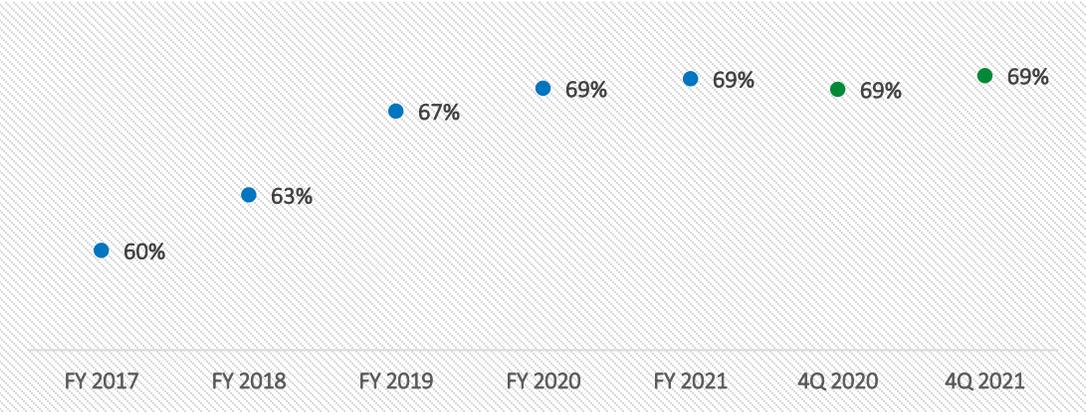
Gross Written Premiums (% of Total Market)



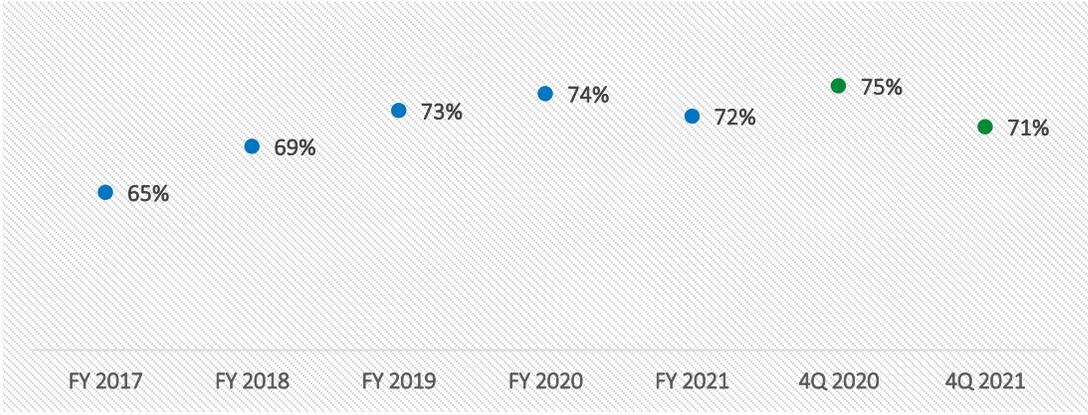
Net Written Premiums (% of Total Market)



Net Earned Premiums (% of Total Market)



Net Claims Incurred (% of Total Market)



\*Sources: Saudi Central Bank, Council of Cooperative Health Insurance

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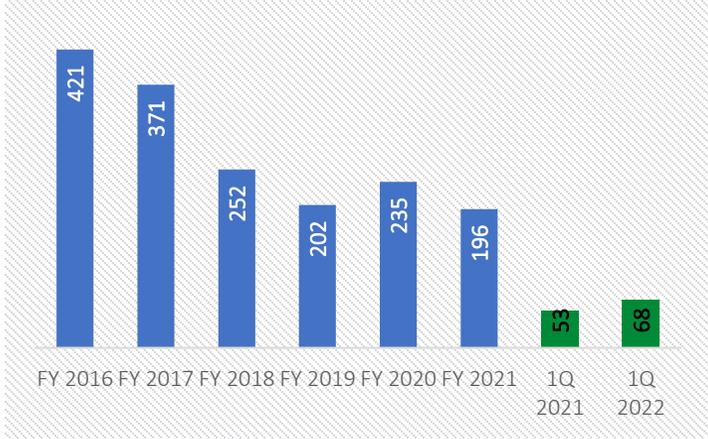
## Financial & Operational Highlights

# Key P&L Indicators

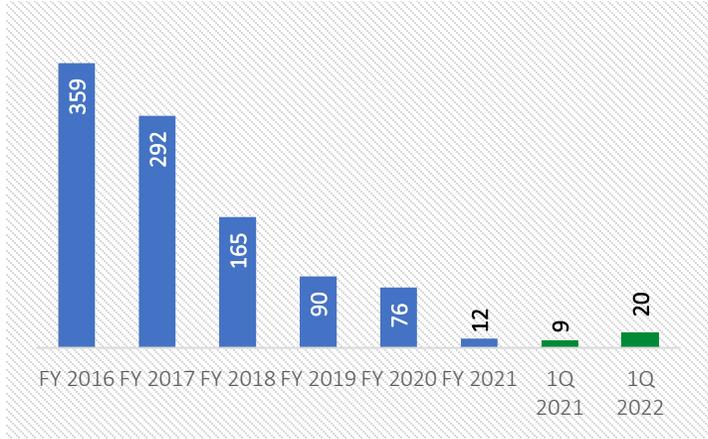
Revenue (SAR mn)



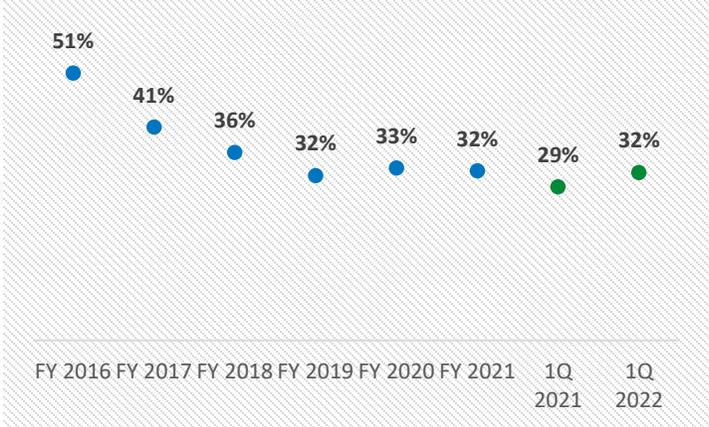
EBITDA (SAR mn)



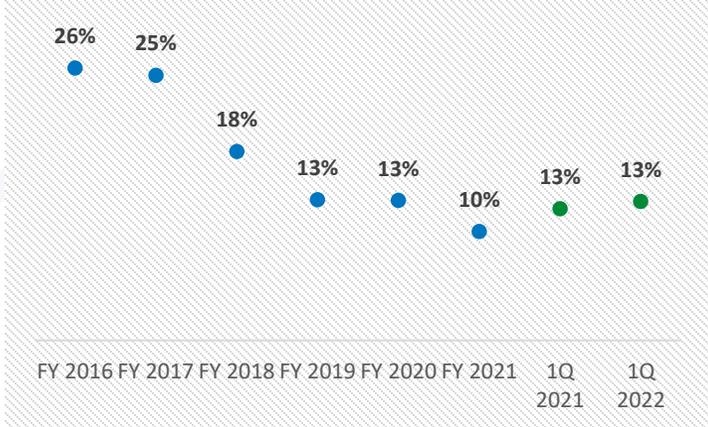
Net Profit After Zakat (SAR mn)



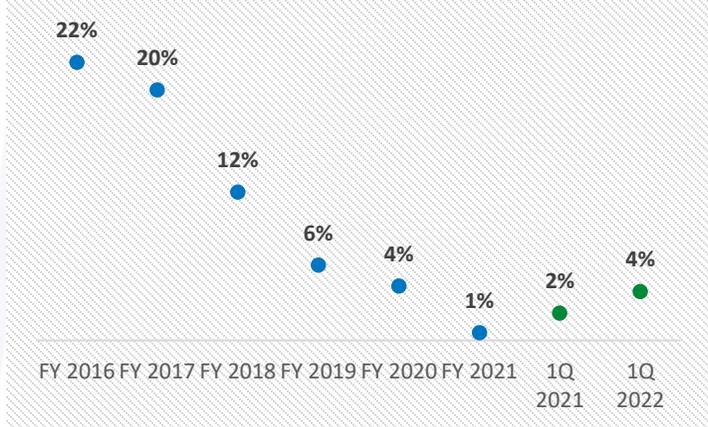
Gross Profit Margin (%)



EBITDA Margin (%)

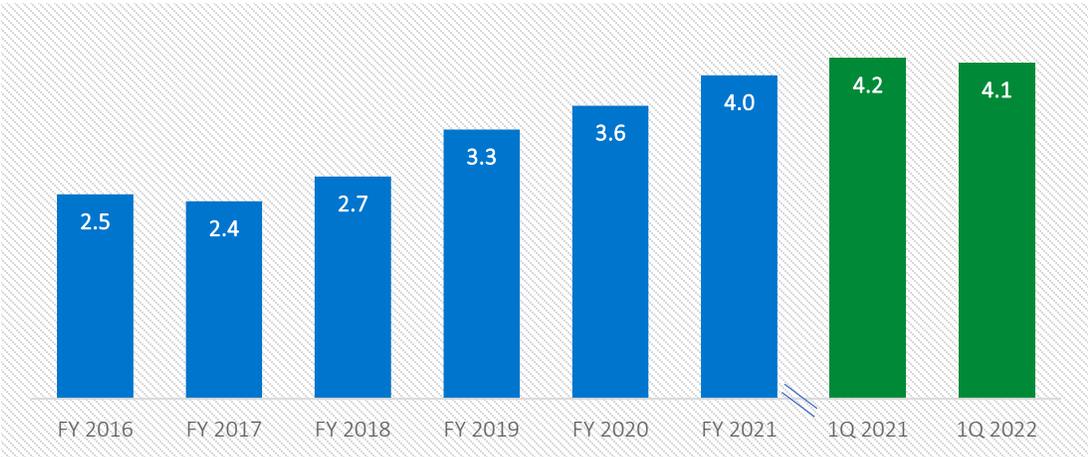


Net Profit Margin (%)

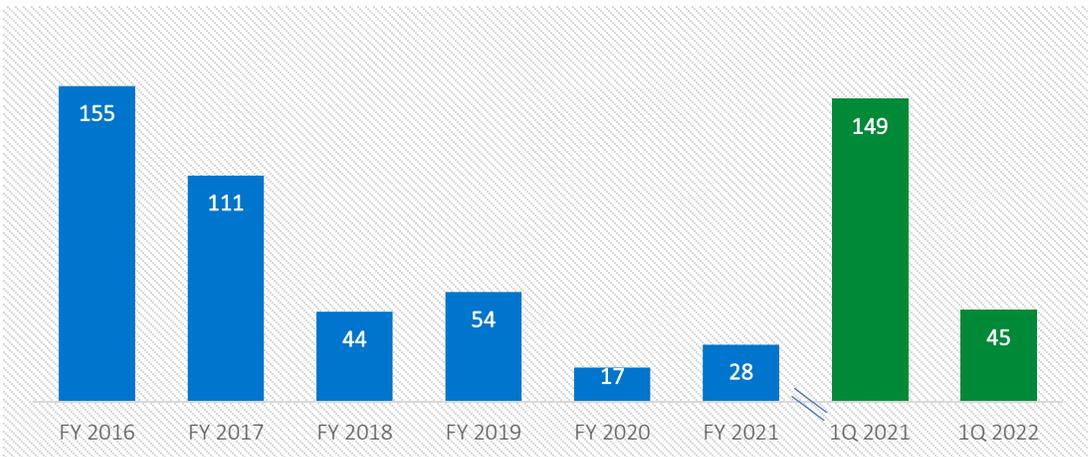


# Key Balance Sheet Metrics

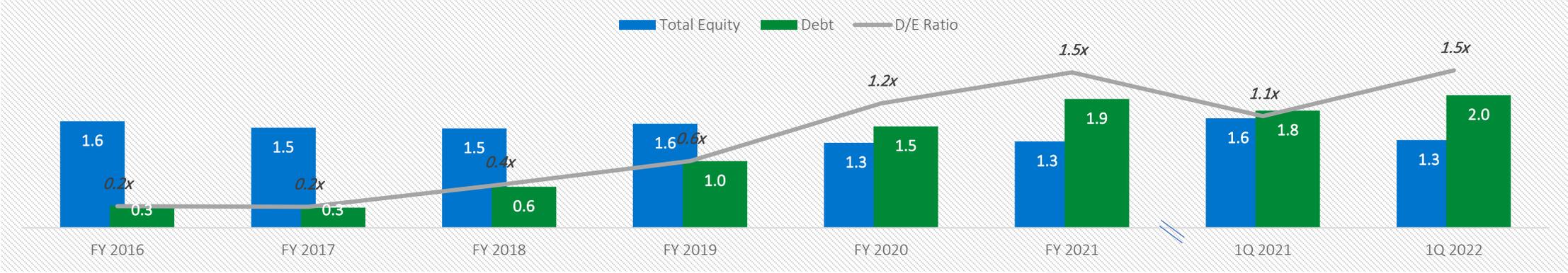
Assets (SR bn)



Cash and Cash Equivalent (SR mn)



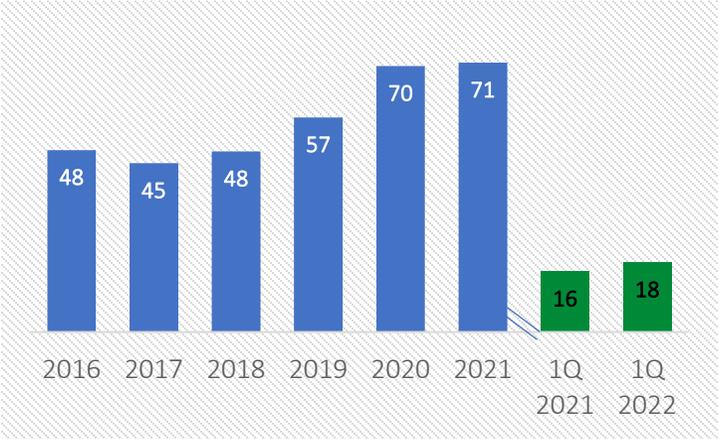
Capital Structure (SR bn)



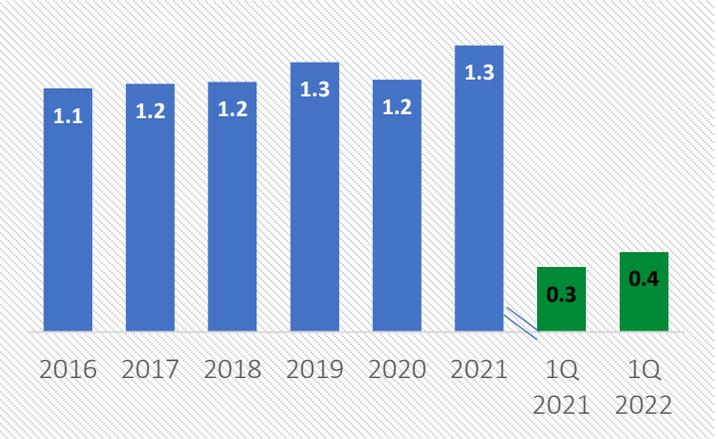
# Key Operational Metrics (1-2)



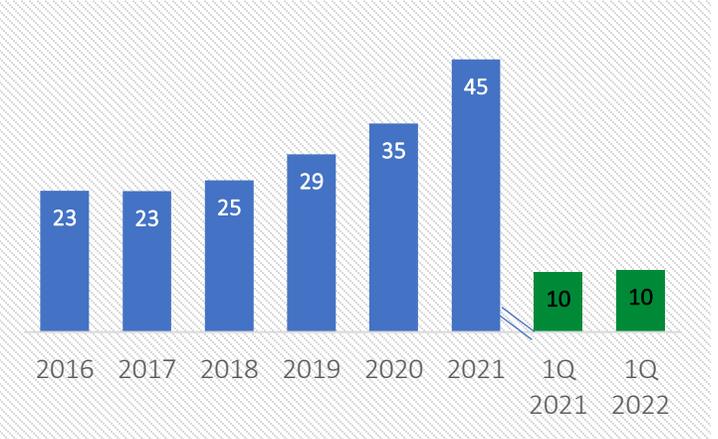
Inpatient Cases (# 000)



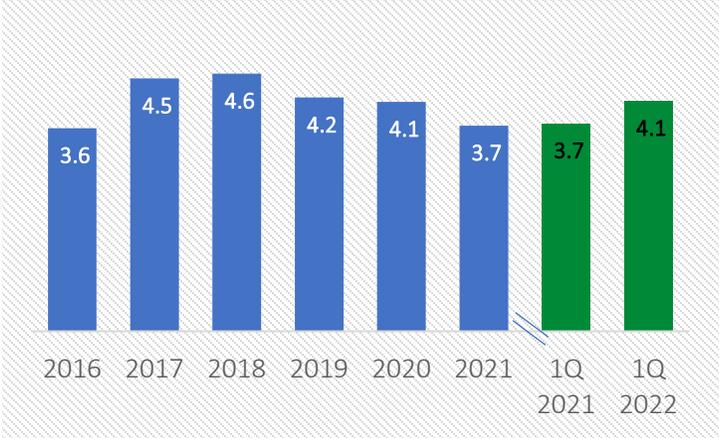
Outpatient Cases (# mn)



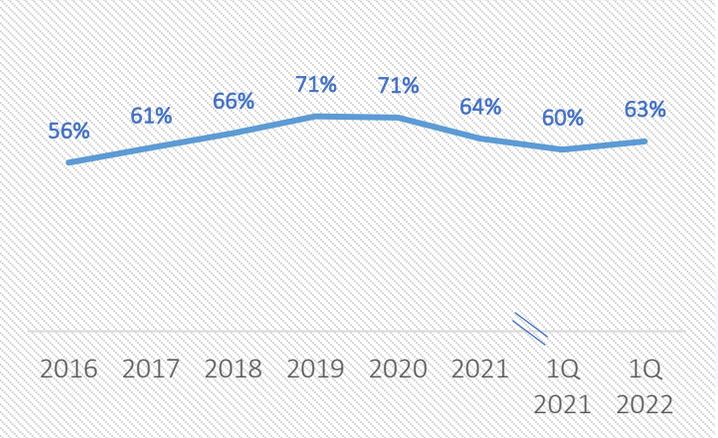
Performed Surgeries (# 000)



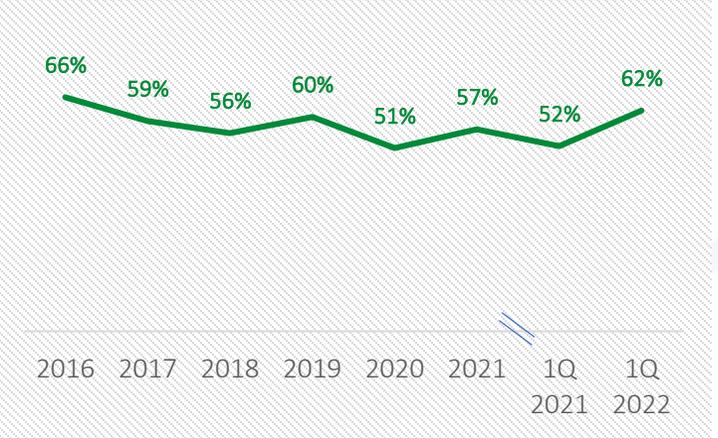
Average Length of Stay (# Days)



Beds Utilization Rate (%)

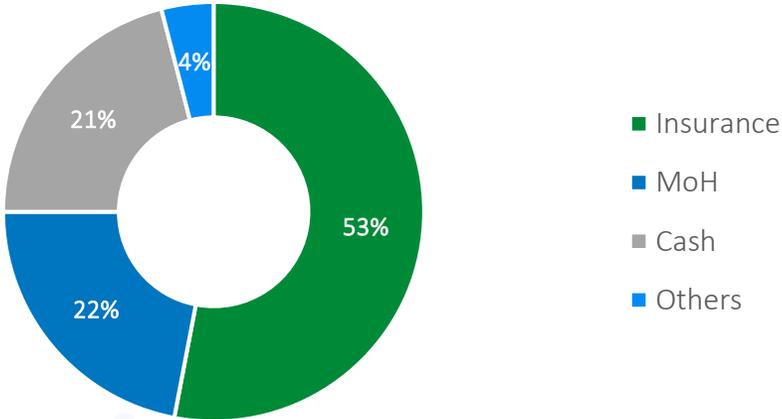


Clinics Utilization Rate (%)

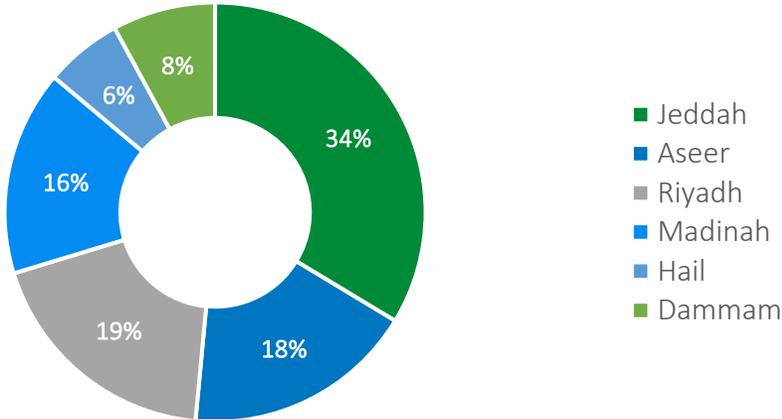


# Key Operational Metrics (2-2)

Revenue Breakdown – 1Q 2022

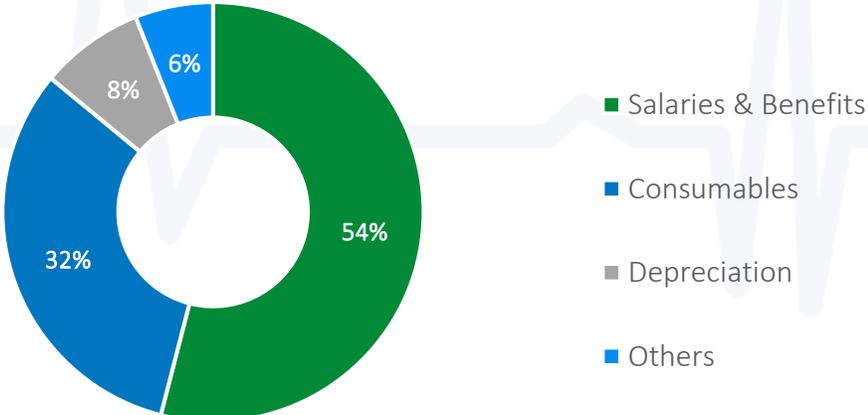


Revenue Breakdown – 1Q 2022

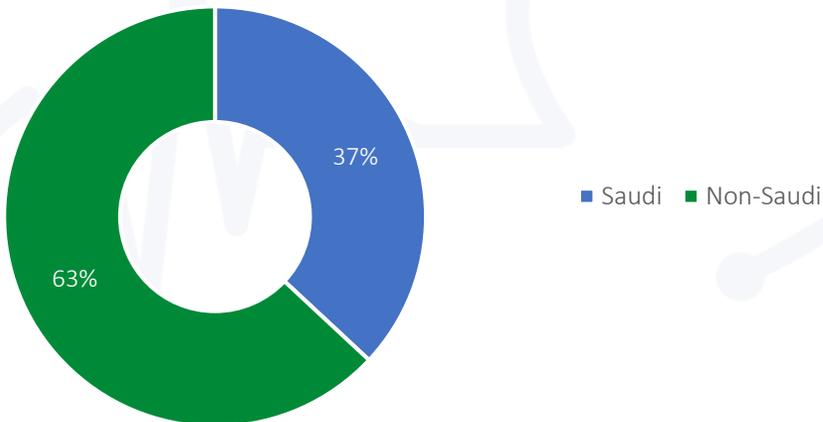


\* Jeddah includes SGH Jeddah, Beverly Clinics, AJ Sons, and Management Fees

CoGS Breakdown – 1Q 2022



Saudization Rate (%)



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## Updates & Strategic Focus



# Expansion & CAPEX



Riyadh  
Outpatient  
Tower

134 beds, 160 clinics  
Capex 194 million  
To be operational 4Q  
2022

Makkah  
Hospital

300 beds  
Capex 389 million  
To be operational 4Q  
2022

Makkah  
Housing

Capex 114 million  
To be operational 3Q  
2022

Dammam  
Housing

Capex 90 million  
To be operational 4Q  
2022

One Day  
Surgery  
Hospital

35 beds, 16 clinics  
Rent SAR 7 mn in 2  
years  
2Q 2022

# Turnaround Revolution



Integration

Diversification

Digital Transformation

Accreditation

Restructure

Cost Efficiency

Technology

Patients Satisfaction

# Hospitals Under Management Pipeline

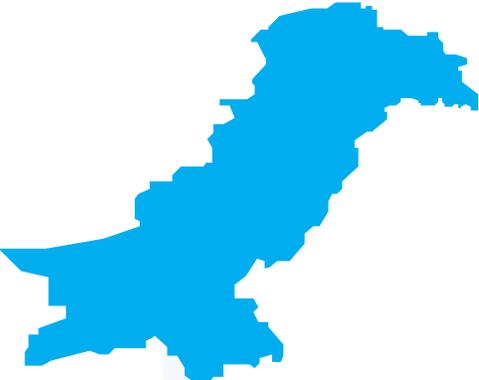


## Egypt



- SGH Alex West
- SGH Giza

## Pakistan



- SGH Lahore
- SGH Islamabad
- SGH Karachi
- BTPL Lahore

## Morocco



- SGH Casablanca



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1Q 2022 Results



# Income Statement

<i>(In SAR mn)</i>	1Q 2022	1Q 2021	Change
Revenue	513	418	23%
Cost of Revenue	(348)	(295)	
Gross Profit	165	123	34%
<i>Gross Profit Margin</i>	<i>32.1%</i>	<i>29.4%</i>	
Selling & marketing Expenses	(5)	(6)	
General & Administrative Expenses	(125)	(99)	
Operating Profit	35	17	102%
<i>Operating Profit Margin</i>	<i>6.9%</i>	<i>4.2%</i>	
Other Income	2	4	
Finance Cost	(12)	(11)	
Profit before Zakat	26	11	146%
Zakat	(6)	(2)	
Net Profit	20	9	121%
<i>Net Profit Margin</i>	<i>3.9%</i>	<i>2.2%</i>	
<i>Distributed as:</i>			
<b>Parent Company</b>	<b>20</b>	<b>12</b>	<b>69</b>
Non-Controlling Interest	(0)	(3)	

# Balance Sheet

(In SAR mn)	Mar 2022	Dec 2021
Property and Equipment	2,378	2,357
Right of Use Assets	34	33
Intangible Assets	7	7
<b>Total Non-Current Assets</b>	<b>2,419</b>	<b>2,397</b>
Inventories	152	156
Account Receivable	1,388	1,282
Prepayments and Others	121	110
Cash and Bank Balances	45	28
<b>Total Current Assets</b>	<b>1,706</b>	<b>1,576</b>
<b>Total Assets</b>	<b>4,126</b>	<b>3,972</b>
Share Capital	920	920
Statutory Reserve	194	194
Retained Earnings	164	144
<b>Equity Attributable to Shareholders</b>	<b>1,278</b>	<b>1,258</b>
Non-Controlling Interests	37	38
<b>Total Equity</b>	<b>1,315</b>	<b>1,295</b>
Term Loans	1,145	187
Lease Obligations	29	11
Other Non-Current Liabilities	10	27
Deferred Income	11	12
Employees' End of Service Benefits	233	231
<b>Total Non-Current Liabilities</b>	<b>1,427</b>	<b>468</b>
Short-Term Borrowings	844	1,745
Other Non-Current Liabilities	7	7
Lease Obligations	8	7
Accounts Payable	319	299
Accrued Expenses and Others	188	140
Zakat Payable	16	10
<b>Total Current Liabilities</b>	<b>1,383</b>	<b>2,209</b>
<b>Total Liabilities</b>	<b>2,810</b>	<b>2,677</b>
<b>Total Liabilities and Equity</b>	<b>4,126</b>	<b>3,972</b>

**Thank You**

