



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 – September 2019

Table of contents



- MEAHCO at a glance
- Ongoing restructuring plan
- Key financial indicators
- Employees statistics
- Capex and expansion plan
- Shareholder information

MEAHCO's network of services

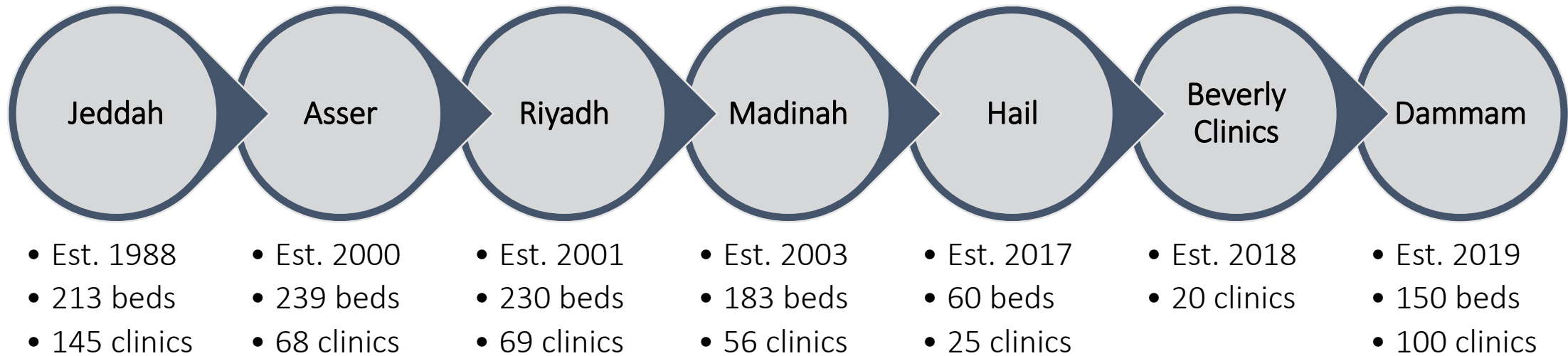


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- Saudi Arabia's most geographically diversified healthcare player
- Full fledged footprint in six cities (Jeddah, Asser, Riyadh, Madinah, Hail, Dammam)
- Comprehensive network covering ~98% of Saudi Arabia's population
- Ongoing expansion into Makkah, 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

- Hail hospital is 32.33%-owned by MEAHCO
- Dammam construction is 100% completed but pending final approvals to commence commercial operations

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
JCI	Accredited	Accredited	Accredited	Accredited	Postponed	In process
CBAHI	Accredited	Accredited	Accredited	Accredited	Accredited	In process
HIMSS	In process	In process	In process	In process	In process	In process
CAP	Pending certificate	In process	In process	Accredited	Accredited	In process

Notes

- Hail JCI accreditation was postponed by the management till bed capacity justifies financial feasibility of the accreditation
- Dammam construction is 100% completed but pending final approvals to commence commercial operation

Ongoing restructuring plan

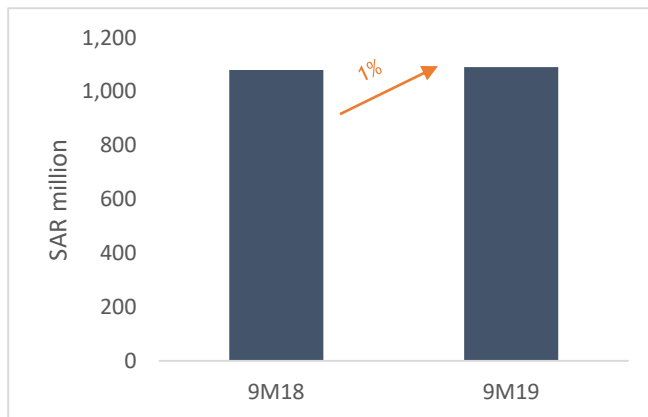
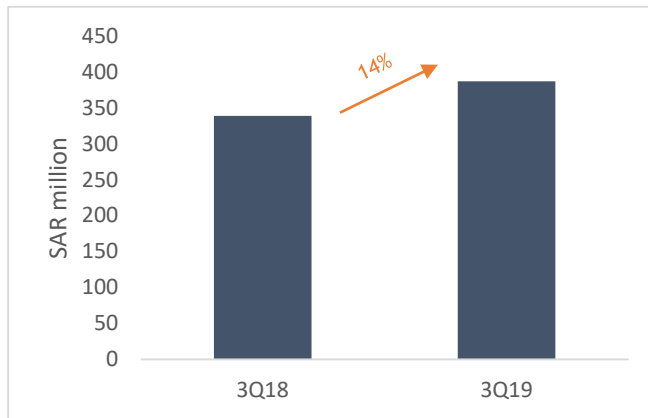


- Leveraging the Group's scale
 - Appointed McKinsey, based on success fees, to standardize and restructure the group procurement cycle
 - Renegotiated existing facilities' terms with most of the banks at favorable terms
 - Successful renewal of pricing with select insurance companies at a premium
- Focus on hospitals' accreditation
 - MEAHCO obtained CAP accreditation for Madinah and Hail in 4Q 2019
- 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

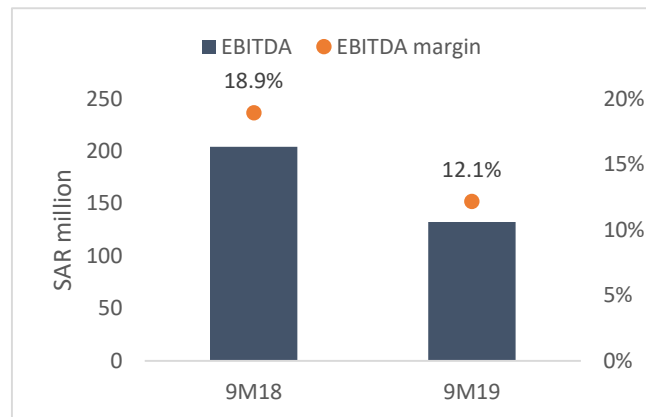
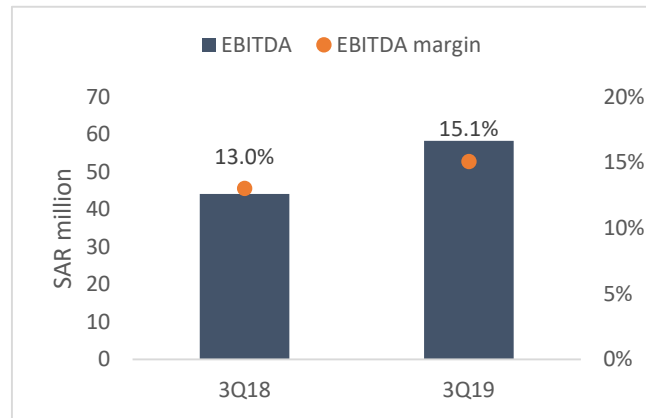
Key financial indicators



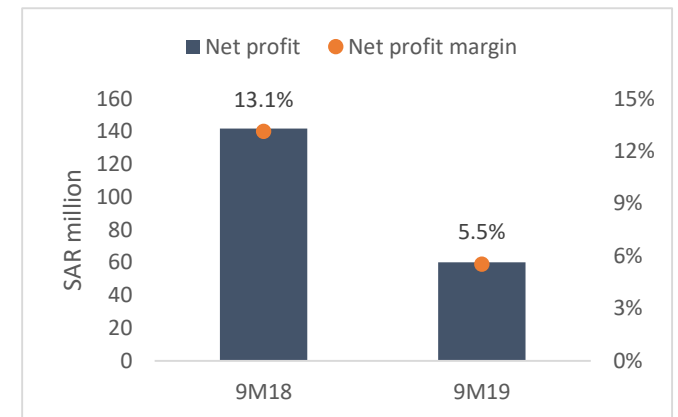
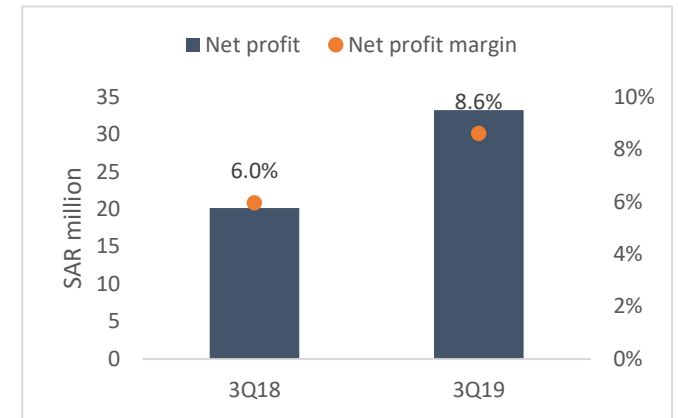
Revenue, Revenue growth



EBITDA, EBITDA margin



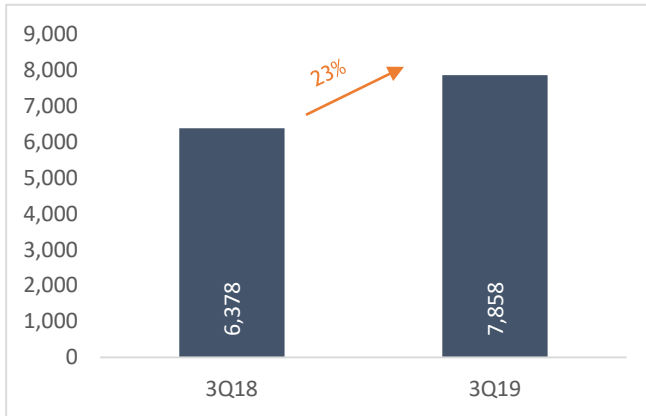
Net profit, Net profit margin



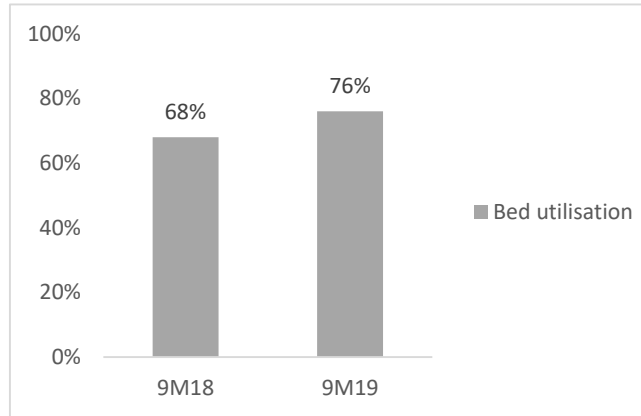
Operational KPIs



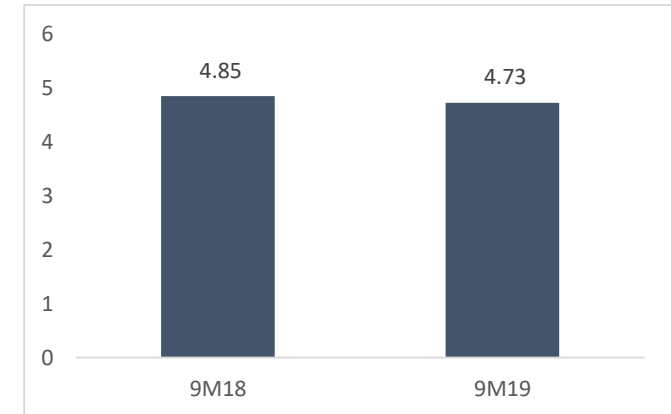
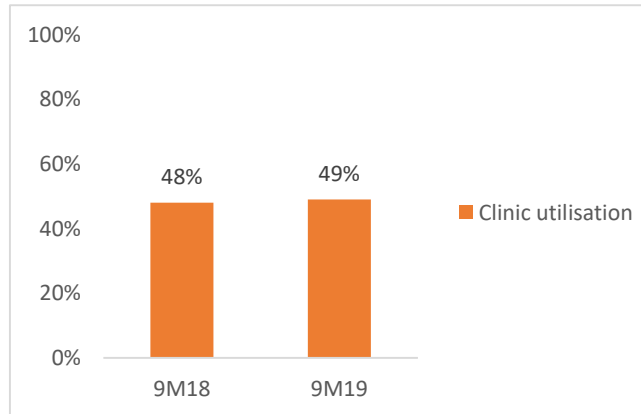
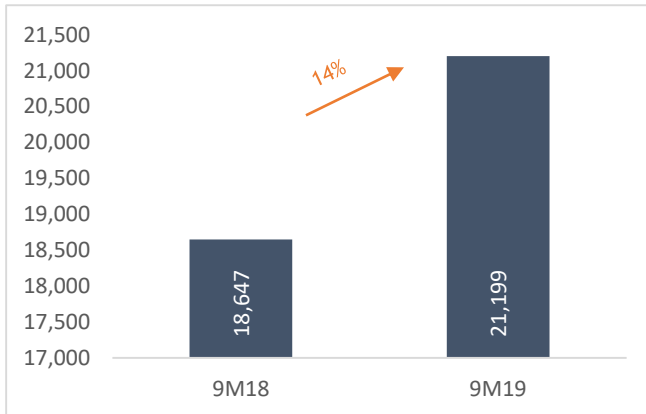
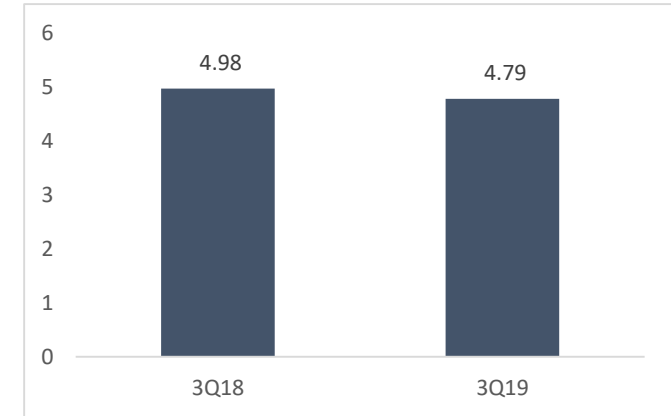
Number of performed surgeries



Utilisation rate



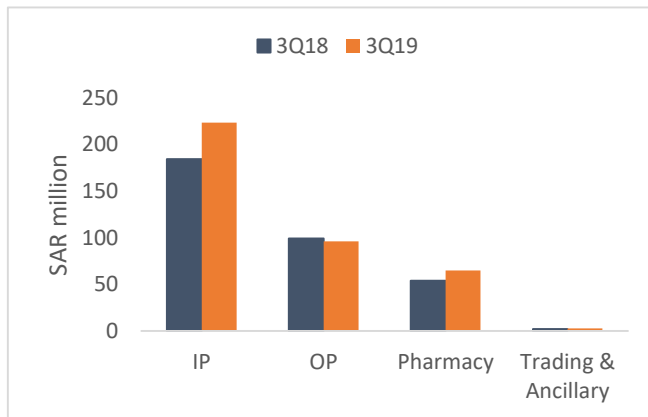
Average length of stay



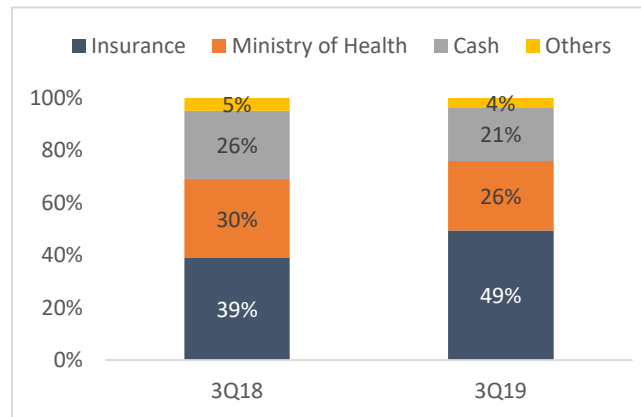
Revenue structure



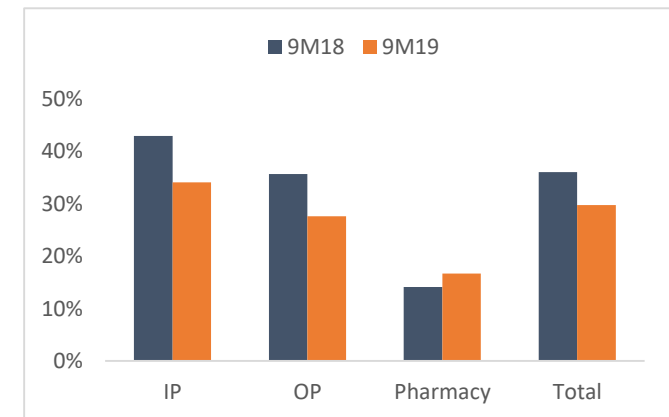
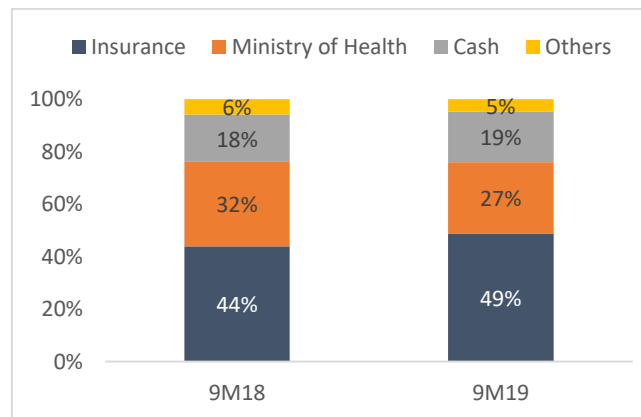
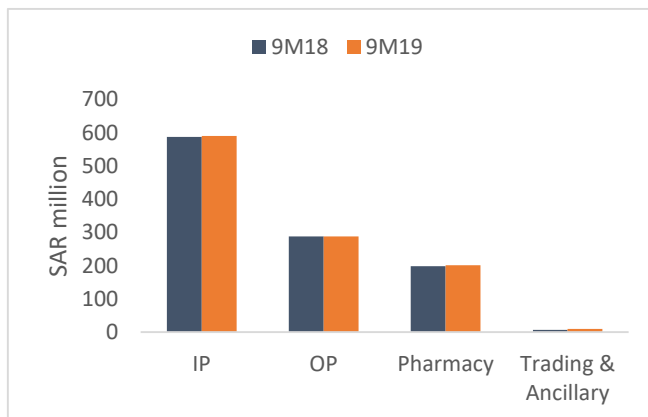
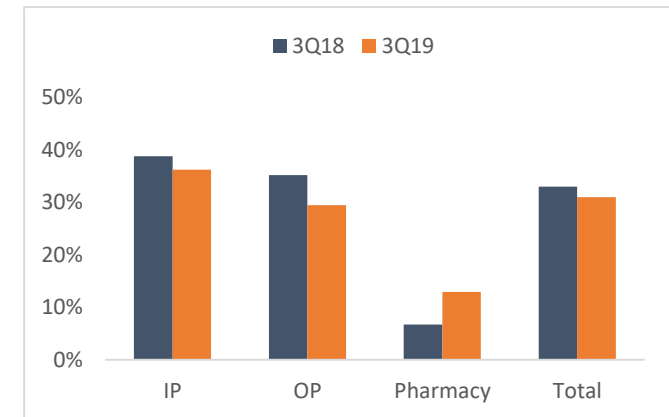
Revenue breakdown by service



Revenue breakdown by clientele

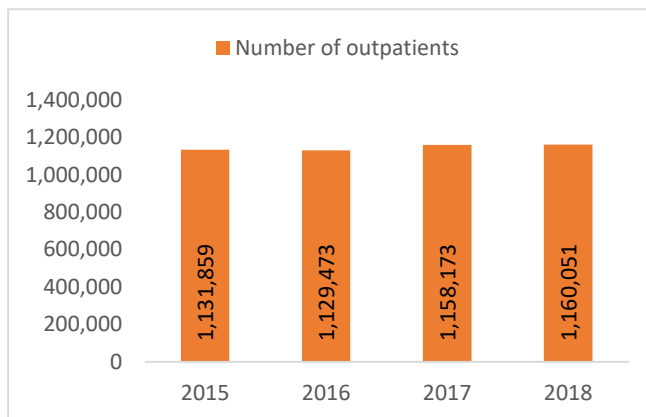
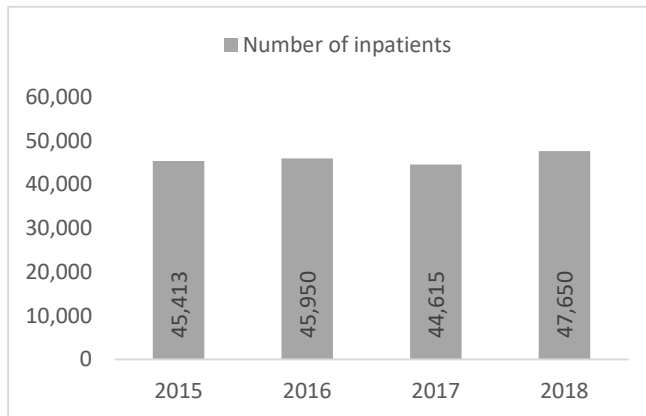


GPM breakdown by service

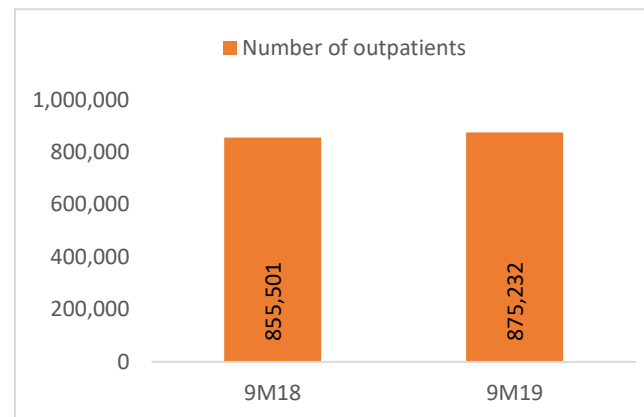
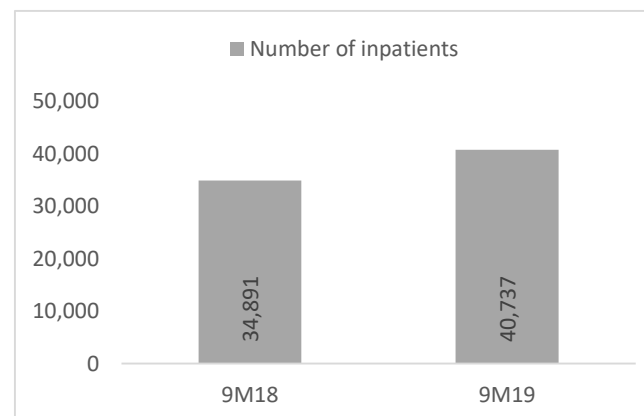


Patients evolution

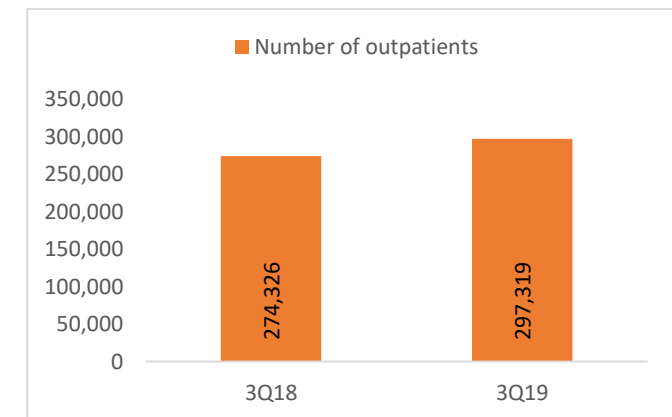
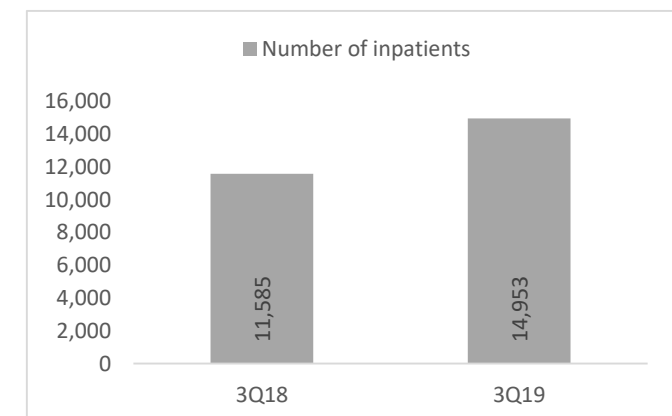
Historical trends



9M19 vs. 9M18



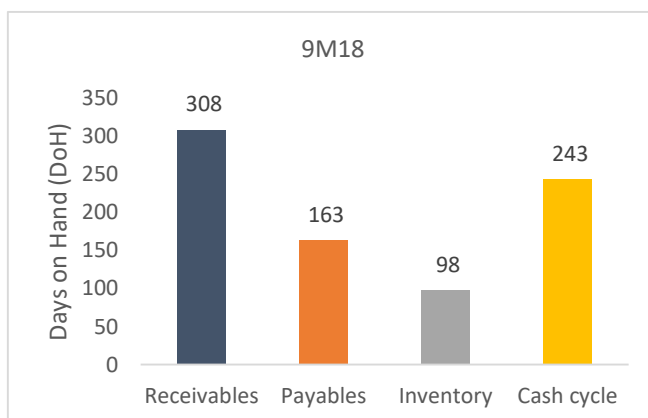
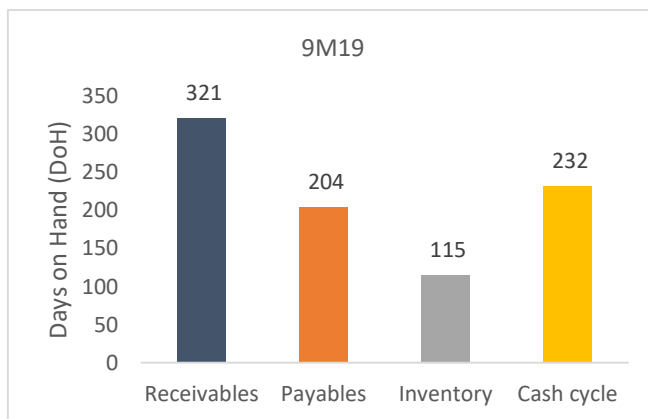
3Q19 vs. 3Q18



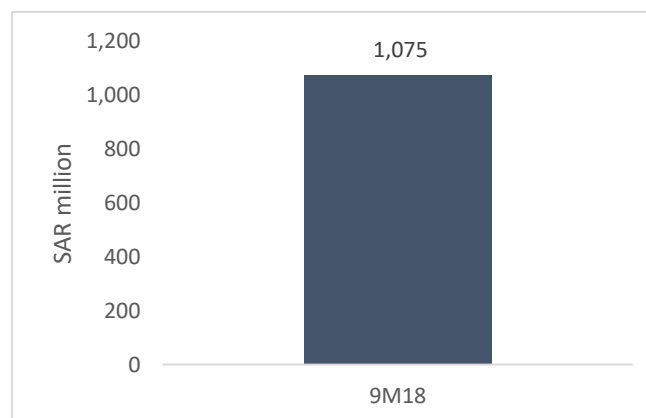
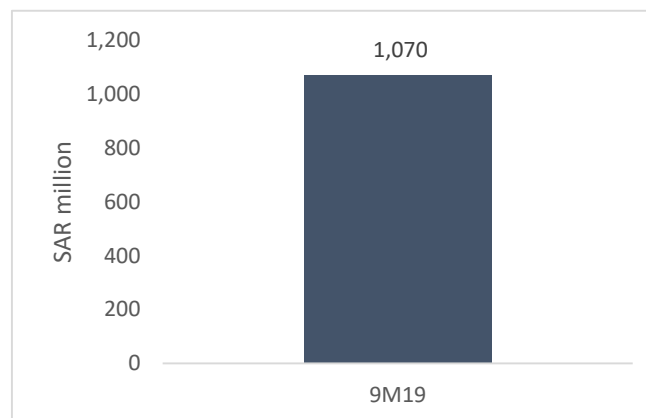
Balance sheet and cash cycle



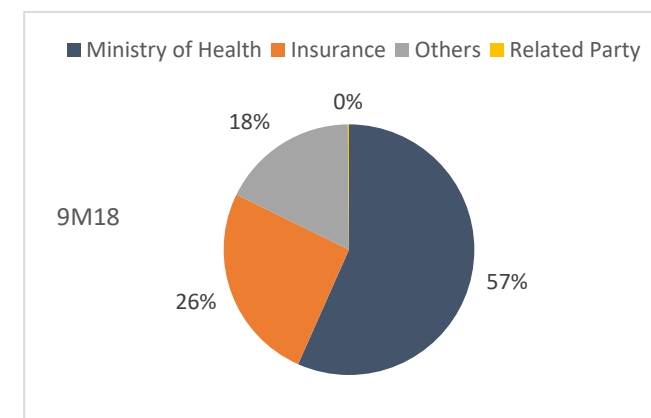
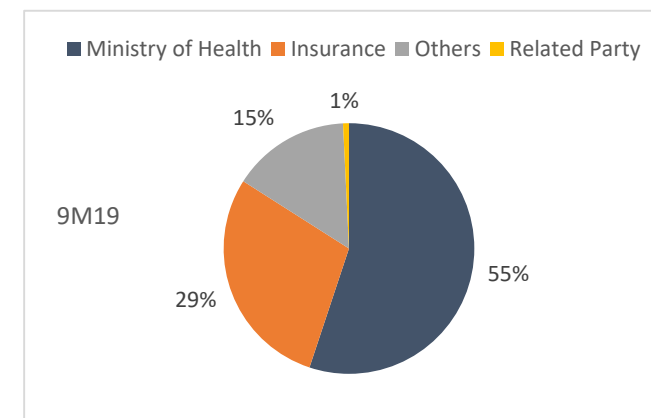
Cash conversion cycle



Outstanding receivables



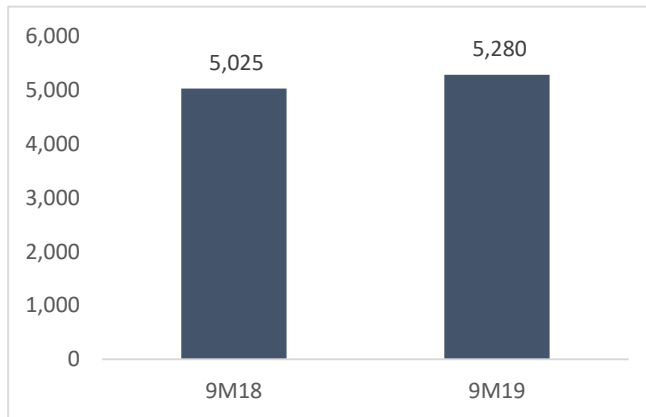
Receivables split by clientele



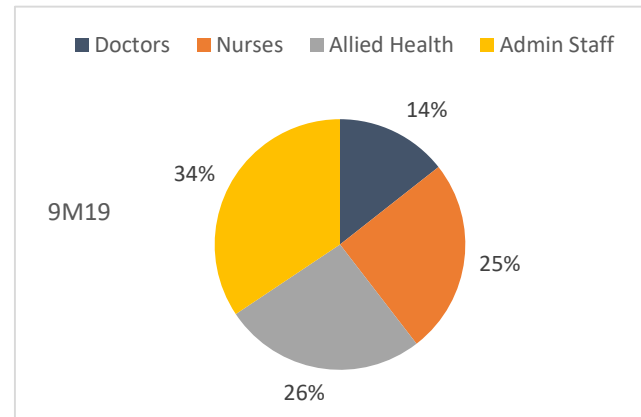
Employees statistics



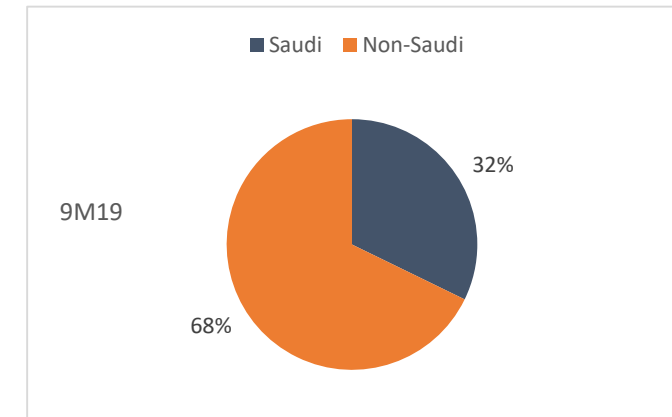
Number of employees



Headcount split by profession



Saudisation rate



Capex and expansion plan



- SGH Riyadh Outpatient Tower and Beds Expansion
 - 147 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

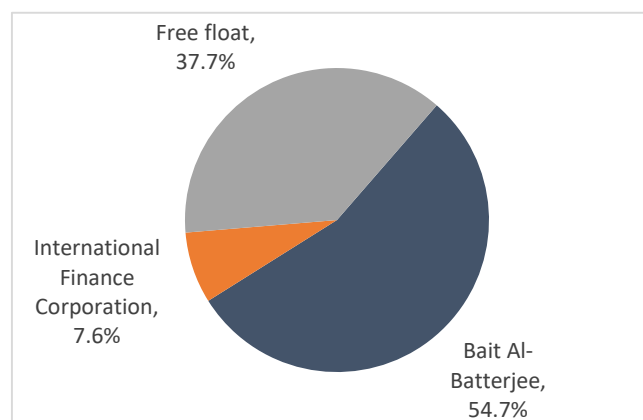
Outstanding shares: 92,040,000

Free float: 37.7%

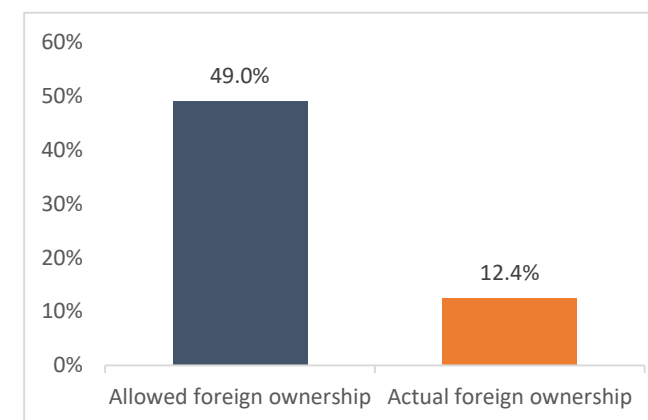
Mkt. Cap: USD 589 million

ADVT: USD 1.5 million

Shareholder structure



Foreign ownership



Investor Relations contact:

Khaled Sadek

Director of Strategic Planning & Investor Relations

T: +966 (12) 606 0403/05 ext. 5145

M: +966 500 461 536

E: IRdirector.meahco@sghgroup.net



Thank you