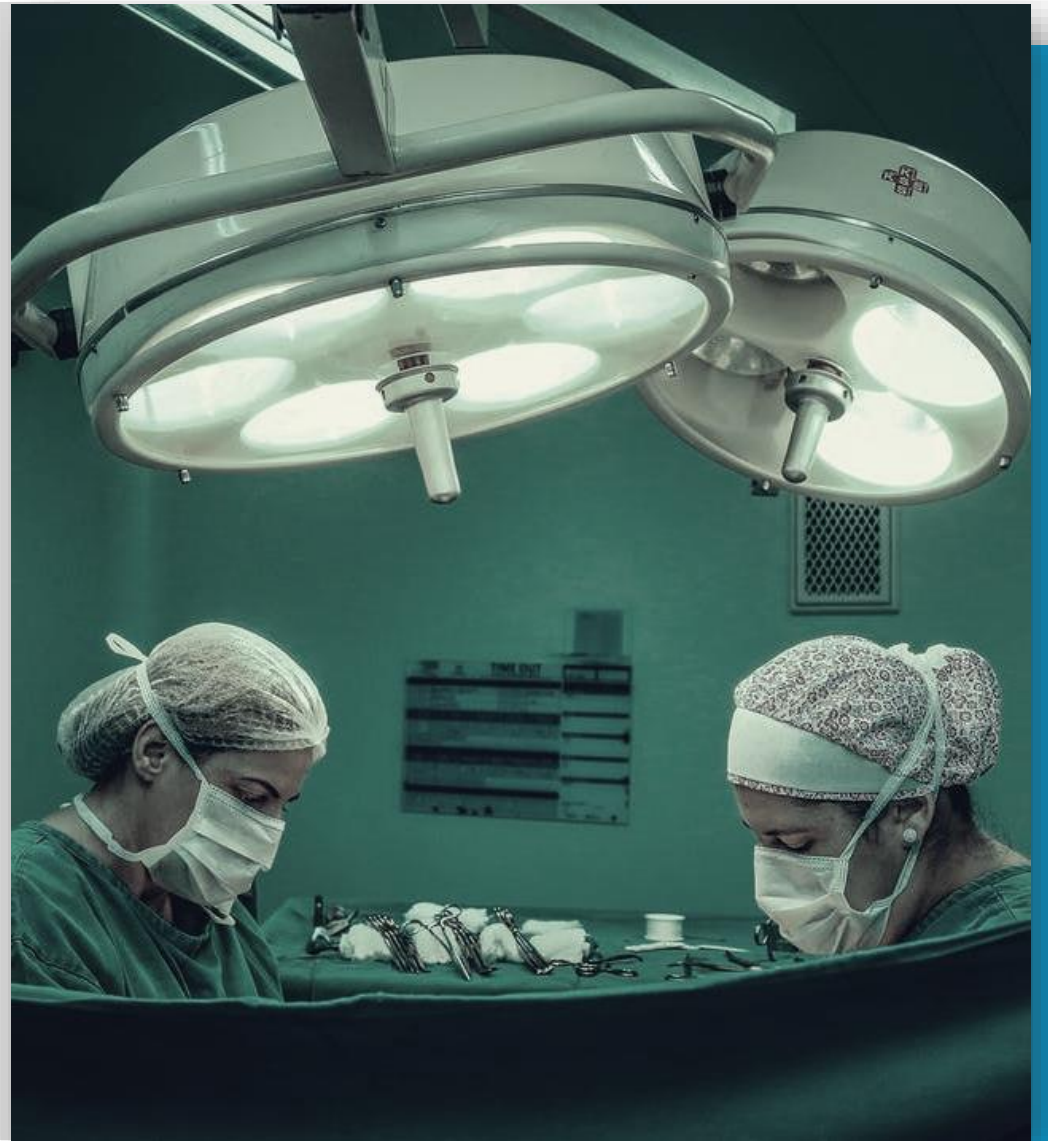


# Saudi German Health

Investor Presentation – 2Q 2022



## SGH at a Glance



**7**  
Hospitals

**~1k bed**  
Operational  
Capacity

**~90%**  
Population  
Access

**6.4k**  
Total  
Staff

**1.1k**  
Total  
Doctors

**2.1k**  
Total  
Nurses

**3.6**  
Avg. Length of  
Stay

**69%**  
Utilization Rate  
(Beds)

**62%**  
Utilization Rate  
(Clinics)

**423k\***  
Inpatient  
Censes

**9.1mn\***  
Outpatient  
Censes

**226k\***  
Performed  
Surgeries

\*Aggregate figures from 2015 till 1H 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

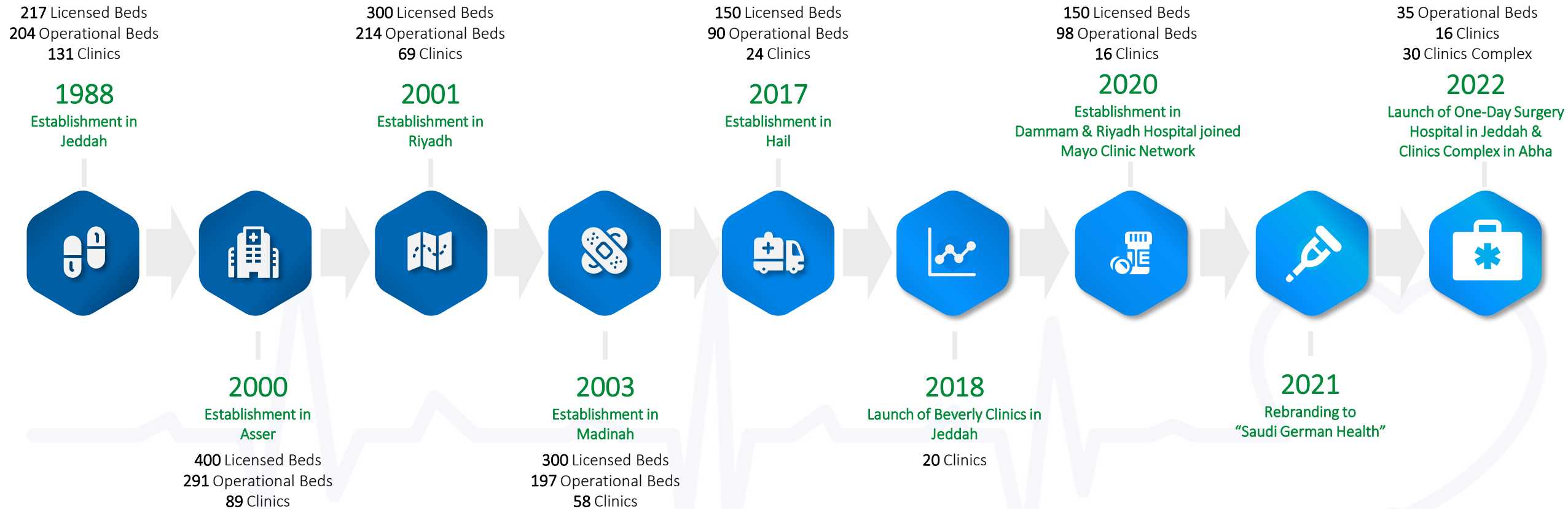
### Old Branding



### New Branding



# Equity Growth Story





# 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



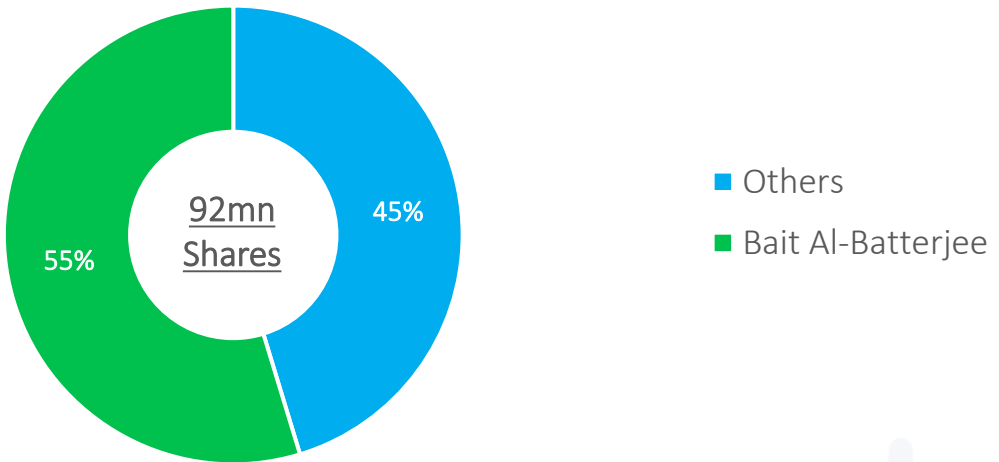
# Accreditations

	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	Accredited	In Progress	In Progress	In Progress

Accredited  
In Progress

# Share Overview

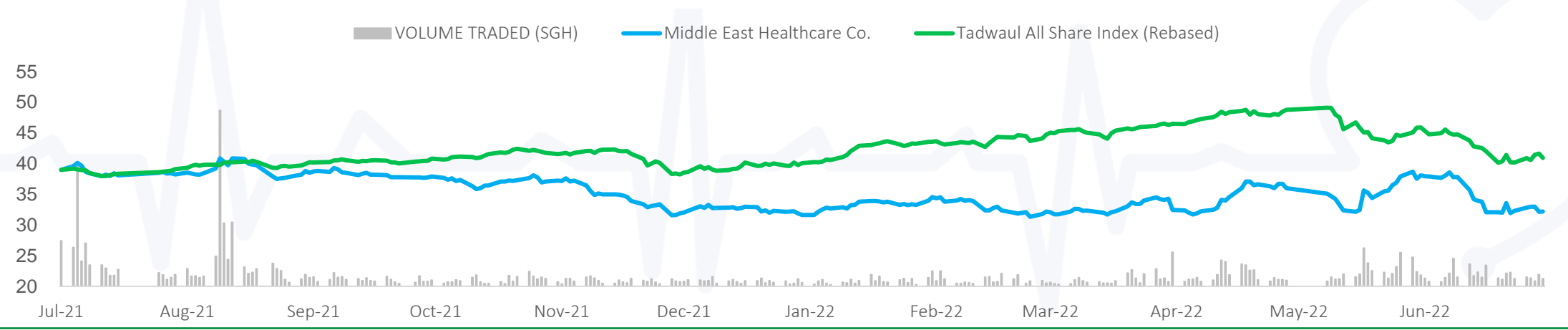
Shareholder Structure



SGH Share Data

Market Cap. (SAR mn)	2,964
Market Cap. (USD mn)	790
52-Week High (SAR)	40.85
52-Week Low (SAR)	31.35
3-month ADTV (SAR mn)	25
12-month ADTV (SAR mn)	23

1 Year Stock Performance vs. TASI



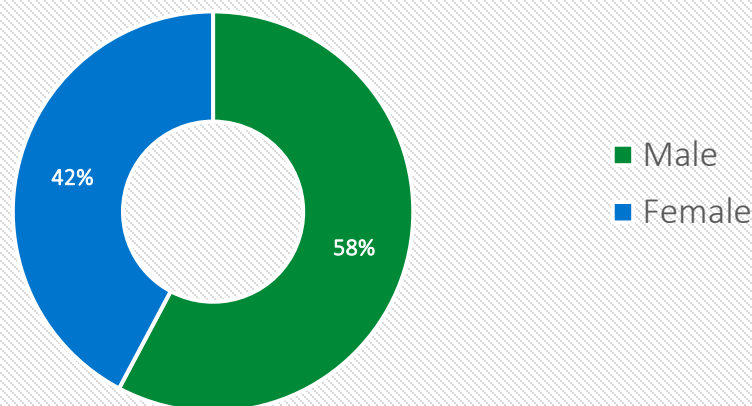
# 102

## Market Overview

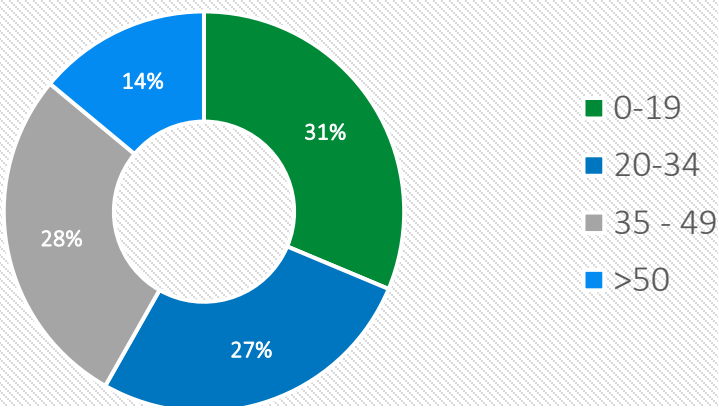


# Population at a Glance

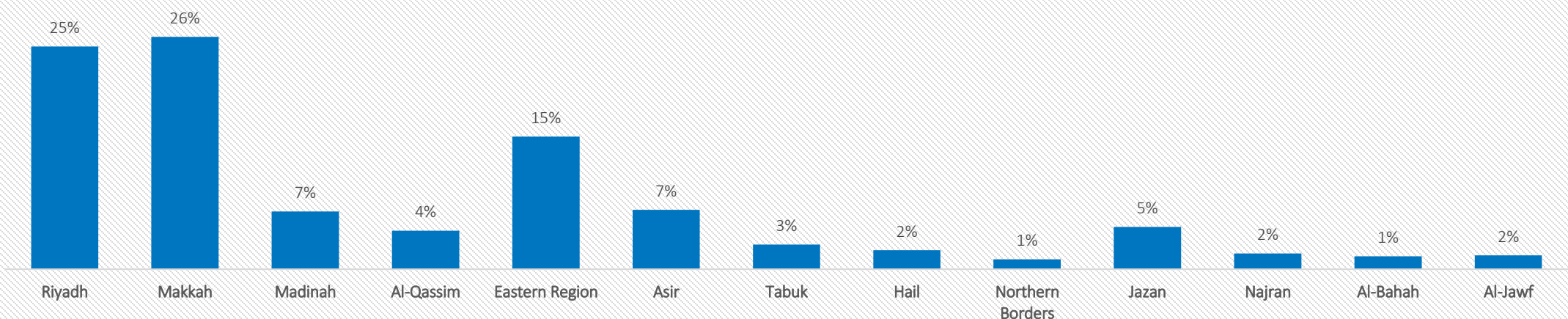
Gender Breakdown (%)



Age Breakdown (%)



Breakdown by Administrative District (%)

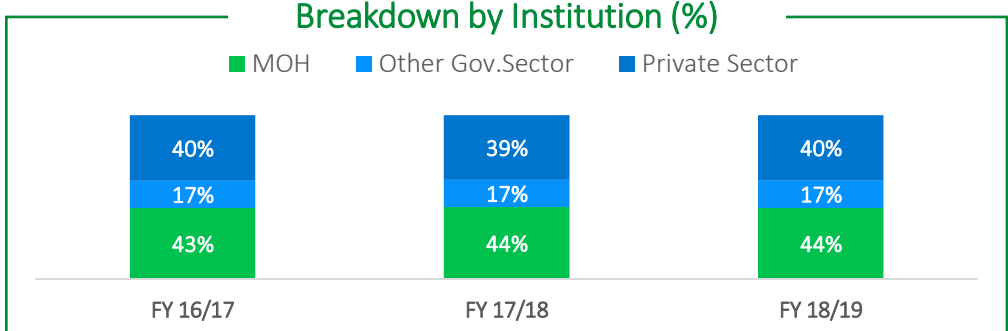
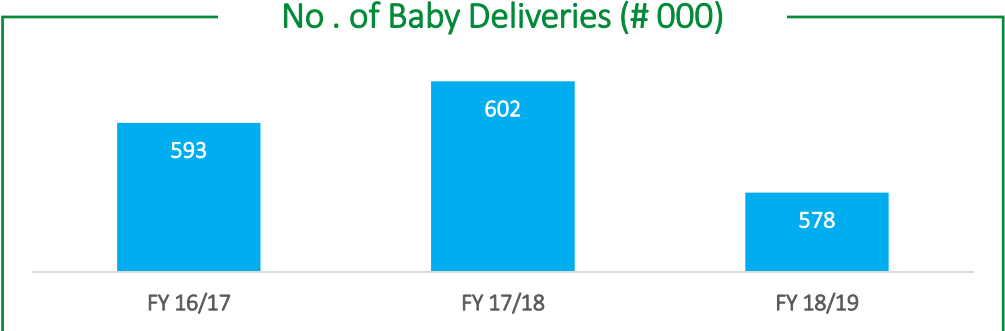


\*Sources: Kingdom of Saudi Arabia - General Authority for Statistics

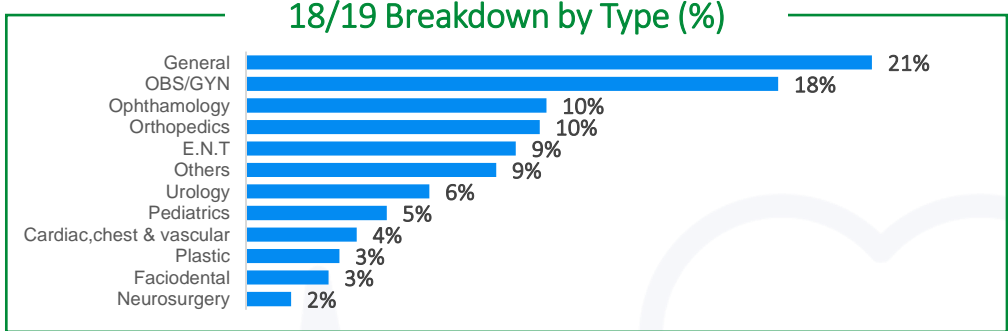
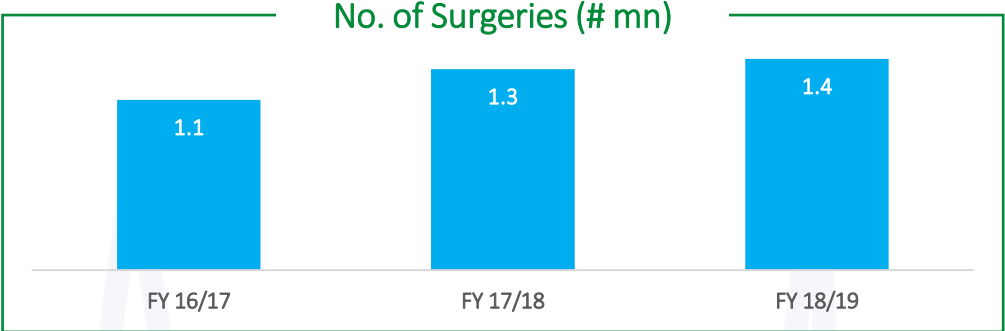


# Sector Growth Profile

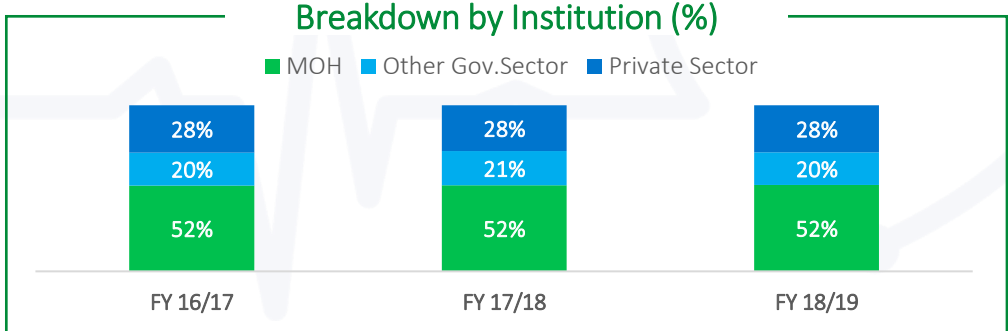
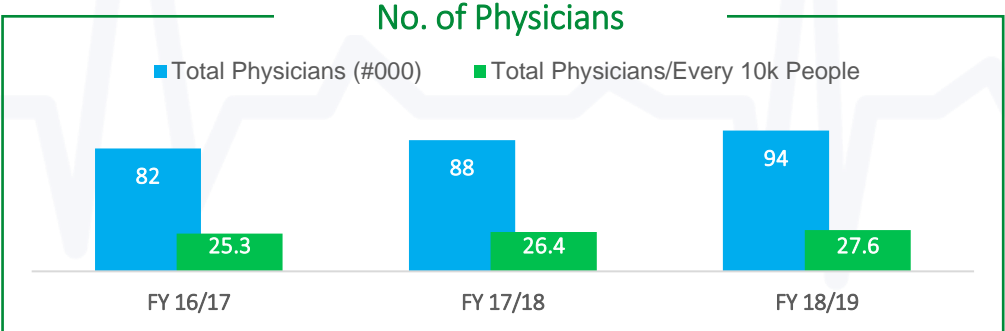
## Baby Deliveries



## Surgeries



## Physicians



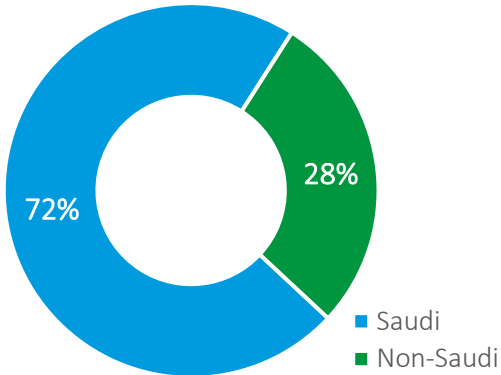
\*Sources: Kingdom of Saudi Arabia - General Authority for Statistics

# Inpatients & Outpatients at a Glance

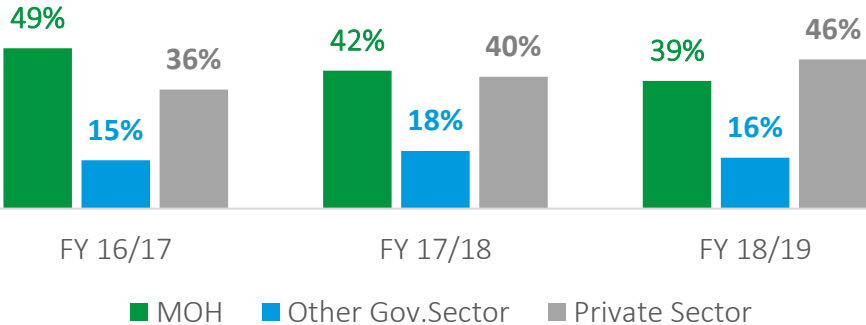


## Inpatients

Breakdown of Inpatients

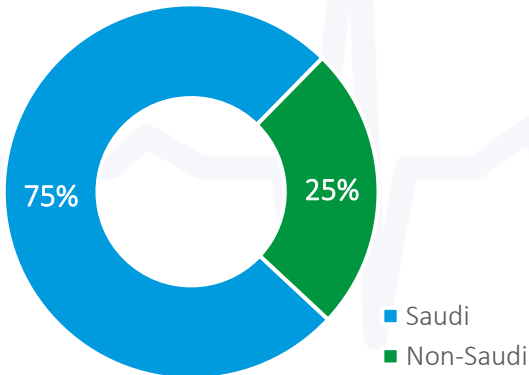


Sector Breakdown

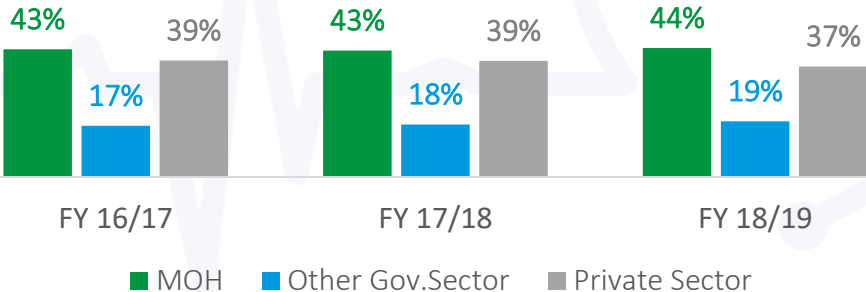


## Outpatients

Breakdown of Outpatients



Sector Breakdown

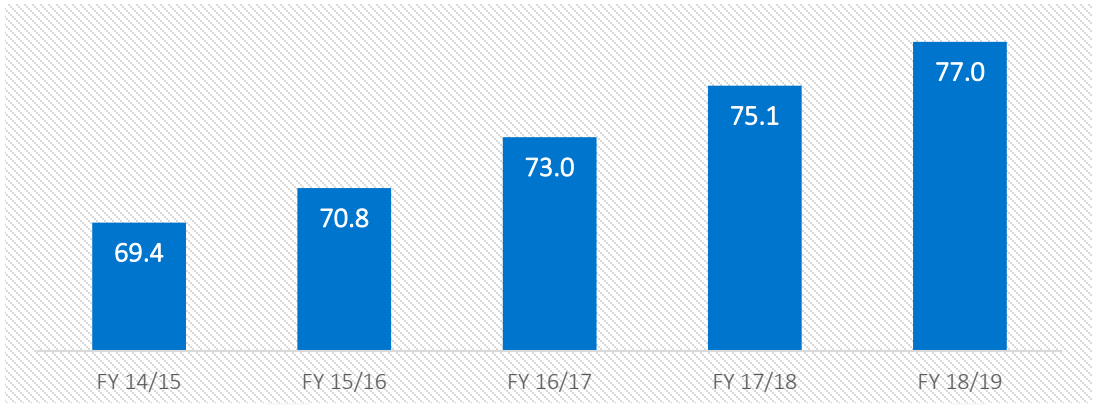


\*Sources: Kingdom of Saudi Arabia - General Authority for Statistics

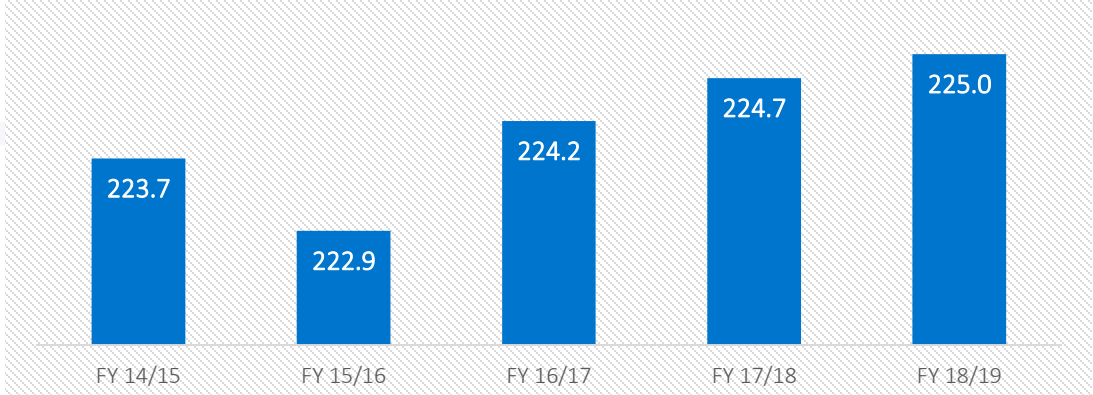
# With Clear Room for Growth

## Beds

No. Beds (# 000)

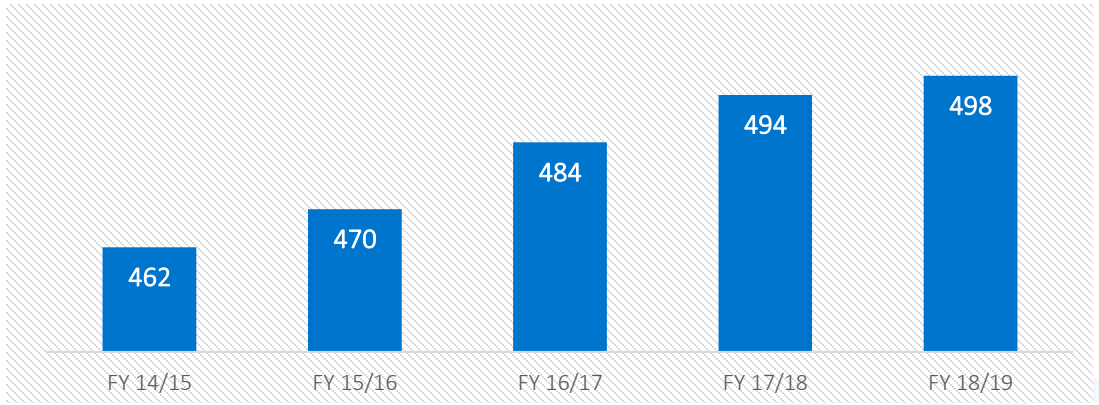


No. of Beds/ 100k Person (#)

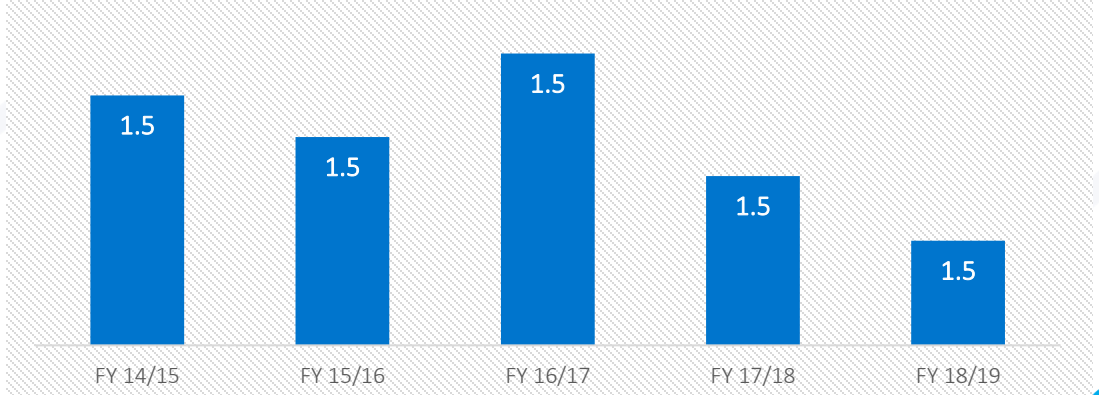


## Hospitals

No. of Hospitals (#)



No. of Hospitals/ 100k Person (#)



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

# Health Insurance (1-2)

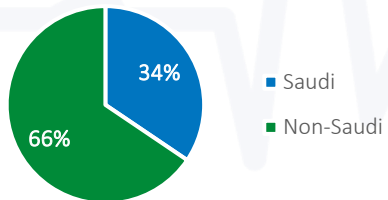
## Highlights

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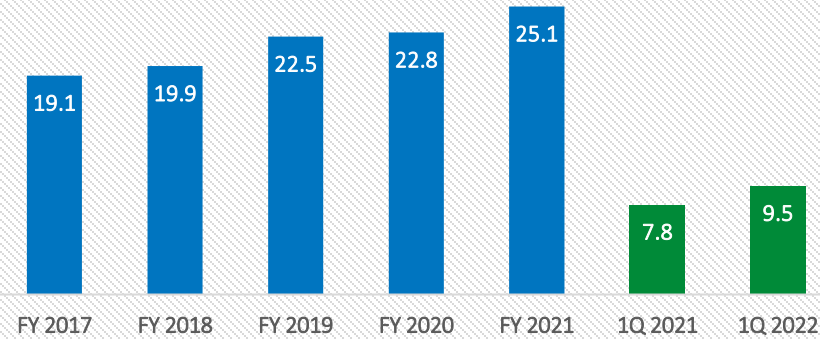
Total Saudi Insurance Companies

10.9<sup>mn</sup>

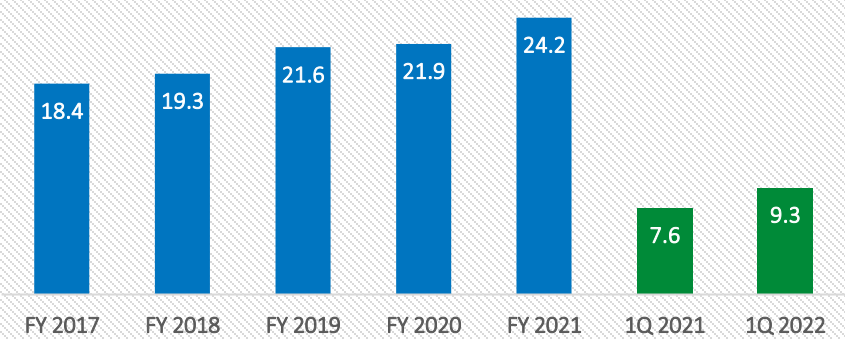
Contributors in Health Insurance Policies



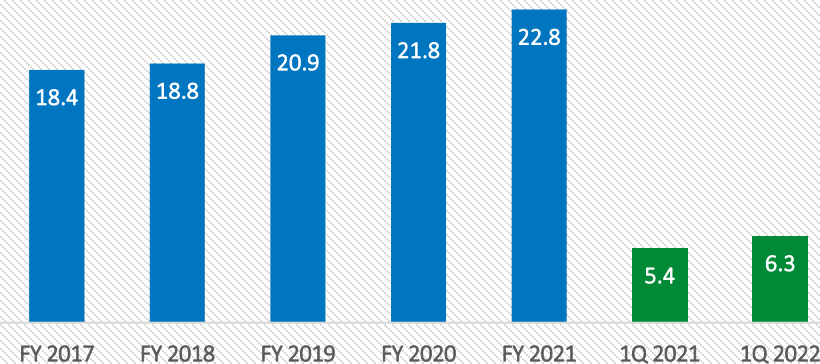
## Gross Written Premiums (SR bn)



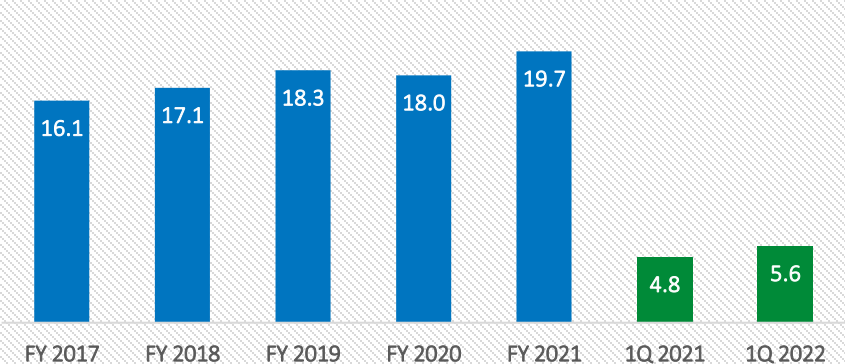
## Net Written Premiums (SR bn)



## Net Earned Premiums (SR bn)



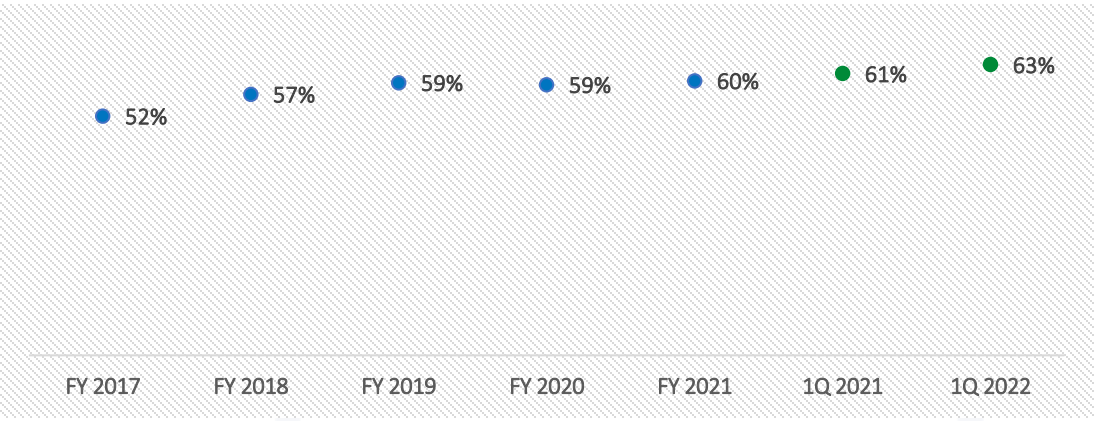
## Net Claims Incurred (SR bn)



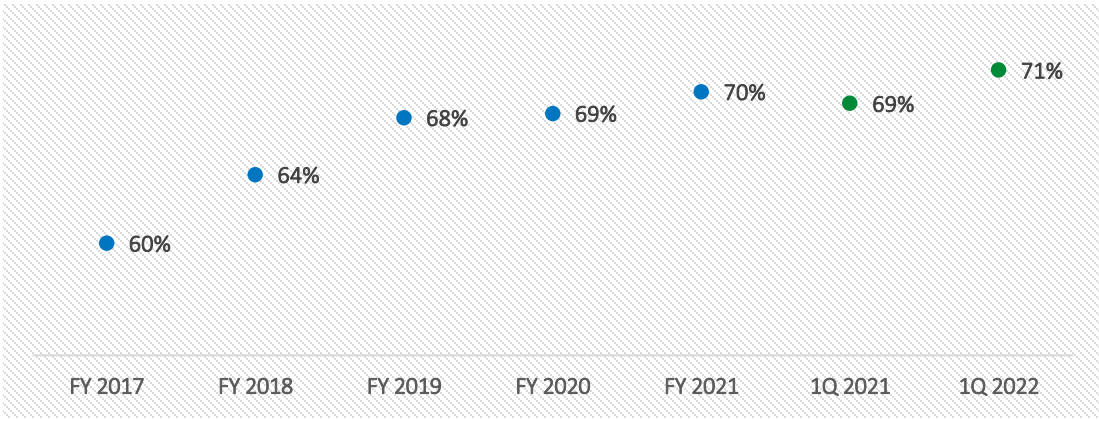
\*Sources: Saudi Central Bank, Council of Cooperative Health Insurance

# Health Insurance (2-2)

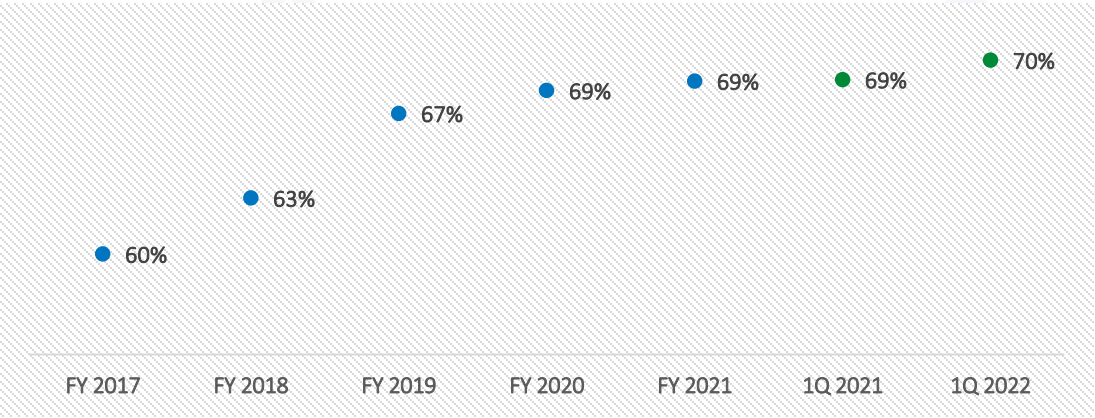
Gross Written Premiums (% of Total Market)



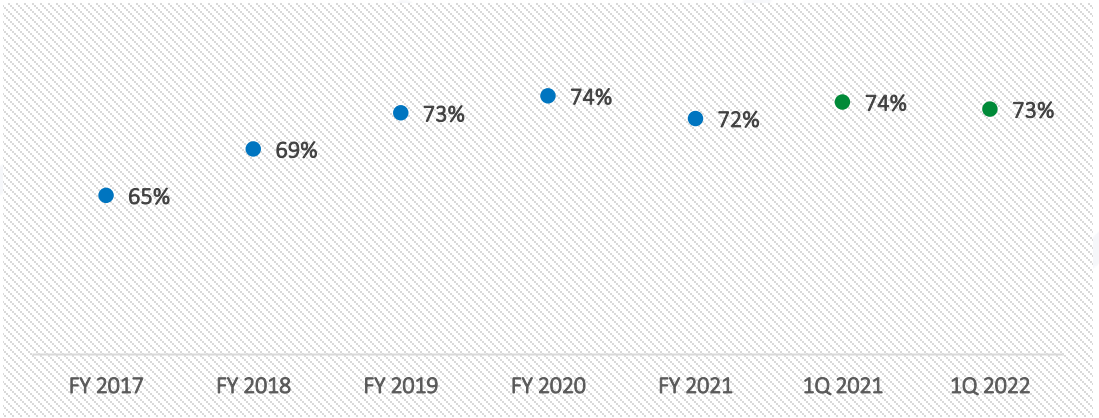
Net Written Premiums (% of Total Market)



Net Earned Premiums (% of Total Market)



Net Claims Incurred (% of Total Market)



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



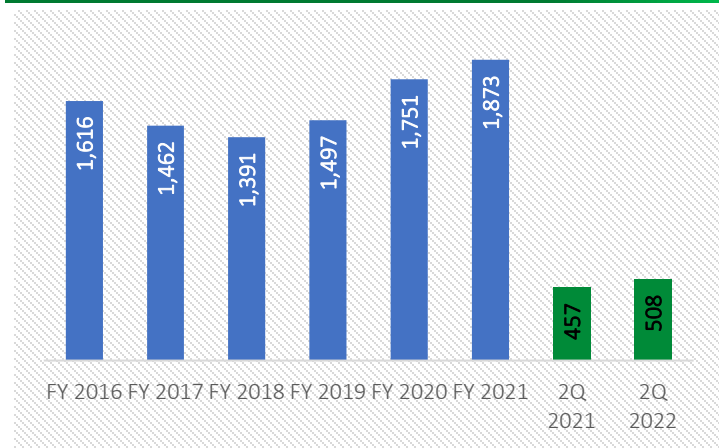
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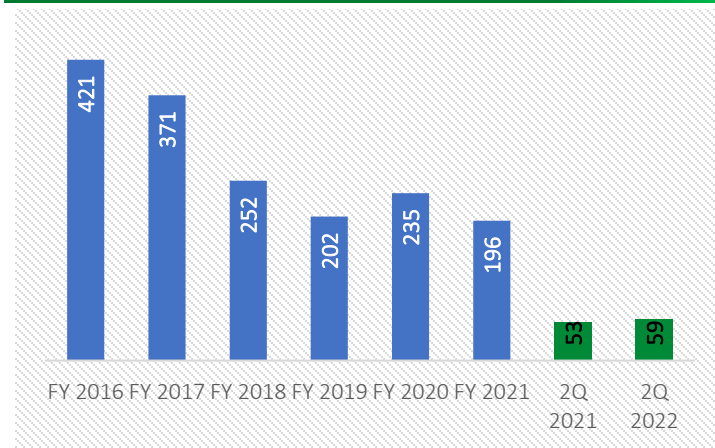
## Financial & Operational Highlights

# Key P&L Indicators

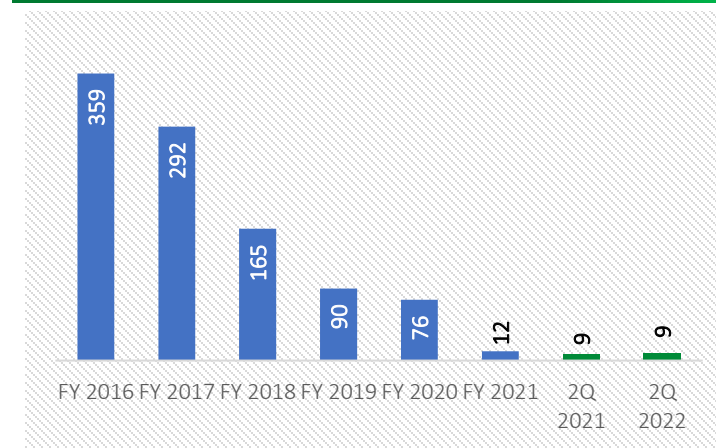
## Revenue (SAR mn)



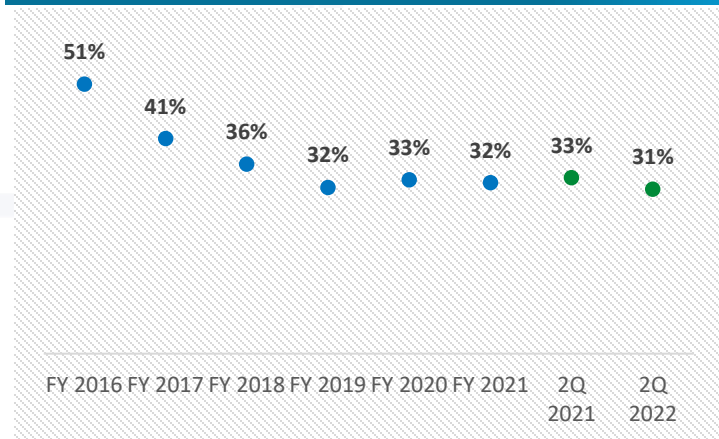
## EBITDA (SAR mn)



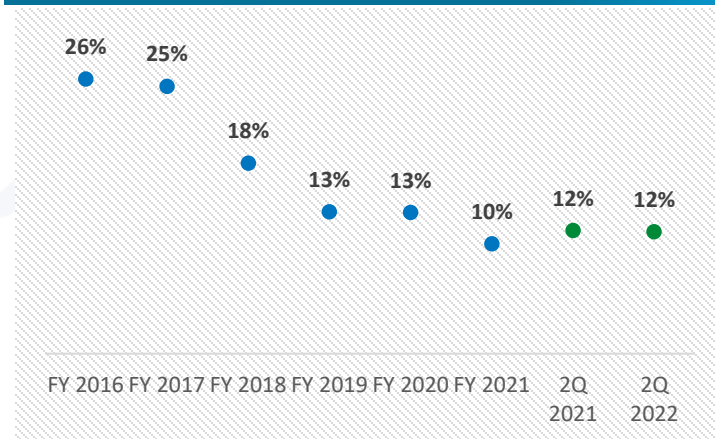
## Net Profit After Zakat (SAR mn)



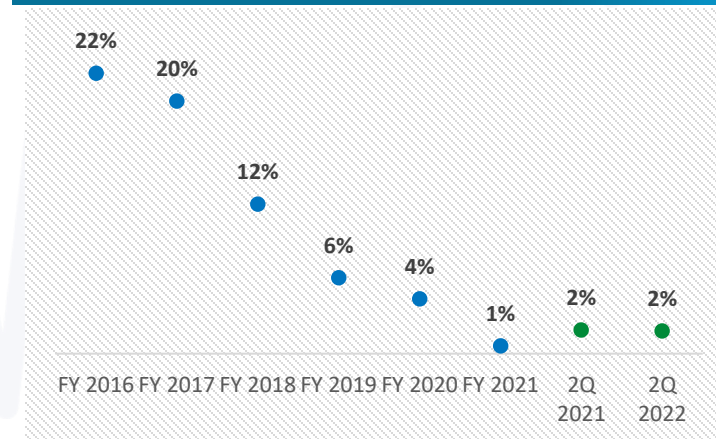
## Gross Profit Margin (%)



## EBITDA Margin (%)

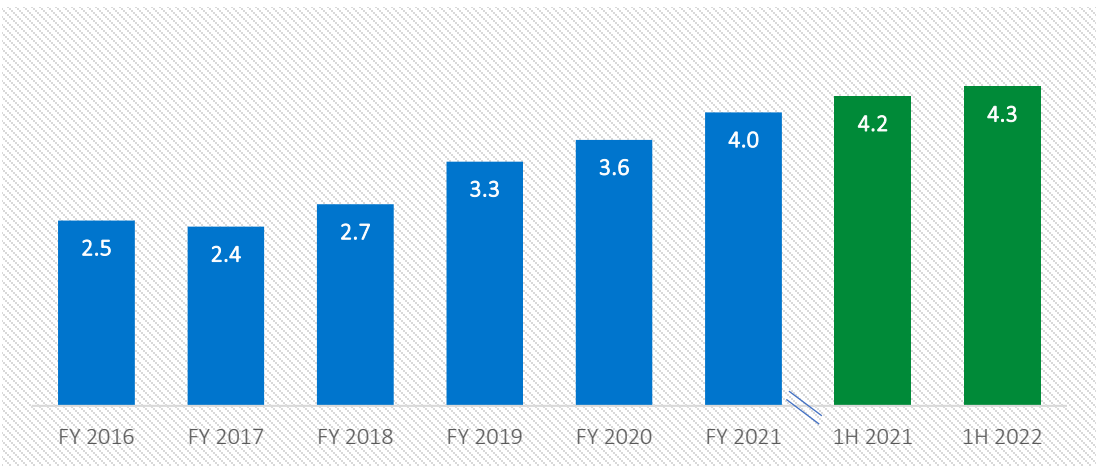


## Net Profit Margin (%)

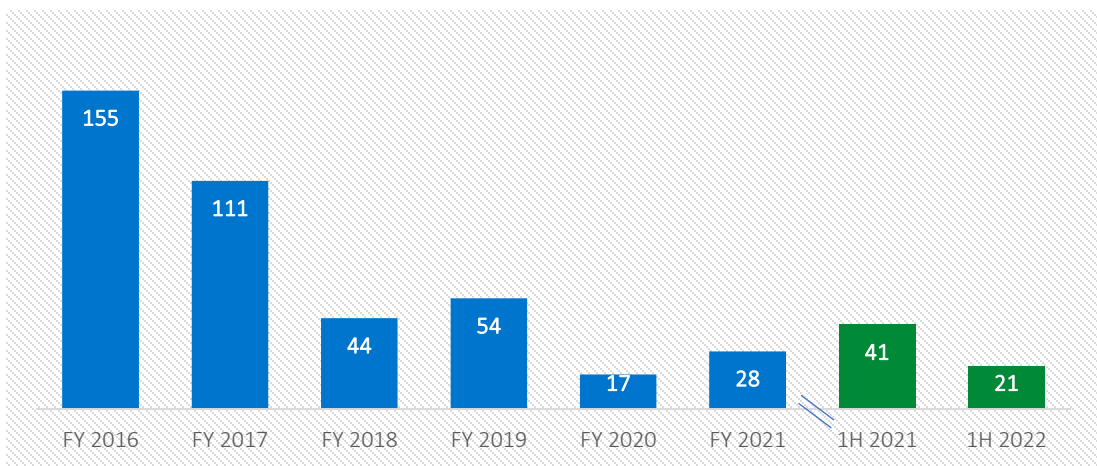


# Key Balance Sheet Metrics

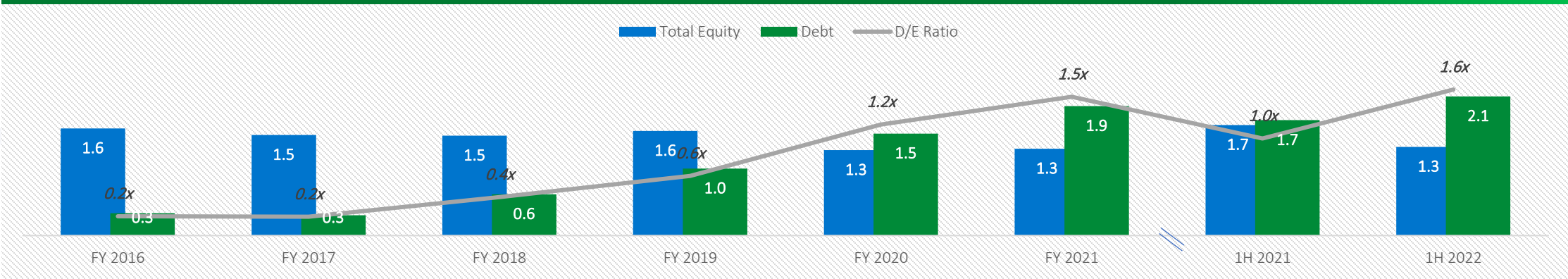
Assets (SR bn)



Cash and Cash Equivalent (SR mn)

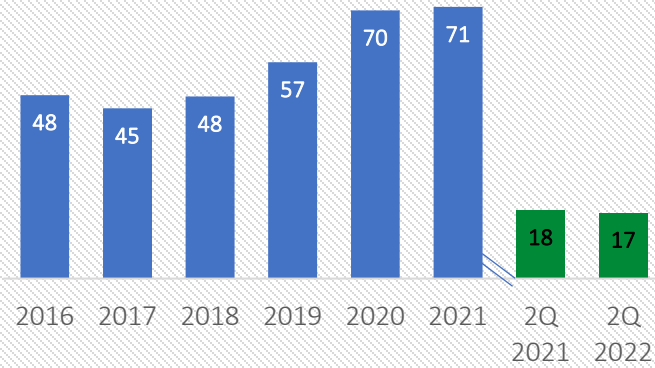


Capital Structure (SR bn)

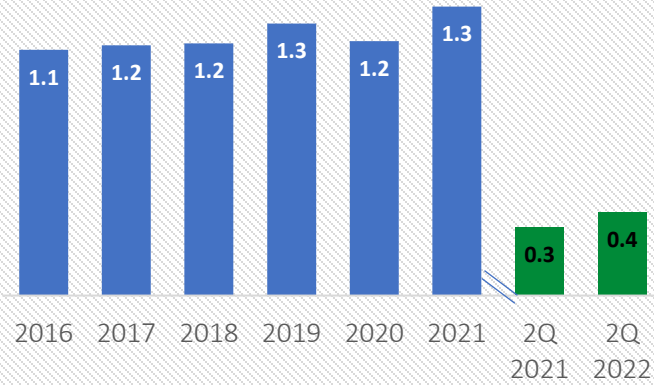


# Key Operational Metrics (1-2)

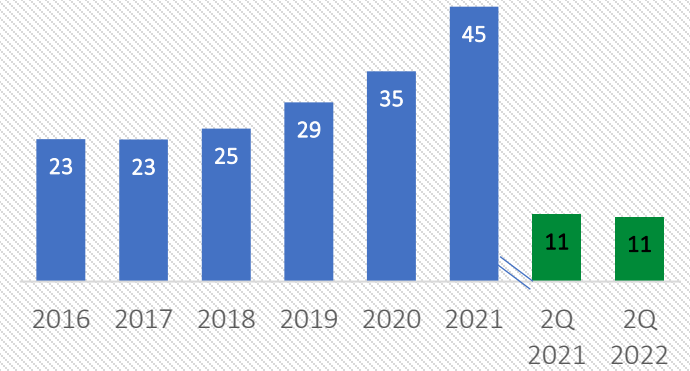
## Inpatient Cases (# 000)



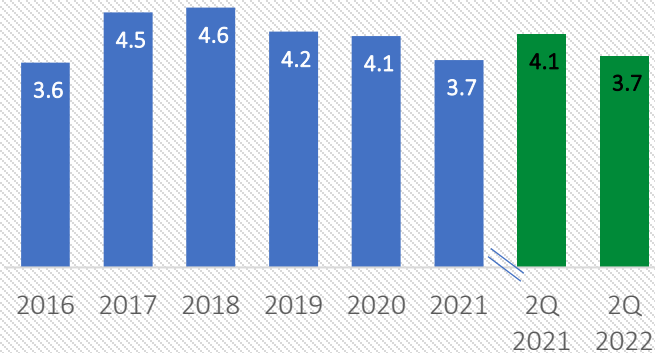
## Outpatient Cases (# mn)



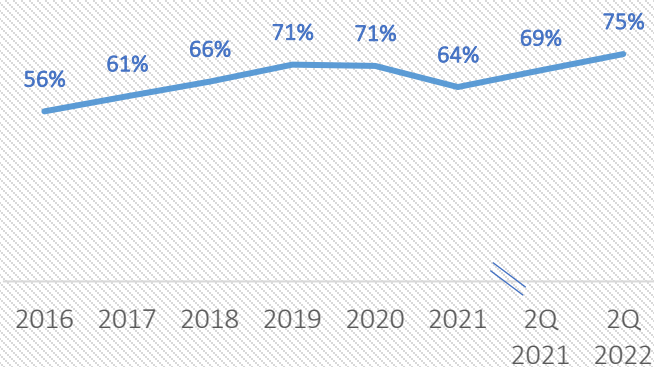
## Performed Surgeries (# 000)



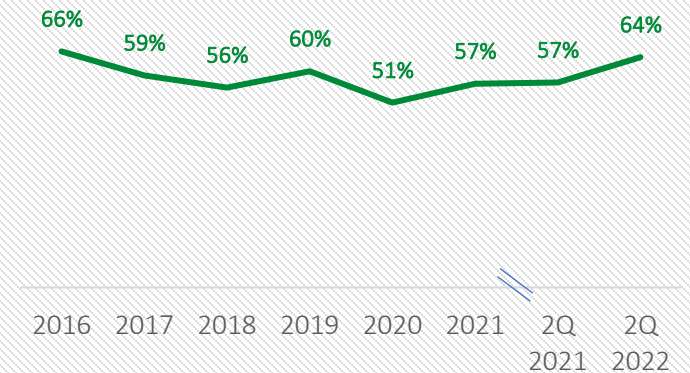
## Average Length of Stay (# Days)



## Beds Utilization Rate (%)

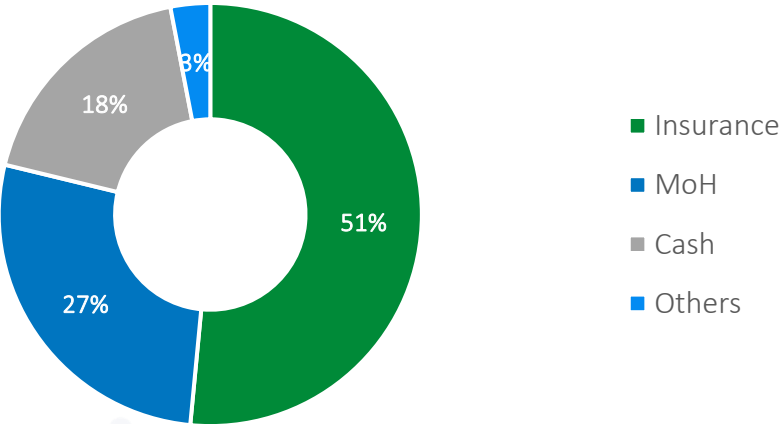


## Clinics Utilization Rate (%)

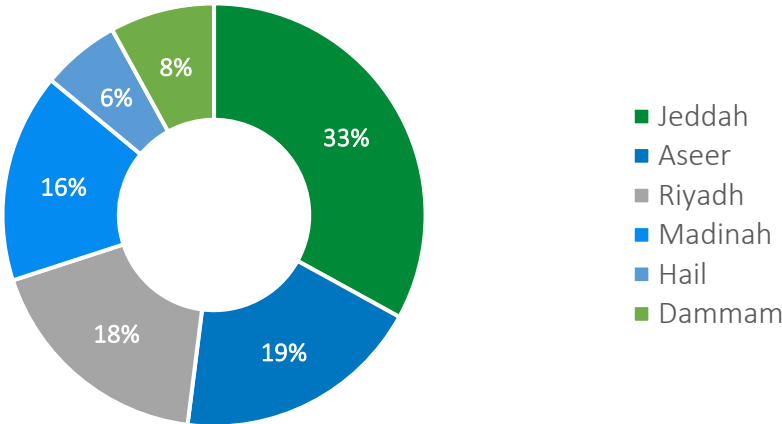


# Key Operational Metrics (2-2)

Revenue Breakdown – 2Q 2022

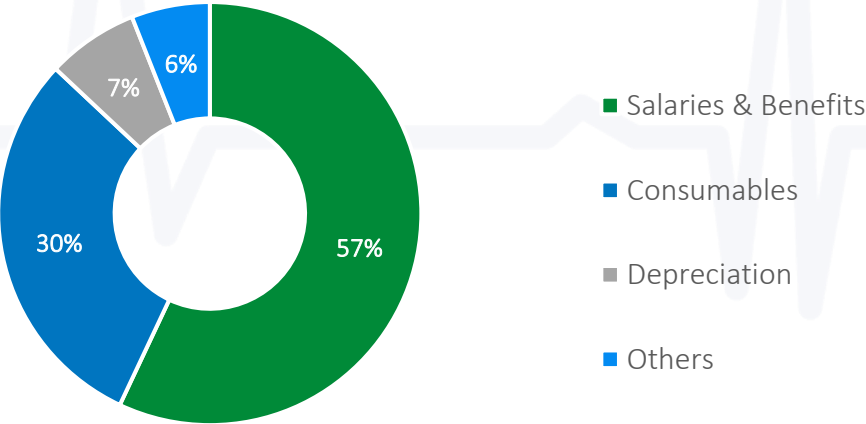


Revenue Breakdown – 2Q 2022

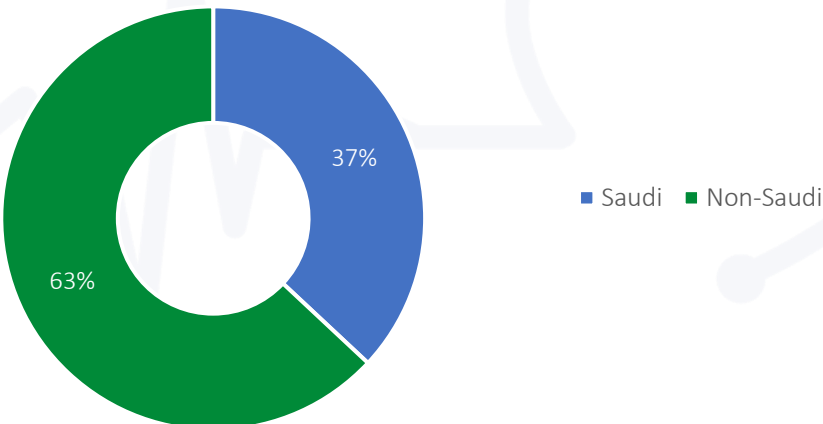


*\* Jeddah includes SGH Jeddah, Beverly Clinics, AJ Sons, and Management Fees*

CoGS Breakdown – 2Q 2022



Saudization Rate (%)



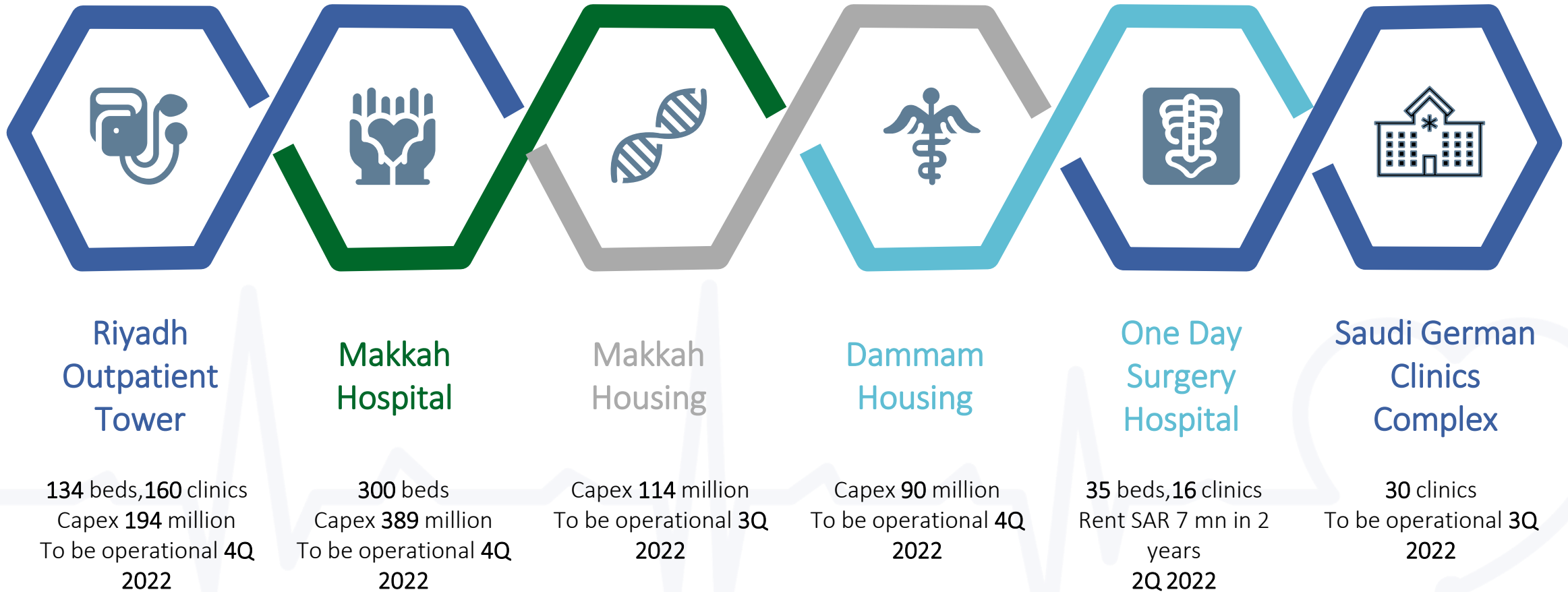


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## Updates & Strategic Focus

# Expansion & CAPEX



# Turnaround Revolution



Integration

Diversification

Digital  
Transformation

Accreditation

Restructure

Cost  
Efficiency

Technology

Patients  
Satisfaction

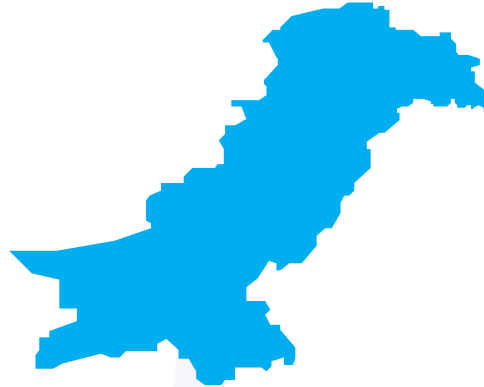
# Hospitals Under Management Pipeline

## Egypt



- SGH Alex West
- SGH Giza

## Pakistan



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

## Morocco



- SGH Casablanca

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2Q 2022 Results





# Income Statement

(In SAR mn)	2Q 2022	2Q 2021	Change	1H 2022	1H 2021	Change
Revenue	508	457	11%	1,021	875	17%
Cost of Revenue	(349)	(304)		(698)	(599)	
Gross Profit	159	153	4%	324	276	17%
<i>Gross Profit Margin</i>	<i>31.2%</i>	<i>33.4%</i>		<i>31.7%</i>	<i>31.5%</i>	
Selling & marketing Expenses	(9)	(5)		(14)	(12)	
General & Administrative Expenses	(124)	(128)		(249)	(227)	
Operating Profit	26	20	30%	61	37	64%
<i>Operating Profit Margin</i>	<i>5.0%</i>	<i>4.3%</i>		<i>6.0%</i>	<i>4.2%</i>	
Other Income	5	2		7	5	
Finance Cost	(17)	(12)		(28)	(23)	
Profit before Zakat	13	9	47%	39	20	101%
Zakat	(4)	(1)		(10)	(2)	
Net Profit	9	9	7%	29	18	66%
<i>Net Profit Margin</i>	<i>1.8%</i>	<i>1.9%</i>		<i>2.9%</i>	<i>2.0%</i>	
<i>Distributed as:</i>						
Parent Company	10	9	14%	31	21	46%
Non-Controlling Interest	(1)	(1)		(2)	(4)	

# Balance Sheet

(In SAR mn)	Jun 2022	Dec 2021
Property and Equipment	2,407	2,357
Right of Use Assets	32	33
Intangible Assets	7	7
<b>Total Non-Current Assets</b>	<b>2,446</b>	<b>2,397</b>
Inventories	159	156
Account Receivable	1,540	1,282
Prepayments and Others	154	110
Cash and Bank Balances	21	28
<b>Total Current Assets</b>	<b>1,874</b>	<b>1,576</b>
<b>Total Assets</b>	<b>4,320</b>	<b>3,972</b>
Share Capital	920	920
Statutory Reserve	194	194
Retained Earnings	167	144
<b>Equity Attributable to Shareholders</b>	<b>1,281</b>	<b>1,258</b>
Non-Controlling Interests	43	38
<b>Total Equity</b>	<b>1,324</b>	<b>1,295</b>
Term Loans	1,199	187
Lease Obligations	26	11
Other Non-Current Liabilities	8	27
Deferred Income	11	12
Employees' End of Service Benefits	235	231
<b>Total Non-Current Liabilities</b>	<b>1,479</b>	<b>468</b>
Short-Term Borrowings	879	1,745
Other Non-Current Liabilities	7	7
Lease Obligations	8	7
Accounts Payable	363	299
Accrued Expenses and Others	248	140
Zakat Payable	12	10
<b>Total Current Liabilities</b>	<b>1,516</b>	<b>2,209</b>
<b>Total Liabilities</b>	<b>2,995</b>	<b>2,677</b>
<b>Total Liabilities and Equity</b>	<b>4,320</b>	<b>3,972</b>

**Thank You**

