



FY 2022 Investor Presentation

As of 27 February 2023

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PRESENTING TEAM



Faisal Al Nassar
Acting CEO



Ziyad Al Dahami
Head of Treasury and Investor Relations

AGENDA



Financial Performance



Operational Highlights



Appendix #1

Summarized Financials



Appendix #2

About HMG

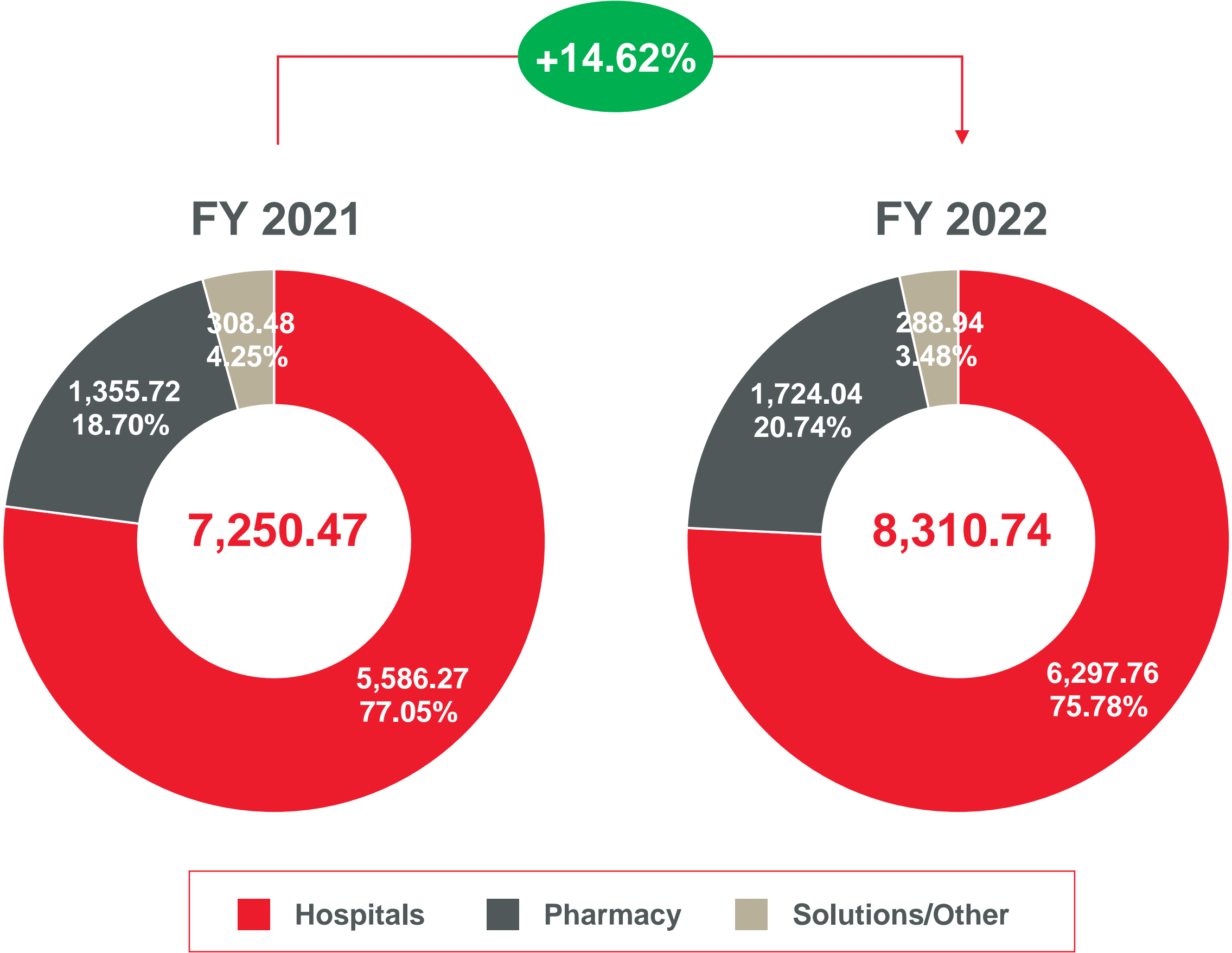


Financial Performance

KEY FINANCIAL HIGHLIGHTS : FY 2022

Revenue by segment

SAR million



Gross profit

17.93%

FY 2022	2,748.14	▲
FY 2021	2,330.23	
SAR (Millions)		

Gross profit Margin

FY 2022	33.07%	▲
FY 2021	32.14%	

EBITDA

15.66%

FY 2022	2,135.63	▲
FY 2021	1,846.54	
SAR (Millions)		

EBITDA margin

FY 2022	25.70%	▲
FY 2021	25.47%	

Net income

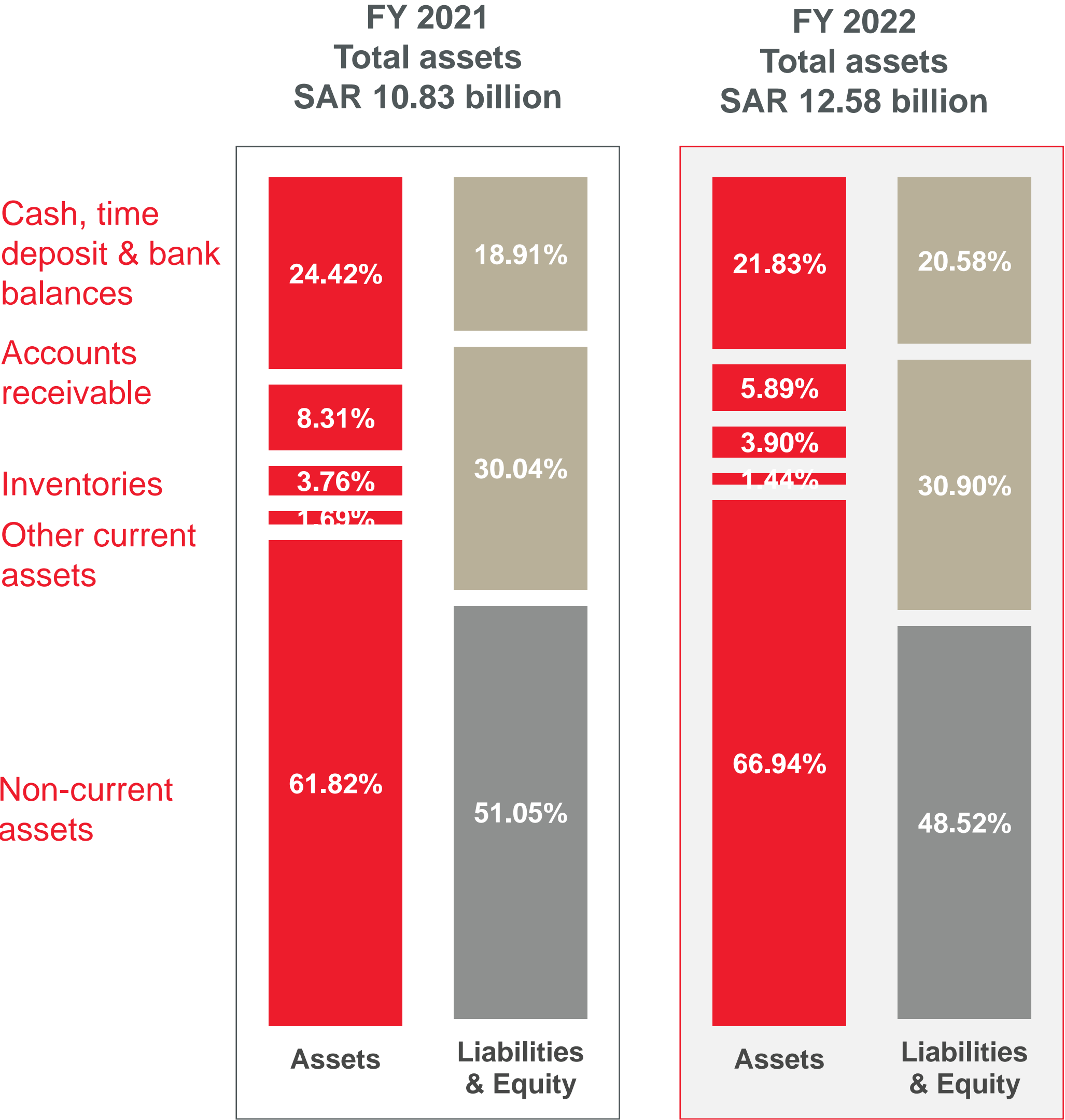
19.91%

FY 2022	1,690.75	▲
FY 2021	1,376.62	
SAR (Millions)		

Net income margin

FY 2022	19.86%	▲
FY 2021	18.99%	

HEALTHY BALANCE SHEET



ROE

FY 2022	29.43%	▲
FY 2021	26.86%	

ROA

FY 2022	14.10%	▲
FY 2021	13.56%	

ROCE

FY 2022	18.12%	▲
FY 2021	17.70%	

Current Ratio

FY 2022	1.61x	▼
FY 2021	2.02x	

Receivables

FY 2022	36	▼
FY 2021	44	Days

Payables

FY 2022	58	▲
FY 2021	53	Days

Inventory

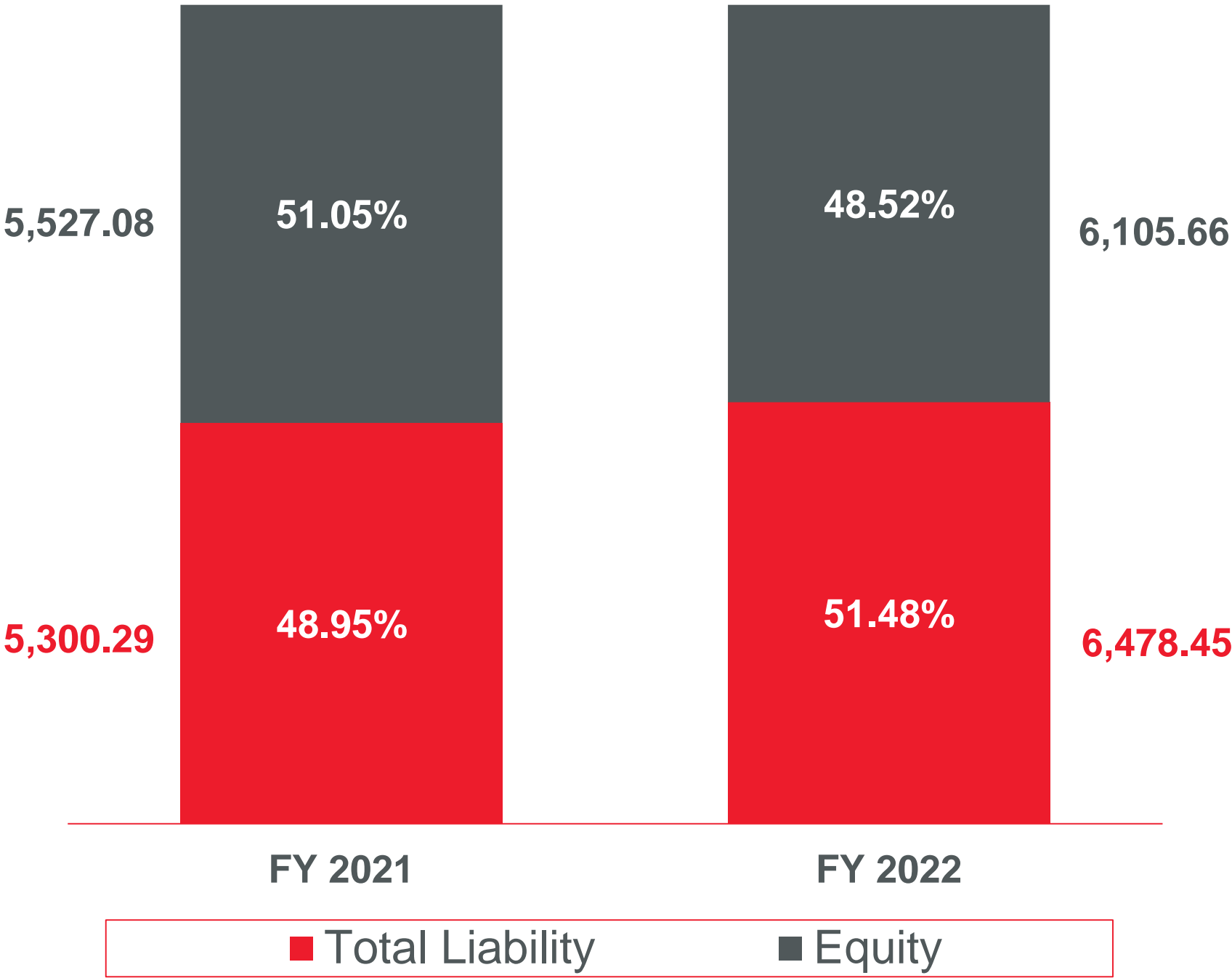
FY 2022	29	●
FY 2021	29	Days

Cash cycle

FY 2022	7	▼
FY 2021	20	Days

Total liabilities and equity

SAR million



Total Liabilities/Total Assets

FY 2022	0.51x	▲
FY 2021	0.49x	

Total Liabilities/Equity

FY 2022	1.06x	▲
FY 2021	0.96x	

Net Debt / EBITDA

FY 2022	0.39x	▲
FY 2021	0.26x	

Net Debt / Equity

FY 2022	0.14x	▲
FY 2021	0.09x	

DSCR

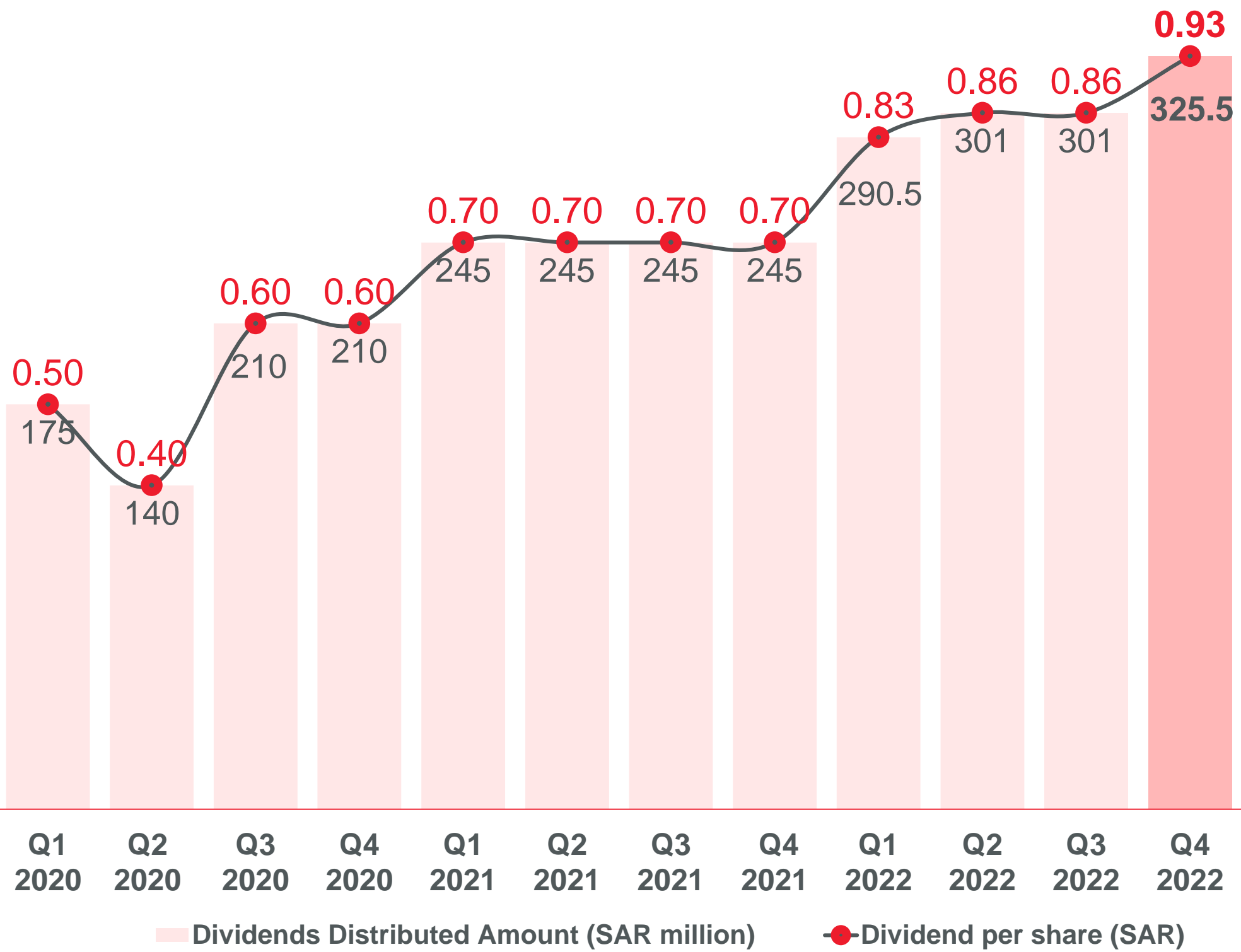
FY 2022	8.01x	▲
FY 2021	4.62x	

Interest Coverage ratio

FY 2022	34.45x	▼
FY 2021	38.69x	

TOTAL CASH DIVIDENDS FOR SHAREHOLDERS

Declared dividends



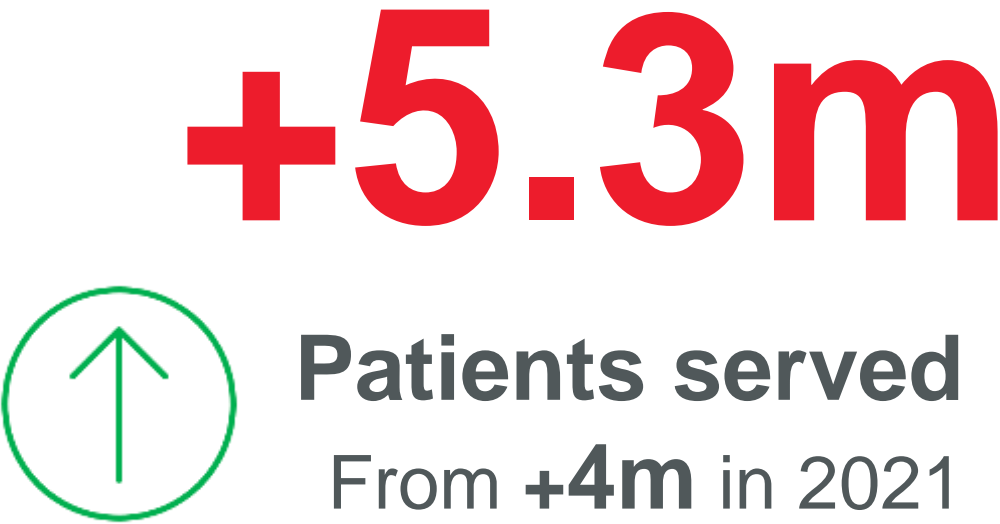
Declared Cash dividends / Q4 2022

Total distributed dividends	SAR 325.50 million
% of capital	9.3% (equivalent to SAR 0.93 per share)
Eligibility date	Close of trading on Thursday, 23 rd February 2023
Date of distribution	Monday, 13 th March 2023

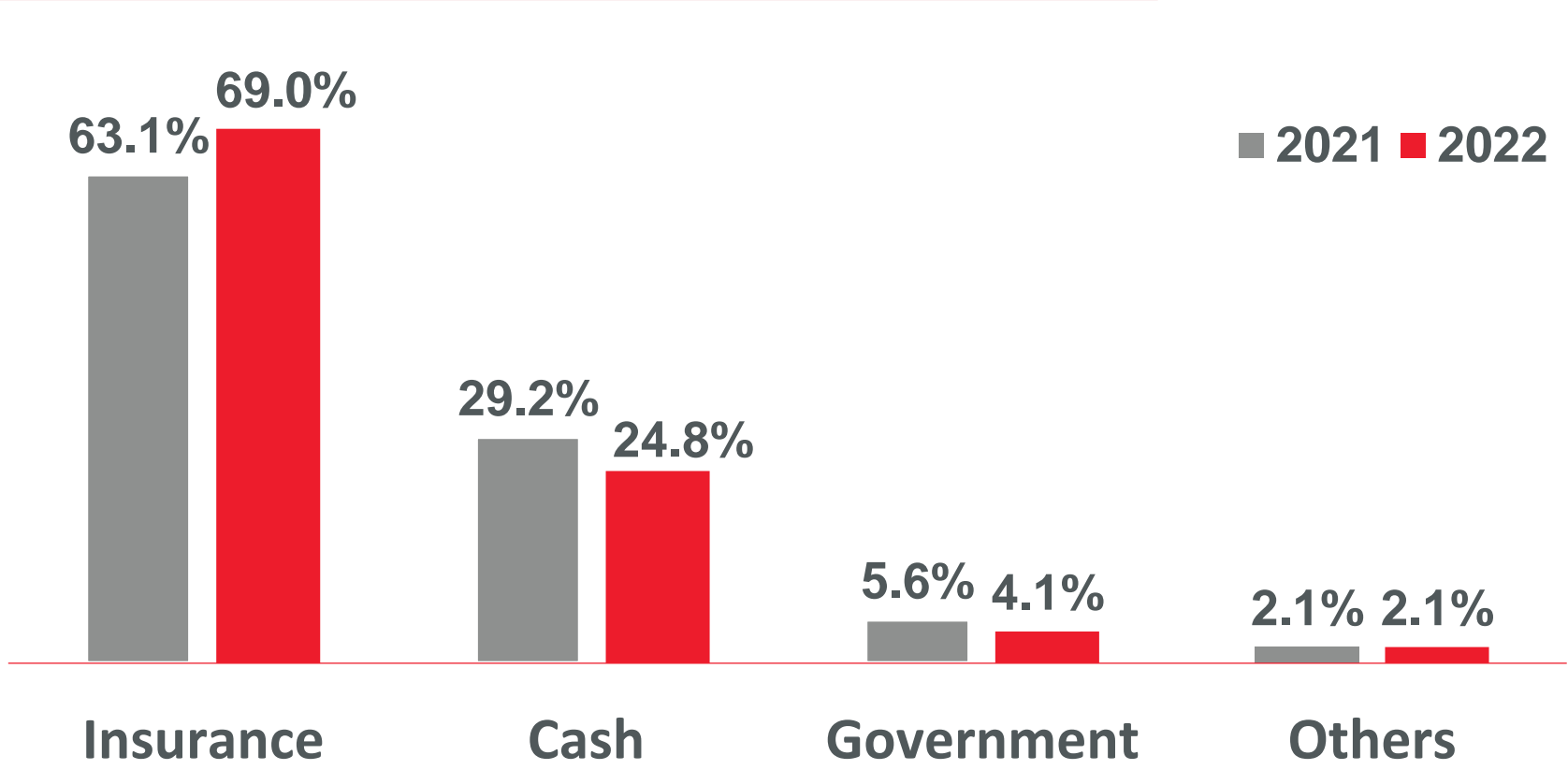
Total declared cash dividends for shareholders / FY 2022

Total Declared dividends	SAR 1,218.00 million
% of capital	34.8% (equivalent to SAR 3.48 per share)

Patient overview



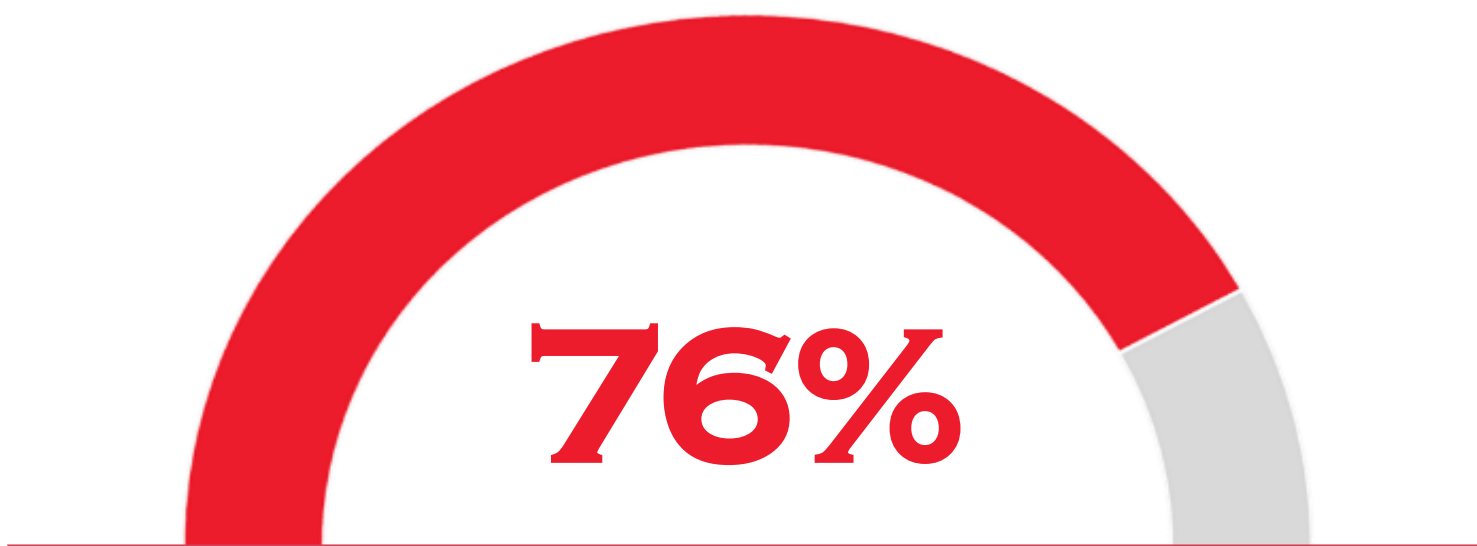
Revenue by type



Bed occupancy - overall



Bed occupancy - ICU





Operational Highlights

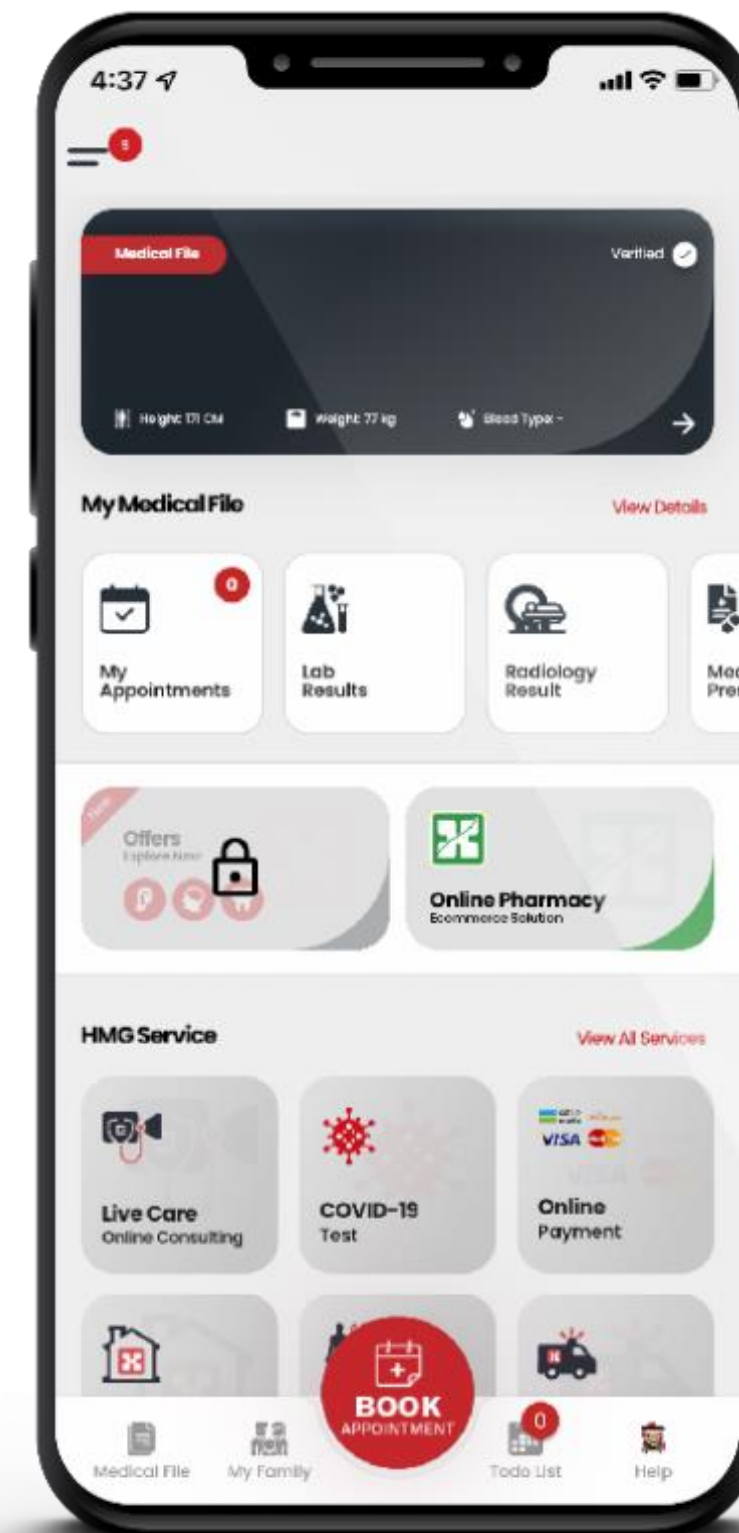


FY 2022 HIGHLIGHTS

Key Operational Highlights

- ✓ Announced a new hospital project in Tabuk City, as well as converting Al Hamra Medical Center to a hospital project.
- ✓ Signed MoU with the Ministry of Health and Direct Investment Fund of Uzbekistan to introduce modern technologies into the healthcare management system of Uzbekistan.
- ✓ Signed a consulting services contract with the Mauritanian Ministry of Health, which includes the management and follow-up stages of "design, development, and operation" of the King Salman bin Abdulaziz Al Saud University Hospital project in Nouakchott, Mauritania.
- ✓ Acquired a 25% stake in Tamkeen Human Resources Company.
- ✓ HMG became the first hospital in the Kingdom to receive a license from the Nuclear and Radiological Regulatory Commission to use mobile radiology services outside hospitals.

Mobile Application



Interaction 500 mn+ Interactions	53% ▲
Booked Appointments 2.8 mn+ appointments	74% ▲
Active users 1.9 mn+	302%▲
Habib Live Care 133 k+ transactions	142%▲
E-Pharmacy 80 k + transactions	217%▲
Home Health care 20 k+ transactions	107%▲

▲ Annual Growth



Recognitions and Accreditations



Major CSR Activities

- ✓ HMG launched largest physicians scholarship program in Kingdom's private sector.
- ✓ Dr. Sulaiman Al Habib Academy celebrated the graduation of 330 students enrolled in our fellowship and diploma program.
- ✓ HMG honored the winners of our Research Excellence Awards, under the patronage of His Royal Highness Prince Faisal bin Bandar bin Abdulaziz, Governor of Riyadh Region.
- ✓ HMG launched the Himmah Engineering program and New Leaders to train Saudi graduates.
- ✓ For the third year in a row, HMG was announced as the official medical sponsor for the Riyadh Season, and will continue to be the medical sponsor for the next three years.

Engagement with Investment Community

- ✓ **250+** interaction with investors and analysts
- ✓ **4** Conferences
- ✓ **4** Earnings Call

MEDICAL EXCELLENCE

Creating the medical practitioners of the future
and promoting health and well-being

Postgraduate Program

- **23** Residency & Fellowship program accredited by SCFHS
- **190+** participant
- **300+** enrolled across **5** SCFHS-accredited diploma

Research Center

- **4** Journals
- **20+** Research papers published
- **70** Research proposal through to Institutional Review Board

CPR



890+ Courses



4,800+ Participant

Continuous Medical Education



270+
Activities



470
Hours



495+
Speakers



9,680+
Participant

Undergraduate Program



2,180+ Undergraduate and interns



20 Governmental and Private Universities

Training Center



20+ Training programs



2,000+ Employees



450+ Training hours

PROJECTS UPDATE

Solidifying our market leadership through a robust expansion plans and progressing our projects



North Riyadh Hospital



100%
Ownership



SAR 659.5 mn
Land



SAR 2.2 bn
Construction



2023
Expected



500
Beds



South-West Jeddah Hospital



50%
Ownership



SAR 132.6 mn
Land



SAR 1.5 bn
Construction



2023
Expected



330
Beds



PROJECTS UPDATE

Solidifying our market leadership through a robust expansion plans and progressing our projects



Maternity and Pediatric Hospital (New Takhassusi Expansion)



100%
Ownership



SAR 80.8 mn
Land



SAR 391 mn
Construction



2024
Expected



145
Beds



North Jeddah Hospital



100%
Ownership



SAR 243.5 mn
Land



SAR 1.5 bn
Construction



2024
Expected



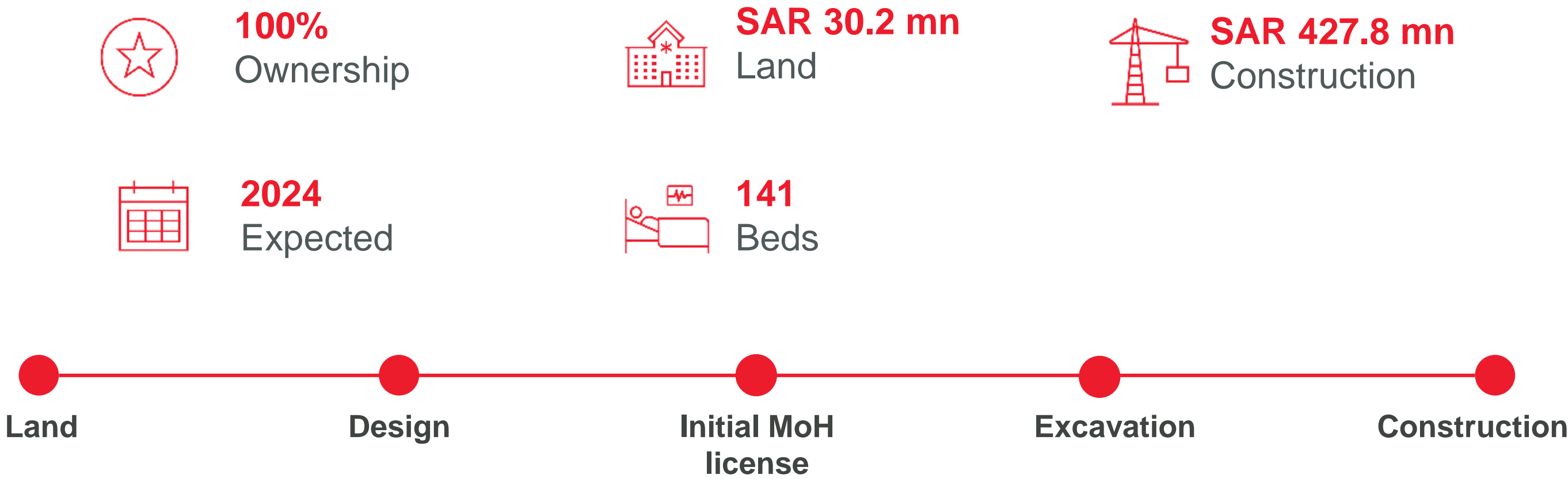
350
Beds



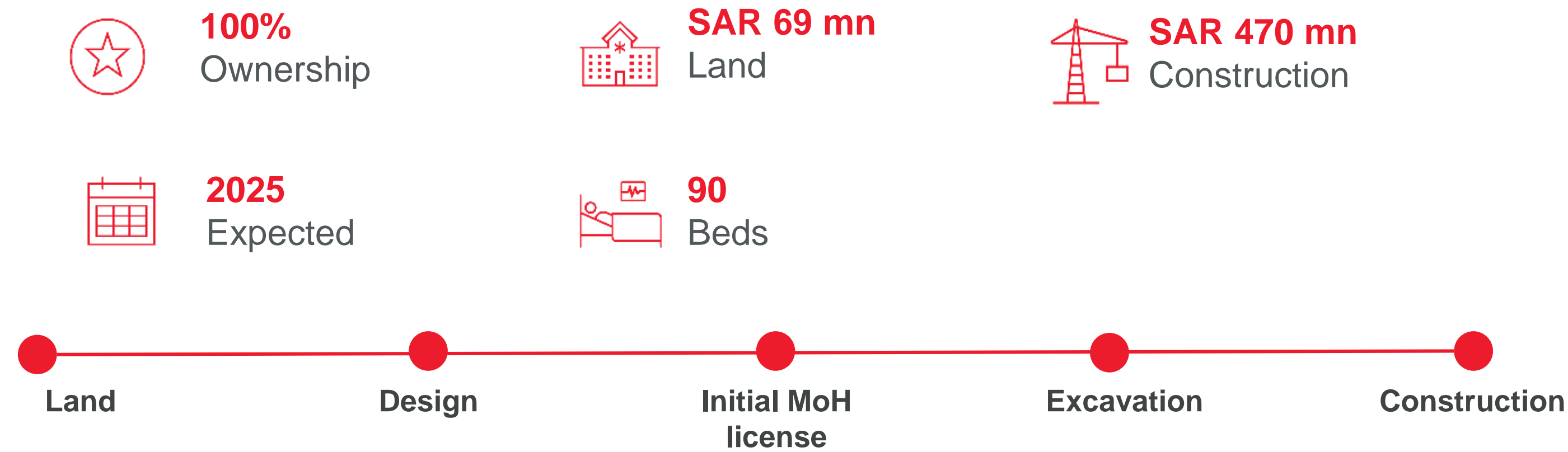
PROJECTS UPDATE

Solidifying our market leadership through a robust expansion plans and progressing our projects

 **Sehat Al Kharj Hospital**



 **Al Hamra Hospital**



PROJECTS UPDATE

Solidifying our market leadership through a robust expansion plans and progressing our projects



Al Madinah Al Munawwarah Hospital



Land
Leased Agreement



50
Years



Tabuk Hospital



Land
Leased Agreement



50
Years



PROJECTS UPDATE

Solidifying our market leadership through a robust expansion plans and progressing our projects



Medical Center Services



100%
Ownership



2024
Expected



Riyadh

- Al Narjis District
- Al Ghadeer District
- Digital city Medical Center



Buraidah
Al Rayan District



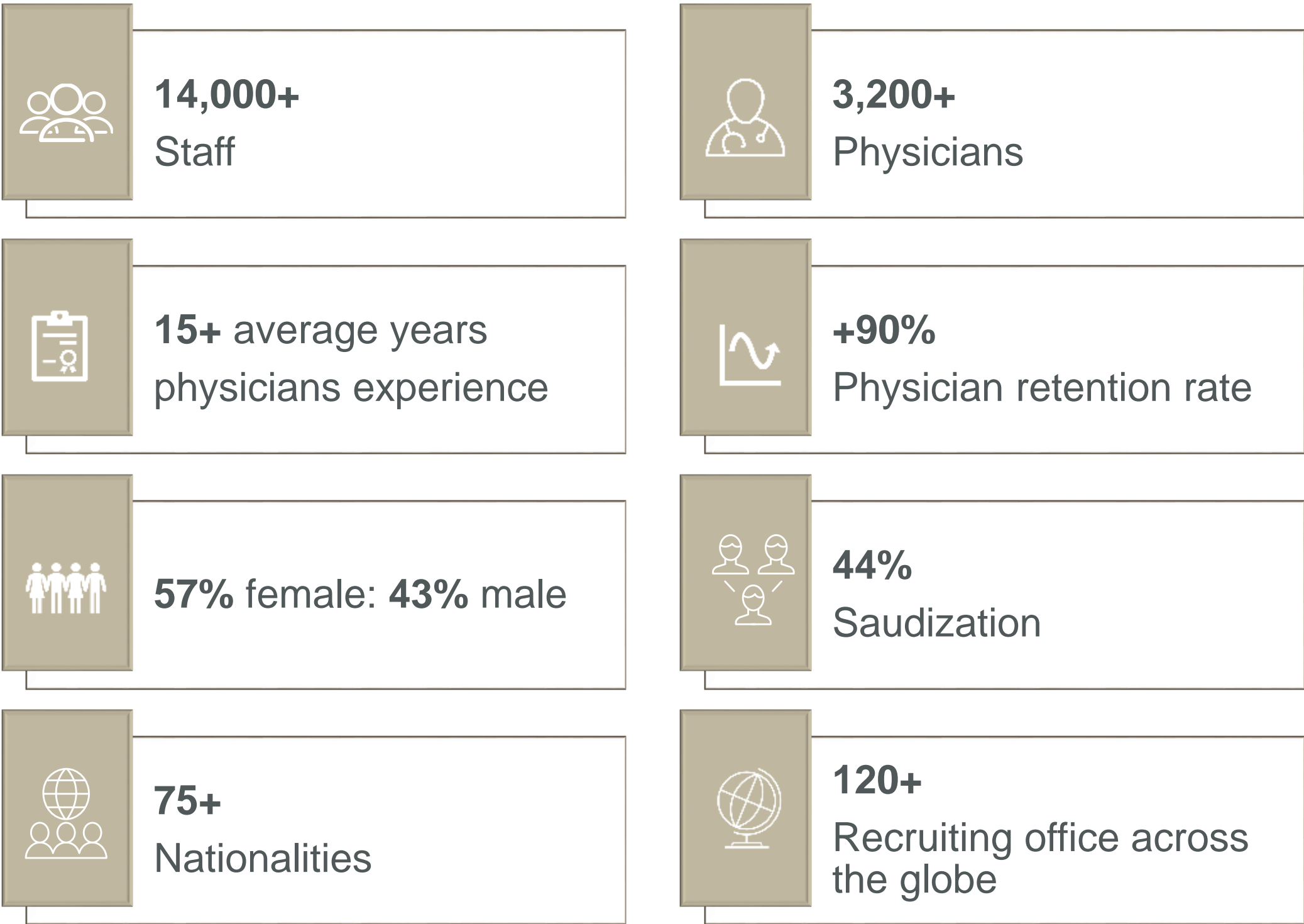
Dammam
Gharb Al Faisaliah District



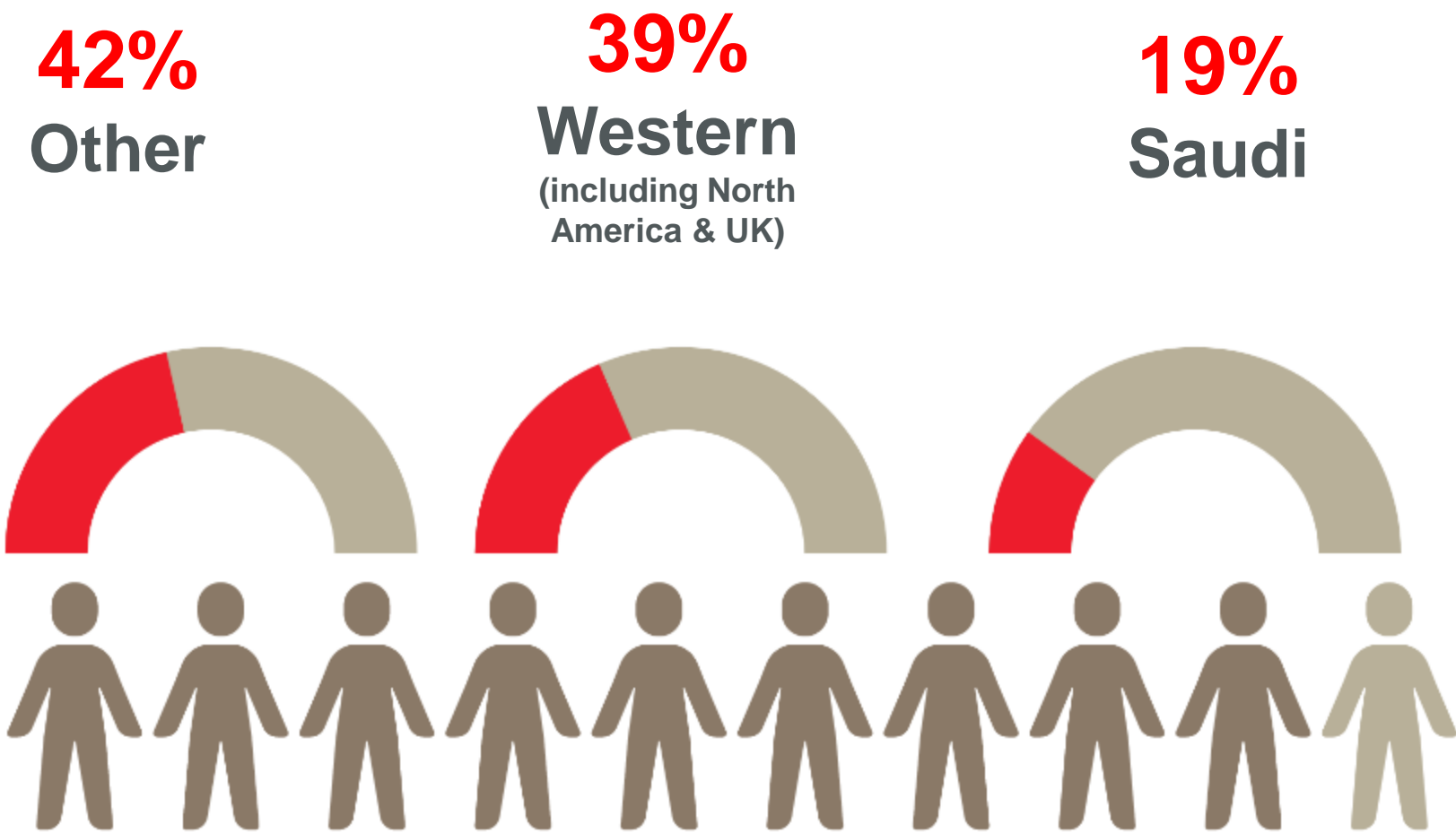


OUR PEOPLE

Continued to attract and retain top talent in the Kingdom



Physician Qualifications





ESG & SUSTAINABILITY

The Group's ESG structures and targets aim to maximize the benefits we deliver in terms of patient health, the broader contexts of social and human development, and responsible environmental stewardship

ESG Roadmap

HMG is currently undertaking a four-phase exercise to start integrating ESG into its business practices and to measure and report on its ESG performance.





Appendix #1

Summarized Financials

SUMMARY: BALANCE SHEET

As of 31 December 2022



SAR million	FY 2022	FY 2021
Current Assets	4,160.48	4,133.43
Investment in Associates	187.00	41.36
Investments in equity instruments – Sukuk	300.00	-
Property and Equipment	7,936.64	6,652.58
Total Assets	12,584.12	10,827.37
Current Liabilities	2,590.31	2,047.72
Non-Current Liabilities	3,888.14	3,252.57
Equity attributable to equity holders of the parent	5,878.70	5,339.17
Non-controlling interests	226.97	187.91
Total Liabilities and Equity	12,584.12	10,827.37

SUMMARY: INCOME STATEMENT

As of 31 December 2022

SAR million	FY 2022	FY 2021	Change %
Revenue	8,310.74	7,250.47	14.62%
Cost of revenue	(5,562.60)	(4,920.24)	13.06%
Gross profit	2,748.14	2,330.23	17.93%
Selling and marketing expenses	(324.78)	(242.33)	34.02%
General and administrative expenses	(722.87)	(621.75)	16.26%
Operating income	1,700.49	1,466.15	15.98%
Other income	125.92	65.60	91.95%
Share of income of associates	19.61	7.49	161.82%
Finance costs	(49.36)	(37.90)	30.24%
EBT and before non-controlling interests	1,796.66	1,501.34	19.67%
Zakat	(107.71)	(114.06)	(5.57%)
Income before non-controlling interests	1,688.95	1,387.28	21.75%
Non-controlling interests	(38.20)	(10.66)	258.35%
Net income (Attributable to Equity holders of the Parent)	1,650.75	1,376.62	19.91%

SUMMARY: CASH FLOW STATEMENT

As of 31 December 2022



SAR million	FY 2022	FY 2021
Net cash from operating activities	2,843.68	2,182.79
Net cash used in investing activities	(1,939.40)	(1,247.52)
Net cash used in financing activities	(801.12)	(630.70)
Cash and cash equivalents at the beginning of the year	2,643.83	2,339.26
Cash and cash equivalents at the end of the year	2,746.99	2,643.83



Appendix #2

About HMG

DIVERSE BOARD OF DIRECTORS

Our success is driven by our people



2 NON-EXECUTIVES



Dr. Sulaiman Al Habib
Chairman



Eng. Saleh Al Habib
Board Member

2 EXECUTIVES



Mr. Faisal Al Nassar
Board Member,
Acting CEO & CFO



Mr. Hesham Al Habib
Board Member and Chief
Business Development &
Strategy

4 INDEPENDENTS



Mr. Mazen Al Rumaih
Vice Chairman



Mr. Obaid Al Rasheed
Board Member



Dr. Abdulrahman Al Taraigi
Board Member



Mr. Rasheed Al Rasheed
Board Member

HMG's COMMITTEES

Our success is driven by our people

AUDIT COMMITTEE



Dr. Abdulrahman Al Turaigi
Chairman



Mr. Rasheed Al Rasheed
Member



Mr. Sulaiman Al Qahtani
Member

NOMINATION & RENUMERATION COMMITTEE



Mr. Obaid Al Rasheed
Chairman



Eng. Saleh Al Habib
Member



Mr. Ahmad Al Sudais
Member

EXECUTIVE COMMITTEE



Mr. Mazen Al Rumaih
Chairman



Eng. Saleh Al Habib
Member



Mr. Faisal Al Nassar
Member



Mr. Hesham Al Habib
Member

PATIENT SAFETY & QUALITY OF CARE COMMITTEE



Prof. Mahmoud Al Ahwal
Chairman



Dr. Abdulelah Al Hawsawi
Member



Prof. Abdullah Al Herbish
Member

EXPERIENCED SENIOR MANAGEMENT

Highly experienced, high caliber management



Mr. Faisal Al Nassar
Acting CEO & CFO

CORE FUNCTIONS



Dr. Abdulwahab Al Abdulwahab
Chief Operating Officer



Prof. Awad Al Omari
Chief Medical Officer &
CEO of Critical Care Co.



Prof. Abdullah Al Herbish
Senior Vice President,
Physicians Affairs



Prof. Sulaiman Al Majed
Senior Vice President,
Medical Affairs

CORPORATE FUNCTIONS



Mr. Hesham Al Habib
Chief Business
Development & Strategy



Mr. Saud Al Arifi
Vice President,
General Counsel of
the Group



Mr. Mustapha Al Aoui
Vice President,
Supply Chain



Mr. Badr Al Rowaili
Vice President,
Human Resources



Ms. Emmeline Roodenburg
Vice President,
Strategy



Dr. Riyadh Al Atiqi
General Director
Pharmacy Company



Eng. Abdulelah Al Mayman
CEO of Cloud
Solutions



Mr. Riyadh Bajodah
CEO of Taswyat Co.



Eng. Abdullah Al Sudias
CEO of Primary
Healthcare Co.



Eng. Feras Al Humayed
CEO of Flow
Medical Solutions



Mr. Vimal Subramanian
Head of Internal
Audit

A FULLY INTEGRATED HEALTHCARE SERVICES PROVIDER

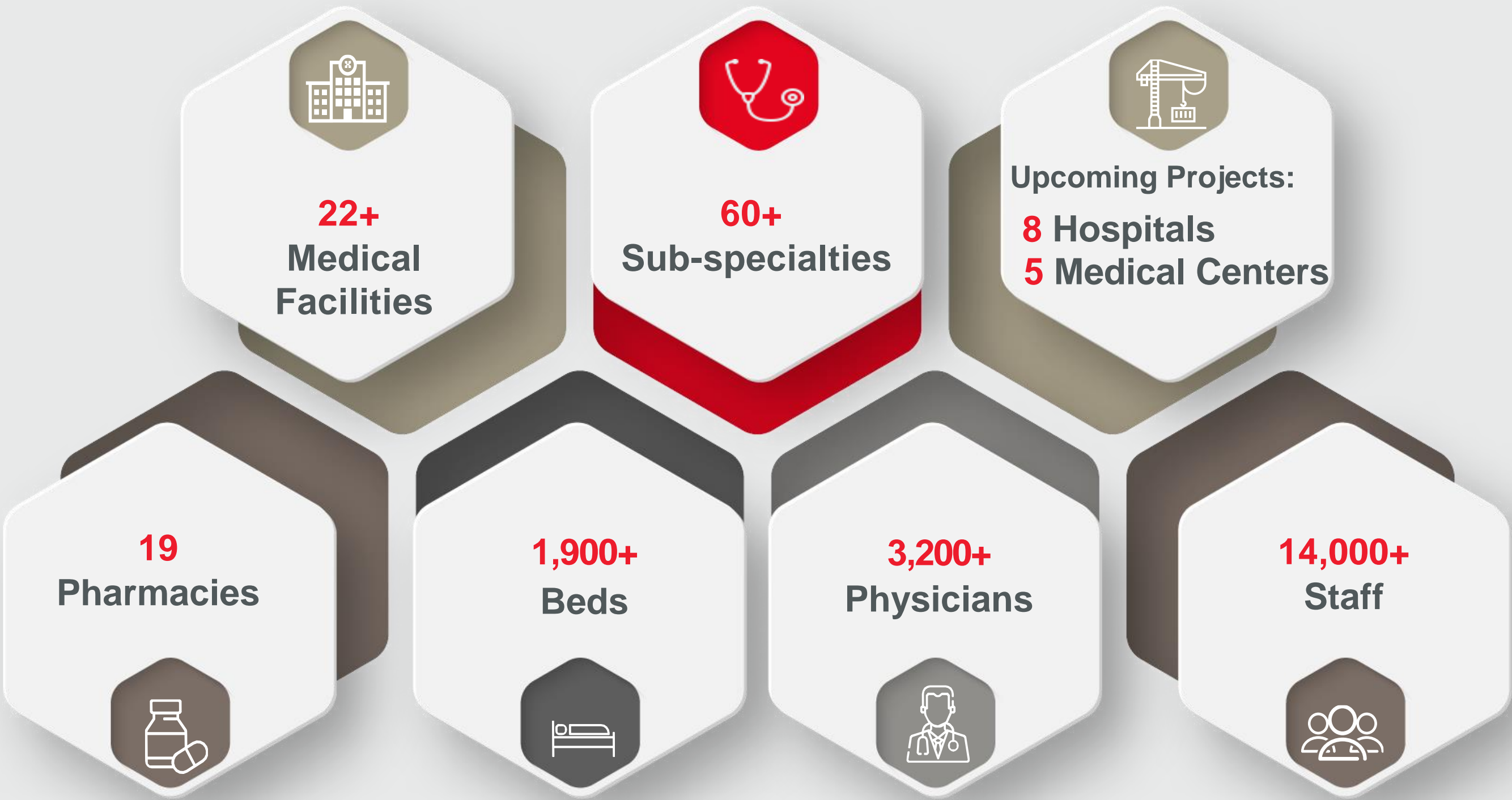
HMG is a diversified healthcare leader in the Middle East, recognized for comprehensive healthcare services, forward-thinking innovation and the best patient experience in the region.

Vision

To be the most trusted healthcare provider in medical excellence and patient experience globally.

Mission

To develop and operate state of the art medical facilities and provide innovative healthcare services to create value for people.





OUR STRATEGY

Our well-defined growth strategy enhanced by our core values

Our Pillar



Strengthening our core

Drivers: Human capital, cutting-edge technology and operational efficiency

Outcomes: Patient centric healthcare



Expanding our reach

Drivers: Central region, other major Saudi cities, wider GCC

Outcomes: Organic growth while considering inorganic opportunities



Broadening our services

Drivers: Design and develop, operate and manage, digital healthcare solutions

Outcomes: Creation of new business lines

Our Value



Integrity



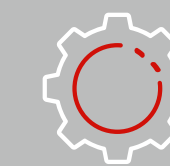
Care for
Patients



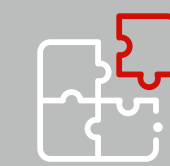
Safety



Teamwork



Effectiveness



Excellence
and Quality

KEY MESSAGE

Strategic pillars underpin our drive to deliver best-in-class healthcare services



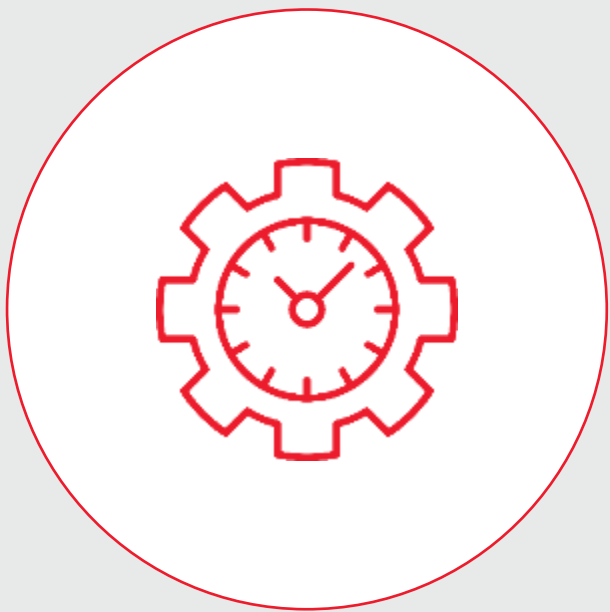
Best-in-class

- Regional integrated healthcare provider with **25+ year track record**
- **Resilient revenues** and **stable gross margins** supported by economies of scale, strong cash flow management and healthy balance sheet
- **Defined strategy** to strengthen core, expand reach and broadening the services



Catalysts for value creation

- **Technology:** Pioneer in healthcare technology, award-winning hospital information system (HIS) & other 15 Technology Products
- **Robust expansion plan:** : 8 new hospitals under construction and expansion. In addition to 5 new Medical Centers to be opened
- **Supporting medical community:** Heavily invested in creating an enabling environment conducive to research, innovation and scientific creativity in the Kingdom, in line with the objectives of the 2030 Vision



Efficiency drivers

- **Efficient cash conversion cycle:** shortest CCC in the industry, proactive collection process
- **Cost efficiency:** economies of scale and cost efficiency on a growing patient volume base
- **Technology to drive operational efficiency:** best in class HIS, patients and physicians apps and rapidly growing business solutions including special focus on automation of services

BUSINESS MODEL

Through our vertically integrated business model, we are committed to create sustainable value for our stakeholders

OUR KEY STRENGTHS



Leading Brand in Prime Locations



Cutting-edge Technology



Strategic Relationships and In-house Expertise



Reputation for Medical Excellence



Experienced Management and Qualified Health Practitioners

WHAT WE DO



Facilities and services



Digital healthcare solutions



Design, develop and operate

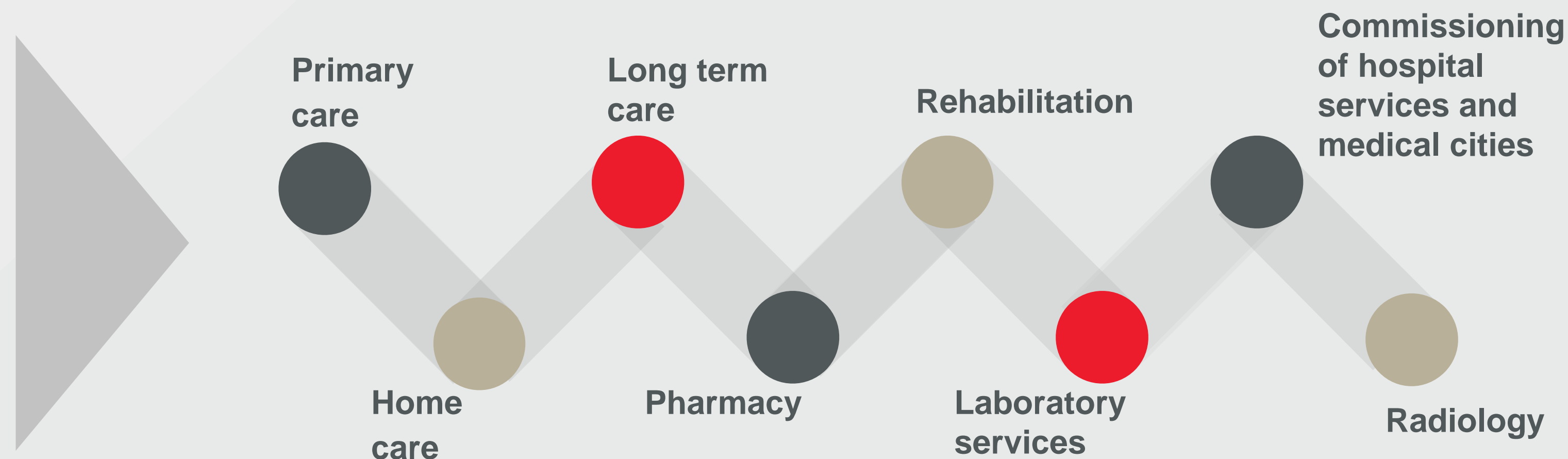
HOW WE MAXIMISE VALUE

- 01 Patient-centric approach
- 02 Continuum of care
- 03 Value engineering
- 04 Sound risk management
- 05 Adapting to change

OUR CONTRIBUTION TO THE GOALS OF VISION 2030



Areas of focus for privatization



How has HMG positioned itself to participate?

Public-Private Partnership (PPP)

- HMG operates **MoH Medical Center in Qassim**, in line with Saudi Government's mandate for deeper PPP

Solutions

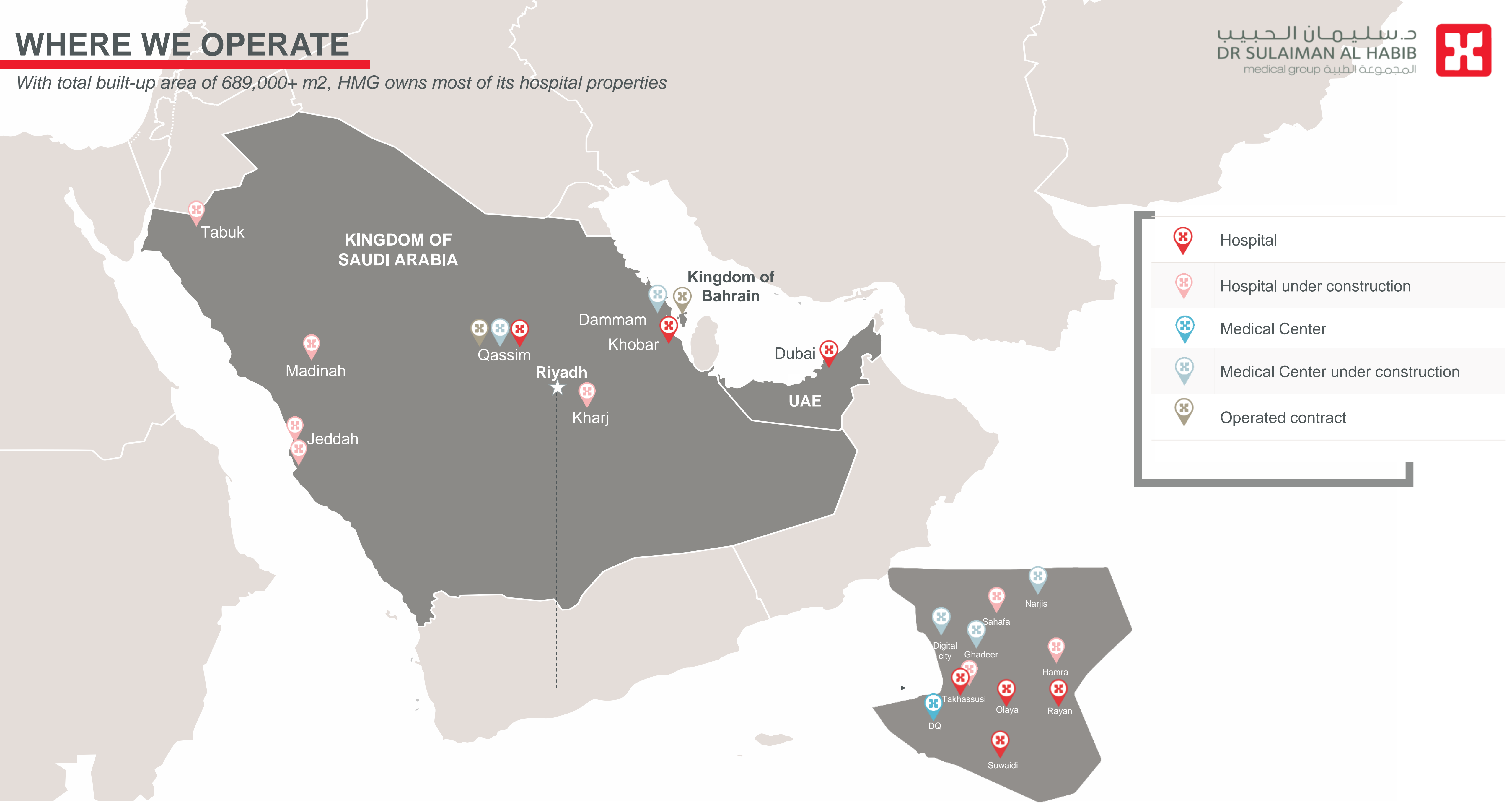
- Implemented VIDA in **40+ MoH** facilities
- Management, operation and maintenance of **PACS** infrastructure systems in **11 hospitals**
- Implemented Vidaptor in **40+ MoH** facilities

Home Healthcare

- Providing home healthcare services to **General Department of Medical Services at the Ministry of Interior**.

WHERE WE OPERATE

With total built-up area of 689,000+ m2, HMG owns most of its hospital properties



OUR STORY

Committed to growth and world-class healthcare across our ever-expanding network



Olaya Medical Complex

Opened	1995 (OPD)
Beds	260
BUA	69,098 m2



Dubai Hospital

Opened	2007 (OPD)
Beds	151
BUA	42,920 m2



Qassim Hospital

Opened	2009
Beds	172
BUA	31,000 m2



Rayan Hospital

Opened	2010
Beds	349
BUA	144,287 m2



University Medical Center in Bahrain

Operated	2011
Beds	16



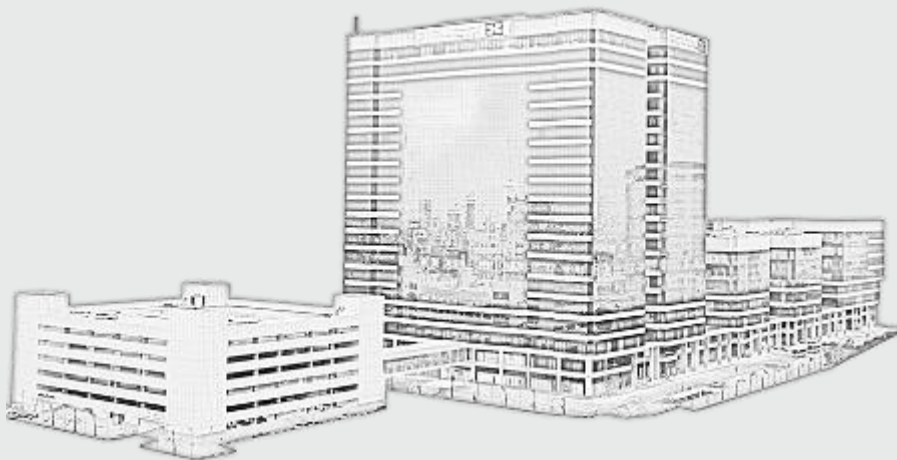
Takhassusi Hospital

Opened	2012
Beds	218
BUA	74,950 m2



Suwaidi Hospital

Opened	2016
Beds	305
BUA	116,000 m2



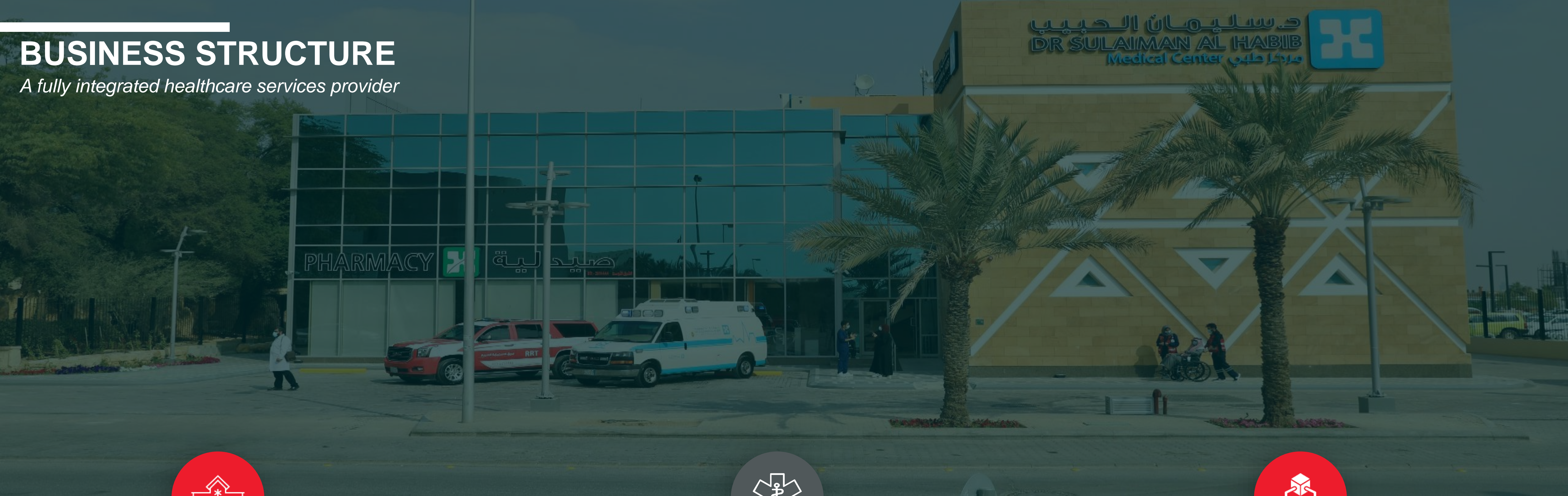
Khobar Hospital

Opened	2019
Beds	458
BUA	211,324 m²



Medical Center at the Diplomatic Quarter

Opened	2021
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BUSINESS STRUCTURE

A fully integrated healthcare services provider



Hospitals and Healthcare Facilities

- **22+ medical facilities** in Saudi Arabia and Dubai
- **1,900+** beds
- **1 Medical center** in Bahrain through management agreement



Pharmacies

- Outpatient pharmacies as part of the hospitals
- **19 Pharmacies** in Saudi Arabia and Dubai
- **E- pharmacy services**



HMG Solutions

- Cloud Solutions
- Home Healthcare
- Medical Diagnostic Laboratory (MD LAB)
- Flow Medical Solutions
- Taswyat
- Operating Contracts
- Design & Develop

HMG SOLUTIONS

Spearheading our expansion across
different aspects of the healthcare sector

Cloud Solutions

- Technology arm of HMG
- Pioneer in healthcare technology, award-winning hospital information system (HIS) marked under **VIDA** brand.
 - VIDA** is first-of-its-kind electronic portal that helps in storing and managing medical procedures, diagnostics, and analysis.
 - Integrates healthcare provision stages in a paperless environment.
 - Built using the industry’s best practices and healthcare standards such as HL 7, ICD 10, CPT.
 - Achieved HIMSS stage 7 accreditation in all HMG’s hospital in KSA.

50+
Digital hospitals

15
Products

30
International
partnerships

20+
Clients

15+ Years of experience
in deploying technology
solutions in healthcare
domain

40
University
student
internships

Cloud Solutions’ footprint





HMG SOLUTIONS (CONTINUED)

*Spearheading our expansion across
different aspects of the healthcare sector*

Home Healthcare

- Delivers home healthcare services
- Tele-consultation and remote care services
- Available to bed-ridden post-surgical and palliative care patients and with chronic diseases.

Medical Diagnostic Laboratory

- Provides a variety of advance laboratory services; a wide range of specialized tests

Flow Medical Solutions

- Integrated healthcare technology and technical solutions provider
- Manage sophisticated medical equipment

Taswyat

- Provide complete end-to-end healthcare Revenue Cycle Management services
- Provide claims review, processing and settlement, as well as operational, medical and financial data analysis

Operating Contracts

- Successfully conducted multiple PPP projects operating medical facilities across the Kingdom

Design and Develop

- Integrated solutions for project development, ranging from planning, designing, project management, construction and furnishing of medical facilities

PIONEER IN HEALTHCARE TECHNOLOGY

Better medical outcomes, exceptional patient experience, and advanced operational practices

TELE-MEDICINE SERVICES

Tele-Cardiology (Nabad 24 program)

- Designed to treat heart attacks remotely

Tele-ICU Center

- World record-breaking, working 24/7
- Provide continuous real-time monitoring of ICUs

Tele-stroke

- First facility in the region to use tele-medicine technology to rapidly diagnose and react to stroke remotely

Tele-radiology

- Improving efficiency and quality of care
- Central reporting 24/7

Tele-ER

- Provide audio and visual communication
- Support real-time emergency care

MEDICAL EXCELLENCE



PATIENT SAFETY

HMG artificial heart and lung program is one of many sophisticated services that increases our confidence in the advanced quality care we provide to our patients.



PATIENT EXPERIENCE

Introducing new services, such as fast track clinic for patients who need intravenous medications, has received wide acclaim from our patients.



STANDARDIZATION OF CARE

HMG works tirelessly to ensure that all services provided by HMG are standardized by meeting widely acceptable international standards.



PERFORMANCE AND EFFICIENCY

HMG significantly reduced the admission waiting time for our patients and ensured their timely discharge from our hospitals.



INNOVATION AND TECHNOLOGY

HMG remains focused on providing seamless, integrated medical experiences for our patients through procuring and implementing cutting edge innovative technology to provide optimum quality of care.



-Thank you-

Dr. Sulaiman Al Habib Medical Services Group (HMG)

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