



نبع الصحة
NABA ALSAHA

مستشفى نبع الصحة

نبع الصحة
NABAA ALSEHA



80 عيادة طبية متخصصة

خدمات طبية متكاملة تنتظركم

المالك: شركة نبع الصحة للخدمات الطبية



Annual Report for the Year Ending on December 31, 2022

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Preface

The Chairman and the members of the Board of Directors of Nabaa Al-Saha Medical Services Company are pleased to present to the shareholders the annual report that reflects the company's most important achievements and its financial position for the year ending on December 31, 2022.

The report was prepared in accordance with the requirements of the regulations of the Corporate Governance issued by the Saudi Stock Exchange Authority and the articles of association of the company, hoping that this report will reflect the aspirations of the shareholders towards further progress, with the blessings of Allah, the Grantor of success.

Chairman's Message

To our dear shareholders,

May the peace, blessings, and mercy of Allah be upon you:

On behalf of myself and the esteemed members of the Board of Directors, we share with you the annual report for the year 2022, which reviews the company's performance, activities, and expansion achievements that it witnessed during the year.

Based on the strategy adopted by the company in developing the performance of the health sector, the company has achieved an improvement in earnings per share by 4% compared to 2021, and the company has committed itself to implementing the development strategy, which led to horizontal and vertical expansion in the company's field of business.

In light of the continuous updates of the executive regulations issued by the Capital Market Authority, we affirm our commitment to the principles of governance and related internal and external control systems.

The company will continue to evaluate its activities in line with its strategy with the aim of strengthening its financial position to achieve the best results in the future.

I would like to take this opportunity to extend my sincere thanks to our esteemed shareholders for their confidence in their company, looking forward with you to more success and growth, and God is the Grantor of success.

Sincerely yours,
Abdul Wahab Al-Ajrourh

CEO's Message

To our dear shareholders,

May the peace, blessings, and mercy of Allah be upon you:

Praise be to God, who has enabled us to achieve outstanding performance despite the challenges. We succeeded in driving the company's growth forward, which was represented in an increase in revenues by 10% over the previous year. Thus, leading to an improvement in the company's profits and cash flows, which contributed to the stability of the company's financial position. This will enable us, God willing, to expand in the future to achieve the company's goals according to its development strategy.

Yours faithfully,

Nathir Mohammad Hassan Al-Jishi

About the Company:

The company was established in the city of Al-Khobar according to the articles of incorporation registered with the notary public assigned to the Chamber of Commerce and Industry in the Eastern Province No. 39460042 dated 03/25/1439 AH as a limited liability company, then it was transformed into a closed Saudi joint stock company under Ministerial Resolution No. Q / 90 dated 04/24/ 1440 AH, and then to a joint-stock company listed in the NOMW parallel market under Commercial Registration No. 2051065568, with a capital of 70 million Saudi riyals. The company, according to the articles of association, conducts its business through the following activities:

- Establishing, managing, and operating hospitals, clinics and medical centers
- Providing medical services.
- Maintenance and operation of buildings and residential complexes.
- Wholesale and retail trade in medicines, medical preparations, medical devices and equipment, and hospital supplies.
- Establishing, managing, and operating private colleges and institutes.
- Commercial agencies after registering each agency with the Ministry of Commerce and Investment.

The company has a Number of Branches:

- Al-Zahra General Hospital
- Manarat Al-Haramain Pharmacy
- Nabaa Al-Saha Medical Services Company Branch (maintenance and operation)
- Architectural constructions branch

Naba Alsaha achieved a remarkable milestones to stands with current status



The Company's Most Prominent Achievements for the Year 2022:

All the necessary licenses have been obtained for Riyadh Hospital, works have been started and are expected to be completed by 2026, God willing.

Company Mission

Commitment to providing integrated medical services of high quality through qualified personnel and the use of the latest technologies to ensure customer satisfaction

Company Vision

To be one of the best medical and support services companies in the Kingdom by adhering to the highest quality standards



Core Values

- : We and you are one team
- : We started strongly and are continuing with quality
- : Honesty our address
- : Transparency
- : There are no limits to our creativity
- : We have become distinguished by preserving our customers.
- : Our dream is pioneering
- * : It is by You and for You

The strengths and Competitive Advantages of the Company

- An integrated management team with operational experience spanning more than 38 years
- Stability and good profitability
- An ambitious company that has capabilities that help it expand through strategic planning and seizing opportunities
- Flexible strategy and plans that adapt to the constant changes in the health sector and also in line with Vision 2030; through the use of indicators for measurement and improvement
-

Company Strategy

- Increasing the company's share in the services market by taking advantage of the strong growth in the Kingdom's economy, in line with KSA's Vision 2030, which supports investment through unlimited support and loans.
- Developing and diversifying the company's sources of income through expanding business and improving its quality.
- Upgrading services according to the highest levels of quality, based on the experience of more than 38 years.

Board of Directors

Members of the Board of Directors and Secretary:

The company is managed by a board of directors consisting of (5) members elected by the general assembly of shareholders for a period not exceeding (3) years.

Name	Position	Membership Status	Independence	Membership Date
Abdul Wahab Muhammad Saad Al-Ajroush	Chairman of the Board of Directors	Non-executive	Independent	14.07.2021
Nathir Muhammad Hassan Abdullah Al-Jishi	Vice Chairman and Chief Executive Officer	Executive	Dependent	14.07.2021
Nayef Mohammed Hassan Abdullah Al-Jishi	Member of the Board of Directors	Executive	Dependent	14.07.2021
Ahmed Saud Abdulaziz Shahini	Member of the Board of Directors	Non-executive	Independent	14.07.2021
Ali Ahmed Abdullah Al-Hollily	Member of the Board of Directors	Non-executive	Independent	14.07.2021
Heba Mohammad Hussein Al-Madawi	Board Secretary	-	-	06.10.2021

Biographies of the Members of the Board of Directors

Abdul Wahab Mohammad Saad Al-Ajroush	
Chairman of Board of Directors	Position
Bachelor of Accounting from King Saud University - Riyadh, Kingdom of Saudi Arabia, 1990.	Qualifications
Executive partner in Arsa Al Jazeera Business Solutions Company from 2016 to 2020 Assistant General Manager at Samba Financial Group from 1990 to 2016 Auditor Assistant at Ernst & Young from 1989 to 1990	Previous Working experience
Chairman of the Board of Directors of Health Spring Company for Medical Services since July 14, 2021 General Manager of Team of Experts and their partner for professional consulting General Manager of Azm Cosmic Information Technology Company	Current position

Nathir Mohammad Hassan Abdullah Al-Jishi	
Vice Chairman and Chief Executive Officer.	Position
Bachelor of Administrative Sciences from Sonoma State University, California - USA, 1989. Administrative Services Diploma from Samba Bank, Riyadh - Kingdom of Saudi Arabia, 1994.	Qualifications
Director General of Al-Amal Clinic in Qatif from 1998 to 2008 Manager in the Banking Services and Investments Group of Al-Jazira Bank from 1997 to 1998 General Manager of Al-Amal Clinic in Qatif from 1996 to 1997 Branch manager at Samba Bank from 1991 to 1996 An auditor at the Arab Bank from 1989 to 1991 Member of the National Health Committee - Council of Saudi Chambers Member of the Health Committee – Asharqia Chamber	Previous working experience
Vice Board of Directors of Health Spring Company for Medical Services since July 2021 CEO of Health Spring Company since 2019 Executive General Manager at Al-Zahra General Hospital since 2008	Current position

Biography

Nayef Mohammed Hassan Abdullah Al-Jishi	
Member of the Board of Directors and Director of Business Development	Position
Bachelor of Business Administration from King Fahd University of Petroleum and Minerals - Dhahran, Kingdom of Saudi Arabia ,in 2006 . Master of Brand Management from Brunel University, London - UK, in 2016	Qualifications
Business Development Manager at Nextcare Insurance Claims Company from 2017 to 2020 Partner and management consultant at Alfa International Management Consulting Company from 2009 to 2017 Partner and financial and administrative director in Alfa International Contracting Company from 2009 to 2011 Relationship Manager - Corporate Department at Samba Financial Group from 2006 to 2010 Member of the Finance Committee of the Asharqia Chamber from 2018 to 2022.	Previous working experience
Director of Business Development at Nabaa Al-Saha Medical Services Company since 2020 Member of the Board of Directors of the Alfa Saudi Equity Fund since 2018 Member of the Health Committee - Asharqia Chamber since 2022 Member of the National Health Committee - Council of Saudi Chambers since 2022	Current position

Biography

Ahmed Saud Abdel Aziz Shahini	
Member of the Board of Directors.	Position
Bachelor of Marketing from King Fahd University of Petroleum and Minerals ,Dhahran, Saudi Arabia, in 2006 Master of Business Administration from the Institute for Administrative Development (IMD), Switzerland, in 2017	Qualifications
General Manager at Shahini Distribution Company from 2016 to 2018 Director of Business Development at Shahini Distribution Company from 2011 to 2016 Sales Director at Shahini Distribution Company from 2009 to 2011 Branch manager at Shahini Distribution Company from 2007 to 2009 Supply Chain Coordinator at Procter & Gamble from 2006 to 2007 Member of the Board of Directors of the Saudi Boxing Federation from 2017 to 2021	Previous working experiences
Member of the Board of Directors of Al-Khair Industries Company for Inorganic Chemicals since 2021 Member of the Board of Directors of Shahini Holding Group since 2020 Member of the Board of Directors of the National Agricultural Development Company (NADEC) since 2022	current positions

Biography

Ali Ahmed Abdullah Al-Halili	
Member of the Board of Directors	Position
Bachelor of Accounting from King Saud University ,Riyadh, Kingdom of Saudi Arabia, in 1980	Qualifications
Head of the Risk Management Group at the Arab Bank from 2006 to 2018 Member of the Board of Directors and Chairman of the Audit Committee at the Saudi Credit Bureau (SIMAH) from 2014 to 2017 Head of Credit Risk Management at the Arab Bank from 2002 to 2006 Senior Executive - Internal Audit at SABB Bank from 1998 to 2002 Senior Manager for Corporate Banking Services in the Eastern Region at SABB Bank from 1991 to 1998 Director of Corporate Banking Services in the Eastern Region at SABB Bank from 1989 to 1991 Held various administrative positions in the main branches and regional office of SABB Bank, including Branch Manager, Deputy Credit Manager, Import and Export Manager, Deputy Manager (Operations) and Marketing Manager from 1983 to 1989 Lecturer in Accounting at King Saud University from 1980 to 1981	Previous working experience

Record of Board Meetings

16.12.2022	22.11.2022	11.09.2022	26.04.2022	Designation	Name
√	√	√	√	Chairman of the Board of Directors	Abdul Wahab Al-Ajroush
√	√	√	√	Vice President	Nathir Al-Jishi
√	√	√	√	Member	Nayef Al-Jishi
√	√	√	√	Member	Ali Al-Holily
-	√	√	√	Member	Ahmed Shahini

Board Vision

The company's entity is based on investment in the Health Care Sector and community service, as the Health Sector is considered one of the most important and largest developmental sectors. Here, the company's Board of Directors worked to raise the company's efficiency and move it forward towards a promising future, bearing in mind KSA 2030 Vision, which promises growth of the Health Sector revenues, which serves the national economy and in turn the interests of the shareholders.

Responsibilities of the Chairman of the Board of Directors

- Ensuring that the Board enjoys sufficient support and provides it with all the necessary, complete, clear, correct, and non-misleading information in a timely manner that helps in making decisions effectively and soundly.
- Ensure that the Council discusses basic and critical issues without delay and takes appropriate decisions related to those issues in a timely manner.
- Representing the company before third parties in accordance with the provisions of the Companies Law, its implementing regulations, and the company's articles of association.
- Enabling and encouraging the members of the Board to exercise their duties effectively, to participate fully in the work and activities of the Board, and to ensure that the Board works as one team in the interest of the company.
- Ensuring the existence of channels for effective communication with shareholders allowing them to communicate and discuss their views with the Board
- Encouraging constructive relations, effective participation between both the Board and the executive management and between executive, non-executive and independent members; creating a culture that encourages constructive criticism.
- Setting the agenda for the Board meetings at the beginning of the year, including the business and topics that will be discussed during this year, taking into account any and all issues raised by a member of the Board or raised by the auditor, consulting with members of the Board and the Executive General Manager when preparing the Board's agenda.
- Calling council meetings and presiding over its sessions or authorizing one of its members to do so.
- Presiding over the ordinary and extraordinary general assembly meetings of the company's shareholders or authorizing a member of the board to do so.

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- Ratification of the Council's decisions and the extracts taken from them, or authorizing others with such authorization.
 - Holding meetings periodically with non-executive board members without the presence of any executive(s).
 - Informing the Ordinary General Assembly, when it convenes, of the business and contracts in which a member of the Board has a direct or indirect interest, provided that this notification includes the information provided by the member to the Board in accordance with Paragraph (14) of Article (30) of the Corporate Governance Regulations issued by the Authority, and that this is accompanied by reporting a special report from the company's external auditor.
 - Ensure compliance with all relevant laws and regulations of the country and work in accordance with the company's Articles of Association and other agreements in order to ensure the validity and effectiveness of the Board's meetings and decisions.
 - Balance in encouraging discussions and asking questions within meetings, pushing them towards reaching important and sound decisions in a reasonable period and a relatively short time.
 - Supervising the formation of all committees emanating from the Council.
 - Work continuously to develop the Council; enhance the skills of members, raise awareness and knowledge, raise participation, team spirit, and teamwork.
 - Providing shareholders with the company's financial statements, the board of directors' report, and the auditor's report, unless they are published in a daily newspaper distributed at the company's headquarters. The Chairman should also send a copy of these documents to the Ministry of Commerce and the Authority at least fifteen days prior to the date of the General Assembly meeting.
 - The Vice-Chairman of the Council shall assume the duties of the Chairman in his absence, except for what The Chairman assigns exclusively to himself.

Responsibilities of the Members of the Board of Directors

- Each member shall abide by the principles of honesty, trustworthiness, loyalty, care and concern for the interests of the company and the shareholders, prioritizing them over his personal interest.
- Submit proposals to develop the company's strategy.
- Monitoring the performance of the executive management and the extent to which it achieves the company's goals and objectives.
- Review reports on the company's performance.
- Verify the integrity and accuracy of the company's financial statements and information.
- Verify that the company's financial control and risk management systems are strong.
- Determine the appropriate levels of remuneration for members of the executive management.
- Express opinions on the appointment and dismissal of members of the executive management.
- Participate in developing a succession and replacement plan for the company's executive positions.
- Full compliance with the provisions of the Companies Law, the Capital Market Law, their implementing regulations, relevant laws, and the Articles of Association when

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- exercising membership duties on the Board, and refraining from doing or participating in any act that constitutes an abuse of the management of the company's affairs.
- Attending the meetings of the Council and the General Assembly and not being absent from them except for a legitimate excuse notified to the Chairman of the Council in advance or for urgent reasons.
 - Allocate sufficient time to understand responsibilities, prepare for the meetings of the Board and its committees, and participate in them effectively, including asking relevant questions and discussing with the senior executives of the company.
 - Review and understand the proceedings and recordings of the Board meetings, request clarification of any unclear point(s) in those proceedings, study and analyze information related to the topics considered by the Board of Directors before expressing an opinion on them.
 - Enabling other members of the Board to express their opinions freely and urging the Board to discuss issues and seek the opinions of specialists from among the members of the executive management of the company and others if the need arises.
 - Informing the Board completely and immediately of any direct or indirect interest the member has in the business and contracts that are made for the account of the company, and that notification includes the nature and limits of that interest, the names of any persons concerned with it, and the expected benefit to be obtained directly or indirectly from that interest. Whether that interest is financial or non-financial, that member shall not participate in voting on any decision issued in this regard, in accordance with the provisions of the Companies Law ,the Capital Market Law and their implementing regulations.
 - Inform the Board fully and immediately of his/her direct or indirect participation in any business that would compete with the company, directly or indirectly, in one of the branches of the activity it is engaged in, in accordance with the provisions of the Companies Law, the Capital Market Law and their implementing regulations.
 - Not to broadcast or divulge any secrets the member has come across through his/her membership in the Board to any of the company's shareholders or to third parties, unless that was during the meetings of the General Assembly, to be careful not to exploit the company's policies to his personal interest, and to disclose any activity that conflicts with the interests of the company.
 - Work based on complete information and in good faith, while exerting the necessary care and attention for the interest of the company and all shareholders.
 - Realizing his/her duties, roles and responsibilities arising from membership.
 - Developing his/her knowledge in the field of the company's activities and business and in the related financial, commercial and industrial fields.
 - Resignation from the membership of the Council in the event that the member is unable to fully fulfill his duties in the Council.
 - Express an independent opinion on strategic issues, the company's policies, performance, and appoint members of the executive management.
 - Ensure that the interests of the company and its shareholders are taken into account and presented in the event of any conflict of interest.
 - Supervising the development of corporate governance rules and monitoring the implementation of the executive management thereof.

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- Make sure to attend all meetings in which important and fundamental decisions are taken that affect the status of the company.
 - Communicate and participate effectively in the discussions and deliberations of the meetings and gatherings of the Board, and show that he/she has the desire to work in a team and group spirit in making decisions.
 - Acknowledgment that consensus may be critical to reaching agreement on a particular issue or decision.
 - Understanding and awareness of the legislation, topics, and issues that affect the work and responsibilities of the Council.
 - Understanding and recognizing that the power and authority is for the Council as a whole and not for individual members.
 - Willingness to accept any assignment asked of him by the Council, implement it, do it well ,and commit to delivering his/her work on time.
 - Participate effectively in discussing issues before the Board, in making decisions, in verifying that the company's policies have been developed and clearly defined and, ensure that the Board is working towards implementing them.
 - Verifying that the company complies with its articles of association and applicable government laws and regulations as well as working to enhance and safeguard the company's image.
 - Members of the Board should be fully aware of the developments taking place in the company's business, the market, and with regard to laws and legislation in order to identify obstacles that may hinder the company from achieving its goals.
 - Maintain the confidentiality of information and ensure that the company's policy is not directed to his personal interest and disclose any activity that conflicts with the interests of the company.
 - Familiarity with the company's mission, objectives, and being aware of the company's programs and implementation plans.

Responsibilities of the Secretary of the Board

- Attending Council meetings and writing down its deliberations.
- Documentation of Board meetings.
- Save the reports submitted to the Council and the reports prepared by the Council.
- Providing the members of the Council with the Council's agenda, working papers, documents and information related to it, and any additional documents or information requested by any of the Council members related to the topics included in the meeting's agenda.
- Verifying that the members adhere to the procedures approved by the Board.
- Informing members of the dates of Board meetings.
- Verifying that the members have fully and promptly obtained a copy of the proceedings of the Board meetings, information and documents related to the company.
- Handling coordination among members.
- Organizing the disclosure record of members and the executive management in accordance with the provisions of Article (92) of the Corporate Governance Regulations.
- Providing assistance and advice to members.
- Maintaining the confidentiality of information and all documents of the Board.

- Handling shareholders' assemblies and other related documents.

Review Committee

- To ensure the availability of a control and investigation mechanism in order to support the accuracy and integrity of the reports issued by the company, its lists, and financial statements.
- Ensure the integrity and efficiency of the internal control systems and ensure the company's compliance with the applicable laws and regulations as well as supervising the company's business.
- The commission generally possesses the power to audit and review any activity that falls within its jurisdiction or any other tasks that the Board of Directors may specifically request.
- The committee has the right to review all records and deal with the employees of Health Spring Company for Medical Services (including the Internal Audit) and the External Auditors without restrictions.
- The Board of Directors authorizes the Committee to obtain external legal advice or other independent legal service as necessary to assist the Committee in the performance of its work.

In order to ensure the independence of the work of the Audit Committee, there are direct channels of communication with the head of the Internal Audit and the External Auditors, where they can communicate directly with the Audit Committee without any intermediary.

Audit Committee Members

Designation	Name
Chairman of the Audit Committee	Ali Ahmed Abdullah Al-Holily
Member	Majed Adnan Mohammed Al-Awami
Member	Muhammad Iqbal Ali Al-Qudaihi
Secretary	Mr. Ahamad Hussein Bouhlaïqa

Record of the Audit Committee Meetings

21/12/2022	05/11/2022	21/09/2022	23/06/2022	Designation	Name
√	√	√	√	Chairman of the Committee	Ali Al-Holily
√	√	√	√	Member	Majid Al-Awami
√	√	√	√	Member	Muhammad Al-Qudaihi
√	√	√	√	Secretary	Ahmed Bouhlaïqa

Internal Audit Department

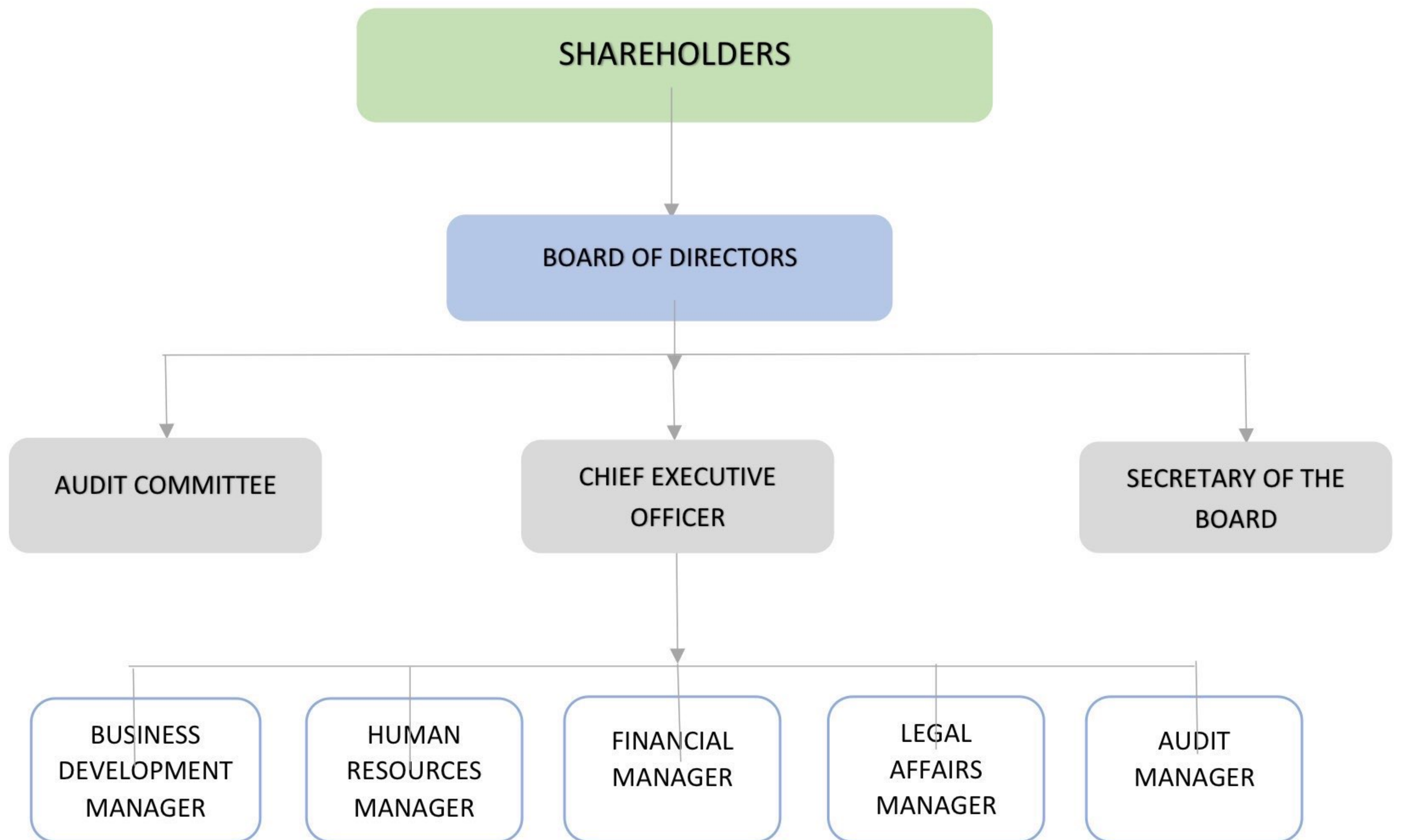
Internal Audit is an objective and independent assurance and advisory activity with the purpose of improving the company's operations and adding value to them. The internal Audit assists the company in achieving its objectives by providing regular input to evaluate and improve the effectiveness of the control systems and the processes involved in the control performance of the company. The company's Internal Audit Department has implemented many periodic and special audits, focusing on high-risk activities and functions with the objective of raising the efficiency and effectiveness of the company's operations, noting that the necessary measures have been taken to follow up most of the observations included in the Internal Audit reports in order to verify that the necessary corrective measures have been taken.

The Opinion of the Company's External Auditor on the Annual Financial Statements

According to what was stated in the report of the External Auditor of the company, Messrs. / Dr. Mohammad Al-Amri and Partners Company, which stated the result of the audit after auditing the annual financial statements of the company for the year ending on December 31, 2022, as follows:

“The company's financial statements fairly present, in all material respects, that the company's financial position as of December 31, 2022, its financial performance and its cash flows for the year ending on that date, are in accordance with the International Financial Reporting Standards approved in the Kingdom of Saudi Arabia and other standards and publications accredited by the Saudi Organization for Certified Public Accountants”.

The Company's Organizational Structure



Rewards for the Members of the Board and the Audit Committee
Board Members Remuneration

Total	Total Attendance Allowance	The Number of Meetings Attended	Attendance Allowance for each Meeting	Due for the Year 2022	Equivalent Annually	Designation	Name
132,000	12,000	4	3,000	120,000	120,000	Chairman of Board of Directors	Abdul Wahab Al-Ajroush
102,000	12,000	4	3,000	90,000	90,000	Vice President	Nathir Al-Jishi
102,000	12,000	4	3,000	90,000	90,000	Member	Nayef Al-Jishi
102,000	12,000	4	3,000	90,000	90,000	Member	Ali Al-Holily
99,000	9,000	3	3,000	90,000	90,000	Member	Ahmed Shahini
4,500	4,500	3	1,500	-	-	Board Secretary	Heba Al-Madawi

Audit Committee Members' Remuneration

Total	Total Attendance Allowance	The Number of Meetings Attended	Attendance Allowance for each Meeting	Due for the Year 2022	Equivalent Annually	Designation	Name
72,000	12,000	4	3,000	60,000	60,000	Chairman of the Committee	Ali Al-Holily
72,000	12,000	4	3,000	60,000	60,000	Member	Majid Al-Awami
72,000	12,000	4	3,000	60,000	60,000	Member	Muhammad Al-Qudaihi
6,000	6,000	4	1,500	-	-	Secretary	Ahmed Bouhlaqa

Shareholders' Equity:

The Articles of Association of the Health Spring Company for Medical Services and its governance regulations guarantee that shareholders obtain all their rights related to shares, especially their right to obtain a share of the agreed dividends, their right to obtain a share of the company's assets upon liquidation, and the right to attend the meetings of the General Assembly of shareholders (participation in its discussions and voting on its decisions), the right to dispose of shares, the right to supervise the work of the Board of Directors, and the right to inquire and request information provided that it does not affect

the interests of the company or conflict with the provisions of the Capital Market Authority and its implementing regulations. The company allows the participation of the maximum number of its shareholders in the meetings of the General Assembly and is keen to ensure that the place and time are chosen to allow for full participation. The Company's Articles of Association and its corporate governance regulations stipulate the provisions related to the General Assembly of shareholders, which include the necessary precautionary measures and steps to ensure that all shareholders exercise their rights on a regular basis. In addition to the possibility of holding meetings of the General Assembly through the means of modern technologies. The General Assembly of shareholders is the highest authority in the company, and its exclusive powers include appointing and terminating the members of the Board of Directors, approving the financial statements, appointing External Auditors and determining their fees, approving the percentage of dividend distribution in accordance with the recommendations of the Board of Directors, increasing or decreasing the company's capital, and amending the internal regulations and articles of association of the company. The company also allows shareholders to read the proceedings of the General Assembly meetings. Investor relations is the continuous channel of communication with investors and answers their questions during working days and is considered as a mutual channel of communication between investors and the company's Board of Directors and Executive Management.

Financial Performance

Summary of Income Statement

The Year ended 31/12/2022

(Figures in millions Saudi Riyals)

	2022	2021	Growth %
Revenue	129.68	117.68	10.2%
Gross Profit	51.64	46.80	10.3%
Operating Income	28.31	26.97	5.0%
Net Income after Zakat	26.92	25.83	4.2%

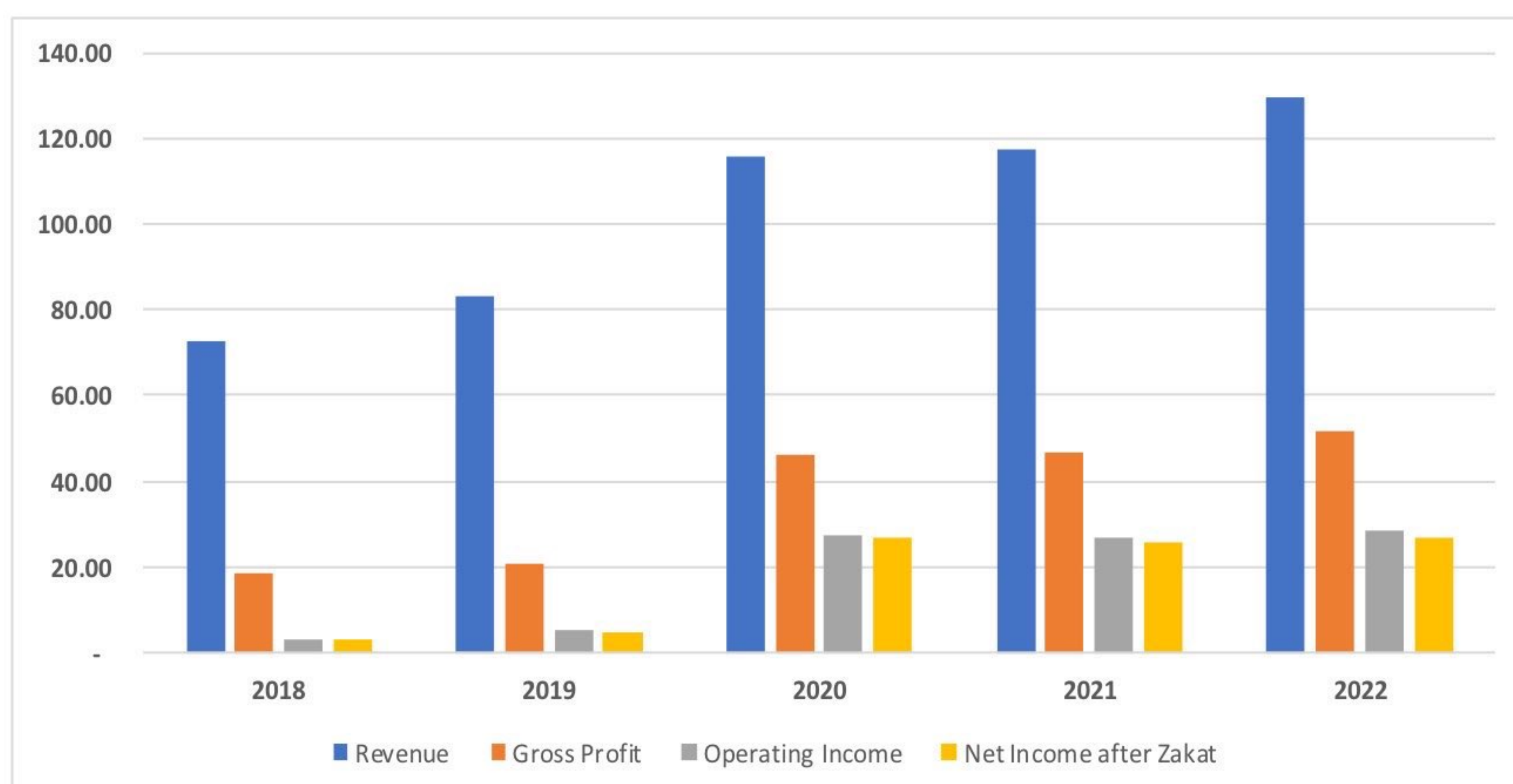
The revenues witnessed an increase of 10.2% from SR 117.68 in 2021 to SR 129.68 in 2022

The gross profit increased by 10.3% compared with last year also the operating income by 5% and Net income recorded increases of 4.2%

The below table depicts summary of the last five years performance (2018 to 2022)

	2018	2019	2020	2021	2022
Revenue	72.43	82.97	115.68	117.68	129.68
Gross Profit	18.70	20.60	45.93	46.80	51.64
Operating Income	3.09	5.08	27.65	26.97	28.31
Net Income after Zakat	2.91	4.93	26.65	25.83	26.92

The below Chart shows the five years performance from 2018 to 2022



Shareholders Equity

The audited Financial Statement as of 31/12/2022 contains the statement of changes in Equity and the below table shows the Growth in Shareholders Equity throughout the last

Five Years 2018--2021
(amounts in SR millions)

	2018	2019	2020	2021	2022
Share Capital	25.00	25.00	70.00	70.00	70.00
Statutory Reserve	4.42	4.91	7.59	10.17	12.86
Other Reserves	0.61	0.72	0.70	1.44	1.67
Retained Earnings	20.54	22.28	0.11	21.26	45.49
Total Shareholders Equity	50.57	52.92	78.40	102.86	130.02

Statement of Financial Position Summary

Values in millions Saudi Riyals

	2018	2019	2020	2021	2022
Total Assets	76.10	74.46	145.39	158.14	170.50
Total Liabilities	25.53	21.54	66.99	55.28	40.48
Total Shareholders Equity	50.57	52.92	78.40	102.86	130.02

Financial Position changes over Five Years 2018--2022



Statement of Cash flows

The below table shows the summarized statement of cash flows for the five years 2018 to 2022

Values in SR millions

	2018	2019	2020	2021	2022
Net Cash generated from operating activities	5.23	7.47	6.04	30.74	35.50
Net Cash used in investing activities	(6.89)	(4.40)	(39.64)	(10.36)	(13.88)
Net Cash used in financing activities	(4.60)	(4.65)	31.39	(15.17)	(14.79)
Net Change in cash	(6.29)	(1.58)	(2.21)	5.21	6.83
Cash at beginning of the Year	11.84	5.58	4.00	1.79	6.99
Cash at end of the Year	5.58	4.00	1.79	6.99	13.83

Earning per Share (EPS)

	2022	2021
Earning per Share (EPS)	3.85	3.69

Quality Improvement Program

The company is committed to providing high-quality health care services to patients by following the best standards of medical services. The company seeks to continuously improve the quality system in its hospital beyond the requirements of health care quality standards and patient safety. The Board of Directors confirms that the company has all licenses and approvals necessary to conduct its activities, to that end, Al-Zahra General Hospital is certified by the Central Board for Accreditation of Healthcare Facilities (CBAHI) and has the International Certificate of Accreditation for Quality and Safety of Food Services (HACCP).

The company's management has also developed a future plan to obtain a group of other international accreditations.

Community Participation:

Conducting a number of activities and events that serve the community. These community activities can be classified as follows:

Internal activities:

These are the activities and events that take place inside the hospital building according to the WHO calendar, for example:

1. International Day for the Elderly
2. World Diabetes Day in June
3. World Breastfeeding Day in January
4. World Asthma Day in July

External Activities:

1. Community Education - Al Baraha Festival
2. Community Education - Bustan Tarut Festival

Corporate Social Responsibility Initiatives

1. Supporting licensed and approved charities to achieve their goals and support the community through several initiatives in various fields as part of the social responsibility strategy and the objectives of the Kingdom's Vision 2030 programs.
2. Participation with the Qatif Charitable Association to train and qualify national cadres for the labor market

Education and Training Programs

The Department of Education and Training contributed to the development of the capabilities of all employees of the company, moreover, it works to create and enhance

training programs to meet the requirements of manpower plans and contribute to the national growth of healthcare practitioners. From this point of view, the Education and Training Department plays a major role in working to achieve the vision and mission of the company to be a leading company through education, training and research. The department offers many projects, including:

1. Weekly lectures given by all cadres in their various disciplines
2. Conferences and workshops
3. Cardiopulmonary resuscitation programs (BLS, ACLS, PALS & ATLS)

Thanks and Appreciation:

The Board of Directors of the company extends its sincere thanks to all the company's employees, shareholders, customers, suppliers and government agencies for their continuous support, which has the greatest impact on the continuation of the outstanding performance of the company.

