



Press Release
Financial Results: Period ending 31 March 2021

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Dr. Sulaiman Al Habib Medical Services Group (HMG) reports Q1 2021 net income growth of 29.36%

- Q1 revenue of SAR 1,694.79 grew 26.16% year-on-year.
- The Group launched its first Primary Care Medical Center in Riyadh's Diplomatic Quarter

Riyadh, Saudi Arabia, 25 April 2021: Dr. Sulaiman Al Habib Medical Services Group ("HMG", the "Company" or the "Group"), Saudi Arabia's largest private medical services provider, has announced its financial results for the 3-month period ended 31 March 2021.

First quarter revenue increased by 26.16% year-on-year to SAR 1,694.79 million, driven by revenue growth across all the Group's segments.

Revenue growth for Q1-21 was mainly driven by hospital segment, due to the increase in both numbers of patients and the increase in inpatient occupancy in addition to Khobar Hospital revenue growth. Hospital segment growth was positively reflected in the increase in pharmacy segment sales revenue as well, in addition to the increase in HMG solutions segment revenue as compared to the corresponding quarter of the previous year.

EBITDA has increased reaching SAR 445.89 million, with an increase of 26.22%, while the group continue to maintain EBITDA margin at 26.31%.

First quarter net income grew 29.36% year-on-year, to reach approximately SAR 319.00 million. Growth was driven by the growth in revenues and focus on operation efficiency, in addition to the increase in both the numbers of patients and the increase in inpatient occupancy, and to the acceleration of growth in Al-Khobar Hospital during Q1-21 compared to the corresponding quarter of the previous year.

Dr. Sulaiman Al Habib, Chairman of the Board of Directors at HMG, commented:

"We achieved strong results in the first quarter of the year as we continue to grow the number of patients we serve and the services we provide, and we remained committed to our strategic pillars, maintaining our growth momentum and the sustainability of our business, while continuing to accelerate innovation and increase efficiencies across the Group".

Dr. Al Habib added: During Q1-21, we were proud to officially commence operations our Primary Care Medical Center at *Riyadh's Diplomatic Quarter under the name of "Dr. Sulaiman Al Habib (Medical Center)"*. This project is part of a series of major investment projects for the Group that reflect our strategy to expand our reach, strengthen our operating model and diversify our services. Our footprint in Riyadh is already extensive, and we are pleased to now have a permanent presence in this strategic location in the Diplomatic Quarter".



He continued: “We are also proud to have contributed to *the Kingdom’s* vaccination drive, providing vaccines supplied by the Ministry of Health to patients free to everyone across the Kingdom. We will continue to support these efforts and to provide essential treatment for Covid-19 patients”.

Dr. Al Habib concluded: “Our healthcare excellence technology solutions continued to play a vital role in our growth and in our ability to serve patients efficiently. This quarter we expanded our Rapid Response Team services and continued to introduce new technologies across operations. Our strategic growth plans remain on track across four new hospital projects in Riyadh and Jeddah.”

Financial and operating highlights: Period ending 31 March 2021

Financials

- Year-on-year revenue growth of 26.16% to SAR 1,694.79 million
- EBITDA grew 26.22% to reach SAR 445.89 million, EBITDA margin improved to reach 26.31%
- Net income grew 29.36% to SAR 319.00 million, at a margin of 18.82%

Operations

- Growth in volumes continued in the first quarter.
- Total HMG mobile application downloads exceeded more than 1.1 million downloads, increased by 48%
- Expanded Rapid Response Team to provide diagnosis and treatment of strokes remotely



Summary Financials (ended 31 March 2021)

| BALANCE SHEET (SAR million) | Q1 2021 | Q1 2020 |
|------------------------------------------|---------|---------|
| Current Assets | 4,157.7 | 3,415.1 |
| Investments | 42.5 | 39.2 |
| Fixed Assets | 5,742.7 | 5,127.0 |
| Total Assets | 9,942.9 | 8,581.3 |
| Current Liabilities | 1,941.3 | 1,438.8 |
| Non-Current Liabilities | 2,809.3 | 2,318.6 |
| Shareholders' Equity | 5,014.7 | 4,636.4 |
| Non-controlling interests | 177.6 | 187.5 |
| Total Liabilities and Shareholder Equity | 9,942.9 | 8,581.3 |

| INCOME STATEMENT (SAR million) | Q1 2021 | Q1 2020 |
|------------------------------------------------------------------|--------------|--------------|
| Revenue | 1,694.8 | 1,343.3 |
| Cost of revenue | (1,145.4) | (943.4) |
| Gross profit | 549.4 | 399.9 |
| Selling and marketing expenses | (46.9) | (35.2) |
| G&A expenses | (152.9) | (106.1) |
| Operating income | 349.6 | 258.6 |
| Other income, net | 17.6 | 16.6 |
| Share in net income of associates | 2.6 | 0.2 |
| Finance charges | (11.9) | (15.5) |
| EBT and before non-controlling interests | 357.9 | 259.9 |
| Zakat | (38.2) | (22.9) |
| Income before non-controlling interests | 319.7 | 237.0 |
| Non-controlling interests | (0.7) | 9.6 |
| Net income (Attributable to Equity holders of the Parent) | 319.0 | 246.6 |

| CASH FLOW STATEMENT (SAR million) | Q1 2021 | Q1 2020 |
|----------------------------------------------------------|---------|---------|
| Net cash from operating activities | 424.7 | 476.3 |
| Net cash used in investing activities | (212.2) | (61.6) |
| Net cash from (used in) financing activities | 15.0 | (78.6) |
| Cash and cash equivalents at the beginning of the period | 2,339.3 | 1,196.7 |
| Cash and cash equivalents at the end of the period | 2,566.8 | 1,532.8 |

-Ends-



About HMG

Dr. Sulaiman Al Habib Medical Services Group (HMG) is a private integrated healthcare provider with a 25+year track record for developing and operating healthcare facilities, pharmacies and associated services in Saudi Arabia and the GCC. The Group's portfolio includes 7 hospitals in Saudi Arabia and the UAE, more than 1,900 beds and more than 1,370 clinics, one primary care medical centre, and managing 1 medical centre in Bahrain.

HMG is a GCC leader in healthcare solutions, technology and systems. The Group offers comprehensive healthcare that is patient centric and supported by investment in first-class human capital and medical research. HMG consistently achieves industry-leading satisfaction rates across its primary, secondary and tertiary services.

HMG is listed on Saudi Stock Exchange "Tadawul" (Symbol: SULAIMAN ALHABIB: 4013), and is Saudi Arabia's leading private healthcare provider.

Investor Relations & Media Enquiries

Haitham A. Al Shathri
Dr. Sulaiman Al Habib Medical Group
Tel: +966 11 525 9999 Ext: 4919
Email: Haitham.Shathri@drsulaimanalhabib.com
P.O. Box 301578
Riyadh 11372, Kingdom of Saudi Arabia
www.hmg.com