

CEO's Message

Pioneership Crafted by our People

6m+

Patients served

8,100+

Training hours

90%+

Physician retention rate



As HMG continues to drive its strategy of expansion and innovation, we will remember 2023 as a landmark year in which we not only set new financial and operational benchmarks, but also invested in our people more than ever. Their dedication and wholehearted commitment to outstanding healthcare provision has enabled the Group to achieve unprecedented progress and provided the platform for a new standard of care within the Kingdom.

Mr. Faisal Al Nassar
Group CEO and President



Our impact on the Saudi Arabian healthcare landscape increased substantially in 2023 as we expanded our presence by three medical centers and five pharmacies, providing wider communities with the most trusted and effective services in the Kingdom. The unrivalled reputation of our brand, the experience of our patients and the commitment of our people, ensured our new state-of-the-art facilities satisfied an increased demand for unparalleled care.

In addition to our launches, we continued to improve and refine our existing resources and facilities for greater efficiency and introduced more effective new processes and procedures. As a result, we witnessed a consistent and substantial year-on-year rise in patient numbers, culminating in a record figure of more than six million patients.

Our investment in healthcare technology has set new benchmarks in Saudi Arabia, as HMG introduced some of the most advanced medical diagnosis and treatment techniques in the industry. In 2023, our advances in digital health and artificial intelligence (AI) reaffirmed our status as a leader in innovation and a hub for patients needing specialist care.

In addition to providing world-class services to our patients, we consistently ensure their safety is a priority throughout their interaction with HMG. Through our cultures, processes, procedures, technology and environments, we minimize risks and recognize patient safety as a priority.

Our Stellar Financial Performance

Our financial performance was exceptional, with a top-line growth surpassing 14% and a remarkable surge of more than 24% in bottom-line profits. This highlights the swift expansion of our facilities and the operational effectiveness we have attained.

As a result of our exceptional performance, we increased the dividend to our shareholders from SAR 3.48 per share in 2022 to SAR 4.32 per share last year, marking a notable increase of 24%.

Drivers of the HMG Engine

Fundamental to HMG's success are the people who have an unwavering dedication to our vision and their profession. At all levels, they are consistent in their work ethics, innovative in their thinking and committed to their progress.

We operate within a culture of respect and equality, nurturing an environment where we acknowledge and celebrate each other's efforts and achievements. With a physician retention rate of more than 90%, it is evident that our people are appreciated and their contribution to our values is recognized.

The recruitment and development of our medical and non-medical workforce is essential to our ongoing growth and diversification and as the key drivers of the HMG brand, we have heavily invested in ongoing medical education and management training paths at all levels to nurture future leaders across the Group. In 2023, we provided more than 8,100 training hours and worked with international partners to upskill our employees and open new opportunities for career development.

In order to maximize their full potential, we have fostered an engaged and constructive workforce to promote and innovate their own ideas and concepts. Using their individual experiences to pioneer new practices, frontline physicians and their departmental managers have the scope to make our healthcare more efficient and more effective. At HMG, we own a remarkable team, and every contribution they provide enhances the quality of care we offer and the HMG brand we promote.

As an extension of their role as members of the HMG family, we believe colleagues can also be comrades, with informal activities in social gatherings to create even stronger ties with each other. A working relationship and social bond should not be mutually exclusive, and at HMG they are both cultivated and encouraged.

An invaluable and accurate gauge of our staff satisfaction is through our employee engagement survey, which, in 2023, resulted in the majority of participants describing the Group as a source of pride, with excellent leadership, timely compensation, cutting-edge technology, learning opportunities and flexible working conditions.

Maximizing our staff expertise, we are committed to expanding services to broader communities. Through a new strategic agreement with the Royal Commission for Jubail and Yanbu, we will construct and operate a healthcare project hospital in Jubail Industrial City. Furthermore, in a strategic partnership signed in 2023 with King Abdullah Economic City (KAEC), we will establish an advanced medical center to provide best-in-class integrated healthcare services to KAEC's residents and visitors.

CEO's Message (Continued)

The Changing Face of Innovative Medicine

Technology plays an expanding role in every aspect of our operations, opening a vast range of medical opportunities. As a leader in the healthcare industry, HMG has invested in the most advanced digital solutions and recruited the most talented practitioners who have prevented illnesses, saved lives and aided recovery. Their skills, and the technology that has been made available to them, have positioned HMG as the leading private healthcare innovator in Saudi Arabia with some of the best outcomes in the Kingdom.

We have long-established, highly successful innovation teams at HMG, who have spearheaded industry-changing technology. Furthermore, in our efforts to continuously evolve, the Group has launched the HMG Innovation Growth Hub (HIGH), a platform for all employees to bring their initiatives to the fore. This potentially opens the gateway for more than 17,000 colleagues to have their insight and concepts shared, evaluated, driven and potentially integrated into HMG operations. As we draw upon the experience of our frontline physicians, nurses, pharmacists and administrative employees, HIGH is a magnet for driving innovation and bringing ideas to life.

Cementing our status as a true pioneer and practitioner of medical exploration, in 2023, HMG became the first local private healthcare provider to use AI to detect breast cancer through mammogram readings, increasing the accuracy and speed of cancer diagnosis.

The use of our HMG App is accelerating at a phenomenal pace, with more than 550 million interactions in 2023 – from booking appointments to vital communications with physicians – from anywhere at any time through our Live Care service.

Bringing Care Closer to Home

Expanding our facilities, HMG inaugurated three new state-of-the-art medical centers in Riyadh, to provide our patients with a full spectrum of services, including immediate access to emergency care, women's health, pediatrics, general surgery, advanced diagnostics and more.

While our ever-increasing use of AI, robotics and tele-health continues to inspire our practitioners and provide exceptional services in our hospitals and healthcare facilities, our remote capabilities provide additional support to patients at home or in need of immediate assistance, including our vital Home Healthcare and Rapid Response Teams.

Furthermore, following our comprehensive integration of tele-medicine services, we expanded our Live Care services, launching additional 24-hour clinics covering all medical specialties.

As the second largest contributor to HMG's revenue, our pharmacies increased their profile even further. We have provided customers with more comprehensive, detailed, convenient and accessible services, expanding our network to 24 outlets, with the launch of five branches at Al Suwaidi, Al Takhassusi, Digital City, Al Narjis and Al Ghadeer.

In addition, through an outstanding effort to convert traditional services to digital technology, our pharmacies completed more than 197,000 transactions through the HMG App. Once again, the skills and expertise of our highly qualified HMG pharmacists have reimaged the sector.

In our HMG Solutions segment, Cloud Solutions became the only Saudi company to own local intellectual property rights to cover all healthcare organizations' needs. In recognition of its cutting-edge systems and its significant impact on the healthcare sector in the Middle East, Cloud Solutions was named the Best Digital Transformation Healthtech Company in Saudi Arabia 2023 by International Finance.

Our Medical Diagnostic Laboratories arm (MD LAB) delivered exceptional operational results, managing 19 satellite labs and processing more than 12.5 million tests, with 99.4% accuracy.

Our Home Healthcare Company (HHC) partnered with an insurance business to provide care for patients with severe medical conditions who were discharged from hospital but required continuous further care.

Flow's commitment to healthcare ecosystems and pioneering medical innovation resulted in a collaboration with IK Medical Solutions GmbH to launch Healet in 2023, offering customized, safe and sterile modular environments for a range of services including laboratories and patients' rooms.

Equipped with advanced technology and a broad team of skilled, licensed clinicians from various fields, Taswyat sustained its excellent performance.

Our Commitment to our Communities and the Kingdom

HMG has always understood and acted upon its duties to conserve our resources and protect our environment. In 2023, we accelerated our contributions to sustainability and defined clear, long-term objectives based on organization-wide responsibility.

We continued our commitment to developing young talent by signing partnerships with top local and international universities to train graduates in our facilities. We also witnessed the graduation of students from our scholarship program, the largest of its kind in the Kingdom's private healthcare sector.

In line with global best practice, we developed and implemented our ESG strategy. This establishes our key metrics to measure our impact and drive our commitment to protect and preserve the environment, empower our people, engage the community and maintain sound business practices. Through this robust framework, we will reinforce our existing practices of responsibility, integrity and accountability, while creating a vehicle to measure its effectiveness. We intend to publish our first Annual Sustainability Report in 2024.

As part of our organizational culture and in line with Saudi Vision 2030, we have an ingrained sense of gratitude and responsibility to the communities we serve and a deep desire to contribute to the economic and social prosperity of the Kingdom. We have a mission to extend lives and quality of life through education and awareness. Through our many communal campaigns, we empower the local population and promote a Kingdom-wide mindset of self-care.

We are a leading regional healthcare provider with global influence and have constantly shared our knowledge and research with our peers for the advancement of medical science and its potential use in the future. In 2023, we conducted a vast spectrum of courses and seminars on topics ranging from pediatric to critical care to disaster management and live broadcasts of surgery.

During HMG's passage of growth and diversification, we continued to recruit thousands of citizens, offering opportunities to train and enhance their skills and enter a field, which may open the gateway to new careers. In turn, we increase our commitment to Saudization rates, which stood at 39% across the Group in 2023.

It has also been a year of substantial local and global sponsorships for HMG with numerous community activities, including unique blood donation drives in partnership with the National Association for the Blind.

Celebrating our Achievements

Our people, medical facilities, technology, operational initiatives and medical excellence across all departments have garnered recognition worldwide, praising both our pioneering practices and world-class standards. We are regularly awarded local and international accolades from the most prestigious healthcare authorities in the industry, and I would like to express my enormous admiration for all the teams involved in their success.

Major Awards in 2023

- **International Society for Quality in Healthcare – Person-Centered Care Clinical Governance Standards**
- **World Health Organization – Level-4 certification of Patient Safety Friendly Hospital Framework**
- **Global Healthcare Accreditation – Accreditation for Medical Travel Services**
- **Saudi Arabian Cardiac Interventional Society – Tele-cardiology Services**
- **European Foundation for Quality Management – Excellence in Medical Services**

Our Focus for the Years Ahead

As we look towards the future, the coming years will add a milestone in our growth, with the launch of 12 healthcare facilities along with pharmacies across the Kingdom's cities. We have been determined in our attitudes and actions, and we will consistently provide the right services at the right times in the right places.

However, these are not merely additions to our portfolio; they are another giant stride in our journey of providing more effective and efficient care to a wider segment of the population in need of the unique services we supply.

We have driven the momentum of our expansion and diversification at a remarkable rate and will continue to recruit and educate the workforce who make HMG the most innovative and progressive healthcare provider in the Kingdom. Through their peerless skills and pioneering technology, we will enhance our role as a safe, effective and trustworthy organization with the welfare of our patients at the heart of everything we do.

Acknowledgments

In closing, I would like to thank our Chairman and Board of Directors for their invaluable support, our outstanding Management team and every one of our loyal employees for their exceptional efforts and dedication.

My deep gratitude also to our patients, shareholders, government partners and other stakeholders for their ongoing trust throughout a year of exceptional growth and achievements.

Mr. Faisal Al Nassar
Group CEO and President