



Healthcare Services

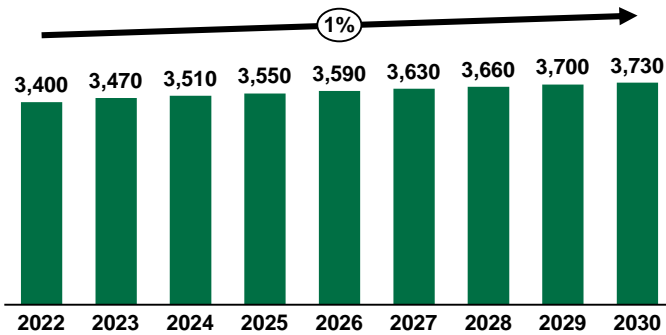
Rehabilitation Hospitals

OPPORTUNITY DESCRIPTION: Design, construction / replacement, equipment, operation and maintenance of a rehabilitation hospital. Activities upon start of operations include patient sourcing, delivery of inpatient services (e.g., post-acute rehab) and outpatient services (e.g., physiotherapy, speech/ language therapy)

DEMAND

MARKET SIZE (SAR M)

Projected total spend on rehabilitation hospital services



INVESTMENT HIGHLIGHTS

- Facility Size: 20,500 - 30,000sqm (land area)
- Annual Outpatient Visits: 50,000 - 100,000
- Number of Beds: ~100 Beds
- Investment Size: SAR 100 - 200M
- Jobs Created: 150 - 250 (10 years cumulative)
- GDP Contribution: SAR 2,000M - 3,000M (10 years cumul.)
- IRR: 10 - 20%
- NPV: SAR 250M - 500M
- Project Location: Multiple potential locations across west, east, south, north and central clusters

INVESTMENT OVERVIEW

VALUE PROPOSITION

- Well developed and mature healthcare ecosystem with established entities (e.g., MoH, HHC, SHC) and largest healthcare budget in MENA (USD 36.7B in 2022)
- Rehabilitation specifically supported by priority initiatives under healthcare sector transformation program (HSTP), with topics incl. extended care services and innovation
- Strong existing efforts in supporting new and existing rehabilitation hospitals
- Rehabilitation supports KSA's new model of care, specifically the Chronic and Planned Care systems of care

KEY DEMAND DRIVERS

- Rising number of chronic diseases leading to requirements for rehabilitative care, such as obesity, diabetes, hypertension and heart disease
- High RTC (road traffic accident) rate, with ~25K injuries caused by RTCs in 2020
- Target set of 0.3 rehab beds per 1,000 population, driving growth of new rehabilitation focused facilities
- Demand for rehabilitation beds growing rapidly, with additional requirement of 6,500+ beds by 2030

MARKET OVERVIEW

EQUIPMENT/ HUMAN RESOURCE REQUIREMENTS

- Basic medical equipment
- Physical rehabilitation equipment
- Exercise equipment and specialized furnishing
- Physical medicine and rehabilitation (PM&R) physicians, allied health professionals and operational support staff
- For more detailed requirements, please refer to > <https://www.moh.gov.sa/eServices/Licences/Documents/18.pdf>

GLOBAL TRENDS

- Global demand for rehabilitation services continues to increase due to demographic trends (ageing populations, disease and injury), leading to in-patient care pressures
- Increasing shift towards community-based multi-disciplinary teams, due to high rate of comorbidities in patients requiring rehabilitative care
- Increased use of tech. (remote patient monitoring, physiotherapy by telemedicine, smart devices for rehab.)
- In Germany, for-profit companies dominate rehab. sector, ~56% of rehabilitation clinics held by the private sector
- In the Netherlands, new financing reform scheme for rehabilitation services to increase private sector contrib.



SUPPLY

SCALABILITY AND LOCALIZATION

Grade: Low Medium High

- Potential to scale rehab. hospitals further via increased footprint (physical expansion of facility to incl. additional specialized services e.g., neuro-muscular rehab) or development of additional facilities to fulfill demand gaps
- Potential to expand into synergistic opportunity areas e.g., home care and long-term care facilities
- KSA's competitive advantage (e.g., ~15% lower costs for specialized staff, ~10% lower costs for rentals and purchase of land and ~15% lower CAPEX for healthcare equipment against Qatar and UAE benchmarks)

PROPOSED PROCUREMENT MODEL

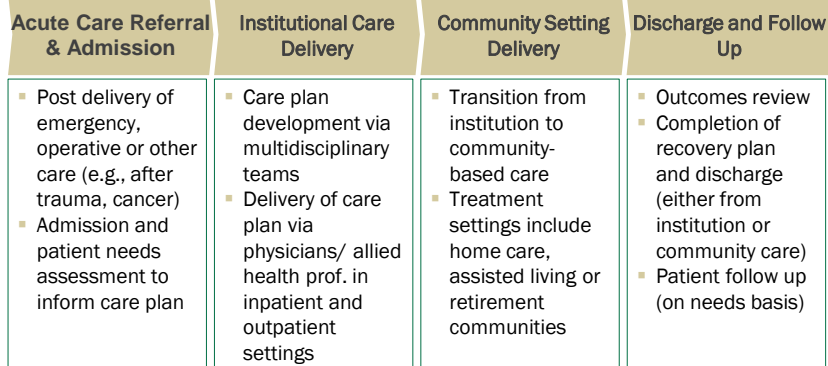


ENABLING FACTORS

ENABLERS & INCENTIVES

- Up to 50% tax credit on KSA national worker payroll and training cost for 10 years
- HRDF covers monthly salaries for 30-50% of Saudi employees (extra 10% for females) for 2 years, provided cost <USD 4,000
- On-the-job training program for KSA nationals under Tamheer program
- Potential for development of tailored incentives

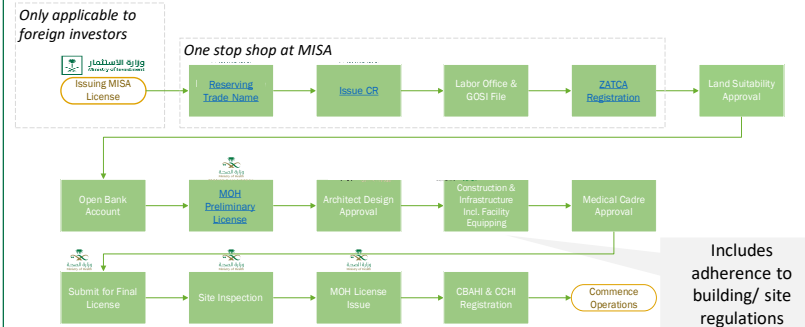
VALUE CHAIN



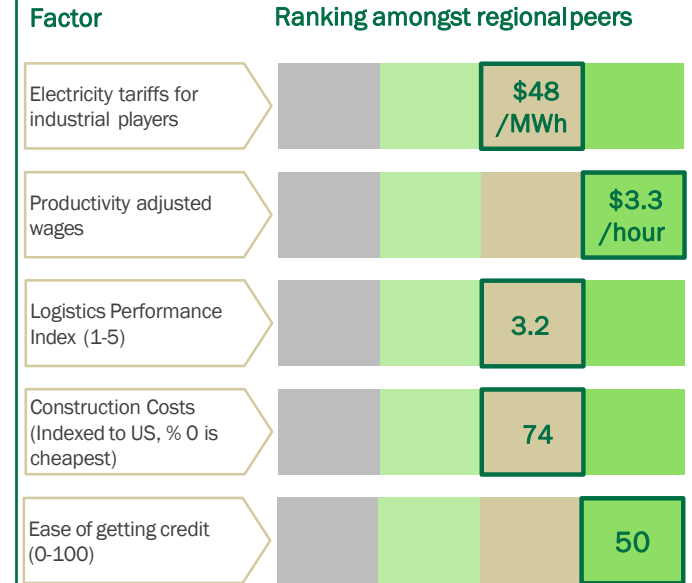
Validated with Health Holding Company Patient Journey

DIGITIZED INVESTOR JOURNEY AND LICENSING

Digitized process with assistance from MISA/ other entities through the journey



COST OF DOING BUSINESS IN KSA



KEY STAKEHOLDERS



Primary ecosystem stakeholders listed. In addition, MISA will facilitate investment promotion whilst other gov. entities will support to further catalyze opportunity