

# Pharmacies

As HMG continued to prioritize its pharmacies as an essential element of the Group's healthcare services, a strategy of expansion and digital investment in 2023 reaffirmed HMG Pharmacies sector as a leading contributor to HMG's operational and financial success. Reaching a record number of customers through new branches and milestone technology, the company raised the bar on regional pharmaceutical services.

HMG's overriding mission is to deliver unparalleled care to its patients and customers by providing quality services and upholding our standards of excellence. Our pharmacies endeavor to constantly improve our performance and provide the highest quality of service.

### Our Expansion

In line with our strategy of growth and diversification, we continued to drive investment into new facilities and expanded our presence beyond our previous network in Riyadh, Qassim, Khobar and Dubai. With the launch of five branches – Al Suwaidi, Al Takhassusi, Digital city, Al Narjis and Al Ghadeer – we have grown our network to 24 pharmacies, adding significantly to our income and profits while increasing our contribution to the Group's overall performance.

Largely as a consequence of the additional branches, HMG Pharmacies increased its 2023 gross profits to SAR 626 million, a 15% rise over 2022's results.

### Our Innovation

Our duty of care to a wider population is paramount in our mission. Our dedicated team focuses on maintaining accurate and efficient prescription processing, ensuring timely medication dispensing and offering personalized medication management services. We are not only encouraging customers and patients to visit our physical pharmacies, but we have also continued to invest in virtual services, reinforcing our message of the highest level of care with convenience.

In launching our e-commerce platform in collaboration with HMG's digital operations, we marked a new era in how we conduct business with our customers.

We have constantly sought to be at the forefront of pharmacy innovation and in 2023, introduced our pioneering chatbot technology, a 24-hour assistance service providing access to various requests and information, from product enquiries and home delivery requests to medication counseling and live conversations with professional pharmacy consultants. As well as allowing greater access to our



Pharmacies  
**24**



Gross profit increase  
**15%**

pharmacists' expertise, the chatbot processes customer requests with greater efficiency, providing them with faster, more effective services, enabling us to streamline our resources.

The Group's continued commitment to innovation and digital transformation has been demonstrated by the great success of HMG's mobile application. Our pharmacies have also witnessed significant growth in this direction, with more than 197,000 e-Pharmacy transactions recorded through the HMG app in 2023.

### Our Future

As we continue our journey of growth to serve an increasing number of customers and patients, we will remain true to our ambitions of rapid but sustainable expansion. In 2024, we plan to operate more than 10 branches in new locations, providing our world-class services to record numbers of the Kingdom's communities and beyond.

Our focus and investment in innovation will continue to grow as we look to adopt state-of-the-art technology, strengthening our position as a pioneer in the region's pharmaceutical sector and an organization with the finest care at the heart of its operations.

Every milestone we have marked and each benchmark we have set has built on our unrivalled service and we continue to reach new heights of excellence, while setting our sights still higher. Our pharmacies are a significant revenue generator for HMG, second only to hospitals, and our primary goal is to serve the people who place their trust in our expertise.

