Saudi Innova Healthcare Company is a holding company carrying business in three major sectors of healthcare. We are in the top industry experts in healthcare providing health services in the Kingdom of Saudi Arabia for more than 20 years

Our business verticals:

- Operating **120 branches** in almost every region in the Kingdom of Saudi Arabia: including Central, North and Eastern Province. Our branches cover independent street-side pharmacies, malls & poly-clinics

- One of the top pharmaceutical distribution company in Saudi Arabia supplying a large number of exclusive products with more than 20 exclusive brands.

- Polyclinic centers offering specialized services to out-patients & emergency cases
Innova Pharmacies (Health House Pharmacies) has been incorporated since 1994 as an extension of Health House & Health Kingdom Pharmacies. Year on year, the company built excellent reputation in the field of pharmaceuticals creating an opportunity for diversifying its business activities, increasing the number of owned pharmacies and creating retail brands such as Innova Pharmacy, Health Pearl and Health Nectar.
Our immediate plan is to play a major role in the development of the health sector in Saudi Arabia by serving more than 10 million customers annually through a network of more than 200 pharmacies covering all regions in the Kingdom by the end of 2018.

Current infrastructure:

- 120 Pharmacy around KSA; including Central, North & Eastern Provinces
- Manpower above 700 Employees
- 4,400 m² fully-equipped warehouse in which products & supplies are stored at excellent conditions below 25 °C
- 16 delivery trucks to ensure delivery of products to all pharmacies in best condition
- ERP System, Microsoft Dynamics AX 2012 R3 CU12
Innova Pharmacies’ current product range covers medicine, cosmetics, milk & diapers and home healthcare appliances.

Recently we added new product lines in our SKU list in order to make Innova pharmacies a “one-stop-shop” pharmacy and to offer the highest for all the customer service by satisfying their needs.

**Nutrition Section:**
(Nutrition, Vitamins, Minerals, Diet Food & Proteins)

**Beauty Line:**
Major makeup brands & accessories sourced locally and through importation from top-producing countries

**Premium Skincare:**
Being one of the top countries in the consumption of skincare & beauty products, Innova has added a diverse and wide-ranging top quality products and brands for every skin type and everyday life beauty requirements.
Being the best in offering healthcare services, Innova have obtained a great recognition and won many awards:
Established in 1994, Innova is a leading pharmacy, health & beauty and personal care retail chain offering a complete range of medication, nutrition, beauty, toiletries, mother care, baby care, fragrances, home healthcare & wellness products.

Innova Pharmacies, King Saud University College of Pharmacy and Ministry of Health offers clinical and beauty counselling services in each pharmacy making it a destination for good health and beauty seekers everywhere.

Innova offers pharmaceutical compounding service where the mixing of a drug is prepared by a licensed pharmacist to meet the unique needs of an individual patient when a commercial drug is not available or does not meet those needs in accordance with a licensed practitioner’s prescription.

In certain areas, Innova offers vaccination & immunization as an additional value-added service to its customers.
At Innova we offer a premium loyalty program to engage our customers & to transfer maximum benefits to them. Our loyalty program contains rewards points which gives our customers best opportunity to win reward points as well as periodical discounts. The program offers the following benefits:

- Special seasonal offers
- Free gift vouchers
- Free gifts for special occasions
- Continuous communication, special offers and promotions with loyal customers based on their purchase history
Innova Franchise Expansion Plans

With more than 120 pharmacies in Saudi Arabia alone, more than 300 pharmacist, fully-equipped warehouse, efficient supply chain and a portfolio of pharmaceutical and retail brands, Innova is now positioned to expand its successful business formula through franchising worldwide.

With a scalable pharmacy size ranging between 120 sqm to 240 sqm Innova locations can be ideal as standalone/street side, mall-based and inside premises of polyclinics.
To become the fastest-growing and most recognizable in the field of healthcare

VISION

MISSION

We support our community and help our customer’s enjoy better health through employing the highest standards in premium healthcare
Innova offers potential franchisees the opportunity to exclusively operate the business in their markets via three main channels:

- **Retail**: Standalone/street side, mall-based and inside premises of polyclinics.
- **E-commerce**: Online orders generated from the franchised area through the franchisee dedicated web page on Innova web portal.
- **Distribution**: Offering Innova branded products in the franchised area to pre-approved credible distributors and retailers of good standings and good business with exclusive period 3 months.
The right to use and to grant others the right to use Innova trade name and service marks, logo(s), insignias, color schemes, architectural and corporate designs, pharmacy designs, signage, artworks, marketing and promotional material, business and packaging material, online and social media promotions, website and domain names, uniforms, trade dress, copyrighted confidential information, trade secrets, operational processes all of which are associated with the goodwill of Innova business.
The accumulated experience of the comprehensive methods, techniques, processes, procedures & applications of management & operation, job & product knowledge, trade secrets, quality control & assurance programs, specifications of equipment & décor & fittings, training programs & aids, sources of supplies, product display, annual, launch & local-store promotions & advertising programs, book keeping, accounting, financial planning & administrative procedures, business performance and sales analysis & evaluation as documented in the operating manual and other literature and formats for the day-to-day operations of the business all of which the franchisee will be bound to follow at all times.
Through proven and most comprehensive classroom and on-the-job techniques and proprietary training tools, specimen and documentation provided by high-caliber professional trainers, the franchisee and its pre-approved personnel will learn the entire process for establishing, operating and managing the day-to-day Innova business.

With full involvement in a two-week training in the franchise area, the franchisee & its staff are able to embark on the top of Innova learning curve.
Franchise Training Subjects

- Innova corporate culture, business integrity, brand value and market positioning
- Step-by-step (turn-key) plans for establishing a new Innova pharmacy in the franchised area
- Site selection criteria, pharmacy opening procedures
- Orientation on designs/identity, décor and furniture and fixtures
- Pharmacy manning plans, job and product knowledge
- Detailed job descriptions for all staff
- Product retail mix engineering, pricing, cost control and profitability
- Product knowledge and orientation, purchasing, receiving, storage, display, presentation and packaging
- Cleanliness, maintenance, sanitation, hygiene, safety and security
- POS and IT system including inventory management, sales and cash control
- Customer service, upselling and personal sales techniques
- Pre-launch and annual marketing plans and local-store promotions
Initial Franchise Support

- Two-week pre & post-launch support including soft opening and launch event, on the job training and business monitoring
- Customization of a 3-year financial study according to local market variables in the franchised area
- Four-week initial training for up to 3 individuals of the franchisee’s staff
- Two-week pre-launch training for the franchisee operational personnel
- Assistance in identification the most suitable site/sites for the establishment of the business, evaluation of site plans and advice on construction and refurbishment of the premises
- Evaluation of the selected location(s) and identification of local service providers
Pharmacy Designs

Supply of lists and specifications of furniture, fixtures, equipment and fittings.

Technical support in relation to customized designs and layouts and provision of samples of designs and layouts, building material, sample charts and site development plans.

Assistance in the production of architectonic images and interior and exterior look and feel and working with the local/regional architect appointed by the franchisee to develop customized designs and layouts.
Product retail mix customization according to variables in the franchised area

Facilitation of the procurement and purchase of Innova proprietary and branded products and merchandise from Innova factory or nominated suppliers

Provision of a list of nominated suppliers to secure standard quality standards

Productions of presentations and images of products and development of supply chain systems
Marketing Support

- Customization of launch marketing program and design and artwork
- Customization of annual marketing programs and local-store promotion
- Assistance in the design of initial marketing and packaging material, product catalogues, brochures and other literature.
- Re-design of social media campaigns for the franchised area
- Support in the execution of marketing and advertising plans
Web Support

- Uploading of the franchisee dedicated web page and/or information on Innova website
- Channeling e-commerce and online orders generated from the franchised area
- Accessing updated operating manuals and online franchisee support and marketing material
- Management of product procurement, ordering and supply
On-going Support & Quality Control

- On-going provision of management, operational, technical advice and guidance.
- Periodical visits to the franchised area.
- Production of updated business plans.
- Provision of on-going refreshment managerial and operational training.
- Periodical management and financial auditing of the business.
- On-going development of corporate image and identity.
Market Research & Sales Updates

Customer surveys and introduction of new products, promotions and marketing ideas

Sales evaluation and product retail mix selection based on historical sales and demands in the franchised area
Prospective Franchisee Profile

Innova is looking for franchise partners who:

- Believe in its brand value, business integrity and potential financial success
- Have business experience, sufficient funds and managerial resources for establishing the business successfully in their respective areas
## Single Unit Investment

<table>
<thead>
<tr>
<th>Items</th>
<th>240 sqm</th>
<th>180 sqm</th>
<th>120 sqm</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pre-opening expenses including company formation, operational costs, initial product inventory, payroll, rent, launch marketing material &amp; cash-in-hand</td>
<td>186,000</td>
<td>167,000</td>
<td>150,000</td>
</tr>
<tr>
<td>Capital Investment including Architectural Finishing, Contracting, Civil Work, Flooring, Ceiling, Lighting, AC, Décor &amp; Fittings, Furniture, Fixture &amp; Accessories &amp; Wooden Cabinet, Counter &amp; Display Cases, Back Store Fittings, Interior &amp; Exterior Signage, Fire Fighting, Security System &amp; Computer Hardware</td>
<td>110,000</td>
<td>82,000</td>
<td>56,000</td>
</tr>
</tbody>
</table>
Franchise Commercial Terms

- **Term of the Franchise Agreement**: 10 years renewable for additional 10 years at no additional fees
- **Franchise Area Development Plan**: The franchisee will commit to the development of a number of pharmacies over an agreed period of time.
- **Initial Franchise Support Fees**: In return of the license to use Innova trade name & marks, the right to use Innova know-how & business systems, the right to offer the products & services and the provision of the initial franchisee support, the franchisee agrees to pay an upfront area development fees which are variable according to the size & potential of the franchise area
- **Ongoing Monthly Royalty**: In return of the on-going franchise support, the franchisee will pay 1% of total turnover of all pharmacies operating in the franchise area
- **Minimum Local Marketing Expenses**: A mutually agreed initial amount for the launch marketing plan & a minimum of 0.5% of total turnover on marketing & advertising activities in the franchise area
- **Opening Fees**: After establishing the 2nd pharmacy, the franchisee will pay an opening fee of US$ 12,500 for each new pharmacy to be opened in the franchise area
Upon the signing of a letter of intent & payment of a commitment fee Innova will:

- Not negotiate the grant of the franchise rights in the target franchise area with another individual or corporation
- Customize a three-year financial study according to the variables in franchise area
- Issue the franchise agreement for legal review
- Provide specific presentations or standard pharmacy designs for the purpose of discussing locations with real estate owners
- Show samples of the operating manual & standard operating procedures, store designs & corporate identity guidelines
- Organize a visit by one of Innova management team to identify possible locations & local suppliers in the franchise area
- Share a timely project management plan for the establishment of the first pharmacy in the franchise area
Next Steps...

1. Review all information shared & all material available in the public domain.
2. Complete the franchisee registration form.
4. We will send you the terms & conditions for the grant of the franchise.
5. Meet with Innova management, visit some of our locations, get to fully understand the business concept & franchise model.
6. Sign letter of intent & pay the commitment fee.