Cleopatra Hospitals Group S.A.E.
9M2023 EARNINGS RELEASE

Cairo, Egypt | November 26th, 2023

Cleopatra Hospitals Group Reports 9M2023 Results

CHG's Delivers Record Revenue and Profit Driven by Core Business Acceleration

3Q2023 Financial & Operational Highlights[1]

EGP 948 mn Total Revenue (+43% y-o-y)	EGP 321 mn Gross Profit (+45% vs. 3Q22)
EGP 264 mn Adjusted EBITDA[2] (+44% vs. 3Q22)	EGP 190 mn EBIT (+53% vs. 3Q22)
EGP 132 mn Net Profit (+46% vs. 3Q22)	EGP 147 mn Normalized Net Profit[3] (+53% vs. 3Q22; 16% margin vs.15% in 3Q22)
+17% Outpatient Consultations Volume Growth	+9% Inpatients Volume Growth
+308,936 Cases Served[4] (+11% y-o-y)	EGP 0.09 Earnings Per Share (+46% vs. 3Q22 EPS)

9M2023 Financial & Operational Highlights[1]

EGP 2,532 mn Total Revenue (+33% y-o-y)	EGP 843 mn Gross Profit (+33% vs. 9M22)
EGP 678 mn Adjusted EBITDA[2] (+32% vs. 9M22)	EGP 463 mn EBIT (+41% vs. 9M22)
EGP 345 mn Net Profit (+29% vs. 9M22)	EGP 359 mn Normalized Net Profit[3] (+41% vs. 9M22; 14% margin vs.13% in 9M22)
+14% Outpatient Consultations Volume Growth	+10% Inpatients Volume Growth
+856,406 Cases Served[4] (+9% y-o-y)	EGP 0.24 Earnings Per Share (+29% vs. 9M22 EPS)

Cairo, 26th of November 2023

Cleopatra Hospital Group S.A.E. (CLHO.CA on the Egyptian Exchange), Egypt's leading private hospital group by number of hospital beds and number of operating hospitals, reported today its consolidated results for the quarter ended 30 September 2023.

9M2023 Performance Highlights:

- CHG maintained its significant consolidated top-line's growth trajectory and delivered record-breaking quarterly and nine-month performances in 3Q23 and 9M23. The Group's 3Q23 consolidated revenues marked an all-time high at EGP 948mn accumulating to EGP 2,532mn during the first 9 months of 2023, exhibiting an impressive 43% increase compared to the same quarter in 2022, and 33% growth in 9M23 versus 9M22.

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[1] Performance includes: CHC, CSH, NBH, & ASH, as well as East and West Cairo Polyclinics, El Katib Hospital, Queens Hospital, and Bedaya IVF. Queens Hospital performance is recorded as discontinued operations in the consolidated audited financial statement.
[2] Adjusted EBITDA: Earnings before Interest, Tax, Depreciation and Amortization adjusted for provisions, impairments, LTIP, acquisitions expenses, pre-operating expenses and excluding contributions from other income.
[3] Normalized Net Profit adds back interest expense and excludes interest income from the consolidated Income Statement.
[4] Cases served includes number of inpatients, paid outpatient visits and ER visits.

- CHG's strategic focus on organic growth drives a 9% increase in cases served for 9M23. Volume growth was primarily fuelled by core business volumes where outpatients grow by 14%, inpatient cases rise by 10%, and surgical procedures increase by 6% on the back of rapidly ramping up Centers of Excellence that continue to capture patients' entire treatment journeys.
- CHG reported their highest profitability margins in 3Q23 in comparison to the previous quarters in 2023, recording 34%, 20%, 28%, and 14% in Gross Profit, EBIT, EBITDA, and Net Profit margins respectively. Management's focus on efficiency and profitability drove stability in the Group's margins when compared on a quarterly and nine-month basis versus the same periods in 2022, with a one-point expansion in EBIT margins. This stability is attributed to operational efficiencies, a growing and refined patient base mix, cost management, and strategic price increases implemented since January 2023 that enabled CHG to absorb market volatility and safeguard its strong overall growth.
- In 9M23 compared to 9M22, CHG's Salaries & Wages to Revenue ratio improved to 16% from 18%, and Doctor fees to Revenue ratio improved to 16% from 17%. Management's approach to leverage its well-integrated supply chain and demand planning teams continue to prove their value as stock availabilities and price variances are highly contained with an aim for sustainable productivity.
- CHG reported a 46% quarterly increase and a 29% in 9M23 increase in net profits. Net profit margins remain stable at14% across all periods. Excluding interest income and expense from the Group's P&L, normalized net income for 9M23 stood at EGP 359mn, with one percentage point margin expansion to 14% versus 13% in 9M22, and EGP 147mn for 3Q23, with a margin of 16% compared to 15% in 3Q22.

9M2023 Strategic Updates:

- All CHG hospitals witnessed exceptional year-on-year growth in patient volumes and optimized case mixes. Cairo Specialized (CSH), Nile Badrawi (NBH), and Al Sherouk (ASH) hospitals each reported top-line growth rates of over c.30 for the first nine months of 2023, setting new all-time performance benchmarks. CSH emerged as a frontrunner, achieving double-digit growth across all key volumes, delivering the highest top-line growth rate among the Group's facilities leading to an additional 2 percentage points expansion in its EBITDA margin in 9M23.
- Cleopatra Hospital has bolstered its ICU capabilities to handle more intricate cases in support of its integrated Cardiovascular and Nephrology Centers of Excellence. Management plans to continue to invest directly in the Group's Centers of Excellence as they continue to prove their value to CHG and the industry as a whole.
- Polyclinics have driven strong growth, generating EGP 82 million in revenue in the first nine months of 2023, up 35% from the same period in 2022. This growth is being fuelled by increasing patient volumes, strategic pricing adjustments, and the expansion of key services offered at the polyclinics that complement the Group's COEs, such as physiotherapy.
- Though not yet reflected in CHG's consolidated results for this quarter, Cleopatra October CHG's new West Cairo facility, initially specializing in Physiotherapy, Rehabilitation, and Long-Term Care, has recently secured the necessary licensing and implemented the required infrastructure and service offerings to effectively transform into a full-fledged tertiary hospital. Simultaneously, development progresses on Sky Hospital, poised to become CHG's flagship facility in East Cairo.

Management Comment

This year has marked a period of extraordinary growth and innovation for us, leading to a significant milestone: surpassing EGP 2.5 billion in revenue, the highest since our inception. This success positions us well to exceed our annual financial goals. Our impressive 33% year-on-year growth stems from strategic investments in our Centers of Excellence and a well-designed commercial strategy that encompasses a wide array of holistic healthcare services. This approach has been fundamental to our consistent growth, contributing to increased case volumes and enhancing our Group's case mix profile.

In the third quarter alone, we broke all previous revenue records, achieving EGP 948 million for the quarter and reaching EGP 2.5 billion in the first nine months of 2023 (9M23), driven by organic and sustainable growth across the Group. The variety and excellence of our healthcare services lay the foundation for our long-term success.

Despite various industry and economic hurdles, we have managed to maintain our profit margins in line with historical trends. Our efforts are concentrated on optimizing our extensive patient network and integrated healthcare offerings, while continually enhancing the patient experience. Our deep understanding of market dynamics, advanced data analytics, and proactive strategy positions us to fulfill our ambitious objectives. Cleopatra October in West Cairo, now transformed into a full-scale tertiary hospital, is operational and advancing in its ramp-up phase. We are rapidly developing state-of-the-art Centers of Excellence in Neurology, Orthopaedics, and Cardiology, integrating seamlessly with the hospital's existing advanced facilities. Patients now benefit from comprehensive services, including emergency care, outpatient clinics, diagnostics, advanced surgical procedures, and rehabilitation services, supported by unique rehabilitation and physiotherapy technologies.

Our foremost objective continues to be improving patient care and safety outcomes through innovation and state-of-the-art facilities, broadening access to affordable, high-quality medical services in Egypt. With our integrated network and digital transformation initiatives, we are poised to stimulate growth in all sectors. The dedication of our team and our strong partnerships are crucial in propelling our growth strategy. We are confident that our unwavering commitment to excellence will sustain our success and significantly impact Egypt's healthcare landscape.

Dr. Ahmed Ezzeldin
Group CEO

The Group's Strategic Development Pillars

Cleopatra Hospitals Group is a highly streamlined and technologically advanced healthcare services provider, with a focus on expanding its service offerings and enhancing its overall capacities to accommodate more refined case mixes across its facilities. CHG also emphasizes the strength and effectiveness of its referral network, which spans across Egypt and continues to grow consistently. CHG's geographic expansion strategy is also progressing well. The Group recently announced an 18-year agreement for Haven Hospital in the 6th of October district, West Cairo. This facility was reintroduced to the public in 2023 under the CHG brand and management and is now known as Cleopatra October. The hospital is operational and well into its ramp-up phase. Concurrently, CHG is making significant headway with Cleopatra New Cairo (Sky) Hospital, a transformative project that expands its footprint deeper into the eastern side of Greater Cairo. This innovative Brownfield facility is strategically located in the heart of East Cairo's newly developed district, New Cairo. It is poised to redefine healthcare delivery and standards in Egypt and is anticipated to have a soft launch in 2024.

CHG focuses on optimizing its assets' capabilities to oversee comprehensive patient journeys, complemented by strategic initiatives centered on digitalization and cutting-edge technology. This approach ensures that CHG operates at the highest quality levels, in line with global healthcare leaders. It also reinforces the Group's position as the preferred healthcare service provider for medical value tourism in Egypt. To showcase CHG's strategic value propositions, management has established an International Business Unit within its Commercial Business department. This unit is dedicated to highlighting CHG's high-caliber facilities and Centers of Excellence that provide optimum and comprehensive patient treatment journeys. These offerings present compelling value propositions that outshine regional competitors while adhering to global quality benchmarks. Central to management's digitalization efforts are electronic health records, telemedicine solutions, and enhanced connectivity. These initiatives collectively enhance access to care and optimize desired medical outcomes. Through the harmonious integration of digitalization and quality medical services, CHG guarantees an unparalleled healthcare experience.

Centers of Excellence Capture Entire Patient Journeys and Drive Organic Growth Across CHG

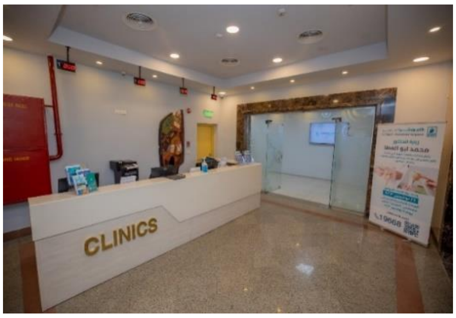
Management's commitment to expanding CHG's capabilities and its one-stop shop approach to healthcare delivery is evident at Al Katib Hospital (AKH), which has transformed into a leading Surgical Center of Excellence within a general hospital setting, achieving profitability and operational excellence in just 21 months. Driven by a monthly CAGR of 13% since its transformation in January 2022, AKH has become a trusted surgical hub for patients across Greater Cairo's network of practitioners. Despite its initial role as a designated COVID-19 treatment facility for West Cairo, AKH has successfully pivoted to become a one-of-a-kind day case surgical center of excellence with an efficiently embedded infrastructure and operational foundation as enablers. Today, the hospital houses three of the Group's key centers of excellence being Nephrology, Urology, and Breast Care, whereby this transformation is a testament to AKH's commitment to delivering high-quality surgical care to its patients.

Polyclinics & CHG's Pharmacy Business

CHG has established two polyclinics in underserved Cairo suburbs, providing much-needed healthcare access to residents who have long faced challenges in accessing high-quality medical services. These polyclinics have driven strong growth, generating EGP 82 million in revenue in the first nine months of 2023, up 35% from the same period in 2022. This growth is being fueled by increasing patient volumes, strategic pricing adjustments, and the expansion of services offered at the polyclinics. CHG's pharmacy business is also growing strongly, with revenue reaching EGP 154 million in the first nine months of 2023, up 51%. This growth is being driven by a more integrated approach that leverages the Group's network and ERP/HIS system, Clinysis. This initiative has enhanced patient record-keeping, allowed for better tracking of treatment cycles, and promoted pharmacy services, particularly for patients in need of ongoing care. As a result, CHG has been able to capture more of the Group's patients' treatment cycles from a medications perspective. The pharmacy business now accounts for 6% of the Group's total consolidated revenue, up from 5% in the same period in 2022.

Cleopatra October Officially Kicks Off its Ramp Up Phase




In alignment with CHG's strategic expansion plans, the Group entered into an 18-year usufruct agreement with Haven Hospital's proprietors in late 2022. After a successful integration, the hospital was unveiled as Cleopatra October in 2023. While currently in a pre-operating phase and its performance is yet to be consolidated, Cleopatra October holds immense potential for growth. Specializing initially in Physiotherapy, Rehabilitation, and Long-Term Care, the facility has obtained the necessary licensing and incorporated the necessary infrastructure and service offerings enabling it to effectively transform into a full-scale tertiary hospital. Management is progressing efficiently in establishing Centers of Excellence in Neurology, Orthopaedics, and Cardiology that vertically integrate with the hospital's current cutting-edge capabilities. Commercially, the hospital is on track with its ramp-up phase. Patients now are able to visit the hospital's emergency department and outpatient clinics, conduct diagnostics at its laboratory and state-of-the-art radiology department, conduct procedures at its advanced surgical theatres, and receive the necessary care and rehabilitation at the hospital's inpatient wards, utilizing one-of-a-kind rehabilitation and physiotherapy technologies that are now availed to the public with high accessibility and affordability. Cleopatra October is set to revolutionize healthcare delivery in West Cairo, providing patients with access to world-class services, led by a team of highly skilled, institutionalized, and experienced professionals.

Financial Review

Revenue

CHG continued its steep growth trajectory in both the third quarter and the first nine months of 2023, achieving record-breaking top-line performances. The Group's consolidated revenues reached an all-time high of EGP 948 million in 3Q23, totalling EGP 2,532 million during the first nine months of the year. This represents a significant increase of 43% compared to the same quarter in 2022 and 33% growth in 9M23 versus 9M22.

CHG's robust performance is attributed to its ongoing investment in its organic business, which has enabled the Group to effectively capture patients' entire treatment journeys. This focus on comprehensive care has resulted in a 35% growth in the Group's Core Business in 9M23. The Group's volumes also reflect this strong growth momentum, with a notable 11% increase in cases served in 3Q23, bringing the total growth to 9% in 9M23. This growth is primarily driven by substantial year-over-year increases in Outpatient, Inpatient, and Surgical Procedure volumes, with each showing strong growth rates of 17%, 9%, and 6%, respectively in 3Q23, and 14%, 10%, and 6% respectively in 9M23.

Quarterly Revenue Progression – in EGP Mn

EGP mn	1Q22	2Q22	3Q22	4Q22	1Q23	2Q23	3Q23
Total Revenues	637	605	661	712	777	808	**948**
Y-o-y Growth	*1%*	*-6%*	*6%*	*10%*	*22%*	34%	**+43%**

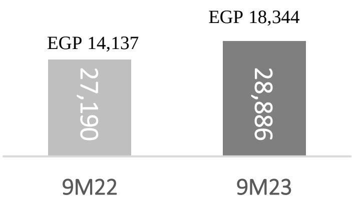
Quarterly Core Business Volumes Progression – Consolidated Volumes

EGP mn	1Q22	2Q22	3Q22	4Q22	1Q23	2Q23	3Q23
Paid Outpatient visits	200,275	189,744	214,647	238,977	219,011	217,799	**250,208**
Y-o-y Growth	*12%*	*5%*	*12%*	*12%*	*9%*	*15%*	***17%***
Surgical Procedures	8,206	8,732	10,252	10,362	9,109	8,921	**10,856**
Y-o-y Growth	*7%*	*17%*	*9%*	*14%*	*11%*	*2%*	***6%***
Inpatients	12,366	12,941	14,734	15,147	14,067	13,944	**16,081**
Y-o-y Growth	*5%*	*11%*	*11%*	*15%*	*14%*	*8%*	***9%***
Cath Lab Patients	1,214	1,103	1,000	1,271	1,289	1,240	**1,341**
Y-o-y Growth	*4%*	*13%*	*-17%*	*27%*	*6%*	*12%*	***34%***

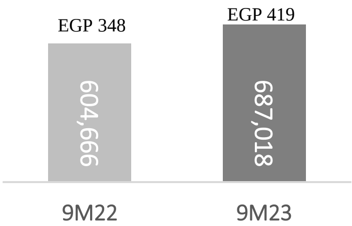
Revenue Breakdown by Segment

CHG's consolidated revenue was substantially driven by its core business growth, with inpatient services and surgical procedures accounting for 41% of the total revenue in 3Q23 and 40% in 9M23. This growth was underpinned by strong volume growth and strategic price adjustments that have been in place since January 2023. The inpatient services segment exhibited healthy growth, with a y-o-y revenue increase of 40% in 3Q23 compared to 3Q22, leading to a 9M23 growth of 17%. This growth was driven by a combination of factors, including volume growth and case mix refinement on the back of the Group's Centers of Excellence. The surgical revenue segment also reflected strong growth, reporting 38% growth in 3Q23 and 36% growth in 9M23 relative to the corresponding periods of the prior year. This performance was propelled by volume growth in both quarterly and nine-month periods, supported by the expansion of the Group's Centers of Excellence, which enabled it to perform more complex surgical procedures. For example, the Group's Cardiology Center of Excellence enabled it to achieve strong growth in Cauterizations conducted, contributing 7% and 8% to the Group's consolidated revenue in 3Q23 and 9M23, respectively, with its revenues generated growing by 72% and 50% in 3Q23 and 9M23 respectively. CHG's core business growth is the main driver behind its record-breaking performance.

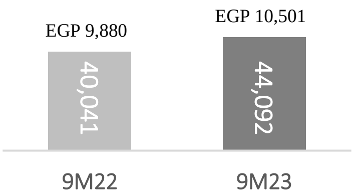
Number of Surgical Procedures
(Rev/Procedure)



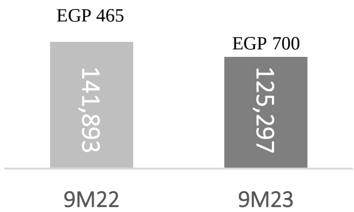
Number of Paid Consultations
(Rev/Visit)



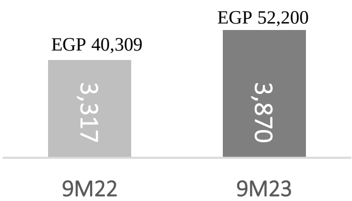
Number of Inpatients
(Rev/Inpatient)



Number of ER Visits
(Rev/visit)

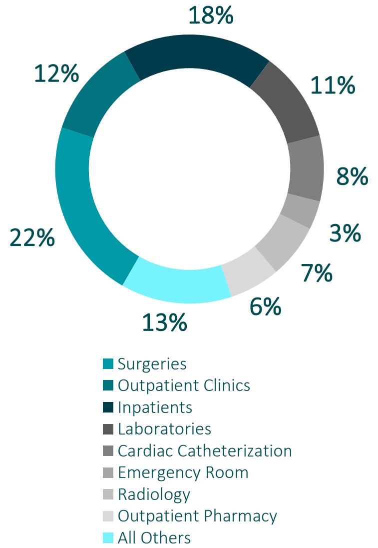


Number of Catheterizations
(Rev/catheterization)

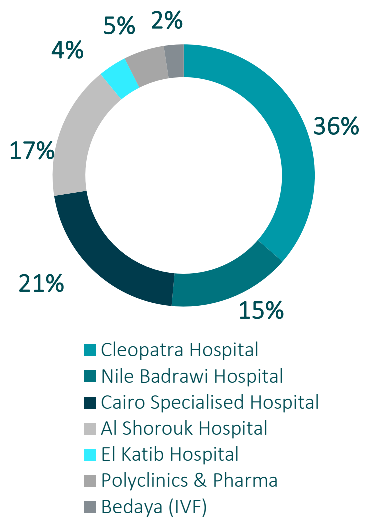


All KPI figures refer to the consolidation of all CHG hospitals as well as the Group's East and West Cairo Polyclinics) and excludes Bedaya while taking into account elimination entries.

Contribution by Segment (9M23)



Revenue by Hospital (9M23)



**Polyclinic revenue includes both East and West Cairo Polyclinics (CHG for medical services) in addition to the polyclinic pharmacies segment (CHG Pharma)*

CHG's outpatient and emergency departments are fundamental drivers of growth for the Group's inpatient services, surgical procedures, and Cath labs, serving as initial touchpoints for potential patients. These segments together accounted for 14% and 15% of overall revenue in 3Q23 and 9M23, respectively. In 3Q23, outpatient and emergency revenues increased 28% and 39% year-over-year, respectively, enforcing their 9-month performances of 37% and 32% growth, respectively. This growth is underpinned by CHG's focus on delivering comprehensive, specialized, and unique services, resulting in a noteworthy 17% growth in outpatient volumes on quarterly basis and a 14% growth in in 9M23. The Group’s polyclinics also played a key role in this growth by serving 17% more outpatients in 9M23 versus 9M22 as they continue to capture patients that are based in areas that lack access to quality healthcare services. Emergency volumes experienced a decline of 13% in 3Q23 and 12% in 9M23, due to the high base effect of Covid patients seeking emergency care during the pandemic and ongoing renovations at NBH's emergency department that limit the hospital’s ability to serve its typical volume of emergency patients. This decline is expected to gradually diminish as 2023 becomes the comparable year and renovations are completed by year-end 2023.

The Group's diagnostic segments, comprising laboratories and radiology, accounted for 11% and 6% of consolidated revenues in 3Q23 and 11% and 7% in 9M23, respectively. Despite facing significant high base effects from Covid-related revenue and protocols in 2022, strategic pricing measures adopted since January 2023 coupled with the Group's commitment to enhancing diagnostic capabilities and associated services within its strongly ramping up centers of excellence enabled these segments to achieve impressive revenue growths of 38% and 31% in 3Q23, and 29% and 24% on a 9-month basis. Laboratory volumes grew 13% in 3Q23, closing the gap on the 1H23 decline in volume and offsetting 2022’s high base effect leading to 2% growth in laboratory test volumes in 9M23. Radiology volumes also grew 8% in the quarter, majorly offsetting its related high base effect in 2022 reporting a modest 1% volume decline in 9M23. As 2023 becomes a covid free comparable year in the coming year, CHG aims to regain Diagnostics’ pre-Covid growth momentum as its growing Centers of Excellence continue to ramp up.

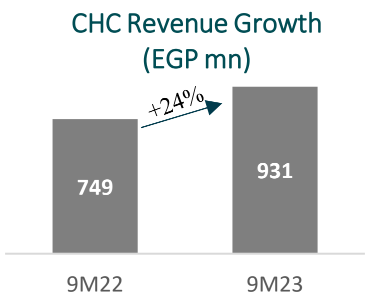
Performance by Facility

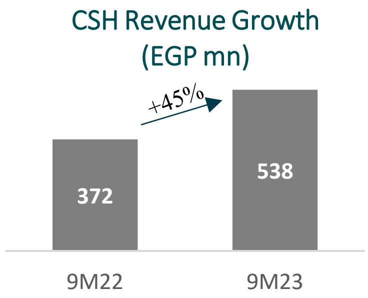
<u>Cleopatra Hospital:</u>

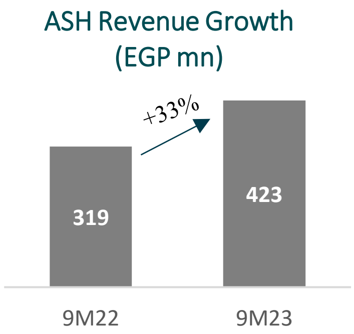
Contributing 35% of CHG’s consolidated revenue, in 3Q23 CHC recorded revenue of EGP 336mn, reflecting 31% growth compared to the same period in 2022. Over 9M23, CHC's top line expanded by 24%, totaling an unprecedented EGP 931mn. CHC's financial performance in 2023 this far is attributed to notable growth in surgical procedures, inpatients, and outpatient volumes, driven by the successful ramp-up of its Centers of Excellence. With the continued evolution of CHC's case mix, the hospital has witnessed over 25% revenue growth in its surgical and diagnostic revenues in 9M23 compared to 9M22. The rapid growth of CHC's Cardiovascular and Nephrology centers of Excellence have been key drivers to the hospital's growth, with a 65% increase in cauterization lab revenue over the same period. CHC is well-positioned for continued success as its centers capture more of its patients’ journeys and drive sustainable growth.

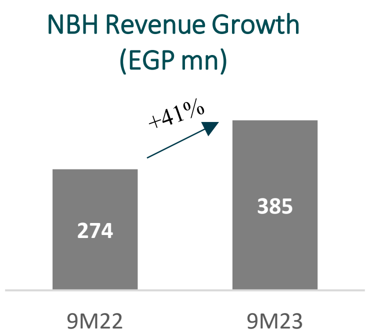
<u>Cairo Specialized Hospital:</u>

CSH, contributing 21% of CHG's consolidated revenue in 9M23, maintains its impressive growth trajectory achieving staggering top-line growth of 52% in 3Q23 and 45% in 9M23. With record-high revenues of EGP 204mn and EGP 538mn in 3Q23 and 9M23, respectively, CSH has witnessed substantial volume growth across all its segments. This remarkable performance, aligned with the hospital's evolving case mix, has translated into revenue growths of over 40% in each segment over 9M23. Consequently, CSH has successfully expanded its EBITDA margin by 2 percentage points in 9M23 compared to 9M22. CSH continues to demonstrate its ability to attract and serve diverse case mixes more effectively than ever before. Strategic investments in expanding service offerings, renovations, and optimizing capacities have been instrumental to CSH.









Al Sherouk Hospital:

ASH has posted exceptional growth year-on-year in 3Q23, with top-line revenue surging by 41% on a quarterly basis and 33% in 9M23, reaching EGP 156mn and EGP 423mn respectively. As the third-largest contributor to the Group's consolidated revenue, accounting for 17% of CHG's consolidated top line in 9M23, ASH has maintained its positive momentum from the previous year, solidifying its position among the top contributors alongside CHC and CSH. Strategic efforts by management to enhance profitability have paid off for ASH. Housing the Group's Robotic Center of Excellence, as well as Oncology and Orthopedic Centers of Excellence, ASH continues to prioritize operational efficiencies and optimizing case mixes. This approach has resulted in over 40% growth in the hospital's inpatient and surgical revenues, expanding ASH's gross profit margin by one percentage point and EBITDA margin by three percentage points in 9M23 versus 9M23. This level of efficiency is further enhanced by ASH's adjacent polyclinic setup, which has significantly increased outpatient flow and referrals throughout the hospital. The convergence of strategic initiatives, efficient case management, and capacity expansions underscores ASH's crucial role in the Group's consolidation and growth ambitions. The hospital is expected to maintain and potentially hold this margin enhancement till year end with the promise of further expansion beyond 2023.

Nile Badrawi Hospital:

NBH's strategic enhancements and comprehensive healthcare approach continue to fuel its growth trajectory. The hospital's consolidated revenue contribution to CHG reached 15% in 9M23, up from 14% in 9H22. This growth is further corroborated by a 55% surge in NBH's top-line revenue in 3Q23 and a 41% increase in 9M23. NBH's Urology and Cardiovascular Centers of Excellence stand out as key drivers of this success. The hospital witnessed a 24% and 16% growth in cases served in 3Q23 and 9M23 respectively. This positive trend extends to other areas as well, with surgical, inpatient, diagnostics, outpatient, and cauterization lab revenues all expanding by over 28%. These advancements and case mix refinement have contributed to a one-percentage-point expansion in NBH's gross profit margin in 9M23 compared to 9M22. The successful launch of NBH's revamped outpatient department in late 2022 has played a pivotal role in driving over 24% growth in the hospital's paid outpatient volume in 9M23. With the resumption of operations at its emergency department's new capacity post-renovations, NBH is poised to further accelerate its patient intake and continue on its path to even greater success.

Al Katib Hospital:

AKH experienced a transformation in January 2022 from a dedicated COVID-19 treatment facility to a general hospital with an embedded multidisciplinary Surgical Center of Excellence. AKH has been demonstrating remarkable growth, with a monthly Compound Annual Growth Rate (CAGR) of 13% from January 2022 to September 2023, AKH has established itself as an efficient surgical hub serving the entire Group. This impressive growth is attributed to AKH's ability to attract a growing patient base. As AKH is now profitable across all profitability levels and continues to ramp-up at this pace, management anticipates the hospital to exceed its pre-pandemic performance in the near future.

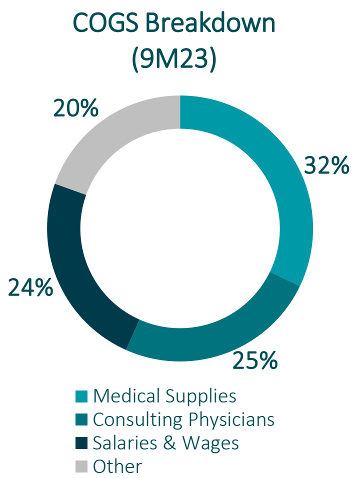
AKH's Quarterly Performance Progression

	1Q22	2Q22	3Q22	4Q22	1Q23	2Q23	3Q23
Total Revenue – EGP mn	6	11	14	17	25	29	**36**
Q-o-q Growth – (%)	-	*83%*	*24%*	*25%*	*45%*	*13%*	***+24%***
Cases Served – (#)	*1,400*	*2,470*	*3,697*	*3,147*	*4,531*	*4,492*	***6,465***
Q-o-q Growth – (%)	-	*76%*	*50%*	*-15%*	*44%*	*-1%*	***+44%***

<u>*CHG's Polyclinics & Bedaya:*</u>

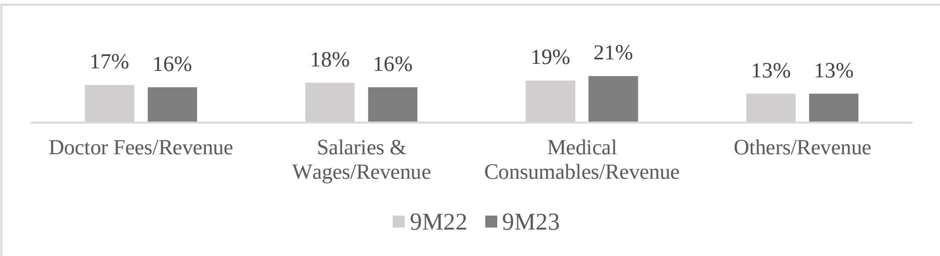
The polyclinics demonstrated remarkable resilience and growth in 3Q23, generating a combined revenue of EGP 30mn, a significant 39% increase compared to the same period in 2022. This momentum continued unabated throughout the first nine months of 2023, with the polyclinics' revenue reaching EGP 82 million, reflecting a substantial 35% growth compared to 9M22. This solid performance is attributed to a strategic pricing implementation that has been in place since January 2023, that has successfully balanced volume expansion with sustainable margin improvements. The polyclinics have also expanded their physiotherapy capacities, leveraging the expertise of Cleopatra October Hospital as well as playing a key role in referring patients to the hospital to complete the remainder of their patients' journeys. As a result of their volume growth trajectories, the polyclinics' Gross Profit margins expanded by 2 percentage points to reach over 23% in 9H23. The polyclinics play a pivotal role in the Group's broader strategy of ramping up its Centers of Excellence by attracting patients from remote regions in both East and West Cairo and ultimately referring them to the Group's facilities when appropriate to capture the remaining stages of their treatment journeys.

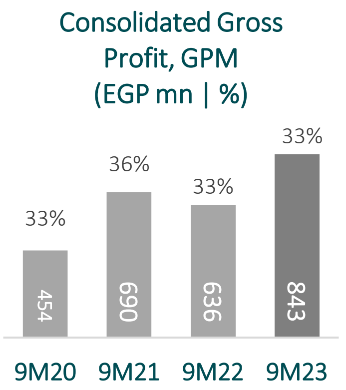
In addition to the polyclinics' success, the Group's fertility solutions venture Bedaya has also recorded impressive growth, generating quarterly and nine-month revenues of EGP 28mn and EGP 62mn respectively, marking a growth rate of 32% in 3Q23 and 21% in 9M23 versus the same periods in 2022. With Bedaya playing a key role in management's medical tourism agenda, the venture is well-positioned to grow its contribution to the Group's top line consolidation from its current 2% in 9M23.



Cost of Goods Sold & Gross Profit

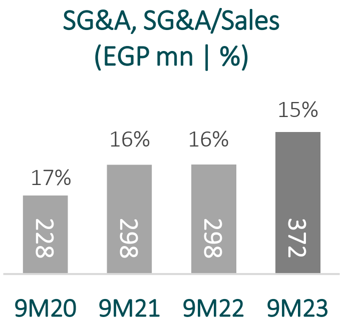
Amidst ongoing macroeconomic challenges, the Group exhibited remarkable cost discipline, effectively managing its total cost of goods sold (COGS). In 3Q23 and 9M23, COGS increased by 43% and 33%, respectively, totalling EGP 627mn and EGP 1,689mn. Management adeptly preserved the Group's COGS/Sales ratio at 66% on a quarterly basis and 67% on a nine-month basis. Management's strategic approach aims to effectively mitigate the impact of prevailing economic conditions to preserve CHG's profitability.

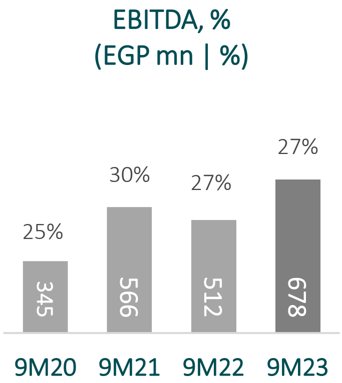


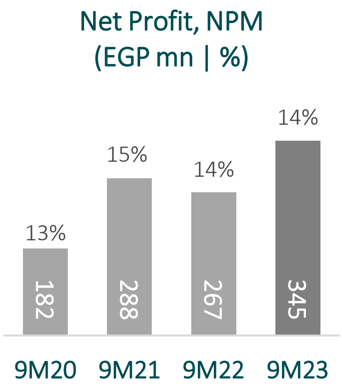


As CHG's multi-faceted optimization strategy continues to mature, management is realizing efficiency gains across various cost components. In 9M23, the Group recorded a 35% increase in core business revenue while simultaneously achieving a two-percentage-point improvement in the Salaries & Wages-to-revenue ratio. This efficiency stems from initiatives like managing staff replacements and implementing the shared services initiative, which are still in their early stages and offer further room for optimization. Similarly, the Doctors' Fees to revenue ratio improved by one percentage point in 9M23 relative to 9M22 due to improved case mixes across the Group. On the other hand, medical supplies posed minor pressures on the Group's medical supplies to revenue ratio. Despite proactive efforts to secure competitive rates and build substantial stockpiles of critical supplies, the Medical Supplies/Revenue ratio saw a slight increase of two percentage points, reaching 21% in 9M23.

Leveraging the expertise of its seasoned supply management and procurement teams, the Group minimized the impact of Purchase Price Variances (PPVs) on its cost structure.







G&A Expenses

In the face of ongoing inflationary pressures, CHG continues to demonstrate its resilience in managing its General and Administrative (G&A) expenses. In 3Q23, G&A expenses totalled EGP 129mn, representing a 34% increase compared to the same period in 2022. Over a nine-month period, CHG reported G&A expenses of EGP 372mn, reflecting 25% increase relative to the same period in 2022. Despite these increases, the Group's Selling, General, and Administrative (SG&A) to sales ratio improved by 1% to 15% for 9M23 compared to 9M22 and by 1% to 14% in 3Q23 versus 15% in 2Q22. This improvement with no compromise on the Group's performance is a testament to management's effective cost-cutting and avoidance strategies. These strategic measures have effectively counteracted cost pressures, upholding CHG's financial resilience. The Group's cost discipline and operational efficiency positions it well to navigate the current economic landscape and continue to deliver sustainable growth in profitability and margins.

EBITDA

Navigating the current economic uncertainties with remarkable resilience, CHG has achieved impressive growth in its adjusted EBITDA. In 3Q23, adjusted EBITDA stood at EGP 264mn, marking a significant 44% growth while maintaining a steady margin of 28% compared to 3Q22. This strong performance enabled CHG to accumulate a record-high 9M23 EBITDA of EGP 678mn, recording growth of 32% versus 9M22 and maintaining a steady margin of 27% compared to 9M22. Management's commitment to efficiency has effectively safeguarded the Group's profitability margins, underscoring its financial resilience once again.

Net & Normalized Profits

CHG's consolidated net profit for 3Q23 amounted to EGP 132mn, representing an impressive growth of 46% compared to the same period in 2022. The associated margin to revenue remained steady at 14% in 3Q23 versus 3Q22. On a nine-month basis, CHG recorded net profit of EGP 345mn, growing by 29% compared to 9M22. While the Group's income statement saw a substantial 76% increase in interest expenses in 9M23 due to ongoing interest rate hikes and the Group's recent capital structure optimization efforts, normalizing net income to exclude the impact of interest on both periods' income statements reveals a strong and growing underlying performance. After normalizing the impact of interest expenses, CHG's normalized net income stood at EGP 359mn, representing a robust 41% growth compared to the same period in 2022. This strong performance is further underscored by a one percentage point improvement in the normalized net profit margin to 14% versus 13% in 9M22.

CAPEX

The Group's investment in its infrastructure and feeder network has been a priority, with a particular focus on its centers of excellence operating model. As such, the total CAPEX outlays in 9M23 amounted to EGP 528mn, with c.20% of the figure being directed towards the Group's new flagship facilities. It is noteworthy that this figure includes down payments for CAPEX purchases that are yet to be delivered, demonstrating the Group's proactive approach in anticipating potential price shocks for timely delivery of expansionary plans hedging against unforeseen circumstances.

–Ends–

ABOUT CLEOPATRA HOSPITALS GROUP S.A.E.

The Group is the largest private hospital group in Egypt by number of hospital beds and number of operating hospitals. The company holds majority stakes and operates seven leading hospitals in the Greater Cairo Area: Cleopatra Hospital, Cairo Specialized Hospital, Nile Badrawi Hospital, Al Sherouk Hospital, El Katib Hospital, Sky Hospital, and Cleopatra October Hospital offering a full array of general, emergency healthcare services and rehabilitation services. The Group also operates two polyclinics located in strategic neighbourhoods of East and West Cairo and holds a majority stake in Bedaya for Medical Services, Egypt's leading IVF and Fertility Centre.

Shareholder Information

EGX: CLHO.CA
Listed: June 2016
Shares Outstanding: 1,445 million

For further information, please contact:

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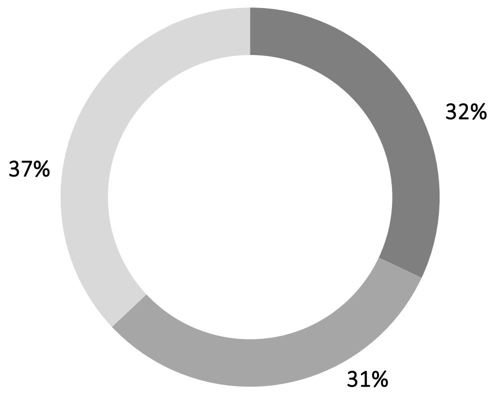
Shareholder Structure

(as of November 2023)



Forward-Looking Statements

This communication contains certain forward-looking statements. A forward-looking statement is any statement that does not relate to historical facts and events, and can be identified by the use of such words and phrases as "according to estimates", "anticipates", "assumes", "believes", "could", "estimates", "expects", "intends", "is of the opinion", "may", "plans", "potential", "predicts", "projects", "should", "to the knowledge of", "will", "would", or, in each case, their negatives, or other similar expressions that are intended to identify a statement as forward-looking. This applies, in particular, to statements containing information on future financial results, plans, or expectations regarding our business and management, our future growth or profitability and general economic and regulatory conditions and other matters affecting us.

Forward-looking statements reflect our management's ("Management") current views of future events, are based on Management's assumptions, and involve known and unknown risks, uncertainties, and other factors that may cause our actual results, performance, or achievements to be materially different from any future results, performance, or achievements expressed or implied by these forward-looking statements. The occurrence or non-occurrence of an assumption could cause our actual financial condition and results of operations to differ materially from, or fail to meet expectations expressed or implied by, such forward-looking statements. Our business is subject to a number of risks and uncertainties that could also cause a forward-looking statement, estimate, or prediction to become inaccurate. These risks include fluctuations in the prices of raw materials or employee costs required by our operations, its ability to retain the services of certain key employees, its ability to compete successfully, changes in political, social, legal, or economic conditions in Egypt, worldwide economic trends, the impact of war and terrorist activity, inflation, interest rate and exchange rate fluctuations, and Management's ability to timely and accurately identify future risks to our business and manage the risks mentioned above.

Certain figures contained in this document, including financial information, have been subject to rounding adjustments. Accordingly, in certain instances, the sum or percentage change of the numbers contained in this document may not conform exactly to the total figure given.

Consolidated Statement of Income[2]

All figures in EGP mn	3Q2022	3Q2023	% change	9M2022	9M2023	% change
Revenues	661	948	43%	1871	2532	33%
Cost of sales	(437)	(627)	43%	(1245)	(1689)	33%
Gross profit	**224**	**321**	45%	**626**	**843**	33%
Gross Profit Margin	*34%*	*34%*		*33%*	*33%*	
General & administrative expenses	(97)	(129)	34%	(296)	(372)	25%
Cost of acquisition activities	(2)	0	-100%	(3)	(1)	-77%
Provisions	(1)	(3)	98%	(9)	(9)	-10%
Other income	2	1	-72%	4	3	-21%
Intangible Assets Write Off	0	0	0%	0	(14)	
Discontinued Operations	(4)	0	0%	3	10	
EBIT	**122**	**190**	53%	**325**	**460**	41%
EBIT Margin	*19%*	*20%*		*17%*	*18%*	
Interest income	6	4	-31%	34	21	-43%
Interest expense	(11)	(20)	56%	(22)	(51)	76%
Profit before tax	**117**	**174**	49%	**337**	**430**	29%
PBT Margin	*18%*	*18%*		*17%*	*18%*	
Income tax	(23)	(41)	75%	(67)	(81)	29%
Deferred tax	(3)	(1)	-65%	(4)	(4)	-10%
Net profit after tax	**91**	**132**	46%	**267**	**345**	29%
Net Profit Margin	*14%*	*14%*		*14%*	*14%*	
Distributed as follows:						
Shareholders of the company	83	120	45%	247	311	26%
Minority rights	8	13	54%	20	34	68%
Profit for the period	**91**	**132**	46%	**267**	**345**	29%

Consolidated Statement of Comprehensive Income

All figures in EGP mn	3Q2022	3Q2023	% change	9M2022	9M2023	% change
Net Profit	91	132	46%	267	345	29%
Other comprehensive income	0.0	0.0		0.0	0.0	
Total comprehensive income for the year	**91**	**132**	46%	**267**	**345**	29%
Total comprehensive income attributable to:						
Owners of the company	83	120	45%	247	311	26%
Non-controlling interest	8	13	54%	20	34	68%
Total comprehensive income for the year	**91**	**132**	46%	**267**	**345**	29%

[2] *Queens Hospital discontinuation resulted in excluding all its costs and revenues from the Group's Income Statement as reflected in this statement of income.*

Consolidated Statement of Financial Position

All figures in EGP mn	31 December 2022	30 September 2023
Non-current assets		
Fixed assets	1,567.3	1,940.4
Intangible assets	423.4	407.8
Right of use	149.2	103.5
Payment under investment	4.2	4.2
Investment in associates	3.8	3.8
Total non-current assets	**2,147.9**	**2,459.7**
Current assets		
Inventory	108.0	236.0
Accounts receivables	505.4	679.3
Other receivables and debit balances	172.8	276.9
Due from related parties	3.2	5.3
Treasury bills	98.9	0.2
Cash	247.2	335.0
Total current assets	**1,135.5**	**1,532.7**
Total assets	**3,283.4**	**3,992.5**
Equity		
Share capital	800.0	722.7
Treasury Shares	(766.0)	(5.1)
Reserves	319.2	84.2
Retained earnings	1,517.4	1,328.4
Long term incentive plan	8.4	6.0
Equity attributable to the parent company	**1,878.9**	**2,136.3**
Non-controlling interest	148.4	179.8
Total equity	**2,027.4**	**2,316.1**
Non-current liabilities		
Non-current portion of borrowings	88.0	262.5
Creditors and other credit balances - non-current portion	-	-
Non-current portion of lease liability	155.5	92.2
Deferred tax liabilities	89.4	93.1
Total non-current liabilities	**332.9**	**447.8**
Current liabilities		
Provisions	25.3	16.6
Creditors and other credit balances	530.8	763.5
Current Portion of Borrowings	244.5	302.2
Current portion of lease liability	39.0	42.1
Other Liabilities	35.6	45.9
Current income tax	48.0	58.2
Total current liabilities	**923.1**	**1,228.5**
Total liabilities	**1,256.0**	**1,676.4**
Total liabilities & shareholders' equity	**3,283.4**	**3,992.5**

Consolidated Statement of Cash Flow

All figures in EGP mn	30 September 2022	30 September 2023
Cash flow from operating activities:		
Profit before tax	336.9	433.1
Adjustments for:		
Depreciation	97.4	110.8
Right of use depreciation	-	-
Amortization of intangible assets	11.9	11.9
Allowance for impairment of current assets	(31.6)	35.2
Provision	(2.1)	(8.7)
Capital gain/Loss	(0.8)	4.4
Credit / Debit Interest	(4.8)	35.9
Changes in current tax liability	(73.3)	(74.4)
Loss In Investments in subsidiaries	-	-
Share-based payments financial liabilities	12.4	12.3
Lease Write Off	-	(21.7)
Intangible Assets Write off	-	14.1
Operating profits before changes in assets and liabilities	**345.9**	**552.9**
Changes in working capital:		
Changes in Inventories	(39.8)	(128.1)
Change in trade receivables, debtors and other debit balances	(76.9)	(273.6)
Changes in Due from related parties	(0.9)	(2.1)
Change in trade and other payables	66.4	227.3
Employee Incentive Plan	(14.7)	-
Change in lease	7.7	(8.6)
Net cash flows generated from operating activities	**287.7**	**367.8**
Cash flow from investment activities:		
Proceeds from sale of fixed assets	2.2	1.5
Fixed assets purchased	(123.7)	(119.0)
PUC purchased	(132.1)	(370.8)
Advance payment for purchase of fixed assets	(10.8)	(37.9)
Fixed assets Suppliers	-	-
Payments under investment	(11.0)	-
Credit Interest Collected	33.3	18.1
Paid for Investment Associates	-	-
Net cash flows used in investing activities	**(220.5)**	**(508.1)**
Cash flow from financing activities:		
Treasury Shares	(665.7)	-
Dividends paid out	(67.1)	(64.9)
Cash Proceed from Overdraft	301.6	626.0
Cash Paid to Overdraft	(109.3)	(608.4)
Interest paid	(29)	(36.3)
Receipts from borrowings	20.8	214.6
Net cash flow from financing activitiess	**(548.7)**	**131.1**
Net change in cash & cash equivalents during the year	**(481.6)**	**(9.3)**
Cash and cash equivalents at the beginning of the year	847.5	347.4
Cash And Cash /equivalent In Acquired Subsidiaries at Beg. Of The Period	-	-
Cash & cash equivalents at the end of the year	**347.4**	**338.1**