

CLEOPATRA HOSPITAL COMPANY “S.A.E.”

**LIMITED REVIEW REPORT AND
THE INTERIM CONDENSED SEPARATE FINANCIAL
STATEMENTS FOR THE NINE MONTHS PERIOD ENDED
30 SEPTEMBER 2023**

CLEOPATRA HOSPITAL “S.A.E.”

**Interim condensed separate financial statements
For the nine months period ended 30 September 2023**

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Limited Review Report on the Interim Financial Statements

To The Board of Directors of Cleopatra Hospital Company (S.A.E.)

Introduction

We conducted our limited review on the accompanying interim condensed separate financial position of Cleopatra Hospital Company (S.A.E.) (the "Company") as at 30 September 2023 and the related interim condensed separate statements of profit or loss, comprehensive income, changes in equity and cash flows for the nine months period then ended. The management is responsible for the preparation and fair presentation of these interim condensed separate financial statements in accordance with the Egyptian Accounting Standard No. (30) "Interim Financial Reporting". Our responsibility is limited to express a conclusion on these interim condensed separate financial statements based on our limited review.

Scope of the limited review

We conducted our limited review in accordance with the Egyptian Standard on Limited Review Engagements (2410), "Limited Review of Interim Financial Statements Performed by the Auditor of the Entity". A limited review of the interim condensed separate financial statements consists of applying analytical and other limited review procedures. A limited review is substantially less in scope than an audit conducted in accordance with the Egyptian Standards on Auditing and consequently does not enable us to obtain an assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on these interim condensed separate financial statements.

Conclusion

Based on our limited review, nothing has come to our attention which causes us to believe that the accompanying interim condensed separate financial statements are not prepared, in all material respects in accordance with the Egyptian Accounting Standard No. (30) "Interim Financial Reporting".



Tamer Abdel Tawab
Member of Egyptian Society of Accountants & Auditors
Member of AICPA
R.A.A. 17996
F.R.A. 388

23 November 2023
Cairo

CLEOPATRA HOSPITAL COMPANY "S.A.E."

Interim condensed separate statement of financial position – At 30 September 2023

(All amounts are shown in Egyptian Pounds)	Note	30 September 2023	31 December 2022
Non-current assets			
Fixed assets	5	514,188,673	399,772,293
Right-of-use assets	6	42,258,445	78,025,016
Goodwill		158,516,300	172,587,300
Investments in subsidiary	7	1,278,448,870	1,195,946,870
Investments in associates	8	2,449,990	2,449,990
Paid under investments purchased		4,201,975	4,201,975
Total non-current assets		2,000,064,253	1,852,983,444
Current assets			
Inventories	9	81,928,990	38,165,396
Trade and other receivables	10	246,517,423	175,368,153
Due from related parties	23	58,038,284	54,795,914
Debtors and other debit balances	11	83,044,355	37,675,974
Cash and cash equivalents	12	54,956,818	48,745,183
Total current assets		524,485,870	354,750,620
Total assets		2,524,550,123	2,207,734,064
Equity			
Share capital		722,717,101	800,000,000
Treasury Shares	25	(5,051,601)	(766,026,840)
Retained earnings		848,242,420	1,132,805,740
Employees stock ownership Plan		6,037,707	8,383,763
Reserves		171,962,629	406,976,847
Net Equity		1,743,908,256	1,582,139,510
Liabilities			
Non-current liabilities			
Lease liabilities	16	38,881,991	90,962,971
Loans	13	82,875,000	26,649,316
Deferred tax liabilities		6,643,797	7,964,691
Total non-current liabilities		128,400,788	125,576,978
Current liabilities			
Borrowings	14	262,046,718	244,464,052
Provisions		7,703,104	11,135,883
Trade and other payables	15	252,765,990	177,124,700
Due to related parties	23	56,659,143	2,955,658
Loans	13	14,625,000	-
Lease liabilities	16	12,340,282	9,986,330
Other liabilities		4,485,000	4,485,000
Current income tax liabilities		41,615,842	49,865,953
Total current liabilities		652,241,079	500,017,576
Total liabilities		780,641,867	625,594,554
Total equity and liabilities		2,524,550,123	2,207,734,064

The accompanying notes from 1 to 26 are integral part of these separate interim condensed financial statements.

Mr. Ahmed Adel Badreldin
Non Executive Chairman

Dr. Ahmed Ezz Eldin Mahmoud
CEO & Managing Director

Mr. Adel Elmistikawi
Group CFO

23 November 2023
Limited review report is attached.



CLEOPATRA HOSPITAL COMPANY “S.A.E.”

**Interim condensed separate statement of profit or loss
For the nine months ended 30 September 2023**

(All amounts are shown in Egyptian Pounds)

	Note	Nine months ended 30 September		Three months ended 30 September	
		2023	2022	2023	2022
Operating Revenue	17	1,020,320,117	780,185,341	371,734,451	271,227,838
(Less) Operating Cost	18	(611,530,797)	(463,849,778)	(223,195,515)	(162,257,634)
Gross profit		408,789,320	316,335,563	148,538,936	108,970,204
Add / (Less)					
General and administrative expenses	19	(129,316,408)	(104,172,159)	(45,277,086)	(33,394,549)
Net impairment losses on financial assets	20	(10,003,228)	(5,393,989)	(4,807,050)	(1,217,913)
Other income (Expenses)		(37,130)	1,372,038	383,543	1,673,741
Operating profit		269,432,554	208,141,453	98,838,343	76,031,483
Acquisition costs		(642,810)	(2,806,918)	-	(1,887,928)
Finance income		8,747,775	19,579,372	545,056	2,372,869
Finance cost		(42,951,756)	(13,263,601)	(16,755,260)	(6,359,643)
Profit for the period before income tax		234,585,763	211,650,306	82,628,139	70,156,781
Current tax		(36,381,341)	(46,985,946)	(22,335,133)	(15,601,140)
Deferred tax		1,320,895	249,070	2,117,935	(144,376)
Net profits from continued operations		199,525,317	164,913,430	62,410,941	54,411,265
Impact of discontinued operations		(4,262,386)	2,466,985	-	(3,786,528)
Profit for the period after income tax		195,262,931	167,380,415	62,410,941	50,624,737
Earnings per share (Basic/Diluted)	22	0.14	0.11	0.04	0.03
Earnings per share (Basic/Diluted) from continued operations	22	0.14	0.11	0.04	0.03

The accompanying notes from 1 to 26 are integral part of these separate interim condensed financial statements.

CLEOPATRA HOSPITAL COMPANY "S.A.E."

**Interim condensed separate statement of comprehensive income
For the nine months ended 30 September 2023**

(All amounts are shown in Egyptian Pounds)	Nine months ended 30 September		Three months ended 30 September	
	2023	2022	2023	2022
Profit for the period	195,262,931	167,380,415	62,410,941	50,624,737
Other comprehensive income	-	-	-	-
Comprehensive income for the period	195,262,931	167,380,415	62,410,941	50,624,737

The accompanying notes from 1 to 26 are integral part of these separate interim condensed financial statements.

CLEOPATRA HOSPITAL COMPANY "S.A.E."

Interim condensed separate statement of changes in equity - For the nine months period ended 30 September 2023

(All amounts in Egyptian Pounds)	Share capital	Treasury Shares	Reserves	Retained earnings	Employees' stock ownership plan	Total equity
Balance at 1 January 2022	800,000,000	(4,152,742)	390,707,869	975,126,950	8,289,941	2,169,972,018
Dividends for employees	-	-	-	(46,372,633)	-	(46,372,633)
Employees stock ownership Plan	-	-	-	-	(4,004,237)	(4,004,237)
Legal reserve	-	-	16,268,978	(14,618,532)	-	1,650,446
Treasury shares	-	(746,431,977)	-	-	-	(746,431,977)
Comprehensive income for the period	-	-	-	167,380,415	-	167,380,415
Balance at 30 September 2022	800,000,000	(750,584,719)	406,976,847	1,081,516,200	4,285,704	1,542,194,032
Balance at 1 January 2023	800,000,000	(766,026,840)	406,976,847	1,132,805,740	8,383,763	1,582,139,510
Dividends for employees and board of directors	-	-	-	(43,158,144)	-	(43,158,144)
Employees stock ownership Plan	-	10,390,520	1,619,495	-	(2,346,056)	9,663,959
Reserves	-	-	10,862,677	(10,862,677)	-	-
Treasury shares	(77,282,899)	750,584,719	(247,496,390)	(425,805,430)	-	-
Comprehensive income for the period	-	-	-	195,262,931	-	195,262,931
Balance at 30 September 2023	722,717,101	(5,051,601)	171,962,629	848,242,420	6,037,707	1,743,908,256

The accompanying notes from 1 to 26 are integral part of these separate interim condensed financial statements.

CLEOPATRA HOSPITAL COMPANY “S.A.E.”

**Interim condensed separate statement of cash flows
For the nine months period ended 30 September 2023**

(All amounts in Egyptian Pounds)	Note	30 September 2023	30 September 2022
Cash flows from operating activities			
Profit before income tax		233,171,039	214,833,513
Adjustments to settle net profit with cash flow from operating activities			
Fixed assets depreciation	5	36,813,907	35,808,943
Right of use assets depreciation	6	8,377,833	8,086,807
Loss from sale of fixed assets		3,908,736	(48,980)
Impairment of trade and other receivables	10	6,436,749	(10,240,307)
Impairment of cash	12	604,557	234,664
Impairment of inventory	9	(14,881)	(77,344)
Provisions		5,867,615	6,218,622
Interests and commissions - Overdraft		38,134,739	10,129,980
Interests and commissions - Lease		7,753,979	9,675,298
Lease write-off		(21,707,543)	-
Interest income		(4,491,595)	(19,742,560)
Employees stock ownership Plan		12,294,179	12,388,000
Impairment of intangible assets		14,071,000	-
Operating profits before changes in assets and liabilities		341,220,314	267,266,636
Changes in assets and liabilities			
Change in inventories		(43,748,713)	(11,764,230)
Change in trade receivables		(77,586,019)	(8,463,211)
Change in debtors and other debit balances		(9,095,840)	(6,991,943)
Change in due from related parties		(3,242,370)	(36,975,477)
Change in creditors and other credit balances		80,320,408	6,049,966
Change in due to related parties		53,703,485	15,527,960
Change in working capital		341,571,265	224,649,701
Provision utilized		(9,300,395)	(6,664,380)
Tax paid		(47,479,114)	(48,439,896)
Net cash generated from operating activities		284,791,756	169,545,425
Cash flows from investing activities			
Payments for purchase of fixed assets		(53,989,032)	(19,978,974)
Payments for projects under construction		(101,211,091)	(42,634,936)
Proceeds from sale of fixed assets		61,100	860,851
Advance payment for purchase of fixed assets		(36,272,541)	(2,458,428)
Payments under long-term investments		-	(20,999,700)
Payments under investments in subsidiaries		(82,502,000)	(42,499,700)
Interests received		4,491,595	19,742,560
Net cash from used in investing activities		(269,421,969)	(107,968,327)
Cash flows from financing activities			
Lease liabilities payments		(16,138,704)	(11,227,318)
Proceeds from bank overdraft		625,960,333	301,590,583
Payments for bank overdraft		(608,377,667)	(109,315,034)
Proceeds from loans		70,850,684	14,942,971
Interests and commissions paid		(38,134,739)	(10,129,980)
Treasury shares		-	(665,735,836)
Dividends paid		(42,713,502)	(43,845,818)
Net cash from used in financing activities		(8,553,595)	(523,720,432)
Changed in cash and cash equivalents during the year		6,816,192	(462,143,334)
Cash and cash equivalents at the beginning of the year		48,904,942	571,297,568
Cash and cash equivalents at the end of the year	12	55,721,134	109,154,234

The accompanying notes from 1 to 26 are integral part of these separate interim condensed financial statements.

CLEOPATRA HOSPITAL COMPANY "S.A.E."

Notes to the interim condensed separate financial statements For the nine months period ended 30 September 2023

(All amounts in the notes are shown in Egyptian Pounds unless otherwise stated)

1. Introduction

Cleopatra Hospital Company (Lasheen and Partners) was established as a limited partnership on 19 July 1979 and is located in the Arab Republic of Egypt. The decision of the Chairman of Investment Authority No. 4092 of 2005 was issued on 27 June 2005 authorising the conversion of the legal type of Cleopatra Hospital (Lasheen and Partners) from a "limited partnership" into Cleopatra Hospital Company " S.A.E." in accordance with law no.95 of 1992.

The company is listed on the Egyptian Stock Exchange.

Principal activity, The Company's purpose is to establish a private hospital to provide advanced modern health and medical services, as well as the medical care of inpatients. The Company may have interest or participate in any manner in companies or other firms which carry on similar activities in Egypt or abroad. The Company may acquire, merge or affiliate such entities under the General Authority for Investment. The Separate financial statements representing in three Hospitals (Cleopatra Hospital, Queens Hospital and Elkateb Hospital).

Registered address and place of business, The Company is located at 39, 41 Cleopatra Street, Heliopolis, Cairo.

Presentation currency, Presentation currency is Egyptian pound.

These independent financial statements of the Company were approved for issuance by the Board of Directors of the Company on **23 November 2023**.

2. Basis of preparation

2.1 Statement of compliance

This interim condensed separate financial statements for the nine-month reporting period ended 30 September 2023 have been prepared in accordance with Egyptian Accounting Standard 30 "Interim Financial Reporting".

This interim condensed separate financial information does not include all the notes normally included in an annual financial statement. Accordingly, this interim condensed separate financial information is to be read in conjunction with the standalone annual financial statement for the year ended 31 December 2022.

The accounting policies adopted in the preparation of this interim condensed separate financial information are consistent with those of the previous financial year and corresponding interim reporting period.

The business results for the nine months ending at September 30, 2023 are not necessarily indicative of the business results for the fiscal year ending at December 31, 2023.

CLEOPATRA HOSPITAL COMPANY "S.A.E."

Notes to the interim condensed separate financial statements For the nine months period ended 30 September 2023

(All amounts in the notes are shown in Egyptian Pounds unless otherwise stated)

2. Basis of preparation (continued)

2.2 Functional and presentation currency

Items included in the interim condensed separate financial statements are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The Company's interim condensed separate financial statements are presented in Egyptian Pounds, which is the Company's functional and presentation currency.

2.3 Use of estimates and judgements

The preparation of interim condensed separate financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income, and expenses. Actual results may differ from these estimates.

The significant judgments made by management in applying the Company's accounting policies and key sources of estimation uncertainty were the same as those described in the last consolidated financial statements as at and for the year ended 31 December 2022.

2.4 Amended Egyptian accounting standards that the group has not yet applied and presentation currency

The Minister of Investment issued Decision No. 883 of 2023 in March 2023, amending some provisions of Egyptian accounting standards, which include some new accounting standards and amendments to some existing standards. These amendments were published in the Accounting Standards in the Official Gazette on 6 March 2023. The most important amendments are summarized as follows, which are implemented for financial periods beginning on or after 1 January 2023. The company's management is in the process of evaluating the impact of applying these amendments:

<u>Standard's name</u>	<u>Amendments to the Egyptian Accounting Standard "Fixed Assets" No. (10) and the Egyptian Accounting Standard No. (23) "Intangible Assets" related to depreciation and amortization</u>
The nature of the modification	The scope of the standard The scope of the standard has been amended to include "bearing plants". Measurement - An option to apply the revaluation model for fixed assets has been added - The fair value is determined by an estimate made by experts specialized in valuation and valuation among those registered in a register designated for that in the Financial Regulatory Authority. - Paragraph 20 / A has been added, according to which the facility must record the proceeds from the sale of any output produced during the delivery of the fixed asset to the condition necessary for it to be operable in the manner intended by the management within the profits or losses. Disclosures - Some new disclosures related to the re-evaluation form have been added.

CLEOPATRA HOSPITAL COMPANY “S.A.E.”

Notes to the interim condensed separate financial statements For the nine months period ended 30 September 2023

(All amounts in the notes are shown in Egyptian Pounds unless otherwise stated)

2. Basis of preparation (continued)

2.4 Amended Egyptian accounting standards that the group has not yet applied and presentation currency (Continued)

The impact There is no impact on the standalone financial statements for the financial period ending on 30 September 2023. The management is currently evaluating the potential impact of the application on the financial statements.

Date of mandatory application/date of implementation by the Group The amendments to add the option to use the revaluation model will be applied to the financial periods starting on or after 1 January 2023, with a retroactive effect, with proof of the cumulative effect of applying the revaluation model first by adding it to the revaluation surplus account within equity at the beginning of the financial period in which the company applies this model for the first time.

Standard’s name Egyptian Accounting Standard No. (23) “Intangible Assets”.

The nature of the modification The scope of the standard

The scope of the intangibles standard has been amended to include the rights that the lessee retains under licensing agreements for items such as motion picture films, video recordings, plays, manuscripts, patents, and copyrights.

Measurement

- An option to apply the revaluation model for intangible assets has been added
- The fair value is determined by an estimate made by experts specialized in valuation and valuation among those registered in a register designated for that in the Financial Supervisory Authority.

Disclosures

Some new disclosures have been added to the re-evaluation form.

The impact There is no impact on the standalone financial statements for the financial period ending on 30 September 2023. The management is currently evaluating the potential impact of the application on the financial statements.

Date of mandatory application/date of implementation by the Group The facility applies the amendments to add the option of using the revaluation model to the financial periods starting on or after 1 January 2023, retroactively, with proof of the cumulative effect of applying the revaluation model first by adding it to the revaluation account within equity at the beginning of the financial period in which the facility applies This model for the first time.

CLEOPATRA HOSPITAL COMPANY "S.A.E."

Notes to the interim condensed separate financial statements
For the nine months period ended 30 September 2023

(All amounts in the notes are shown in Egyptian Pounds unless otherwise stated)

2. Basis of preparation (continued)

2.4 Amended Egyptian accounting standards that the group has not yet applied and presentation currency (Continued)

Standard's name	<u>Amendments to the Egyptian Accounting Standard "Fixed Assets" No. (10) and the Egyptian Accounting Standard No. (23) "Intangible Assets" related to depreciation and amortization</u>
The nature of the modification	<p>This amendment clarifies that a depreciation method that is based on revenue generated from an activity that includes depreciation of an asset may not be used. As the generation of revenue related to the asset reflects factors other than the consumption of economic benefits related to the asset.</p> <p>It is possible to refute this assumption in limited cases related to intangible assets when there is a close correlation between the volume of revenue and the intangible asset.</p>
The impact	<p>There is no impact on the standalone financial statements for the financial period ending on 30 September 2023. The management is currently evaluating the potential impact of the application on the financial statements.</p>
Date of mandatory application/date of implementation by the Group	<ul style="list-style-type: none">• Applies to fiscal periods beginning on or after 1 January 2023.
Standard's name	<u>Egyptian Accounting Standard No. (34) "Real Estate Investment"</u>
The nature of the modification	<p>Measurement</p> <ul style="list-style-type: none">- An option to apply the fair value model for real estate investment has been added.- The fair value is determined by an estimate made by experts specialized in evaluation and valuation among those registered in a register designated for that in the Financial Supervisory Authority.
The impact	<p>There is no impact on the standalone financial statements for the financial period ending on 30 September 2023. The management is currently evaluating the potential impact of the application on the financial statements.</p>
Date of mandatory application/date of implementation by the Group	<p>The facility applies the amendments to add the option of using the revaluation model to the financial periods starting on or after 1 January 2023, retroactively, with proof of the cumulative effect of applying the revaluation model first by adding it to the revaluation account within equity at the beginning of the financial period in which the facility applies This model for the first time.</p>

CLEOPATRA HOSPITAL COMPANY "S.A.E."

Notes to the interim condensed separate financial statements
For the nine months period ended 30 September 2023

(All amounts in the notes are shown in Egyptian Pounds unless otherwise stated)

2. Basis of preparation (continued)

2.4 Amended Egyptian accounting standards that the group has not yet applied and presentation currency (Continued)

Standard's name	<u>Egyptian Accounting Standard No. (36) "Exploration and Evaluation of Mineral Resources"</u>
The nature of the modification	Measurement - An option to use the re-evaluation model has been added, and it is processed according to the re-evaluation form in Fixed Assets Standard No. 10. - The evaluation is carried out by experts specialized in evaluation and valuation among those registered in a register designated for this purpose at the Ministry of Petroleum. Disclosures Some new disclosures have been added to the re-evaluation form.
The impact	There is no impact on the standalone financial statements for the financial period ending on 30 September 2023. The management is currently evaluating the potential impact of the application on the financial statements.
Date of mandatory application/date of implementation by the Group	The facility applies the amendments to add the option of using the revaluation model to the financial periods starting on or after 1 January 2023, retroactively, with proof of the cumulative effect of applying the revaluation model first by adding it to the revaluation account within equity at the beginning of the financial period in which the facility applies This model for the first time.
Standard's name	<u>Egyptian Accounting Standard No. (49) "Lease Contracts"</u>
The nature of the modification	Measurement A revaluation model option has been added to all usufruct assets, if the usufruct asset is related to a category of fixed assets in which the lessee applies the revaluation model contained in Egyptian Accounting Standard No. (10) "Fixed Assets and Their Depreciation". Disclosures Some new disclosures have been added regarding the revaluation model in accordance with Egyptian Accounting Standard No. (10) "Fixed Assets and Their Depreciation".
The impact	There is no impact on the standalone financial statements for the financial period ending on 30 September 2023. The management is currently evaluating the potential impact of the application on the financial statements.
Date of mandatory application/date of implementation by the Group	The facility applies the amendments to add the option of using the revaluation model to the financial periods starting on or after 1 January 2023, retroactively, with proof of the cumulative effect of applying the revaluation model first by adding it to the revaluation account within equity at the beginning of the financial period in which the facility applies This model for the first time.

CLEOPATRA HOSPITAL COMPANY "S.A.E."

Notes to the interim condensed separate financial statements For the nine months period ended 30 September 2023

(All amounts in the notes are shown in Egyptian Pounds unless otherwise stated)

3. Segment reporting

Business segments are reported in line with the reports provided internally to the senior management, which makes decisions related to resources allocation and evaluation of segments' performance in the Company. The senior management is represented in Company's executive management committee. The segment reports are provided to the Company based on each company, as each subsidiary is considered a separate business segment.

Below is a summary of each segment, which is presented for the year ended 30 September 2023 for each segment:

	Cleopatra Hospital Company	Queens Hospitals**	Al Kateb Hospitals	Consolidated adjustment	Total
Statement of financial position					
Non-current assets	1,841,137,583	3,296,719	155,629,951	-	2,000,064,253
Current assets	485,045,910	74,440,835	52,135,614	(87,136,489)	524,485,870
Total assets	2,326,183,493	77,737,554	207,765,565	(87,136,489)	2,524,550,123
Current liabilities	640,257,030	21,422,472	77,698,066	(87,136,489)	652,241,079
Non-current liabilities	125,628,402	(430,394)	3,202,780	-	128,400,788
Total Liabilities	765,885,432	20,992,078	80,900,846	(87,136,489)	780,641,867
Statement of profit or loss:					
Operating revenue	930,828,345	-	89,491,772	-	1,020,320,117
Operating costs	(538,511,326)	-	(73,019,471)	-	(611,530,797)
Gross profit	392,317,019	-	16,472,301	-	408,789,320
Other expenses and revenues	(193,612,460)	(4,262,386)	(14,369,114)	-	(212,243,960)
Profit for period	198,704,559	(4,262,386)	2,103,187	-	195,262,931
Other Items					
Capital expenditure	139,163,664	-	16,036,459	-	155,200,123
Fixed assets depreciation	29,761,611	1,135,751	5,916,545	-	36,813,907

* Consolidation constraints are mainly the exclusion of balances and transactions between CGUs.

** Based on the closure of the hospital on May 30, 2023, and the Board of Directors decided on July 6, 2023, all operations and operating activities of Queen's Hospital (one of the company's companies) were suspended, and it was excluded from the company and considered among the non-continuous operations.

CLEOPATRA HOSPITAL COMPANY "S.A.E."

Notes to the interim condensed separate financial statements For the nine months period ended 30 September 2023

(All amounts in the notes are shown in Egyptian Pounds unless otherwise stated)

3. Segment reporting (continued)

Below is a summary of each segment, which is presented for the year ended 31 December 2022 for each segment:

	Cleopatra Hospital Company	Queens Hospitals	Al Kateb Hospitals	Consolidated adjustment	Total
Statement of financial position					
Non-current assets	1,644,670,640	64,974,500	143,338,304	-	1,852,983,444
Current assets	337,431,210	77,328,280	26,180,904	(86,189,774)	354,750,620
Total assets	1,982,101,850	142,302,780	169,519,208	(86,189,774)	2,207,734,064
Current liabilities	518,014,605	28,264,647	39,928,098	(86,189,774)	500,017,576
Non-current liabilities	52,080,896	69,948,933	3,547,149	-	125,576,978
Total Liabilities	570,095,501	98,213,580	43,475,247	(86,189,774)	625,594,554
Statement of profit or loss:					
Operating revenue	1,014,052,500	-	48,998,403	-	1,063,050,903
Operating costs	(573,406,102)	-	(57,778,172)	-	(631,184,274)
Gross profit	440,646,398	-	(8,779,769)	-	431,866,629
Other expenses and revenues	(197,848,076)	(1,954,114)	(14,810,906)	-	(214,613,096)
Profit for year	242,798,322	(1,954,114)	(23,590,675)	-	217,253,533
Other Items					
Capital expenditure	77,648,177	365,943	11,914,328	-	89,928,448
Fixed assets depreciation	39,036,628	3,300,860	5,408,666	-	47,746,154

* Consolidation constraints are mainly the exclusion of balances and transactions between CGUs.

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Notes to the interim condensed separate financial statements For the nine months period ended 30 September 2023

(All amounts in the notes are shown in Egyptian Pounds unless otherwise stated)

3. Segment reporting (continued)

Below is a summary of each segment, which is presented for the year ended 30 September 2022 for each segment:

	Cleopatra Hospital Company	Queens Hospitals	Al Kateb Hospitals	Consolidated adjustment	Total
Statement of financial position					
Non-current assets	1,547,562,625	67,461,952	140,066,725	-	1,755,091,302
Current assets	408,977,263	78,235,036	25,178,307	(51,763,811)	460,626,795
Total assets	1,956,539,888	145,696,988	165,245,032	(51,763,811)	2,215,718,097
Current liabilities	538,439,768	29,189,239	30,908,397	(51,744,439)	546,792,965
Non-current liabilities	55,319,706	68,270,571	3,140,823	-	126,731,100
Total Liabilities	593,759,474	97,459,810	34,049,220	(51,744,439)	673,524,065
Statement of profit or loss:					
Operating revenue	748,656,457	-	31,528,884	-	780,185,341
Operating costs	(422,629,099)	-	(41,220,679)	-	(463,849,778)
Gross profit	326,027,358	-	(9,691,795)	-	316,335,563
Other expenses and revenues`	(141,607,687)	2,193,862	(9,541,323)	-	(148,955,148)
Profit for period	184,419,671	2,193,862	(19,233,118)	-	167,380,415
Other Items					
Capital expenditure	54,683,831	365,943	7,564,137	-	62,613,911
Fixed assets depreciation	28,800,370	2,473,809	4,534,764	-	35,808,943

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4. Financial assets and financial liabilities

The Company holds the following financial instruments:

	Amortized cost	
	30 September 2023	31 December 2022
Financial assets		
Trade receivables	286,028,326	208,442,307
Due from related parties	58,038,284	54,795,914
Debtors and other debit balances *	8,296,675	8,182,488
Cash on hand and at banks	55,721,134	48,904,942
	408,084,419	320,325,651

* Excluding prepayments, advances to suppliers, and withholding taxes,

	Amortized cost	
	30 September 2023	31 December 2022
Financial Liabilities		
Loans	000,500,97	26,649,316
Creditors and other credit balances **	249,413,586	174,623,396
Lease liabilities	51,222,273	100,949,301
Bank's overdraft	262,046,718	244,464,052
Due to Related Parties	56,659,143	2,955,658
	720,841,716	549,641,723

** Excluding social insurance,

CLEOPATRA HOSPITAL COMPANY "S.A.E."

Notes to the interim condensed separate financial statements - For the nine months period ended 30 September 2023

(All amounts in the notes are shown in Egyptian Pounds unless otherwise stated)

5. Fixed assets											
	Lands	Machinery, equipment and devices	Tools and instruments	Furniture	Buildings	Vehicles	Computers	Leasehold improvements	Projects under construction	Total	
At 1 January 2022											
Cost	82,878,000	231,990,326	12,579,286	24,081,380	89,339,559	13,920,365	51,527,577	41,506,471	4,379,390	552,202,354	
Accumulated depreciation	-	(101,292,893)	(6,722,167)	(10,538,971)	(32,520,130)	(5,654,191)	(25,927,788)	(10,696,266)	-	(193,352,406)	
Net book value	82,878,000	130,697,433	5,857,119	13,542,409	56,819,429	8,266,174	25,599,789	30,810,205	4,379,390	358,849,948	
Year ended 31 December 2022											
Opening net book value	82,878,000	130,697,433	5,857,119	13,542,409	56,819,429	8,266,174	25,599,789	30,810,205	4,379,390	358,849,948	
Additions	-	18,150,466	3,244,359	5,599,840	-	-	5,713,750	1,224,682	55,995,351	89,928,448	
Disposals	-	(1,039,530)	(36,855)	(595,764)	-	(1,600,000)	(99,210)	-	-	(3,371,359)	
Transfers from projects under construction	-	75,000	122,610	645,675	3,146,304	-	2,481,190	41,569	(6,512,348)	-	
Depreciation for the year	-	(19,774,278)	(1,167,435)	(3,701,675)	(3,525,727)	(3,695,418)	(10,605,085)	(5,276,536)	-	(47,746,154)	
Accumulated depreciation of disposal	-	669,530	36,855	590,764	-	751,875	62,386	-	-	2,111,410	
Closing net book value	82,878,000	128,778,621	8,056,653	16,081,249	56,440,006	3,722,631	23,152,820	26,799,920	53,862,393	399,772,293	
At 31 December 2022											
Cost	82,878,000	249,176,262	15,909,400	29,731,131	92,485,863	12,320,365	59,623,307	42,772,722	53,862,393	638,759,443	
Accumulated depreciation	-	(120,397,641)	(7,852,747)	(13,649,882)	(36,045,857)	(8,597,734)	(36,470,487)	(15,972,802)	-	(238,987,150)	
Net book amount	82,878,000	128,778,621	8,056,653	16,081,249	56,440,006	3,722,631	23,152,820	26,799,920	53,862,393	399,772,293	
		18,150,466	3,244,359	5,599,840	-	-	5,713,750	1,224,682	55,995,351	89,928,448	
At 30 September 2023											
Opening net book value	82,878,000	128,778,621	8,056,653	16,081,249	56,440,006	3,722,631	23,152,820	26,799,920	53,862,393	399,772,293	
Additions	-	28,855,868	4,291,206	2,817,498	2,848,699	11,380,000	3,795,761	-	101,211,091	155,200,123	
Disposals	-	(2,937,330)	(319,987)	(335,682)	-	(3,513,220)	(2,107,711)	(125,312)	-	(9,339,242)	
Write-off	-	-	-	-	-	-	-	-	(2,669,840)	(2,669,840)	
Transfers from projects under construction	-	-	-	221,080	1,516,487	-	265,866	-	(2,003,433)	-	
Depreciation for the period	-	(15,536,783)	(1,524,605)	(3,135,405)	(2,845,137)	(1,703,363)	(8,164,233)	(3,904,381)	-	(36,813,907)	
Accumulated depreciation of write-off	-	2,937,330	113,735	271,647	-	3,492,769	1,153,277	70,488	-	8,039,246	
Balance at 30 September 2023	82,878,000	142,097,706	10,617,002	15,920,387	57,960,055	13,378,817	18,095,780	22,840,715	150,400,211	514,188,673	
Cost	82,878,000	275,094,800	19,880,619	32,434,027	96,851,049	20,187,145	61,577,223	42,647,410	150,400,211	781,950,484	
Accumulated depreciation	-	(132,997,094)	(9,263,617)	(16,513,640)	(38,890,994)	(6,808,328)	(43,481,443)	(19,806,695)	-	(267,761,811)	
Net book value at period end	82,878,000	142,097,706	10,617,002	15,920,387	57,960,055	13,378,817	18,095,780	22,840,715	150,400,211	514,188,673	

CLEOPATRA HOSPITAL COMPANY “S.A.E.”

Notes to the interim condensed separate financial statements For the nine months period ended 30 September 2023

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6. Right-of-use assets

The Egyptian Standard No, (49) “Leasing Contracts” has been applied in two phases as follows:

The first stage relates to lease contracts that were subject to Law (95) for the year 1995 starting on or after 1 January 2019, which are lease contracts related to medical equipment and measured at the beginning of the contract at a value equal to the value of the lease obligations in addition to rental expenses and subsequently depreciated over the life of the lease contracts using the straight-line method.

The second phase represents lease contracts related to buildings that were subject to Law (95) for the year 1995 starting on or after 1 January 2021 and measured at a carrying amount as if the standard had been applied since inception of the lease but discounted using the lending rate to the lessee at the date of application, and it is subsequently depreciated over the life of the lease using the straight-line method.

	<u>30 September 2023</u>	<u>31 December 2022</u>
Buildings		
Beginning balance for the period/ year	78,025,016	93,348,683
Settlements	-	(3,945,777)
Additions for the period/ year	28,701,815	-
Disposal for the period/ year	(56,090,553)	(636,871)
Depreciation for the period/ year	(7,378,797)	(6,499,923)
Discontinued operation	(999,036)	(4,241,096)
Total	<u>42,258,445</u>	<u>78,025,016</u>

Lease payments are discounted using the interest rate implicit in the lease contract, if this rate cannot be determined, then the borrowing rate of the lessee is used, which is the rate that the lessee would have to pay to borrow the money needed to obtain an asset of similar value in a similar economic environment with similar terms and conditions. An average interest rate of 11.15% has been used.

7. Investments in subsidiaries

	<u>Investment Percentage</u>	<u>Country</u>	<u>30 September 2023</u>	<u>31 December 2022</u>
Investments in Nile Badrawi Hospital Company	99.989%	Egypt	380,004,947	380,004,947
Investments in Al shorouk Hospital Company	99.999%	Egypt	374,142,000	374,142,000
Investments in Cairo Specialised Hospital Company	56.46%	Egypt	149,511,023	149,511,023
Investments in El Bedaya El Gedida for Medical Centers and Hospitals Company	99.99%	Egypt	119,482,000	119,482,000
Investments in CHG for hospitals Company	99.99%	Egypt	30,000,000	30,000,000
Investments in CHG Pharma for Pharmacies Management Company	98%	Egypt	245,000	245,000
Investments in CHG for Medical Services Company*	20% (Preferred shares)	Egypt	62,500	62,500
Investment in CHG SKY	99.99%	Egypt	145,000,700	87,499,700
Investment in Heaven Company	99.99%	Egypt	80,000,700	54,999,700
			<u>1,278,448,870</u>	<u>1,195,946,870</u>

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(All amounts in the notes are shown in Egyptian Pounds unless otherwise stated)

8. Investments in associates:

	<u>30 September 2023</u>	<u>31 December 2022</u>
Egypt Healthcare Facilities Services for facility management	2,449,990	2,449,990
	<u>2,449,990</u>	<u>2,449,990</u>

9. Inventories

	<u>30 September 2023</u>	<u>31 December 2022</u>
Medical supply inventory	54,691,732	23,646,850
Medicine inventory	24,895,579	12,378,589
Maintenance and spare parts inventory	1,123,147	1,000,827
Stationary inventory	683,863	761,810
Hospitality inventory	524,064	372,568
Food and beverage inventory	119,124	128,152
	<u>82,037,509</u>	<u>38,288,796</u>
Less: Write-down of inventory	(108,519)	(123,400)
	<u>81,928,990</u>	<u>38,165,396</u>

Movement in the provision for inventory is as follows:

	<u>30 September 2023</u>	<u>31 December 2022</u>	<u>30 September 2022</u>
Balance at the beginning of the period/year	123,400	133,581	133,581
Provisions formed during the period/year	47,336	59,637	-
Provisions no longer required during the period/year	(62,217)	(69,818)	(77,344)
Balance at the end of the period/year	<u>108,519</u>	<u>123,400</u>	<u>56,237</u>

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(All amounts in the notes are shown in Egyptian Pounds unless otherwise stated)

10. Trade receivables

	<u>30 September 2023</u>	<u>31 December 2022</u>
Due from customers	281,048,782	204,212,092
Income from inpatients	4,979,544	4,230,215
	286,028,326	208,442,307
Less:		
Impairment of customers' balances	(39,510,903)	(33,074,154)
	246,517,423	175,368,153

The income from inpatients comprises the revenues that have not been billed at the financial position date for their stay while the procedures of the medical services have not been completed. Such income is calculated net of the amounts collected in advance during the year of their stay.

The Company applies the EAS 47 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables.

The expected loss rates are based on the payment profiles of customers over a period of 36 month before each balance sheet date and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Company has identified the GDP and the unemployment rate of the countries in which it sells its goods and services to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors.

The credit loss allowance for trade receivables is determined according to the provision matrix presented in the table below. The provision matrix is based on the number of days that an asset is past due, with adjusting it.

Trade receivables	30 September 2023			
	<u>Loss Rate</u>	<u>Gross carrying amount</u>	<u>Lifetime ECL</u>	<u>Net carrying value</u>
Current until less than 30 days overdue	0.2%	172,916,912	323,688	172,593,224
30 to 60 days overdue	2%	33,804,224	536,983	33,267,241
61 to 90 days overdue	4%	15,401,616	673,815	14,727,801
91 to 120 days overdue	9%	8,479,416	768,623	7,710,794
121 to 360 days overdue	26%	19,721,791	5,125,201	14,596,590
361 to 720 days overdue	40%	6,022,517	2,400,743	3,621,774
More than 720 days	100%	29,681,850	29,681,850	-
Total		286,028,326	39,510,903	246,517,423

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**Notes to the interim condensed separate financial statements
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(All amounts in the notes are shown in Egyptian Pounds unless otherwise stated)

10. Trade receivables (continued)

Trade receivables	31 December 2022			
	Loss rate	Gross carrying amount	Lifetime ECL	Net carrying value
Current until less than 30 days overdue	0.4%	135,221,841	505,365	134,716,476
30 to 60 days overdue	3%	18,411,548	486,942	17,924,606
61 to 90 days overdue	5%	4,985,966	269,480	4,716,486
91 to 120 days overdue	11%	5,128,565	573,141	4,555,424
121 to 360 days overdue	34%	19,175,662	6,499,989	12,675,673
361 to 720 days overdue	58%	1,859,226	1,079,738	779,488
More than 720 days	100%	23,659,499	23,659,499	-
Total		208,442,307	33,074,154	175,368,153

The movement in expected credit losses in the value of trade receivables is as follows:

	30 September 2023	31 December 2022	30 September 2022
Balance at the beginning of the period/year	33,074,154	45,848,863	45,848,863
Provisions formed during the period/year	10,640,796	7,378,069	7,609,302
Provision used during the period/year	(3,035,960)	(18,026,765)	(13,457,498)
Provision no longer required during the period/year	(1,242,124)	-	(2,449,977)
Discontinued operations	74,037	(2,126,013)	(1,942,133)
Ending balance at the end of period/year	39,510,903	33,074,154	35,608,557

11. Debtors and other debit balances

	30 September 2023	31 December 2022
Advances to suppliers	52,825,790	13,926,625
Prepaid expenses	14,847,094	6,434,183
Withholding taxes	7,074,796	9,132,678
Employee’s custodies	4,856,706	4,856,706
Deposits with others	510,402	5,009
Accrued income	92,168	-
Other debtors	2,837,399	3,320,773
	83,044,355	37,675,974

CLEOPATRA HOSPITAL COMPANY "S.A.E."

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(All amounts in the notes are shown in Egyptian Pounds unless otherwise stated)

12. Cash and cash equivalent

	<u>30 September 2023</u>	<u>31 December 2022</u>
Time deposit	-	20,996,530
Current accounts	53,086,331	26,627,080
Cash on hand	2,634,803	1,281,332
Deduct:		
Cash and cash equivalents impairment	<u>(764,316)</u>	<u>(159,759)</u>
	<u>54,956,818</u>	<u>48,745,183</u>

Movement in the impairment is as follows:

	<u>30 September 2023</u>	<u>31 December 2022</u>	<u>30 September 2022</u>
Balance at the beginning of the period/year	159,759	407,575	407,575
Formed during the period/year	1,036,703	234,664	234,664
No longer required	(432,146)	(482,480)	-
Ending balance	<u>764,316</u>	<u>159,759</u>	<u>642,239</u>

The time deposits item includes a zero amount on 30 September 2023 EGP (2022: EGP 20,996,530 are denominated in local banks in US dollars and are payable within one from the date of deposit and are subject to a fixed annual return of 3.25%

Current accounts deposited in Egyptian Pounds are subject to a fixed annual rate of 10% to 10.5% (2022: from 0.5% to 0.75%).

For the purpose of preparation of the cash flow statements, cash and cash equivalents consist of:

	<u>30 September 2023</u>	<u>30 September 2022</u>
Cash and bank balances	55,721,134	109,154,234
Total	<u>55,721,134</u>	<u>109,154,234</u>

Classification within cash and cash equivalents

Term deposits are held with banks and presented as cash and cash equivalents if they have a maturity of three months or less from the date of deposit and are repayable with 24 hours' notice without loss of interest. Treasury bills listed under cash and cash equivalents have original maturities not exceeding three months from the date of acquisition and are easily convertible into known amounts of cash and are subject to insignificant risks of changes in value.

The Company's cash and bank balances are held with reputed financial institutions with credit ratings from Moody's and Standard & Poor's from B3 to Caa3.

CLEOPATRA HOSPITAL COMPANY "S.A.E."

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(All amounts in the notes are shown in Egyptian Pounds unless otherwise stated)

13. Loans

	30 September 2023		
	Current	Non-current	Total
Loans	14,625,000	82,875,000	97,500,000
Total	14,625,000	82,875,000	97,500,000

	31 December 2022		
	Current	Non-current	Total
Loans	-	26,649,316	26,649,316
Total	-	26,649,316	26,649,316

- On October 27, 2021, Cleopatra Hospital Company signed a medium-term loan contract with Ahli United Bank, with a total amount of 145 million Egyptian pounds, with a return of 0.65%, in addition to the lending rate announced by the Central Bank.
- On August 10, 2022, Cleopatra Hospital Company, Nile Badrawi Hospital Company, and Cairo Specialised Hospital Company signed an appendix to the loan contract from Ahli United Bank. The following are the most important terms of the contract:
 - Increasing the financing amount to 285 million Egyptian pounds, and it will be divided among the companies as follows:

Cleopatra Hospital Company	45 million Egyptian pounds
Cairo Specialist Hospital Company	90 million Egyptian pounds
Nile Badrawi Hospital Company	150 million Egyptian pounds
 - The purpose of the loan is to finance and/or refinance the capital needs and renovation of the group's hospitals starting from 2021, including medical equipment, medical beds, medical and non-medical furniture, as well as internal development of movables (finishes, electromechanical equipment, and power station).
 - The validity of this contract begins for a period of six years and six months from the date of signing the financing contract on 27 October 2021, with the group being granted a grace period of a maximum of one year and six months ending on 31 December 2023, and a grace period (applied to repayment of the principal) of one year and six Months ending on 31 January 2024, and in the event that the entire amount of financing is not withdrawn during the aforementioned grace period, the unwithdrawn part will be automatically cancelled and the bank is not obligated to lend the group any amounts other than what has been withdrawn from the financing amount.
 - The group is committed to repaying the total financing amount in 20 quarterly instalments, with the first instalment starting on 31 December 2024.

Financial ratios

According to the terms of the contract, the company is committed to achieving the following financial ratios:

- The financial leverage of the group should not exceed 0,7 and that of the Nile Badrawi Hospital Company should not be less than 1.
- The debt service ratio should not be less than 1.3.
- The liquidity ratio should not be less than 1.

CLEOPATRA HOSPITAL COMPANY "S.A.E."

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(All amounts in the notes are shown in Egyptian Pounds unless otherwise stated)

13. Loans (continued)

The loans contain certain covenants. A future breach of covenants may lead to renegotiation. The covenants are monitored by management, in case of potential breach, actions are taken by management to ensure compliance. During 2023, there has not been any non-compliance observed for any of the covenants.

14. Banks overdraft

	<u>30 September 2023</u>	<u>31 December 2022</u>
Banks overdraft	262,046,718	244,464,052

The company obtained total credit limits in the form of overdrafts from banks in order to finance working capital at an interest rate of 0.1% in addition to the announced lending rate from the Central Bank. The total available credit limits amounted to 330 million EGP and the withdrawn value of these credit limits in 30 September 2023 equals EGP 262,046,718 (244,464,052 in 31 December 2022).

15. Trade and Other Payables

	<u>30 September 2023</u>	<u>31 December 2022</u>
Suppliers and notes payable	140,674,672	81,478,106
Accrued expenses	93,951,914	82,611,693
Social insurance	3,352,404	2,501,304
Other creditors	14,787,000	10,533,597
	<u>252,765,990</u>	<u>177,124,700</u>

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**Notes to the interim condensed separate financial statements
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(All amounts in the notes are shown in Egyptian Pounds unless otherwise stated)

16. Lease liabilities

The company has applied the new Egyptian accounting standard EAS 49 “Lease contracts” on 1 January 2021. The company has applied the standard using the modified retrospective approach, and the comparative figures have not been restated.

The weighted average incremental borrowing rate applicable to lease commitments recognized on 1 January 2021 was 11.15%.

	30 September 2023	31 December 2022
Undiscounted		
During period/year	12,340,282	9,986,330
More than period/year	57,759,763	215,976,141
	70,100,045	225,962,471
The present value of the lease obligations is as follows:		
During period/year	12,340,282	9,986,330
More than a year	38,881,991	90,962,971
Balance	51,222,273	100,949,301
	30 September 2023	31 December 2022
Lease Liabilities were presented as follows:		
Lease liabilities shown as at 31 December 2022	100,949,301	108,476,311
Adjustments period/year	1,404,168	(3,978,225)
Additions during period/year	28,701,815	-
Disposal period/year	(77,798,096)	(824,981)
Lease liabilities shown as at 30 September 2023	53,257,188	103,655,105
Add: Interest formed period/year	5,546,733	3,932,562
Add: Discontinued operations	2,207,245	7,848,330
Deduct: Payments period/year	(9,788,894)	(14,486,696)
Lease liabilities at 30 September 2023	51,222,273	100,949,301

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**Notes to the interim condensed separate financial statements
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(All amounts in the notes are shown in Egyptian Pounds unless otherwise stated)

17. Operating revenue

	Nine months ended 30 September		Three months ended 30 September	
	2023	2022	2023	2022
Surgeries revenue	213,573,565	164,156,974	76,715,850	61,024,035
Accommodation and medical supervision revenue	147,974,654	148,766,518	65,431,670	49,546,123
Outpatient clinics revenue	137,121,178	101,287,139	43,131,780	35,909,227
Laboratories revenue	129,950,776	97,583,418	43,415,328	32,990,394
Radiology revenue	76,637,563	60,575,560	25,466,748	20,067,796
Cardiac catheterization revenue	74,573,446	45,154,658	25,062,828	13,457,301
Service charge revenue	71,859,131	53,762,932	25,719,705	19,115,388
Pharmacy revenue	66,600,197	40,461,201	27,270,746	14,099,931
Emergency revenue	50,842,290	37,994,867	18,843,345	13,309,709
Cardiac tests revenue	12,986,118	8,116,472	4,561,765	3,089,365
Physiotherapy revenue	12,167,924	7,870,141	5,318,308	2,836,078
Dentistry revenue	7,551,921	6,932,936	3,000,407	2,553,016
Endoscopy revenue	7,173,549	6,433,696	2,393,042	2,444,729
Revenues from other departments	11,307,805	1,088,829	5,402,929	784,746
	1,020,320,117	780,185,341	371,734,451	271,227,838

* “Service charge” does not represent a separate performance obligation but is a surcharge at a fixed percentage rate applied to all revenue streams except for sale of medicines.

All types of revenue are recognized at a point in time except accommodation and medical supervision are recognized over time.

Timing of revenue recognition (for each revenue stream) is as follows:

	30 September 2023	30 September 2022
At a point in time	872,345,463	631,418,823
Over time -Accommodation and medical supervision revenue	147,974,654	148,766,518
	1,020,320,117	780,185,341

CLEOPATRA HOSPITAL COMPANY "S.A.E."

**Notes to the interim condensed separate financial statements
For the nine months period ended 30 September 2023**

(All amounts in the notes are shown in Egyptian Pounds unless otherwise stated)

18. Operating costs

	Nine months ended 30 September		Three months ended 30 September	
	2023	2022	2023	2022
Medical and pharmaceutical supplies	195,094,022	126,407,505	76,415,444	43,644,527
Doctors' fees	165,643,831	137,935,340	58,963,137	47,531,354
Salaries, wages and benefits	157,066,597	123,580,353	55,465,546	42,178,681
Fixed assets depreciation	24,851,121	21,948,256	8,974,283	7,402,524
Maintenance, spare parts and energy expenses	21,968,289	15,678,392	9,251,503	2,648,654
Outsourcing services	15,376,022	8,599,687	4,696,910	2,763,675
Consumables costs	14,453,891	9,833,790	3,059,134	3,816,313
Rents	5,364,762	3,233,769	1,920,545	1,099,764
Lease amortization	820,389	695,833	364,427	232,234
Other expenses	18,164,875	15,936,853	7,198,524	10,939,908
	618,803,799	463,849,778	226,309,453	162,257,634
Less: Group's share of the Company's expenses	(7,273,002)	-	(3,113,938)	-
	611,530,797	463,849,778	223,195,515	162,257,634

19. General and administrative expenses

	Nine months ended 30 September		Three months ended 30 September	
	2023	2022	2023	2022
Salaries, wages and benefits	96,945,856	91,860,379	34,842,209	29,446,542
Professional and consulting fees	17,332,024	11,872,972	3,826,038	3,746,621
Maintenance, spare parts and energy expenses	15,537,518	7,010,037	6,374,199	2,111,188
Fixed assets depreciation	10,827,034	11,386,878	3,455,657	3,509,764
Outsourcing services	8,663,914	8,375,518	2,663,322	2,858,241
Lease amortization	6,558,408	2,941,753	1,864,978	162,822
Consumables costs	841,612	655,666	270,737	163,676
Other expenses	18,582,551	14,353,846	7,538,597	4,701,790
	175,288,917	148,457,049	60,835,737	46,700,644
Less: Group's share of the Company's expenses	(45,972,509)	(44,284,890)	(15,558,650)	(13,306,095)
	129,316,408	104,172,159	45,277,086	33,394,549

CLEOPATRA HOSPITAL COMPANY "S.A.E."

**Notes to the interim condensed separate financial statements
For the nine months period ended 30 September 2023**

(All amounts in the notes are shown in Egyptian Pounds unless otherwise stated)

20. Impairment on financial assets

	Nine months ended 30 September		Three months ended 30 September	
	2023	2022	2023	2022
Trade receivables impairment	9,398,672	5,159,325	4,609,916	994,680
Cash in bank impairment	604,556	234,664	197,134	223,233
Total	10,003,228	5,393,989	4,807,050	1,217,913

21. Earnings per share

The basic share of the profit for the period is calculated by dividing the net profit for the period attributable to the company's shareholders by the weighted average number of shares outstanding during the period after excluding employee dividends.

	Nine months ended 30 September		Three months ended 30 September	
	2023	2022	2023	2022
Distributable profit	195,262,931	167,380,415	62,410,941	50,624,737
Weighted average number of shares	1,441,509,083	1,516,968,223	1,441,509,083	1,516,968,223
Earnings per share of the shareholders' share in the net profit for the period	0.14	0.11	0.04	0.03

The weighted average number of shares is adjusted to take into account the shares held under the bonus and incentive scheme for employees, directors and executive board members.

Earnings per share from discontinued operations

	Nine months ended 30 September		Three months ended 30 September	
	2023	2022	2023	2022
Distributable profit	317,525,199	430,913,164	941,410,62	265,411,54
Weighted average number of shares	1,441,509,083	1,516,968,223	1,441,509,083	1,516,968,223
Earnings per share of the shareholders' share in the net profit for the period	0.14	0.11	0.04	0.03

CLEOPATRA HOSPITAL COMPANY "S.A.E."

Notes to the interim condensed separate financial statements For the nine months period ended 30 September 2023

(All amounts in the notes are shown in Egyptian Pounds unless otherwise stated)

22. Related parties From / To transactions

During the period/ year the Company made transactions with certain related parties. The Balances with related parties at the financial statements date as well as the transactions during the year were as follows:

Balances of financial position

(Related parties)	Nature of transaction	Transaction value	Balance due from related parties 30 September 2023	Balance due from related parties 31 December 2022
New Bedaya for management of medical centres and Hospitals	Expenses on behalf of the company	5,882,305	6,464,681	582,376
CHG SKY Hospital	Expenses on behalf of the company	(424,029)	464,671	888,700
Cleopatra Haven Company	Expenses on behalf of the company	(2,386,529)	93,749	2,480,278
CHG for Medical Service (Subsidiary)	Expenses on behalf of the company	160,362	50,522,580	50,362,218
CHG Pharma for Pharmacies Management (Subsidiary)	Expenses on behalf of the company	10,262	10,262	-
Other parties	Expenses on behalf of related parties	-	482,341	482,342
			58,038,284	54,795,914

CLEOPATRA HOSPITAL COMPANY "S.A.E."

Notes to the interim condensed separate financial statements For the nine months period ended 30 September 2023

(All amounts in the notes are shown in Egyptian Pounds unless otherwise stated)

22. Related parties From / To transactions

(Related parties)	Nature of transaction	Transaction value	Balance due (to) related parties 30 September 2023	Balance due (to) related parties 31 December 2022
Al Shorouk Hospital (Subsidiary)	Expenses on behalf of the company	(34,679,795)	(34,679,795)	-
CHG for Hospitals management (Subsidiary)	Expenses on behalf of the company	(19,023,690)	<u>(21,979,348)</u>	<u>(2,955,658)</u>
			<u>(56,659,143)</u>	<u>(2,955,658)</u>

- During 2017, Cleopatra Hospital Company signed an agreement with its subsidiaries. Under this contract, the company distributes the costs of joint activities to the group companies according to the percentages related to the revenues achieved by each company.
- This agreement has been approved by the boards of directors of the group companies and their general assemblies.
- The transactions with the related parties are the Group's dealings with the parent company, whether by buying, selling or exchanging services. Prices, policies and conditions related to these operations are approved by the Group's management and are on the same basis as dealing with others.

23. Capital commitments:

Capital commitments at financial year end, which are not yet due, amounted to EGP 11,874,868 (2022: EGP 54,037,583), Which represents capital commitments to purchase fixed assets and projects under construction,

24. Treasury shares

On February 24, 2022, the Board of Directors unanimously approved that the company purchase treasury shares from the open market, provided that execution takes place on the price of the security during the trading sessions. From the session on February 27, 2022, until the purchase of treasury shares amounting to a maximum of 10% of the total shares of the company, without the participation of any of the main or internal shareholders and their associated groups in accordance with the law.

Based on the decision of the Board of Directors, the company purchased 160,737,312 shares of its shares from the stock market for a total amount of EGP 766,026,840, and they were offered by deduction from the ownership rights of the treasury shares, and on December 6, 2022. The Board of Directors unanimously decided to convert 2,298,784 shares of treasury shares owned by the Company into ESOP shares. Accordingly, the Board unanimously agreed on converting 2,298,784 shares of treasury shares owned by the Company into ESOP shares, in order to enable the Company to fulfil its obligation towards the beneficiaries of the plan, and it shall be distributed to the beneficiaries in accordance with the regulating rules.

CLEOPATRA HOSPITAL COMPANY "S.A.E."

Notes to the interim condensed separate financial statements For the nine months period ended 30 September 2023

(All amounts in the notes are shown in Egyptian Pounds unless otherwise stated)

25. Important events

During May 2023, Management took the decision to discontinue operations for Queens hospital and shut down the company branch located at 4,Nour Eldin street – Queens Hospital- Misr al gadida after the termination of the hospital's contract as per the approval of the board of directors on 6 July, 2023 , The Egyptian Accounting Standard (32) Non-current Assets Held for Sale and Discontinued Operations has been applied on Queens hospital company and has presented its operating results within the discontinued operations in the interim condensed separate financial statements at 30 September , 2023.

On February 13, 2020, the Cleopatra Hospital Company, the General Authority for River Transport, the Nile Badrawi Hospital Company, and the heirs of Engineer Hassan Badrawi signed a comprehensive and final settlement agreement, according to which it was agreed to resolve, settle, and end all disputes and claims related to the land on which the Nile Badrawi Hospital was built. The total settlement amounted to 36 million pounds, noting that part of the settlement falls within the limits of the amounts deducted from the selling price of Nile Badrawi Hospital shares in favor of Cleopatra Hospital, Concerning the land subject to settlement, On March 31, 2021, the Administrative Court issued a ruling accepting the case in form and rejecting it in substance, Cairo Governorate and the Nile Badrawi Hospital Company appealed the aforementioned ruling before the Supreme Administrative Court, and a session was set for s 21, 2022, so that both parties submit settlement contracts drawn up between the parties. The consideration of the appeal has been adjourned to a session on February 7, 2023, to take measures for the intervention of the heirs of the late Hassan Badrawi, and to review and review notes for whomever he wants. The consideration of the appeal has been postponed to a session on February 7, 2024 to respond to the defense memorandum.

26. Discontinued operations

Based on the hospital closure on 30 May ,2023 and the decision of the Board of Directors on July 6, 2023, all operations and operating activities of Queen's Hospital were closed and suspended in preparation for its exclusion from the group and its consideration as part of the non-continuing operations. The results of the results from the operations are as follows:

Egyptian Pounds)	Nine months ended 30 September		Three months ended 30 September	
	2023	2022	2023	2022
Operating Revenue	-	30,349,001	-	(43,910)
(Less)				
Operating Cost	(1,939,553)	(21,029,092)	-	(2,144,232)
Gross profit	(1,939,553)	9,319,909	-	(2,188,142)
Add / (Less)				
General and administrative expenses	(793,802)	(4,188,730)	-	(93,640)
Net impairment losses on financial assets	124,613	(1,173,051)	-	(91,002)
Provisions	(59,542,994)	26,330	-	26,316
Other expense	20,914	3,797,205	-	28,554
Finance income	74,861,135	(6,540,588)	-	(2,185,608)
Finance expenses	12,656,276	3,183,207	-	(4,503,522)
Profit for the period before income tax				
Tax on discontinued operations	(2,847,662)	(989,345)	-	443,871
Profit after income tax	9,808,614	2,193,862	-	(4,059,651)