

**CLEOPATRA HOSPITAL COMPANY "S.A.E."**

**LIMITED REVIEW REPORT AND  
THE INTERIM CONDENSED SEPARATE FINANCIAL  
STATEMENTS  
FOR THE THREE MONTHS PERIOD ENDED  
31 MARCH 2023**

**CLEOPATRA HOSPITAL “S.A.E.”**

**Interim condensed separate financial statements  
For the three months period ended 31 March 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 31 March 2023 and the related interim condensed separate statements of profit or loss, comprehensive income, changes in equity and cash flows for the three 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**

9 July 2023  
Cairo

**CLEOPATRA HOSPITAL COMPANY "S.A.E."**

**Interim condensed separate statement of financial position – At March 2023**

(All amounts are shown in Egyptian Pounds)

	Note	31 March 2023	31 December 2022
<b>Assets</b>			
<b>Non-current assets</b>			
Fixed assets	5	419,458,668	399,772,293
Right-of-use assets	6	101,409,156	78,025,016
Goodwill		172,587,300	172,587,300
Investments in subsidiary	7	1,195,946,870	1,195,946,870
Investments in associates	8	2,449,990	2,449,990
Paid under investments purchased		4,201,975	4,201,975
<b>Total non-current assets</b>		<b>1,896,053,959</b>	<b>1,852,983,444</b>
<b>Current assets</b>			
Inventories	9	43,681,334	38,165,396
Trade and other receivables	10	223,215,215	175,368,153
Due from related parties	22	58,886,998	54,795,914
Debtors and other debit balances	11	54,793,055	37,675,974
Cash and cash equivalents	12	87,096,947	48,745,183
<b>Total current assets</b>		<b>467,673,549</b>	<b>354,750,620</b>
<b>Total assets</b>		<b>2,363,727,508</b>	<b>2,207,734,064</b>
<b>Equity</b>			
Share capital		800,000,000	800,000,000
Treasury Shares		(766,026,840)	(766,026,840)
Retained earnings		1,191,601,491	1,132,805,740
Employees stock ownership Plan		12,481,823	8,383,763
Reserves		406,976,847	406,976,847
<b>Total equity</b>		<b>1,645,033,321</b>	<b>1,582,139,510</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Lease liabilities	16	113,128,265	90,962,971
Loans	13	41,260,210	26,649,316
Deferred tax liabilities		8,913,380	7,964,691
<b>Total non-current liabilities</b>		<b>163,301,855</b>	<b>978,576,125</b>

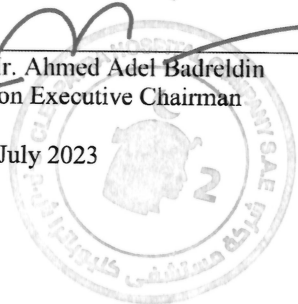
- The accompanying notes from (1) to (25) are integral part of these separate interim condensed financial statements.
- Limited review report is attached

Mr. Ahmed Adel Badreldin  
Non Executive Chairman

Dr. Ahmed Ezz Eldin Mahmoud  
CEO & Managing Director

Mr. Adel Elmistikawi  
Group CFO

6 July 2023




**CLEOPATRA HOSPITAL COMPANY "S.A.E."**

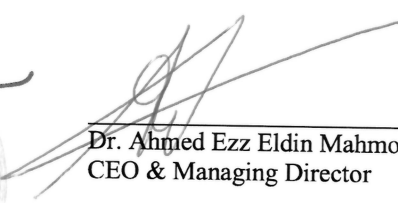
**Interim condensed separate statement of financial position – At March 2023 (continued)**


(All amounts are shown in Egyptian Pounds)

	<u>Note</u>	<u>31 March 2023</u>	<u>31 December 2022</u>
<b>Current liabilities</b>			
Borrowings	14	219,179,352	244,464,052
Provisions		4,598,138	11,135,883
Trade and other payables	15	197,492,841	177,124,700
Due to related parties	22	43,505,100	2,955,658
Loans	13	2,171,590	-
Lease liabilities	16	17,155,359	9,986,330
Purchased investment liability		4,485,000	4,485,000
Current income tax liabilities		66,804,952	49,865,953
<b>Total current liabilities</b>		<b><u>555,392,332</u></b>	<b><u>495,532,576</u></b>
<b>Total liabilities</b>		<b><u>718,694,187</u></b>	<b><u>554,594,625</u></b>
<b>Total equity and liabilities</b>		<b><u>2,363,727,508</u></b>	<b><u>2,207,734,064</u></b>

- The accompanying notes from (1) to (25) are integral part of these separate interim condensed financial statements.
- Limited review report is attached Limited review report is attached

  
Mr. Ahmed Adel Badreldin  
Non Executive Chairman

  
Dr. Ahmed Ezz Eldin Mahmoud  
CEO & Managing Director

  
Mr. Adel Elmistikawi  
Group CFO

6 July 2023

**CLEOPATRA HOSPITAL COMPANY “S.A.E.”**

**Interim condensed separate statement of profit or loss  
For the three months ended 31 March 2023**

	Note	31 March 2023	31 March 2022
(All amounts are shown in Egyptian Pounds)			
Operating Revenue	17	317,649,577	287,298,275
(Less) Operating Cost	18	(189,677,942)	(165,694,387)
<b>Gross profit</b>		<b>127,971,635</b>	<b>121,603,888</b>
<b>(Deduct) Add;</b>			
General and administrative expenses	19	(41,898,414)	(39,008,843)
Net impairment losses on financial assets	20	80,662	(1,398,502)
Provisions		(2,608,559)	(781,433)
Other income		1,580,399	2,318,452
<b>Operating profit</b>		<b>85,125,723</b>	<b>82,733,562</b>
Finance income		6,254,508	15,014,284
Finance expenses		(14,181,181)	(3,913,073)
Consulting expenses for acquisition activities		(515,611)	(794,522)
<b>Profit before income tax</b>		<b>76,683,439</b>	<b>251,040,93</b>
Current tax		(16,938,999)	(22,284,824)
Deferred tax		(948,689)	549,933
<b>Net profit for the period</b>		<b>58,795,751</b>	<b>71,305,360</b>
<b>Earnings per share (Basic / Diluted)</b>	21	<b>0.04</b>	<b>0.05</b>

The accompanying notes from (1) to (25) 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 three months ended 31 March 2023**

	<u>31 March 2023</u>	<u>31 March 2022</u>
(All amounts are shown in Egyptian Pounds)		
Net profit for the period	58,795,751	71,305,360
Other comprehensive income	-	-
<b>Total comprehensive income for the period</b>	<u><u>58,795,751</u></u>	<u><u>71,305,360</u></u>

The accompanying notes from (1) to (25) 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 three months period ended 31 March 2023**

(All amounts in Egyptian Pounds)	<b>Share capital</b>	<b>Treasury Shares</b>	<b>Reserves</b>	<b>Retained earnings</b>	<b>Employees stock ownership plan</b>	<b>Total equity</b>
<b>Balance at 1 January 2022</b>	<b>800,000,000</b>	<b>(4,152,742)</b>	<b>390,707,869</b>	<b>975,126,950</b>	<b>8,289,941</b>	<b>2,169,972,018</b>
Treasury shares	-	(230,663,573)	-	-	-	(230,663,573)
Employees stock ownership plan	-	-	-	-	4,144,971	4,144,971
Total comprehensive income for the year	-	-	-	71,305,360	-	71,305,360
<b>Balance at 31 March 2022</b>	<b>800,000,000</b>	<b>(234,816,315)</b>	<b>390,707,869</b>	<b>1,046,432,310</b>	<b>12,434,912</b>	<b>2,014,758,776</b>
<b>Balance at 1 January 2023</b>	<b>800,000,000</b>	<b>(766,026,840)</b>	<b>406,976,847</b>	<b>1,132,805,740</b>	<b>8,383,763</b>	<b>1,582,139,510</b>
Employees stock ownership plan	-	-	-	-	4,098,060	4,098,060
Total comprehensive income for the year	-	-	-	58,795,751	-	58,795,751
<b>Balance at 31 March 2023</b>	<b>800,000,000</b>	<b>(766,026,840)</b>	<b>406,976,847</b>	<b>1,191,601,491</b>	<b>12,481,823</b>	<b>1,645,033,321</b>

The accompanying notes from (1) to (25) 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 three months period ended 31 March 2023**

(All amounts in Egyptian Pounds)	Note	31 March 2023	31 March 2022
<b>Cash flows from operating activities</b>			
Profit before income tax		76,683,439	93,040,251
<b>Adjustments to settle net profit with cash flow from operating activities</b>			
Fixed assets depreciation	5	12,294,430	12,520,788
Right of use depreciation	6	4,059,724	2,672,480
Impairment of trade receivables	20	(920,231)	1,372,560
Impairment of cash at banks	20	839,569	25,942
Inventories impairment		95,454	(3,433)
Provisions		2,608,559	781,433
Interest and commission – Credit facilities		10,256,066	570,641
Interest and commission - Lease contracts	16	3,925,115	3,342,432
Interest income		(1,766,712)	(12,663,751)
Financial Obligations for Share - Based Payments		4,098,060	4,144,971
<b>Operating cash flows before changing in assets and liabilities</b>		<b>112,173,473</b>	<b>105,804,314</b>
<b>Changes in assets and liabilities</b>			
Changes in inventories		(5,611,392)	(1,908,960)
Changes in trade receivables		(46,926,831)	(11,784,879)
Changes in due from related parties		(4,091,084)	669,036
Changes in debtors and other debit balances		(8,561,852)	(9,378,994)
Changes in due to related parties		40,549,442	(3,063,681)
Changes in creditors and other credit balances		24,642,272	(11,381,486)
<b>Changes in working capital</b>		<b>112,174,028</b>	<b>68,955,350</b>
Provision used		(9,146,307)	(101,652)
<b>Net cash generated from operating activities</b>		<b>103,027,721</b>	<b>68,853,698</b>
<b>Cash flows from investing activities</b>			
Fixed assets purchase	5	(10,619,219)	(6,937,920)
Projects under construction purchase	5	(21,361,587)	(4,808,030)
Advance payment for purchase fixed assets		(8,555,229)	(593,170)
Interest received		1,766,712	12,663,751
Payments for acquisition of associates		-	(34,999,700)
<b>Net cash from used in investing activities</b>		<b>(38,769,323)</b>	<b>(34,675,069)</b>
<b>Cash flows from financing activities</b>			
Banks overdraft		(25,284,700)	(60,627,560)
Loans		16,782,484	-
Payments of principle lease liability	16	(3,858,607)	(104,408)
Paid dividends		(2,590)	-
Interest and commission paid		(12,703,652)	(4,717,507)
Purchase of treasury shares		-	(149,967,432)
<b>Net cash from used in financing activities</b>		<b>(25,067,065)</b>	<b>(215,416,907)</b>
<b>Changed in cash and cash equivalents during the year</b>			
Cash and cash equivalents at the beginning of the year		39,191,333	(181,238,278)
Cash and cash equivalents at the end of the year		48,904,942	571,297,568
<b>Cash and cash equivalents at the end of the year</b>	12	<b>88,096,275</b>	<b>390,059,290</b>

The accompanying notes from (1) to (25) are integral part of these separate financial statements.

# CLEOPATRA HOSPITAL COMPANY "S.A.E."

## Notes to the interim condensed separate financial statements For the three months period ended 31 March 2023

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

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### 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 July 7, 2023.

### 2. Basis of preparation

#### A. Statement of compliance

This interim condensed separate financial statements for the three-month reporting period ended 31 March 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.

## CLEOPATRA HOSPITAL COMPANY "S.A.E."

### Notes to the interim condensed separate financial statements For the three months period ended 31 March 2023

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

#### 2. Basis of preparation (continued)

##### B. 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.

##### C. 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.

##### D. 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 March 6, 2023. The most important amendments are summarized as follows, which are implemented for financial periods beginning on or after January 1, 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>
<b>The nature of the modification</b>	<b>The scope of the standard</b> The scope of the standard has been amended to include "bearing plants".  <b>Measurement</b> - 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. <b>Disclosures</b> - 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 three months period ended 31 March 2023

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

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#### 2. Basis of preparation (continued)

#### D. Amended Egyptian accounting standards that the group has not yet applied and presentation currency (Continue)

**The impact** There is no impact on the standalone financial statements for the financial period ending on March 31, 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 January 1, 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 March 31, 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 January 1, 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 three months period ended 31 March 2023

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

#### 2. Basis of preparation (continued)

#### D. Amended Egyptian accounting standards that the group has not yet applied and presentation currency (Continue)

**Standard's name** Amendments to the Egyptian Accounting Standard "Fixed Assets" No. (10) and the Egyptian Accounting Standard No. (23) "Intangible Assets" related to depreciation and amortization

**The nature of the modification** 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.

**The impact** 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.

There is no impact on the standalone financial statements for the financial period ending on March 31, 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** • Applies to fiscal periods beginning on or after January 1, 2023.

**Standard's name** Egyptian Accounting Standard No. (34) "Real Estate Investment"

**The nature of the modification** Measurement  
- 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** There is no impact on the standalone financial statements for the financial period ending on March 31, 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 January 1, 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 three months period ended 31 March 2023

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

#### 2. Basis of preparation (continued)

#### D. Amended Egyptian accounting standards that the group has not yet applied and presentation currency (Continue)

<b>Standard's name</b>	<b><u>Egyptian Accounting Standard No. (36) "Exploration and Evaluation of Mineral Resources"</u></b>
<b>The nature of the modification</b>	<b>Measurement</b> - 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.
<b>The impact</b>	<b>Disclosures</b> Some new disclosures have been added to the re-evaluation form. There is no impact on the standalone financial statements for the financial period ending on March 31, 2023. The management is currently evaluating the potential impact of the application on the financial statements.
<b>Date of mandatory application/date of implementation by the Group</b>	The facility applies the amendments to add the option of using the revaluation model to the financial periods starting on or after January 1, 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.
<b>Standard's name</b>	<b><u>Egyptian Accounting Standard No. (49) "Lease Contracts"</u></b>
<b>The nature of the modification</b>	<b>Measurement</b> 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"
<b>The impact</b>	<b>Disclosures</b> Some new disclosures have been added regarding the revaluation model in accordance with Egyptian Accounting Standard No. (10) "Fixed Assets and Their Depreciation". There is no impact on the standalone financial statements for the financial period ending on March 31, 2023. The management is currently evaluating the potential impact of the application on the financial statements.
<b>Date of mandatory application/date of implementation by the Group</b>	The facility applies the amendments to add the option of using the revaluation model to the financial periods starting on or after January 1, 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 three months period ended 31 March 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 31 March 2023 for each segment:

	<u>Cleopatra Hospital Company</u>	<u>Queens Hospitals</u>	<u>Al Kateb Hospitals</u>	<u>Consolidated adjustment</u>	<u>Total</u>
Statement of financial position					
Non-current assets	1,689,132,652	63,159,837	143,761,470	-	<b>1,896,053,959</b>
Current assets	440,076,790	75,169,303	31,251,303	(78,823,847)	<b>467,673,549</b>
<b>Total assets</b>	<b><u>2,129,209,442</u></b>	<b><u>138,329,140</u></b>	<b><u>175,012,773</u></b>	<b><u>(78,823,847)</u></b>	<b><u>2,363,727,508</u></b>
Current liabilities	562,553,937	26,733,075	44,929,167	(78,823,847)	<b>555,392,332</b>
Non-current liabilities	89,264,691	70,544,532	3,492,632	-	<b>163,301,855</b>
<b>Total Liabilities</b>	<b><u>651,818,628</u></b>	<b><u>97,277,607</u></b>	<b><u>48,421,799</u></b>	<b><u>(78,823,847)</u></b>	<b><u>718,694,187</u></b>
Statement of profit or loss:					
Operating revenue	292,392,017	-	25,257,560	-	<b>317,649,577</b>
Operating costs	(166,566,674)	(1,682,200)	(21,429,068)	-	<b>(189,677,942)</b>
<b>Gross profit</b>	<b><u>125,825,343</u></b>	<b><u>(1,682,200)</u></b>	<b><u>3,828,492</u></b>	<b><u>-</u></b>	<b><u>127,971,635</u></b>
Other expenses and revenues	(64,538,936)	(1,355,467)	(3,281,481)	-	<b>(69,175,884)</b>
<b>Profit for year</b>	<b><u>61,286,407</u></b>	<b><u>(3,037,667)</u></b>	<b><u>547,011</u></b>	<b><u>-</u></b>	<b><u>58,795,751</u></b>
Other Items					
Capital expenditure	30,473,384	-	1,507,421	-	<b>31,980,805</b>
Fixed assets depreciation	7,879,548	815,626	3,599,256	-	<b>12,294,430</b>

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

## CLEOPATRA HOSPITAL COMPANY "S.A.E."

### Notes to the interim condensed separate financial statements For the three months period ended 31 March 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:

	<b>Cleopatra Hospital Company</b>	<b>Queens Hospitals</b>	<b>Al Kateb Hospitals</b>	<b>Consolidated adjustment</b>	<b>Total</b>
Statement of financial position					
Non-current assets	1,644,670,640	64,974,500	143,338,304	-	<b>1,852,983,444</b>
Current assets	337,431,210	77,328,280	26,180,904	(86,189,774)	<b>354,750,620</b>
<b>Total assets</b>	<b>1,982,101,850</b>	<b>142,302,780</b>	<b>169,519,208</b>	<b>(86,189,774)</b>	<b>2,207,734,064</b>
Current liabilities					
Non-current liabilities	513,529,605	28,264,647	39,928,098	(86,189,774)	<b>495,532,576</b>
Current liabilities	56,565,896	69,948,933	3,547,149	-	<b>130,061,978</b>
<b>Total Liabilities</b>	<b>570,095,501</b>	<b>98,213,580</b>	<b>43,475,247</b>	<b>(86,189,774)</b>	<b>625,594,554</b>
Statement of profit or loss:					
Operating revenue	1,014,052,500	30,388,796	48,998,403	-	<b>1,093,439,699</b>
Operating costs	(573,406,102)	(22,341,515)	(57,778,172)	-	<b>(653,525,789)</b>
<b>Gross profit</b>	<b>440,646,398</b>	<b>8,047,281</b>	<b>(8,779,769)</b>	-	<b>439,913,910</b>
Other expenses and revenues	(197,848,076)	(10,001,395)	(14,810,906)	-	<b>(222,660,377)</b>
<b>Profit for year</b>	<b>242,798,322</b>	<b>(1,954,114)</b>	<b>(23,590,675)</b>	-	<b>217,253,533</b>
Other Items					
Capital expenditure	77,648,177	365,943	11,914,328	-	<b>89,928,448</b>
Fixed assets depreciation	39,036,628	3,300,860	5,408,666	-	<b>47,746,154</b>

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

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

	<b>Cleopatra Hospital Company</b>	<b>Queens Hospitals</b>	<b>Al Kateb Hospitals</b>	<b>Disposals</b>	<b>Total</b>
Statement of financial position					
Non-current assets	1,497,975,436	71,187,956	136,074,218	-	<b>1,705,237,610</b>
Current assets	561,537,014	103,570,750	41,570,973	(20,281,264)	<b>686,397,473</b>
<b>Total assets</b>	<b>2,059,512,450</b>	<b>174,758,706</b>	<b>177,645,191</b>	<b>(20,281,264)</b>	<b>2,391,635,083</b>
Current liabilities					
Non-current liabilities	202,965,415	50,929,990	31,412,199	(20,281,264)	<b>265,026,340</b>
Current liabilities	41,533,659	66,869,109	3,447,197	-	<b>111,849,965</b>
<b>Total Liabilities</b>	<b>244,499,074</b>	<b>117,799,099</b>	<b>34,859,396</b>	<b>(20,281,264)</b>	<b>376,876,305</b>
Statement of profit or loss:					
Operating revenue	250,884,230	30,221,642	6,192,403	-	<b>287,298,275</b>
Operating costs	(138,240,663)	(15,416,023)	(12,037,701)	-	<b>(165,694,387)</b>
<b>Gross profit</b>	<b>112,643,567</b>	<b>14,805,619</b>	<b>(5,845,298)</b>	-	<b>121,603,888</b>
Other expenses and revenues	(43,194,941)	(3,889,326)	(3,214,261)	-	<b>(50,298,528)</b>
<b>Profit for year</b>	<b>69,448,626</b>	<b>10,916,293</b>	<b>(9,059,559)</b>	-	<b>71,305,360</b>
Other Items					
Capital expenditure	9,523,630	290,943	2,017,719	-	<b>11,832,292</b>
Fixed assets depreciation	8,461,420	821,591	3,237,776	-	<b>12,520,787</b>



## CLEOPATRA HOSPITAL COMPANY "S.A.E."

### Notes to the interim condensed separate financial statements For the three months period ended 31 March 2023

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

#### 4. Financial assets and financial liabilities

The Company holds the following financial instruments:

	Amortized cost	
	31 March 2023	31 December 2022
<b>Financial assets</b>		
Trade receivables	255,369,138	307,442,208
Due from related parties	58,886,998	914,795,54
Debtors and other debit balances *	939,908,7	488,182,8
Cash on hand and at banks	275,096,88	895,168,89
	<b>410,261,350</b>	<b>360,589,604</b>

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

	Amortized cost	
	31 March 2023	31 December 2022
<b>Financial Liabilities</b>		
Loans	43,431,800	26,649,316
Creditors and other credit balances **	950,184,194	396,623,174
Lease liabilities	130,283,624	100,949,301
Bank's overdraft	219,179,352	052,464,244
Due to Related Parties	43,505,100	658,955,2
	<b>630,584,826</b>	<b>549,641,723</b>

\*\* Excluding social insurance.

**CLEOPATRA HOSPITAL COMPANY “S.A.E.”**

**Notes to the interim condensed separate financial statements - For the three months period ended 31 March 2023**

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

**5. Fixed assets**

	<b>Lands</b>	<b>Machinery, equipment and devices</b>	<b>Tools and instruments</b>	<b>Furniture</b>	<b>Buildings</b>	<b>Vehicles</b>	<b>Computers</b>	<b>Leasehold improvements</b>	<b>Projects under construction</b>	<b>Total</b>
<b>At 1 January 2022</b>										
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)
<b>Net book value</b>	<b>82,878,000</b>	<b>130,697,433</b>	<b>5,857,119</b>	<b>13,542,409</b>	<b>56,819,429</b>	<b>8,266,174</b>	<b>25,599,789</b>	<b>30,810,205</b>	<b>4,379,390</b>	<b>358,849,948</b>
<b>Year ended 31 December 2022</b>										
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	<b>89,928,448</b>
Disposals	-	(1,039,530)	(36,855)	(595,764)	-	(1,600,000)	(99,210)	-	-	<b>(3,371,359)</b>
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)	-	<b>(47,746,154)</b>
Accumulated depreciation of disposal	-	669,530	36,855	590,764	-	751,875	62,386	-	-	<b>2,111,410</b>
<b>Closing net book value</b>	<b>82,878,000</b>	<b>128,778,621</b>	<b>8,056,653</b>	<b>16,081,249</b>	<b>56,440,006</b>	<b>3,722,631</b>	<b>23,152,820</b>	<b>26,799,920</b>	<b>53,862,393</b>	<b>399,772,293</b>
<b>At 31 December 2022</b>										
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	<b>638,759,443</b>
Accumulated depreciation	-	(120,397,641)	(7,852,747)	(13,649,882)	(36,045,857)	(8,597,734)	(36,470,487)	(15,972,802)	-	<b>(238,987,150)</b>
<b>Net book amount</b>	<b>82,878,000</b>	<b>128,778,621</b>	<b>8,056,653</b>	<b>16,081,249</b>	<b>56,440,006</b>	<b>3,722,631</b>	<b>23,152,820</b>	<b>26,799,920</b>	<b>53,862,393</b>	<b>399,772,293</b>
<b>At 31 March 2023</b>										
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	-	7,341,879	2,084,586	206,049	-	-	986,705	-	21,361,586	<b>31,980,805</b>
Transfers from projects under construction	-	-	-	144,631	323,000	-	265,866	-	(733,497)	-
Depreciation for the period	-	(5,273,971)	(397,827)	(1,000,994)	(931,221)	(619,181)	(2,767,533)	(1,303,703)	-	<b>(12,294,430)</b>
<b>Balance at 31 March 2023</b>	<b>000,878,82</b>	<b>130,846,529</b>	<b>9,743,412</b>	<b>15,430,935</b>	<b>55,831,785</b>	<b>3,103,450</b>	<b>21,637,858</b>	<b>25,496,217</b>	<b>74,490,482</b>	<b>419,458,668</b>
Cost	000,878,82	256,518,141	17,993,986	30,081,811	92,808,863	12,320,365	60,875,878	42,772,722	74,490,482	<b>670,740,245</b>
Accumulated depreciation	-	(125,671,612)	(8,250,574)	(14,650,876)	(36,977,078)	(9,216,915)	(39,238,020)	(17,276,505)	-	<b>(251,281,577)</b>
<b>Net book value at period end</b>	<b>000,878,82</b>	<b>130,846,529</b>	<b>9,743,412</b>	<b>15,430,935</b>	<b>55,831,785</b>	<b>3,103,450</b>	<b>21,637,858</b>	<b>25,496,217</b>	<b>74,490,482</b>	<b>419,458,668</b>

## CLEOPATRA HOSPITAL COMPANY “S.A.E.”

### Notes to the interim condensed separate financial statements For the three months period ended 31 March 2023

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

#### 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.

	<b>31 March 2023</b>	<b>31 December 2022</b>
<b>Buildings</b>		
Beginning balance for the period/ year	78,025,016	93,348,683
Settlements	-	(3,945,777)
Additions for the period/ year	27,940,808	-
Disposal for the period/ year	(496,944)	(636,871)
Depreciation for the period/ year	(4,059,724)	(10,741,019)
<b>Total</b>	<b>101,409,156</b>	<b>78,025,016</b>

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.

**CLEOPATRA HOSPITAL COMPANY “S.A.E.”**

**Notes to the interim condensed separate financial statements  
For the three months period ended 31 March 2023**

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

**7. Investments in subsidiaries**

	<b>Investment Percentage</b>	<b>Country</b>	<b>31 March 2023</b>	<b>31 December 2022</b>
Investments in Nile Badrawi Hospital Company	99.99%	Egypt	380,004,947	380,004,947
Investments in Al shorouk Hospital Company	100.00%	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	87,499,700	87,499,700
Investment in Heaven Company	99.99%	Egypt	54,999,700	54,999,700
			<b><u>1,195,946,870</u></b>	<b><u>1,195,946,870</u></b>

**8. Investments in associates:**

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

## CLEOPATRA HOSPITAL COMPANY "S.A.E."

### Notes to the interim condensed separate financial statements For the three months period ended 31 March 2023

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

#### 9. Inventories

	<u>31 March 2023</u>	<u>31 December 2022</u>
Medical supply inventory	29,700,414	23,646,850
Medicine inventory	11,941,415	12,378,589
Maintenance and spare parts inventory	907,426	1,000,827
Stationary inventory	792,433	761,810
Hospitality inventory	407,393	372,568
Food and beverage inventory	151,107	128,152
	<u>43,900,188</u>	<u>38,288,796</u>
<b>Less:</b> Write-down of inventory	(218,854)	(123,400)
	<u><u>43,681,334</u></u>	<u><u>38,165,396</u></u>

Movement in the provision for inventory is as follows:

	<u>31 March 2023</u>	<u>31 December 2022</u>	<u>31 March 2022</u>
Balance at the beginning of the period/year	400,123	133,581	581,133
Provisions formed during the period/year	100,430	59,637	198,21
Provisions no longer required during the period/year	(4,976)	(69,818)	(631,24)
Used during the period/year	-	-	(370,60)
<b>Balance at the end of the period/year</b>	<u><u>218,854</u></u>	<u><u>123,400</u></u>	<u><u>778,69</u></u>

#### 10. Trade receivables

	<u>31 March 2023</u>	<u>31 December 2022</u>
Due from customers	250,435,456	204,212,092
Income from inpatients	4,933,682	4,230,215
	<u>255,369,138</u>	<u>208,442,307</u>
<b>Less:</b>		
Impairment of customers' balances	(32,153,923)	(33,074,154)
	<u><u>223,215,215</u></u>	<u><u>175,368,153</u></u>

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.

## CLEOPATRA HOSPITAL COMPANY "S.A.E."

### Notes to the interim condensed separate financial statements For the three months period ended 31 March 2023

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

#### 10. Trade receivables (continued)

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	Loss Rate	31 March 2023				31 December 2022		
		Gross carrying amount	Lifetime ECL	Net carrying value	Loss rate	Gross carrying amount	Lifetime ECL	Net carrying value
Current until less than 30 days overdue	0.1%	177,733,938	262,609	177,471,329	0.4%	135,221,841	505,365	134,716,476
30 to 60 days overdue	2%	19,719,186	313,981	19,405,205	3%	18,411,548	486,942	17,924,606
61 to 90 days overdue	4%	8,664,904	375,779	8,289,125	5%	4,985,966	269,480	4,716,486
91 to 120 days overdue	9%	4,497,066	403,104	4,093,962	11%	5,128,565	573,141	4,555,424
121 to 360 days overdue	27%	16,506,286	4,455,670	12,050,619	34%	19,175,662	6,499,989	12,675,673
361 to 720 days overdue	40%	3,171,573	1,266,599	1,904,975	58%	1,859,226	1,079,738	779,488
More than 720 days	100%	25,076,184	25,076,184	-	100%	23,659,499	23,659,499	-
<b>Total</b>		<b>255,369,138</b>	<b>32,153,921</b>	<b>223,215,215</b>		<b>208,442,307</b>	<b>33,074,154</b>	<b>175,368,153</b>

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

	31 March 2023	31 December 2022	31 March 2022
Balance at the beginning of the period/year	154,074,33	45,848,863	863,848,45
Provisions formed during the period/year	166,232	9,986,763	640,297,4
Provision used during the period/year	-	(18,026,765)	-
Provision no longer required during the period/year	(1,086,463)	(4,734,707)	(080,925,2)
	<b>32,153,923</b>	<b>33,074,154</b>	<b>423,221,47</b>

## CLEOPATRA HOSPITAL COMPANY “S.A.E.”

### Notes to the interim condensed separate financial statements For the three months period ended 31 March 2023

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

#### 11. Debtors and other debit balances

	<u>31 March 2023</u>	<u>31 December 2022</u>
Advances to suppliers	23,408,064	13,926,625
Prepaid expenses	14,172,280	6,434,183
Withholding taxes	9,303,772	9,132,678
Employee’s custodies	4,856,706	4,856,706
Deposits with others	218,164	5,009
Accrued income	170,691	-
Other debtors	2,663,378	3,320,773
	<u><b>54,793,055</b></u>	<u><b>37,675,974</b></u>

#### 12. Cash on hand and at banks

	<u>31 March 2023</u>	<u>31 December 2022</u>
Time deposit	26,214,680	20,996,530
Current accounts	61,020,357	26,627,080
Cash on hand	861,238	1,281,332
<b>Deduct:</b>		
Cash and cash equivalents impairment	(999,328)	(159,759)
	<u><b>87,096,947</b></u>	<u><b>48,745,183</b></u>

Movement in the impairment is as follows:

	<u>31 March 2023</u>	<u>31 December 2022</u>	<u>31 March 2022</u>
Balance at the beginning of the period / year	759,159	407,575	575,407
Formed during the period/year	839,569	234,664	942,25
No longer required	-	(482,480)	-
<b>Ending balance</b>	<u><b>999,328</b></u>	<u><b>159,759</b></u>	<u><b>517,433</b></u>

The time deposits item includes an amount EGP 26,239,270 on 31 March 2023 (2022: EGP17,289,145) 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 10.5% to 12% (2022: from 10% to 10.5%).

## CLEOPATRA HOSPITAL COMPANY "S.A.E."

### Notes to the interim condensed separate financial statements For the three months period ended 31 March 2023

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

#### 11. Cash on hand and at banks (continued)

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

	<u>31 March 2023</u>	<u>31 March 2022</u>
Cash and bank balances	88,096,275	895,168,89
Treasury bills with maturities of 3 months or less	-	395,890,300
<b>Total</b>	<u><b>88,096,275</b></u>	<u><b>290,059,390</b></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 B to B2.

#### 13. Loans

<u>31 March 2023</u>	<u>Current</u>	<u>Non-current</u>	<u>Total</u>
Loans	2,171,590	41,260,210	43,431,800
<b>Total</b>	<u><b>2,171,590</b></u>	<u><b>41,260,210</b></u>	<u><b>43,431,800</b></u>
<u>31 December 2022</u>	<u>Current</u>	<u>Non-current</u>	<u>Total</u>
Loans	-	316,649,26	316,649,26
<b>Total</b>	<u><b>-</b></u>	<u><b>316,649,26</b></u>	<u><b>316,649,26</b></u>

- 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



## CLEOPATRA HOSPITAL COMPANY "S.A.E."

### Notes to the interim condensed separate financial statements For the three months period ended 31 March 2023

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

#### 12. Loans (continued)

- 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.

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 2022, there has not been any non-compliance observed for any of the covenants.

#### 14. Banks overdraft

	<u>31 March 2023</u>	<u>31 December 2022</u>
Banks overdraft	219,179,352	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 31 March 2023 equals EGP 219.179.352 (244,464,052 in 31 December 2022).

**CLEOPATRA HOSPITAL COMPANY "S.A.E."**

**Notes to the interim condensed separate financial statements  
For the three months period ended 31 March 2023**

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

**15. Trade and Other Payables**

	<b>31 March 2023</b>	<b>31 December 2022</b>
Suppliers and notes payable	95,961,606	81,478,106
Accrued expenses	85,244,431	82,611,693
Social insurance	3,307,891	2,501,304
Other creditors	12,978,913	10,533,597
	<b>197,492,841</b>	<b>177,124,700</b>

**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%.

The lease liabilities represent the present value of the lease obligations related to medical equipment that one of the Company obtained in exchange for lease contracts and lease contracts for buildings, and it was measured at the present value of the contractual lease payments discounted at an implied rate of return 11.15%.

	<b>31 March 2023</b>	<b>31 December 2022</b>
<b>Undiscounted</b>		
During period / the year	17,155,359	330,986,9
More than period / a year	246,718,954	141,976,215
	<b>263,874,313</b>	<b>471,962,225</b>

**The present value of the lease obligations is as follows:**

During period / the year	17,155,359	330,986,9
More than a year	113,128,265	971,962,90
<b>Balance</b>	<b>130,283,624</b>	<b>301,949,100</b>

	<b>31 March 2023</b>	<b>31 December 2022</b>
<b>Lease Liabilities were presented as follows:</b>		
Lease liabilities shown as at 31 December 2022	301,949,100	311,476,108
Adjustments period / the year	1,327,007	(3,978,225)
Additions during period / the year	27,940,808	-
Disposal period / the year	(729,716)	(981,842)
Lease liabilities shown as at 31 March 2023	<b>129,487,400</b>	<b>105,655,103</b>
<b>Add:</b> Interest formed period / the year	4,654,831	892,780,11
<b>Deduct:</b> Payments period / the year	(3,858,607)	(696,486,14)
<b>Lease liabilities at 31 December 2022</b>	<b>130,283,624</b>	<b>301,949,100</b>

## CLEOPATRA HOSPITAL COMPANY "S.A.E."

### Notes to the interim condensed separate financial statements For the three months period ended 31 March 2023

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

#### 17. Operating revenue

	<b>31 March 2023</b>	<b>31 March 2022</b>
Surgeries revenue	68,223,003	50,676,804
Accommodation and medical supervision revenue	48,059,388	71,045,111
Outpatient clinics revenue	43,978,563	33,552,715
Laboratories revenue	40,245,743	37,999,556
Cardiac catheterization revenue	24,346,909	15,528,797
Radiology revenue	23,466,850	22,682,818
Service charge revenue	22,977,079	20,679,255
Pharmacy revenue	18,472,734	13,672,467
Emergency revenue	14,694,038	12,305,824
Cardiac tests revenue	4,060,441	2,618,935
Physiotherapy revenue	3,211,808	2,445,799
Dentistry revenue	2,224,147	2,261,694
Endoscopy revenue	1,221,934	1,666,562
Other sections revenue	2,466,939	161,938
	<b><u>317,649,577</u></b>	<b><u>287,298,275</u></b>

\* "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:

	<b>31 March 2023</b>	<b>31 March 2022</b>
At a point in time	269,590,189	216,253,164
Over time -Accommodation and medical supervision revenue	48,059,388	111,045,71
	<b><u>317,649,577</u></b>	<b><u>287,298,275</u></b>

## CLEOPATRA HOSPITAL COMPANY "S.A.E."

### Notes to the interim condensed separate financial statements For the three months period ended 31 March 2023

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

#### 18. Operating costs

	<u>31 March 2023</u>	<u>31 March 2022</u>
Doctors' fees	53,769,472	48,477,763
Medical and pharmaceutical supplies	55,048,663	45,021,515
Salaries, wages and benefits	49,746,191	45,005,882
Fixed assets depreciation	8,625,411	7,772,307
Consumables costs	6,849,086	3,814,520
Maintenance, spare parts and energy expenses	6,320,831	6,944,485
Services from others	3,312,885	2,865,773
Right of use depreciation	1,231,271	1,303,885
Other expenses	6,777,137	4,488,257
<b>(Less):</b> The Group's share of the Company's expenses	(2,003,005)	-
	<u><b>189,677,942</b></u>	<u><b>165,694,387</b></u>

#### 19. General and administrative expenses

	<u>31 March 2023</u>	<u>31 March 2022</u>
Salaries, wages and benefits	30,302,356	31,836,972
Fixed assets depreciation	3,669,019	4,748,481
Professional and consulting fees	5,718,355	3,462,902
Maintenance, spare parts and energy expenses	4,587,035	2,820,284
Services from others	2,909,378	1,776,603
Right of use depreciation	2,828,453	1,368,595
Consumables costs	213,154	220,884
Other expenses	6,409,276	6,671,370
<b>(Less):</b> The Group's share of the Company's expenses	(14,738,612)	(13,897,248)
	<u><b>41,898,414</b></u>	<u><b>39,008,843</b></u>

#### 20. Impairment in trade receivables

	<u>31 March 2023</u>	<u>31 March 2022</u>
Impairment in trade receivables	(920,231)	1,372,560
Impairment in cash no longer required	839,569	25,942
	<u><b>(80,662)</b></u>	<u><b>1,398,502</b></u>

## CLEOPATRA HOSPITAL COMPANY “S.A.E.”

### Notes to the interim condensed separate financial statements For the three months period ended 31 March 2023

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

#### 21. Earnings per share

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

	<b>31 March 2023</b>	<b>31 March 2022</b>
Distributable profit	58,795,751	71,305,360
Weighted average for number of shares	<b>1,439,262,688</b>	<b>1,532,511,712</b>
The weighted average number of ordinary shares for the purpose of the ESOP	<b>2,246,395</b>	-
Weighted average number of ordinary shares for diluted earnings per share purposes	<b>1,441,509,083</b>	<b>1,532,511,712</b>
<b>Earnings per share - Basic</b>	<b>0.04</b>	<b>0.05</b>
<b>Earnings per share - Diluted</b>	<b>0.04</b>	<b>0.05</b>

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.

#### 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 31 March 2023	Balance due from related parties 31 December 2022
Cairo Specialized Hospital (Subsidiary)	Expense from medical activity	217,336,6	6,336,217	-
New Bedaya for management of medical centres and Hospitals	Expenses on behalf of the company	(376,582)	-	582,376
	The Group’s share of the company’s expenses	400,968,1	1,968,400	
CHG SKY Hospital		529,348	1,237,229	888,700
Cleopatra Haven Company	Expenses on behalf of the company	(278,480,2)	-	2,480,278
CHG for Medical Service (Subsidiary)	Expenses on behalf of the company	(853,592,1)	48,769,365	50,362,218
CHG Pharma for Pharmacies Management (Subsidiary)	Expenses on behalf of the company	445,93	93,445	-
Other parties	Expenses on behalf of related parties	-	482,342	482,342
			<b>998,886,58</b>	<b>914,795,54</b>

## CLEOPATRA HOSPITAL COMPANY "S.A.E."

### Notes to the interim condensed separate financial statements For the three months period ended 31 March 2023

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

#### 21. Related parties From / To transactions (continued)

(Related parties)	Nature of transaction	Transaction value	Balance due (to) related parties 31 March 2023	Balance due (to) related parties 31 December 2022
Al Shorouk Hospital (Subsidiary)	The Group's share of the company's expenses	646,062,5	5,062,646	-
	Expenses paid on behalf of the Company	000,000,50	(50,000,000)	-
Nile Badrawi Hospital (Subsidiary)	The Group's share of the company's expenses	912,387,4	4,387,912	-
CHG for Hospitals	Management fees	-	(2,955,658)	(2,955,658)
			<u>(100,505,43)</u>	<u>(658,955,2)</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 25,465,095 (2020: 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 agreed to the cancel 154,565,797 treasury shares, and on 25 January 2023, the general assembly approved the cancelation of the shares and legal measures are being taken to complete the share execution procedures.

## **CLEOPATRA HOSPITAL COMPANY "S.A.E."**

### **Notes to the interim condensed separate financial statements For the three months period ended 31 March 2023**

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

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#### **25. Subsequent events**

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 June 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 November 7, 2023 to respond to the defense memorandum.

Based on 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.