



## Cleopatra Hospitals Group 4Q2023 Trading Update

*CHG set to deliver strong top-line growth for the final quarter of 2023 with record revenues; margins expected to be in line with Group's historic average supported by management's wide-ranging productivity enhancements; CHG continued delivery on its strategic objectives positions the Group for continued growth into 2024 as the leading integrated healthcare provider in Egypt.*

Cairo, Egypt | 21 January 2024

Cleopatra Hospitals Group (CHG), the leading integrated healthcare provider in Egypt, is pleased to announce a trading update for the final quarter of 2023. The Group is set to report record-high revenues, marking a significant year-on-year top-line growth. This achievement is underpinned by robust volume growth across all facilities and segments, enhanced utilization, and a more optimized service mix.

### Financial Highlights:

- CHG is expected to record an approximate 44% year-on-year revenue growth in Q4 2023, driven by increased patient volumes, favourable market dynamics, improved utilization, and an improvement in service mix.
- The full-year revenues for FY2023 are projected to grow by over 35% year-on-year, fuelled by consistent top-line growth and the inclusion of Cleopatra October Hospital's performance and over 40% year on year excluding Covid-19 related revenues from 2022 results.
- Margins at both gross profit and EBITDA levels are expected to remain in line with the Group's historical high averages, supported by revenue growth and effective cost control measures amidst macroeconomic volatility.

### Operational and Strategic Developments:

- CHG's focus on operational efficiency and profitability ensured stable margins compared to the same period in 2022 with patient volumes increasing by more than 8% in 2023, with a particular emphasis on the utilization of CHG's Centres of Excellence.
- The Cleopatra October Hospital in West Cairo, initially focused on Physiotherapy, Rehabilitation, and Long-Term Care, has successfully transitioned into a fully licensed tertiary hospital. This expansion includes the development of Centers of Excellence in Neurology, Orthopedics, and Cardiology, leveraging the hospital's sophisticated capabilities. As part of its commercial growth, Cleopatra October Hospital now offers a comprehensive range of services, including emergency care, outpatient clinics, diagnostic services, state-of-the-art surgical theatres, and innovative rehabilitation technologies, marking a significant advancement in its healthcare offerings.
- Ongoing project development of Sky Hospital, set to become CHG's flagship facility in East Cairo.

### Outlook for 2024:

As we move into 2024, CHG's management remains optimistic about the Group's growth prospects. Despite the challenges of 2023, CHG has continued to deliver on its strategic objectives, including revenue stream diversification, digitalization, synergy extraction, and expansions. With a normalizing operating environment, CHG is well-positioned to build on the strong momentum from the final months of 2023, aiming to deliver robust growth and improved margins in the upcoming period.

*This trading update contains forward-looking statements regarding CHG's future operations and performance. Actual results may differ materially from those projected in the forward-looking statements.*

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