

CLEOPATRA HOSPITAL COMPANY “S.A.E.”

**LIMITED REVIEW REPORT AND
THE INTERIM CONDENSED SEPARATE
FINANCIAL STATEMENTS
FOR THE SIX MONTHS PERIOD ENDED
30 JUNE 2024**

CLEOPATRA HOSPITAL “S.A.E.”

**Interim condensed separate financial statements
For the six months period ended 30 June 2024**

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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 June 2024 and the related interim condensed separate statements of profit or loss, comprehensive income, changes in equity and cash flows for the six 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
Fellow of Egyptian Society of Accountants & Auditors
Member of AICPA
R.A.A. 17996
F.R.A. 388



29 August 2024
Cairo

CLEOPATRA HOSPITAL COMPANY "S.A.E."

Interim condensed separate statement of financial position – At 30 June 2024

(All amounts are shown in Egyptian Pounds)	Note	30 June 2024	31 December 2023
Non-current assets			
Fixed assets	5	666,141,543	547,335,807
Right-of-use assets	6	35,678,947	40,065,279
Goodwill		158,516,300	158,516,300
Investments in subsidiary	7	1,382,652,845	1,282,650,845
Investments in associates	8	2,449,990	2,449,990
Total non-current assets		2,245,439,625	2,031,018,221
Current assets			
Inventories	9	93,698,291	102,304,459
Trade and other receivables	10	354,218,333	224,707,605
Due from related parties	23	91,825,499	90,876,120
Debtors and other debit balances	11	136,512,320	91,252,393
Cash and cash equivalents	12	35,874,491	72,724,243
Total current assets		712,128,934	581,864,820
Total assets		2,957,568,559	2,612,883,041
Equity			
Share capital		722,717,101	722,717,101
Treasury Shares	25	(21,863,727)	(5,051,601)
Retained earnings		1,032,595,514	926,705,520
Employees stock ownership Plan		51,213,523	16,076,585
Reserves		185,087,653	171,962,629
Net deficit		1,969,750,064	1,832,410,234
Liabilities			
Non-current liabilities			
Lease liabilities	16	34,201,664	37,661,318
Loans	13	156,623,573	78,000,000
Deferred tax liabilities		18,157,360	10,260,943
Total non-current liabilities		208,982,597	125,922,261
Current liabilities			
Bank overdrafts	14	324,772,558	252,992,341
Provisions		6,751,521	9,548,521
Trade and other payables	15	327,591,913	283,231,914
Due to related parties	23	13,647,014	30,255,108
Loans	13	39,155,893	19,500,000
Lease liabilities	16	12,565,648	12,282,431
Other liabilities		4,485,000	4,485,000
Current income tax liabilities		49,866,351	42,255,231
Total current liabilities		778,835,898	654,550,546
Total liabilities		987,818,495	780,472,807
Total equity and liabilities		2,957,568,559	2,612,883,041

The accompanying notes from 1 to 28 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

29 August 2024
 Limited review report is attached.

CLEOPATRA HOSPITAL COMPANY “S.A.E.”

**Interim condensed separate statement of profit or loss
For the six months ended 30 June 2024**

(All amounts are shown in Egyptian Pounds)

	Note	Six months ended 30 June		Three months ended 30 June	
		2024	2023	2024	2023
Revenue	17	940,658,715	648,585,666	476,997,889	330,936,089
(Less)					
Cost of revenue	18	(530,880,073)	(388,335,282)	(271,365,868)	(200,339,540)
Gross profit		409,778,642	260,250,384	205,632,021	130,596,549
Add / (Less)					
General and administrative expenses	19	(128,389,734)	(84,039,321)	(71,262,826)	(42,595,650)
Impairment of financial assets	20	(9,287,587)	(5,196,178)	(5,267,967)	(5,347,622)
Other income (Expenses)		8,034,734	(420,674)	8,344,337	607,486
Operating profit		280,136,055	170,594,211	137,445,565	83,260,763
Acquisition costs		-	(642,810)	515,500	(127,199)
Finance income		13,734,752	8,202,719	4,134,220	1,963,343
Finance cost		(43,865,028)	(26,196,496)	(24,966,142)	(14,222,560)
Profit for the period before income tax		250,005,779	151,957,624	117,129,143	70,874,347
Current tax		(52,142,277)	(14,046,208)	(30,857,835)	3,882,755
Deferred tax		(7,896,417)	(797,040)	2,788,674	151,649
Net profits from continued operations		189,967,085	137,114,376	89,059,982	74,908,751
Result from Discontinued operations	21	-	(4,262,386)	-	(852,512)
Profit after income tax		189,967,085	132,851,990	89,059,982	74,056,239
Earnings per share (Basic/Diluted)	22	0.13	0.09	0.06	0.05
Earnings per share from continued operations	22	0.13	0.10	0.06	0.05

The accompanying notes from 1 to 28 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 six months ended 30 June 2024**

(All amounts are shown in Egyptian Pounds)

	Six months ended 30 June		Three months ended 30 June	
	2024	2023	2024	2023
Profit for the period	189,967,085	132,851,990	89,059,982	74,056,239
Other comprehensive income	-	-	-	-
Comprehensive income for the period	189,967,085	132,851,990	89,059,982	74,056,239

The accompanying notes from 1 to 28 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 six months period ended 30 June 2024

(All amounts in Egyptian Pounds)	<u>Share capital</u>	<u>Treasury Shares</u>	<u>Reserves</u>	<u>Retained earnings</u>	<u>Employees' stock ownership plan</u>	<u>Total equity</u>
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	-	-	-	-	8,196,119	8,196,119
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	-	-	-	132,851,990	-	132,851,990
Balance at 30 June 2023	722,717,101	(15,442,121)	170,343,134	785,831,479	16,579,882	1,680,029,475
Balance at 1 January 2024	722,717,101	(5,051,601)	171,962,629	926,705,520	16,076,585	1,832,410,234
Dividends for employees and board of directors	-	-	-	(70,952,067)	-	(70,952,067)
Employees stock ownership Plan	-	-	-	-	35,136,937	35,136,937
Reserves	-	-	13,125,024	(13,125,024)	-	-
Treasury shares	-	(16,812,126)	-	-	-	(16,812,126)
Comprehensive income for the period	-	-	-	189,967,085	-	189,967,085
Balance at 30 June 2024	722,717,101	(21,863,727)	185,087,653	1,032,595,514	51,213,522	1,969,750,064

The accompanying notes from 1 to 28 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 six months period ended 30 June 2024**

(All amounts in Egyptian Pounds)	<u>Note</u>	<u>30 June 2024</u>	<u>30 June 2023</u>
Cash flows from operating activities			
Profit before income tax		250,005,779	150,542,900
Adjustments to settle net profit with cash flow from operating activities			
Fixed assets depreciation	5	27,648,276	24,383,967
Right of use assets depreciation	6	4,386,332	6,148,428
(Gain) Loss from sale of fixed assets		(304,954)	3,908,736
Impairment of trade and other receivables	10	8,517,192	4,788,756
Impairment of cash	12	770,395	407,422
Impairment of inventory	9	178,819	(1,176)
Provisions		5,620,427	4,239,092
Interests and commissions - Overdraft		41,016,523	22,934,383
Interests and commissions - Lease		2,848,505	6,199,075
Lease write-off		-	(21,707,541)
Interest income		(4,752,146)	(3,699,594)
Employees stock ownership Plan		35,136,937	8,196,119
Impairment of intangible assets		-	14,071,000
Operating profits before changes in assets and liabilities		371,072,085	220,411,567
Changes in assets and liabilities			
Change in inventories		8,427,349	(31,332,363)
Change in trade receivables		(138,027,920)	(95,100,376)
Change in debtors and other debit balances		(1,020,225)	(16,381,664)
Change in due from related parties		(949,379)	(3,057,778)
Change in creditors and other credit balances		47,208,504	69,063,460
Change in due to related parties		(16,608,094)	57,965,404
Change in working capital		270,102,320	201,568,250
Provision utilized		(8,417,427)	(9,208,423)
Tax paid		(44,531,157)	(33,648,078)
Net cash generated from operating activities		217,153,736	158,711,749
Cash flows from investing activities			
Payments for purchase of fixed assets		(56,139,465)	(28,034,360)
Payments for projects under construction		(90,425,289)	(50,219,563)
Proceeds from sale of fixed assets		415,696	61,100
Advance payment for purchase of fixed assets		(44,239,702)	(49,158,368)
Payments under long-term investments		(100,002,000)	(28,500,000)
Interests received		4,752,146	3,699,594
Net cash from used in investing activities		(285,638,614)	(152,151,597)
Cash flows from financing activities			
Lease liabilities payments		(6,024,942)	(11,295,220)
Proceeds from bank overdraft		671,229,524	416,708,359
Payments for bank overdraft		(599,449,306)	(377,422,537)
Proceeds from loans		108,029,466	58,292,711
Payments for loans		(9,750,000)	-
Interests and commissions paid		(43,865,028)	(22,934,383)
Treasury shares		(16,812,126)	-
Dividends paid		(70,952,067)	(39,712,953)
Net cash from used in financing activities		32,405,521	23,635,977
Changed in cash and cash equivalents during the year		(36,079,357)	30,196,129
Cash and cash equivalents at the beginning of the year		73,897,240	48,904,942
Cash and cash equivalents at the end of the year	12	37,817,883	79,101,071

The accompanying notes from 1 to 28 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 six months period ended 30 June 2024

(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.

These separate financial statements were approved for issuance by the Board of Directors of the Company on 29 August 2024.

2. Basis of preparation

2.1 Statement of compliance

This interim condensed separate financial statements for the six-month reporting period ended 30 June 2024 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 separate annual financial statement for the year ended 31 December 2023.

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 six months ending at June 30, 2024 are not necessarily indicative of the business results for the fiscal year ending at December 31, 2024.

CLEOPATRA HOSPITAL COMPANY “S.A.E.”

Notes to the interim condensed separate financial statements For the six months period ended 30 June 2024

(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 separate financial statements as at and for the year ended 31 December 2023.

2.4 New releases and amendments to the Egyptian Accounting Standards

The Prime Minister issued Resolution No. 636 of 2024 on 3rd of March 2024, amending some provisions of the Egyptian Accounting Standards, as follows:

- A) Amending Egyptian Accounting Standard No. 13 “Effects of Changes in Foreign Currency Exchange Rates”
- B) Amending the Egyptian Accounting Standard No. 17 “Separate Financial Statements”
- C) Amending Egyptian Accounting Standard No. 34 “Investment property”

The company has applied the new accounting standards amendments and determined that these amendments do not have a material impact on the company’s financial statements.

CLEOPATRA HOSPITAL COMPANY “S.A.E.”

Notes to the interim condensed separate financial statements For the six months period ended 30 June 2024

(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 June 2024 for each segment:

	Cleopatra Hospital Company	Queens Hospitals**	Al Kateb Hospitals	Consolidated adjustment	Total
Statement of financial position					
Non-current assets	2,077,208,269	-	168,231,356	-	2,245,439,625
Current assets	746,605,007	-	50,305,164	(84,781,237)	712,128,934
Total assets	2,823,813,276	-	218,536,520	(84,781,237)	2,957,568,559
Current liabilities	781,566,642	-	82,050,493	(84,781,237)	778,835,898
Non-current liabilities	205,538,401	-	3,444,196	-	208,982,597
Total Liabilities	987,105,043	-	85,494,689	(84,781,237)	987,818,495
Statement of profit or loss:					
revenue	836,384,008	-	104,274,707	-	940,658,715
Cost of revenue	(453,122,935)	-	(77,757,138)	-	(530,880,073)
Gross profit	383,261,073	-	26,517,569	-	409,778,642
Other expenses and revenues	(197,946,859)	-	(21,864,698)	-	(219,811,557)
Profit for period	185,314,214	-	4,652,871	-	189,967,085
Other Items					
Capital expenditure	133,012,082	-	13,552,672	-	146,564,754
Fixed assets depreciation	21,935,353	-	5,712,923	-	27,648,276

* 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' decision dated July 6, 2023, all operations and operating activities of Queens Hospital (one of the company's branches) were suspended and excluded from the company and considered among the non-continuing operations.

CLEOPATRA HOSPITAL COMPANY “S.A.E.”

Notes to the interim condensed separate financial statements For the six months period ended 30 June 2024

(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 2023 for each segment:

	Cleopatra Hospital Company	Queens Hospitals	Al Kateb Hospitals	Consolidated adjustment	Total
Statement of financial position					
Non-current assets	1,872,969,981	-	158,048,240	-	2,031,018,221
Current assets	623,434,988	-	37,339,642	(78,909,810)	581,864,820
Total assets	2,496,404,969	-	195,387,882	(78,909,810)	2,612,883,041
Current liabilities	670,084,210	-	63,376,146	(78,909,810)	654,550,546
Non-current liabilities	122,299,483	-	3,622,778	-	125,922,261
Total Liabilities	792,383,693	-	66,998,924	(78,909,810)	780,472,807
Statement of profit or loss:					
revenue	1,296,153,142	-	134,607,628	-	1,430,760,770
Cost of revenue	(743,687,879)	-	(108,712,460)	-	(852,400,339)
Gross profit	552,465,263	-	25,895,168	-	578,360,431
Other expenses and revenues	(276,821,842)	(4,262,386)	(23,550,172)	-	(304,634,400)
Profit for year	275,643,421	(4,262,386)	2,344,996	-	273,726,031
Other Items					
Capital expenditure	181,677,275	-	20,029,950	-	201,707,225
Fixed assets depreciation	41,050,384	1,135,751	7,320,115	-	49,506,250

* 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 30 June 2023 for each segment:

	Cleopatra Hospital Company	Queens Hospitals	Al Kateb Hospitals	Consolidated adjustment	Total
Statement of financial position					
Non-current assets	1,730,612,344	3,296,719	149,105,327	-	1,883,014,390
Current assets	612,146,303	74,440,835	47,587,768	(84,951,774)	649,223,132
Total assets	2,342,758,647	77,737,554	196,693,095	(84,951,774)	2,532,237,522
Current liabilities	669,291,856	21,422,472	67,564,053	(84,951,774)	673,326,607
Non-current liabilities	122,312,766	-	3,550,311	-	125,863,077
Total Liabilities	791,604,622	21,422,472	71,114,364	(84,951,774)	799,189,684
Statement of profit or loss:					
Operating revenue	594,675,596	-	53,910,070	-	648,585,666
Operating costs	(342,420,634)	-	(45,914,648)	-	(388,335,282)
Gross profit	252,254,962	-	7,995,422	-	260,250,384
Other expenses and revenues	(114,675,355)	(4,262,386)	(8,460,653)	-	(127,398,394)
Profit for period	137,579,607	(4,262,386)	(465,231)	-	132,851,990
Other Items					
Capital expenditure	70,192,662	-	8,061,261	-	78,253,923
Fixed assets depreciation	18,610,612	1,135,751	4,637,604	-	24,383,967

CLEOPATRA HOSPITAL COMPANY “S.A.E.”

Notes to the interim condensed separate financial statements For the six months period ended 30 June 2024

(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	
	30 June 2024	31 December 2023
Financial assets		
Trade receivables	403,704,603	265,676,683
Due from related parties	91,825,499	90,876,120
Debtors and other debit balances *	8,521,317	20,390,789
Cash on hand and at banks	37,817,883	73,897,240
	541,869,302	450,840,832

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

	Amortized cost	
	30 June 2024	31 December 2023
Financial Liabilities		
Loans	195,779,466	97,500,000
Creditors and other credit balances **	324,318,076	281,120,896
Lease liabilities	46,767,312	49,943,749
Bank's overdraft	324,772,558	252,992,341
Due to Related Parties	13,647,014	30,255,108
	905,284,426	711,812,094

** Excluding social insurance.

CLEOPATRA HOSPITAL COMPANY “S.A.E.”

Notes to the interim condensed separate financial statements - For the six months period ended 30 June 2024

(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 2023										
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 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
Year ended 31 December 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	-	33,428,041	6,154,744	5,101,187	-	21,130,000	4,969,873	-	130,923,380	201,707,225
Disposals	-	(3,158,670)	(319,987)	(335,682)	-	(5,495,220)	(2,107,711)	(125,312)	-	(11,542,582)
Write off	-	-	-	-	-	-	-	-	(2,669,840)	(2,669,840)
Transfers from projects under construction	-	-	-	221,080	4,576,086	-	265,866	-	(5,063,032)	-
Depreciation for the year	-	(21,018,894)	(2,276,830)	(3,995,233)	(3,830,009)	(2,495,207)	(10,688,661)	(5,201,416)	-	(49,506,250)
Accumulated depreciation of disposal	-	3,158,670	113,735	271,647	-	4,807,144	1,153,277	70,488	-	9,574,961
Closing net book value	82,878,000	141,187,768	11,728,315	17,344,248	57,186,083	21,669,348	16,745,464	21,543,680	177,052,901	547,335,807
At 31 December 2023										
Cost	82,878,000	279,445,633	21,744,157	34,717,716	97,061,949	27,955,145	62,751,336	42,647,406	177,052,901	826,254,243
Accumulated depreciation	-	(138,257,865)	(10,015,842)	(17,373,468)	(39,875,866)	(6,285,797)	(46,005,871)	(21,103,726)	-	(278,918,436)
Net book amount	82,878,000	141,187,768	11,728,315	17,344,248	57,186,083	21,669,348	16,745,464	21,543,680	177,052,901	547,335,807
At 30 June 2024										
Opening net book value	82,878,000	141,187,768	11,728,315	17,344,248	57,186,083	21,669,348	16,745,464	21,543,680	177,052,901	547,335,807
Additions	-	42,966,034	1,780,044	2,512,198	-	6,390,000	1,317,131	1,174,058	90,425,289	146,564,754
Disposals	-	(285,185)	(527,270)	(701,999)	(379)	-	-	-	-	(1,514,833)
Write-off	-	-	-	-	-	-	-	-	-	-
Transfers from projects under construction	-	730,579	48,450	998,904	112,395,839	-	686,761	-	(114,860,533)	-
Depreciation for the period	-	(11,715,778)	(1,217,688)	(2,465,656)	(2,218,211)	(2,460,547)	(4,865,156)	(2,705,240)	-	(27,648,276)
Accumulated depreciation of write-off	-	265,750	463,543	674,419	379	-	-	-	-	1,404,091
Balance at 30 June 2024	82,878,000	173,149,168	12,275,394	18,362,114	167,363,711	25,598,801	13,884,200	20,012,498	152,617,657	666,141,543
Cost	82,878,000	322,857,061	23,045,381	37,526,819	209,457,409	34,345,145	64,755,227	43,821,468	152,617,657	971,304,167
Accumulated depreciation	-	(149,707,893)	(10,769,987)	(19,164,705)	(42,093,698)	(8,746,344)	(50,871,027)	(23,808,970)	-	(305,162,624)
Net book value at period end	82,878,000	173,149,168	12,275,394	18,362,114	167,363,711	25,598,801	13,884,200	20,012,498	152,617,657	666,141,543

CLEOPATRA HOSPITAL COMPANY “S.A.E.”

Notes to the interim condensed separate financial statements For the six months period ended 30 June 2024

(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.

	30 June 2024	31 December 2023
Buildings		
Beginning balance for the period/ year	40,065,279	78,025,016
Additions for the period/ year	-	28,701,815
Disposal for the period/ year	-	(56,090,553)
Depreciation for the period/ year	(4,386,332)	(9,571,963)
Discontinued operation	-	(999,036)
Total	35,678,947	40,065,279

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 six months period ended 30 June 2024

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

7. Investments in subsidiaries

	<u>Investment Percentage</u>	<u>Country</u>	<u>30 June 2024</u>	<u>31 December 2023</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	153,712,998	153,712,998
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	245,002,700	145,000,700
Investment in Heaven Company	99.99%	Egypt	80,000,700	80,000,700
			<u>1,382,652,845</u>	<u>1,282,650,845</u>

* The capital of CHG Sky Hospital Company "S.A.E." has been increased by 50 million Egyptian pounds until March 31, 2024, then by 50 million in June 2024, so that the capital becomes 245,000,000 on June 30, 2024.

8. Investments in associates:

	<u>30 June 2024</u>	<u>31 December 2023</u>
Egypt Healthcare Facilities Services for facility management	2,449,990	2,449,990
	<u>2,449,990</u>	<u>2,449,990</u>

CLEOPATRA HOSPITAL COMPANY “S.A.E.”

**Notes to the interim condensed separate financial statements
For the six months period ended 30 June 2024**

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

9. Inventories

	30 June 2024	31 December 2023
Medical supply inventory	61,179,963	65,022,871
Medicine inventory	29,113,118	34,555,578
Maintenance and spare parts inventory	1,876,221	1,199,755
Stationary inventory	744,167	614,306
Hospitality inventory	718,739	601,699
Food and beverage inventory	345,150	410,498
	93,977,358	102,404,707
Less: Write-down of inventory	(279,067)	(100,248)
	93,698,291	102,304,459

Movement in the provision for inventory is as follows:

	30 June 2024	31 December 2023	30 June 2023
Balance at the beginning of the period/year	100,248	123,400	123,400
Provisions formed during the period/year	178,819	39,065	16,723
Provisions no longer required during the period/year	-	(62,217)	(17,899)
Balance at the end of the period/year	279,067	100,248	122,224

10. Trade receivables

	30 June 2024	31 December 2023
Due from customers	390,270,922	257,218,905
Income from inpatients	13,433,681	8,457,778
	403,704,603	265,676,683
Less:		
Impairment of customers' balances	(49,486,270)	(40,969,078)
	354,218,333	224,707,605

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 six months period ended 30 June 2024**

(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	30 June 2024			
	Loss Rate	Gross carrying amount	Lifetime ECL	Net carrying value
Current until less than 30 days overdue	0.2%	258,417,136	585,162	257,831,974
30 to 60 days overdue	2%	40,468,382	642,885	39,825,497
61 to 90 days overdue	4%	25,409,330	1,101,949	24,307,381
91 to 120 days overdue	9%	11,463,340	1,027,544	10,435,796
121 to 360 days overdue	22%	24,465,603	5,323,616	19,141,987
361 to 720 days overdue	40%	4,445,78 ^o	1,770,087	2,675,698
More than 720 days	100%	39,035,027	39,035,027	-
Total		403,704,603	49,486,270	354,218,333

Trade receivables	31 December 2023			
	Loss rate	Gross carrying amount	Lifetime ECL	Net carrying value
Current until less than 30 days overdue	0,2%	174,812,090	350,731	174,461,359
30 to 60 days overdue	2%	20,680,160	328,944	20,351,216
61 to 90 days overdue	4%	7,726,120	339,909	7,386,211
91 to 120 days overdue	9%	5,034,457	458,516	4,575,941
121 to 360 days overdue	25%	21,500,889	5,341,166	16,159,723
361 to 720 days overdue	40%	2,946,029	1,172,874	1,773,155
More than 720 days	100%	32,976,938	32,976,938	-
Total		265,676,683	40,969,078	224,707,605

CLEOPATRA HOSPITAL COMPANY “S.A.E.”

**Notes to the interim condensed separate financial statements
For the six months period ended 30 June 2024**

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

10. Trade receivables (continued)

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

	30 June 2024	31 December 2023	30 June 2023
Balance at the beginning of the period/year	40,969,078	33,074,154	33,074,154
Provisions formed during the period/year	8,683,513	12,098,971	4,788,756
Provision used during the period/year	-	(3,035,958)	(3,035,960)
Provision no longer required during the period/year	(166,321)	(1,242,126)	-
Discontinued operations	-	74,037	74,038
Ending balance at the end of period/year	49,486,270	40,969,078	34,900,988

11. Debtors and other debit balances

	30 June 2024	31 December 2023
Advances to suppliers	105,846,349	62,198,411
Prepaid expenses	20,977,977	7,031,743
Deposit with others	4,850,669	4,871,706
Withholding taxes	1,166,677	1,631,450
Employee’s custodies	421,031	12,898
Other debtors	3,249,617	15,506,185
	136,512,320	91,252,393

12. Cash and cash equivalent

	30 June 2024	31 December 2023
Current accounts	34,885,647	72,555,517
Cash on hand	2,932,236	1,341,723
Deduct:		
Cash and cash equivalents impairment	(1,943,392)	(1,172,997)
	35,874,491	72,724,243

CLEOPATRA HOSPITAL COMPANY “S.A.E.”

Notes to the interim condensed separate financial statements For the six months period ended 30 June 2024

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

12. Cash and cash equivalent (continued)

Movement in the impairment is as follows:

	<u>30 June 2024</u>	<u>31 December 2023</u>	<u>30 June 2023</u>
Balance at the beginning of the period/year	567,181	159,759	159,759
Formed during the period/year	881,100	1,445,385	407,422
No longer required	(110,705)	(432,147)	-
Ending balance	<u>1,943,392</u>	<u>1,172,997</u>	<u>567,181</u>

The time deposits item includes an amount EGP Zero on 30 June 2024 (2023: EGP 26,209,920) 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 [xxx] % to [xxx] % (2023: from 10% to 10.5%).

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

	<u>30 June 2024</u>	<u>30 June 2023</u>
Cash and bank balances	37,817,883	79,101,071
Total	<u>37,817,883</u>	<u>79,101,071</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.

CLEOPATRA HOSPITAL COMPANY “S.A.E.”

Notes to the interim condensed separate financial statements For the six months period ended 30 June 2024

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

13. Loans

	30 June 2024		
	Current	Non-current	Total
Loans	39,155,893	156,623,573	195,779,466
Total	39,155,893	156,623,573	195,779,466
	31 December 2023		
	Current	Non-current	Total
Loans	19,500,000	78,000,000	97,500,000
Total	19,500,000	78,000,000	97,500,000

- 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
 - On May 10, 2023, the financing amount was redistributed among the companies as follows, with the maximum available financing amounting to EGP 340 million, and the aforementioned amount not to be exceeded at any time during the validity period of the contract.
 - Cleopatra Hospital Company 100 million Egyptian pounds
 - Cairo Specialist Hospital Company 90 million Egyptian pounds
 - Nile Badrawi Hospital Company 150 million Egyptian pounds
 - On 18 January 2024. Cleopatra Hospital Company. Nile Badrawi Hospital Company. and Cairo Specialist Hospital Company signed an appendix to the loan contract from Ahli United Bank to increase loan amount to 740 million EGP and reallocate the loan between companies to be as follows
 - Cleopatra Hospital Company 500 million Egyptian pounds
 - Cairo Specialist Hospital Company 90 million Egyptian pounds
 - Nile Badrawi Hospital Company 150 million Egyptian pounds
 - On 17 April 2024. Cleopatra Hospital Company. Nile Badrawi Hospital Company. and Cairo Specialist Hospital Company signed an appendix to the loan contract from Ahli United Bank to reallocate the loan between companies to be as follows
 - Cleopatra Hospital Company 400 million Egyptian pounds
 - Cairo Specialist Hospital Company 90 million Egyptian pounds
 - Nile Badrawi Hospital Company 250 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).

CLEOPATRA HOSPITAL COMPANY “S.A.E.”

Notes to the interim condensed separate financial statements For the six months period ended 30 June 2024

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

13. Loans (continued)

- 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. with the exception of the third tranche for Cleopatra Hospital Company, amounting to 400 million Egyptian pounds, the withdrawal period is two years starting from the date of signing the contract and a grace period of 18 months from the date of the first withdrawal from the tranche.
- 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 2023 till 30 June 2024, there has not been any non-compliance observed for any of the covenants.

14. Banks overdraft

	<u>30 June 2024</u>	<u>31 December 2023</u>
Banks overdraft	324,772,558	252,992,341

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 June 2024 equals EGP 324,772,558 (252,992,341 in 31 December 2023).

15. Trade and Other Payables

	<u>30 June 2024</u>	<u>31 December 2023</u>
Suppliers and notes payable	170,439,720	179,710,499
Accrued expenses	112,701,265	85,996,692
Social insurance	3,273,837	2,111,018
Other creditors	41,177,091	15,413,705
	<u>327,591,913</u>	<u>283,231,914</u>

CLEOPATRA HOSPITAL COMPANY “S.A.E.”

Notes to the interim condensed separate financial statements For the six months period ended 30 June 2024

(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%.

	<u>30 June 2024</u>	<u>31 December 2023</u>
Undiscounted		
During period/year	12,565,648	12,282,431
More than period/year	48,826,761	54,812,050
	61,392,409	67,094,481
The present value of the lease obligations is as follows:		
During period/year	12,565,648	12,282,431
More than a year	34,201,664	37,661,318
Balance	46,767,312	49,943,749

	<u>30 June 2024</u>	<u>31 December 2023</u>
Lease Liabilities were presented as follows:		
Lease liabilities shown as at 31 December 2023	49,943,749	100,949,301
Adjustments period/year	-	1,404,168
Additions during period/year	-	28,701,815
Disposal period/year	-	(77,798,096)
Add: Interest formed period/year	2,848,505	7,041,785
Add: Discontinued operations	-	2,207,245
Deduct: Payments period/year	(6,024,942)	(12,562,469)
Lease liabilities at 30 June 2024	46,767,312	49,943,749

17. Revenue

	<u>Six months ended 30 June</u>		<u>Three months ended 30 June</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Surgeries revenue	177,785,403	136,857,715	91,045,598	68,634,712
Accommodation and medical supervision revenue	189,068,739	82,542,984	97,589,581	34,483,596
Laboratories revenue	100,431,113	86,535,448	50,564,726	46,289,705
Outpatient clinics revenue	93,503,846	93,989,398	45,059,341	50,010,835
Radiology revenue	73,828,124	51,170,815	37,533,568	27,703,965
Service charge revenue	72,765,415	46,139,426	37,467,813	23,162,347
Cardiac catheterization revenue	66,810,241	49,510,618	35,294,569	25,163,709
Pharmacy revenue	64,954,717	39,329,451	31,982,548	20,856,717
Emergency revenue	49,294,722	31,998,945	25,866,180	17,304,907
Physiotherapy revenue	15,289,070	6,849,616	6,342,645	3,637,808
Cardiac tests revenue	10,755,467	8,424,353	5,094,324	4,363,912
Endoscopy revenue	8,489,072	4,780,507	4,503,729	3,558,573
Dentistry revenue	6,309,383	4,551,514	3,305,099	2,327,367
Revenues from other departments	11,373,403	5,904,876	5,348,168	3,437,936
	940,658,715	648,585,666	476,997,889	330,936,089

CLEOPATRA HOSPITAL COMPANY “S.A.E.”

Notes to the interim condensed separate financial statements For the six months period ended 30 June 2024

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

17. Revenue (continued)

* “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:

	<u>30 June 2024</u>	<u>30 June 2023</u>
At a point in time	751,589,976	566,042,682
Over time -Accommodation and medical supervision revenue	<u>189,068,739</u>	<u>82,542,984</u>
	<u>940,658,715</u>	<u>648,585,666</u>

18. Cost of revenue

	<u>Six months ended 30 June</u>		<u>Three months ended 30 June</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Medical and pharmaceutical supplies	173,824,902	118,678,578	90,750,189	63,629,985
Salaries, wages and benefits	135,539,812	101,601,051	68,532,626	51,854,860
Doctors’ fees	130,602,098	106,680,694	64,043,799	52,911,222
Maintenance, spare parts and energy expenses	23,659,298	12,716,786	12,578,552	6,467,246
Fixed assets depreciation	19,493,111	15,876,838	10,210,058	7,856,153
Consumables costs	14,830,634	11,394,757	8,250,654	4,545,671
Outsourcing services	13,447,139	10,679,112	6,736,393	7,366,227
Lease amortization	656,378	455,962	328,189	223,727
Rents	5,027,156	3,444,217	3,017,682	2,038,523
Other expenses	20,292,212	10,966,351	9,875,302	5,601,985
	<u>537,372,740</u>	<u>392,494,346</u>	<u>274,323,444</u>	<u>202,495,599</u>
Less: Group's share of the Company's expenses	<u>(6,492,667)</u>	<u>(4,159,064)</u>	<u>(2,957,576)</u>	<u>(2,156,059)</u>
	<u>530,880,073</u>	<u>388,335,282</u>	<u>271,365,868</u>	<u>200,339,540</u>

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Notes to the interim condensed separate financial statements For the six months period ended 30 June 2024

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

19. General and administrative expenses

	Six months ended 30 June		Three months ended 30 June	
	2024	2023	2024	2023
Salaries, wages and benefits	113,919,235	62,103,647	69,091,174	31,801,768
Professional and consulting fees	8,158,227	13,505,986	4,788,074	7,913,963
Fixed assets depreciation	8,155,165	7,371,377	4,271,785	3,913,256
Outsourcing services	7,912,611	6,000,592	3,680,520	3,091,213
Lease amortization	3,729,954	4,693,430	1,864,977	1,864,977
Maintenance, spare parts and energy expenses	2,693,206	9,163,319	1,541,170	4,647,442
consumables costs	1,172,667	570,875	584,898	357,721
Other expenses	35,647,106	11,043,954	18,487,528	4,680,553
	181,388,171	114,453,180	104,310,126	58,270,893
Less: Group's share of the Company's expenses	(52,998,437)	(30,413,859)	(33,047,300)	(15,675,243)
	128,389,734	84,039,321	71,262,826	42,595,650

20. Net impairment losses on financial assets

	Six months ended 30 June		Three months ended 30 June	
	2024	2023	2024	2023
Trade receivables impairment	8,517,192	4,788,756	4,921,390	5,779,769
Cash in bank impairment	770,395	407,422	346,577	(432,147)
Total	9,287,587	5,196,178	5,267,967	5,347,622

21. Result from discontinued operations

	Six months ended 30 June		Three months ended 30 June	
	2024	2023	2024	2023
Discontinued operations	-	12,656,276	-	17,056,114
Impairment of intangible assets	-	(14,071,000)	-	(14,071,000)
Tax on discontinued operations	-	(2,847,662)	-	(3,837,626)
Profit after income tax from discontinued operations	-	(4,262,386)	-	(852,512)

22. 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.

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22. Earnings per share (continued)

	Six months ended 30 June		Three months ended 30 June	
	2024	2023	2024	2023
Distributable profit	189,967,085	132,851,990	89,059,982	74,056,239
The number of available shares after the share purchase process	1,443,807,866	1,441,509,083	1,443,807,866	1,441,509,083
Earnings per share of the shareholders' share in the net profit for the period	0.13	0.09	0.06	0.05

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 continued operations

	Six months ended 30 June		Three months ended 30 June	
	2024	2023	2024	2023
Distributable profit	189,967,085	137,114,376	89,059,982	74,908,751
The number of available shares after the share purchase process	1,441,509,083	1,441,509,083	1,441,509,083	1,441,509,083
Earnings per share of the shareholders' share in the net profit for the period	0.13	0.10	0.06	0.05

23. 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 June 2024	Balance due from related parties 31 December 2023
New Bedaya for management of medical centres and Hospitals	Expenses on behalf of the company	(28,553,197)	(19,800,398)	8,752,798
CHG SKY Hospital	Expenses on behalf of the company	2,137,121	2,435,149	298,028
Cleopatra Haven Company	Expenses on behalf of the company	26,648,794	59,611,546	32,962,752
CHG for Medical Service (Subsidiary)	Payments on behalf of the company	541,790	47,946,280	47,404,490
CHG Pharma for Pharmacies Management (Subsidiary)	Payments on behalf of the company	401,022	1,376,732	975,710
Other parties	Expenses on behalf of related parties	(226,152)	256,190	482,342
			91,825,499	90,876,120

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23. Related parties from / to transactions (continued)

<u>(Related parties)</u>	<u>Nature of transaction</u>	<u>Transaction value</u>	<u>Balance due (to) related parties 30 June 2024</u>	<u>Balance due (to) related parties 31 December 2023</u>
Al Shorouk Hospital (Subsidiary)	Payments on behalf of the company	16,608,094	(10,691,356)	(27,299,450)
CHG for Hospitals management (Subsidiary)	Payments on behalf of the company	-	<u>(2,955,658)</u>	<u>(2,955,658)</u>
			<u>(13,647,014)</u>	<u>(30,255,108)</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.

24. Capital commitments:

Capital commitments at financial year end, which are not yet due, amounted to EGP 25,000 (2023: EGP 12,028,000), Which represents capital commitments to purchase fixed assets and projects under construction,

25. Treasury shares

Based on the Board of Directors approval dated 23 May 2024 the company bought 2,500,000 treasury shares from the open market with total amount of 16,812,126 EGP to be transferred to Employees' stock ownership Plan.

26. Subsequent events

On 13 February 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 sale price of Nile Badrawi Hospital shares in favour of Cleopatra Hospital. Concerning the land subject to settlement, On 31 March 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 21 June 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 7 February 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. And court decision was postponed till 7 October 2024.

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26. Subsequent events (continued)

The Monetary Policy Committee of the Central Bank of Egypt decided to raise the deposit and lending rates by 200 basis points on February 1, 2024, and then by 600 basis points on March 6, 2024. The credit and discount rates were also raised by 600 basis points on March 6, 2024

On 23 July 2024, the Board of Directors unanimously approved that the company purchase treasury shares from the open market with a total purchase of 2,566,521 shares to be transferred to Employees' stock ownership Plan.

27. 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)	Six months ended 30 June		Three months ended 30 June	
	2024	2023	2024	2023
Operating Revenue	-	-	-	-
(Less)				
Operating Cost	-	(1,939,553)	-	(257,353)
Gross profit	-	(1,939,553)	-	(257,353)
Add / (Less)				
General and administrative expenses	-	(793,802)	-	(339,059)
Net impairment losses on intangible assets	-	(14,071,000)	-	(14,071,000)
Net impairment losses on financial assets	-	(74,037)	-	(3,255)
Provisions	-	124,613	-	124,613
Other expense	-	(59,542,994)	-	(59,542,994)
Finance income	-	20,914	-	5,782
Finance expenses	-	74,861,135	-	77,068,380
Profit for the period before income tax	-	(1,414,724)	-	2,985,114
Tax on discontinued operations	-	(2,847,662)	-	(3,837,626)
Profit after income tax	-	(4,263,386)	-	(852,512)

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28. Tax position

1: Corporate Income Tax

- The inspection was completed up to December 31, 2019, and the settlement was fully made.
- For the year 2020, the inspection was completed, the payment was made, and the settlement is currently in progress.
- The tax returns for the years 2021, 2022, and 2023 were submitted within the legally prescribed deadlines.

2: Payroll Taxes

- The inspection was completed up to December 31, 2019, and the settlement was fully made.
- The inspection for the year 2022 was completed, and the principal amount was paid.
- Payroll tax settlements and Form 4 salary statements for 2023 were submitted within the legally prescribed deadlines.

3: Stamp Duty

- The inspection was completed up to July 31, 2006, and the payment was made.
- The inspection was completed up to the year 2020, and the payment was made, with the settlement currently in progress.

4: Value Added Tax (VAT)

- The inspection was completed up to the year 2022.
- Monthly returns are submitted within the legal deadlines.