



**CLEOPATRA HOSPITALS**  
GROUP

# Cleopatra Hospitals Group

## Investor Presentation FY20

# Disclaimer



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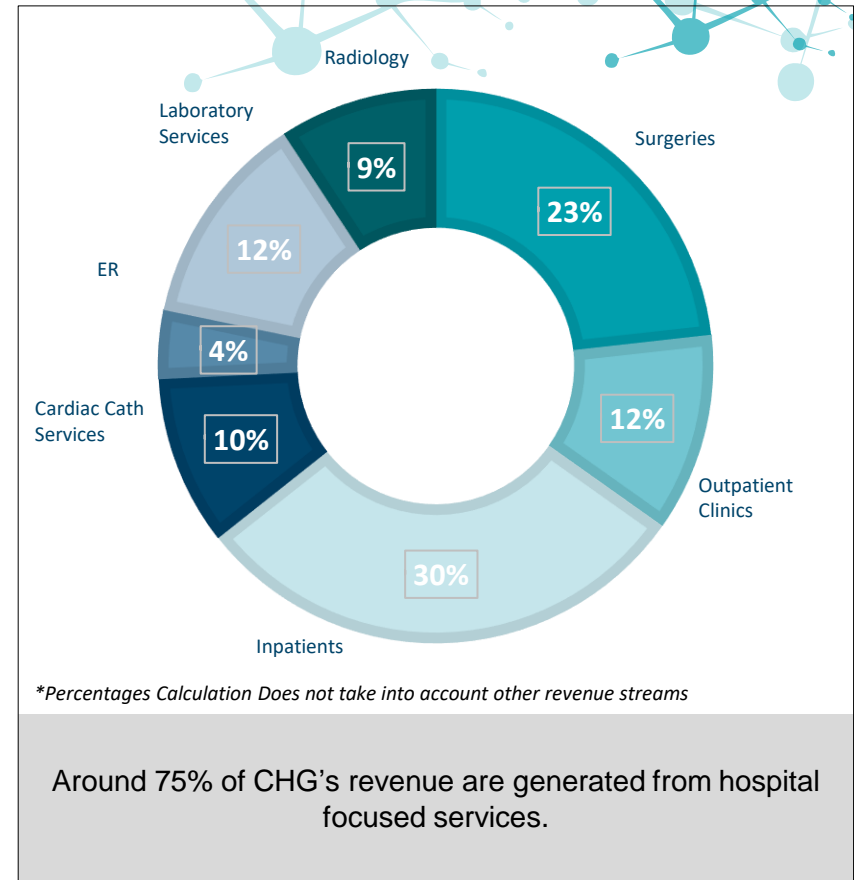


# A Unique Investment Story



# CHG is a Diversified Healthcare Services Group

- Cleopatra Hospitals Group (the “Group” or “CHG”), is Egypt’s largest private hospital group by number of hospital beds and operating hospitals and consists of six operational hospitals and two polyclinics in addition to a leading IVF Centre all in Cairo , namely:
  - Cleopatra Hospital (100.0% ownership)
  - Cairo Specialized Hospital (55.4% ownership)
  - Nile Badrawy Hospital (99.9% ownership)
  - Al Shorouk Hospital (100.0% ownership)
  - Queens Hospital (100.0% ownership)
  - Al Katib Hospital (100.0% ownership)
  - Cleopatra Hospitals Group Clinics (100.0% ownership)
  - Bedaya IVF Centre (60% ownership)
- Over the last five years, the Group has revolutionized the Egyptian healthcare industry by bringing high quality, integrated healthcare solutions to a growing number of patients across a constantly expanding geographical footprint
- Around 75% of revenue generated from insured & contract patients



**1,000**

Consultant physicians attracted from the top two medical universities



**+4600**

+2800 medical staff including c. resident doctors and c. 1100 nursing staff



**6 Hospitals**

- 782 Beds
- 150 fully equipped ICU Beds
- 6 Cath Labs
- Full Comprehensive Specialty Coverage



**2 Polyclinics**

Offering comprehensive outpatient and full array diagnostic services in addition to home visits



**Bedaya IVF**

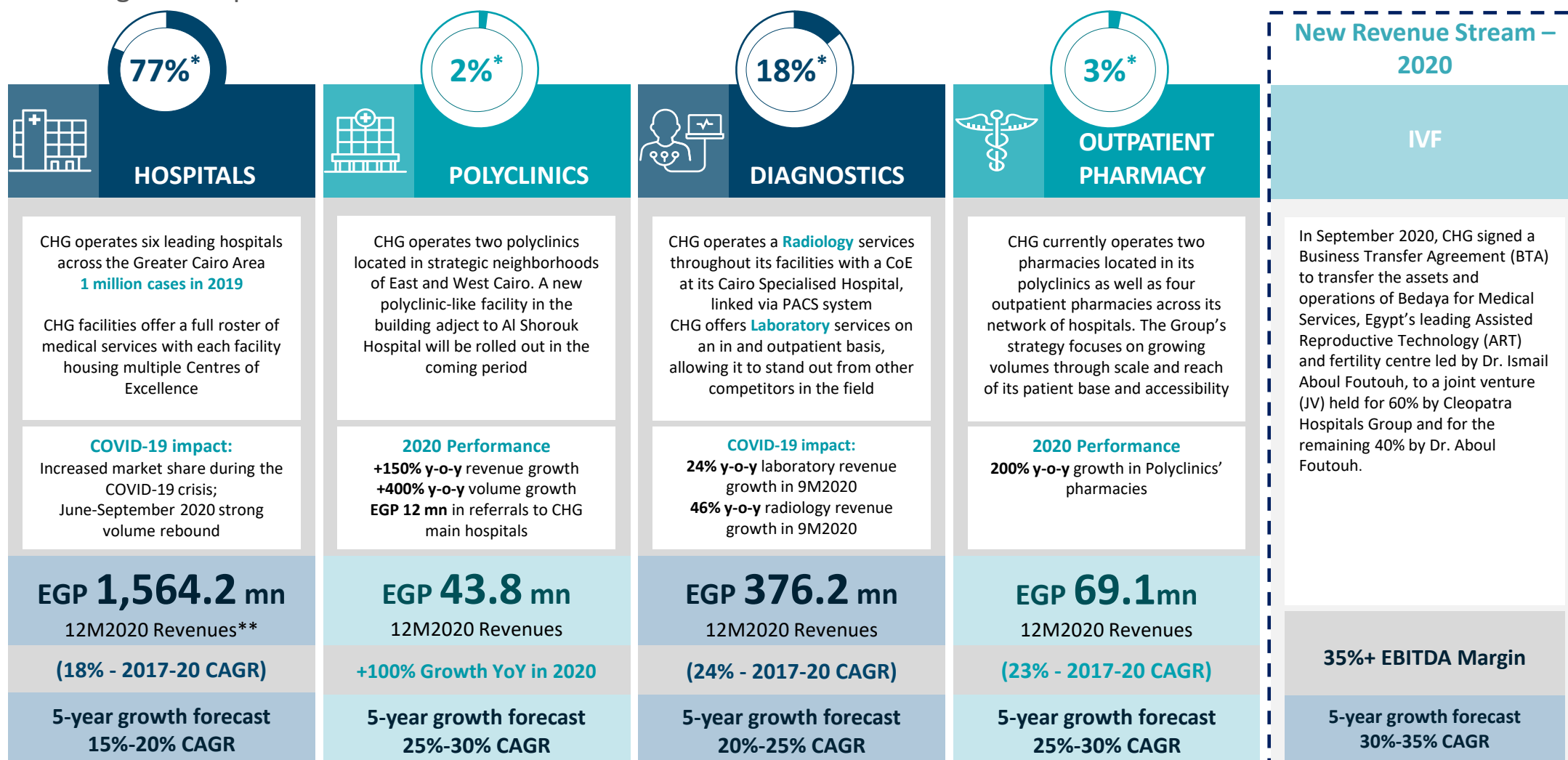
1 Operating facility – Q42020

Expansion with 1 new facility as IVF and Gyna COE - 2021



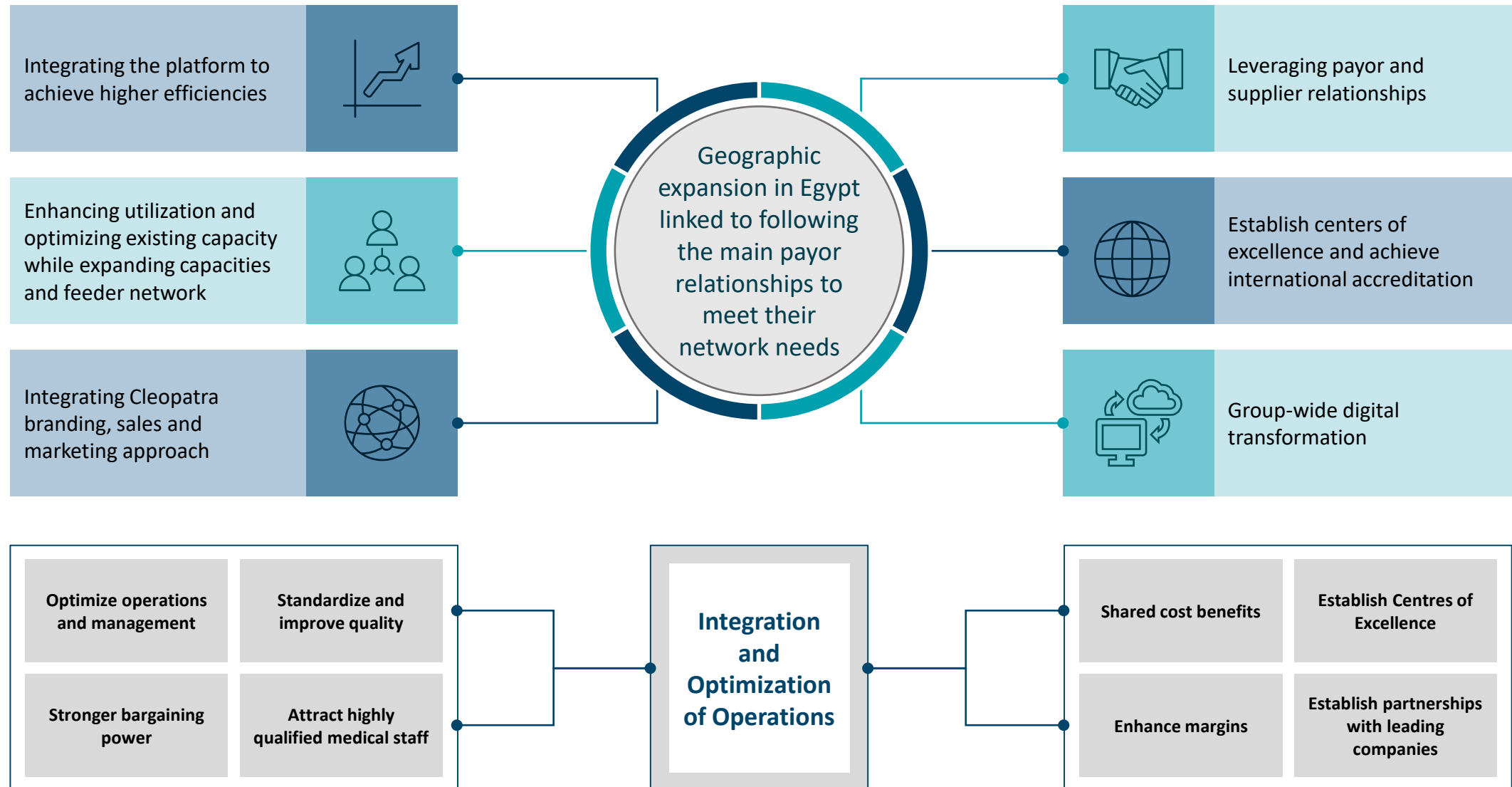
# Diversified Service Offering and Revenue Stream

CHG delivered strong top- and bottom-line growth with robust margins in 2020 supported by a record-breaking fourth quarter



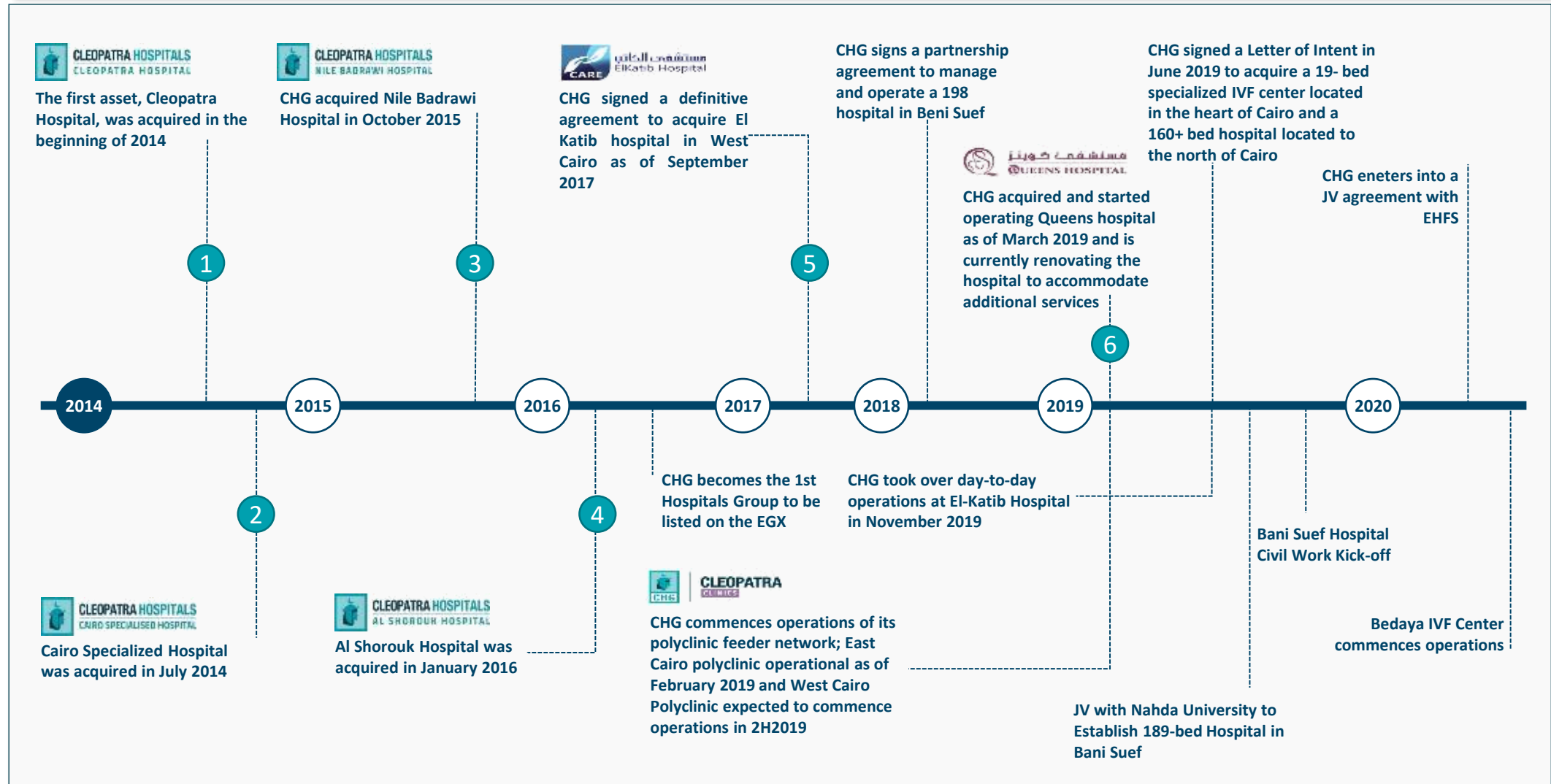
\*Based on 9M2020 revenues, \*\* Calculated by subtracting revenues of polyclinics, diagnostics and pharmacy services from total revenues for 9M2020, \*\*\*5 Year Forecast Growth Rates refers to revenue growth

# Clearly Defined Core Growth Strategy



# CHG's Journey History & Timeline

The Evolution of CHG from a Single Asset into one of the Largest Hospital Platform in the Region



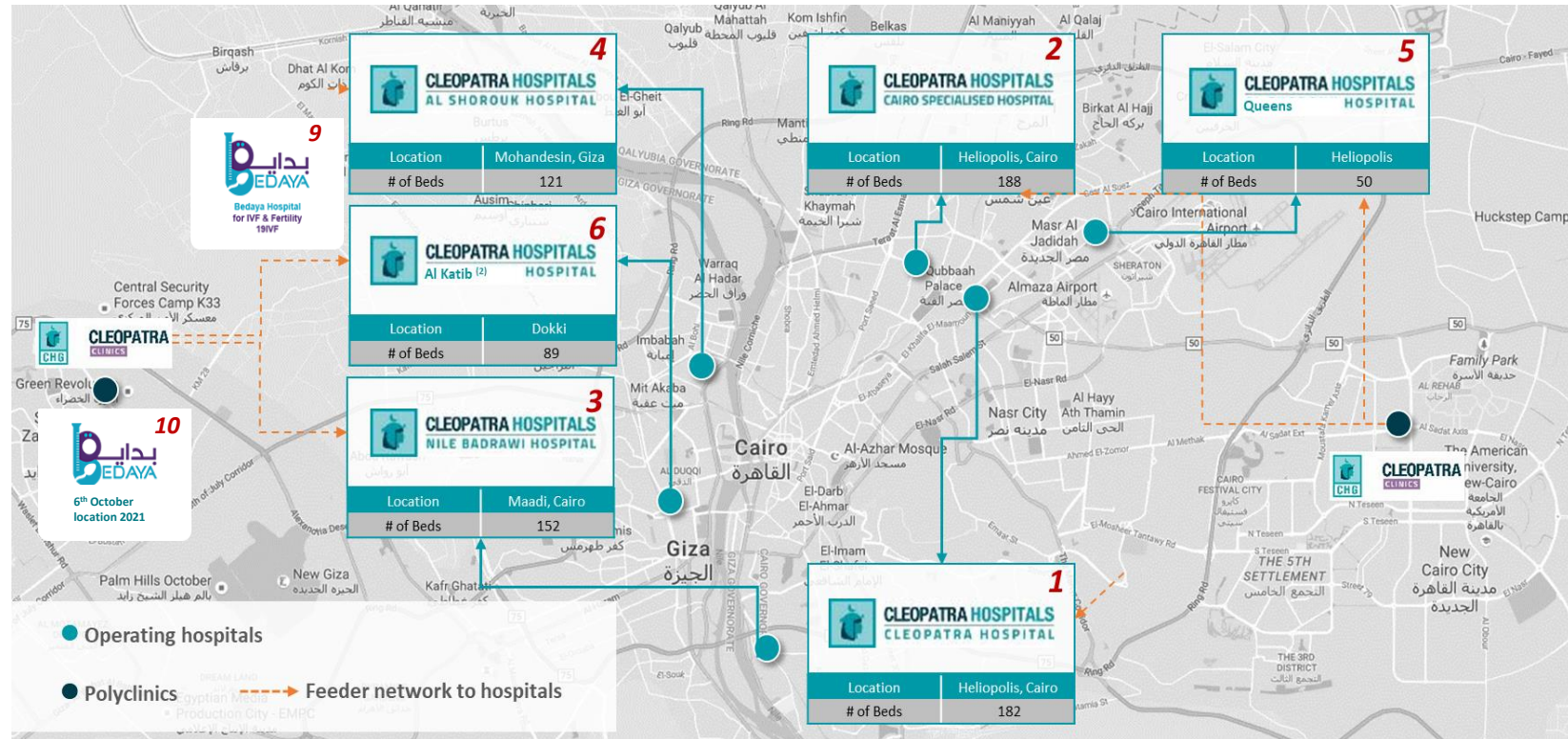


# Broad Network Coverage in Greater Cairo

Leveraging a growing footprint, CHG continues to penetrate new segments of the population and provide high quality care to currently underserved areas of Greater Cairo

Cleopatra Hospitals Group, is the largest private hospital group in Egypt by number of beds and operating hospitals with a broad network coverage across Greater Cairo

*Providing high quality care to thousands of patients*



**1,000**

Consultant physicians attracted from the top two medical universities



**+4600**

+2800 medical staff including c. resident doctors and c. 1100 nursing staff



**6 Hospitals**

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**2 Polyclinics**

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**Bedaya IVF**

1 Operating facility – Q42020

Expansion with 1 new facility as IVF and Gyna COE - 2021

# CHG FY2020 Financial Highlights

CHG delivered a remarkable full-year performance bolstered by a record-breaking fourth quarter which saw the Group surpass the EGP 600 million mark for the first time to record revenues of EGP 611 million in 4Q2020, up 19% from last year.

Throughout 2020, the Group effectively mitigated the impacts of COVID-19 on its operations through the roll out of tailored health and safety and business continuity protocols combined with a swift adjustment to its service offering and delivery methods to best cater to patients' changing needs as the crisis evolved.

While cases served in 2020 stood 11% below last year's figure, **the strong traffic witnessed in the final months of the year is further fueling our confidence that a full recovery in patient volumes is imminent and management expects to see them return to their pre-crisis growth trajectory in the near future.**



EGP **1,989.5** mn

Consolidated revenues in FY20,  
up **11% y-o-y**



**35%**

Gross profit margin  
EGP 689.6 mn in FY20  
**+10% y-o-y**



EGP **539.6** mn

Adjusted EBITDA<sup>1</sup> in FY20 with a  
**27% Margin, +7% y-o-y**



**+10%**

EBITDA<sup>2</sup> growth y-o-y in FY20  
**24% Margin**



**902,572**

Cases served<sup>3</sup> in FY20



**↑30%**

growth in cases served<sup>3</sup>  
In 2H2020 vs 1H2020

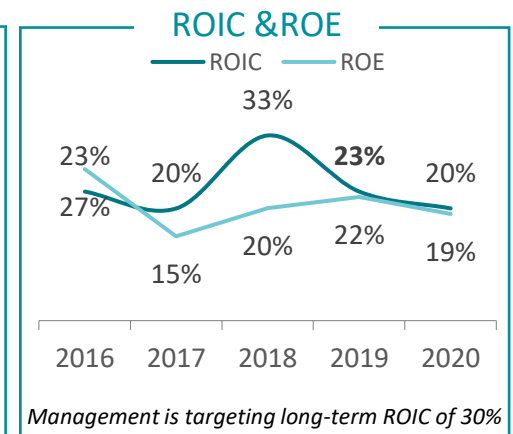
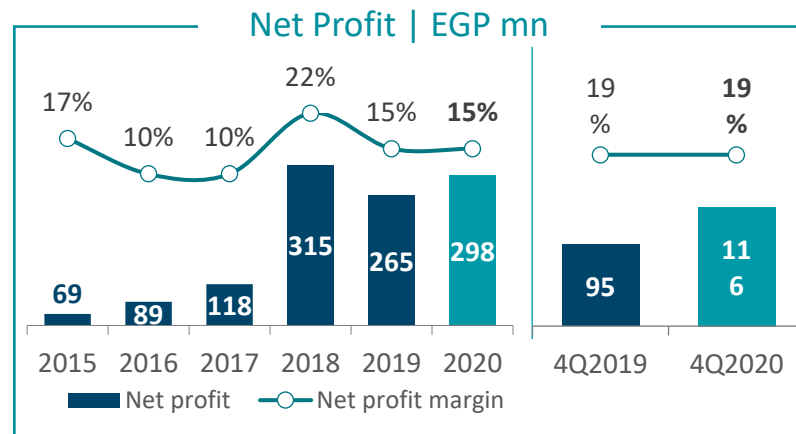
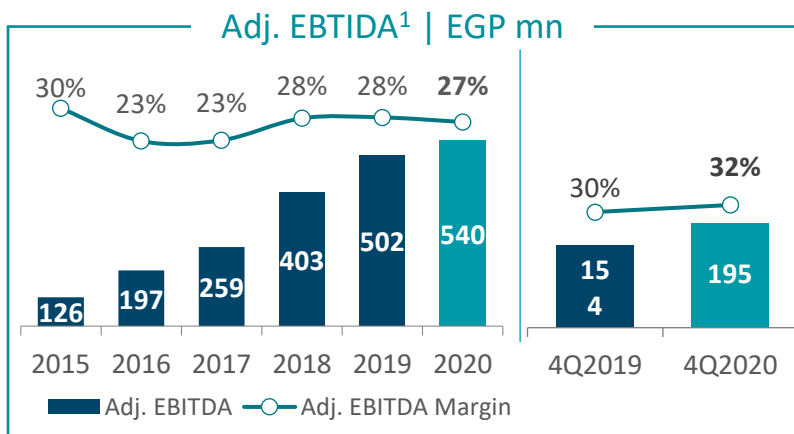
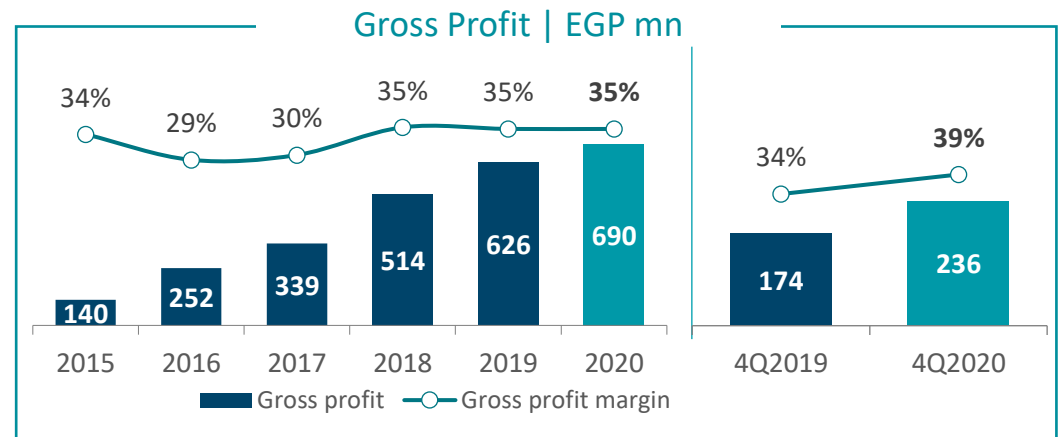
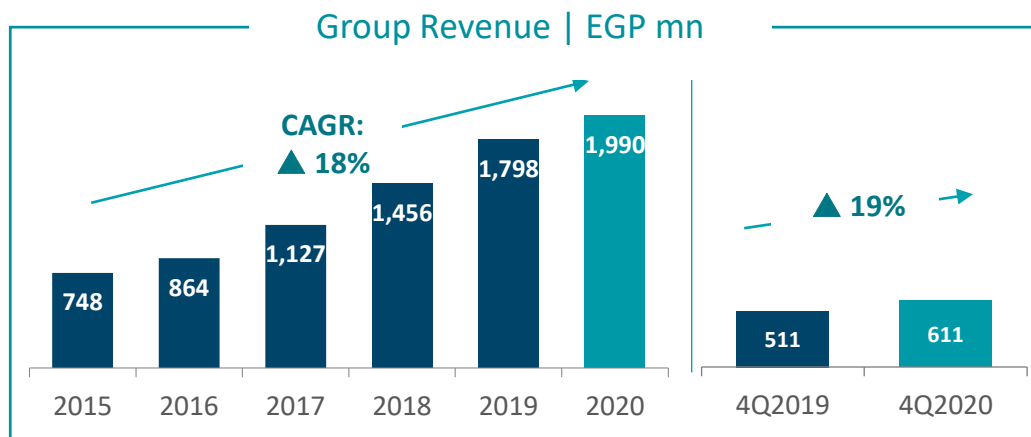
<sup>1</sup> Adjusted EBITDA: Earnings before Interest, Tax, Depreciation and Amortization adjusted for provisions, impairments, LTIP, acquisitions expenses, pre-operating expenses and excluding contributions from other income.

<sup>2</sup> EBITDA does not adjust for impairments booked during the period.

<sup>3</sup> Cases served includes number of in-patients, outpatient visits and ER visits.

# Financial Performance in FY2020

**Strong revenue growth on both a quarterly and yearly basis** was supported by a sustained recovery in patient volumes following the COVID-19-related slowdown earlier in the year, improving utilization, favourable pricing, and an increasingly optimised service mix. **Margins were** in line with the Group's historical highs maintained by management's wide-ranging cost control efforts, whereby **gross profit margin** expanded to a record 39% in 4Q2020 and was maintained at 35% on a full year basis compared to 2019. **Strong net profit growth** for the quarter and year supported by revenue growth and management's cost reduction and optimization strategy, growing 21% on a quarterly basis and 12% on an annual basis

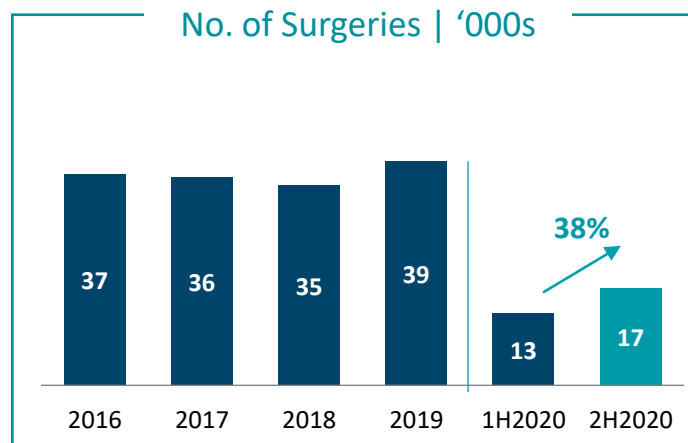
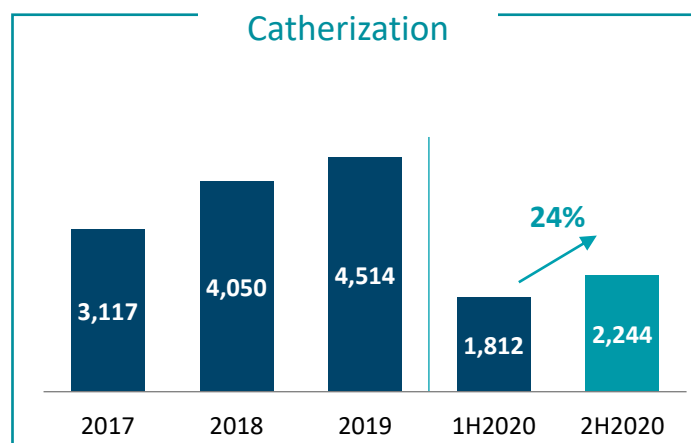
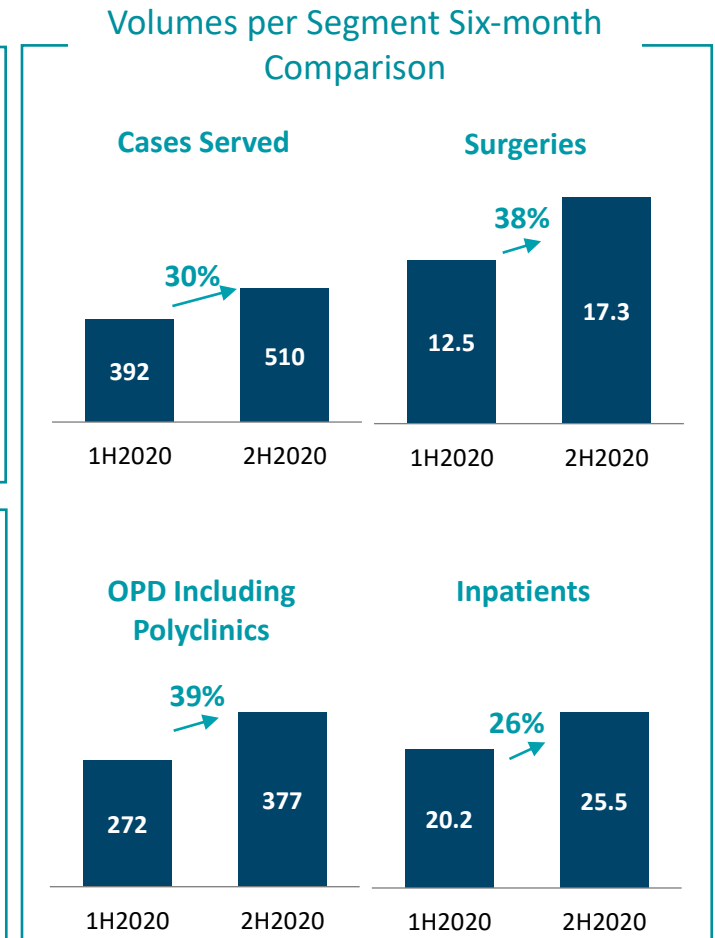
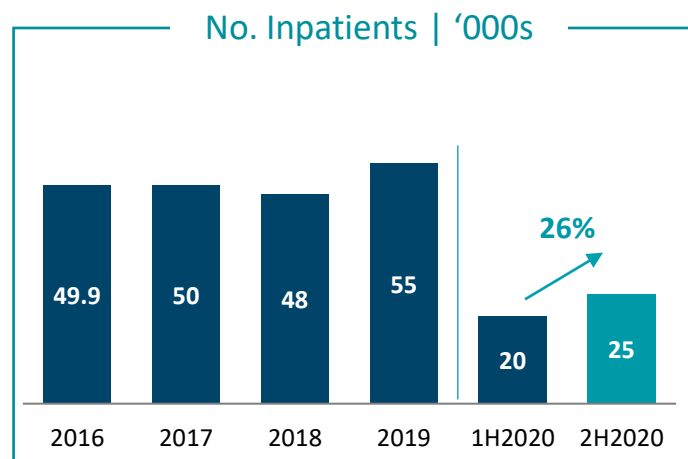
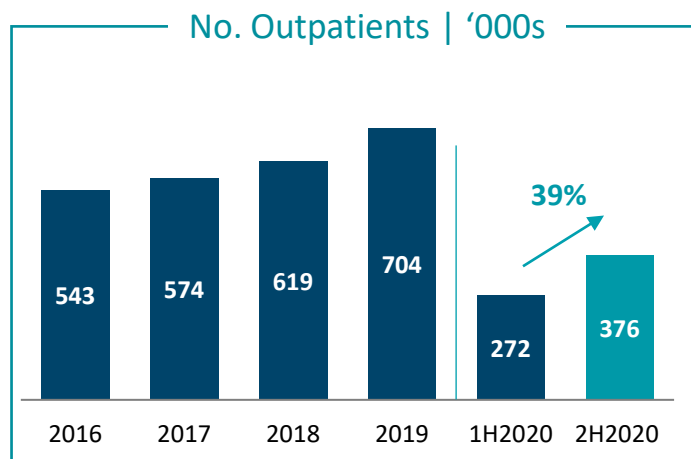


<sup>1</sup> Adjusted EBITDA: Earnings before Interest, Tax, Depreciation and Amortization adjusted for provisions, impairments, LTIP, acquisitions expenses, pre-operating expenses and excluding contributions from other income.

# Key Revenue Drivers (i)



In 4Q2020, CHG recorded a 13% q-o-q increase in total cases served, with the total for 2H2020 up 30% from cases served in 1H2020. While cases served for the year stood 11% below 2019's figure, **the strong traffic witnessed in the final months of the year is fueling management's confidence that a full recovery in patient volumes is imminent** and we expect to see them return to their pre-crisis growth trajectory in the near future.

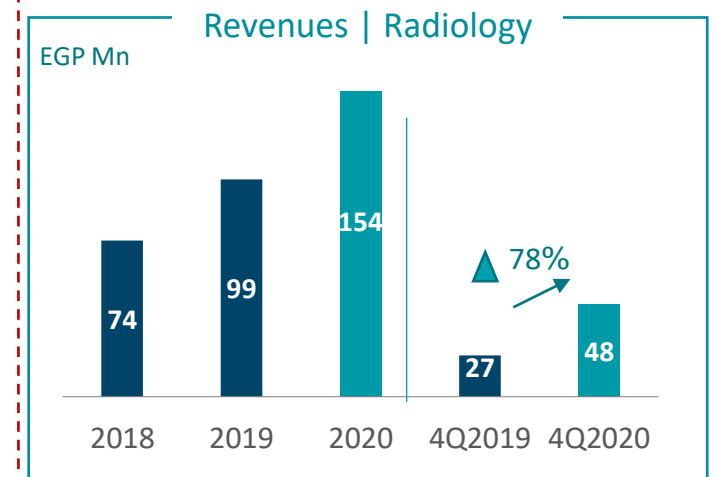
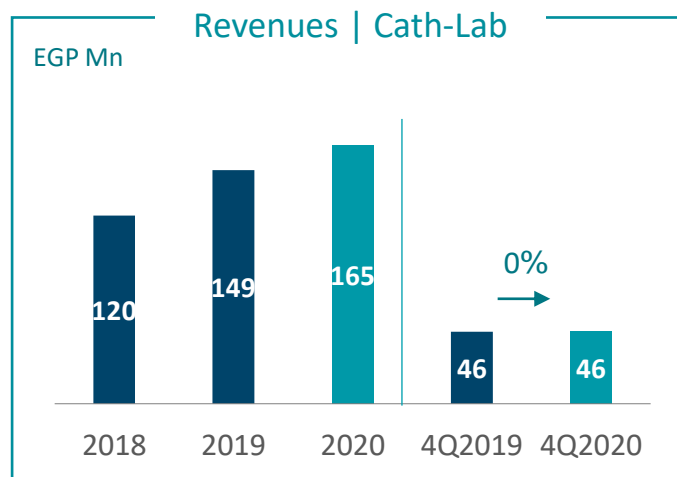
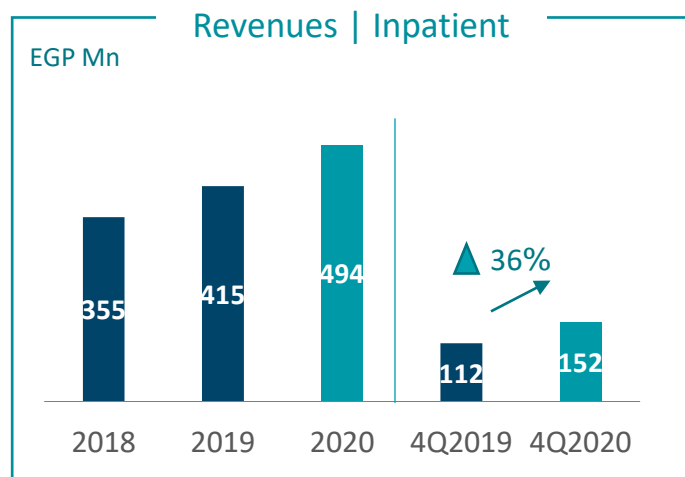
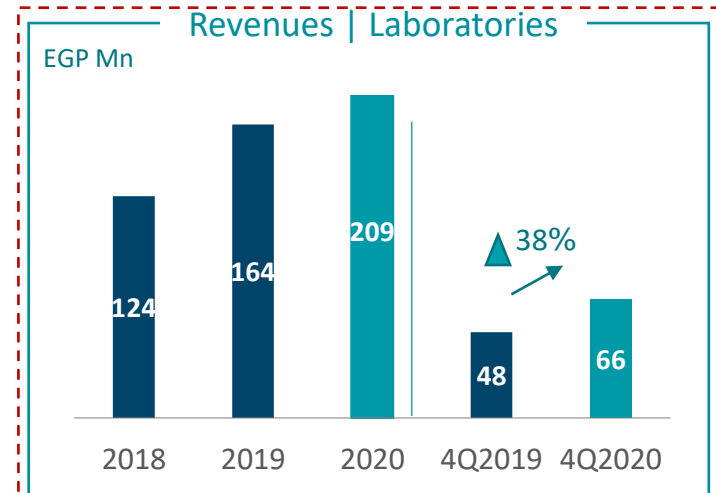
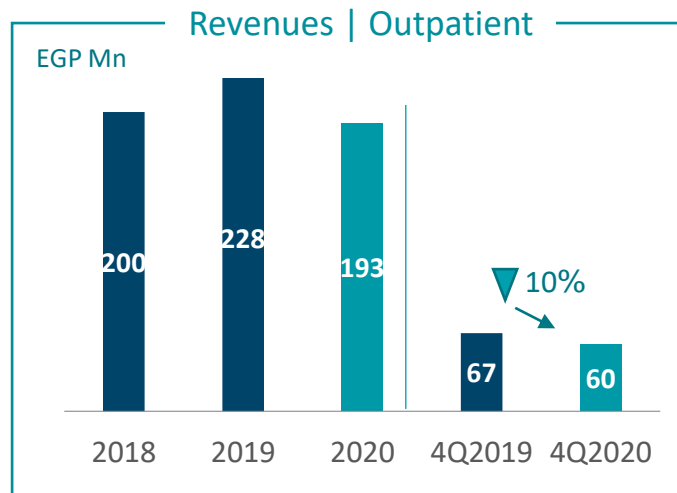
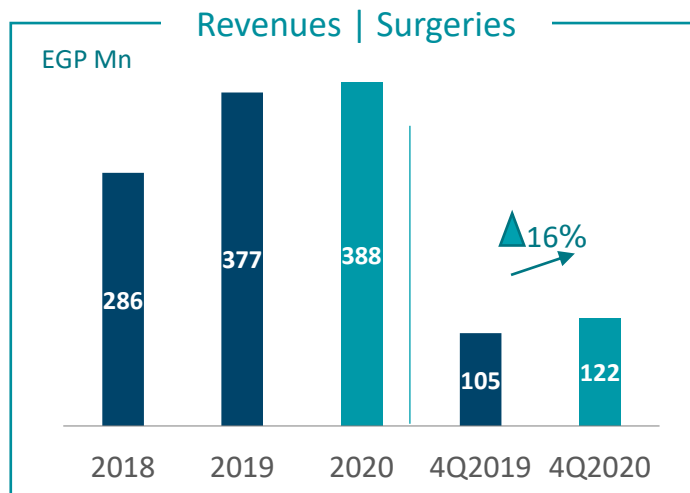


<sup>1</sup>Cases served includes number of in-patients, outpatient visits and ER visits.

# Key Revenue Drivers (ii)

Year-on-year revenue growth was seen across all the Group's segments, apart from Outpatient services, where the Group has been focusing on referrals and utilization from the outpatient clinics and polyclinics without significant price increases.

**Strong revenue growth in the radiology and laboratory segments is a direct results of management's efforts to expand the Group's diagnostics services.**

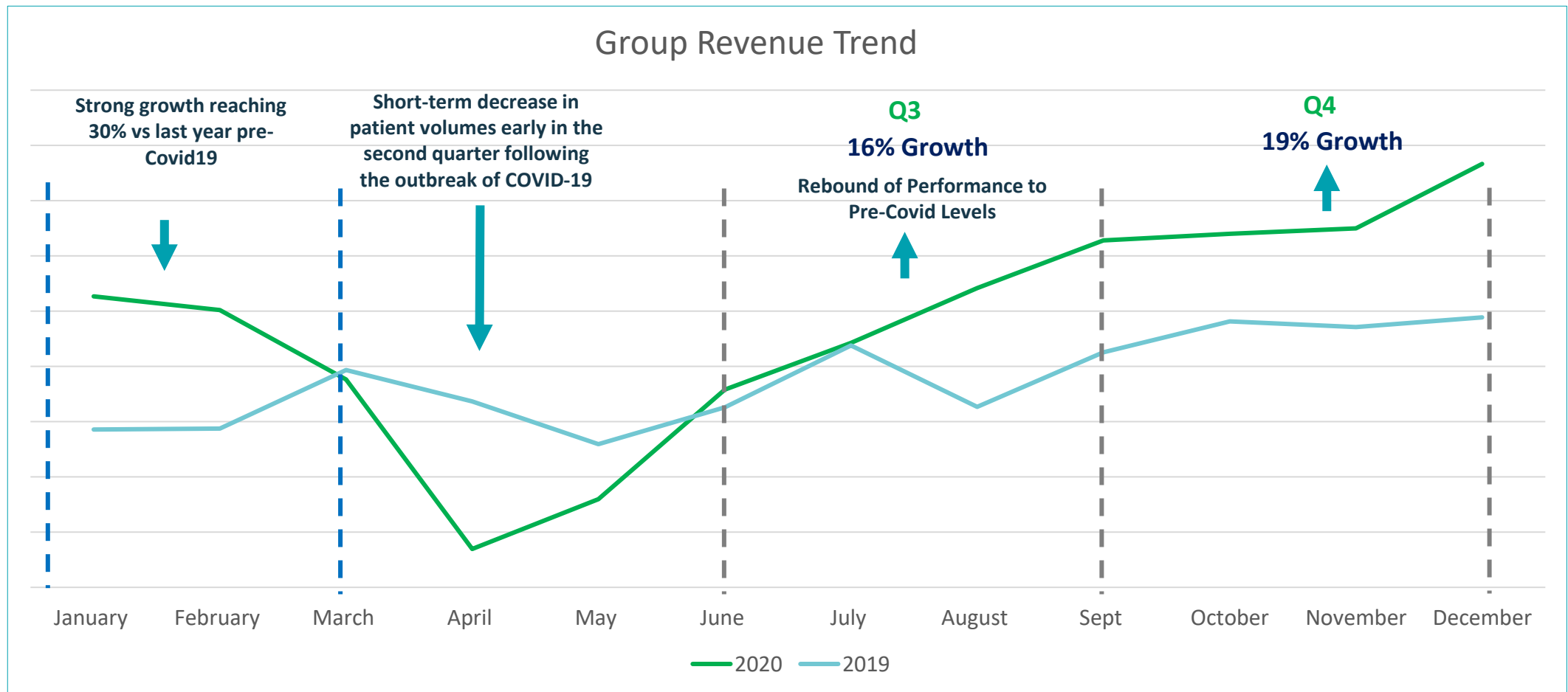




# Group Revenue Trend



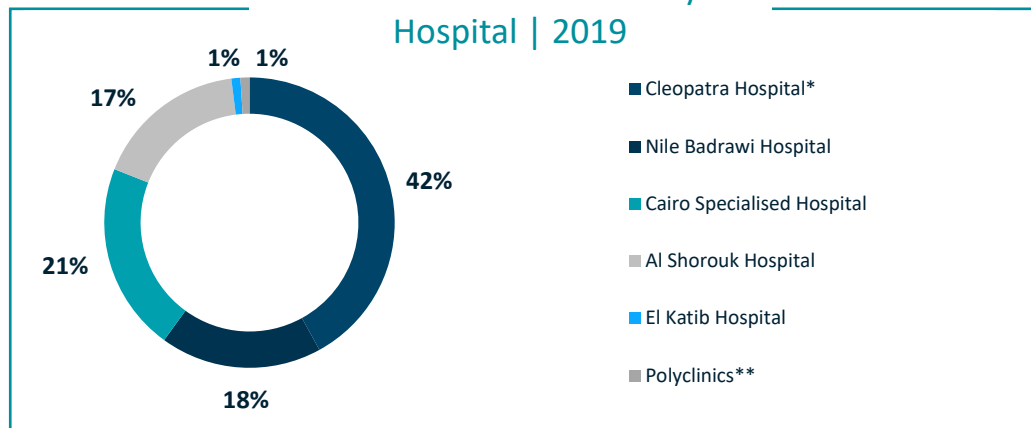
The Group's performance in 4Q2020 shows volume and revenues returning to historical growth trends. Results for the second half of 2020 were inline with the Group's most successful monthly performances on record.



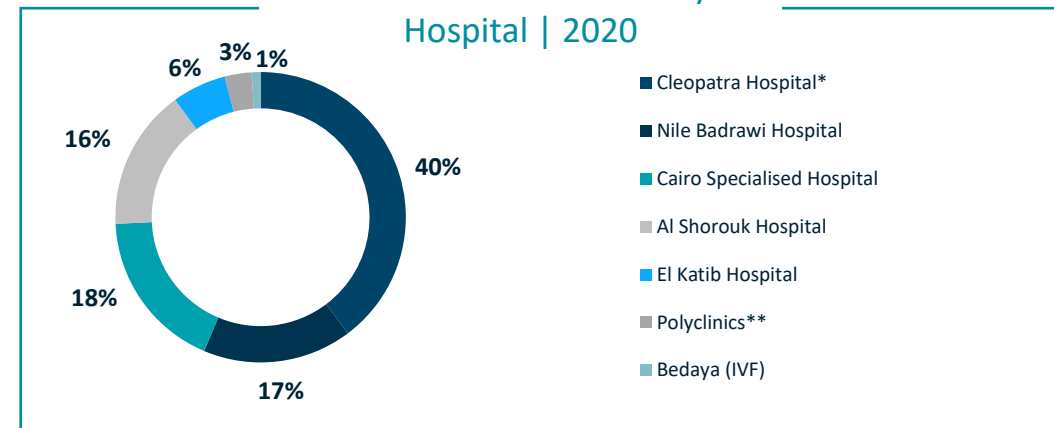
# Group Revenue Contribution in FY2020

On a per hospital basis, Cleopatra Hospital, which includes revenues of around EGP 60 million generated by Queens Hospital, recorded a 6% y-o-y rise in revenues in FY2020, with its contribution to consolidated top-line at 40% for the year. While Cleopatra Hospital continues to make the largest contribution to total revenue, this year's share was the lowest of record, **proof positive of the effectiveness of management's diversification efforts.**

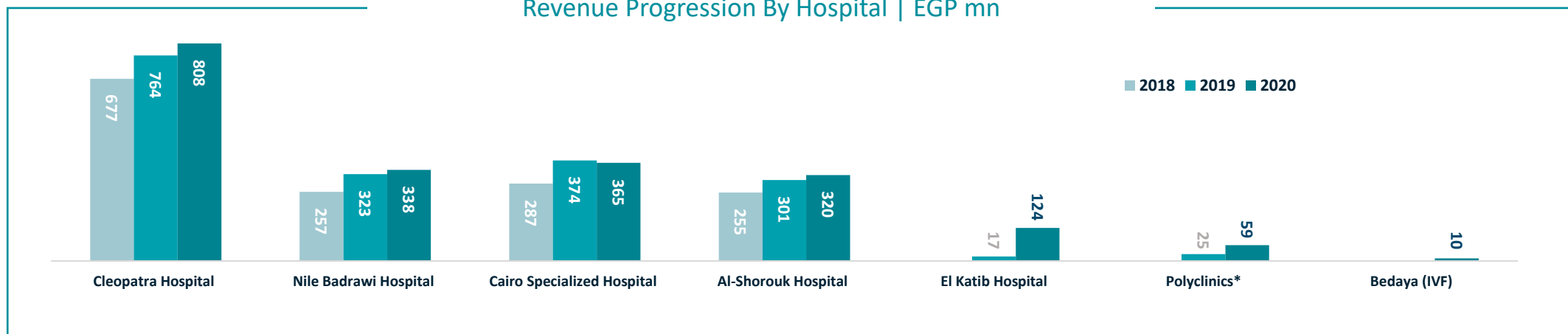
Revenue Contribution by Hospital | 2019



Revenue Contribution by Hospital | 2020



Revenue Progression By Hospital | EGP mn



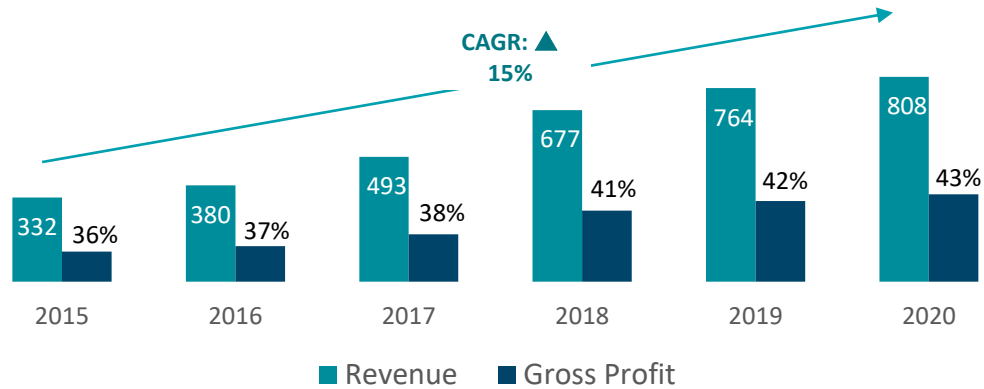
\*Cleopatra Hospital results for the period include revenue generated by Queens Hospital.

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

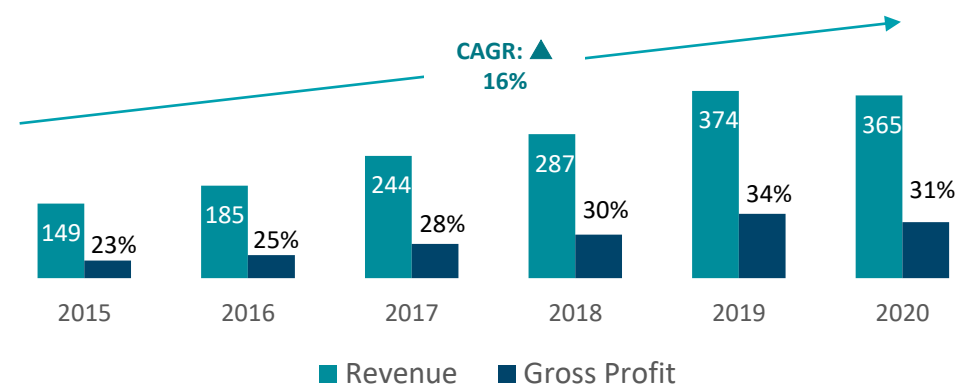
# Group Performance Trends



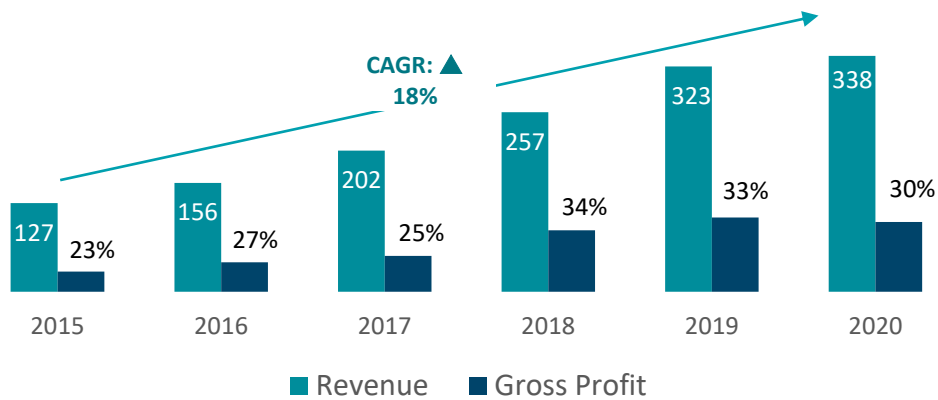
## Cleopatra Hospital (CHC)



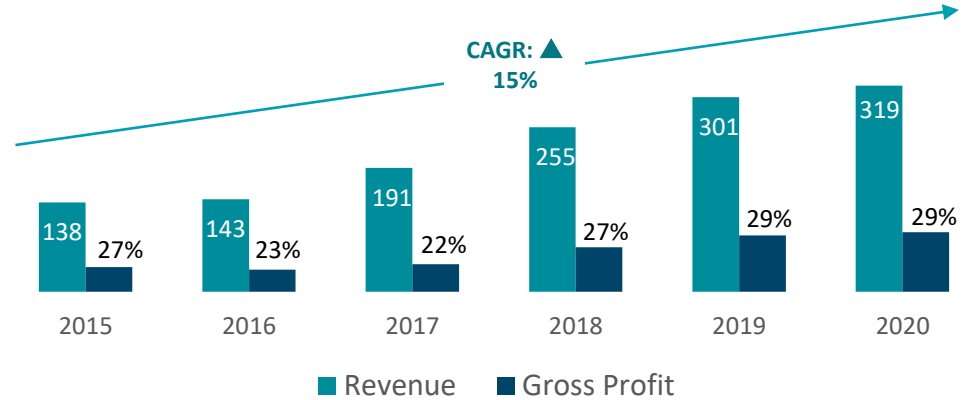
## Cairo Specialised Hospital (CSH)



## Nile Badrawi Hospital (NBH)



## Al Shorouk Hospital (ASH)



# 2020 in Review



# 2020 in Review (Cont'd)



## 2020

JAN – FEB	MAR	APR	MAY	JUN	SEP	OCT – DEC
Strong results in January and February as CHG built on strong momentum from 2019	COVID-19 crisis begins mid-March; Government imposed restrictions weigh down on patient volumes	CHG rolls out extensive mitigation strategy; response protocols to tackle health and business continuity risks	El Katib and Queens Hospitals are converted into COVID-19 treatment facilities	Volumes begin to recover following easing of restrictions and supported by the Group's dedicated strategy	Group acquires Bedaya IVF centre and forms the Egyptian Healthcare Facilities Services (EHFS) company	Record-breaking fourth quarter sees the Group report revenues in excess of EGP 600 mn for the first time

### 2020 Expansion Highlights

<b>IVF</b>	<b>Facility Management</b>	<b>24 beds + 2 executive floors</b>
The Group acquires majority stake in Bedaya and ventures into fast-growing ART segment	CHG forms EHFS and enters the underpenetrated facility management segment	Capacity expansion at existing hospitals

### Since the IPO\*

<b>30%</b>	Revenue CAGR (2015-20)	<b>30%</b>	Gross Profit CAGR (2015-20)
<b>27%</b>	EBITDA CAGR (2015-20)	<b>20%</b>	ROIC (2020)

\*FY2015 vs FY2020 figures





A photograph of a medical scanner, possibly a CT or MRI machine, in a clinical setting. The image is overlaid with a network of white lines and dots, and several circular icons representing various medical and technological concepts. The text "Expansion Strategy & Updates" is prominently displayed on the left side.

# Expansion Strategy & Updates

# Expansion strategy



1

Creating Feeder  
Networks &  
Expanding Services  
Offering

2

Building  
Additional  
Capacities in  
Existing  
Facilities

3

Strategic  
Acquisitions  
of Operating  
Facilities

4

Brownfield /  
Greenfield  
Expansions

5

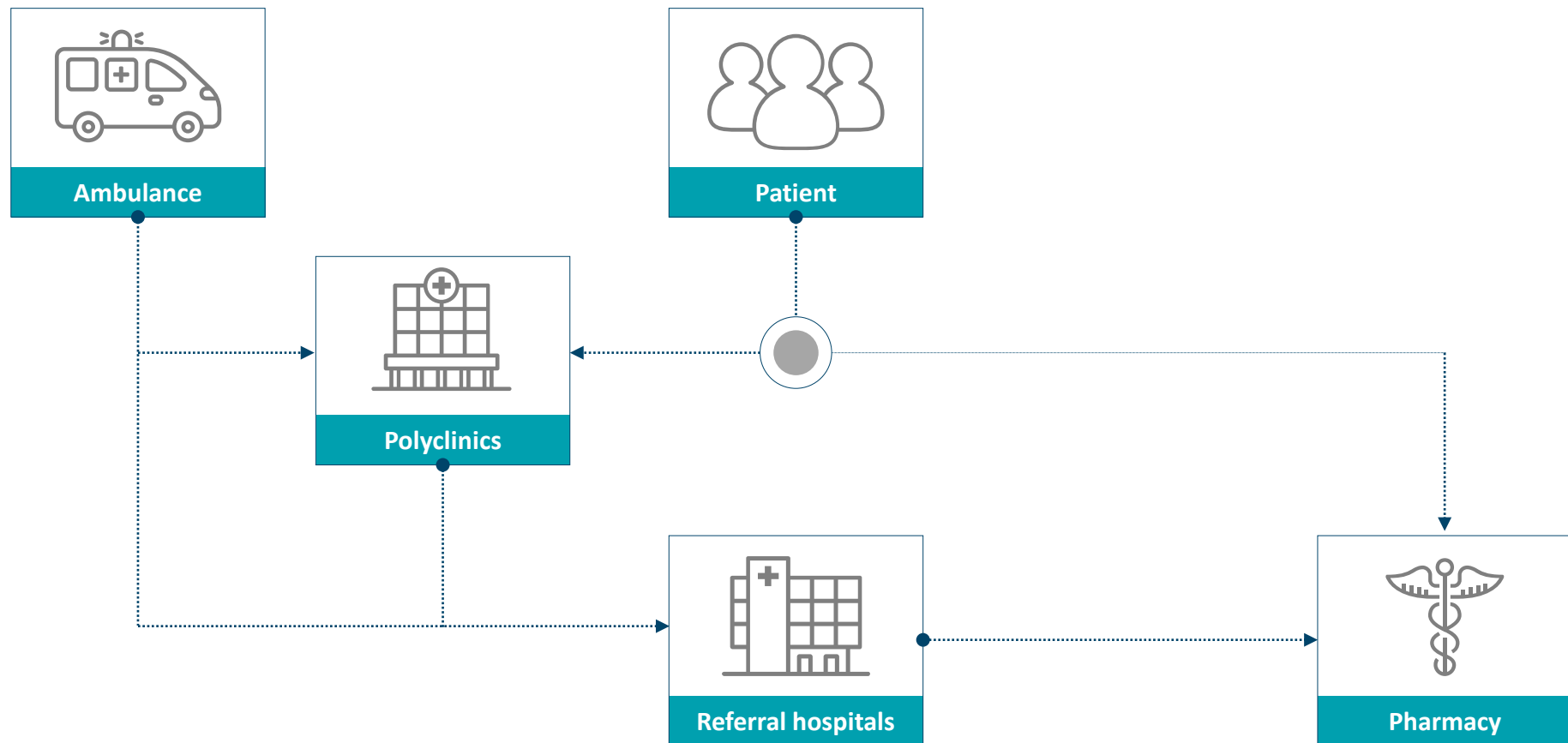
Expanding  
Reach Beyond  
Greater Cairo

6

Creating Strategic  
Entities to Serve  
Group's Scale of  
Operations

# Core Theme – Focus on Patient Pathway Capture to Maximize Share of Wallet from Existing Payors

Increase number of registered patients through increasing the outpatient network, while a focus on patient pathway capture results in increased network revenue from the core payors.



# Launched in 2019 and Now Present in East and West Cairo and a Strategy to further expand

With both East and West Cairo ramping up to target utilization and performance, the Group is now looking into further expansions of the model. During the ongoing COVID-19 crisis, the Group's polyclinics witnessed a significant increase in demand from patient looking for an alternative to traditional hospitals.

New Locations in underserved areas and locations – Flagship Polyclinics

Maximizing Referral Potential to Hospital Facilities

Diagnostics & Home Visits hub



## Flagship Polyclinics



General Clinics



Referral Hub



X-Ray / Ultrasound



Pharmacy



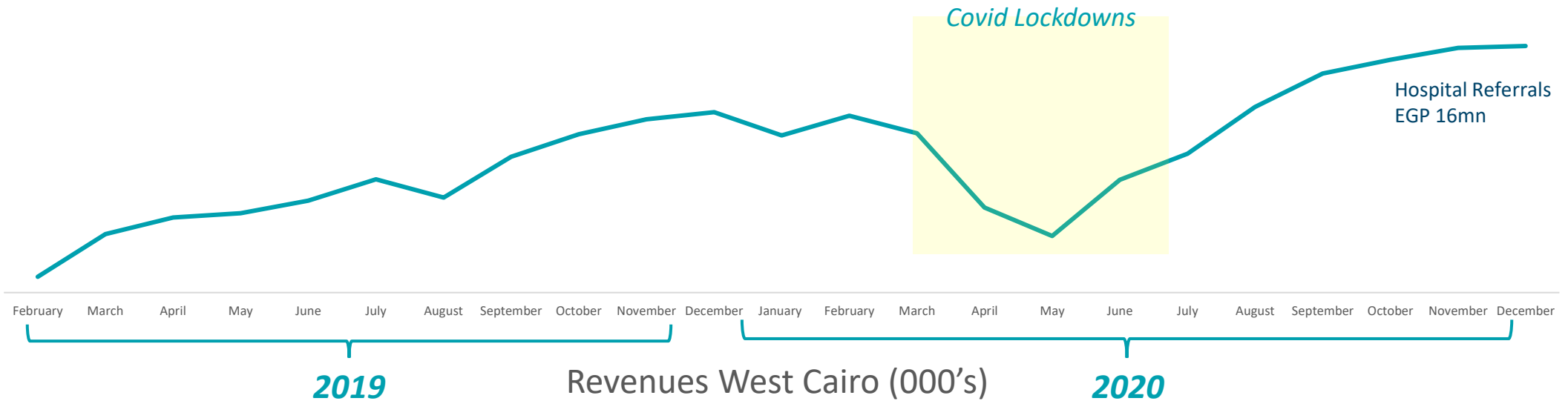
Hot Lab

# New Business Models

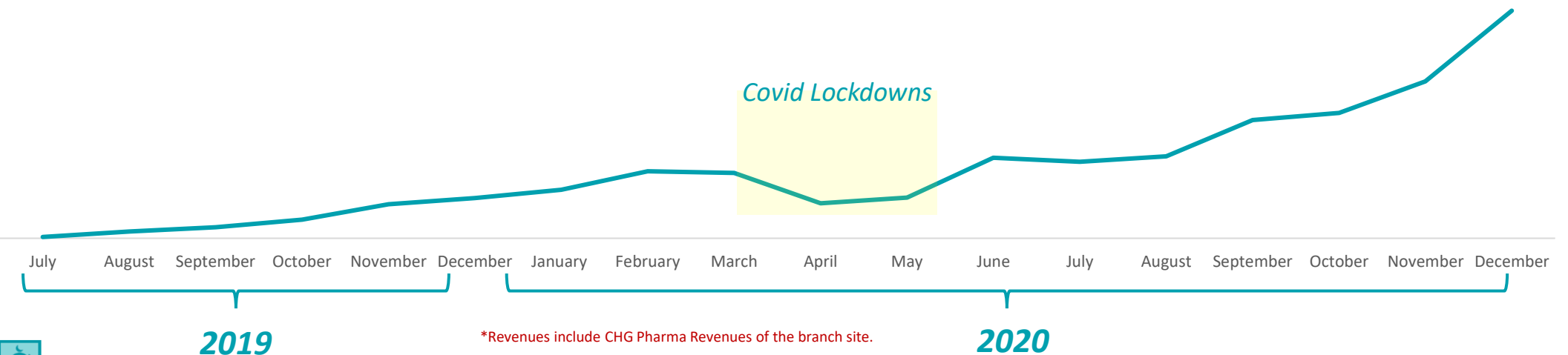
## CHG Polyclinics Ramp- Up



Revenues East Cairo (000's)



Revenues West Cairo (000's)



\*Revenues include CHG Pharma Revenues of the branch site.



# Expanding Services Offering: Diagnostics

In line with CHG's strategy to further diversify its revenue streams and service offering, the Group has been expanding its diagnostics and pharmacy capabilities, with both segments representing areas of future expansion for the Group.

## Diagnostics

Today, CHG is a **significant player in the Greater Cairo diagnostics market** with c.1.7 million Diagnostic tests performed during the course of 2019.

**c.1.5mn Laboratory tests in FY2019**  
**c.150,000 Radiology scans in FY2019**

The Group's laboratories and radiology centres are **fitted with best-in-class technology** and offer high quality services in line with the standards patients have come to expect from the CHG brand name.

CHG is in the process of **scaling up its diagnostics business to serve a greater customer base** through its B2B offering. In an effort to expand patient volumes, the Group is also offering a **full-suite of diagnostics services as part of its home visit offering**.

### 2016-2020

- One Stop Shop Contracting
- Capex Investments
- Inpatient & OPD protocols
- Lab to Lab referrals between facilities

### 2021-2025

- Central Commercial Management
- Virtual Expansion & Reach – Volumes
- Consumer Marketing
- OPD Referrals
- B2B & Lab to Lab
- Radiology Franchise Management

### Volume & Scale Focus:

1Mn Patients Referrals across different facilities – Capturing Patient needs via home delivery and geographical access

### E- Commerce Platform :

Integrate Patient Access & electronic data via HIS platform to reach patient needs

### Key Trends

#### Patient

#### Affordability & Macro

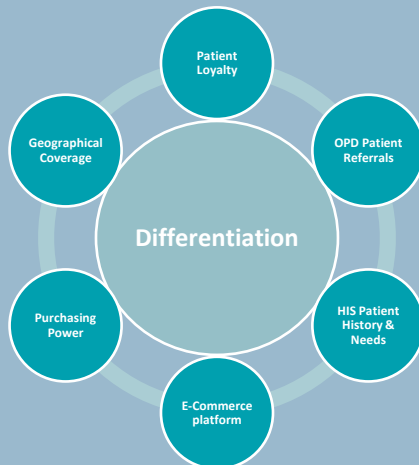
#### Preferences & consumer behavior

- Insurance & Direct Payor Model allows dispensing from same facility
- Convenience driven preference – home delivery
- Doctor follow up on medication
- Brick & Mortar model decreased patient flow

#### Financial Strategy

- Cost Plus Pricing – leveraging purchasing power
- Profitability enhancement via less attributable fixed costs
- 2X Revenue in 2 Years

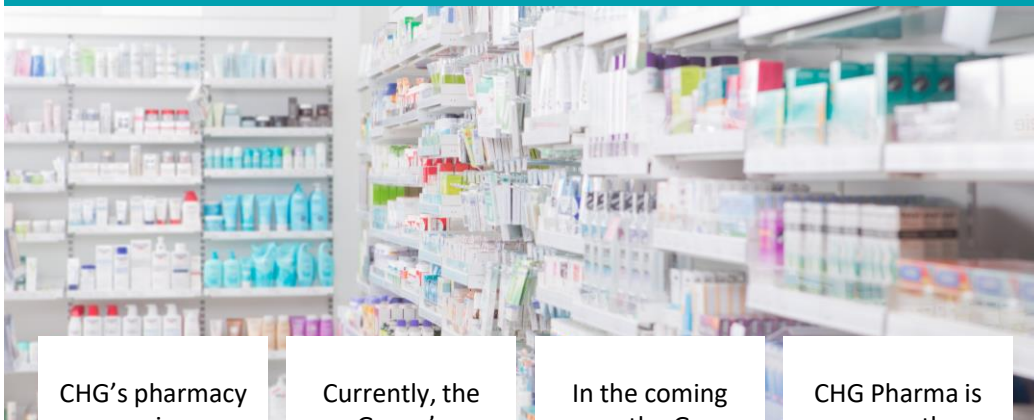
### Differentiation



# Expanding Services Offering: Pharmacy

In line with CHG's strategy to further diversify its revenue streams and service offering, the Group has been expanding its diagnostics and pharmacy capabilities, with both segments representing areas of future expansion for the Group.

## Pharmacy



### 2016-2020

- One-stop-shop contracting
- OPD pharma outlets
- Tendering and drug formulary establishment

### 2021-2025

- Central management of pharma services
- Virtual expansion & reach – volumes
- Consumer marketing
- OPD referrals

### Focus on Volume & Scale:

1 million patient referrals across different facilities – Capturing patient needs via home delivery and patient sales

### E-commerce Platform:

Integrate patient access & electronic data via HIS platform to meet patients' evolving needs

CHG's pharmacy services **leverage the Group's procurement scale and patient reach**, and play an integral part in ensuring the Group delivers on its 'one-stop-shop' strategy.

Currently, the Group's pharmacies are located in both its East and West Cairo polyclinics, with an additional four pharmacies located across the Group's hospitals.

In the coming years, the Group is looking to **expand its network of pharmaceutical volumes**.

CHG Pharma is currently focused on **chronic medicine needs**, providing value added services to its patients.

### Key Trends

#### Patient

#### Affordability & Macro

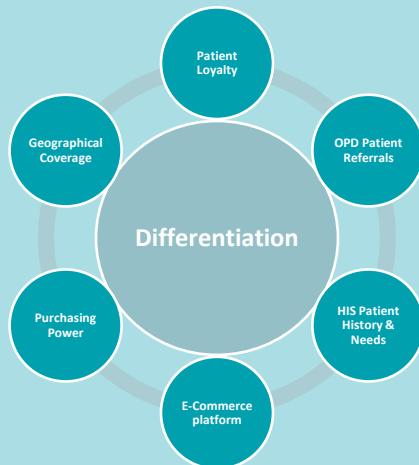
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#### Financial Strategy

- Cost Plus Pricing – leveraging purchasing power
- Profitability enhancement via less attributable fixed costs
- 2X Revenue in 2 Years

### Differentiation



# Expanding Services Offering: Home Visits



In an effort to make healthcare accessible to as many Egyptians as possible, CHG has recently launched its new home visits service. The service is a particularly important new addition to the Group's roster as it allows patients unwilling or unable to visit facilities in person to continue enjoying access to high quality healthcare in the midst of the COVID-19 crisis.

## Home Visits

- **The home visit initiative was launched on the 25th of March**, to curb lower outpatient volumes and help patients unable or unwilling to visit healthcare facilities in person in light of the ongoing COVID-19 outbreak.
- **"We Will Come to You"** campaigns were launched to promote the new initiative
- **The services under the new offering include:**
  - Home visit service (available 24/7)
  - 24/7 Radiology examinations by portable equipment (X-ray, Ultrasound, Echo, ECG)
  - At home physiotherapy mobile clinic
  - Laboratory samples collection at home with results delivery within 24 hours (within 2 hours for emergency cases)
  - Medical care for the elderly
  - 24/7 pharmacy delivery
- **Home visit deals completed with following insurance companies:** Met life, Axa, Bupa, Mednet, Med Right, Next Care, Globemed, as well as petroleum companies
- Exclusive deal with Palm Hills to act as its healthcare provider for all its compounds
- In addition, the Group is currently working to launch two ambulatory clinics in Hacienda White and Hacienda Bay, where we will have on site ambulances and doctors as well as a clinic to extend the home visit service from.
- **COVID-19 at home follow up protocol** completed and due to launch second week of June.



# Expanding Services Offering: Telehealth

In early 2020, CHG partnered with Elbalto, Egypt's first telemedicine mobile app, to offer patients consultation and follow-ups through video calls.

## CHG Telehealth – Video Call App

The new telemedicine services are accessible from the CHG App (available at both the iOS and Android stores).

The new service allows patients access to CHG's world-class roster of doctors and consultants without having to visit a facility in person.

This has helped relieve pressure from the Group's outpatient facilities during the outbreak of COVID-19 and has given patients unwilling or unable to visit medical facilities access to medical consultations from the comfort of their homes.

The launch of the Group's telemedicine services comes as part of CHG efforts to help the Egyptian government and people during the ongoing healthcare emergency. This was complemented by the launch of a series of webinars aimed at raising awareness on the virus and outlining the infection control and hygiene protocols developed by the Group.





# Expanding Services Offering: Facility Management



The Group also formed a joint venture (JV) with Egypt's EFS Facilities Services (EFS) to create the Egyptian Healthcare Facilities Services (EHFS) company, the country's largest healthcare-dedicated facility management business.

## The Egyptian Healthcare Facilities Services (EHFS) company

The Group also formed a joint venture (JV) with Egypt's EFS Facilities Services (EFS) to create the Egyptian Healthcare Facilities Services (EHFS) company, the country's largest healthcare-dedicated facility management business, with CHG retaining a 49% non-operating stake in the JV.

**CHG has already started the process of outsourcing its non-core services** including security, cleaning, and facilities maintenance, in turn driving significant improvements CHG's efficiency.

The new JV will also see **the Group penetrate into a new, fast-growing segment of the healthcare industry with significant room for further growth in the future as it takes advantage of the recent growth experienced by the Egyptian healthcare industry** with new hospitals and clinics constantly being launched.

Egypt's EFS Facilities Services employs over 2,000 employees and manages over 10 million square meters of facilities for its clients. Currently, the company's client roster includes several of Egypt's leading real estate companies such as Palm Hills Developments, Emaar Properties, and Inertia.





# Building Additional Capacities in Existing Facilities



10<sup>th</sup> & 11<sup>th</sup> floor expansion (20 beds)



Additional 24 Executive Beds in NBH Completed



## Hospital Renovations & Capacity Additions

Façade facelifts: completed at NBH and Al Shorouk, with Cleopatra's planned for the coming period

Inpatient wards renovations ongoing across all hospitals

Started electromechanical upgrades across all hospitals

Upgraded all medical equipment

ICU/CCU renovation and upgrade

Operating rooms renovations and upgrade

Outpatient clinics renovations and upgrade

Queens Hospital total renovation project (currently put on hold as facility is used for COVID-19 patients)

New Cath labs across NBH, Al Shorouk and Cleopatra Hospitals

Facility Management outsourcing rollout

NBH: 24 new beds (executive floor) started operating in Q3 2020

Al Shorouk: outpatient services building

# Building Additional Capacities in Existing Facilities



## Nile Badrawy Hospital

The Group has completed the renovations of Nile Badrawi Hospital's tenth and eleventh floors which now feature 24 modern and fully equipped patient suites.



# New Business Models

## Queens Hospital Conversion to an Oncology COE

### Vision

CHG aims to create the first integrated private oncology center of excellence in East Cairo. The center will provide the full spectrum of oncology specializations and services including radiotherapy and PET CT in East Cairo, expanding the group's service offering and elevating the quality of care and service across the Group

### Rationale

Currently in Egypt, there is a pronounced undersupply of private oncology services, in East Cairo specifically radiotherapy services are only offered at governmental / military hospitals with the remaining suit of services such as (Onco-surgeries and Chemotherapy) fragmented across hospitals and private clinics. Through the establishment of the Cleopatra Cancer Center, CHG will have the first mover advantage to capture the growing undersupply and establish itself as the leading authority in the private oncology space. The center would be the first state of the art private "One Stop Shop" for the treatment of cancer patients in Egypt.

### Center of Excellence Pillars



### Concept/ Look and Feel





# Strategic Acquisition of Operating Facilities: IVF Segment – Bedaya

CHG signed a Business Transfer Agreement (BTA) to transfer the assets and operations of Bedaya for Medical Services, Egypt's leading Assisted Reproductive Technology (ART) and fertility centre led by Dr. Ismail Aboul Foutouh, to a joint venture (JV) held for 60% by Cleopatra Hospitals Group and for the remaining 40% by Dr. Aboul Foutouh.



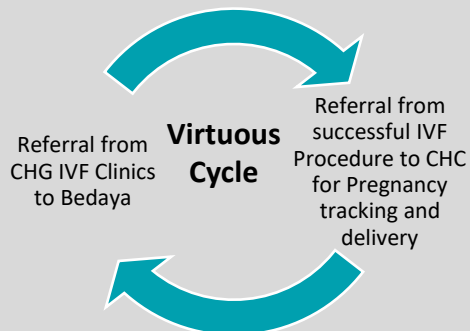
**19 Beds & 3 ORs**



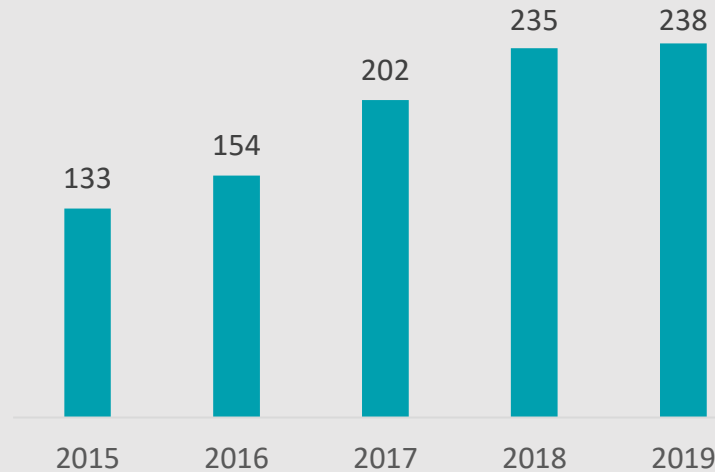
**8 OPD Clinics**



**1 Operating Facility & 1 Expansion Facility in West Cairo**



## IVF Market Size (USD mn)



- The IVF market in Egypt, valued at USD 238.9 million, captures 16% share in the Middle East IVF market.
- The market is project to grow on account of a decline in the fertility rate among women coupled with Egypt Government's 2030 vision to increase women participation in workforce.
- According to the three forecasted scenario analysis, the forecasted market is expected to be in the range of USD 257.7 million to USD 442.4 million.

## Services Offered

1  
Obstetrics, Gynecology, & Infertility

2  
Andrology, Infertility, & Erectile Dysfunction

3  
Dermatology, Reproductive, & Laser Treatments

4  
Nutrition & Health Coaching

5  
Psychology & Family Health

6  
Fetal Medicine



Yearly revenue: **EGP 100 mn**

EBITDA margin: **35%**

Facility volume growth **via expansion site and CHG satellite clinics**

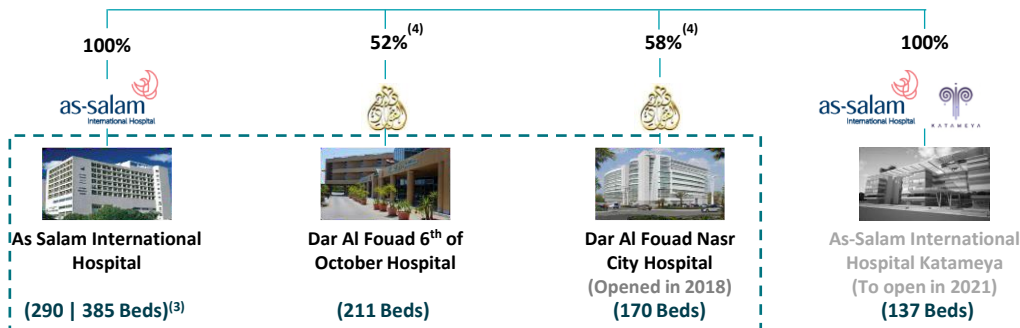
Revenue is expected to **double over 2 years**

# Strategic Acquisition of Operating Facilities: Alameda Healthcare Group

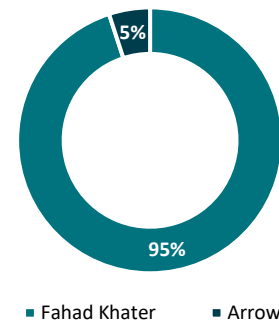
## Alameda Overview

- Alameda is among the leading healthcare service providers in Egypt with its origins first rooted in Professor Salah Khater's investment in As-Salam International Hospital in 1999. Alameda is majority owned and chaired by Dr. Fahed Khater, a prominent pioneer investor in the Egyptian healthcare market and a qualified physician with an MBA in International Healthcare Management. Alameda management is led by Mr. Neeraj Mishra, an experienced healthcare professional, since Q2 2019 (previously he was COO of Max Healthcare in India).
- Alameda Healthcare's network currently includes three tertiary care hospitals in Cairo with 671 beds currently operating under the Dar El Fouad Hospital and As-Salam International Hospital brand names in addition to a 95-bed expansion in As-Salam International Hospital and a 137-bed hospital in New Cairo that is currently under construction with more than 700mn invested to date. In addition to the well invested asset base, Alameda has one hospital under construction, one new hospital that is currently ramping up and two expansions on the fully operated hospitals which suggest high room for growth on all assets
- For the nine-month period ended 30 September 2020, Alameda's un-audited revenues amounted to approximately EGP 1,493 million<sup>(1)</sup> compared to EGP 1,435, representing a growth of 4% year-on-year despite the overall market challenges resulting from the COVID-19 pandemic and the lock-down imposed during the first few months of the pandemic

## Hospital Assets<sup>(2)</sup>



## Alameda Shareholding Structure



## Alameda's Income Statement Highlights

EGP mn	2017A	2018A	2019A	2020E*	2021B
Revenue	1,161.3	1,459.9	1,957.8	2,183.4	2,912.9
Growth (%)		25.7%	34.1%	11.5%	32.8%
EBITDA <sup>(6)</sup>	166.8	252.2	488.8	567.1	772.2
Margin (%)	14.4%	17.3%	25.0%	26.0%	26.5%

\* 2020 financial performance impacted by COVID-19

**Reputed hospitals with c. 70% corporate and insurance payor profile and only c. 30% cash patients and significant historic investment in capacity and infrastructure in addition to new greenfield capacity operational in 2021.**

## Key Highlights (2020)

4	671	110	4,500+	~ 465,915	~ 36,750	~ 3.3mn <sup>(5)</sup>
Facilities	Hospital Beds	Clinics	Employees	Outpatients	Inpatients	Revenue per Bed

Note: all KPIs are subject to due diligence and reclassifications to match CHG's definitions

Note (1): Based on unaudited management accounts as received by the Alameda management

Note(2): The diagram represents Alameda Group's beneficial shareholding in each respective assets (not legal corporate structure)

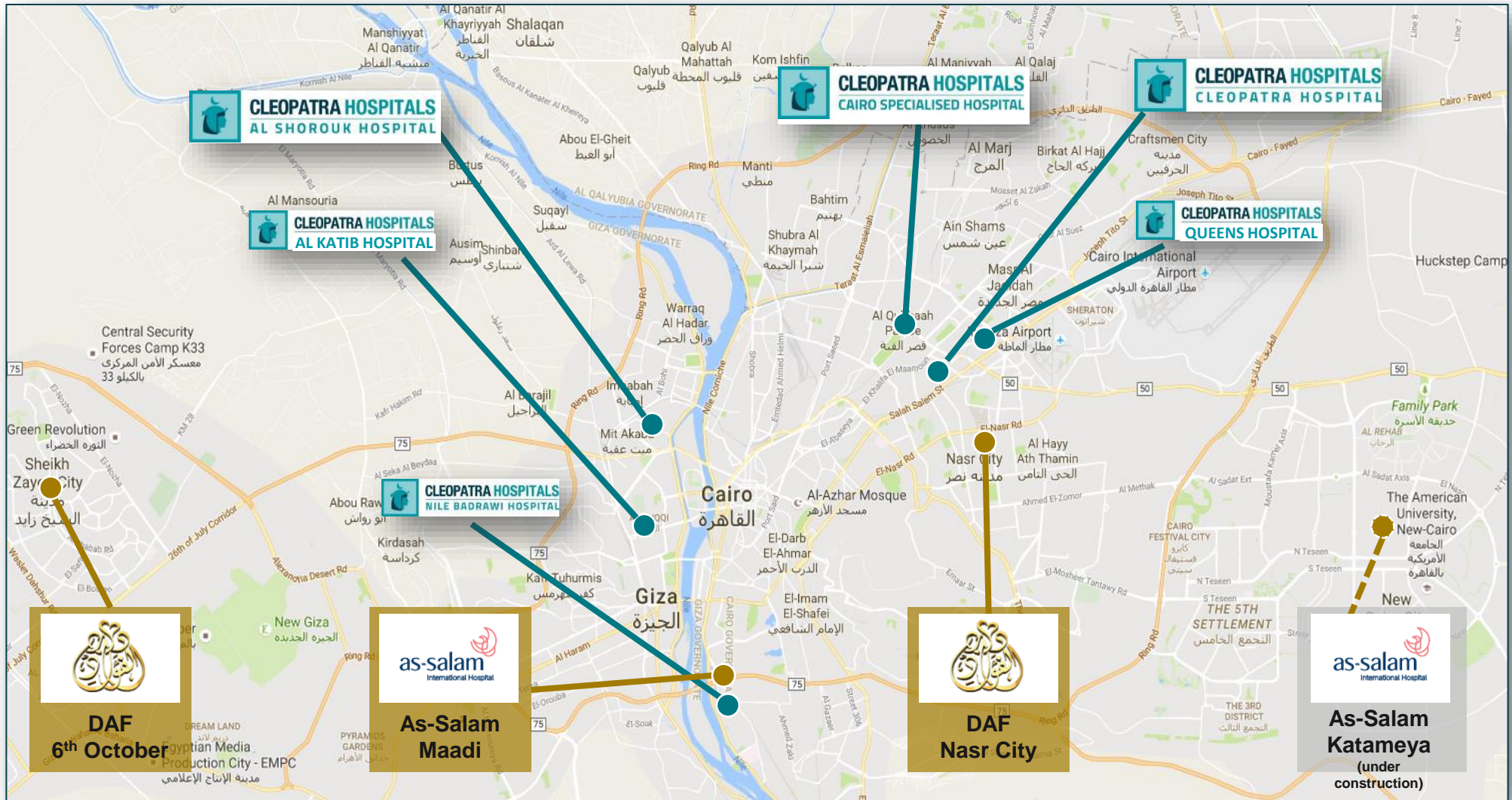
Note(3): Upon finalization of ongoing hospital expansion

Note (4): SEDCO owns 15.3% and 15.8% stakes in DAF 6 Oct and DAF NC, respectively

Note(5): Based on 2020E revenue, excluding KIH's number of beds and As-Salam expansion beds

Note (6): 2020 and 2021 EBITDA before Provision for DD and one-off nonrecurring expenses (including transaction costs)

# Alameda Group Acquisition – Complementary Network





# Expansion Projects in Brownfield Hospitals in and around Greater Cairo



## Expanding Reach Beyond Greater Cairo

The Group is looking to penetrate the Bani Suef governorate (Upper Egypt), an underserved governorate with one of the lowest healthcare service quality in Egypt

CHG entered into a JV with Taaleem (Al Nahda Universities) to complete and finish a 189-bed hospital in Bani Suef – design mostly completed, and construction started

The new facility, not only sees the Group expand its footprint into Upper Egypt, but also sees CHG tap into a new segment of patients through its new, low-cost teaching hospital



**Hospital Facility Leased (long term contract EGP 850k/Year)**



**Total Investment 2020-2021 EGP 360mn  
IRR 20%**



**Designs & Tendering Process Completed**

## 2021-2022 Outlook

Partial opening by end of 2021

Average revenue per bed is expected to be around 25% to 30% below the Group's average

Margins are expected to be around 5% lower than the Group's average

## Brownfield Pipeline

The Group is currently assessing and shortlisting potential Brownfield acquisitions in locations where the Group does not have presence or in areas that are currently underserved

Targets are located within underserved areas across Greater Cairo that are purposely built facilities pending fitting and equipping



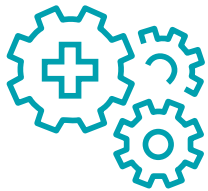
**20,000 sqm**  
Average Built Up Areas



**200 bed capacity**  
Potential

# Strategic Initiatives and Entities Created by CHG to Enhance Efficiencies in Operation

As part of the Group's strategy to leverage synergies and expand its service offerings, CHG is now in the process of creating business operation entities:



## Cleopatra Entity for Importing Consumables

Aims to serve groups scale of consumables and medical devices demand and create further efficiencies in group purchasing



## Pharmaceutical Management Entity

Aims to serve groups pharmacies and pharmaceutical procurement needs either at Polyclinics or at across different hospitals



## Cleopatra Academy for Training

The academy is supporting the National Health Insurance program by providing training for the public sector as well as meeting internal training needs

A large medical scan machine, possibly a CT or MRI, is shown in a clinical setting. The image is overlaid with a network of white lines and dots, and several circular icons representing different medical and technological concepts. The text 'Recent Business Updates' is prominently displayed on the left side.

# Recent Business Updates

# CHG Medical Council



During the third quarter of 2019, the Group officially launched its new Medical Council. The new body will be under the direct supervision and guidance of the Board's quality committee and will be composed of renowned specialized consultants from across the Group's hospitals.

## Medical Council Objectives



Improve direct patient care across all Group hospitals



Develop centres of clinical specialty excellence



Organize professional development training for all Group staff members



Add new medical services to the Group's service offering

# COVID-19 Response Protocols (I/IV)



CHG response protocol was developed to ensure the health and safety of its patients and staff while guaranteeing the quality and effectiveness of its medical care despite the ongoing difficulties.

## Health and Safety

From the very beginning, the Group's number one priority has been guaranteeing the safety and wellbeing of its staff, both medical and non-medical, and of its patients and their families. Across all eight of the Group's medical facilities and offices, health and safety protocols have been tightened, with additional measures including:

Daily deep cleaning and sterilization of all medical and non-medical facilities.

Provision of necessary Personal Protective Equipment (PPE) for all staff and patients.

Strict internal hygiene and sanitization protocols for all medical staff, patients, and visitors.

Infrared temperature screening at all group hospital entrances.

Switch to facial recognition and away from fingerprint identification across all CHG facilities.

New patient engagement and visitor management protocols to minimize the risk of exposure.

New ER and outpatient clinic protocols to ensure prompt detection, isolation, and referral of all potential COVID-19-positive patients.

## Business Continuity

In parallel, the Group has enhanced its Hospital Incident Command System to guarantee CHG's ability to adapt to the evolving COVID-19 situation from an operational point of view. As of today, measures include:

The draw up of an emergency staffing plan to ensure the Group can meet round-the-clock staffing needs.

Back-office contingency planning to ensure business continuity.

Engagement programme with the Group's consultants to address any needs or concerns that may arise.

Supply chain and inventory management protocols to ensure the availability of all necessary medical supplies and avoid disturbances to operations.

Transformation of El Katib and Queens Hospitals into COVID-19-dedicated facilities to isolate potential positive and confirmed COVID-19 patients and allow the remaining facilities to continue to operate normally.



# COVID-19 Response Protocols (II/IV)



## Back office & Operations

### BCP Key Pillars “To Adopt and Agile Decision-Making Mentality”

Ensuring the safety of our staff and patients

Cash preservation & cost efficiency

Revenue stabilization

## Medical Council Responsibilities

Training

Patient Pathway

Disinfection & PPE

Space Optimization

### Potential COVID-19-Positive Patient Identification and Referral Protocol

#### Lab Department Protocol:

A set of unified tests as per guidelines is done per patient for each patient according to ER Protocol

#### Radiology Department Protocol:

CT Scan done for every patient and reviewed by group of consultants before recommending next steps

#### Chest Department Protocol:

Group of consultants across the group review and recommend next referral point/step across the group around the clock

#### ICU Department Protocol:

ICU protocol to ensure right treatment and diagnostics



# COVID-19 Response Protocols (III/IV)



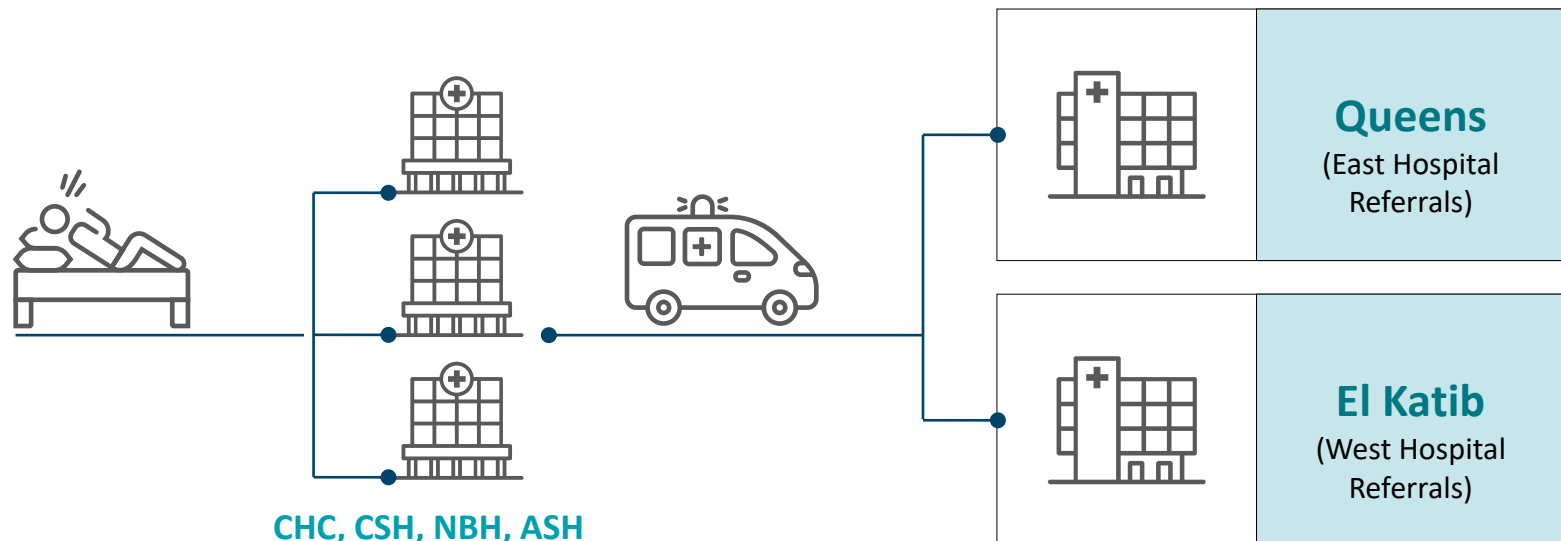
*As demand for private COVID-19 treatment centres increased so did the number of suspected cases approaching CHG hospitals.*

*In response to this rise, **CHG devised a clear strategy to treat and isolate suspected COVID-19-positive patients** providing them with high-quality care.*

*The most significant step was the **conversion of two of CHG's hospitals into COVID-19 isolation facilities**, allowing the remaining facilities to continue offering the full suite of services and procedures regularly offered by the Group.*




## Medical Council




STEP	1	STEP	2	STEP	3	STEP	4
	Patients flowing into the ER's of our four core hospitals CHC, CSH, NBH, ASH		Patients are triaged and suspected COVID-19 patients undergo a full assessment including lab tests, chest CT's, and a swab is taken and sent to MOH for PCR COVID-19 testing		If results are positive and patient is asymptomatic, they are provided with the appropriate guidelines in line with MOHP protocols. If the patient requires hospitalization, they are transferred to Queens or El Katib Hospitals and MOHP is informed		Once the MOHP is informed they will either instruct CHG to treat the patient at one of the Group's COVID-19 facilities or arrange for the transfer of the patient to a dedicated government-run facility



# COVID-19 Response Protocols (IV/IV)

In light of the COVID-19 pandemic and in an effort to better serve its patients and aid the Ministry of Health and Population in its fight against the virus, Cleopatra Hospital Group has transformed both Queens Hospital (which was currently undergoing a full renovation) and El Katib into dedicated isolation hospital to treat COVID-19-positive patients. Given the recent resurgence in COVID-19 cases across the country, the two hospitals will continue to operate COVID-19-treatment units. In parallel, management is devising a plan to add new services to both facilities.

Queens Hospital		
<b>COVID-19 CAPACITY</b>  <b>36 Beds</b> IP Room + ICUs 100% Occupancy	<b>X-RAY</b>  <b>CT Scan and Lab</b>	<b>24/7</b>  <b>Equipped with Ambulances</b>
The Group's Crisis Management Team has utilized the Group's resources to deliver an accelerated plan to complete a quick three-week renovation to start receiving patients	The hospital renovation was completed on the 25th of May and the first patient was admitted on the 28th of May	In parallel, the Group worked to launch its Clinisys operating system, which was rolled out in record time

El Katib Hospital		
<b>COVID-19 CAPACITY</b>  <b>41 Beds</b> IP Room + ICUs 100% Occupancy	<b>X-RAY</b>  <b>CT Scan and Lab</b>	<b>24/7</b>  <b>Equipped with Ambulances</b>
At the time the decision was made, El Katib was operating at minimal occupancy so preparing the hospitals to receive patients took less than a week	Preparing the hospital to receive COVID-19-suspected patients came at very limited CAPEX expenditure as the hospital was already well-equipped and ideally positioned to become a dedicated isolation and treatment facility	



Record Time 3 Week Renovation



Fully Trained Medical Team

# Digital Transformation and HIS/ERP Rollout Update



**The Group sees digitalisation as a key driver of future growth.** Over the last few years, CHG has embarked on a digital transformation strategy, which sees the Group looking to introduce the latest digital solutions available on the market to enhance all aspects of its day-to-day operations both on the medical and non-medical fronts.

## HIS/Enterprise Resource Planning System (Clinisys)

Core benefits seen from successful implementation of HIS:

Improvement of the healthcare services quality

Inventory & Consumption Management

Daily financial and operating reports

Referral Tracking

Big Data Management

Real-time record of the results of clinical and administrative work

Development and effective implementation of clinical quality control functions

Clinisys now operates in Cleopatra Hospital, Cairo Specialised Hospital, Queens Hospitals, Al Shorouk and Nile Badrawi Hospitals as well as the Group's East and West Cairo polyclinics

## Other Digitalisation Initiatives

In parallel, the Group has enhanced its digital capabilities through:

The launch of the new CHG App (book appointments, follow up on diagnostic results, telemedicine, etc.)

CHG Call Centre – a new unified call center allowing for inbound and outbound calls to and from patients

Enhanced data storage and security capabilities to ensure operations run effectively across the entire CHG network and patient data is stored securely

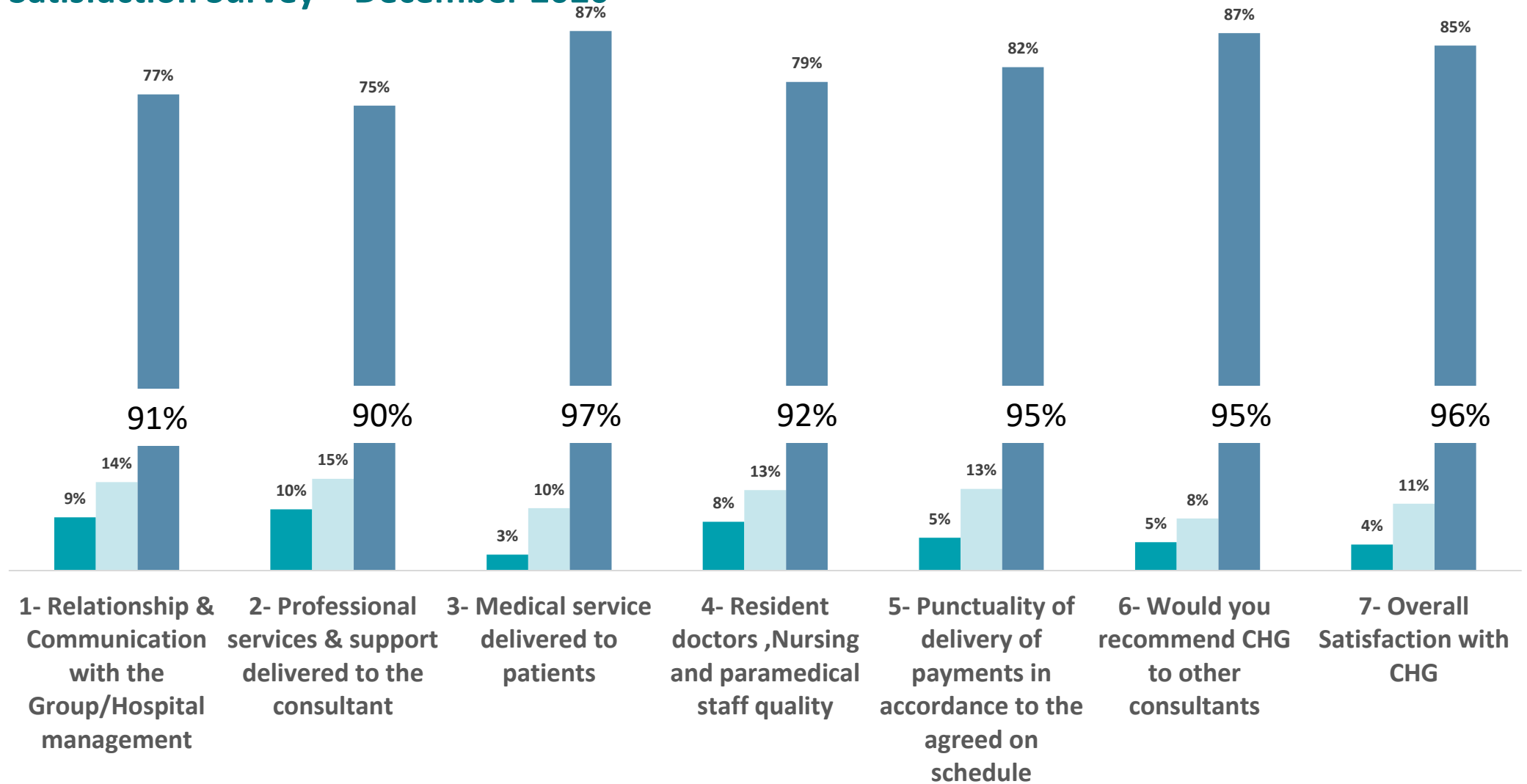
CHG Innovation Hub – focused on helping and funding healthcare-focused startups



# CHG's Journey

## Consultants Relationship

Satisfaction Survey – December 2020


















# Governance & Shareholder Information

# Governance (I)



The Group's Board of Directors provides the necessary oversight and combination of expertise to thoroughly oversee the Group's corporate governance framework, a cornerstone of the Group's long-term success and value creation.

Non-Executive Board Members	Executive Board Member	Independent Board Members	
 <b>Ahmed Badreldin</b> Chairman	 <b>Dr. Ahmed Ezzeldin</b> Executive Member & Group CEO	 <b>Nabil Kamhawy</b> Former Head of Ernst & Young Egypt	 <b>Dr. Mohamed Awad Tag El Din</b> Former Minister of Health
 <b>Dr. Sherif El Kholy</b> Director		 <b>Dr. Manal Hussein Abdel Razeq</b> Director	 <b>Omar Kinawy</b> Former Deputy Head of Intelligence
 <b>Mohamed Roushdy</b> Director		 <b>Tarek Kabil</b> Former Minister of Trade and Industry	
 <b>Omar Ezz Al Arab</b> Director			
 <b>Samia El Baroudy</b> Director			

## Board Committees

Audit committee – recommends the financial statements to the Board, and matters such as internal and external audits, financial and non-financial risk

Remuneration committee – determines and recommends to the Board matters regarding the framework for senior management remuneration

Clinical quality and safety committee – monitors non-financial risks, including clinical performance, health and safety and facilities



# Governance (II)



## OPERATIONS

### ABC

- CHG has a zero-tolerance approach to bribery and corruption with a clear anti-bribery and anti-corruption policy for all stakeholders to abide by
- CHG follows all applicable local laws and more stringent international frameworks to ensure that there are no facilitation or bribery payments made

### No Referral Fees

- CHG does not pay any referral fees or kickbacks to physicians and instead has recently developed a Doctor Sales team to revolutionize the sector in Egypt
- The sales team focuses on improving the hospital service to the physician and maintains close communication - improving loyalty and engagement

### Medical Council

- CHG recently launched a group-wide medical council with multiple responsibilities – including (1) ensuring that medical personnel are providing the best medical care and outcomes for their patients (2) keeping CHG at the forefront of medical research and technology across all relevant services

### Audit Committee

- The Audit Committee oversees the Group's financial controls with emphasis on: (1) integrity of internal controls and financial reporting; (2) performance of the internal auditors and the function (3) review of audited financials and external auditor performance (4) compliance with legal and regulatory requirements

### Remuneration Committee

- The remuneration committee has established a formal and transparent process for fixing and reviewing the remuneration for the senior executives of the Company
- The remuneration committee also reviews KPIs and achievement of the Group's targets

### Quality & Medical Ethics Committee

- The Quality and Medical Ethics Committee reviews the quality of care provided to the patient as well as medical KPIs for the Group in line with international standards
- The committee reports to the board compliance with the Group's Quality manuals and realization of medical outcomes

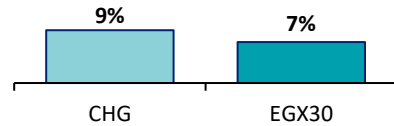
## BOARD COMMITTEES

# CLHO Trading Analysis

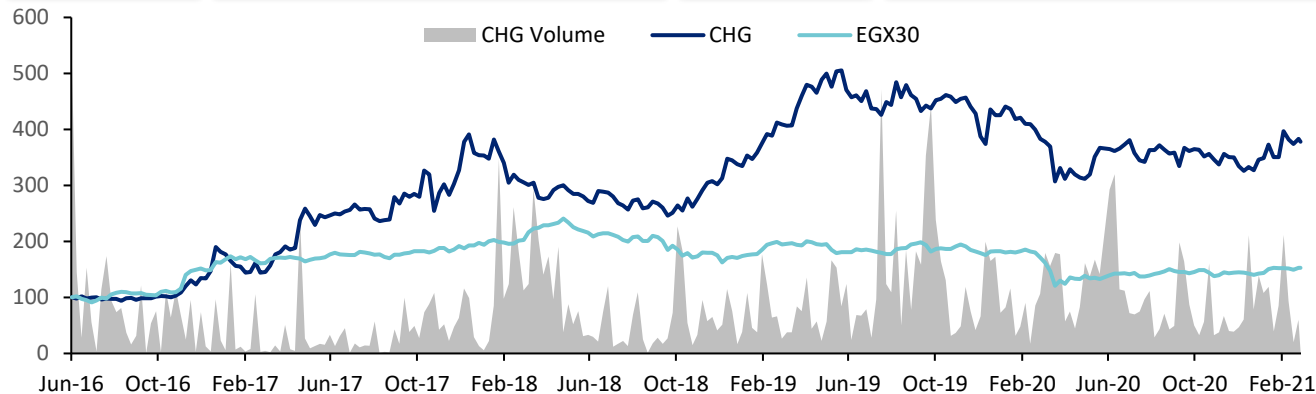
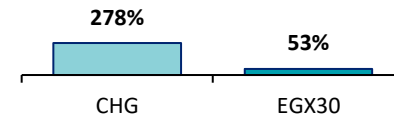
## CHG's Trading Analysis

### CHG's Price Performance Since IPO (Rebased to 100)

% Change in Performance (YTD)

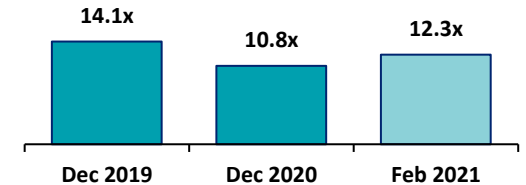


% Change in Performance (IPO - Date)

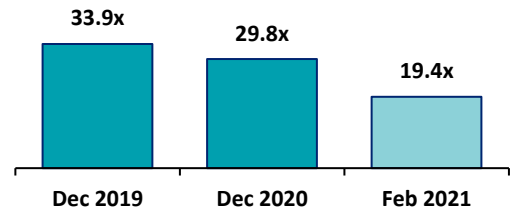


### Valuation Multiples

EV/EBITDA Valuation Multiples (x)

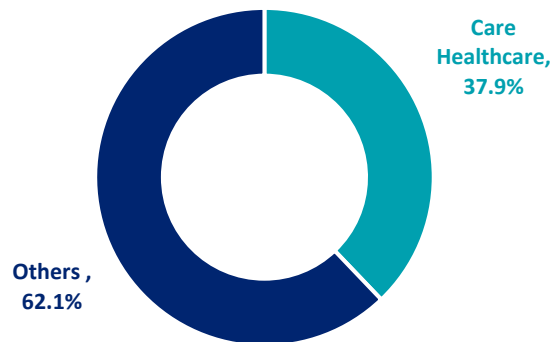


P/E Valuation Multiples (x)



### Shareholding Analysis

#### Shareholding Structure (%)



Care Healthcare DFI Investors

KFW DEG

Proparco



European Bank for Reconstruction and Development

Key Free Float Investors



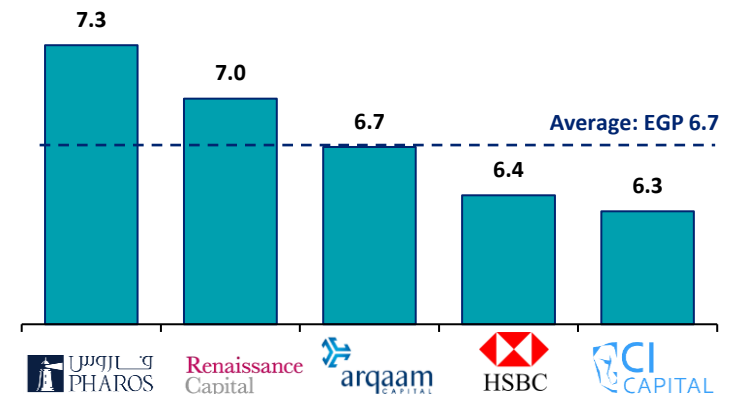
VanEck



NORGES BANK

CONSILIUM INVESTMENT MANAGEMENT

### Analyst 12M Target Prices (EGP)



# Appendix





# **Additional Information and Financial Disclosures**



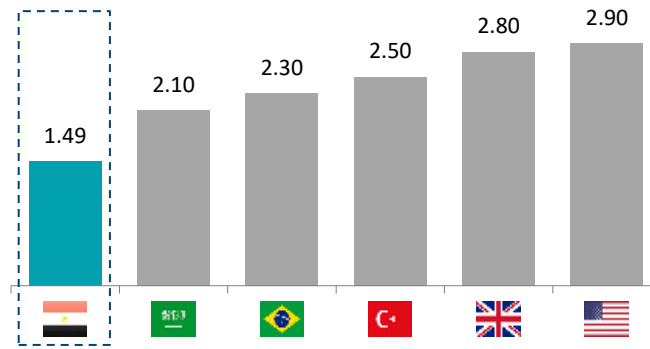
# A Unique Investment Story (I/III)



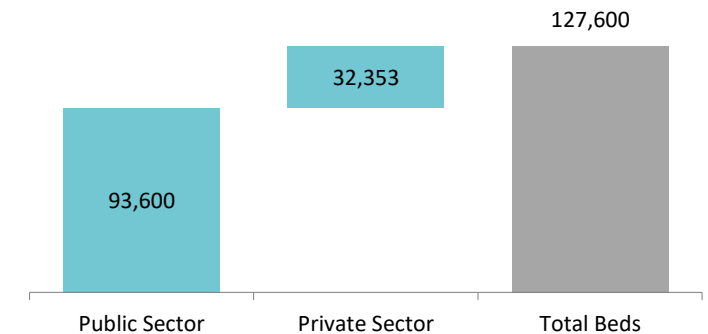
## Market Leader in a Growing Market with Strong Long-term Prospects

- **Highly fragmented market** with a small number of institutionalized and strong brand players
- **Significant under supply of beds** relative to population and strength of payor network versus other emerging countries
- **Strong and growing demand** supported by demographic profile and growing insured population
- **Pricing expected to grow** inline with inflation but remains well below pre-devaluation levels in USD terms
- **CHG is a leading integrated healthcare provider in Egypt** with track record of acquiring and integrating key operating hospitals around the Greater Cairo area
- Since inception, CHG has been **institutionalizing the healthcare industry** in Egypt with a strong focus on medical service quality, value pricing and corporate governance

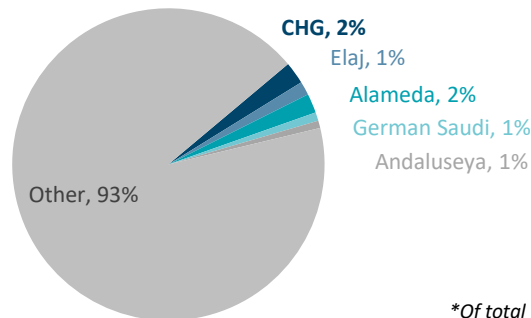
### Number of Beds per 1,000 Citizens



### Egypt's Number of Beds Breakdown

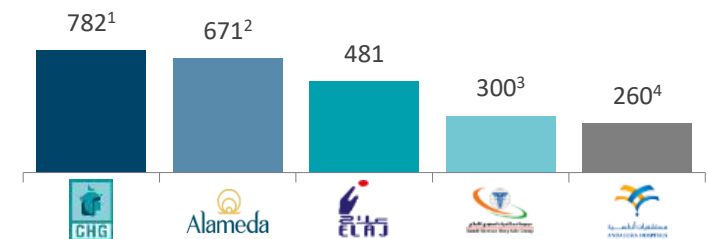


### Market Share by # of Commercial Beds



\*Of total beds in Egypt (c.34k)

### Hospital Groups in Cairo – Bed Count



<sup>1</sup>. Building new capacity to reach c.1,000 beds, <sup>2</sup>. Building new capacity to reach c.900 beds, <sup>3</sup>. Building new capacity to reach c.600 beds 4. Building new capacity to reach c.500 beds

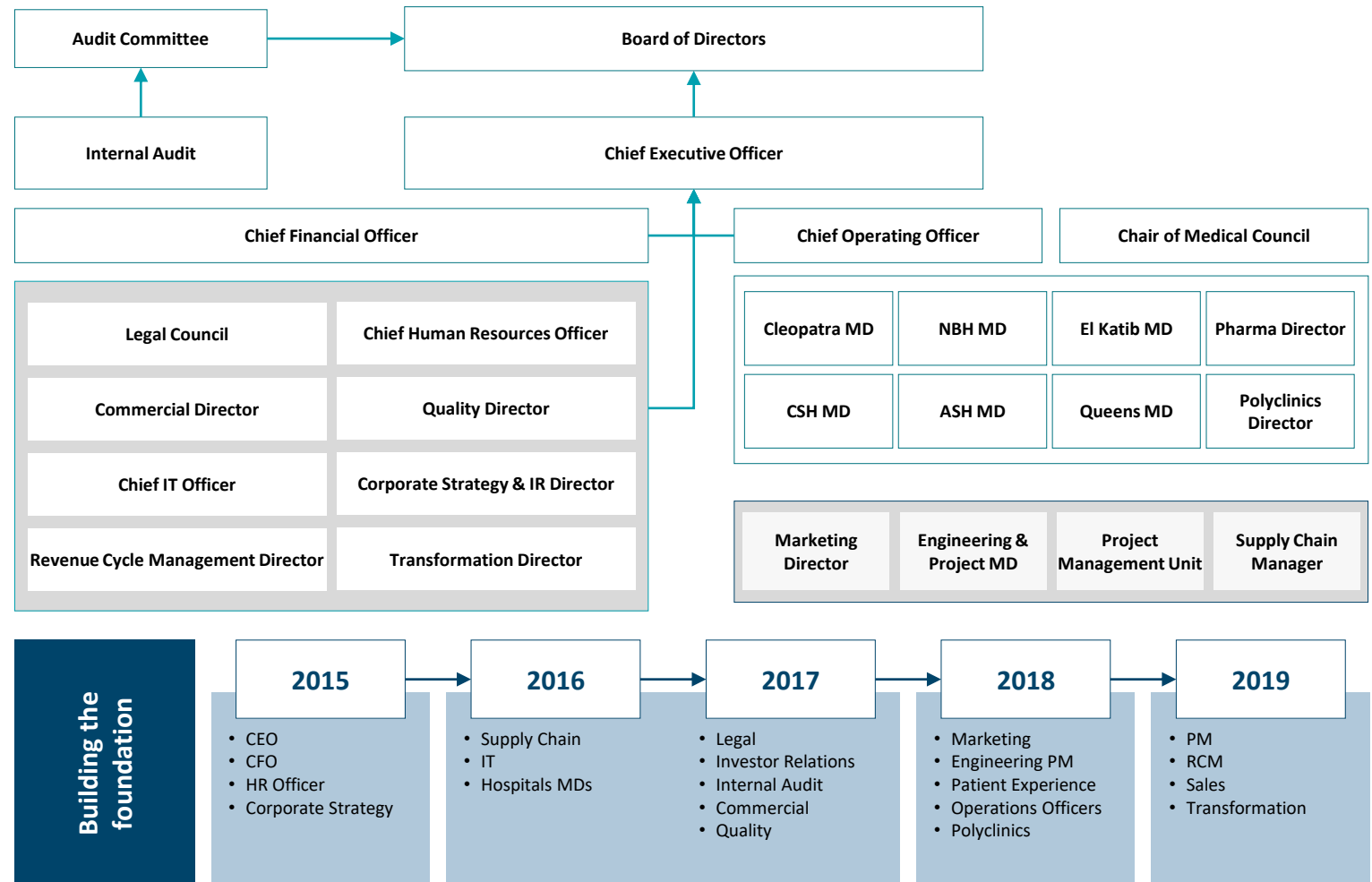


# A Unique Investment Story (II/III)



## Strong Management with Structured Organizational Chart to Oversee All Aspects of the Business

- CHG has created a **central management team** that focuses on setting the overall strategy of the Group
- **Centralized back-office functions**
- A key initiative which has seen CHG stand out from other private hospital groups in the country has been its **institutionalized approach of healthcare management** with new concepts to the healthcare market in Egypt
- CHG continues to **attract the most qualified and experienced talent** across both its medical and non-medical departments
- CHG's management brings a **diverse skill set back by decades of experience** in healthcare management
- The Group's corporate office has a clear **organizational matrix** which allows for a smooth and efficient decision-making process
- When necessary, CHG introduces **new business functions** to oversee various aspects of the business



# A Unique Investment Story (III/III)



## Scale and Cost Synergies

- **Group-wide tenders in pharmaceuticals and medical consumables** that drive scale cost efficiencies and improve margins
- Scale volume benefits from providing payors with a **network of healthcare services solutions**
- The size of the Group's operations **facilitates the recruitment of experienced and highly-skilled doctors, consultants, and nurses** with a focus on quality of outcomes and patient safety
- Sales and commercial strategy with **focus on referrals and surgeries**
- **CHG's Medical Council designs and implements medical policies** in line with global best-practices
- Human resources and staff evaluation based on a series of **benchmark KPIs** to evaluate staff performance and intervene when necessary



- Comprehensive medical services allowing cross asset referrals
- Enhancing utilization across all revenue streams
- Case mix strategy
- COE development
- Capacity utilization

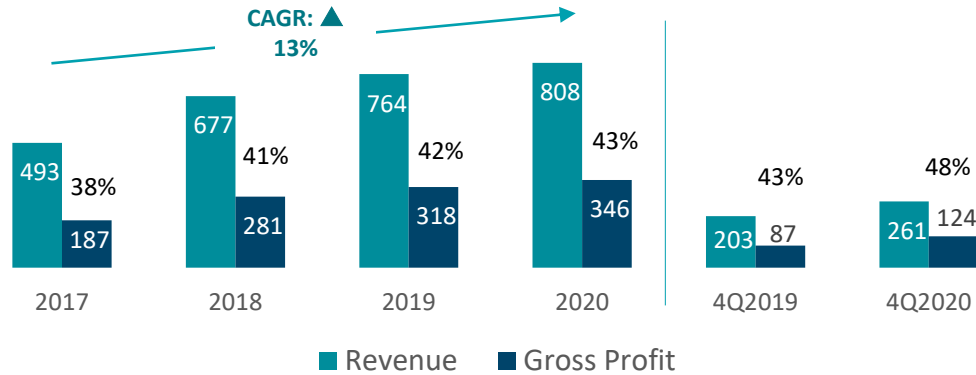


- Cost Synergies
- Inventory Management
- HIS system
- Group wide tenders
- Capex purchasing
- Medication tendering – Pharma
- Material Planning

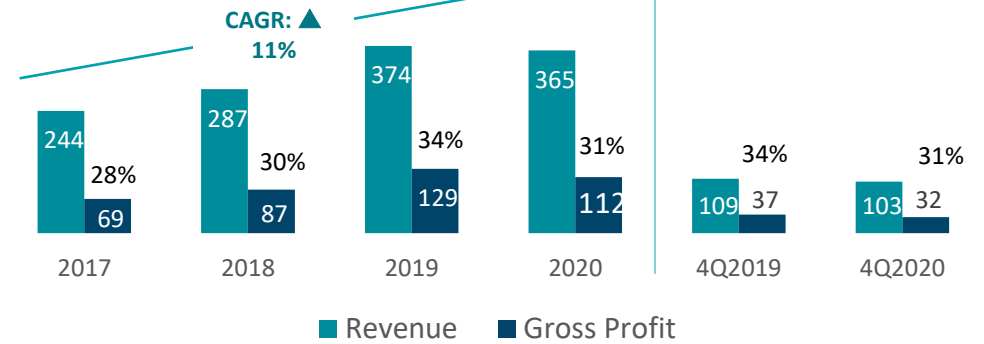
# Financial Performance by Hospital



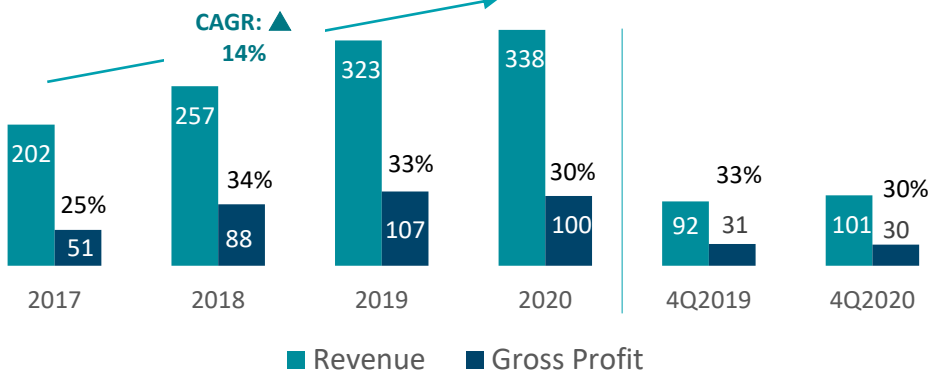
## Cleopatra Hospital (CHC)



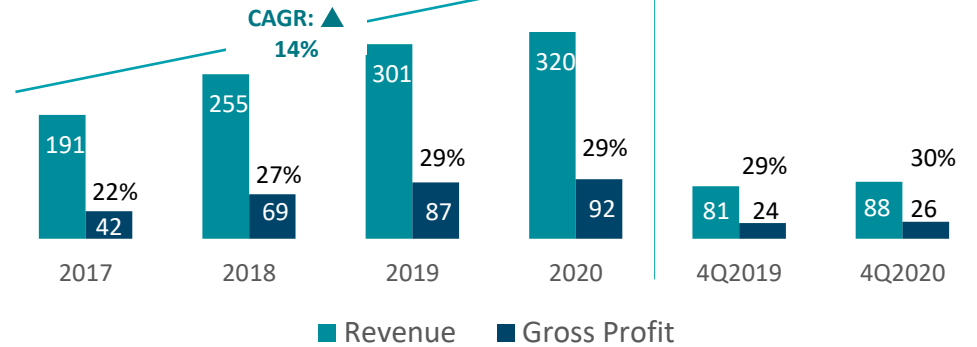
## Cairo Specialised Hospital (CSH)



## Nile Badrawi Hospital (NBH)



## Al Shorouk Hospital (ASH)



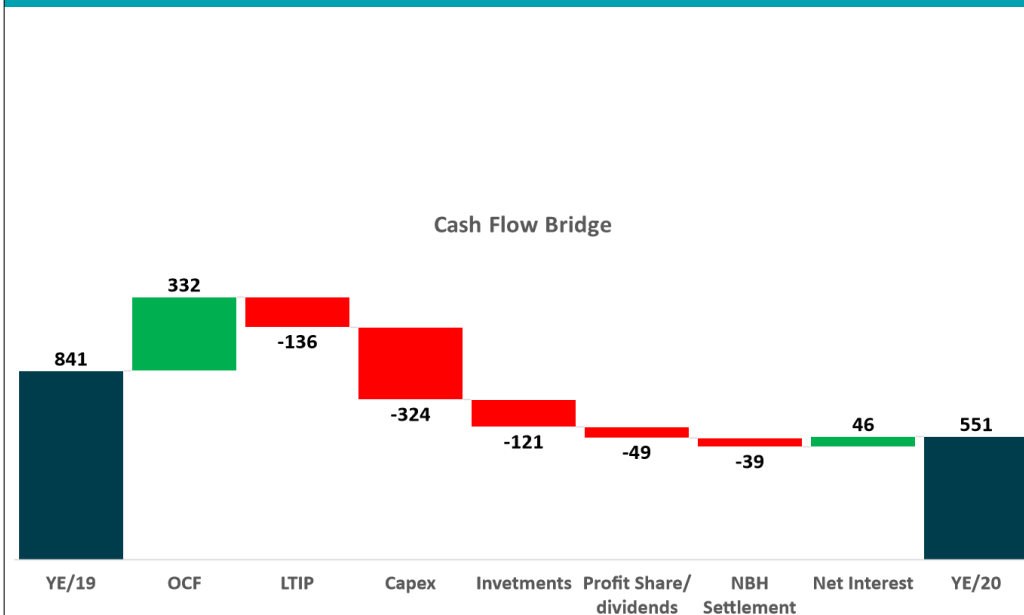
# Balance Sheet and Leverage



## Balance Sheet Summary

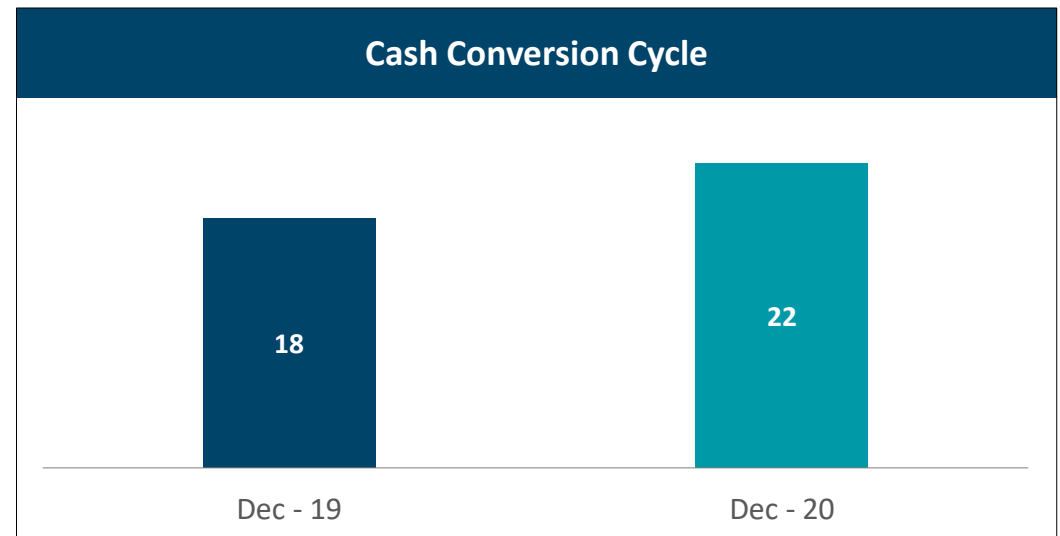
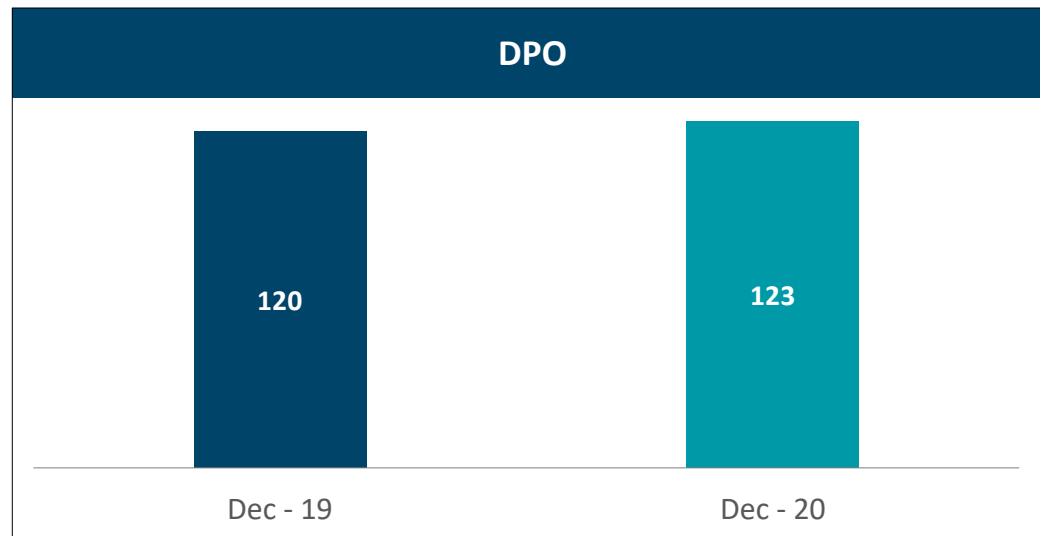
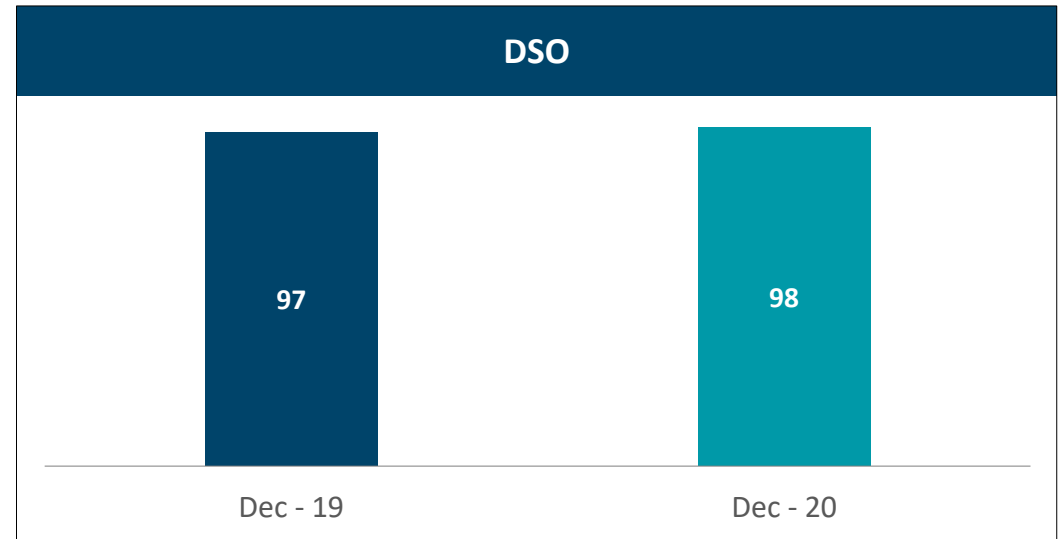
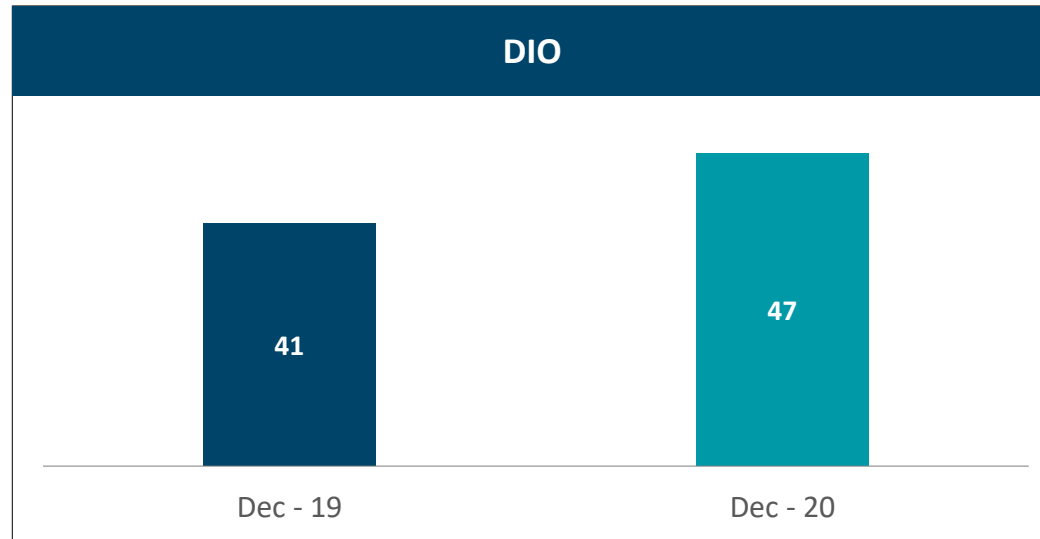
Balance Sheet Summary (EGP 000')	Dec-19	Dec-20
Cash & Cash equivalent	841	551
Inventory	49	66
Debtors and other debit balances	444	514
<b>Current Assets</b>	<b>1,335</b>	<b>1,131</b>
Intangible Assets	414	428
Non-Current Assets	919	1,225
<b>Total Assets</b>	<b>2,667</b>	<b>2,783</b>
Current portion of capital lease	3	5
Creditors & other Credit balance	650	500
<b>Current Liabilities</b>	<b>652</b>	<b>506</b>
Non-Current Liabilities	81	104
<b>Total Liabilities</b>	<b>733</b>	<b>609</b>
<b>Net Assets</b>	<b>1,935</b>	<b>2,174</b>
<b>Total Equity</b>	<b>1,935</b>	<b>2,174</b>
<b>Leverage Ratios</b>	<b>Dec-19</b>	<b>Dec-20</b>
Total Liabilities / Total Assets	0.27 X	0.22 X
Net bank debt / Equity	-0.41	-0.15

## Cashflow Movement





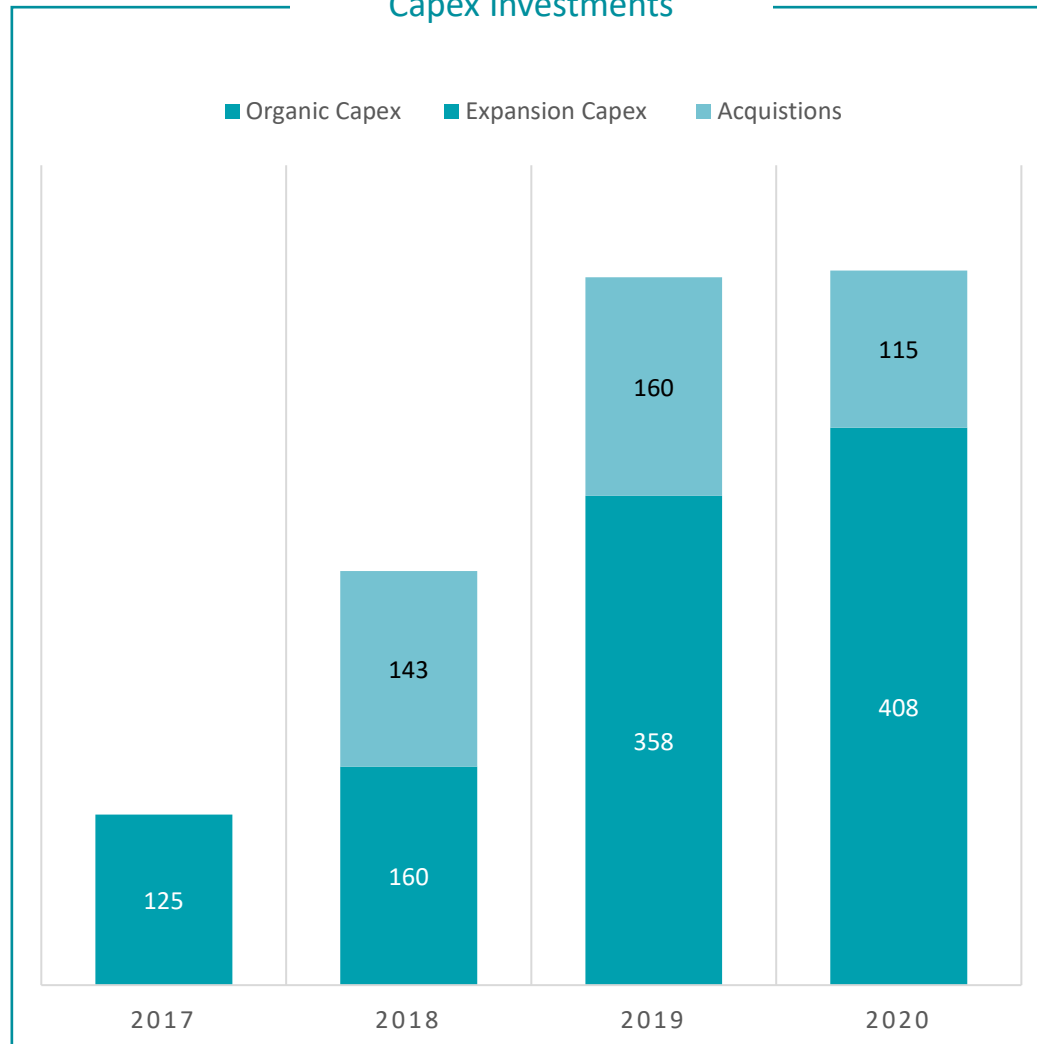
# Cash Conversion Cycle



# Capex Profile



Capex Investments



## Acquisitions

### Acquisition Investments:

- El Katib (143mn Propco & 135mn Opco)
- Queens (25mn Opco)
- IVF (2020) EGP 115mn

## Expansion Capex

### Medical & Renovation Capex:

- Investments need to refurbish/enhance recently added facilities (Queens EGP 70mn in 2020, El Katib EGP 30mn in 2020, and Polyclinics EGP 30mn per site)
- Bani Suef EGP 320mn between 2020 and 2021

## Organic Capex

### Medical & Renovation Capex:

- Investments Across the 4 Organic Hospitals

# Consolidated Income Statement



All figures in EGP mn	4Q2020	4Q2019	% change	FY2020	FY2019	% change
Revenues	610.6	511.1	19%	1,989.5	1,798.1	11%
Cost of sales	(374.8)	(337.1)	11%	(1,300.0)	(1,172.7)	11%
<b>Gross profit</b>	<b>235.7</b>	<b>174.0</b>	<b>35%</b>	<b>689.6</b>	<b>625.5</b>	<b>10%</b>
Gross Profit Margin	39%	34%		35%	35%	
General & administrative expenses	(80.7)	(65.0)	24%	(308.9)	(338.0)	-9%
Cost of acquisition activities	(8.6)	(1.8)	365%	(13.2)	(6.3)	109%
Provisions	(10.2)	(6.0)	70%	(24.7)	(7.4)	231%
Other income	0.6	4.3	-87%	6.7	10.7	-38%
Pre-Operating Expenses	0.0	0.0	N/A	0.0	(3.4)	N/A
<b>EBIT</b>	<b>136.9</b>	<b>105.4</b>	<b>30%</b>	<b>349.5</b>	<b>281.1</b>	<b>24%</b>
EBIT Margin	22%	21%		18%	16%	
Interest income	8.0	21.4	-63%	49.1	93.3	-47%
Interest expense	(0.5)	(1.1)	-53%	(2.4)	(6.9)	-64%
<b>Profit before tax</b>	<b>144.4</b>	<b>125.8</b>	<b>15%</b>	<b>396.2</b>	<b>367.5</b>	<b>8%</b>
PBT Margin	24%	25%		20%	20%	
Income tax	(26.4)	(25.5)	3%	(95.5)	(94.3)	1%
Deferred tax	(2.3)	(4.9)	-52%	(3.1)	(7.9)	-61%
<b>Net profit after tax</b>	<b>115.6</b>	<b>95.4</b>	<b>21%</b>	<b>297.6</b>	<b>265.4</b>	<b>12%</b>
Net Profit Margin	19%	19%		15%	15%	
Distributed as follows:						
Shareholders of the company	107.7	90.9	19%	286.9	257.4	11%
Minority rights	7.9	4.5	76%	10.7	8.0	35%
<b>Profit for the period</b>	<b>115.6</b>	<b>95.4</b>	<b>21%</b>	<b>297.6</b>	<b>265.4</b>	<b>12%</b>

# Consolidated Balance Sheet



All figures in EGP mn	31 December 2019	31 December 2020
<b>Non-current assets</b>		
Fixed assets	908.5	1,205.2
Intangible assets	413.6	427.6
Right of use	10.2	18.8
Payment under investment	-	-
Investments in associates	-	1.1
<b>Total non-current assets</b>	<b>1,332.4</b>	<b>1,652.7</b>
<b>Current assets</b>		
Paid under subsidiaries capital increase	49.3	66.3
Inventory	337.2	418.8
Accounts receivables	105.2	94.6
Other receivables and debit balances	2.0	0.4
Due from related parties	50.1	220.6
Treasury bills	791.3	330.0
Cash	1,335.0	1,130.5
<b>Total current assets</b>	<b>2,667.4</b>	<b>2,783.3</b>
<b>Total assets</b>		
<b>Equity</b>	800.0	800.0
Share capital	284.4	281.3
Reserves	746.2	984.9
Retained earnings	1,830.6	2,066.2
<b>Equity attributable to the parent company</b>	103.9	107.7
Non-controlling interest	1,934.5	2,173.9
<b>Total equity</b>		
<b>Non-current liabilities</b>	-	17.9
Long term debt – non-current portion	-	-
Non-current portion of lease liability	5.8	8.0
Deferred tax liability	74.8	77.9
<b>Total non-current liabilities</b>	<b>80.6</b>	<b>103.8</b>
<b>Current liabilities</b>		
Provisions	15.6	21.6
Creditors and other credit balances	442.3	442.0
Due to related parties	-	0.6
CPLTD	-	-
Current portion of lease liability	2.7	5.3
Long term incentive plan	129.1	-
Current income tax	62.6	36.1
<b>Total current liabilities</b>	<b>652.3</b>	<b>505.5</b>
<b>Total liabilities</b>	<b>732.9</b>	<b>609.3</b>
<b>Total liabilities &amp; shareholders' equity</b>	<b>2,667.4</b>	<b>2,783.3</b>



# Consolidated Balance Sheet



All figures in EGP mn	31 December 2019	31 December 2020
<b>Cash flow from operating activities:</b>		
<b>Profit before tax</b>	<b>367.5</b>	<b>396.2</b>
<b>Adjustments for:</b>		
Depreciation	65.0	84.4
Amortization of intangible assets	-	4.0
Allowance for impairment of current assets	57.5	51.4
Provision	(9.3)	6.1
Capital gain/loss	(1.0)	(0.5)
Credit/debit interest	(89.6)	(47.0)
Changes in current tax liability	(101.0)	(122.1)
Loss in investments in subsidiaries	-	0.1
Employee incentive	83.8	7.8
<b>Operating profits before changes in assets and liabilities</b>	<b>372.9</b>	<b>380.3</b>
<b>Changes in working capital:</b>		
Changes in inventories	(7.1)	(17.4)
Change in trade receivables, debtors, and other debit balances	(86.6)	(96.0)
Changes in due from related parties	5.1	2.2
Change in trade and other payables	149.0	39.6
Paid from employee incentive plan	-	(136.8)
<b>Net cash flows generated from operating activities</b>	<b>433.2</b>	<b>172.0</b>
<b>Cash flow from investment activities:</b>		
Proceeds from sale of fixed assets	1.6	2.0
Payments for purchase of fixed assets	(101.1)	(159.5)
PUC purchased	(194.1)	(221.1)
Advanced payments for purchase of fixed assets	(64.8)	(27.3)
Payments for acquisition of a subsidiary, net cash acquired	(160.1)	(14.4)
Payments under investment	-	(41.1)
Credit interest collected	97.2	50.5
Treasury bills	(50.1)	50.1
Paid under subsidiaries capital increase	-	-
Paid for investment associates	-	(1.2)
<b>Net cash flow from investment activities</b>	<b>(471.4)</b>	<b>(362.1)</b>
<b>Cash flow from financing activities:</b>		
Proceeds from minority share in subsidiary capital increase	22.5	-
Dividends paid	(31.9)	(48.5)
Repayment of borrowings	(95.1)	-
Cash proceed from overdraft	85.2	-
Cash paid to overdraft	(85.2)	-
Interest paid	(20.0)	(2.2)
<b>Net cash flow from financing activities</b>	<b>(124.6)</b>	<b>(50.6)</b>
<b>Net change in cash &amp; cash equivalents during the period</b>	<b>(162.7)</b>	<b>(240.7)</b>
Cash and cash equivalents at the beginning of the period	953.4	791.3
Cash and cash equivalent in acquired subsidiaries at beginning of period	0.6	-
<b>Cash &amp; cash equivalents at the end of the period</b>	<b>791.3</b>	<b>550.5</b>

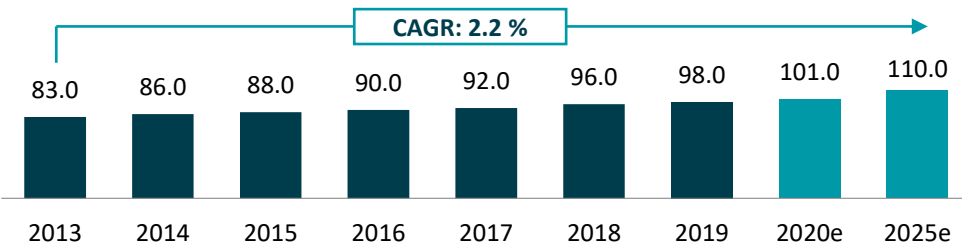
# Market Overview



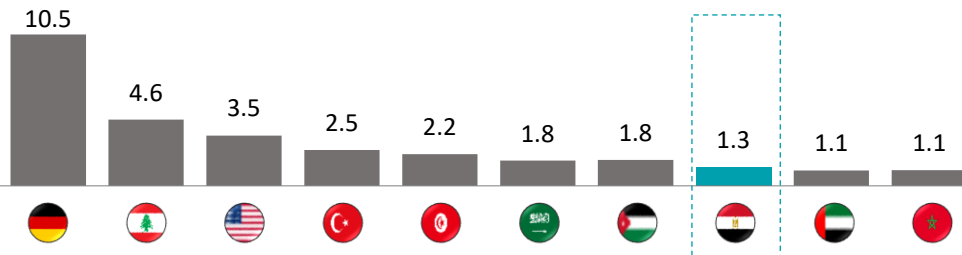
# Underserved and Under-penetrated Market with Steady Demand Growth

## Supply Gap in Egyptian Healthcare Industry

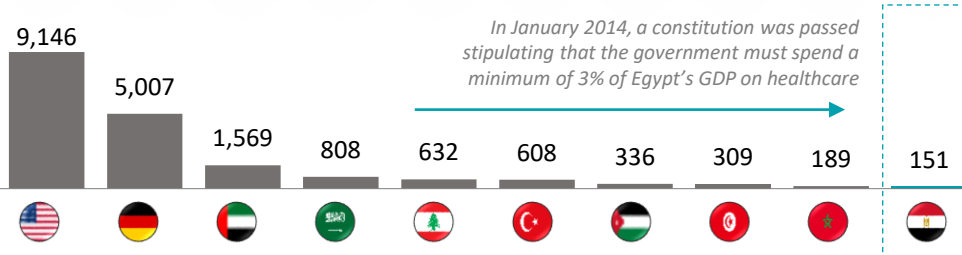
### Population (millions)



### Hospital Beds (/1,000 people) | 2017

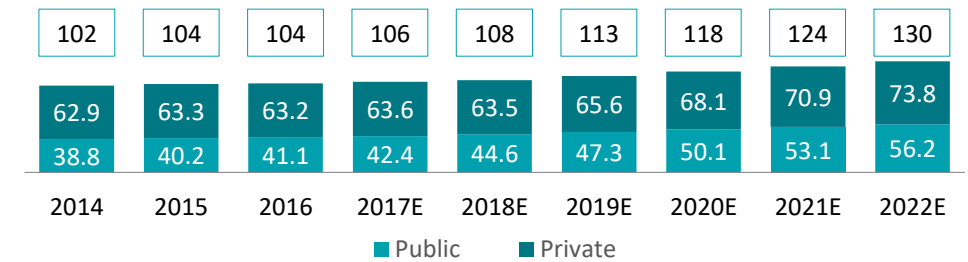


### Healthcare Expenditure per Capita (USD) | 2017



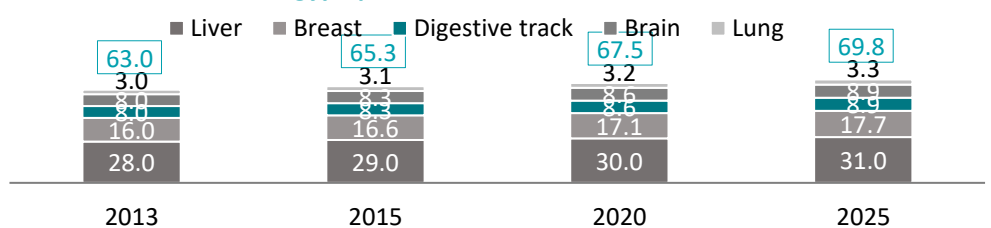
## Healthcare Expenditure in Egypt

### Public vs. Private Healthcare Expenditure | EGP bn

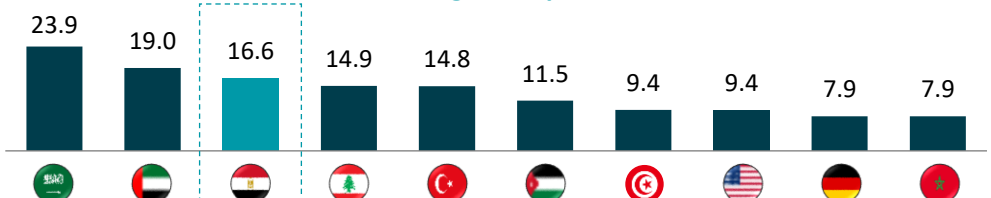


## Lifestyle Disease Profile in Egypt

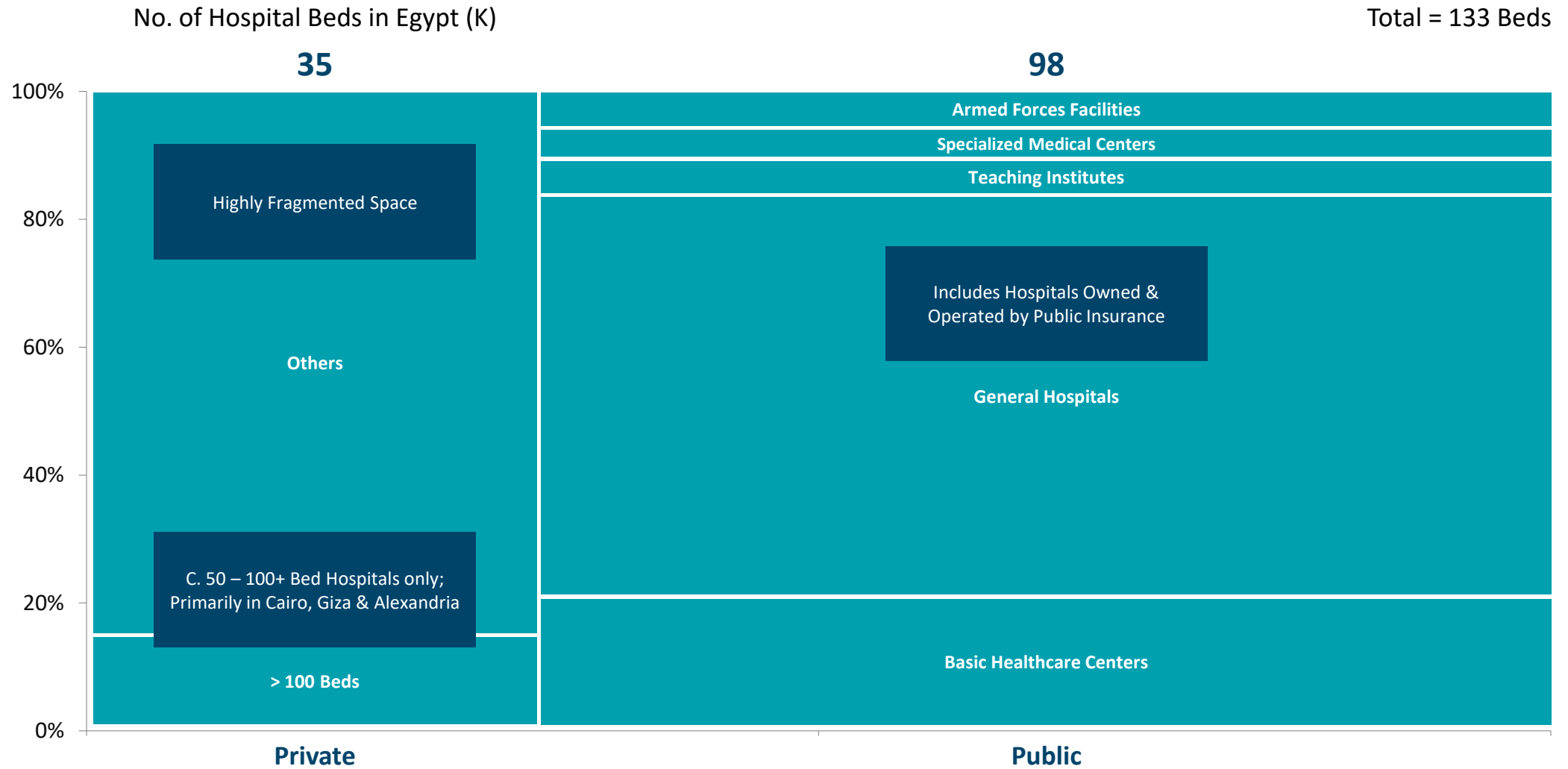
### Cancer Prevalence in Egypt | 000 cases



### Diabetes Prevalence in the 20-79 Age Group



# Egypt Total Hospital Beds (I/III)









Source: CAPMAS, Egypt Ministry of Health, consultants



# Egypt Total Hospital Beds (II/III)



	Basic Healthcare Centers	General Hospitals (Public Insurance)	Specialized Medical Centers	Teaching Institutes / Medical Colleges	Armed Forces Facilities	Private Hospitals (Non-Government)
						
<b>Level of Care</b>	<ul style="list-style-type: none"> <li>First level of public healthcare</li> <li>Access to basic preventive &amp; diagnostic treatment for common diseases &amp; risk factors</li> </ul>	<ul style="list-style-type: none"> <li>Support basic healthcare centers as well as some advanced care / treatment centers</li> <li>Accessible to members of the insurance scheme</li> </ul>	<ul style="list-style-type: none"> <li>One of the highest level of public healthcare</li> <li>Provide advanced. Specialized care across key diseases &amp; intervention</li> </ul>	<ul style="list-style-type: none"> <li>Provide medical education, specialization across levels &amp; fields</li> <li>Facilitate training &amp; research</li> </ul>	<ul style="list-style-type: none"> <li>High-end multi specialty facilities for the armed forces</li> <li>Available for access by paying premium rate</li> </ul>	<ul style="list-style-type: none"> <li>Provide diagnosis, treatment advice, specialist inpatient services, and advanced care</li> <li>Better equipped than public hospitals</li> </ul>
<b>Number of Units</b>	<b>153</b>	<b>420</b>	<b>42</b>	<b>19</b>	<b>20</b>	<b>1,484</b>
<b>Number of Beds</b>	<b>C. 18,000</b>	<b>C. 50,000</b>	<b>C. 1,500</b>	<b>C. 5,000</b>	<b>5000+</b>	<b>&gt; 34,000</b>
<b>Level of Technical Facilities</b>	<b>Basic</b>	<b>Low</b>	<b>Mid to High</b>	<b>Medium</b>	<b>Extremely High</b>	<b>Mid to High (Depending on Location)</b>
<b>Presence / Location</b>	Across Egypt – national network	Located in all key cities / towns for each governorates	Concentrated in metro & tier 1 cities	Concentrated in metro & tier 1 cities	Located in key governorates / cities	Across Egypt – concentrated in metro & tier 1 cities
<b>Client Type</b>	All	All Egyptians with HIO / COO cover	All – primarily referrals for specialized care	All	Armed forces (free) private by paying	Mid to higher income segment
<b>Price</b>	<b>Negligible</b>	<b>Low</b>	<b>Low to Mid</b>	<b>Low</b>	<b>High</b>	<b>Mid to High</b>

**Focus of Next Slide**

Source: CAPMAS, Egypt Ministry of Health, consultants

# Egypt Total Hospital Beds (III/III)



	Large Hospitals (100+ Beds)	Medium Hospitals (50 – 100 Beds)	Small Hospitals (<50 Beds)
Level of Care	<ul style="list-style-type: none"> <li>Large multi super-specialty care centers with ability to do high-complexity cases</li> <li>Coverage across care continuum (potentially emerging tertiary care across key specialties)</li> <li>Potentially include CoEs with focus on 1 – 2 key specialties</li> <li>Comprehensive OP, pharmacy, diagnostic (imaging &amp; pathology), trauma / ER, etc.</li> </ul>	<ul style="list-style-type: none"> <li>Multi-specialty centers focused on mid to basic complexity work - focused up to secondary level care</li> <li>Serve as a feeder network to large hospitals for more complex cases</li> <li>Basic OP, pharmacy, trauma / ER, etc.</li> </ul>	<ul style="list-style-type: none"> <li>Basic centers with beds (average size of 15 – 20 beds) with focus on triage &amp; observations</li> <li>Basic intervention work (e.g. suturing, bone-setting, and IV administration) conducted at such facilities</li> <li>Only basic support amenities available (e.g. portable X-ray, suction machine, and a basic / minor surgery suite)</li> </ul>
Number of Unites	40 – 50	50 – 100	C. 1,300
Number of Beds	C. 5,000	C. 2,000 – 3,000	> 27,000
Level of Technical Facilities	Mid to High (Depending on level of care)	Mid – Low (As required for basic secondary care)	Low
Presence / Location	All located in Cairo, Giza or Alexandria	Majority concentrated in metro & tier 1 cities	Across Egypt
Client Type	High to mid income individuals / families with high payor coverage	High to mid income individuals / families with low probability of any form of payor coverage	Mid to low income individuals & families with limited to no cover
Price	High	Mid to High	Mid to Low

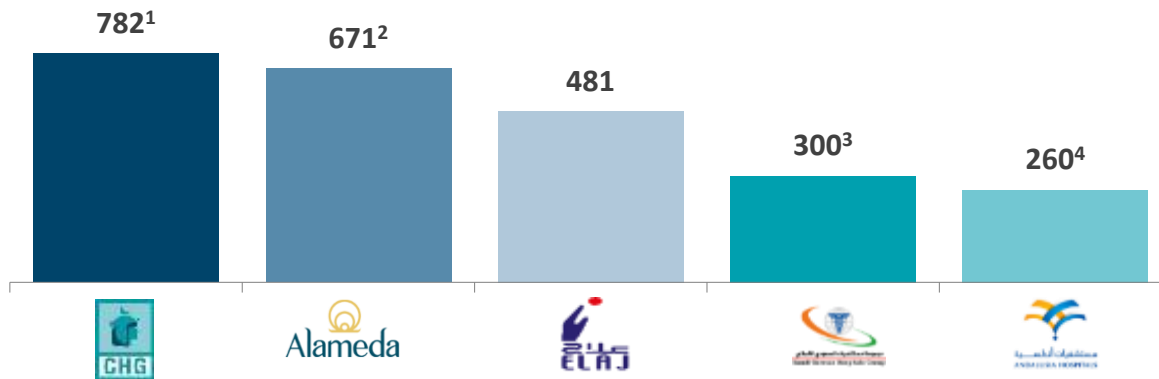
Focus of Next Slide

Source: CAPMAS, Egypt Ministry of Health, consultants

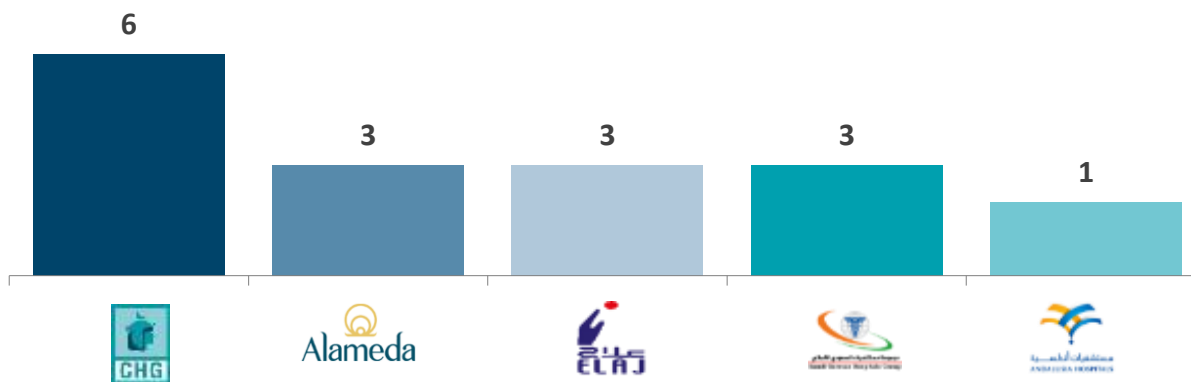
# Greater Cairo Hospital Groups by Commercial Bed Count



Hospital Groups in Cairo (Operational) – Bed Count



Hospital Groups in Cairo - # of Operational Hospitals



Building new capacity to reach c1,000 beds

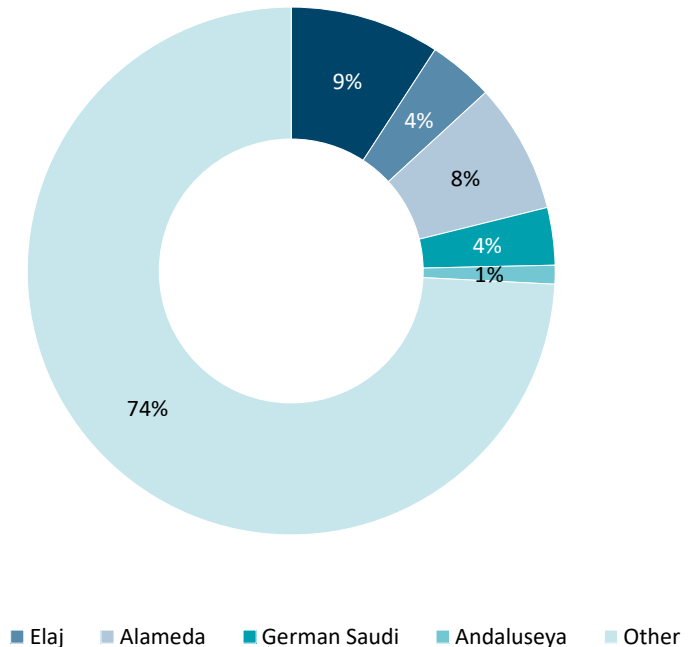
2. Building new capacity to reach c900 beds

3. Building new capacity to reach c600 beds

4. Building new capacity to reach c500 beds

Source: CAPMAS, Egypt Ministry of Health, consultants

Market Share in Cairo by # of Commercial Beds

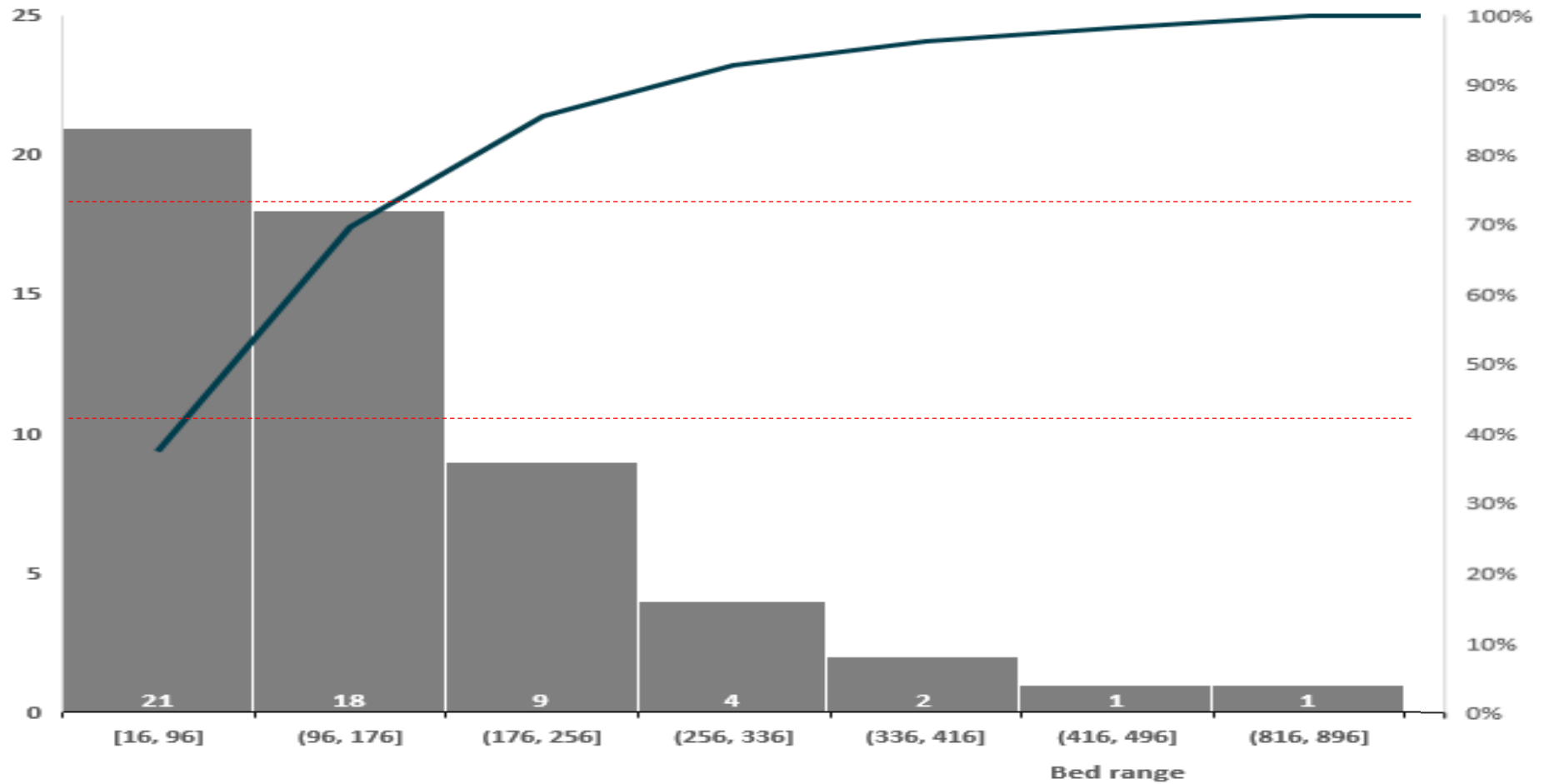


Total 14,000 commercial beds in Cairo of which 8,500+ beds are in '30+ beds' hospitals

# Greater Cairo Distribution of Hospitals by Commercial Beds



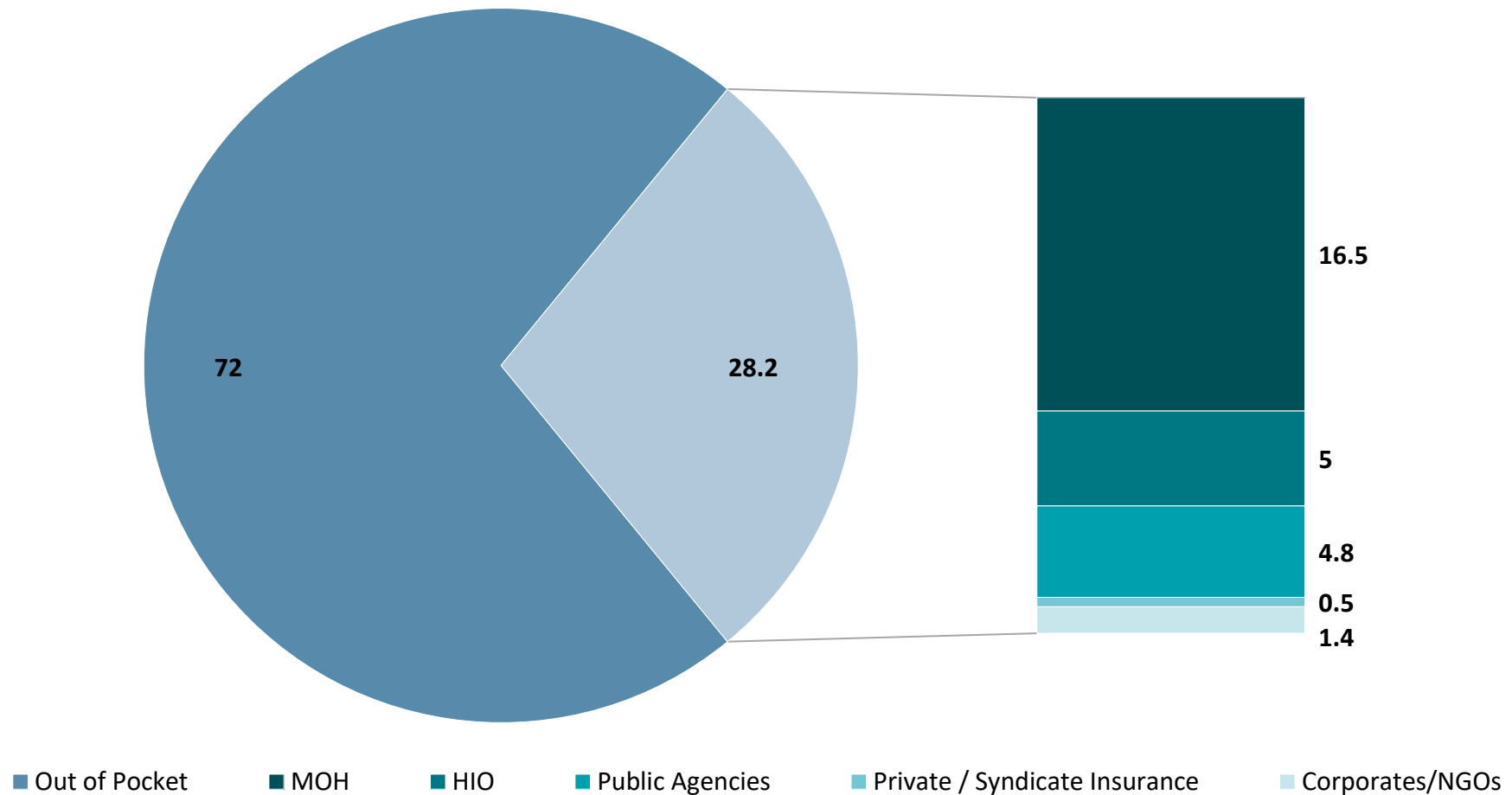
Distribution of Hospitals in Greater Cairo by # of Commercial Beds





# Egypt Healthcare Market Payor Profile

Egypt Healthcare Market Payor Profile



# Thank you

## INVESTOR RELATIONS CONTACTS

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## SHAREHOLDER INFORMATION

EGX: CLHO.CA  
Listed: June 2016  
Shares Outstanding: 1.6 billion



**CLEOPATRA HOSPITALS**  
GROUP