

**CLEOPATRA HOSPITAL (S.A.E.) AND ITS SUBSIDIARIES
"EGYPTIAN JOINT STOCK COMPANY"**

**AUDITOR'S REPORT AND CONSOLIDATED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**



CLEOPATRA HOSPITAL AND ITS SUBSIDIAREIS (S.A.E.)

Consolidated financial statements for the year ended 31 December 2016

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Auditor's report

To: The Shareholders of Cleopatra Hospital (S.A.E.) and its subsidiaries

Report on the consolidated financial statements

We have audited the accompanying consolidated financial statements of Cleopatra Hospital (S.A.E.) and its subsidiaries (the "Group"), which comprise the consolidated financial position as at 31 December 2016 and the consolidated statements of income, other comprehensive income, changes in equity and cash flows for the fiscal year then ended, and a summary of significant accounting policies and other notes.

Management's responsibility for the consolidated financial statements

These consolidated financial statements are the responsibility of the Group's management. Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Egyptian Accounting Standards and in light of the prevailing Egyptian laws. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error. Management responsibility also includes selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Egyptian Standards on Auditing and in light of the prevailing Egyptian laws. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance that the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Group's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on these consolidated financial statements.



The Shareholders of Cleopatra Hospital (S.A.E.) and its Subsidiaries
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Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Cleopatra Hospital (S.A.E.) and its subsidiaries (the "Group"), as at 31 December 2016, its consolidated financial performance, and its consolidated cash flows for the fiscal year then ended in accordance with the Egyptian Accounting Standards and in light of the related Egyptian laws and regulations.

Ahmed Gamal El-Atrees
R.A.A. 8784
E.F.S.A. 136
Mansour & Co. PricewaterhouseCoopers



12 March 2017
Cairo

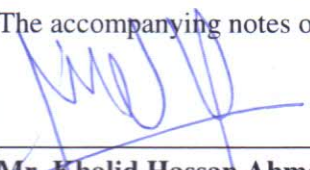
CLEOPATRA HOSPITAL (S.A.E.) AND ITS SUBSIDIARIES

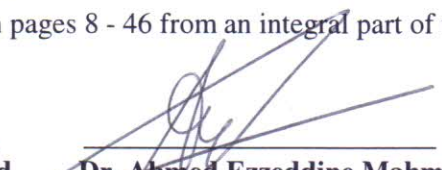
Consolidated statement of financial position - At 31 December 2016

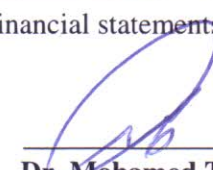
(All amounts in Egyptian Pounds)

	Note	2016	2015
Assets			
Non-current assets			
Fixed assets	6	396,722,304	267,049,952
Intangible assets	7	246,380,039	97,195,020
Total non-current assets		643,102,343	364,244,972
Current assets			
Held-to-maturity investments	8	-	38,080
Inventory	9	46,116,907	15,517,957
Trade receivables	10	125,935,773	89,986,584
Debitors and other debit balances	11	25,625,099	18,282,142
Cash on hand and at banks	12	439,583,047	109,906,869
Total current assets		637,260,826	233,731,632
Total assets		1,280,363,169	597,976,604
Equity and liabilities			
Equity attributable to owners of the parent Company			
Share capital	16	100,000,000	80,000,000
Reserves	17	298,037,805	(62,303,508)
Retained earnings		167,839,138	108,270,052
Total equity of the parent company		565,876,943	125,966,544
Minority / non-controlling interests	18	44,620,379	33,250,055
Total equity		610,497,322	159,216,599
Non-current liabilities			
Non-current portion of borrowings	15	325,977,549	162,400,000
Creditors and other credit balances - non-current portion	14	-	47,379,723
Deferred tax liabilities	26	59,993,365	43,802,580
Total non-current liabilities		385,970,914	253,582,303
Current liabilities			
Provisions	13	24,924,705	19,890,797
Creditors and other credit balances	14	175,222,518	92,550,296
Current portion of borrowings	15	52,169,564	40,600,000
Current income tax liabilities	25	31,578,146	32,136,609
Total current liabilities		283,894,933	185,177,702
Total liabilities		669,865,847	438,760,005
Total shareholders' equity and liabilities		1,280,363,169	597,976,604

The accompanying notes on pages 8 - 46 from an integral part of these financial statements.


Mr. Khalid Hassan Ahmed
Group CFO


Dr. Ahmed Ezzeddine Mahmoud
CEO & Managing Director


Dr. Mohamed Tarek Zahed
Non-Executive Chairman

11 March 2017

Auditor's report is attached



