Cleopatra Hospitals Group Reports FY2022 Results

Cleopatra Hospitals Group reports record fourth quarter leading to strong 2022 performance driven by robust growth in the Group's key service lines and completely offsetting the loss of Covid related services from the prior years; growth accelerating in the first nine weeks of 2023 across the Group.

4Q2022 Financial & Operational Highlights[1]

EGP 712 mn Total Revenue (+10% y-o-y)	+31% Non Covid Revenue Growth[2]
EGP 89.6 mn Net Profit (13% margin)	EGP 197.5 mn Adjusted EBITDA[3] (flat vs. 4Q21; 28% margin vs.30% in 4Q21)
+12% Outpatient Consultations Volume Growth	+15% Inpatients Volume Growth
+14% Surgical Procedures Volume Growth	+306,190 Cases Served[4] (+11% y-o-y)

FY2022 Financial & Operational Highlights[1]

EGP 2,614 mn Total Revenue (+3% y-o-y)	+19% Non Covid Revenue Growth[2]
EGP 356.7 mn Net Profit (14% margin)	EGP 709.3 mn Adjusted EBITDA[3] (27% margin vs 30% margin in FY21)
+10% Outpatient Consultations Volume Growth	+11% Inpatients Volume Growth
+11% Surgical Procedures Volume Growth	+1,092,790 Cases Served[4] (+8% y-o-y)

EGP 0.25
Proforma LTM EPS
(+11% vs. FY22 EPS[5])

Cairo, 19th March 2023

Cleopatra Hospital Group S.A.E. (CLHO.CA on the Egyptian Exchange), Egypt's leading private hospital group by number of hospital beds and number of operating hospitals, reported today its consolidated results for the year ended 31 Dec. 2022.

1 Consolidation includes: CHC, CSH, NBH, and ASH, as well as East and West Cairo Polyclinics, Queens and El Katib Hospitals, and Bedaya IVF

2 Based on CHG internal calculations, management estimates CHG's core business performance by excluding all Covid related revenue from its facilities across all periods. Covid revenues include direct revenues from Queens and Katib hospitals, in addition to indirect revenues from diagnostics and consultations related to suspected covid patients across the Group's other assets.

3 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.

4 Cases served includes number of inpatients, paid outpatient visits and ER visits.

5 EPS calculation includes accumulated net income in FY22 over CLHO's outstanding shares, while proforma EPS incorporates the effect of the approved cancellation of c. 154mn treasury stock.

FY2023 Trading Update and FY2022 Performance Highlights

- For the first nine weeks of 2023, the Group generated over EGP 620mn in revenues with year-on-year growth of 24% against the same period in 2022. **Excluding Covid related revenue, year on year growth exceeded 40% for the first 9 weeks of 2023 driven by CHG's key service segments** - Inpatients, Outpatients, and Surgical Procedures. Management aims to continue this growth trajectory as they focus on streamlining key operations, fostering a culture of efficiency, and on extending the reach of services offered to patients across CHG's network.
- For 4Q22, CHG achieved record quarterly results generating revenues of EGP 712mn, 10% growth against 4Q21 despite the loss of Covid related revenue. On a full year basis, Group revenues reached EGP 2,614mn, 3% growth vs. 2021 despite the high base effect of Covid related services in 2021. The Group's organic performance was the main driver of these results, with CHG's adjusted revenue (excluding Covid related income) **growing by a solid 19% year-on-year, predominantly driven by strong volume growth** in the overall number of cases served by the group.
- CHG's strong **focus on growing its organic business** coupled with **management's proactive and multi-pronged strategy at both its Centers of Excellence (COEs) and conventional offerings**, resulted in robust performance in patients' volume growth and case mix enhancements across CHG facilities. Overall **number of cases served by the Group grew by 8% in FY22**, supported by volume growth rates of **10%, 11%, and 11% in Outpatients, Inpatients, and Surgical Procedures** respectively. On a quarterly basis, these figures saw even more impressive growth rates whereby cases served increased by 11% fuelled by 12%, 15%, and 14% in Outpatients, Inpatients, and Surgical procedures when compared to the same period last year. These cases served mark the Group's **highest volume of cases served on an annual and quarterly basis** and are a testament to the Group's successful execution of its strategy, which is focused on **serving a growing number of patients while gradually enhancing their case mix** within a highly underserved market.
- Despite facing the challenge of a materially reduced Covid related services, coupled with an inflationary macro-economic environment and global supply chain difficulties, **the Group was able to maintain its historical margins.** This was achieved through a **combination of operational efficiencies and cost avoidance strategies implemented across the Group.** Notably, **the Group's integrated supply chain and procurement teams** delivered exceptional performance, allowing CHG's **Medical Supplies to Revenue ratio to improve by 1% in FY22 compared to FY21** during a significant inflationary period. Group wide productivity improvements also resulted in staff costs increasing by only 7% in FY22 against core-business growth of 19% in the same year.
- **Management's focus on operational efficiencies** allowed CHG to **partially absorb pressures on its EBITDA profitability** throughout 2022's transformational year. **EBITDA read EGP 197.5mn in 4Q22** with an associated **margin of 28%** compared to 30% in 4Q21. On a full-year basis, CHG recorded an **EBITDA of EGP 709mn** with an associated **margin of 27%** compared to 30% in FY21.
- Loss of Covid services, coupled with materially reduced interest income due to the treasury buyback programme and material increase in depreciation on the back of the company's historic investments in medical CAPEX, led to **a decline in CHG's net profit on a quarterly and annual basis.** CHG's **Net Income during 4Q22** read EGP 90mn with a margin of 13%, 27% below the same period in 2021 which had a net profit margin of 19%. **On a full-year basis**, the Group recorded a net profit of **EGP 357mn in FY22 with a margin of 14%,** compared **with a margin of 16% in FY21.**
- The **Group's integration model framework** allowed CHG to mitigate the negative effects of **EGP devaluations in 2022**, resulting in limited impact. CHG's **supply chain team proactively built strategic stocks of key supplies at favourable prices** starting in 4Q21, in an effort to **shield the Group's margins from anticipated shocks**. The team also secured tenders and established strategic partnerships with suppliers and manufacturers. Management implemented cost containment measures on both a Group level and within individual facilities, leading to full control over all costs including non-medical costs. This collective effort enabled CHG to maintain its profitability in the face of inflationary pressures, with stocks from 2022 optimizing 2023 consumables and medical supply expenses.
- **CHG's treasury share buyback program** was a key capital allocation decision to return **further value to the Group's shareholders**. The company accumulated over 9.9% of its outstanding share capital through this program. The pro-forma FY22 EPS, which takes into account **the cancellation of eligible treasury shares of 154mn shares (completed March 15, 2023)**, **results in EGP 0.25 per share**, or an impressive **11% accretion** to the Group's shareholders. This accretive strategy is a testament to CHG's **commitment to driving shareholder value and reflects management's confidence in its fundamentals.**

FY2022 Strategic Updates

- The Group's flagship hospitals **continued to deliver strong year-over-year growth in FY22**, driven by **increasing volumes and an optimized case mix**. The growth in volumes throughout the year generated top line growth that completely offset the high base effect on the back of Covid services. **NBH** for example, experienced a 7% decline in 1H22, and 9% growth in 2H22 both against their comparative periods in 2021. Despite the outpatient department's partial closure for renovation in the first half of the year, management capitalized on the opportunity to **further invest in the hospital's core centers of excellence** as well as **enhance its commercial payor portfolio**, positioning it for the solid growth seen in the second half of 2022, building a strong base for a promising 2023 trajectory.

- CHG continued to make strides in its **organizational optimization plan** by streamlining its organizational structure. The new structure serves further integration of the Group's managing directors aiming for **enhancement in cross-asset referrals and overall utilization**. Capitalizing on **geographic proximity and complementary case mixes**, the Group has restructured its management hierarchy such that **NBH and CSH** are now under common top management, as are **AKH and ASH**, and **CHC and Sky Hospital**. Haven and Bedaya Hospitals will continue to operate under single asset-focused top managements. This restructuring will enable the Group to better leverage its strengths, enhance collaboration, and improve operational efficiency. Management also optimized its commercial department's structure enabling it for greater market access and managing the Group's medical tourism initiative.

- In FY2022, **CHG's polyclinics and pharma played a vital role in the company's feeder network,** contributing **EGP 136mn in revenue.** This represents a **growth of 21% compared to FY21 and 28% compared to 4Q21.**

- **CHG is making a concerted effort to grow its medical tourism and international patients activities**, leveraging its high-quality services and highly competitive pricing when compared to other markets and medical tourism destinations. CHG has recently **signed an agreement** with Response Plus for Medical Services L.L.C. that builds on **the Group's Medical Tourism initiative and aims to support its facilities with Response Plus's "Global Patient Services" (GPS) program.** The program will **refer international patients who seek medical services and provide Cleopatra group's facilities as a high-quality value treatment option**, while providing concierge and other related services. The Group is also making key hires with a focus on enhancing and growing this service line.

- **CHG's management remained committed to developing their centers of excellence** and promoting their one-stop-shop approach to healthcare services. **Bedaya,** the Group's fertility solutions arm, made exceptional progress and achieved a **40% increase in top-line growth**, generating EGP 69mn, along with a **4% improvement in its GP margin and 6% improvement in its EBITDA margin in FY22.**

- **Haven Hospital** has been **ramping up** as planned, with a focus on the **transformation of the facility into a full-fledged tertiary hospital to bring much needed medical services to West Cairo and a leading medical tourism destination hospital**. Haven Hospital is currently **operating** as a specialized **state-of-the-art facility in Physiotherapy, Rehabilitation, and Long-Term Care** and the conversion to a hospital license is in progress **complementing its service offerings** in line with its 360-degree approach of delivery by **establishing Neurology, Orthopaedic and Cardiology Centers of Excellence, supported by a state-of-the-art Emergency Department.** In addition, CHG is progressing well with **Sky Hospital's development**, with a target **soft opening of Sky Hospital later in 2023**, following which the hospital will roll out its full suite of service offerings as they develop with an aim of **full operations by year end 2024.**

- To complement the referral network between the Group's polyclinics and hospitals**, CHG expanded its network beyond Greater Cairo to Suez.** Leveraging its strong partnership with the Petroleum Sector, **CHG entered into an agreement with Petroleum Medical Center in Suez governorate** to provide quality medical care in an underserved area, improve the hospital's service offering, enhance its capabilities, and **refer patients requiring more complex procedures to CHG facilities in Cairo.**

Management Comment

During FY22, Cleopatra Hospitals Group made significant strides towards achieving its long-term strategy and generated revenues exceeding EGP 2,614mn, driven by a robust 19% year-on-year growth in its non-Covid related business. This growth was supported by increased inpatient, outpatient, and surgery volumes, resulting from the Group's historic investments in its Centers of Excellence supported by its commercial strategy, which allowed for growth in cases served and case mix enhancements. Notably, RoboSurge, CHG's innovative Robotic Unit at Al Shorouk Hospital, has disrupted the Urology market in Egypt and recorded very promising month on month growths, serving [more than 60 cases] to-date. In addition, we invested in our diagnostic capabilities, procured top-of-the-line medical technologies for our Centers of Excellence, and inaugurated new innovative treatment solutions such as our novel Non-Invasive Spine Surgery specialty in partnership with leading Egyptian-German doctors. Despite the highly profitable loss of Covid business, CHG's core non-Covid revenue streams fully offset it in FY22 and marked growth, indicating success of our long-term strategy and signalling further growth over the coming years.

CHG is poised for a promising future, with exciting developments on the horizon. We look forward to the soft opening of Sky Hospital towards the end of 2023, where the hospital will continue to roll out its full suite of service offerings over the following year. When fully operational, the hospital will house several Centers of Excellence through a new-to-the market approach of enclosed departments and Centers of Excellence, supported by the operational excellence that the Group acquired over its past eight years of transformation and elevating quality of care in Egyptian healthcare services. Haven Hospital has been ramping up as planned, as we transform the facility into a fully-fledged tertiary hospital by establishing a state-of-the-art emergency department and building Centers of Excellence that complement its current specialized physiotherapy, rehabilitation, and long-term care service offering. Haven will focus on Neurology, Orthopaedic, and Cardiology Centers of Excellence, supported by the latest diagnostic solutions, allowing it to grow vertically and to create even higher referrals to its existing specialization in physiotherapy, rehabilitation, and long-term care.

We have invested in expanding our network and referral footprint beyond Greater Cairo in 2022, positioning ourselves to attract global patients from the African continent and the Middle East. We are also among the first movers to reach healthcare accreditation, as we registered our facilities to be compliant with GAHAR (The General Authority for Health Accreditation and Regulation). We also optimized our commercial team and created an International Business Unit that focuses on attracting international patients by showcasing our facilities and competitive pricing in comparison to the region. We are excited about the opportunities ahead and remain committed to enhancing our patients' experience through innovative healthcare solutions and world-class facilities that cover our patients' 360-degree treatment journeys. On the Egyptian market front, we partnered with one of the Petroleum Sector's key facilities, Petroleum Medical Center in Suez, where our service offering aims to offer access to quality healthcare to another underserved region of Egypt in addition to the Petroleum Sector's employees, pensioners and their families.

We made strides within our strategic growth pillars this year, expanding our business lines and driving future growth. To build on this success, we plan to drive growth across all facilities on the back of our integrated network and enhanced digital capabilities to create new opportunities, optimize costs, and elevate patient experience. Our employees and partners played an instrumental role in executing our growth strategy, and we look forward to continuing to work with them to generate additional value for our patients, stakeholders, and the wider Egyptian healthcare industry.

Dr. Ahmed Ezzeldin
Group CEO

Operational and Strategy Review

Throughout 2022, CHG continued to execute on its comprehensive growth strategy, building on the progress made earlier in the year. The company focused on enhancing the quality of its services, expanding its overall capacity, and increasing its referral network beyond Greater Cairo, all while building a more efficient and technologically enabled organization.

CHG achieved significant progress on its strategic priorities. In line with these goals, CHG expanded its geographic footprint in West Cairo through an 18-year usufruct agreement for Haven Hospital in 6th of October, which currently stands as the largest operating facility in the group in size. On the other side of town, CHG has been reporting progress on Sky Hospital, its Brownfield project in East Cairo, that is expected to have a soft launch in 3Q22 in anticipation of its full operational launch by year-end 2024. The company also invested in its network's geographic footprint, expanding beyond Greater Cairo for the first time to Suez Governorate, with an aim to attract and refer patient flow from Suez to CHG's facilities in Cairo.

CHG's portfolio of existing facilities have invested in creating Centers of Excellence across CHG in accordance with a 360-degree approach of treatment in a one-stop-shop manner. El Katib Hospital continues to ramp up under its transformation into a surgical Center of Excellence, while Nile Badrawi Hospital has unlocked its revenue-generating potential by inaugurating its revamped outpatient department. This has allowed the hospital to narrow the performance gap experienced in 1H22 and report growth in FY22 compared to FY21, with 2023 showcasing high double-digit growth across all metrics. Cleopatra Hospital has also completed the renovation of two floors of its inpatient wards, enabling the hospital to accommodate complicated inpatient cases more efficiently and fine-tune its patient case mix. Additionally, ASH and CSH have seen strong growth throughout FY22, resulting in their contributions to the consolidation increasing to 20% and 17%, respectively, from 18% and 15% in FY21, generated through investments in capacity optimization and Center of Excellence capabilities that ultimately grew volumes and improved case mix. Moreover, the group has maintained its steep growth trajectory for polyclinics and pharmacy businesses and maintained the same positive post-Covid rebound trajectory at Bedaya, with a marked improvement in patient volumes, a rebound in foreign patient cases, as well as significantly enhanced profitability levels.

Expanding the Group's Geographic Footprint

CHG's strategy to meet growing demand for quality healthcare services that stems from underserved regions such as New Cairo and 6th of October, as well as beyond Greater Cairo, has led to consistent year on year expansionary efforts to its geographic footprint as well as its network's reach. To cater to this demand, the group leverages its digitalization and integration capabilities coupled with efficient facility onboarding and integration.

To further expand its network's reach, CHG recently entered into an agreement with the petroleum sector's Suez Hospital that aims to serve the Petroleum Sector's patients in that area, as well as refer patients from Suez Governorate to CHG's facilities in Cairo. Management also established an International Business Unit within its commercial department, aiming to refer international patients to its facilities in Cairo. As for full operational presence within underserved regions, the group has established a full operational model in East and West Cairo through more asset-light models, such as Sky and Haven hospitals, and intends to continue leveraging similar setups in exploration of other potential facilities that are underutilized and present in underserved regions, and which can integrate within CHG's network and operate under its efficient model.

Haven Hospital

In line with CHG's strategic plan to expand its geographic footprint in West Cairo, the Group has signed an 18-year usufruct agreement with the owners of Haven Hospital, with an option to renew at the end of the period. Under this agreement, CHG currently operates and consolidates the hospital's performance into its Group structure and will continue to do so throughout the agreed-upon period. The interior ministry will retain ownership of the facility and receive annual rental payments.

Haven Hospital is strategically located in the highly underserved region of 6th of October City in West Cairo and currently operates as a physical therapy, long-term care, and rehabilitation center of excellence. CHG aims to enhance its service offerings and transform Haven into one of the most well-equipped general hospitals in North Africa and the Middle East, with unique strength in its current specialized service offerings and a center for medical tourism for the region.

To achieve this goal, CHG plans to establish Centers of Excellence that are complementary to Haven's current specializations such as cardiology, neurology, and orthopedics, leading to vertical growth within each segment and generating its own referral network. Management also plans on further investing in the hospital's diagnostic capabilities to complement the hospital's current specialized medical equipment, further emphasizing CHG's one-stop-shop operating model.

As CHG continues to enhance the hospital's capabilities, management envisions Haven Hospital becoming a full-fledged tertiary hospital with a state-of-the-art emergency department and a complete suite of general services and specialized Centers of Excellence that build on its existing unique physical therapy, long-term care, and rehabilitation service offering.

Sky Hospital & CHG's Petroleum Partnership

In December 2021, CHG finalized an agreement to complete, equip, and operate Sky Hospital for a 27-year period. This brownfield project is located in East Cairo's highly underserved Fifth Settlement area and is expected to house 240 beds. While the land and buildings will remain under the ownership of the Petroleum Sector, who partnered with CHG for the project's duration, CHG will operate and consolidate the hospital's operations and financials under a favourable revenue-sharing agreement.

As Sky Hospital is geared to serve petroleum patients, as well as East Cairo’s patients in general, it is set to launch key services in 2023, following which the hospital will continue to roll out its other service offerings as they develop with an aim to be fully operational by year end 2024. Sky Hospital will be structured to host a collective of fully loaded, enveloped Centers of Excellence under one roof, a one-stop-shop medical powerhouse that covers patients’ entire treatment cycles. The hospital's comprehensive services will provide a significant benefit to patients in the area, and the Centers of Excellence will ensure high-quality care across all specializations.

This agreement allows CHG to expand its presence in East Cairo's highly underserved Fifth Settlement area and further solidify its relationship with the petroleum sector in Egypt. CHG has consistently been expanding its commercial business with the petroleum sector since its inception, and on the back of this agreement’s success, management recently signed a 15-year agreement with the Fund for Housing and Social Services of the Petroleum Sector to renovate, expand and manage essential medical units in the Petroleum Medical Center located in Suez Governorate. This agreement strengthens CHG's strategic relationship with one of its key payors, the Petroleum Sector, which provides healthcare coverage to more than a million patients that includes employees, retirees, and their families.

Cleopatra Hospitals Group's Strategic Initiatives to Grow Medical Tourism

Medical tourism has been a key component of CHG's growth agenda, as it allows the Group to showcase its advanced medical technology and expertise to a global audience ensuring its alignment to global standards. By attracting patients from around the region, CHG aims to leverage its reputation and invest in the latest medical technology and patient care that will grow its patient base beyond Egypt.

To ensure that CHG’s focus on quality care is recognized by the relevant accreditation bodies, CHG registered its hospitals for GAHAR accreditation in 2022. This certification process evaluates the quality and safety of healthcare facilities, assessing compliance with established standards for patient care, management, and operations. GAHAR accreditation demonstrates CHG's commitment to quality and patient safety, as well as its compliance with established standards.

CHG also established an International Business Unit to dedicate resources and market access for the project within its Commercial Business department. This unit aims to showcase the Group's accredited facilities that offer quality services in line with global standards and attract international patients by virtue of the Group’s qulity healthcare solutions and world-class facilities that are offered at very attractive price points in comparison to regional players.

The Group’s Strategic Development Pillars

CHG's management takes a strategic and proactive approach to developing the Egyptian healthcare sector and enhancing the quality of healthcare services provided. To achieve this, the Group is expanding its business lines and improving its service offerings to cover the entire treatment journey of patients. The Group aims to drive future growth by investing in its platforms, expanding its capabilities and capacities, and promoting innovative growth while adhering to a quality-driven model. This includes constantly evolving operational standards and leveraging digitalization to provide high-quality, sustainable, and standardized services. Management also recognizes the importance of its human capital, CHG's management prioritizes organizational health to support all its efforts and remain the preferred employer in the industry. The Group's commitment to these pillars ensures that it delivers on its promise of market differentiation, expanding bed capacity and medical capabilities to position CHG at the forefront of the industry.

Moreover, CHG understands the significance of investing in medical technologies and medical centers of excellence in improving the quality of healthcare and patient outcomes. This allows the Group to offer cutting-edge specialized treatments, attract and retain highly skilled healthcare professionals, and advance the overall level of healthcare in Egypt. By investing in these technologies and centers of excellence, healthcare providers can provide their patients with access to the latest advancements in medical care, resulting in better health outcomes and improved quality of life.

Technological and Centres of Excellence (CoE) Updates

Robotic Surgery (RoboSurge)

In 2022, CHG introduced the Group's first robotic surgical unit, branded as RoboSurge, as the first in a private hospital group in Egypt. This advanced technology represents a major step forward in the performance of complex surgeries and is expected to further advance the development of urology treatment in Egypt. Since RoboSurge's inception, the robotic unit has successfully conducted procedures in 2022 at month-on-month CAGR of over 15%, with projections of steep growth in 2023. The technology has been particularly effective in complicated or advanced cases involving Urology, Obstetrics, and Gynecology that need to be conducted with minimal invasions.

CHG's investment in cutting-edge medical technologies like RoboSurge is a clear demonstration of its commitment to providing the best possible care to its patients. By leveraging the latest advancements in medical technology, CHG is enhancing the quality of care it provides, with a focus on improving patient outcome, ultimately helping to establish Egypt as a leader in the region's healthcare sector.

Oncology Centers of Excellence

The rollout of this project has begun at Cleopatra Hospital, with the necessary space and infrastructure being designated at Cairo Specialized and Nile Badrawi Hospitals as phases 2 and 3 of the project, respectively. The Oncology Center of Excellence will comprise three types of clinics, each catering to a specific stage of the oncology patient's detection and treatment journey. Diagnostic Clinics will be responsible for identifying and diagnosing cancer, while Therapeutic Clinics will provide a range of treatment options, including chemotherapy, radiation therapy, and surgery. Complementary Clinics will provide supportive care, including pain management, nutrition, and psychological support, to help patients manage the physical and emotional challenges of cancer.

The establishment of the Oncology Center of Excellence will enable oncology patients to undergo their entire treatment cycles across the Group's facilities seamlessly, with access to the latest technologies and treatments, and the expertise of highly qualified multidisciplinary medical professionals.

Nephrology Centers of Excellence

CHG's management has concluded an agreement with one of the top Nephrology practices in the nation, marking a significant expansion of the Group's service offering for kidney treatments. The agreement enables CHG to introduce dialysis services across all of its hospitals, as well as re-introduce renal transplantation, providing patients with access to state-of-the-art treatments and technologies. The introduction of these services will also allow CHG to establish Nephrology Centers of Excellence (COEs) across all Cleopatra Hospitals, ensuring patients receive a full suite of haemodialysis services, outpatient services, biological infusion services, and paediatric renal transplantations. In keeping with the Group's one-stop-shop model, the Nephrology COEs will provide comprehensive care to patients, covering the entire patient journey from diagnosis to aftercare. This expansion within this service offering will undoubtedly help meet the growing demand for kidney treatments in Egypt.

Bedaya for Fertility Solutions

Bedaya's exceptional performance in 2022 is a testament to its success in integrating with CHG's network and leveraging the Group's resources to drive growth. With 4Q22 revenues of EGP 18mn, growing 20% against 4Q21, Bedaya achieved a record high top line of EGP 69mn in FY22, representing an impressive 40% growth compared to FY21.

Bedaya also saw a significant improvement in its profitability in FY22, with the gross profit margin increasing by 4 percentage points to 43% compared to FY21. In addition, Bedaya's EBITDA margin improved to 22%, marking a 6-percentage point increase from the previous year. This growth can be attributed to two key factors. First, an increase in Bedaya's cases, which saw IVF cycles grow by 7% in FY22, driven by growth in the business's feeder segments in addition to a growth in the business's other segments whereby outpatients grew by 22%, and laboratory and radiology tests conducted increased by 12% and 61%, respectively.

Moreover, Bedaya's success extends beyond financial performance. The venture continues to invest in its diagnostic capabilities, further growing its referral potential and making strides in providing high-quality and comprehensive fertility services to its patients. By leveraging CHG's resources and expertise, Bedaya has been able to offer a full suite of fertility services, including IVF cycles, eggs freezing, and andrology services to name a few. This not only enhances the patient experience but also positions Bedaya as a leading player in the fertility market.

Polyclinics and Pharmacy (CHG for Medical Services & CHG Pharma)

The Group's two polyclinics have been strategically positioned in underserved suburban regions of Cairo to provide quality healthcare services to patients from newly developed regions that lack access to quality healthcare services. During FY22, the polyclinics generated EGP 88mn in revenue, an 18% growth compared to the previous year. This remarkable performance is attributed to a 23% increase in cases served during FY22. The polyclinics' profitability also witnessed a significant boost with gross profit and EBITDA margins surpassing 20%.

Due to their unique service offerings, the polyclinics play a crucial role in the Group's strategy to ramp up its centres of excellence within each hospital. Moreover, they are expected to facilitate faster ramp-up of Sky and Haven hospitals due to their established presence in close proximity to both hospitals. The Group's management is exploring new polyclinic models that can be located adjacent to the Group's flagship hospitals, similar to Al Sherouk Hospital's latest polyclinic model.

In addition, CHG Pharma, which complements the polyclinics and IVF offerings, generated EGP 48mn in revenue during FY22, representing a 28% YoY growth. Clinisys is expected to accelerate this segment's growth in 2023 by virtue of an initiative that aims to consolidate patient records under one system, allowing better tracking of patients' full treatment cycles and cross-selling pharmacy services, particularly to chronic patients.

Furthermore, CHG's outpatient pharmacy services, comprising all outpatient pharmacies across the CHG network, reported a 19% YoY growth in FY22, contributing 5% to the consolidated revenue for the period. The sustained growth reported by the Group's polyclinics and CHG Pharma aligns with the Group's vision of creating a 360-degree platform that generates solid growth across its diagnostics, pharmacy, and polyclinics businesses to complement its conventional hospital offerings.

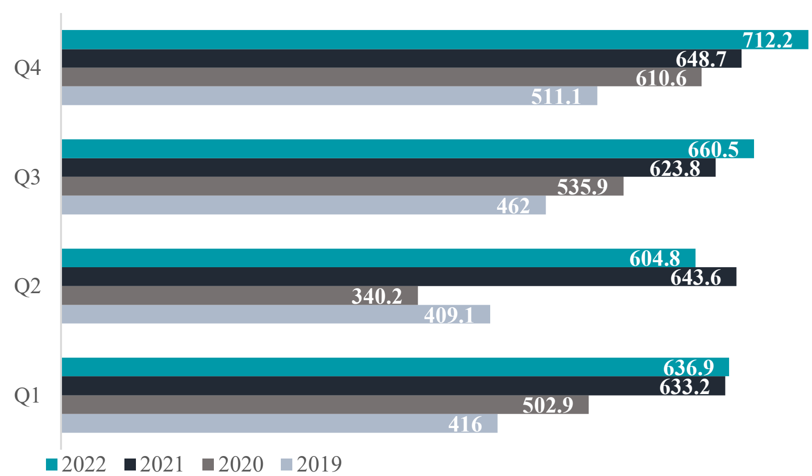
Financial Review

Revenue

In a strategic effort to bolster the Group's core business and position it for growth following the pandemic, CHG achieved its highest ever quarterly revenue of EGP 712mn in Q4 2022, resulting in a total of EGP 2,614mn for FY22. These results represent a 10% increase on a quarterly basis and a 3% increase on a full-year basis. As business returns to pre-pandemic growth levels, management leveraged the Group's power of integration and maturity of its HIS/ERP system to monitor patients throughout their entire journey within CHG facilities, enabling them to accurately measure Covid's direct and indirect impacts on the company. By separating Covid-related revenue from CHG's operations, highlighting the Group's core business[2], the company achieved an impressive 19% growth in consolidated top-line revenues year-to-date and 31% on a quarterly basis. This showcases the Group's consolidation capabilities and balanced organic growth, effectively compensating for the anticipated decline in Covid-related business well in advance.

To further assess CHG's revenue performance in 2022 in comparison to 2021, it is important to consider the impact of Covid, both directly via CHG's designated Covid hospitals and indirectly across the rest of its facilities considering diagnostics and consultations conducted on suspected patients. It was apparent that the Group's strength in its core business allowed for a swift transition from the pandemic, driven by the number of cases served, which includes outpatients, inpatients, and emergency patients throughout the period. CHG's solid performance is reflected in the record quarterly number of cases served of 306k in 4Q22 and an annual record high of 1,092k cases in FY22, demonstrating 11% and 8% y-o-y growth, respectively. On closer inspection, CHG's Outpatient volumes displayed impressive growth rates of 12% in 4Q22 and 10% in FY22. This growth was complemented by an increase in surgical procedures of 14% in 4Q22 and 11% during FY2022, which lead to a rise of 15% in inpatient volumes during 4Q22 and 11% in FY22. These results reaffirm the strength of CHG's organic healthcare services, underscoring the Group's progress towards exceeding pre-pandemic patient volume trends and at steeper trajectories.

Consolidated Revenues – in EGP Mn



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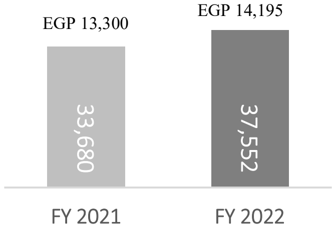
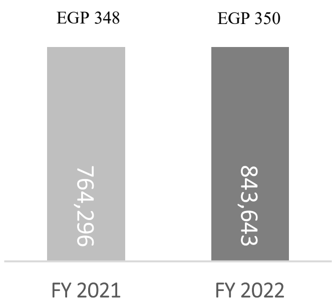
2 Based on CHG internal calculations that estimate CHG's core business performance by excluding all Covid related revenue from its facilities across all periods. Covid revenues include direct revenues from Queens and Katib hospitals, in addition to indirect revenues from diagnostics and consultations related to suspected covid patients across the Group's other assets.

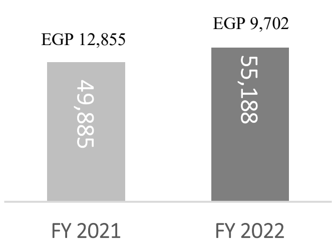
Number of Surgical Procedures
(Rev/Procedure)



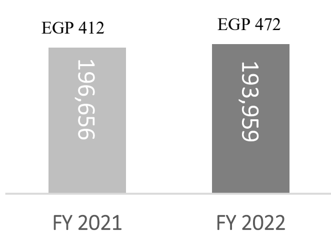
Number of Paid Consultations
(Rev/Visit)



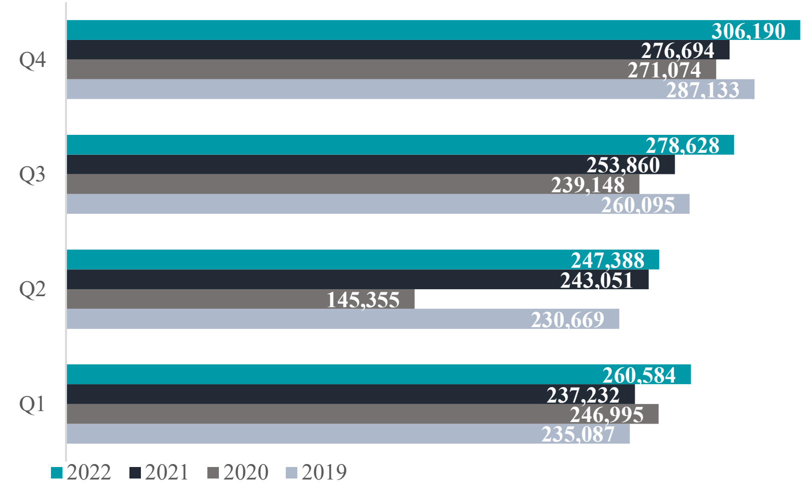
Number of Inpatients
(Rev/Inpatient)



Number of ER Visits
(Rev/visit)



Cases Served – Consolidated Volumes



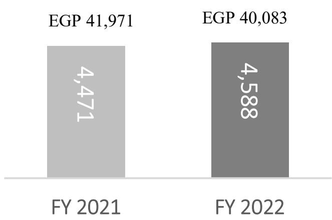
Revenue Breakdown by Segment

In FY22, CHG's inpatient services and surgeries were the primary drivers of the Group's top line, accounting for 20% and 21% of the revenue, respectively. However, post-covid, the inpatients segment experienced a decline of 16% YoY in revenues, given higher average revenue per patient and longer lengths of stay associated with Covid treatment. Excluding impact of Covid, inpatient revenues grew impressively at an estimated 24% against FY21 and 34% against 4Q21. On the other hand, surgical revenues increased by 16% in FY22 on the back of an 11% rise in surgical procedures across the Group, coupled with 7% growth in its Average Revenue per Procedure (ARP).

Outpatients and Emergency patients are essential components of CHG's patient base as they play a critical role in fuelling the growth of the Group's Inpatients and Surgical Procedures. Outpatients and Emergency revenues contributed 11% and 4%, respectively, and increased by 12% and 13% in FY22. Excluding Covid revenues from both segments, Outpatients and Emergency revenues grew by 14% and 27%, respectively, during the same period. In terms of volumes, outpatients increased by 10% in FY22, reflecting the Group's ability to attract and retain more patients. On the other hand, the number of Emergency patients declined by 1%, almost entirely offsetting the Covid-related cases with organic emergency cases.

The Group's diagnostics business lines, laboratories and radiology, both contributed 18% to CHG's consolidated revenues in FY22, with laboratory revenues growing 1% and radiology revenues declining by 5% during the year. The diagnostics segments experienced a strong high base effect in 2021 considering the year's Covid business coupled with its related protocols as well as indirect Covid contribution across the Group. Excluding total Covid impact and comparing organic business growth, Laboratory revenues are estimated to have grown by 64% and radiology revenues by 26% in FY22. Although the number of laboratory and radiology tests conducted by the Group declined by 7% and 5%, respectively in FY22, the Group's investments in its centers of excellence's diagnostic capabilities, such as in Haven Hospital and CHC, position CHG's diagnostics segment for growth in 2023 and thereafter. As the high base effect of 2021 fades away, CHG's diagnostics segment is expected to leverage its COEs to drive growth exponentially.

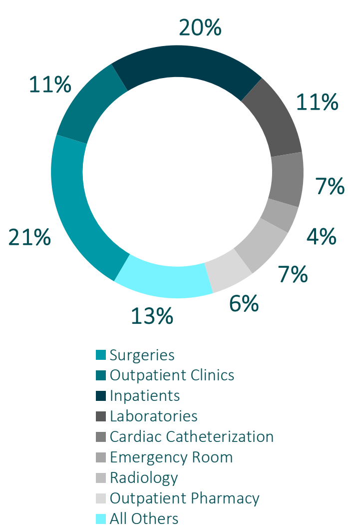
Number of Catheterizations
(Rev/catheterization)



Historical figures have been adjusted to account for standardization of KPI reporting across all facilities as the introduction of a unified ERP system across the group facilities throughout 2021.

All KPI figures refer to the consolidation of all six of CHG hospitals as well as the Group's East and West Cairo Polyclinics) and excludes Bedaya while taking into account elimination entries.

Contribution by Segment (FY22)



Revenue by Hospital

<u>*Cleopatra Hospital:*</u>

In FY22, CHC, which includes Cleopatra Hospital and Queens Hospital, generated a total of EGP 1,044mn in revenue. Queens Hospital's contribution was limited to its operations until its shut down for renovation in April 2022, reporting revenues of EGP 30mn. Excluding Queens Hospital, Cleopatra Hospital standalone saw an 8% growth in revenue for the period, and 16% during the same period when excluding Covid's impact on CHC. In 4Q22, the hospital reported its highest quarterly performance, with an 11% growth compared to 4Q21. CHC's growth in FY22 was driven by an increase in cases served, which rose by 6% during the period, coupled with enhanced case mix profitability levels. The hospital saw an uptick in surgical procedures, as well as outpatients and inpatients served, which grew by 7%, 8%, and 7%, respectively, in FY22. These volumes reflect the hospital's ability to maintain growth on the back of management's investments in its medical and diagnostic capabilities throughout the year. CHC has completed renovations in some of its inpatient wards, in addition to the previously renovated outpatient department, during the year. These renovations have enabled the hospital to continue to accommodate increasing patient volumes effectively and efficiently. CHC and Queens Hospital contributed 40% of the group's consolidated top line, with CHC alone accounting for 39%.

<u>*Cairo Specialized Hospital:*</u>

CSH, which accounts for 20% of the Group's consolidated top line, delivered impressive results in FY22, with revenue growth of 15% to reach EGP 526mn. Excluding the impact of Covid, the hospital's core organic business expanded by 19%. During 4Q22, the hospital achieved its highest-ever quarterly revenue of EGP 154mn, representing a 29% growth compared to 4Q21. This outstanding performance was driven by an 8% increase in cases served throughout the year, supported by growth in the hospital's outpatients, surgical, and inpatients volumes by 9%, 14%, and 15%, respectively. Notably, this growth is partially attributed to investments made in its orthopaedic and Neurosurgery Centers of Excellence. CSH also revamped its outpatient clinics and made significant investments in its Orthopaedic and Neurosurgery Centers of Excellence, along with the renovation of a substantial proportion of its inpatient wards.

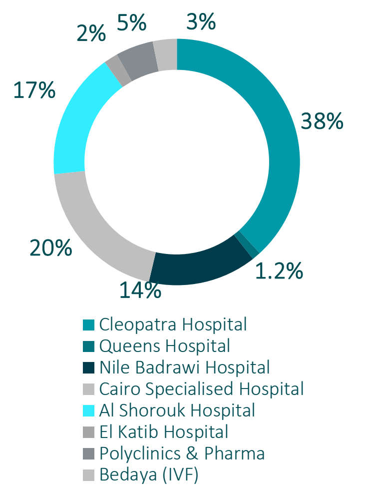
<u>*Al Sherouk Hospital:*</u>

ASH has achieved remarkable growth, with a year-on-year revenue increase of 16% in FY22, totalling EGP 440mn. This accomplishment solidifies the hospital's position as the fastest growing hospital within the Group in terms of revenue. Excluding the impact of the Covid pandemic, the hospital's core organic business witnessed an impressive and growth of 22%. ASH contributed 17% to the Group's consolidated revenue, placing it as the third-largest contributor after CHC and CSH, and up two percentage points from its contribution in FY21. The hospital's performance can be attributed to its commitment to improving patient care. The recent renovation of its inpatient rooms, patient-facing areas, and outpatient polyclinic setup has played a vital role in increasing the hospital's cases served exponentially. Additionally, the advancements in its Centers of Excellence throughout the year, such as RoboSurge, have also enhanced the hospital's case mix and volumes. In FY22, Al Shorouk Hospital recorded an 8% increase in cases served. This growth is mainly fuelled by a 10%, 6%, and 10% rise in inpatient, surgical, and outpatient volumes respectively, demonstrating the hospital's ability to meet the evolving healthcare needs of its patients.

<u>*Nile Badrawi Hospital:*</u>

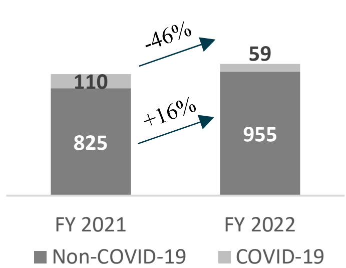
NBH has been undergoing a comprehensive strategic upgrading process since January 2022, aimed at enhancing its capacity and services. As a result, the hospital has been operating at a reduced capacity for part of the year. This has led to a declines in performance in the first half of the year 2022 of 7%, but the hospital managed to make up for it by achieving an impressive growth rate of 9% in 2H22. These results contributed to a full-year growth rate of 1%. , Nile Badrawi Hospital remained a significant contributor to the Group's consolidated top line, with

Revenue by Hospital
(FY22)

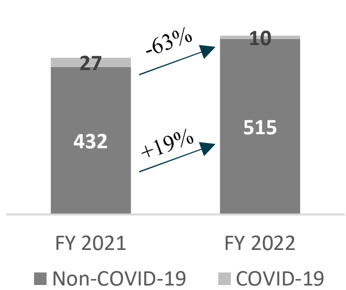


**Polyclinic revenue includes both East and West Cairo Polyclinics (CHG for medical services) in addition to the polyclinic pharmacies segment (CHG Pharma)*

CHC Revenue Breakdown
(EGP mn)



CSH Revenue Breakdown
(EGP mn)



its revenue accounting for 14% of the total revenue for FY22. With the successful inauguration of its revamped outpatient department, and significant investments in its Urology and Cardiology Centers of Excellence, Nile Badrawi Hospital is poised to further strengthen its performance in 2023. These developments have unlocked key portions of the hospital's revenue-generating potential, which is expected to significantly improve its financial performance going forward. Overall, the strategic upgrading process undertaken by Nile Badrawi Hospital represents a significant investment in its long-term sustainability and growth.

Al Katib Hospital:

AKH, formerly dedicated to treating Covid patients, has transformed into a multispecialty Surgical Center of Excellence. The hospital underwent a launch during 1Q22 under its new service offering and has since been in a ramp-up phase. Despite being in the early stages of development, AKH generated EGP 49mn in revenues. As the hospital continues to ramp up throughout 2023, management anticipates that AKH will once again experience healthy growth trends. This expectation is due in part to a high comparative base period that included Covid patients with long average lengths of stay and higher than average revenue per patient. As the hospital transitions away from this base period, the management believes that AKH will enjoy a renewed period of growth. Since its launch in January 2022, AKH has generated a 12-month compound annual growth rate (CAGR) in its top line of over 17%. This came on the back of conducting over 1,400 surgical procedures and accommodating more than 2,700 inpatients throughout the year. The hospital has been operating as an efficient surgical hub and attracting growing volumes of patients, supported by the Group's referral network. AKH's focus on providing high-quality surgical care and efficient operations has enabled it to attract and retain patients. As AKH continues to ramp up, it is expected to attract even more patients, making it a valuable asset to the Group's network with high potential growth.

The Group's polyclinics continue to serve a vital role in feeding its hospitals' feeder network by providing healthcare services to underserved suburban regions in Cairo. In FY22, both polyclinics maintained their growth trajectories, recording an impressive 18% increase in revenue. These polyclinics contributed 3% to the Group's top line for the period.

Furthermore, CHG's IVF venture, Bedaya, continues to deliver impressive results. In FY22, Bedaya recorded 40% year-on-year revenue growth, accounting for EGP 69mn, and contributing 3% to CHG's consolidated revenues. The facility's success can be attributed to the effective integration within CHG's operating and referral frameworks, as well as the recovery of the business's medical tourism line of business.

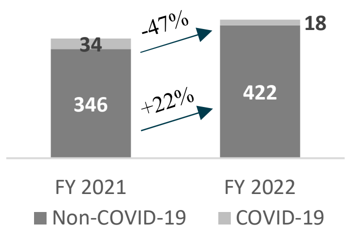
COGS

In FY22, the Group incurred a total cost of goods sold of EGP 1,741mn, representing a modest 8% year-on-year increase. However, the COGS/Sales ratio increased by four percentage points to 67% on a full-year basis and on a quarterly as well. In line with the Group’s historical averages, medical supplies continued to account for the lion’s share of costs accounting for 29% of the COGS for the period.

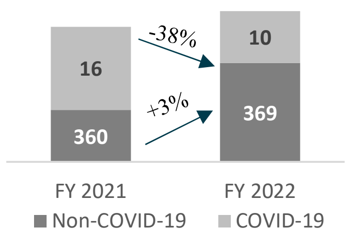
Despite the challenges posed by the Covid pandemic, inflationary pressures, and supply chain disruptions, CHG remained proactive in securing competitive rates and building up ample stocks of key supplies on a Group level. The Group's seasoned and well-integrated supply management and procurement teams played a crucial role in delivering medical supplies across the Group at 19% of revenues for FY22. This represented a one percent reduction from the previous year, demonstrating impressive efficiency in the midst of this volatile macroeconomic environment.

Furthermore, management's multi-pronged efficiency strategy proved successful in controlling Consulting Physician fees and Staff Costs, which both read 17% of the Group's top line in FY22. This was only one percentage point more than in the previous year, indicating management's effective cost management and operational optimization measures.

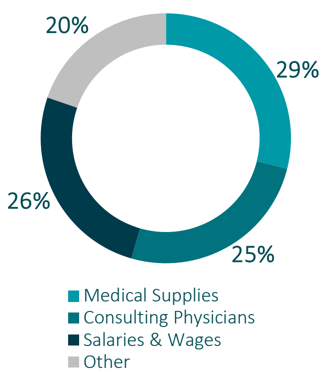
ASH Revenue Breakdown
(EGP mn)



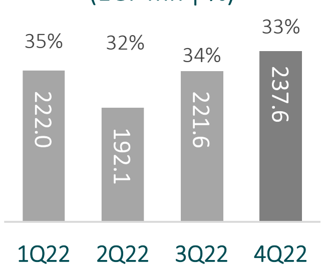
NBH Revenue Breakdown
(EGP mn)



COGS Breakdown
(FY22)



Consolidated Gross
Profit, GPM
(EGP mn | %)



The Group's ability to maintain cost discipline while coping with external challenges highlights its resilience and commitment to sustainable growth.

Gross Profit

In FY2, the Group recorded a consolidated gross profit of EGP 873mn, declining by 6% in absolute terms and with an associated margin of 33%, which is three percentage points lower than in FY21. However, this margin is in line with the Group's historical margins pre-Covid, considering FY21's high base effect on the back of Covid profitability. Despite the loss of high margin Covid-related business in FY22 and the exceptional inflationary period that the global market is experiencing, management has maintained its multi-pronged efficiency and cost avoidance strategies to shield the Group's margins as much as possible.

G&A Expenses

The General and Administrative (G&A) expenses of the company comprise the non-medical staff costs, senior management costs, commercial expenses, and group-level professional consulting fees. In FY22, the G&A expenses amounted to EGP 408mn, reflecting a 5% increase in absolute figures compared to FY21. However, the SG&A to sales ratio remained relatively flat at 15.6% compared to 15.2% in FY21.

This commendable achievement can be attributed to the Group's robust cost-cutting and avoidance strategies, as well as its efficient operational processes, which enabled the Group to maintain its G&A ratio to revenue despite the turbulent macroeconomic environment. These measures have been instrumental in offsetting the cost pressures arising from inflationary trends and supply chain disruptions.

The Group's ability to keep a tight rein on G&A expenses is a testament to its strong financial management and operational excellence. Management's prudent decision-making and cost optimization strategies have helped the Group to navigate through the current challenging business environment while preserving its financial strength and resilience.

EBITDA

CHG's adjusted EBITDA for FY22 stood at EGP 709mn, reflecting a decline of 7% compared to the previous year. The associated margin was 27%, which is three percentage points lower than FY21. However, it is important to note that management's efficiency agenda successfully prevented the 3% decline in GP margin from widening and negatively impacting the Group's EBITDA margins.

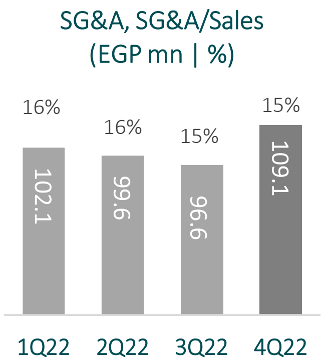
Despite the challenging business environment, the management's stringent efficiency measures have helped to mitigate the impact of external factors on the Group's financial performance. These measures have enabled the Group to maintain a healthy EBITDA margin, which reflects the strength of the management's strategic planning and execution.

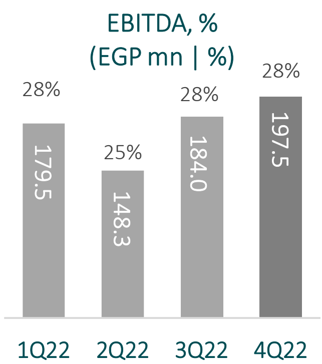
The management's focus on cost control and optimization, coupled with the power of the Group's integrated platform, has enabled the Group to weather the storm of the ongoing economic uncertainties. These measures have also enabled the Group to safeguard its financial stability and resilience, ensuring sustainable growth in the long run.

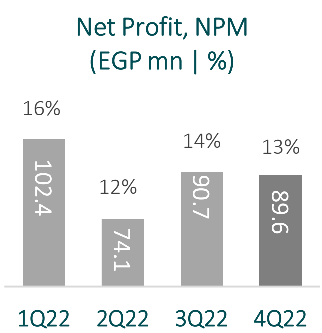
It is noteworthy that the Group's ability to maintain a robust EBITDA margin amid the current challenging business environment is a testament to the effectiveness of its management's strategies and their unwavering commitment to operational excellence.

Net Profit

CHG's consolidated net profit for the year ended 2022 amounted to EGP 356.7mn, representing a decline of 13% compared to the previous year. The associated margin was 14%, which is two percentage points less than in FY21. Despite the decline in net profit margin, management's initiatives to enhance efficiency helped the Group to absorb the sharp decline







in Covid-related revenues for the period and confidently transition into steeper growths of organic business at higher profitability margins than pre-pandemic levels.

CAPEX

The Group's investment in its infrastructure and feeder network has been a priority, with a particular focus on its centers of excellence operating model. As such, the total CAPEX outlays year to date amounted to EGP 331.7mn. It is noteworthy that this figure includes down payments for CAPEX purchases that are yet to be delivered, demonstrating the Group's proactive approach in anticipating potential price shocks.

Buyback Program

In 1Q22, the Group initiated a buyback program to create further value for CHG's shareholders. The program has resulted in the Group accumulating over 158mn shares, which represents 10% of the company's outstanding shares. With the approved cancellation of eligible treasury shares amounting to 154mn shares, the pro-forma FY22 EPS is EGP 0.25 per share. This reflects an impressive 11% accretion to the Group's investors, demonstrating CHG's commitment to driving shareholder value and management's confidence in the company's fundamentals. The pro-forma effect on the EPS is a testament to the Group's accretive strategy, which has delivered positive results for investors. CHG's focus on effective capital allocation and financial management has allowed it to deliver strong financial performance and attract investor confidence:

EGP mn	1Q22	2Q22	3Q22	4Q22	Totals
Net Income	102mn	74mn	91mn	90 mn	**357mn**
total shares					**1,600 mn**
Shares- Post Cancellation					**1,441 mn**
EPS					**0.22**
Proforma EPS					**0.25**

–Ends–

ABOUT CLEOPATRA HOSPITALS GROUP S.A.E.

The Group is the largest private hospital group in Egypt by number of hospital beds and number of operating hospitals. The company holds majority stakes and operates seven leading hospitals in the Greater Cairo Area: Cleopatra Hospital, Cairo Specialized Hospital, Nile Badrawi Hospital, Al Shorouk Hospital, Queens Hospital, El Katib Hospital, Sky Hospital, and Haven Hospital offering a full array of general, emergency healthcare services and rehabilitation services. The Group also operates two polyclinics located in strategic neighbourhoods of East and West Cairo and holds a majority stake in Bedaya for Medical Services, Egypt's leading IVF and Fertility Centre.

Shareholder Information

EGX: CLHO.CA
Listed: June 2016
Shares Outstanding: 1,600 million

For further information, please contact:

Cleopatra Hospitals Group S.A.E.

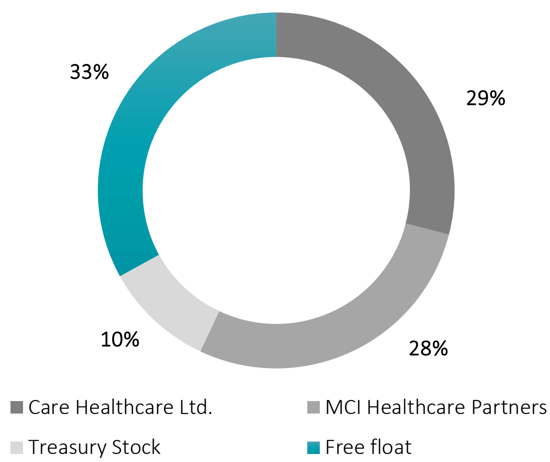
Hassan Fikry
Executive Director
Strategy & Business Operations
hassan.fikry@cleohc.com

Waleed Hamed
Corporate Strategy & IR Manager
waleed.hamed@cleohc.com

T: +2 (0)2 2241 7471
investors.cleopatrahospitals.com

Shareholder Structure

(as of December 2022)



Forward-Looking Statements

This communication contains certain forward-looking statements. A forward-looking statement is any statement that does not relate to historical facts and events, and can be identified by the use of such words and phrases as "according to estimates", "anticipates", "assumes", "believes", "could", "estimates", "expects", "intends", "is of the opinion", "may", "plans", "potential", "predicts", "projects", "should", "to the knowledge of", "will", "would", or, in each case, their negatives, or other similar expressions that are intended to identify a statement as forward-looking. This applies, in particular, to statements containing information on future financial results, plans, or expectations regarding our business and management, our future growth or profitability and general economic and regulatory conditions and other matters affecting us.

Forward-looking statements reflect our management's ("Management") current views of future events, are based on Management's assumptions, and involve known and unknown risks, uncertainties, and other factors that may cause our actual results, performance, or achievements to be materially different from any future results, performance, or achievements expressed or implied by these forward-looking statements. The occurrence or non-occurrence of an assumption could cause our actual financial condition and results of operations to differ materially from, or fail to meet expectations expressed or implied by, such forward-looking statements. Our business is subject to a number of risks and uncertainties that could also cause a forward-looking statement, estimate, or prediction to become inaccurate. These risks include fluctuations in the prices of raw materials or employee costs required by our operations, its ability to retain the services of certain key employees, its ability to compete successfully, changes in political, social, legal, or economic conditions in Egypt, worldwide economic trends, the impact of war and terrorist activity, inflation, interest rate and exchange rate fluctuations, and Management's ability to timely and accurately identify future risks to our business and manage the risks mentioned above.

Certain figures contained in this document, including financial information, have been subject to rounding adjustments. Accordingly, in certain instances, the sum or percentage change of the numbers contained in this document may not conform exactly to the total figure given.

Consolidated Statement of Income

All figures in EGP mn	4Q2021	4Q2022	% change	FY2021	FY2022	% change
Revenues	648.7	712.2	*10%*	2549.3	2614.4	*3%*
Cost of sales	(408.4)	(474.6)	*16%*	(1618.6)	(1741.1)	*8%*
Gross profit	**240.3**	**237.6**	*-1%*	**930.7**	**873.3**	*-6%*
Gross Profit Margin	*37%*	*33%*		*37%*	*33%*	
General & administrative expenses	(90.0)	(109.1)	*21%*	(388.0)	(407.5)	*5%*
Cost of acquisition activities	(5.7)	(1.5)	*-74%*	(17.5)	(4.3)	*-76%*
Provisions	(11.2)	(12.2)	*9%*	(25.1)	(22.4)	*-11%*
Other income	2.1	0.7	*-66%*	9.4	4.9	*-48%*
EBIT	**135.5**	**115.6**	*-15%*	**509.5**	**444.1**	*-13%*
EBIT Margin	*21%*	*16%*		*20%*	*17%*	
Interest income	19.0	11.8	*-38%*	59.6	49.2	*-17%*
Interest expense	(9.4)	(14.6)	*56%*	(34.4)	(43.6)	*26%*
Profit before tax	**145.2**	**112.8**	*-22%*	**534.6**	**449.7**	*-16%*
PBT Margin	*22%*	*16%*		*21%*	*17%*	
Income tax	(22.9)	(19.5)	*-15%*	(120.0)	(85.3)	*-29%*
Deferred tax	0.2	(3.7)	*0%*	(3.9)	(7.6)	*95%*
Net profit after tax	**122.6**	**89.6**	*-27%*	**410.7**	**356.7**	*-13%*
Net Profit Margin	*19%*	*13%*		*16%*	*14%*	
Distributed as follows:						
Shareholders of the company	115.4	78.8	*-32%*	387.3	325.8	*-16%*
Minority rights	7.2	10.8	*50%*	23.4	30.9	*32%*
Profit for the period	**122.6**	**89.6**	*-27%*	**410.7**	**356.7**	*-13%*

Consolidated Statement of Comprehensive Income

All figures in EGP mn	4Q2021	4Q2022	% change	FY2021	FY2022	% change
Net Profit	122.6	89.6	*-27%*	410.7	356.7	*-13%*
Other comprehensive income	0.0	0.0		0.0	0.0	
Total comprehensive income for the year	**122.6**	**89.6**	*-27%*	**410.7**	**356.7**	*-13%*
Total comprehensive income attributable to:	**122.6**	**89.6**	*-27%*	**410.7**	**356.7**	*-13%*
Owners of the company	115.4	78.8	*-32%*	387.3	325.8	*-16%*
Non-controlling interest	7.2	10.8	*50%*	23.4	30.9	*32%*
Total comprehensive income for the year	**122.6**	**89.6**	*-27%*	**410.7**	**356.7**	*-13%*

Consolidated Statement of Financial Position

All figures in EGP mn	31 December 2021	31 December 2022
Non-current assets		
Fixed assets	1,351.7	1,567.3
Intangible assets	425.5	423.4
Right of use	174.7	149.2
Payment under investment	5.7	4.2
Investment in associates	2.2	3.8
Total non-current assets	**1,959.8**	**2,147.9**
Current assets		
Inventory	51.3	108.0
Accounts receivables	383.3	505.4
Other receivables and debit balances	191.7	172.8
Due from related parties	0.5	3.2
Treasury bills	677.1	98.9
Cash	168.9	247.2
Total current assets	**1,472.8**	**1,135.5**
Total assets	**3,432.6**	**3,283.4**
Equity		
Share capital	800.0	800.0
Treasury Shares	(4.2)	(766.0)
Reserves	302.9	319.2
Retained earnings	1,270.0	1,517.4
Long term incentive plan	8.3	8.4
Equity attributable to the parent company	**2,377.1**	**1,878.9**
Non-controlling interest	120.7	148.4
Total equity	**2,497.8**	**2,027.4**
Non-current liabilities		
Other Liabilities	31.8	-
Non-current portion of lease liability	172.7	155.5
Non-current portion of Borrowings	-	88.0
Deferred tax liability	81.8	89.4
Total non-current liabilities	**286.3**	**329.9**
Current liabilities		
Provisions	21.9	25.3
Creditors and other credit balances	461.0	530.8
Current Portion of Borrowings	60.6	244.5
Current portion of lease liability	38.7	39.0
Other Liabilities	-	35.6
Current income tax	66.2	48.0
Total current liabilities	**648.5**	**923.1**
Total liabilities	**934.8**	**1,256.0**
Total liabilities & shareholders' equity	**3,432.6**	**3,283.4**

Consolidated Statement of Cash Flow

All figures in EGP mn	31 December 2021	31 December 2022
Cash flow from operating activities:		
Profit before tax	534.6	449.7
Adjustments for:		
Depreciation	113.9	133.1
Right of use depreciation	-	-
Amortization of intangible assets	15.9	15.9
Allowance for impairment of current assets	(9.8)	(42.7)
Provision	0.3	3.4
Capital gain/Loss	0.8	0.4
Credit / Debit Interest	(25.1)	2.7
Changes in current tax liability	(89.9)	(100.4)
Loss In Investments in subsidiaries	(1.0)	(0.4)
Share-based payments financial liabilities	8.3	16.5
Operating profits before changes in assets and liabilities	**547.9**	**478.1**
Changes in working capital:		
Changes in Inventories	15.0	(57.0)
Change in trade receivables, debtors and other debit balances	52.1	(161.1)
Changes in Due from related parties	(0.7)	(2.6)
Change in trade and other payables	24.6	69.7
Employee Incentive Plan	-	(16.4)
Change in lease	(11.6)	8.4
Net cash flows generated from operating activities	**627.3**	**319.0**
Cash flow from investment activities:		
Proceeds from sale of fixed assets	3.4	2.2
Fixed assets purchased	(97.5)	(161.7)
PUC purchased	(167.1)	(189.6)
Advance payment for purchase of fixed assets	(17.6)	19.6
Fixed assets Suppliers	(2.8)	-
Payments under investment	(5.7)	1.5
Credit Interest Collected	50.8	41.0
Paid for Investment Associates	-	(11.2)
Net cash flows used in investing activities	**(236.4)**	**(298.3)**
Cash flow from financing activities:		
Treasury Shares	(74.2)	(681.2)
Dividends paid out	(47.0)	(67.9)
Cash Proceed From Overdraft	464.6	479.9
Cash Paid to Overdraft	(404.0)	(296.0)
Interest paid	(37.7)	(43.6)
Receipts from borrowings	-	88.0
Net cash flow from financing activities	**(98.3)**	**(520.8)**
Net change in cash & cash equivalents during the year	**292.5**	**(500.1)**
Cash and cash equivalents at the beginning of the year	550.5	847.5
Cash And Cash /equivalent In Acquired Subsidiaries at Beg. Of The Period	4.5	-
Cash & cash equivalents at the end of the year	**847.5**	**347.4**