



CLEOPATRA HOSPITALS
GROUP

Cleopatra Hospital Company

Investor Presentation 2Q17

At a Glance

- Cleopatra Hospital Company (the "Group" or "CHC"), is the largest private hospital group in Egypt and consists of four operational hospitals all in Cairo, namely:

- I. Cleopatra Hospital ("Cleopatra") (100% ownership)
- II. Cairo Specialized Hospital ("CSH") (53.7% ownership)
- III. Nile Badrawi Hospital ("NBH" or "Nile Badrawi") (99.9% ownership)
- IV. Al Shorouk Hospital ("Al Shorouk") (99.9% ownership).



4

Operational hospitals across our platform



+20

Years of subsidiary track record



635

Patient beds including 400 rooms /wards and 120 ICU beds



+2,000

Total medical staff including c. 650 resident doctors and c. 1400 nursing staff



EGX

Publicly listed on the EGX since June 2016



c.1,000,000

Cases served LTM



EGP 524 mn

Consolidated revenues in 1H17 with **27%** growth vs. 1H16



EGP 108 mn

EBITDA in 2Q17 with a 24% margin

Presence in Attractive Catchment Areas Across Greater Cairo



CLEOPATRA HOSPITALS AL SHOROUK HOSPITAL

Location	Mohandesin, Giza
Built-up Area	5,270 sqm
Date Established	1996
# of Beds	120

West Cairo Acquisition⁽¹⁾⁽²⁾

Location	Dokki, Giza
Built-up Area	6,500 sqm
Date Established	1946
# of Beds	92 ⁽²⁾
Status	Documents signed, pending closing



CLEOPATRA HOSPITALS NILE BADRAWI HOSPITAL

Location	Maadi, Cairo
Built-up Area	10,980 sqm
Date Established	1985
# of Beds	143



CLEOPATRA HOSPITALS CLEOPATRA HOSPITAL

Location	Heliopolis, Cairo
Built-up Area	7,380 sqm
Date Established	1984
# of Beds ⁽²⁾	167



CLEOPATRA HOSPITALS CAIRO SPECIALISED HOSPITAL

Location	Heliopolis, Cairo
Built-up Area	14,600 sqm
Date Established	1976
# of Beds	204



Note (1): This acquisition is still pending the completion of certain condition precedents and may not be completed for the above mentioned or any other reason

Note (2): expected to increase to 108 beds post expansion

Cleopatra Investor Presentation 2Q17

— Our Value Proposition



Key Investment Highlights

1

Resilient and underpenetrated market with structural demand growth

2

Leading position in a market with high barriers to entry

3

Capitalizing on established brand equity & subsidiary track record

4

Leverage on integrated platform and scale to extract synergies

5

Solid financial performance with potential for enhanced profitability

6

Seasoned management team with strong track record backed by strong corporate governance and experienced board of directors

Resilient & Underpenetrated Market with Demand Growth

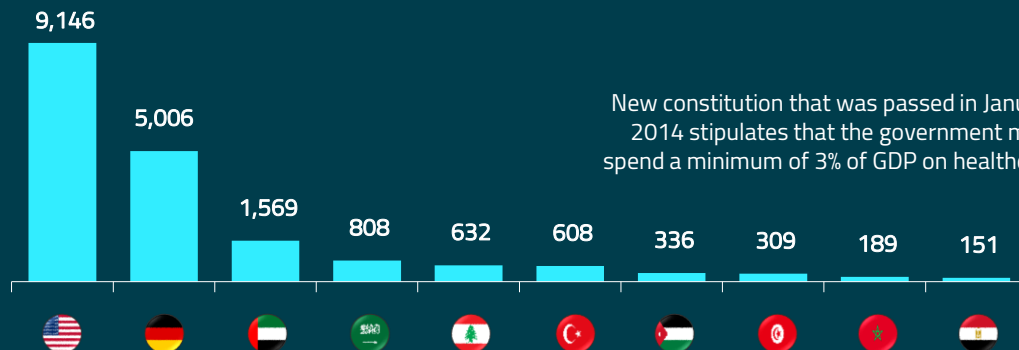
Operating in an underpenetrated and growing market

Hospital Beds / (1,000 people) (2013)



Source: World Bank

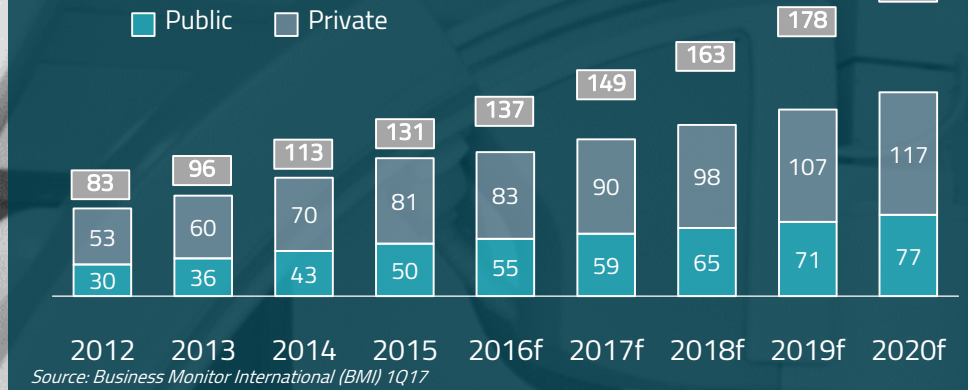
Healthcare Expenditure per Capita (USD)(2013)



Source: World Bank

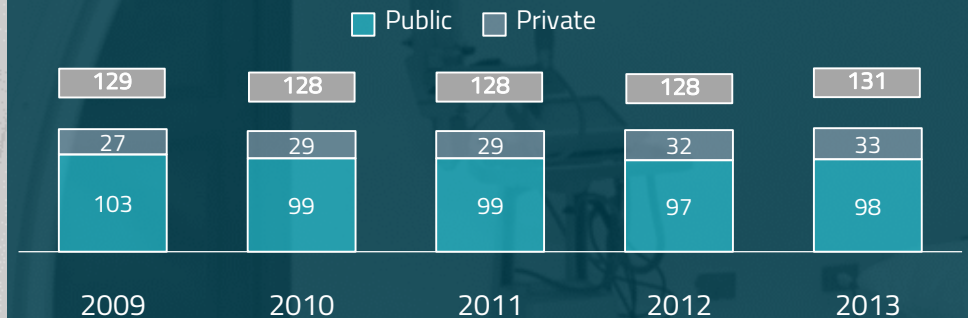
New constitution that was passed in January 2014 stipulates that the government must spend a minimum of 3% of GDP on healthcare

Healthcare Expenditure (EGP bn)



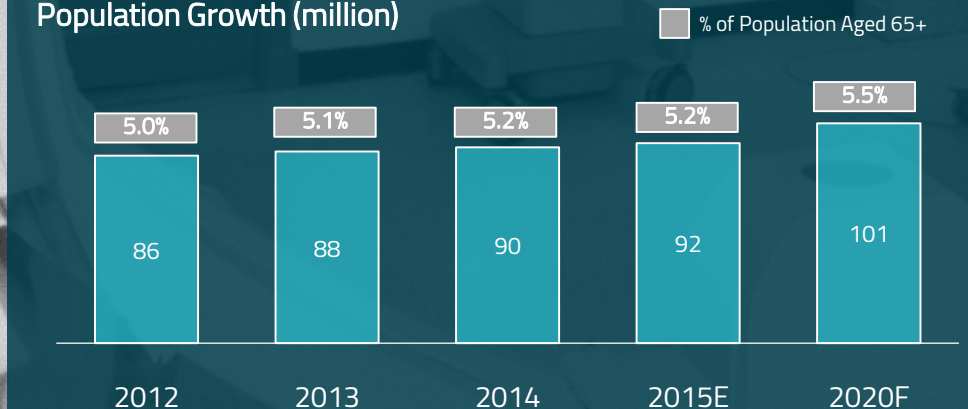
Source: Business Monitor International (BMI) 1Q17

Historical Growth in Number of Beds in Egypt ('000s)



Source: LOGIC, WHO, CAPMAS

Population Growth (million)

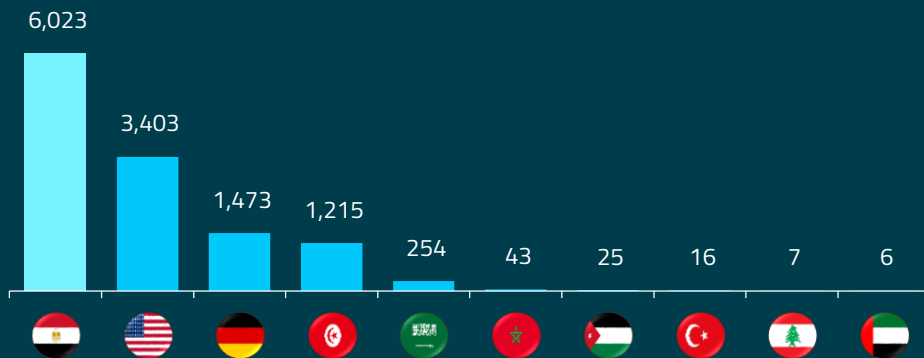


Source: Business Monitor International (BMI)

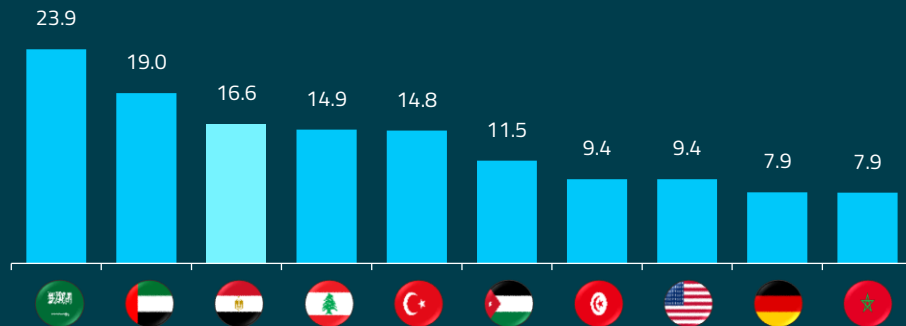
Prevalence of Diseases in Egypt

Lifestyle Diseases

Hepatitis C Prevalence (2012) ('000 cases)

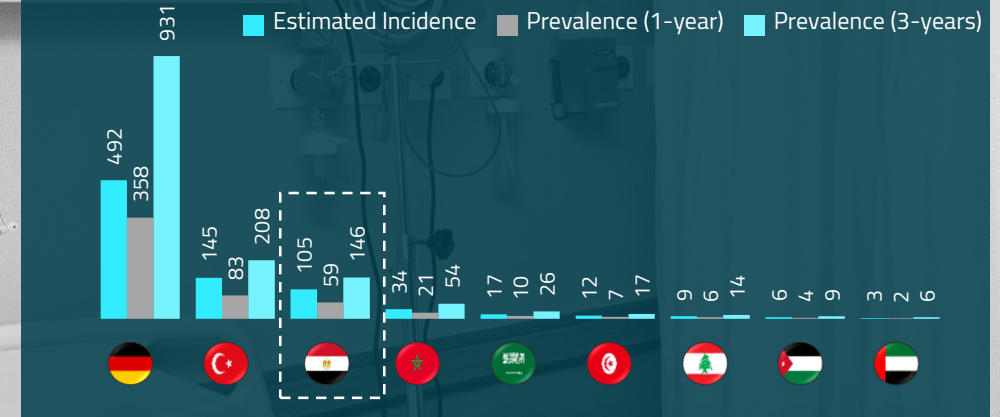


% Diabetes Prevalence in 20-79 years age group (2013)

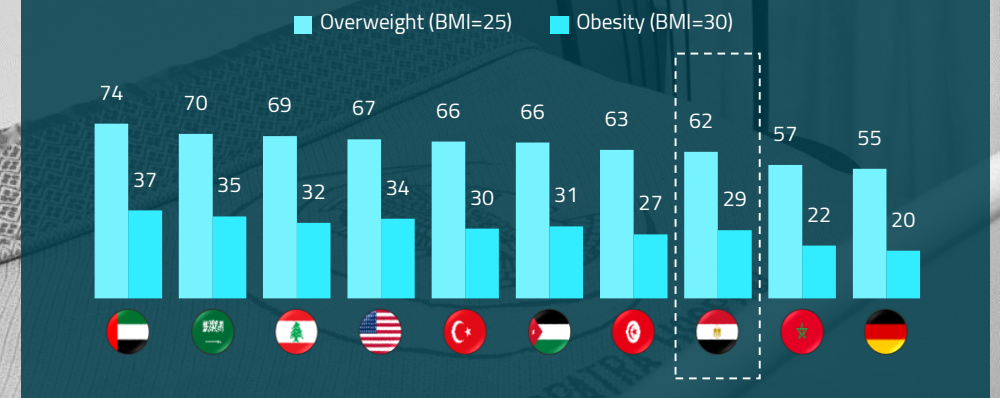


Source: LOGIC, WHO, International Agency for Research on Cancer, National Center for Biotechnology Information

Cancer Prevalence (2012) ('000 cases)

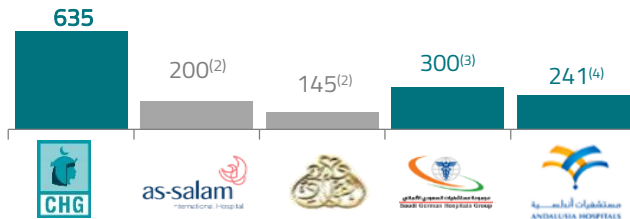


% of Population Overweight and Obesity (2013)

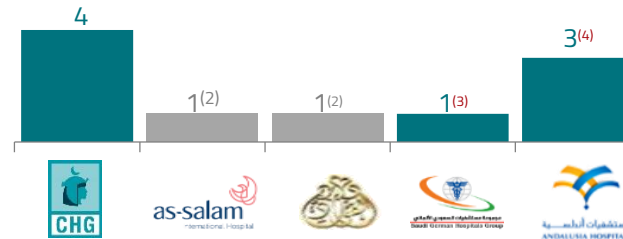


Leading Position in a Market with High Barriers to Entry

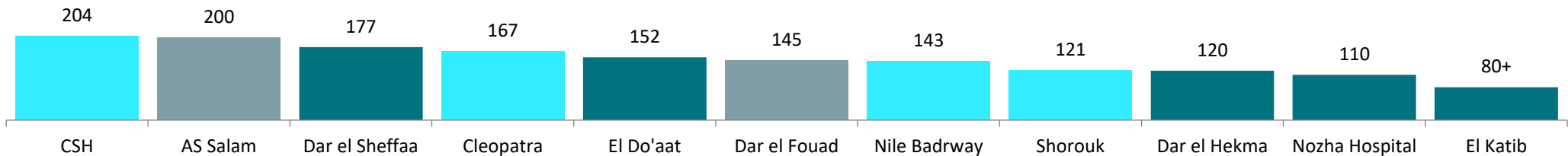
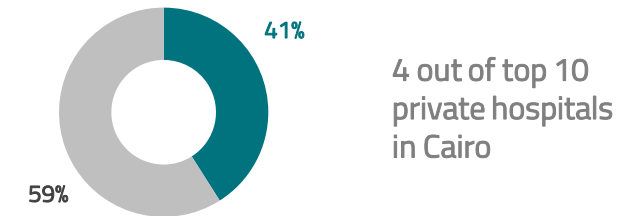
Largest institutional hospital group in Egypt by number of beds⁽¹⁾...



...And by number of hospitals⁽¹⁾ ...



...Capturing the largest share of the top 10 large private hospitals in Cairo



Top Private Hospitals in Cairo - Existing number of beds (2016)

...With significant barriers to entry

Brand Equity and Track Record

Track record and reputation are key to patients' selection

Economies of Scale

Large investments on medical infrastructure, equipment and real estate are required to build scale through network expansion and achieve economies of scale.

Wide Geographic Coverage

Wide geographic presence through multiple facilities spread across different areas allows for better access to a larger target market and more customer reach

Employer of Choice

Ability to attract renowned doctors given operational competency, quality of infrastructure and reliability of patient flows

Source: Logic, company public information

Note (1): As of December 31, 2015, except for Saudi German; Note (2): Dar El Fouad and As Salam are managed as one group; Note (3): Saudi German started operations in 2016 (not fully operational yet);

Note (4): Andalusia group has 3 hospitals that are all less than 100 beds each, two of which are in Alexandria and 1 in Cairo



Capitalizing on Established Brand Equity & Subsidiary Track Record

Individual Subsidiary Track Record



CLEOPATRA HOSPITALS
CAIRO SPECIALISED HOSPITAL

Est. 1976

- Reputable brand in East Cairo area
- 40 years of track record
- Centrally located in East Cairo with easy accessibility
- Largest footprint with potential for enhanced utilization
- 173 resident doctors and 336 nursing staff
- 206 practicing physicians / consultants⁽²⁾
- Majority of consultants are university professors

As of March 31, 2017
Note (1): Includes OR beds
Note (2): Approximate figures



CLEOPATRA HOSPITALS
CLEOPATRA HOSPITAL

Est. 1984

- Reputable brand in East Cairo area
- Over 30 years of track record
- Centrally located in East Cairo with easy accessibility
- Offers all major medical specialties
- One of the best staffed ERs
- 209 resident doctors and 473 nursing staff
- 283 practicing physicians / consultants⁽²⁾
- Majority of consultants are university professors
- In 1999, Cleopatra acquired a new adjacent building, expanding the hospital's land area to a total of 1,727 m²
- Quality accreditations:

ISO 10002

Customer Satisfaction

ISO 22000

Food Safety

ISO 9001

Quality



CLEOPATRA HOSPITALS
AL SHOROUK HOSPITAL

Est. 1996

- Reputable brand in West Cairo area
- 20 years of track record
- Founded as a multi specialty, fully equipped therapeutic hospital
- 138 resident doctors and 319 nursing staff
- 221 practicing physicians / consultants⁽²⁾
- Majority of consultants are university professors
- Acquisition of adjacent building in 2005, increasing capacity from 96 to 120⁽¹⁾ beds
- Serving GAMCA patients
- Quality accreditations:



ISO 9001

Quality



CLEOPATRA HOSPITALS
NILE BADRAWI HOSPITAL

Est. 1985

- Reputable brand in West Cairo area
- More than 30 years of track record
- In addition to offering all specialties, NBH is recognized for complex treatments as IVF, neonatal care, organ transplant and open heart surgery
- One of the first private hospitals to introduce radiotherapy in Cairo, positioning it as an oncology center
- Oncology department with state of the art linear accelerator (Varian)
- 117 highly qualified resident doctors and 255 nursing staff
- 269 practicing physicians / consultants⁽²⁾
- Serves GAMCA patients

All hospitals are located in catchment areas benefiting from high demand from these locations' affluent target markets

Leverage on Integrated Platform and Scale to Extract Synergies

Institutionalized Group Management

- Centralized functions including quality control, IT, HR, finance, legal, business development and supply chain
- Bottom-up business planning

Centralized Procurement

- Centralized procurement strategy and function

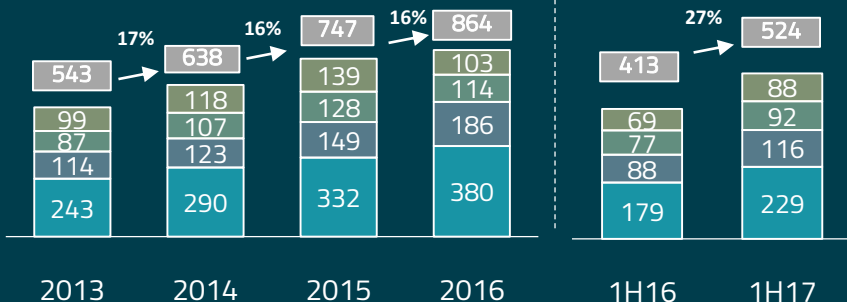
Unified Business Development Function

- Leverage Group position to forge win-win agreements with leading corporate, and insurance clients
- Centralized relationship with contract clients
- One-stop-shop approach

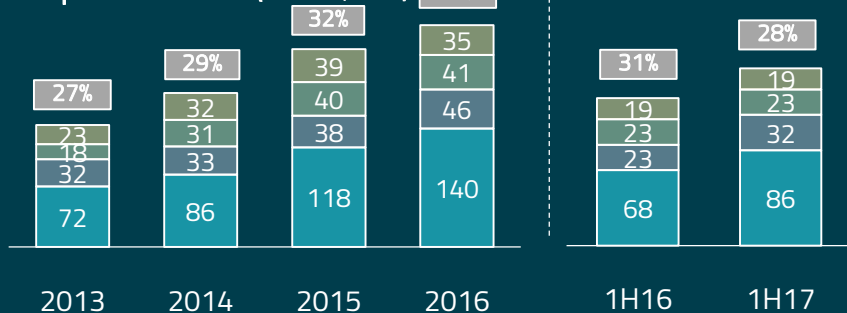
- Shared cost benefits
- Standardized and improved quality
- Improve collection / billing
- Enhanced operations / management
- Stronger bargaining power
- Significantly enhanced margins

Solid Financial Performance*

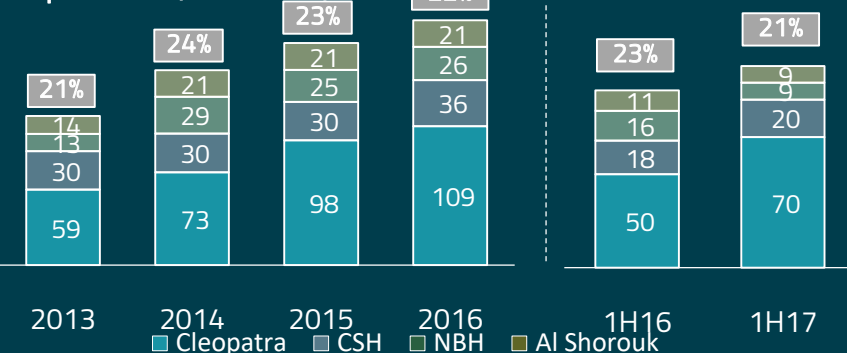
Group Revenues (EGP mn)



Group Gross Profit (EGP mn, GPM)

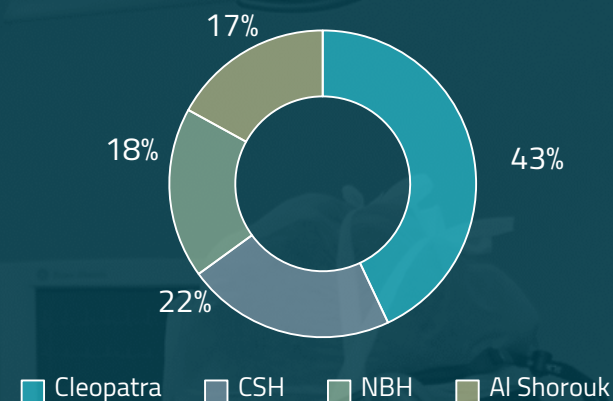


Group EBITDA (EGP mn, GPM)



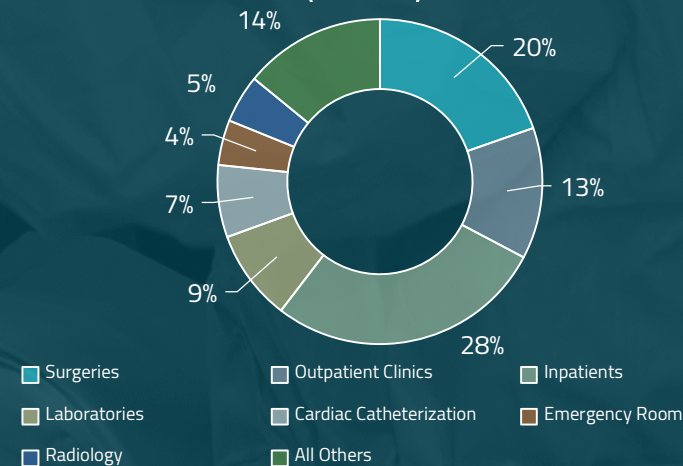
Group Revenue Contribution by Hospital

(1H 2017)



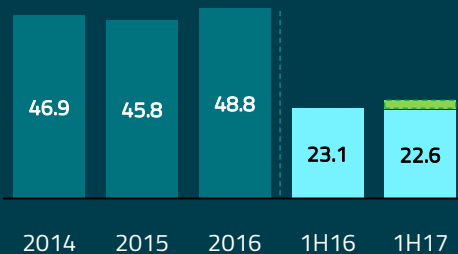
Group Revenue Contribution by Segment

(1H 2017)

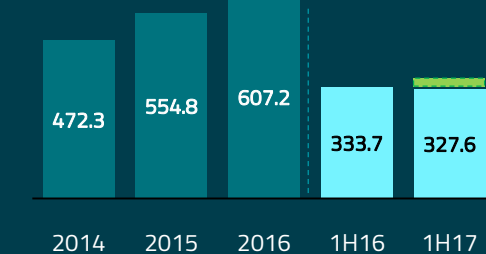


Key Revenue Drivers

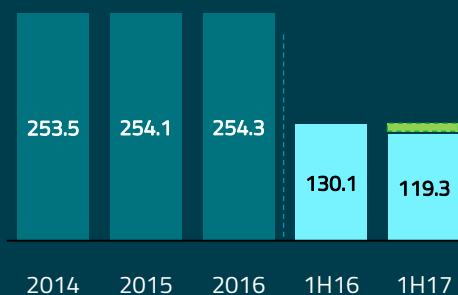
Number of Inpatients ('000s)



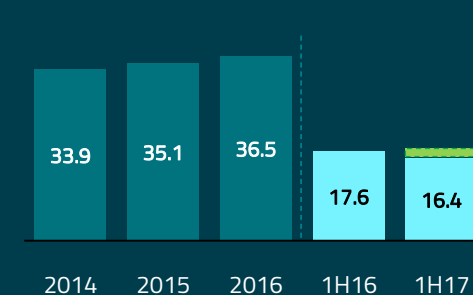
Outpatient Visits ('000s)



Number of ER Patients ('000s)

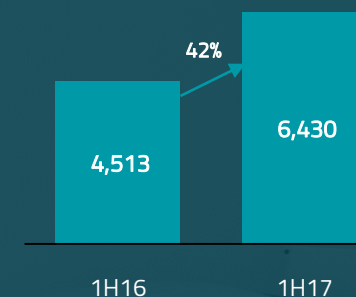


Number of Surgeries ('000s)

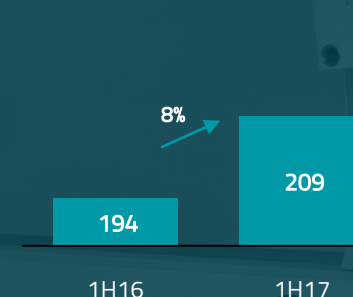


 Ramadan Effect⁽²⁾

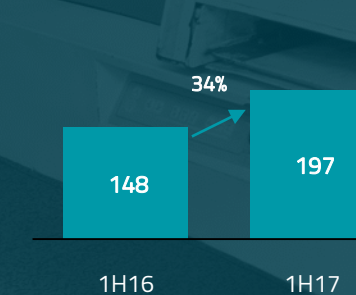
Revenue per Inpatient (EGP)



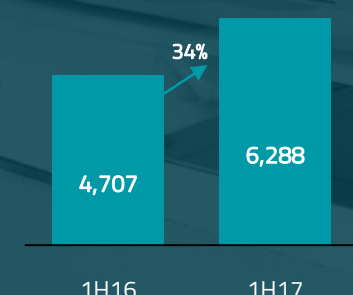
Revenue per Outpatient (EGP)



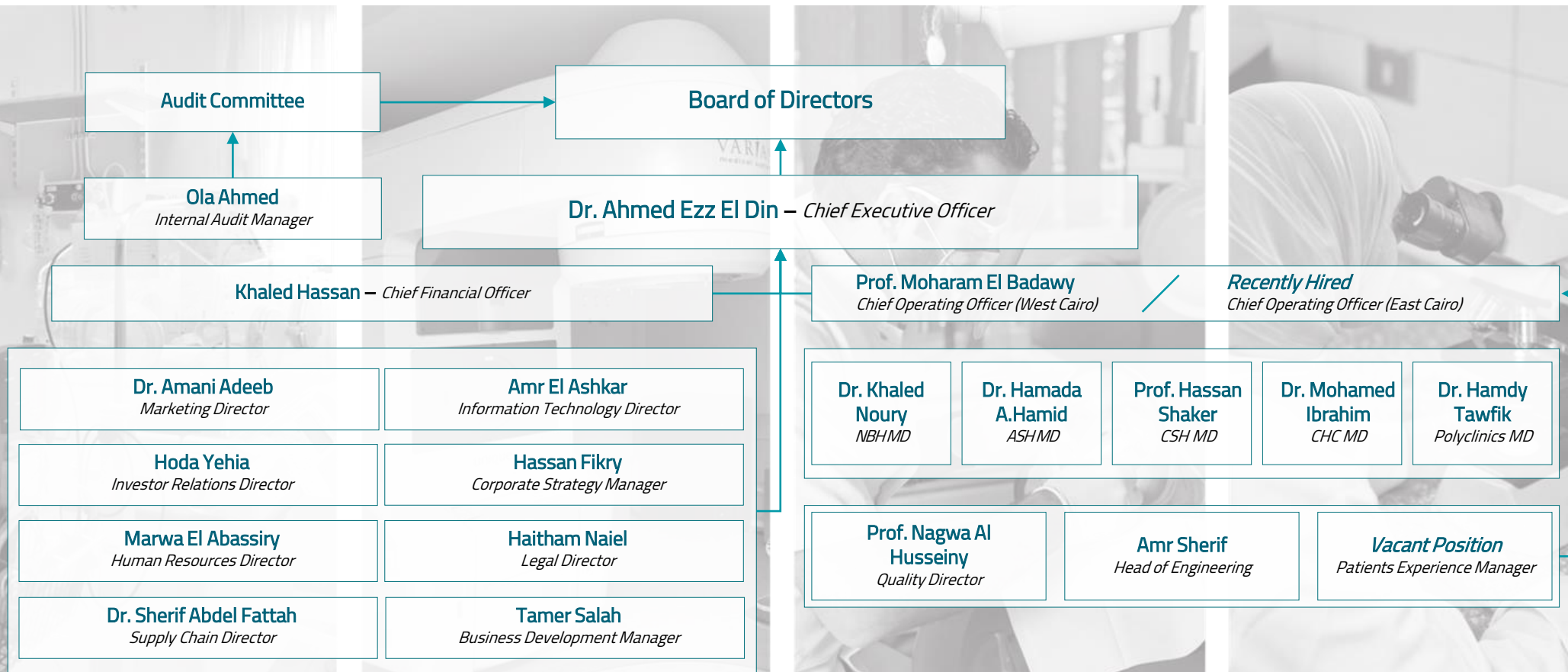
Revenue per ER Patient (EGP)



Revenue per Surgery (EGP)



Led by a Seasoned Management Team with Clear Organizational Structure



Key Achievements since IPO



Key Group Achievements Since 2016' IPO

Integration, Optimization of Operations



Integrating and Institutionalizing the Group

Standard Organizational Chart	Internal Audit Function
Umbrella Brand (One Cleopatra)	Business Segments KPIS and Reviews
Quality Improvement	Elevated Patients' Food Standard
New Corporate Team	New Hospitals' MDs
Key Employee Incentive Schemes	Employees Reward Policy
Central Laundries	Call Center
Health Insurance Schemes	



Capitalizing on Economies of Scale

Procurement Department
Drug Formulary
Standardization of SKUs
Unified Contractual Agreements
Global Insurance Agreements
Pricing Strategy / Credit Terms
Centralized Collection Function



Infrastructure / Technology Upgrade

ERP / HIS system	NBH and CSH facelift
ASH In-Patient Wards	CSH Physiotherapy
ER / ICU	Cath Labs / ORs
PACS System	



Service Quality / Offering

One Stop Shop	Nurse Training Program
Renal Transplantation	COEs
State of the Art Imaging Center	Complex Surgeries
JCI Accreditation Roadmap	Cleopatra Club Meetings



Optimize Capacity and Patient Flow

Referral Pathway
Medical Tourism
New Insurance Companies
Package Surgery Bundles
New Corporate Clients



Expanding The Group's Feeder Network

Introducing the 1st Member of the Hub and Spoke Network

- As Part of CHG's strategy, the Group's 1st polyclinic will be located in New Cairo, and is earmarked for operations by Q4 2017
- The Group is also in the process of site identification for the 2nd polyclinic in the West Cairo area

The East Cairo Polyclinic

Clinics across all specialties fully equipped with latest technology



12 Clinics



ER / Pharmacy / Ambulance

+300

Slots



X-Ray / Ultrasound



Hot Lab



Key Group Achievements Since 2016' IPO (Cont'd)

Al Shorouk Expansion

- The Group received several proposals for the construction of Al Shorouk extension, and is currently in the process of selecting the contractor
- Al Shorouk extension is expected to commence operations in early 2019



Cleopatra Expansion

- The Group is still involved in an administrative lawsuit for rezoning the existing villa, which the Group intends to develop into an extension of the hospital

West Cairo Hospital Acquisition⁽¹⁾

- During September 2017, CHG signed definitive agreements to acquire the real estate assets and the operational assets of a new hospital in West Cairo
- Founded in 1946, the hospital was founded by a group of doctors, which was then restructured and established as a new company in 2013, for the purpose of operating and managing general hospitals and medical centers
- After its re-opening in June 2014 with a capacity of 27 beds, the hospital increased its capacity in 2015 and 2016, reaching 53 beds
- The hospital is also undergoing an additional expansion in order to reach 108 beds, as is expected to contribute around EGP 35mn⁽²⁾ of EBITDA to CHG over the coming period



92⁽³⁾
Hospital Beds

















Kidney Specialist
offering a complementary service



2,264m²
Land Area hosting two buildings with a total BuA of 6,500m²

Services & Specialties

ICU 	Urology 
Cardiac Cath 	Neurology 
Nephrology 	Plastic Surgery 
Urinary Tract 	Orthopedics 
Emergency 	Oncology 
Outpatient Clinics 	Hematology 
Endoscopy / Radiology 	Prostate Treatment 

KPI Growth⁽²⁾

+21,000
Outpatient visits
In 2016, with **118%** growth vs. 2015

+4,000
Inpatients
In 2016, with **52%** growth vs. 2015

+5,000
ER Patients
In 2016, with **85%** growth vs. 2015

Targeted Hospital In Pictures



Note (1): This acquisition is still pending the completion of certain condition precedents and may not be completed for the above mentioned or any other reason

Note (2): based on management accounts, and is to be subject to diligence and audit, and involve a number of risks, uncertainties and assumptions that could cause actual results and performance to differ materially

Note (3): expected to increase to 108 beds post expansion

Our Forward Looking Strategy



Clearly Defined Growth Strategy

Our growth strategy is based on six key pillars:



Integrating the platform to achieve higher efficiencies

1



Enhancing utilization and optimizing existing capacity

2



Expanding hospital capacities and feeder network

3



Strengthening unified brand

4



Leveraging stronger position with insurance and contract clients

5



Establish centers of excellence and achieve international accreditation

6

Integrating the platform to Achieve Higher Efficiencies



Centralized
Procurement

Institutionalizing
Group
Management

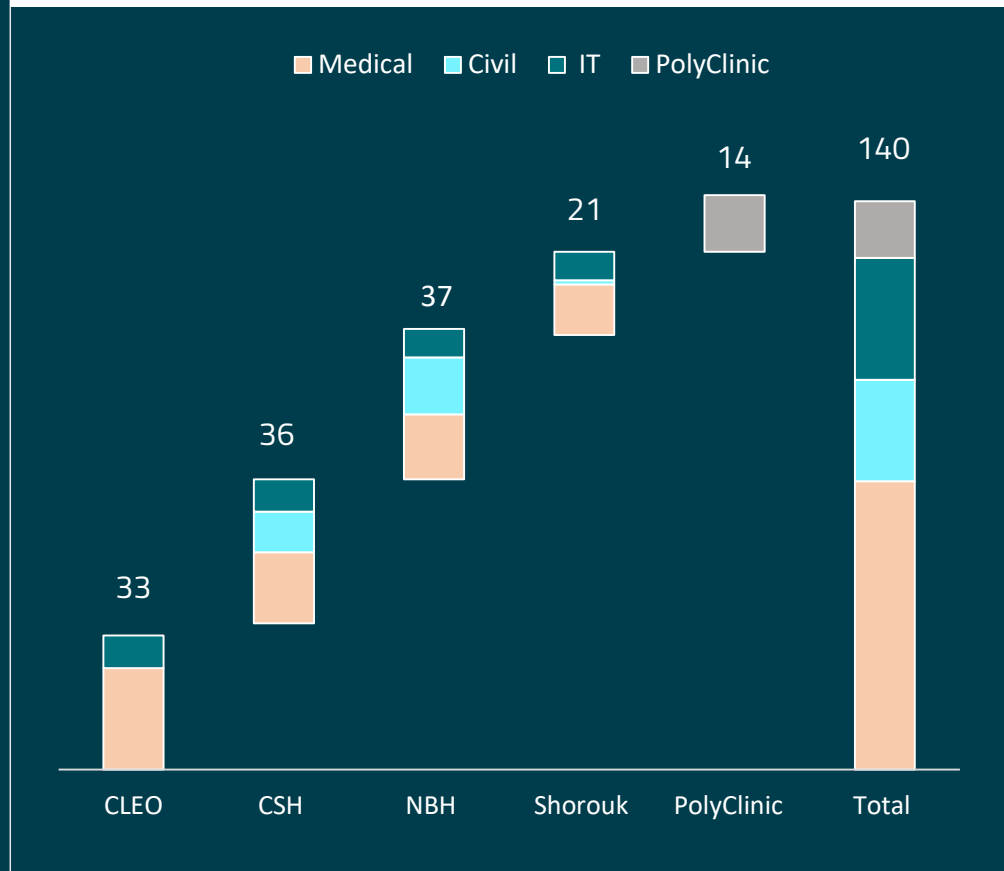
Attracting
Insurance &
Corporate Clients

Comprehensive
Service Platform

Upgrading
Equipment and
Facilities

Enhancing Utilization and Optimizing Existing Capacity

2017 CAPEX Plan (EGP mn)



Optimization of Existing Space and Services

- Enhancing efficiency of underperforming assets through proper management and targeted investments, with Cleopatra itself showing potential for improvement
- The plan is to unlock potential through
 - renovation and upgrade of the facilities;
 - negotiating better deals with contractual clients and attracting better contractual clients profiles
 - attracting the right consultants and doctors; and
 - upgrading / adopting new and advanced medical technologies

Expanding the Group's Feeder Network

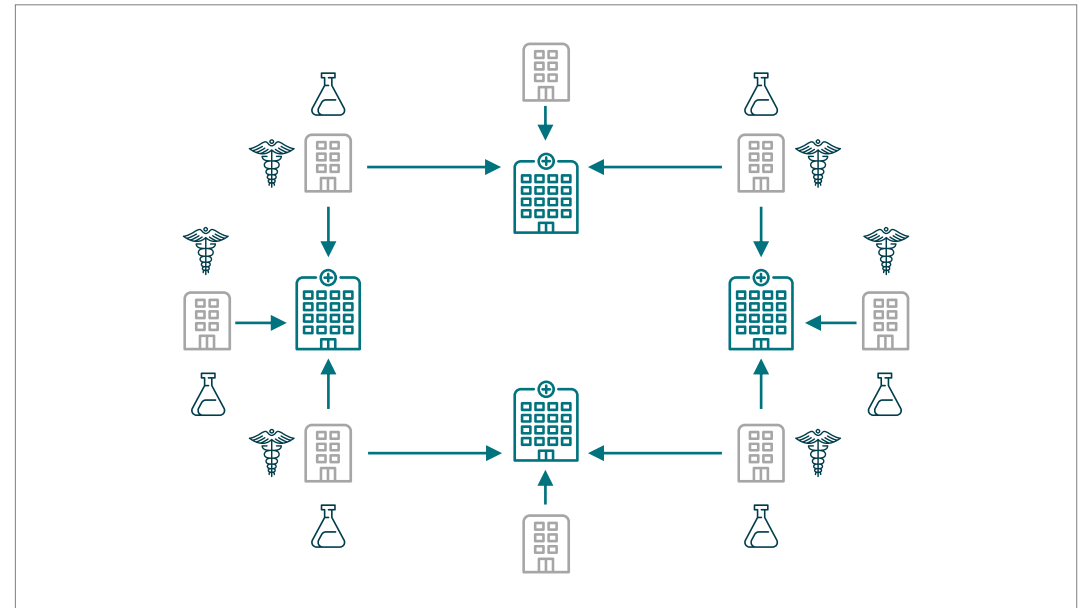
Expand patient access through ambulatory outpatient center offering

Market opportunity

Ambulatory Clinics are a relatively underdeveloped but high-margin offering in Egypt, with significant expansion avenues

Objective

Expanding the hospitals' reach by establishing a low CAPEX feeder network over the next 2-3 years. Locations have already been identified with two locations to be shortlisted by year end.



This acts as the hub hospital(s), to which major, complex cases are transferred for secondary and tertiary care services. By expanding in new major cities, there would potentially be several hubs or COEs across Egypt.



These polyclinics are intended to act as feeders to the Group hospitals. These would ideally be located in different geographic areas to extend the Group's reach through a low CAPEX model.

Strengthening Unified Brand

Creating an Umbrella Brand Synonymous with Quality Patient Care

Phase I – Corporate Positioning

- ✓ Upgrade equipment / standardize quality of all services across the Group
- ✓ Attract best-in-class doctors
- ✓ Standardize staff levels and skills
- ✓ Enhance the patient's full experience
- ✓ Implement unified HIS system
- ✓ Achieve Gold standard for all Group assets
- ✓ Call Center and registration process for unified brand awareness
- ✓ Conduct patient satisfaction ongoing survey
- ✓ Specialty awareness campaigns

Phase II – Promoting Umbrella Brand

- ✓ Creating the Group's brand identity
- ✓ Communicate the Group's identity to the public through internal and external channels, including:



- ✓ Retain individual brands, while positioning the individual hospitals under the new umbrella brand

Target – Unified Group Brand Identity



CLEOPATRA HOSPITALS
GROUP



Leveraging Stronger Position with Insurance and Contract Clients



MetLife Insurance Pricing Classification

MetLife Gold Card

- Hospitals included solely in this group are considered of premium quality
- Relatively more expensive services
- Exclusively available for the highest insurance package holder

MetLife Silver Card

- 2nd tier hospitals included
- Midsized insurance packages

MetLife Green Card

- 3rd tier hospitals included

MetLife Orange Card

- Cheapest insurance package
- Lowest quality of healthcare services



CLEOPATRA HOSPITALS
GROUP



CLEOPATRA HOSPITALS
NILE BADRAWI HOSPITAL



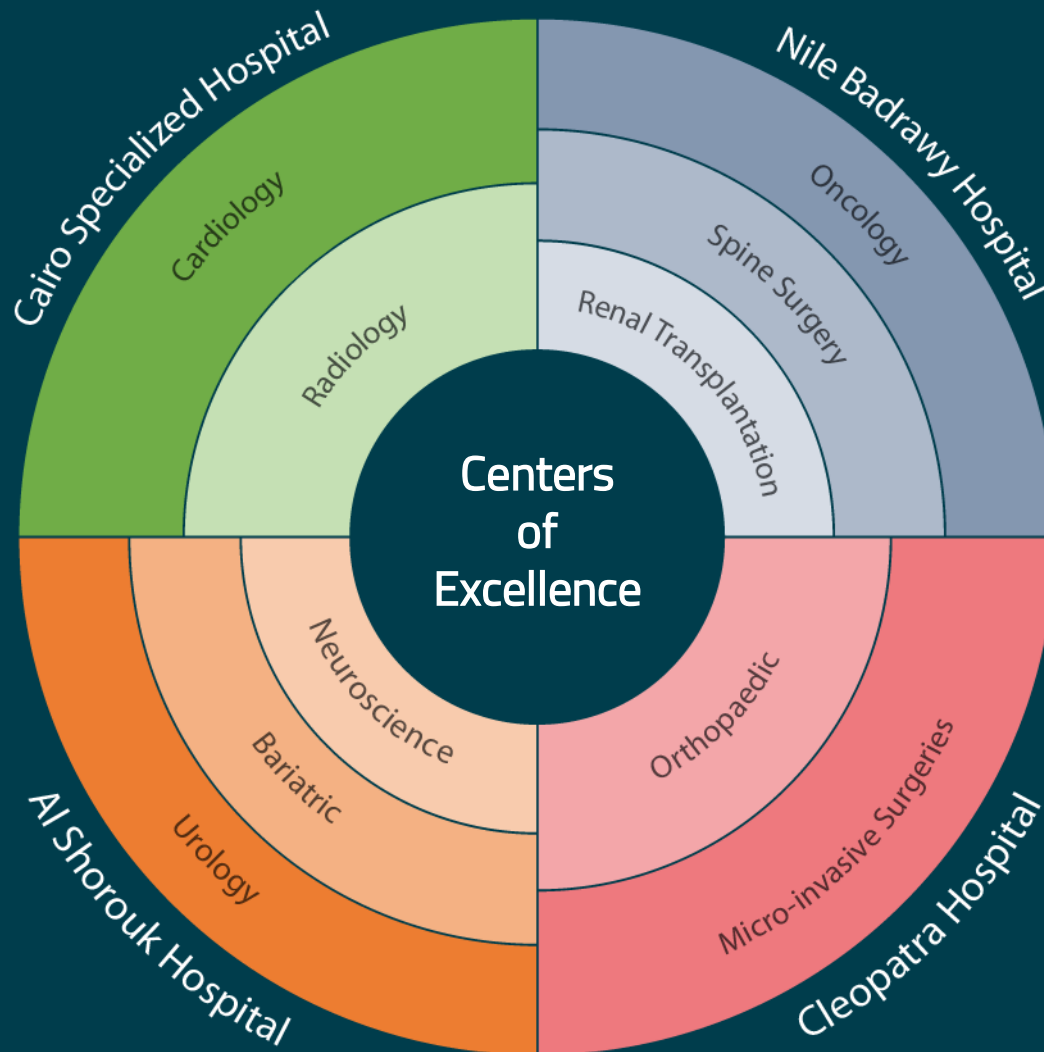
CLEOPATRA HOSPITALS
CAIRO SPECIALISED HOSPITAL



CLEOPATRA HOSPITALS
AL SHOROUK HOSPITAL



Establish Centers of Excellence (CoEs) to drive higher margins



- The Group is laying the groundwork to expand its Centers of Excellence (CoEs) network, focusing on the provision of tertiary services based on each asset's unique strengths
- COEs will enable the Group to minimize capex since there will be no need to invest in the same equipment or technology in all hospitals – the Group could simply depend on inter-group referrals
- The intention is to establish 1 to 2 COEs per asset based on the Group's specialty mapping exercise
- COEs will be the vehicle to get affiliations with international institutions, which will allow the Group to attract global renowned experts, in order to perform consultations / surgeries in our COEs

Achieve Joint Commission International (JCI) Accreditation

The quality council is in charge of creating a unified quality policies and procedures structure, tailored to match each hospital's characteristics; reviewing policies and procedures' implementation and preparing benchmark audits between hospitals' quality teams, capitalizing on strengths, knowledge, and experience. The major objective for the quality department is to obtain the JCI accreditation and OHSAS 18001 across the group, while extending the HACCP food management system certificate as the operational benchmark to the remaining two hospitals

Qualification Value Added

A deep commitment to high-quality care

A culture of safety for patients, visitors, and staff

A willingness to undergo rigorous preparation and a survey

Care delivery based on leading, evidence-based practices

Provides framework for control and continuous improvement

Improved ability to attract high quality medical talent

Stronger brand to lure customers, often with higher purchasing power

Potential ability for charging premium pricing

Key Initiatives

- CHG has undergone an in-house accreditation assessment in Q1 2017, and is currently implementing its roadmap to accreditation
- The assessment identified key gaps across JCI's different assessment criteria, as well as guidelines for a readiness roadmap with the key priority areas identified being:
 - i. Patient safety
 - ii. Assessment of patients
 - iii. Anesthesia and surgical care
 - iv. Medication management and use
 - v. Prevention and Infection Control
- CHG's hospitals are scheduled to undergo a mock survey by Q1 2018

Governance & Shareholder Information



CHC is Back by an Experienced Board of Directors

Well Structured BoD⁽¹⁾

Healthcare Experts

Dr. Mohamed Awad Tag El Din
Former Minister of Health

Dr. Tarek Zahed
Non-Executive Chairman

Dr. Ahmed Ezzeldin
Executive Member & Group CEO

Sameh Mohsen
Founder / Previous CEO Cleopatra Hospital

Financial and Investment Experts

Nabil Kamhawy
Former Head of Ernst & Young Egypt

Ahmed Badreldin
Partner - Abraaj

General Omar Kinawy
Former Deputy Head of Intelligence

Omr Ezz Al Arab
Director - Abraaj

Lobna El Dessouky
Director


Active Board Committees

Audit
Nabil Kamhawy, Chairman

Remuneration
Ahmed Badreldin, Chairman

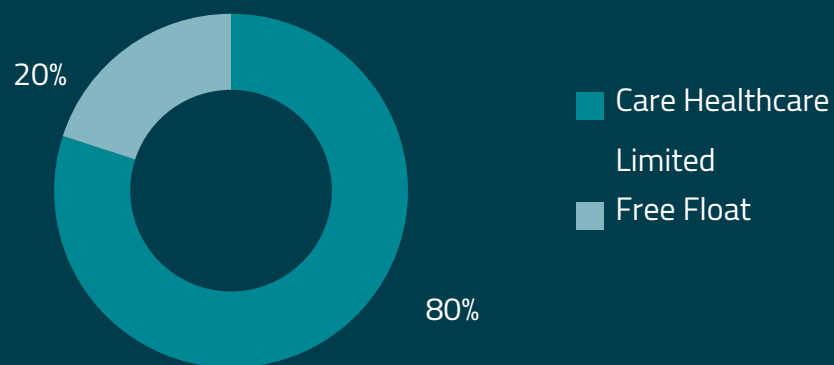
Medical Ethics & Quality
Dr. Mohamed Awad Tag El Din, Chairman

Note(1): Non-independent directors, excluding Sameh Mohsen, are appointed on behalf of Care

 Independent members

Key Investor Information

Cleopatra Hospitals Company's Shareholder Structure



Care Health Limited's Key Shareholders



The Abraaj Group is a leading investor operating in the growth markets of Asia, Africa, Latin America and the Middle East, currently manages c. US\$ 9.5 billion across 20 sector and country-specific funds



DEG, the German Investment and Development Corporation, is a subsidiary of KfW, aiming at promoting business initiative in developing and emerging market countries as a contribution to sustainable growth and improved living conditions of the local population

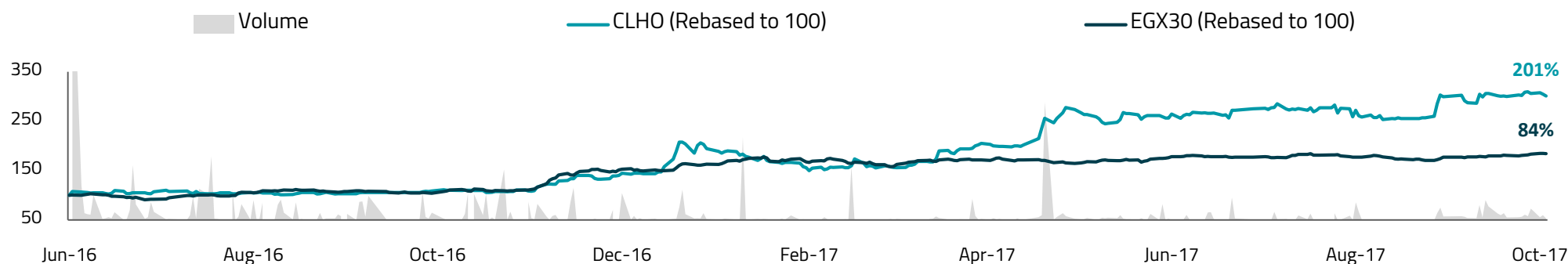


A Development Financial Institution partly owned by Agence Française de Développement (AFD), which promotes private investment in developing countries to reach the Millennium Development Goals



An international financial institution, which uses investment as a tool to build market economies, supporting the development in 30 countries from central Europe to central Asia

Cleopatra Hospitals Company Stock Performance



Source : Bloomberg

Note (1): As of 3 Oct 2017 @ USD / EGP 17.64

Note (2): As of 3 Oct 2017



Appendix I: Financial Statements & Management Commentary



Consolidated Income Statement

All figures in EGP mn	FY15	FY16	change	1H16	1H17	change
Revenues	411.5	864.4	110%	413.4	523.9	27%
Cost of sales	-271.8	-614	126%	-286.61	-370.2	29%
Gross profit	139.8	250.4	79%	126.8	153.7	21%
<i>Gross Profit Margin</i>	<i>34%</i>	<i>29%</i>		<i>31%</i>	<i>29%</i>	
G&A Expenses	-40.7	-107.5	164%	-55.9	-75.1	34%
Provisions	-3.4	-4.1	21%	-9.2	-4.6	-50%
Other income	2.5	6.3	152%	3.9	2.6	-34%
EBIT	98.2	145.0	48%	65.6	76.6	17%
<i>EBIT Margin</i>	<i>24%</i>	<i>17%</i>		<i>16%</i>	<i>15%</i>	
Interest income	6.3	32.3	413%	5.3	26.9	406%
Interest expense	-8.5	-57.4	575%	-28.8	-34.2	19%
Profit before tax	96.0	119.9	25%	42.1	69.3	65%
<i>PBT Margin</i>	<i>23%</i>	<i>14%</i>		<i>10%</i>	<i>13%</i>	
Income tax	-24.9	-31.1	25%	-14.4	-17.7	23%
Deferred tax	-2.2	0.5	-123%	3.1	1.0	-68%
Net profit after tax	68.9	89.4	30%	30.8	52.6	71%
<i>Net Profit Margin</i>	<i>17%</i>	<i>10%</i>		<i>7%</i>	<i>10%</i>	

Consolidated Balance Sheet

All figures in EGP mn	31 December 2016	30 June 2017
Non-current assets		
Fixed assets	396.7	429.8
Intangible assets	246.4	243.6
Total non-current assets	643.1	673.4
Current assets		
Investments held to maturity	-	0.0
Inventory	46.1	45.7
Accounts receivables	125.9	161.7
Debtors and other debit balances	25.6	46.0
Cash	439.6	415.2
Total current assets	637.3	668.6
Total assets	1,280.4	1,342.1
Equity		
Share capital	100.0	100.0
Reserves	298.0	298.0
Retained earnings	168.7	202.4
Equity attributable to the parent company	566.7	600.4
Non-controlling interest	43.8	48.3
Total equity	610.5	648.7

All figures in EGP mn	31 December 2016	30 June 2017
Non-current liabilities		
Long term debt	326.0	301.1
Share Base Payment	-	6.4
Deferred tax liability	60.0	59.0
Total non-current liabilities	386.0	366.5
Current liabilities		
Provisions	24.9	25.9
Creditors and other credit balances	175.2	215.4
CPLTD	52.2	68.2
Current Income tax	31.6	17.5
Total current liabilities	283.9	326.9
Total liabilities	669.9	693.4
Total Liabilities & shareholders' equity	1,280.4	1,342.1

Consolidated Cash Flow Statement

All figures in EGP mn	FY15	FY16	1H17
Cash flow from operating activities:			
Profit before tax	96.0	119.9	69.3
Adjustments for:			
Depreciation	9.4	26.7	15.3
Fixed assets write off	-	-	3.3
Amortization of intangible assets	-	5.3	2.7
Allowance for impairments of receivables no longer required	-	(8.0)	(6.8)
Allowance for impairments of receivables	7.9	25.6	13.9
Allowance for impairments of inventories	-	-	0.2
Allowance for impairments of receivables – written off	-	(6.8)	(3.5)
Provisions	3.4	10.9	5.5
Provisions no longer required	-	(6.7)	(0.9)
Other utilized provisions	(6.8)	(11.2)	(3.6)
Capital gain	-	-	(0.1)
Employee incentive plan	-	-	6.4
Interest and commissions	8.5	57.4	33.6
Income tax paid	(21.4)	(35.7)	(21.2)
Credit interest	(6.2)	(25.6)	(26.9)
Operating Profits before changes in working Capital	90.8	151.8	87.1
Changes in working capital:			
Change in inventory	(2.0)	(21.9)	0.2
Change in trade & notes receivable	(12.4)	(26.4)	(39.4)
Change in other debit balances	29.0	(50.5)	(30.6)
Change in due from related parties	-	-	-
Change in trade and other credit balances	67.4	38.7	19.2
Net cash flow from operating activities	172.8	91.6	36.5

All figures in EGP mn	FY15	FY16	1H17
Cont'd			
Cash flow from investment activities:			
Proceeds from sale of fixed assets	0.0	-	0.3
Fixed assets and PUC purchased	(10.4)	(44.6)	(29.5)
Payments for projects under construction	-	-	(22.4)
Intangible assets purchased	-	-	-
Payments to acquire subsidiaries, net of cash acquired	(306.9)	(235.1)	-
Interest received	6.2	25.6	26.6
Time deposits with maturity more than 3 month	(62.9)	(332.3)	38.6
Collected from housing bonds	-	-	-
Net cash flow from investment activities	(374.0)	(586.4)	13.6
Cash flow from financing activities:			
Payment to increase share capital	-	20.0	-
Proceeds from borrowings	203.0	208.7	12.0
Interest paid	(8.5)	(32.7)	(13.0)
Dividends paid	-	-	(14.0)
Share premium collected	-	340.0	-
Repayment of borrowings	-	(43.9)	(20.8)
Net cash flow from financing activities	194.5	492.1	(35.9)
Net change in cash & cash equivalents during the period	(6.6)	(2.6)	14.3
Cash & cash equivalents at the beginning of the period	53.6	47.0	44.4
Cash & Cash Equivalents at the End of the Period	47.0	44.4	58.6

Appendix II:

Management Bios



Management Biographies - 1/3

1. Dr. Ahmed Ezz El-Din, Group Chief Executive Officer

Dr. Ahmed Ezz El-Din brings over 35 years of healthcare experience to the group and a deep insight into healthcare businesses in Egypt. Prior to assuming his role as the Group's CEO, Dr. Ezz El-Din was the Director of Government Affairs & Policy – Middle East, North Africa & Pakistan at Johnson & Johnson Medical, where he also held the position of Managing Director for Egypt & Libya at Johnson & Johnson Medical. During his career at Johnson & Johnson Medical, he played a role in the development of healthcare systems in Egypt and the Middle East through the creation of four COEs that together trained more than 1,500 healthcare professionals annually. Prior to that, Dr. Ezz El-Din also held key positions at GSK, including Sales & Commercial Director at GSK Egypt and Sudan Country Manager, and holds over 18 years of global experience with MSD under his belt. Dr. Ezz El-Din has a Bachelor's Degree in Pharmaceutical Science from Cairo University .

2. Khaled Hassan, Group Chief Financial Officer

Mr. Khaled Hassan joined the Group in 2015 as Chief Financial Officer with over 25 years of financial experience under his belt. Prior to assuming his role with the Group, Mr. Hassan was the Finance Director at Dina Farms, a subsidiary of Gozour Holding for which Mr. Hassan was also the Group Financial Controller. Prior to that he was the Group Financial Controller at ASEC Holding, Chief Financial Officer of FRANKE Egypt and Finance Manager at the Olympic Group. Mr. Hassan holds a Bachelor's Degree in Accounting from Cairo University and is a Master Financial Controller and a Certified Financial Modeler.

3. Dr. Moharram El-Badawy, Group Chief Operating Officer and Al Shorouk Hospital Managing Director

Prior to joining the Group in June 2016, Dr. El-Badawy was the Professor of Radio Diagnosis at the National Cancer Institute for over 30 years before heading the department for nine years. His previous roles also include board member of Radio Diagnosis Department in Daghestani Hospital Jeddah, K.S.A for six years, Referee for the Egyptian Journal of the National Cancer Institute, and Referee for the Journal of Egyptian Society. Dr. El-Badawy was also a member of the examining boards for M.Sc. and M.D. theses for all Egyptian Universities, member of Radiological Society of North America, member of the European Society of Radiology, board member of Egyptian Society of Radiology & Nuclear Medicine and Founder & Head of Egyptian Cancer Imaging Society.

4. Dr. Mohamed Ibrahim, Cleopatra Hospital Managing Director

Dr. Mohamed Ibrahim joined Cleopatra Hospital in 2001 as its Medical Director and later assumed his role as Managing Director of the Group's flagship hospital in 2006. With over 35 years of medical experience, Dr. Ibrahim began his career as a physician at the Military Hospital and was the Commander of the Navy Hospital in the United Arab Emirates. He holds a Master's Degree in Hospital Management from the American University in Cairo.

5. Dr. Khaled El-Noury, Nile Badrawi Hospital (NBH) Managing Director

Dr. Khaled El-Noury joined the Group in 2015 and assumed the roles of NBH's Managing Director and the Group's Quality Director. He brings over 35 years of experience having previously held the position of Chief Operating Officer of the Children Cancer Hospital (57357), Medical Director of the Arab Contractors Medical Centre where he was also the Director of Operations, Accidents and Emergency. Dr. El-Noury is also Doctor of Business Administration, Hospital Management at Assiut University .

Management Biographies - 2/3

6. Prof. Hassan Shaker, Cairo Specialized Hospital (CSH) Managing Director

Professor of Surgery at Ain Shams University's Faculty of Medicine, Dr. Hassan Shaker adds valuable hospital management experience to the Group. Prior to his position as Managing Director of Cairo Specialized Hospital, Prof. Shaker held key positions across an array of medical establishments over the past 35 years, including his role as Board Member of the Arab Contractors Medical Centre, Director of Ain Shams University Specialized Hospital, Chief Medical Officer & Consultant Surgeon at SA Texaco Inc. Kuwait, and the Director of ASHUSH's Accident & Emergency unit.

7. Amr El-Ashkar, Information Technology Director

Mr. Amr Al Ashkar joined the Group in November 2015. Previously, he was the Chief Information Officer at Integrated Diagnostics Holdings and worked at OMS, United Nations and ITWorx. He holds a Bachelor Degree in Computer Science from Ain Shams University, a Master of Science in Computer Science from the University of Louisville and a Doctorate in Business Administration from Maastricht Business School, Holland.

8. Hoda Yehia, Investor Relations Director

Ms. Hoda Yehia joined the Group post the successful IPO in the first quarter of 2016 to lead its investor relations function. As the Group's Investor Relations Director, Ms. Yehia brings 10 years of experience in the IR field having previously led the function at Ghabbour Auto, one of Egypt's leading automotive manufacturers. She joined Ghabbour Auto in 2009 assuming different roles, including Investor Relations & Corporate Finance. Ms. Yehia began her career at Naeem Holding Company, one of the nation's leading investment banks, as Assistant to the Regional Legal & Investor Relations Director. She holds a Bachelor's of Accounting from Cairo University.

9. Marwa El-Abassiry, Human Resources Director

Ms. Marwa Al Abassiry joined the Group in February 2015. Previously, she was the Human Resources Business Partner and Head of HR at Electrolux Egypt. She also worked at Aha-Khan Cultural Services, Mobinil and P&G Egypt. Ms. Al-Abassiry holds a Bachelor of Arts from the Al-Alsun Faculty at Ain Shams University, a Senior Professional; Human Resources (SPHR) Certificate, a Business Coaching Certificate from Life Coaching Egypt and a Business Administration Diploma from the American University in Cairo.

10. Nagwa El Hosseiny MD, Quality Control Director

Ms. Nagawa El Hosseiny joined the Group in November 2016 to head the Quality Control Department. Previously she was the Quality Consultant and Head of the Egyptian Executive Committee of Accreditation at the Ministry of Health and Population where she was part of a team responsible for the implementation of the health sector reform plan with a special focus on accreditation programs. Ms. El Hosseiny also held positions in the private healthcare sector, including Quality Manager at Dar Al Fouad Hospital and Senior Consultant & Technical Director at Logistics Company for Consultation where she led, guided and prepared quality control teams for JCI accreditation. Ms. El Hosseiny is also a member of the Scientific Board of Arab Healthcare and Accreditation, part of the Arab League Accreditation Program, a member of the JCI's Middle East Advisory Board and is a Professor of Internal Medicine at Cairo University.

Management Biographies - 3/3

11. Dr. Sherif Abd El-Fattah, Supply Chain Director

Dr. Sherif Abd El-Fattah has over 20 years of hands-on experience in supply chain management and operations management in the medical field, having previously held positions including Supply Chain Director, Deputy General Manager, and Emergency Medical Evacuation Director (ambulance and air evacuation in both national and international services). Dr. Sherif is both a results-oriented and strategic leader who makes use of his diversified business experience and proper communication methods to proactively handle various business situations. He has vast experience in sourcing both direct and indirect materials, as well as inbound and outbound logistics services and developing the local supply base to meet world-class quality standards.

12. Hassan Fikry, Corporate Strategy & Development Manager

Mr. Hassan Fikry joined the Group in 2015 as Business Analysis Manager before assuming his current role as Corporate Strategy & Development Manager. Mr. Fikry brings valuable business development experience to the Group having previously been the Co-Founder & Executive Director of El-Seha Laboratories, the Executive Director of the Ahmed H.Fikry Medical Centre, and Coordinator, Strategic Planner at Orascom Telecom Holding. He holds a Bachelor of Commerce & Economics from the John Molson School of Business at Concordia University and completed a Mini MBA in Telecoms.

13. Haitham Naiel, Legal Manager

Haitham Naiel is an appeals attorney with a special focus on commercial and labor matters as well as commercial/legal risk assessment. Mr. Naiel graduated from the Faculty of Law of Ain Shams University and has more than 15 years of experience across several industries. His work experience spans a number of highly respectable organizations, such as Hikma & EPCI Pharma, Lafarge Cement, Nile Valley Gas, Mr. Regaey Attia Law Firm and Dr. Yehia El-Gamal Law Firm. As the group's Legal Director, Mr. Naiel ensures that all statutory and regulatory requirements are properly met and that the company is complying with all required laws. He also acts as management's advisor on business/legal matters and helps dispute resolutions with intensive negotiations.

Appendix III:

Use of Proceeds for Rights Issue



Key Terms and Use of Proceeds – Rights Issue

CHG's Rights Issue

- On the 30th of September 2017, CHG's EGM convened and approved an EGP 700mn capital increase at par value of EGP 0.5
- The EGM also approved the trading of subscription rights with existing shareholders having the right to either subscribe to the capital increase or sell their subscription rights in the market
- The subscription period is expected to open by early-November 2017 for 30 calendar days⁽¹⁾

Use of Proceeds

170 Beds Hospital Acquisition⁽²⁾



- CHG has signed exclusivity to acquire – subject to conducting due diligence – a hospital to the north of Cairo, its first expansion into this area
- The 170 beds hospital acquisition will equip the Group with a new asset within a one-hour radius of Cairo

Deleverage CHG's Balance Sheet



- On the back of the high interest rate environment that is currently being witnessed, CHG is planning to improve its profitability by retiring EGP 120 million of its existing debt

Note(1): Exact dates are subject to change and may vary as per the approvals process

Note(2): This acquisition is still in the due-diligence phase and the management may opt to not pursue the acquisition for any reason

170 Beds Hospital Acquisition

- CHG aims to expand from capital cities to Tier 2 cities to reach an underserved population of c.16.6 million through the acquisition of a premium hospital (the "Target")
- Currently, the Target has 170 beds and an attractive set of KPI's increasing CHG's market dominance and scale throughout Egypt
- The target has an adjacent plot of land for an envisaged expansion which would increase the total bed capacity to c. 300 beds



170
Hospital Beds



30+ | 5+
ICU Beds |
Emergency Beds



10,000m²
Built-up Area over an
area of 2,500m²



10+
Operating Rooms



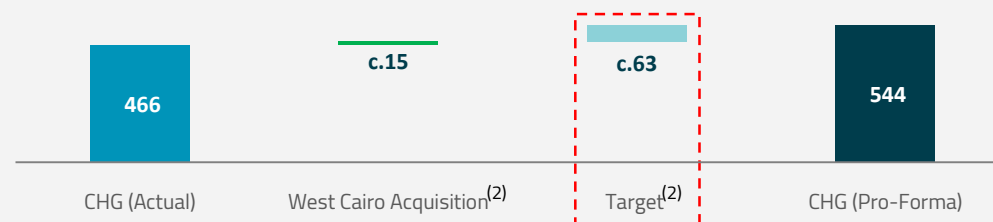
Blood Bank
Ownership



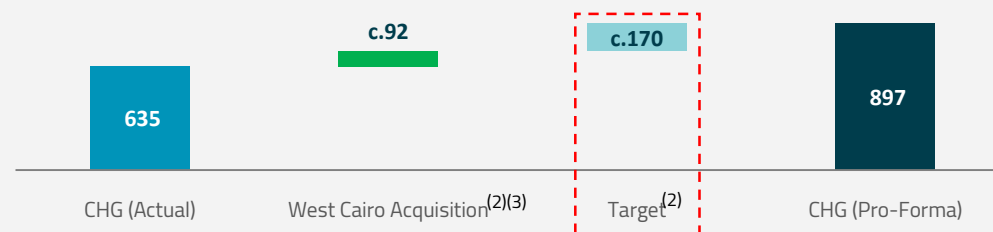
+95%
Occupancy Rate

Positive Operational Impact on CHG⁽¹⁾

H1 2017 Pro-forma Cases Served ('000s)

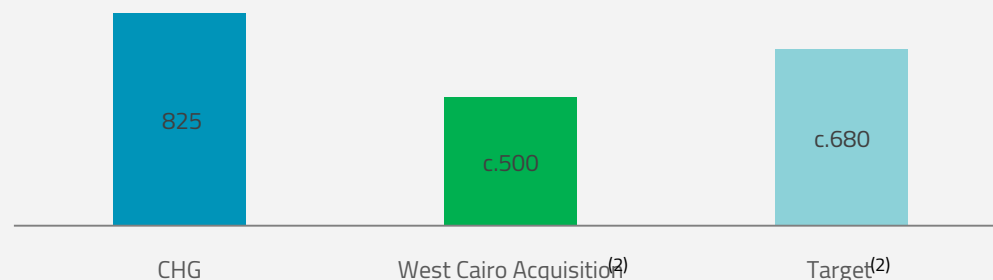


H1 2017 Pro-forma # of Beds



Positive Financial Impact on CHG⁽¹⁾

H1 2017 Revenue per Bed (EGP '000s)



The West Cairo Acquisition and the Target have a similar profitability profile as Cleopatra Hospital

Note (1): The West Cairo Acquisition is still pending the completion of certain condition precedents and may not be completed for the above mentioned or any other reason, and the Target acquisition is still in the due-diligence phase and the management may opt to not pursue the acquisition for any reason


Note(2): all figures are based on management accounts, and is to subject to diligence and audit, and involve a number of risks, uncertainties and assumptions that could cause actual results and performance to differ materially

Note(3): Expected to increase to 108 beds post expansion



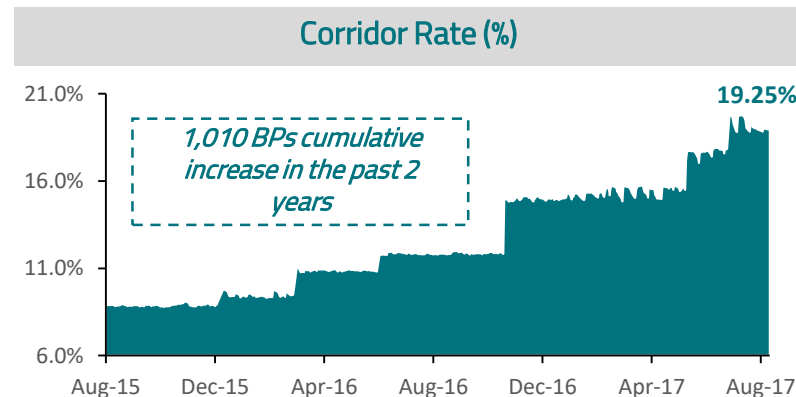
Deleverage CHG's Balance Sheet by Fully Repaying MTL1

Facility Overview – MTL 1

Lender	Commercial International Bank 
Type	Medium Term Loan
Purpose	Finance Hospitals' Acquisition
Total Amount	EGP 203.0mn
Outstanding Amount ⁽¹⁾	EGP 121.8mn
Interest Rate	The aggregate of: i. The Margin plus; ii. CBE Corridor Lending Rate
Margin	2.4%
Tenor	5 Years
Remaining Years ⁽¹⁾	3 Years

Rationale

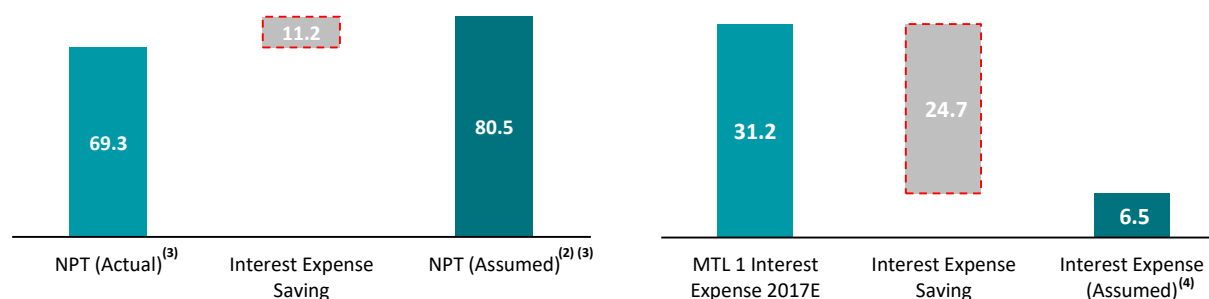
- CHG's interest expenses are calculated as a spread over the corridor rate
- Hence, CHG has witnessed a significant increase in interest expenses on the back of the recent interest hikes that has been taking place over the past 2 years in Egypt
- In order to enhance profitability, CHG is planning to partially repay part of its existing debt, accordingly decreasing its yearly interest expenses



Interest Expense Savings Following EGP 120mn Debt Repayment

H1 2017 Assumed Net Profit before Tax⁽²⁾

Estimated Full Year Effect of MTL 1 Interest Expense⁽⁴⁾



Note(1): As of December 2017 based on the debt schedule; Note(2): Assuming the EGP 120mn for debt repayment were paid 1/1/2017

Note(3): NPT – Net Profit before Tax; Note(4): Assuming the EGP 120mn for debt repayment were paid 1/1/2017



Thank you

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SHAREHOLDER INFORMATION

EGX: CLHO.CA
Listed: June 2016
Shares Outstanding: 200 million



CLEOPATRA HOSPITALS
GROUP