



CLEOPATRA HOSPITALS
GROUP

Cleopatra Hospitals Group

Investor Presentation 1H20

Disclaimer



This presentation contains forward-looking statements, including, but not limited to, statements concerning expectations, projections, objectives, targets, goals, strategies, future events, future revenues or performance, capital expenditures, financing needs, plans or intentions relating to acquisitions, competitive strengths and weaknesses, plans or goals relating to financial position and future operations and development. Although Cleopatra Hospitals Group believes that the expectations and opinions reflected in such forward looking statements are reasonable, no assurance can be given that such expectations and opinions will prove to have been correct. By their nature, these forward-looking statements are subject to a number of known and unknown risks, uncertainties and contingencies, and actual results and events could differ materially from those currently being anticipated as reflected in such statements. Important factors that could cause actual results to differ materially from those expressed or implied in forward-looking statements, certain of which are beyond our control, include, among other things: business integration risk; compliance risk; recruitment and retention of skilled medical practitioners risk; clinical risk; concentration of revenue; currency and macroeconomic; information technology and operational risk; regional tensions and political risk; and other key factors that we have indicated could adversely affect our business and financial performance, which are contained elsewhere in this document and in our past and future filings and reports. No part of these results constitutes, or shall be taken to constitute, an invitation or inducement to invest in Cleopatra Hospital Group or any other entity and must not be relied upon in any way in connection with any investment decision. Cleopatra Hospital Group undertakes no obligation to update any forward-looking statements, whether as a result of new information, future events or otherwise, except to the extent legally required. Nothing in this document should be construed as a profit forecast

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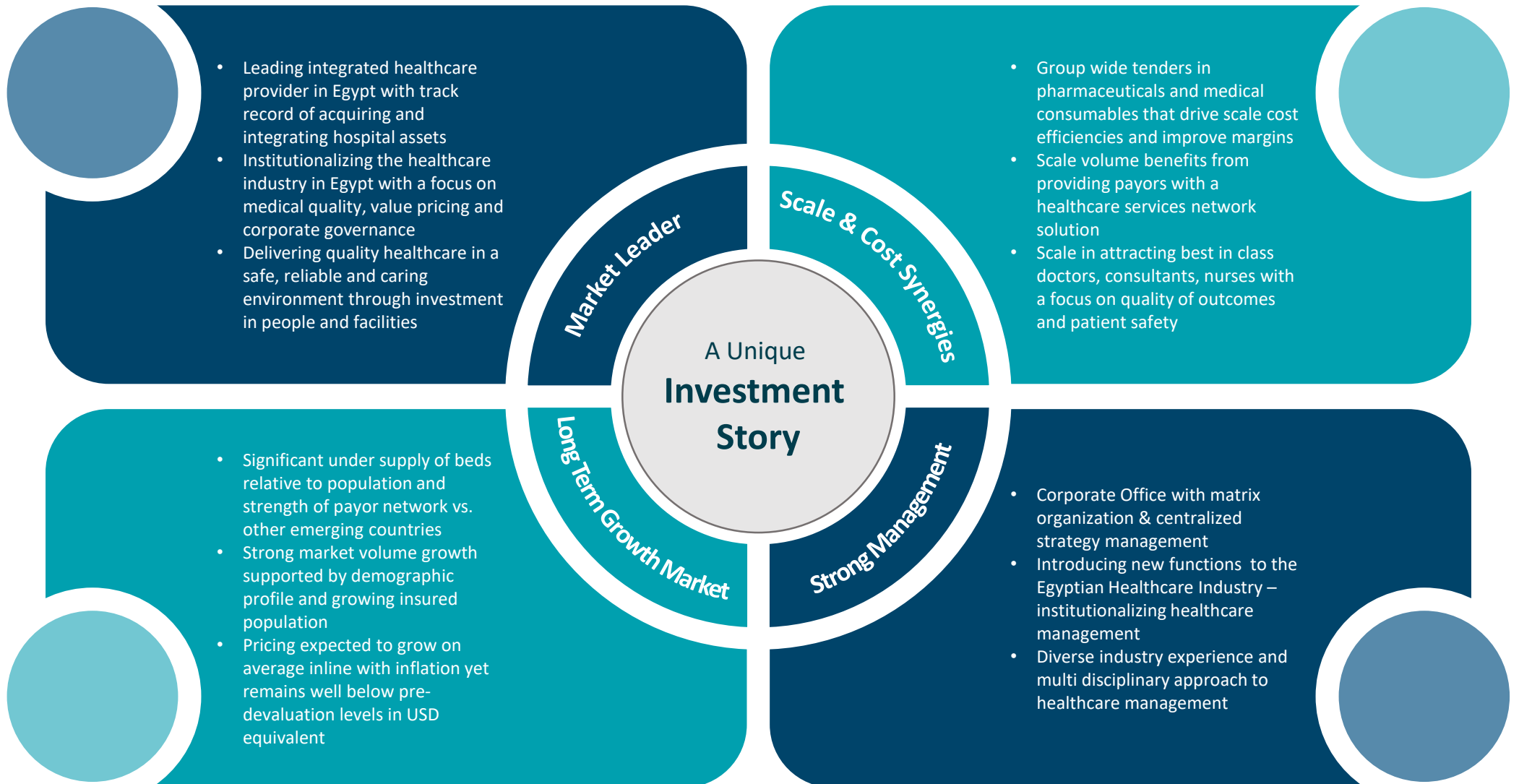
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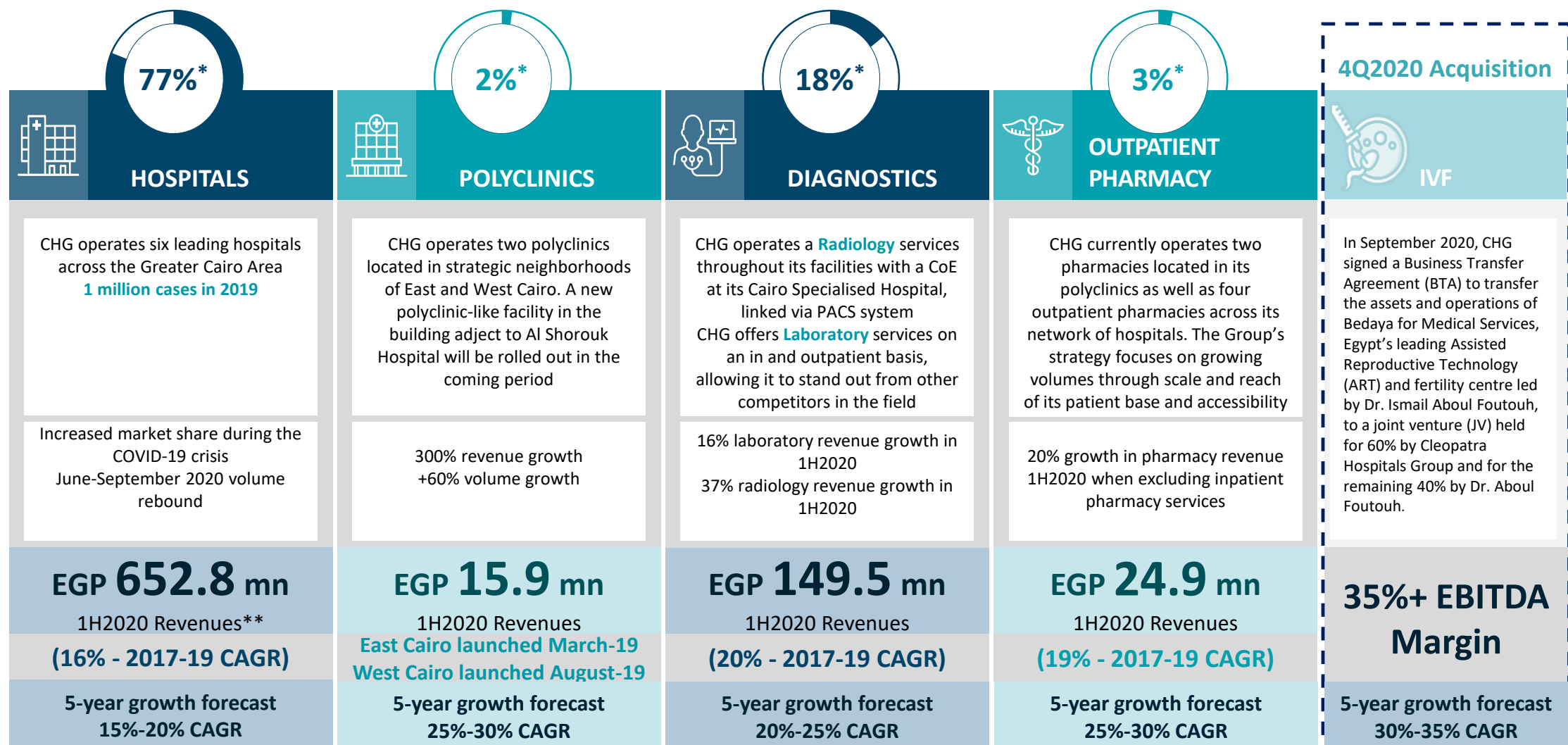


A Unique Investment Story



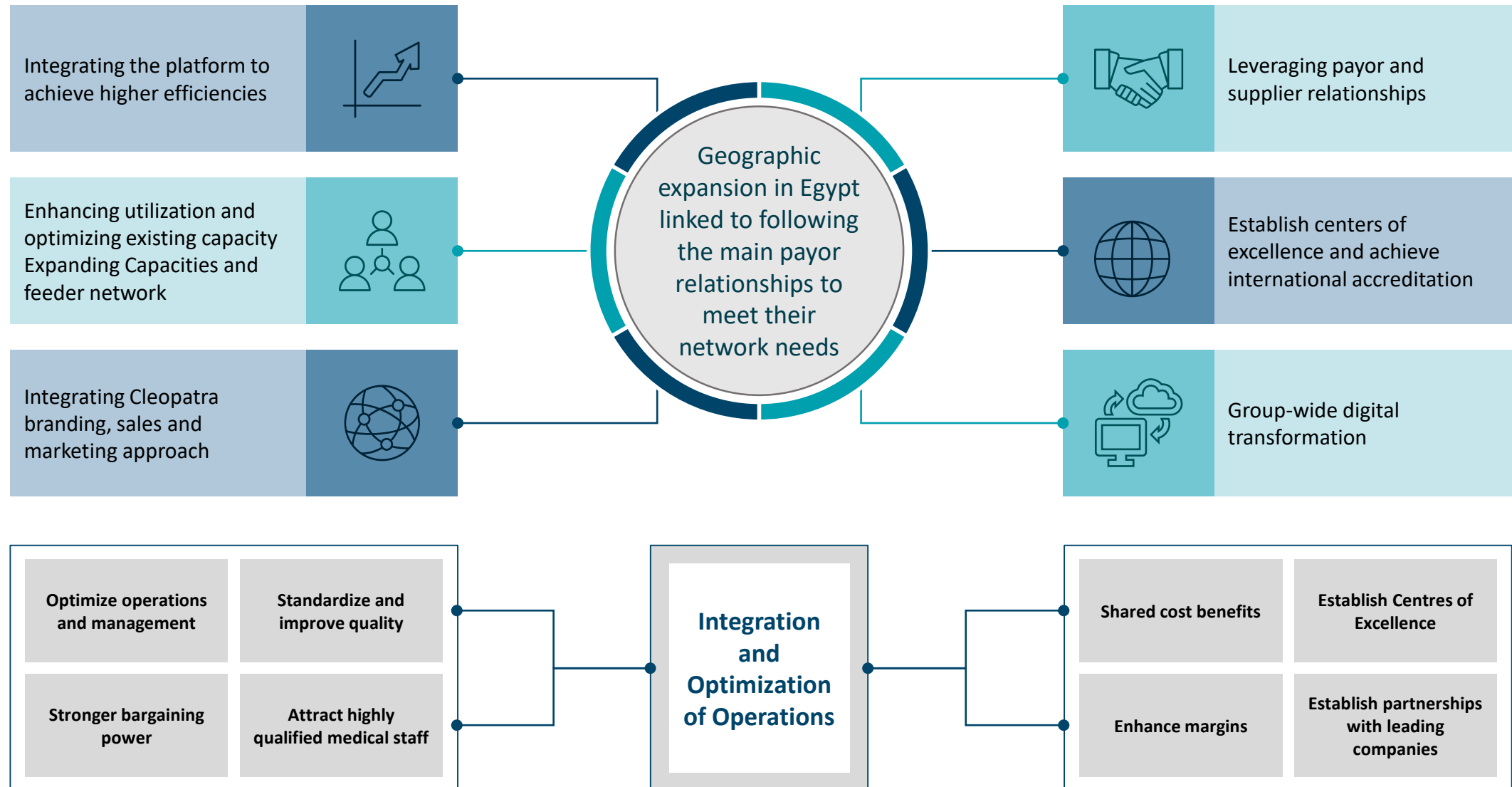
Diversified Service Offering and Revenue Stream

Resilient operational and financial results for 1H2020 despite the ongoing COVID-19 challenge



*Based on 1H2020 consolidated revenues, ** Calculated by subtracting revenues of polyclinics, diagnostics and pharmacy services from total consolidated revenues for 1H2020, ***5 Year Forecast Growth Rates refers to revenue growth

Clearly Defined Core Growth Strategy

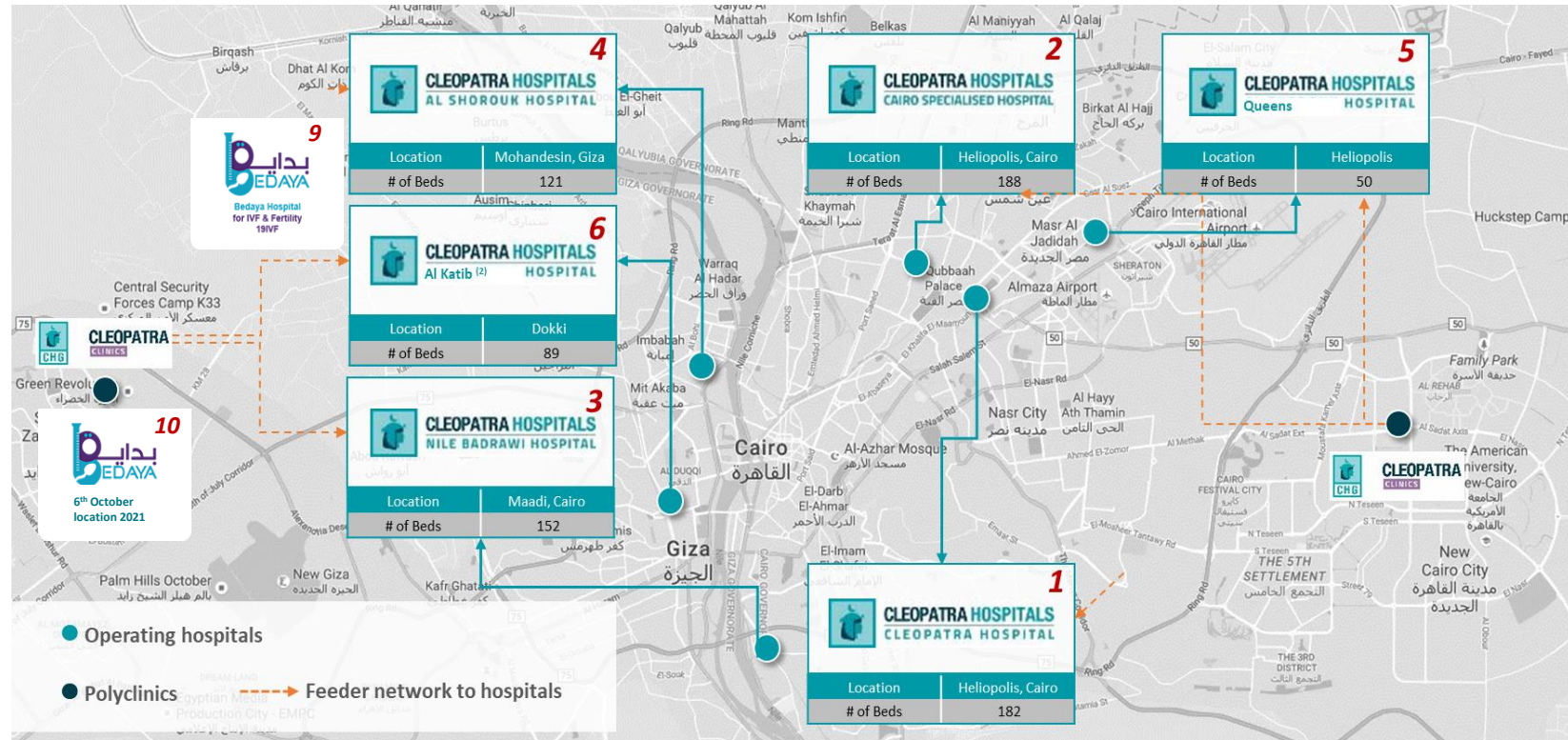


Broad Network Coverage in Greater Cairo

Maximizing referral potential while maximizing utilization across facilities during COVID-19

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

Serving over 1 Million Patients per Year



1,000

Consultant physicians
attracted from the top
two medical universities



+5300

2400 medical staff
including c. 850 resident
doctors and c. 1000
nursing staff



6 Hospitals

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



2 Polyclinics

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



Bedaya IVF

1 Operating facility –
Q42020

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

CHG 1H2020 Financial Highlights

CHG reported resilient operational and financial results for the first half of 2020 despite the ongoing COVID-19 crisis weighing down on patient volumes in the first part of the second quarter.

Starting in mid-March and for the entire month of April, patient volumes reported significant declines across the Group's entire service offering as patients opted to postpone elective procedures and non-urgent consultations.

However, in the months of May and June, the Group witnessed a sustained recovery in volumes with total cases served at the Group's organic hospitals in the month of June standing 64% above April 2020's figure.



EGP **193.4** mn

Adjusted EBITDA¹ in 1H20 with a
23% Margin, -12% y-o-y



EGP **843.1** mn

Consolidated revenues in 1H20 with
2% growth y-o-y



32%

Gross profit margin
EGP 267.4mn in 1H20
-6% y-o-y



-7%

EBITDA² growth y-o-y in 1H20
20% Margin



392,507

Cases served³ in 1H20



↓ 16%

y-o-y decline in cases served³
in 1H20

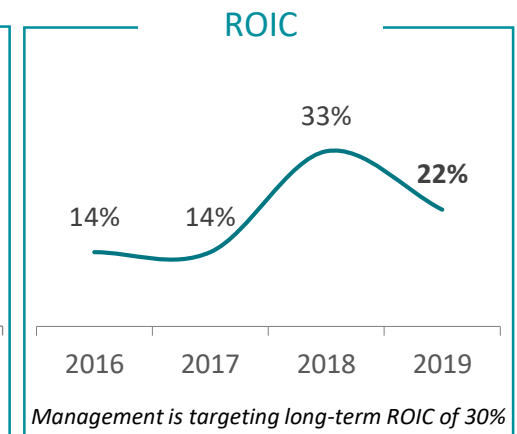
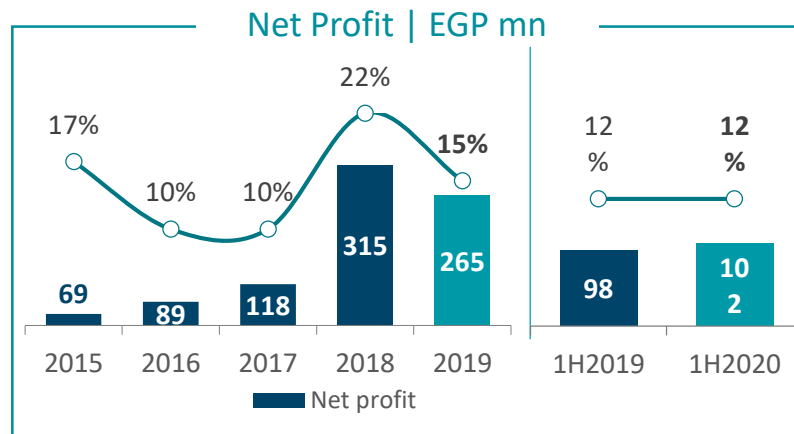
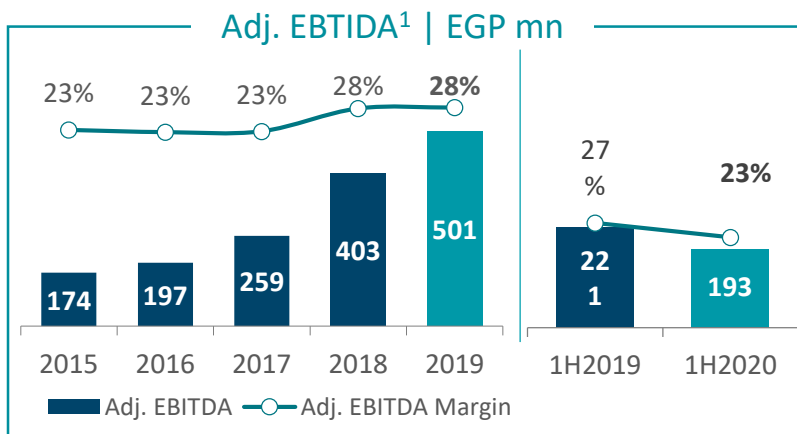
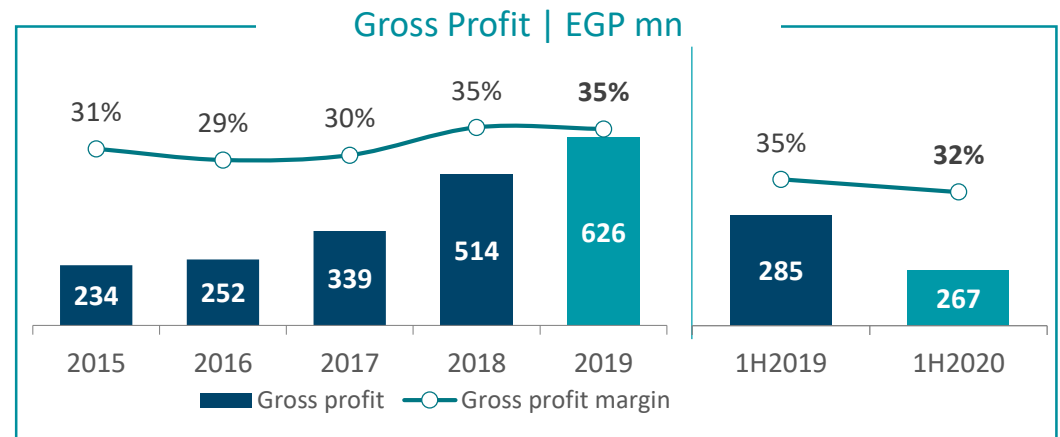
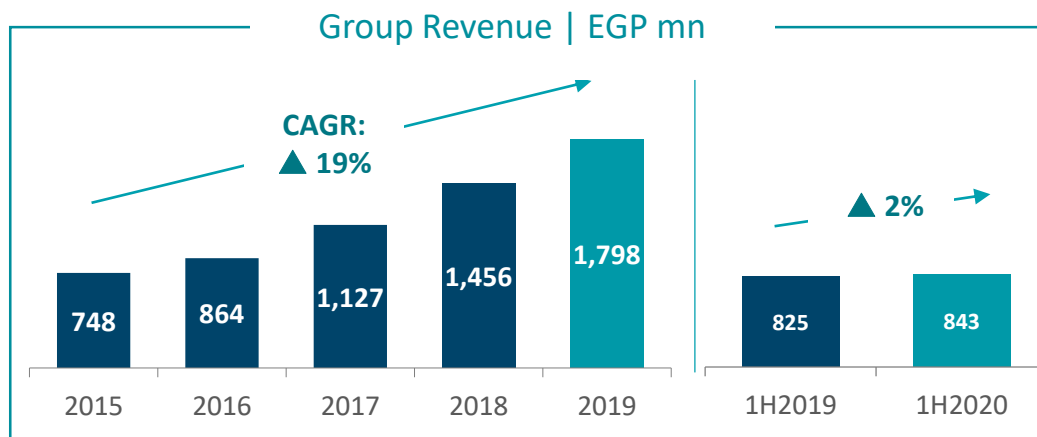
¹ Adjusted EBITDA: Earnings before Interest, Tax, Depreciation and Amortization adjusted for provisions, impairments, LTIP, acquisitions expenses, pre-operating expenses and excluding contributions from other income.

² EBITDA does not adjust for impairments booked during the period.

³ Cases served includes number of in-patients, outpatient visits and ER visits.

Resilient Financial Performance in 1H2020

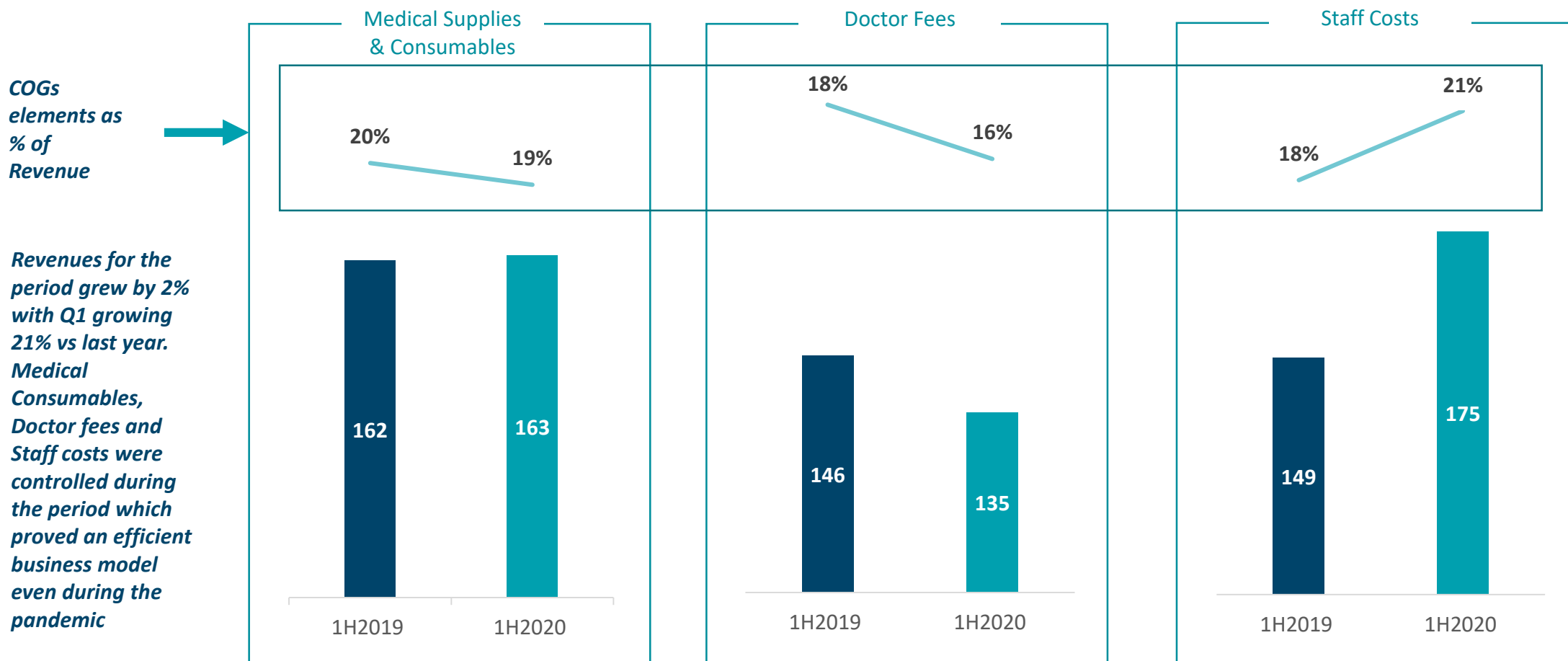
Revenues witnessed a 2% y-o-y expansion in the first half of the year to EGP 843.1 million. **Gross profit margin (GPM)** for the period stood at 32%, broadly in line with the Group's historical average as the Group's efficiency enhancement strategy helped mitigate the decline in revenues booked in the second quarter of the year. **Net profit for the period was up 4% from the comparable period a year ago** as the adverse impacts related to COVID-19 were cancelled out by the year-on-year decrease in LTIP expenses and impairments recorded during the period.



Resilient Financial Performance in 1H2020



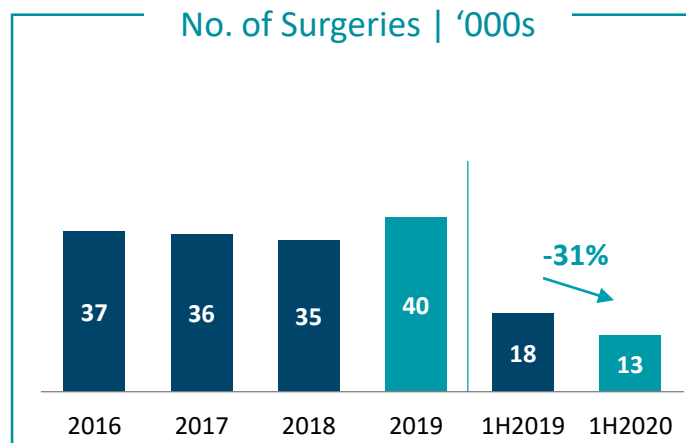
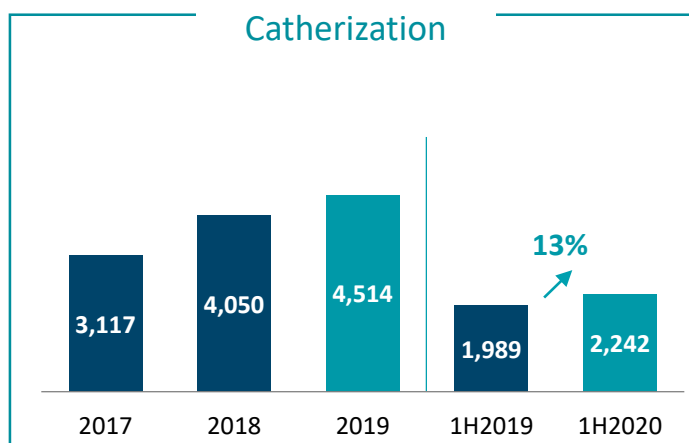
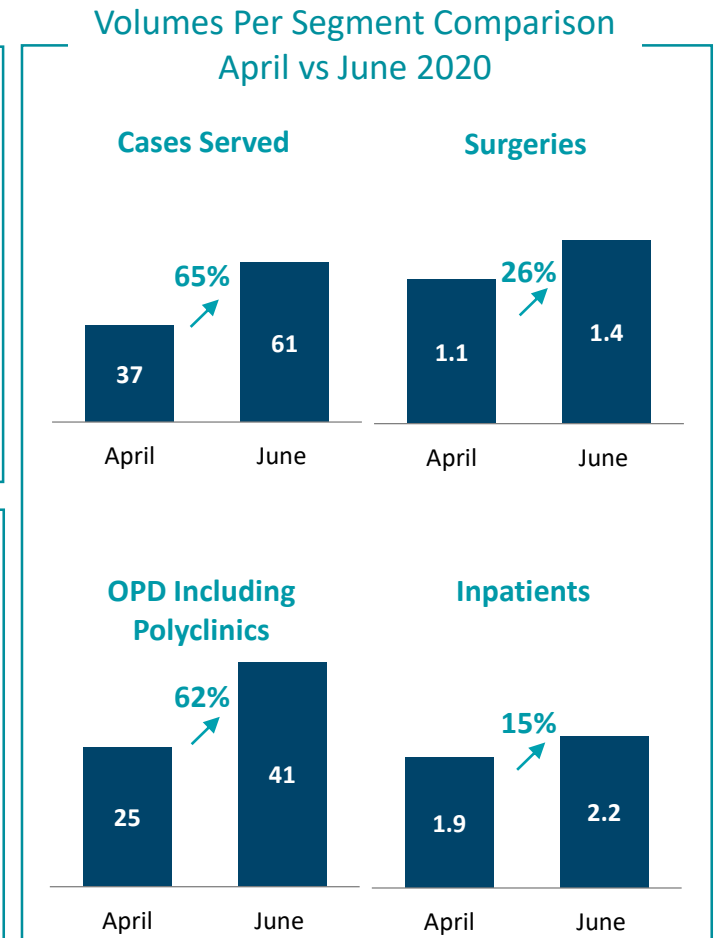
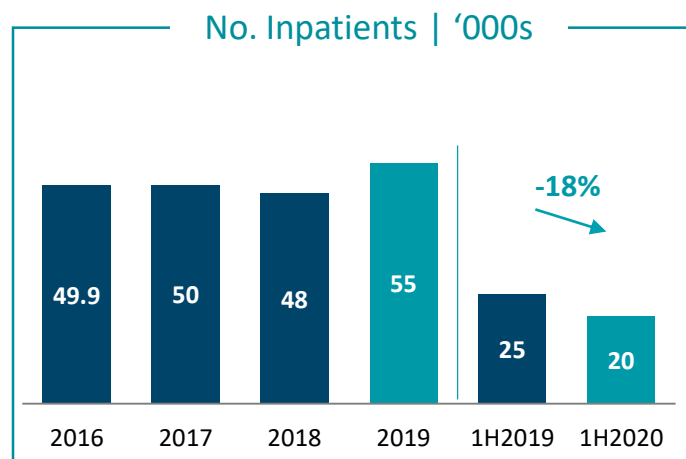
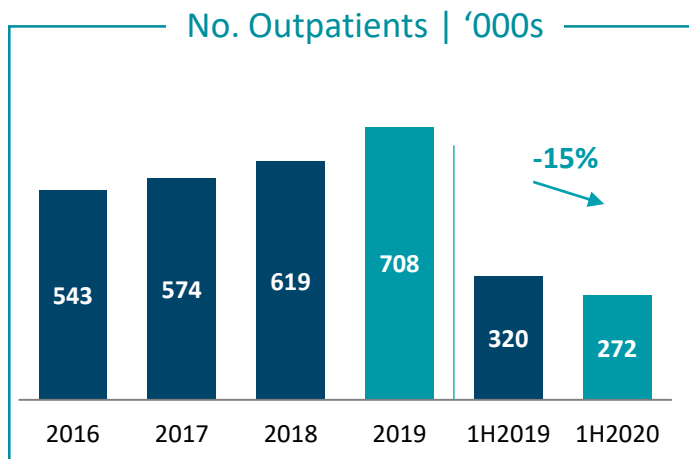
Through a multifaceted approach, the Group was able to successfully maneuver its operations and business model implementing several cost avoidance and control initiatives to better confront decreased revenues and volumes throughout the period. Despite the additional costs incurred from the purchase of additional PPE and other expenses, the Group was able to efficiently control all variable cost components while enhancing efficiencies in fixed costs



Key Revenue Drivers (i)



Cases served¹ stood at c.393 thousand versus the c.466 thousand served in the same period a year ago, as a slowdown related to COVID-19 weighed down on volumes for the second half of March and April. **However, in the months of May and June, the Group witnessed a sustained recovery in volumes** with total cases served at the Group's organic hospitals in the month of June standing 64% above April 2020's figure.

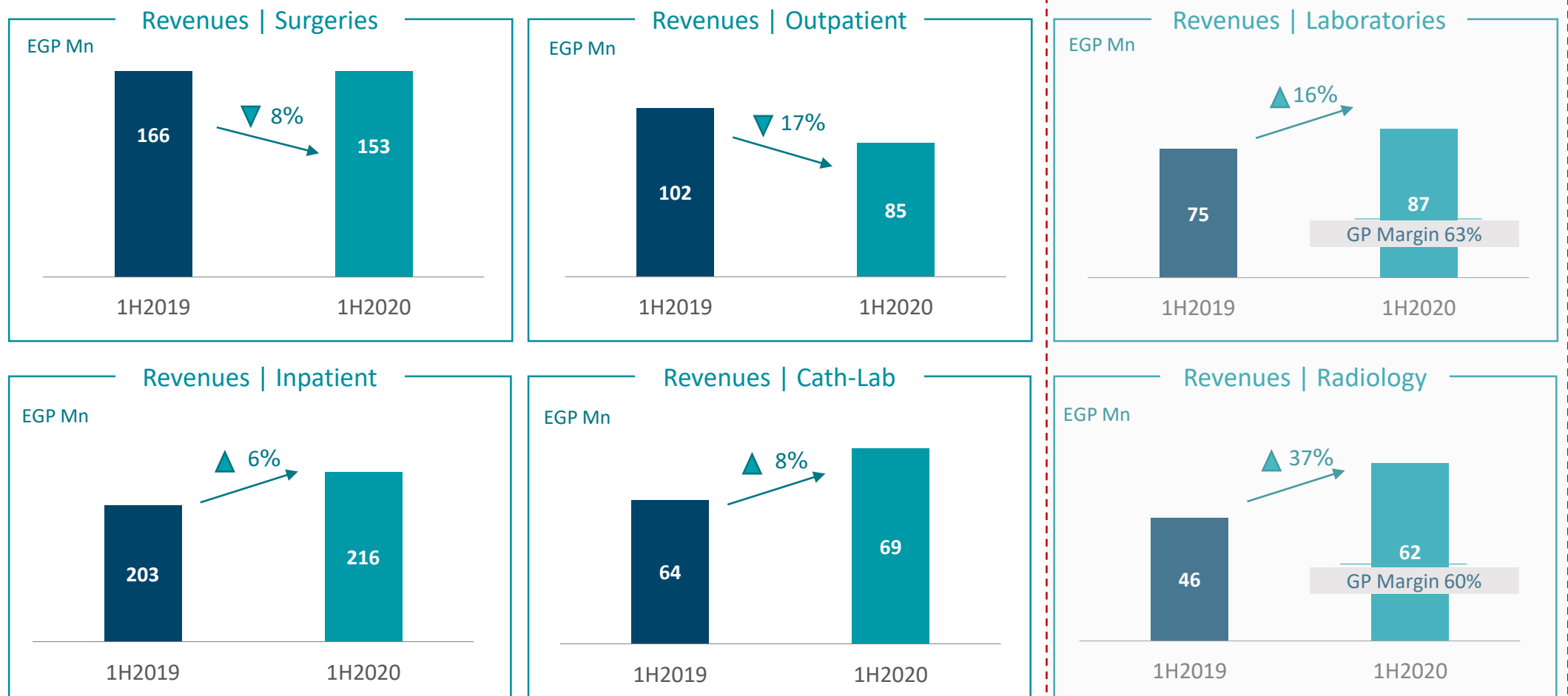


¹Cases served includes number of in-patients, outpatient visits and ER visits.

Key Revenue Drivers (ii)

While revenues generated by the Group's outpatient and surgery segments recorded declines in 1H2020, inpatient services saw a 6% y-o-y rise in revenues offsetting the larger decrease in volumes on the back of better utilization .

Similarly, laboratory and radiology saw year-on-year revenue growth of 16% and 37% respectively, reflecting management's efforts to grow the Group's diagnostic segment.



¹*GP Margin does not account for depreciation .

2H2020 Guidance



The Group's current performance in Q3 is showing volume and revenues growing back to historical trends during the months of August & September with record results. As a result of the successful campaign and strategy during Q2 , the group will be able to deliver a growing performance in Q3 and Q4 across all financial metrics.

Revenues

3Q: 15% Growth vs Last Year

FY: 10% Growth vs Last Year

Margins

**Historical Margins offsetting
Q2 pressure**

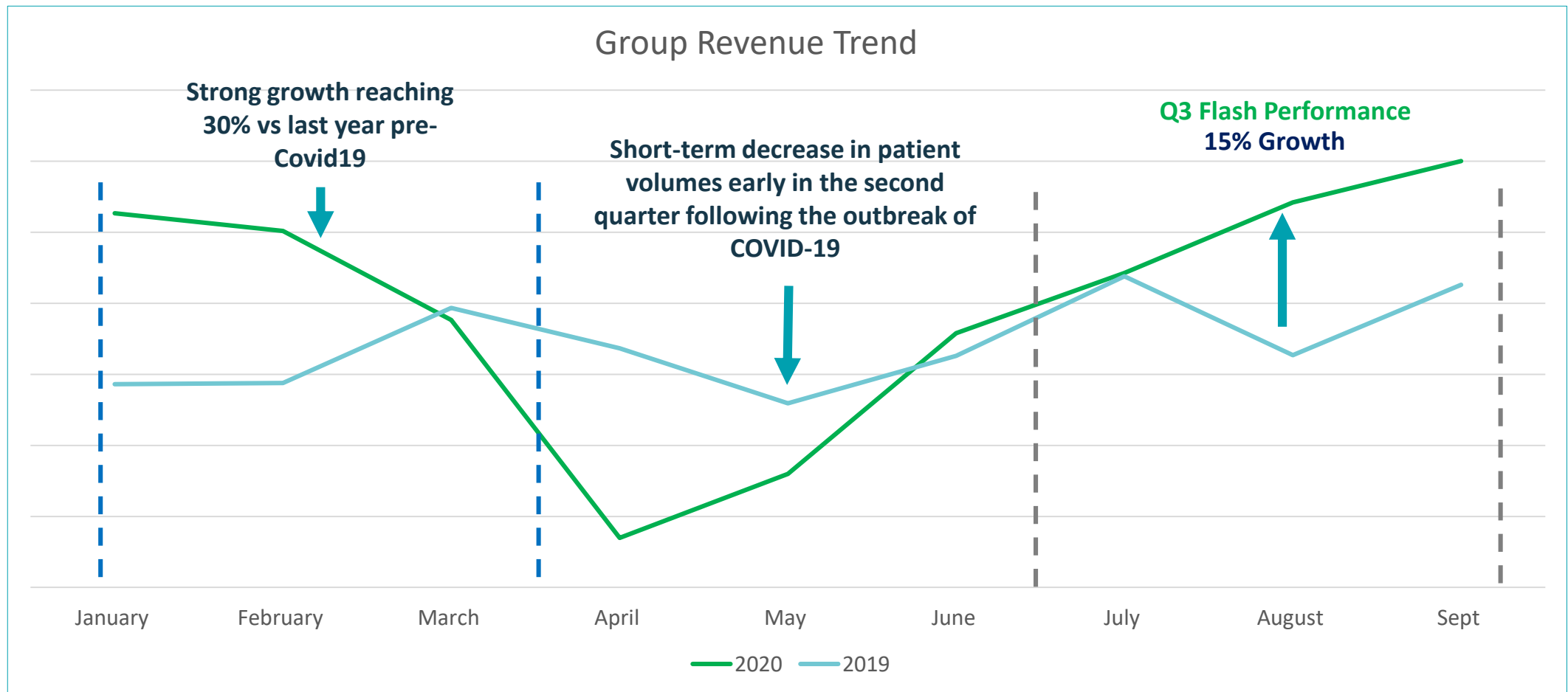
Utilization

**Enhanced Utilization across
all facilities**

2H2020 Guidance

3Q2020 Flash Revenue Performance

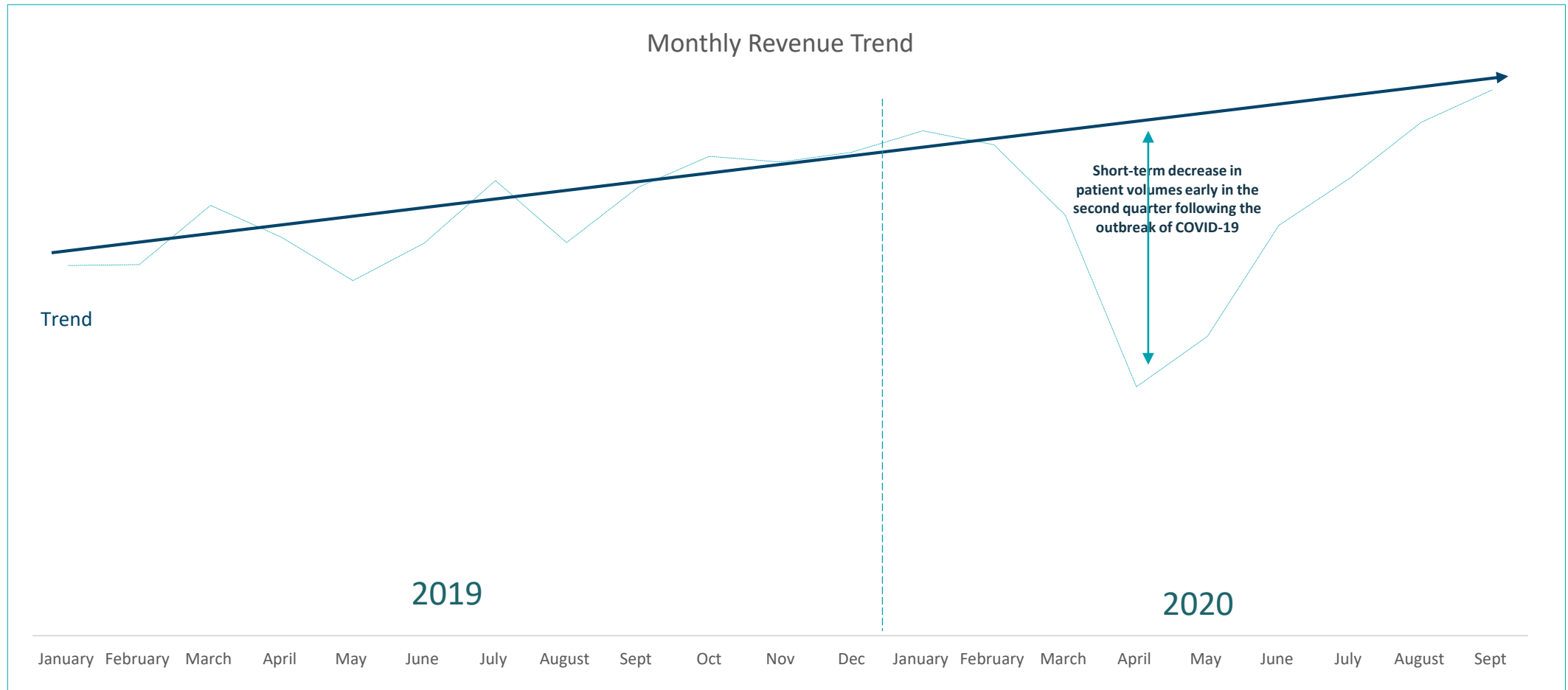
The Group's performance in 3Q2020 based on latest flash figures shows volume and revenues returning to historical trends during the months of August and September with record results.



2H2020 Guidance

3Q2020 Flash Revenue Performance

The Group's performance in 3Q2020 based on latest flash figures shows volume and revenues returning to historical trends during the months of August and September with record results.



2019 in Review (Cont'd)



2019

JAN

East Cairo
Polyclinic
Inauguration

MAR

Queens Hospital
Acquisition

Signing of
Exclusivity
Agreement to
Acquire IVF
Centre

West Cairo
Polyclinic
Inauguration

SEPT

JV with Nahda
University to
Establish 189-bed
Hospital in Bani
Suef

CHG Assumes El
Katib Operations

DEC

Bani Suef Hospital
Civil Work Kick-off

2019 Expansion Highlights

2

Operating Hospitals
Added

2

New Polyclinics
Launched

139

Additional Hospital
Beds Added

Since the IPO

240%

Revenue Growth

254%

GP Growth

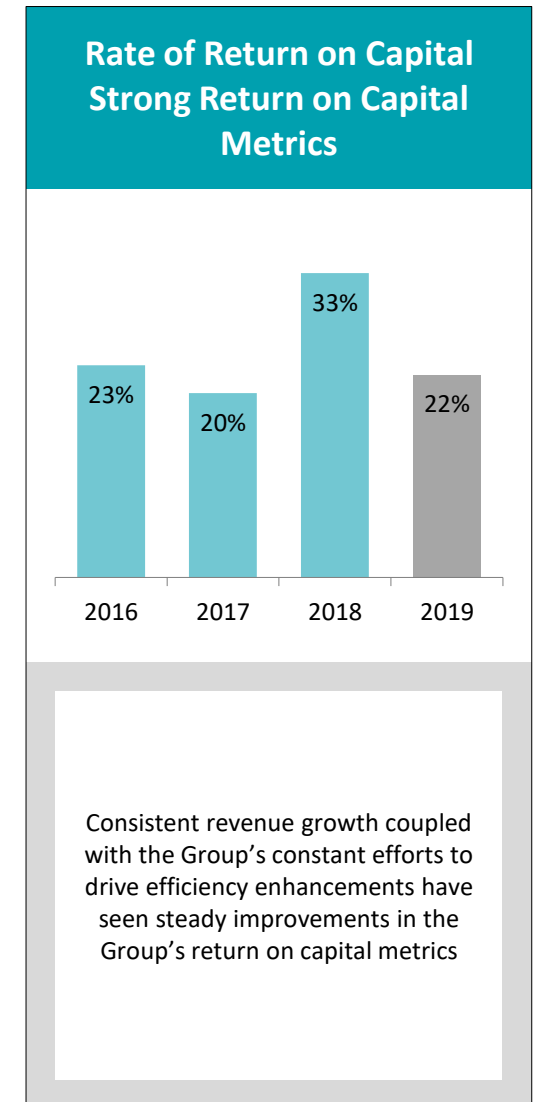
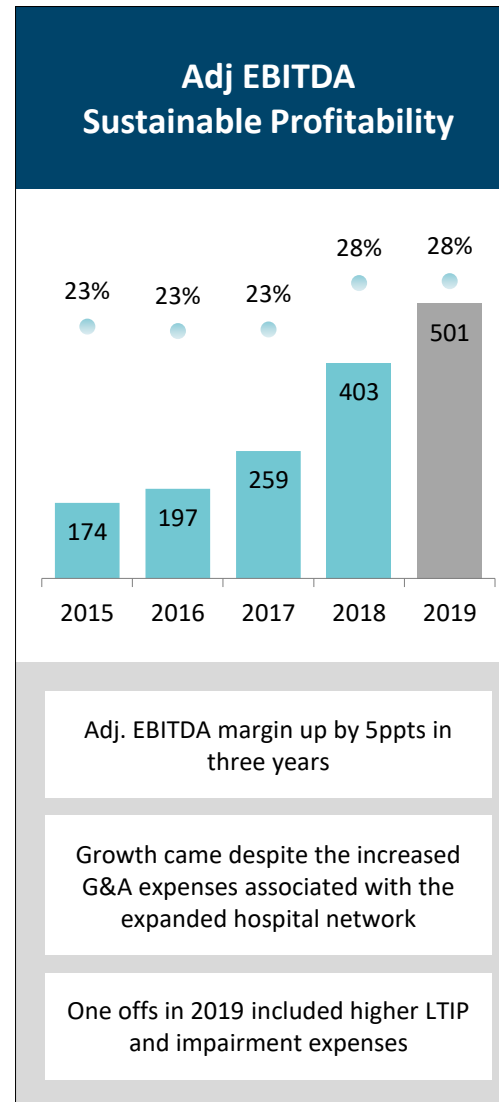
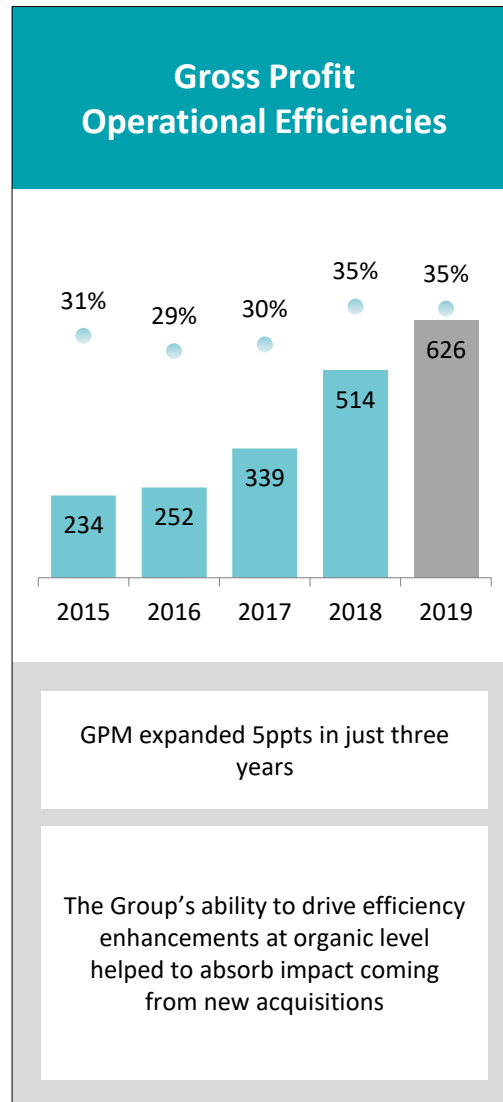
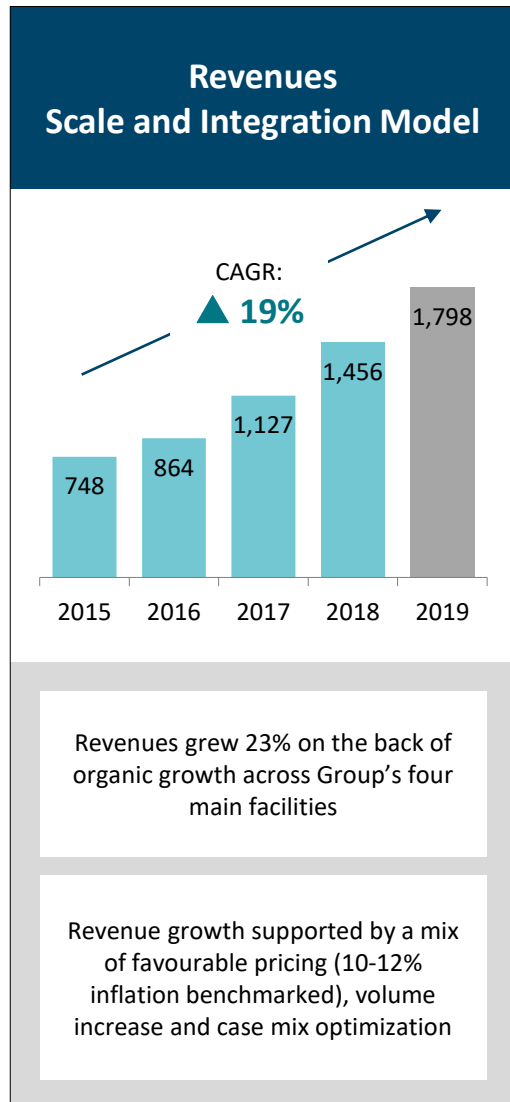
237%

EBITDA Growth

24%

Average ROCE

2019 in Review



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

Expansion Strategy & Updates

Expansion strategy



1

Creating Feeder
Networks &
Expanding Services
Offering

2

Building
Additional
Capacities in
Existing
Facilities

3

Strategic
Acquisitions
of Operating
Facilities

4

Brownfield /
Greenfield
Expansions

5

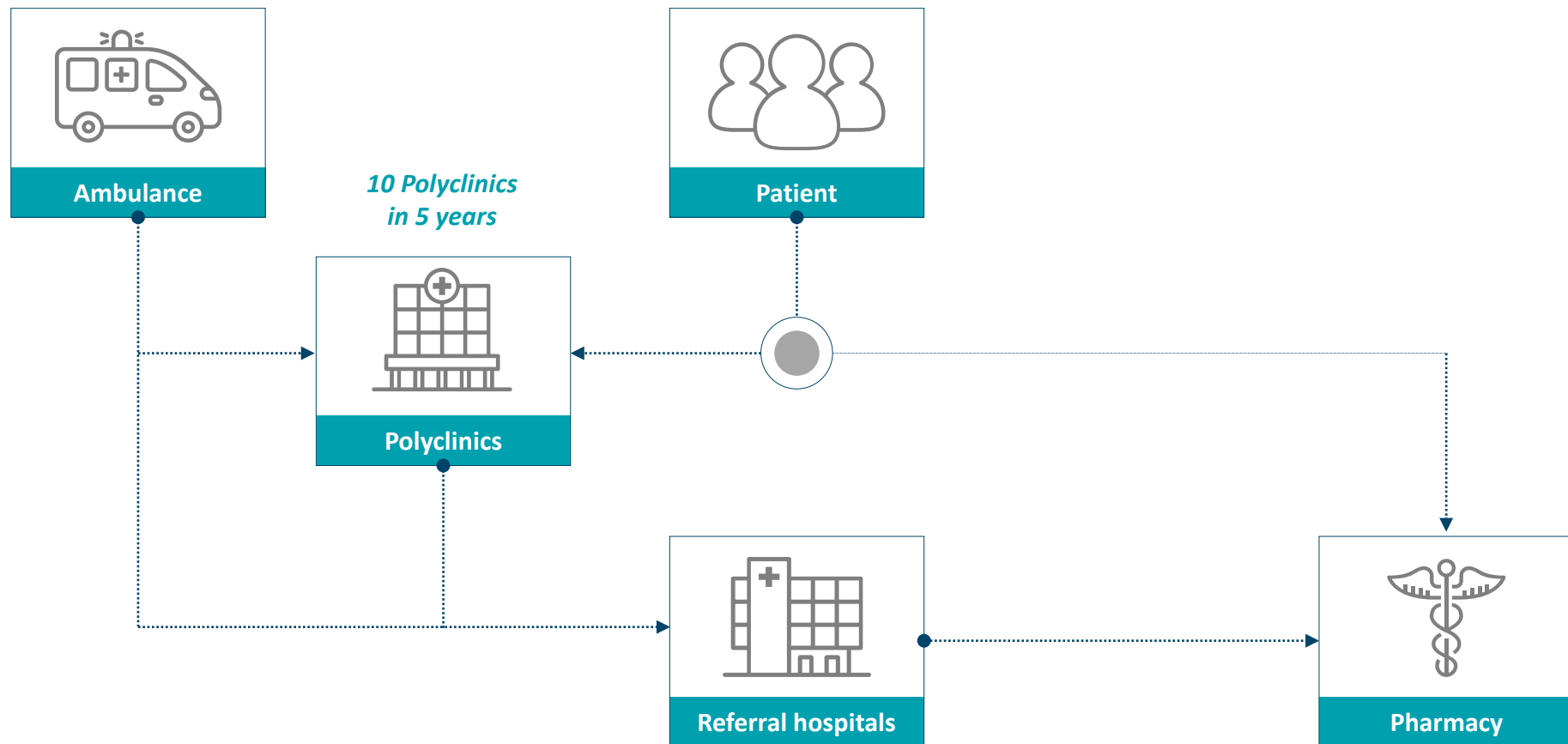
Expanding
Reach Beyond
Greater Cairo

6

Creating Strategic
Entities to Serve
Group's Scale of
Operations

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

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



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

With both East and West Cairo ramping up to target utilization and performance , the group is now looking into further expansions of the model

New Locations in underserved areas and locations – Flagship Polyclinics

Maximizing Referral Potential to Hospital Facilities

Diagnostics & Home visits hub



Flagship Polyclinics



General Clinics



Referral Hub



X-Ray / Ultrasound



Pharmacy



Hot Lab

Expanding Services Offering: Diagnostics

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

Diagnostics

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

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

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

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

2016-2020

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

2021-2025

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

Volume & Scale Focus:

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

E- Commerce Platform :

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

Key Trends

Patient

Affordability & Macro

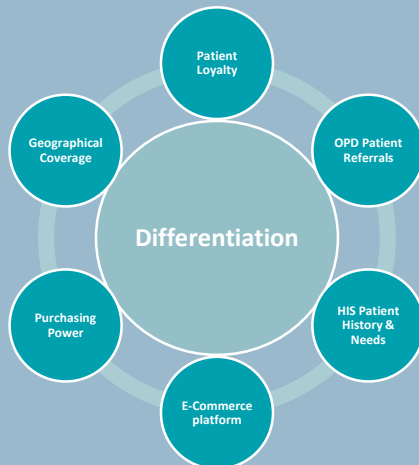
Preferences & consumer behavior

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

Financial Strategy

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

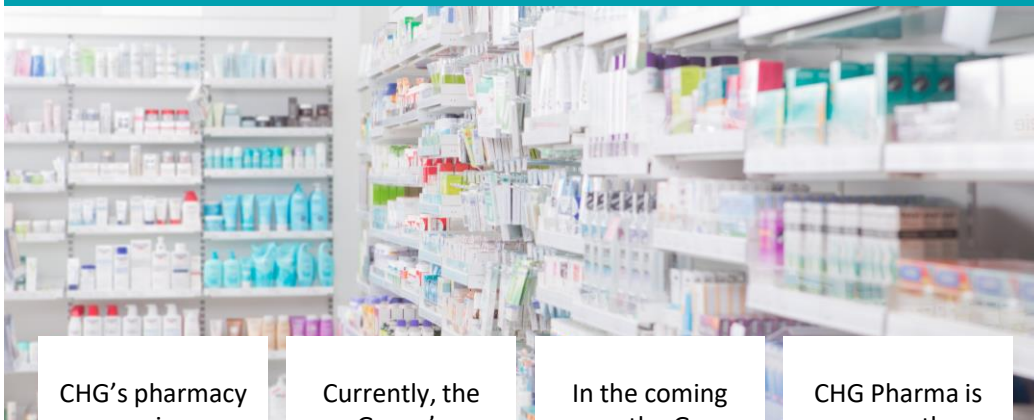
Differentiation



Expanding Services Offering: Pharmacy

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

Pharmacy



2016-2020

- One Stop Shop Contracting
- OPD Pharma Outlets
- Tendering & Drug Formulary establishment

2021-2025

- Central Management of Pharma Services
- Virtual Expansion & Reach – Volumes
- Consumer Marketing
- OPD Referrals

Volume & Scale Focus:

1Mn Patients Referrals across different facilities – Capturing Patient needs via home delivery and patient sales

E- Commerce Platform :

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

Key Trends

Patient

Affordability & Macro

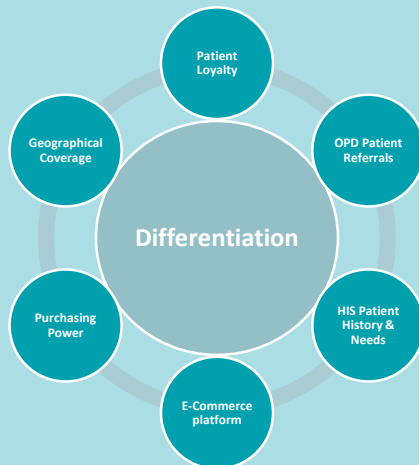
Preferences & consumer behavior

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Financial Strategy

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

Differentiation



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

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

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

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

Expanding Services Offering: Home Visits



In an effort to make healthcare accessible to as many Egyptians as possible, CHG has recently launched its new home visits service.

Home Visits

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



Expanding Services Offering: Telehealth

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

CHG Telehealth – Video Call App

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

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

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

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



Building Additional Capacities in Existing Facilities



Additional 20 Executive Beds in NBH Completed



Hospital Renovations & Capacity Additions

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

Inpatient wards renovations ongoing across all hospitals

Started electromechanical upgrades across all hospitals

Upgraded all medical equipment

ICU/CCU renovation & upgrade

Operating rooms renovations & upgrade

Outpatient clinics renovations & upgrade

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

New Cath labs across NBH, Al Shorouk and Cleopatra Hospitals

Facility Management outsourcing rollout

NBH: 20 new beds (executive floor) started operating in Q3 2020

Al Shorouk: outpatient services building

Building Additional Capacities in Existing Facilities



Nile Badrawy Hospital

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



Strategic Acquisition of Operating Facilities: IVF Segment – Bedaya

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



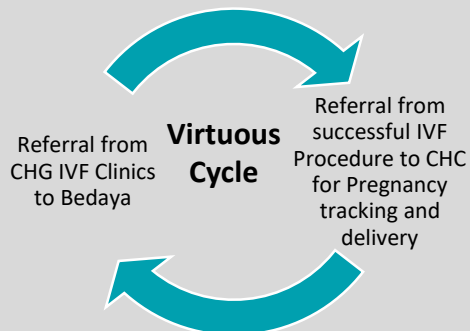
19 Beds & 3 ORs



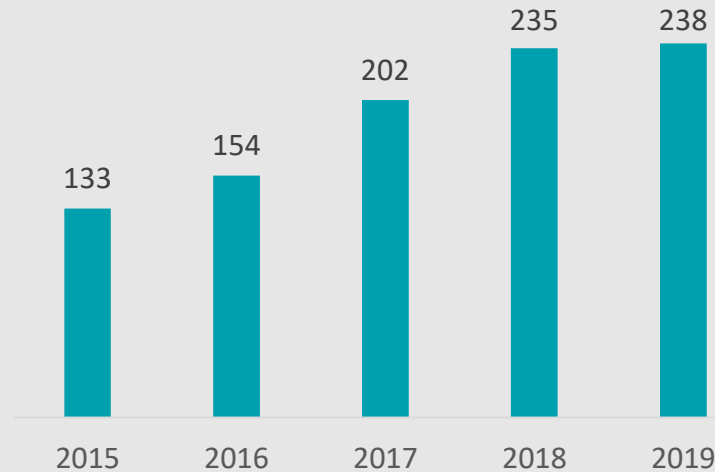
8 OPD Clinics



1 Operating Facility & 1 Expansion Facility in West Cairo



IVF Market Size (USD mn)



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

Services Offered

1
Obstetrics, Gynecology, & Infertility

2
Andrology, Infertility, & Erectile Dysfunction

3
Dermatology, Reproductive, & Laser Treatments

4
Nutrition & Health Coaching

5
Psychology & Family Health

6
Fetal Medicine



Yearly Revenue : EGP 100 mn

EBITDA Margin : 35%

Facility Volume Growth via expansion site & CHG satellite Clinics

2X Revenue in 2 Years

Expansion Projects in Brownfield Hospitals in and around Greater Cairo



Expanding Reach Beyond Greater Cairo

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

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

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



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



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



Designs & Tendering Process Completed

2021-2022 Outlook

Partial opening by end of 2021

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

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

Brownfield Pipeline

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

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



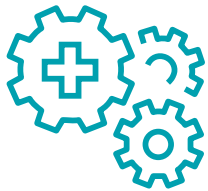
20,000 sqm
Average Built Up Areas



200 bed capacity
Potential

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

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



Cleopatra Entity for Importing Consumables

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



Pharmaceutical Management Entity

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



Cleopatra Academy for Training

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

The background image shows a medical setting with a large circular machine, likely an MRI or CT scanner, and a patient bed. Overlaid on this is a network of white lines and dots, with several circular icons containing symbols for a DNA helix, a pulse line, a cloud, a Wi-Fi signal, a person, a medical bag, and a book. A white rectangular frame is positioned on the left side of the image.

Recent Business Updates

CHG Medical Council



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

Medical Council Objectives



Improve direct patient care across all Group hospitals



Develop centres of clinical specialty excellence



Organize professional development training for all Group staff members



Add new medical services to the Group's service offering

COVID-19 Response Protocols (I/IV)



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

Health and Safety

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

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

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

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

Infrared temperature screening at all group hospital entrances.

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

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

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

Business Continuity

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

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

Back-office contingency planning to ensure business continuity.

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

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

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

COVID-19 Response Protocols (II/IV)



Back office & Operations

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

Ensuring the safety of our staff and patients

Cash preservation & cost efficiency

Revenue stabilization

Medical Council Responsibilities

Training

Patient Pathway

Disinfection & PPE

Space Optimization

Potential COVID-19-Positive Patient Identification and Referral Protocol

Lab Department Protocol:

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

Radiology Department Protocol:

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

Chest Department Protocol:

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

ICU Department Protocol:

ICU protocol to ensure right treatment and diagnostics

COVID-19 Response Protocols (III/IV)



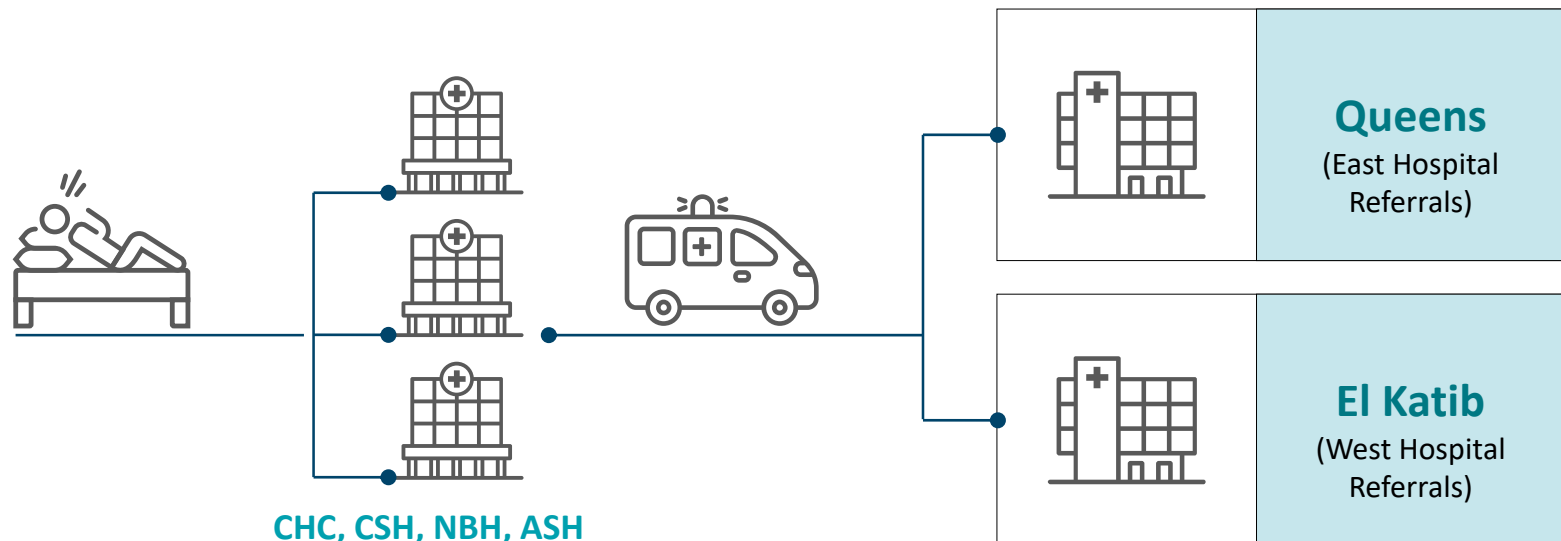
As demand for private COVID-19 treatment centres increased so did the number of suspected cases approaching CHG hospitals.

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

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




Medical Council




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



COVID-19 Response Protocols (IV/IV)

In light of the COVID-19 pandemic and in an effort to better serve its patients and aid the Ministry of Health and Population in its fight against the virus, Cleopatra Hospital Group has transformed both Queens Hospital (which was currently undergoing a full renovation) and El Katib into dedicated isolation hospital to treat COVID-19-positive patients. Since mid-May, the facilities have treated more than 300 COVID-19-positive or suspected cases since their conversion. The majority of the treated cases involved patients requiring treatment at the facilities' ICU units.

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

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



Digital Transformation and HIS/ERP Rollout Update



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

HIS/Enterprise Resource Planning System (Clinisys)

Core benefits seen from successful implementation of HIS:

Improvement of the healthcare services quality

Inventory & Consumption Management

Daily financial and operating reports

Referral Tracking

Big Data Management

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

Development and effective implementation of clinical quality control functions

Clinisys now operates in the East and West Cairo Polyclinics, and Queens and Cleopatra Hospitals

Other Digitalisation Initiatives

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

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

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

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

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
















Governance & Shareholder Information

Governance (I)



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

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

Board Committees

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

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

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

Governance (II)



OPERATIONS

ABC

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

No Referral Fees

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

Medical Council

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



Audit Committee

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

Remuneration Committee

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

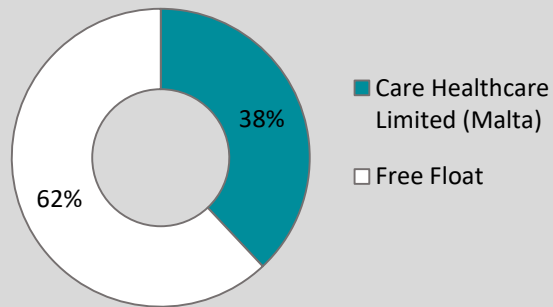
Quality & Medical Ethics Committee

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

BOARD COMMITTEES

Key Investor Information

Cleopatra Hospitals Company's Shareholder Structure



Care Healthcare Limited's DFI Shareholders



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

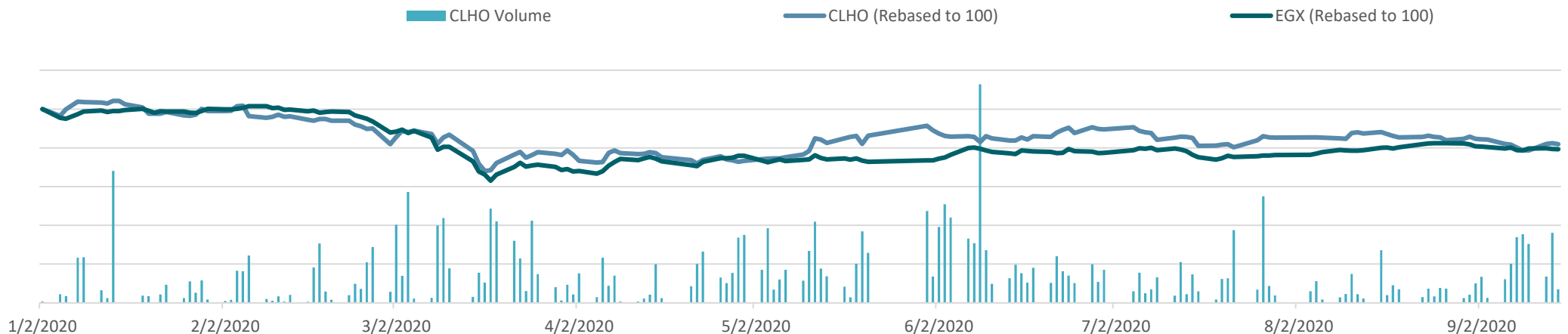


A Development Financial Institution partly owned by Agence Française de Développement (AFD), which promotes private investment in developing countries to reach the Millennium Development Goals

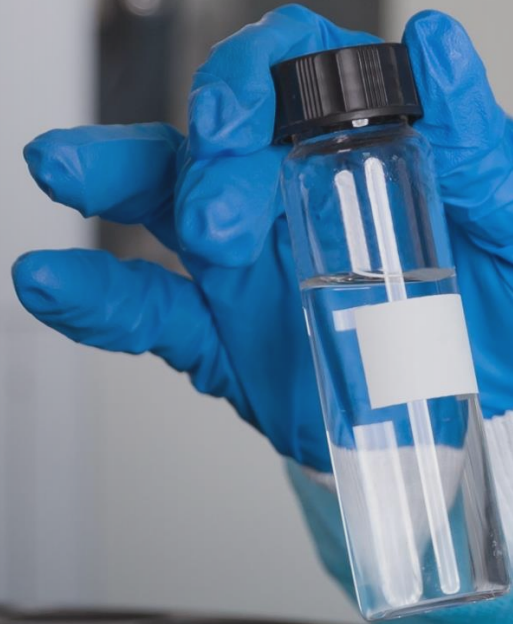


An international financial institution, which uses investment as a tool to build market economies, supporting the development in 30 countries from central Europe to central Asia

Cleopatra Hospitals Company Stock Performance



Appendix



Additional Information and Financial Disclosures



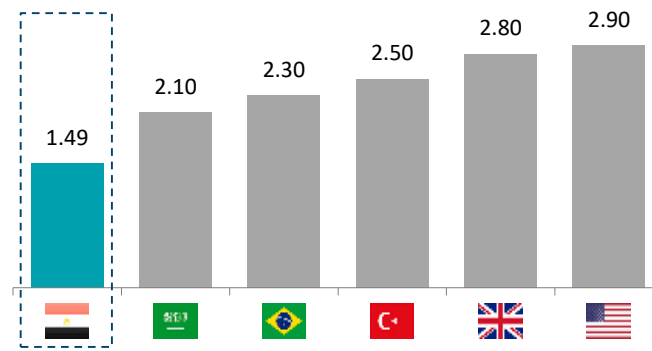
A Unique Investment Story (I/III)



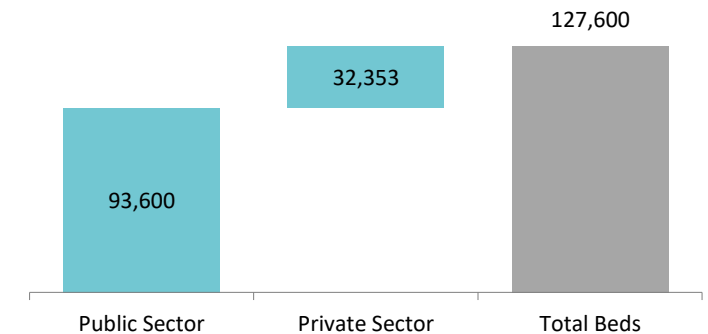
Market Leader in a Growing Market with Strong Long-term Prospects

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

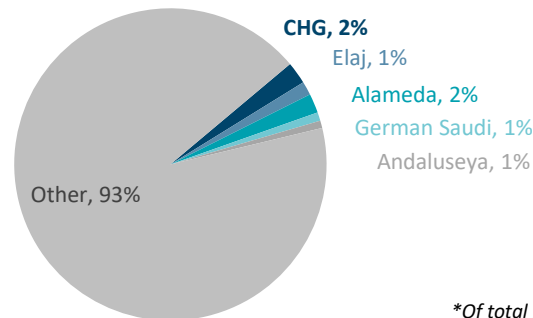
Number of Beds per 1,000 Citizens



Egypt's Number of Beds Breakdown

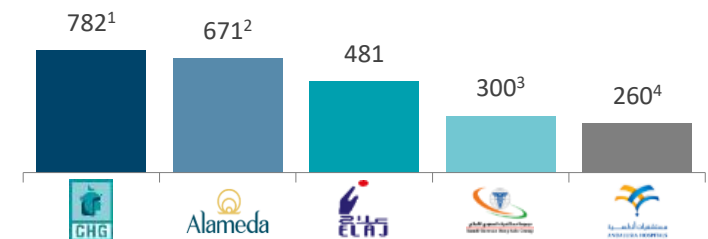


Market Share by # of Commercial Beds



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

Hospital Groups in Cairo – Bed Count



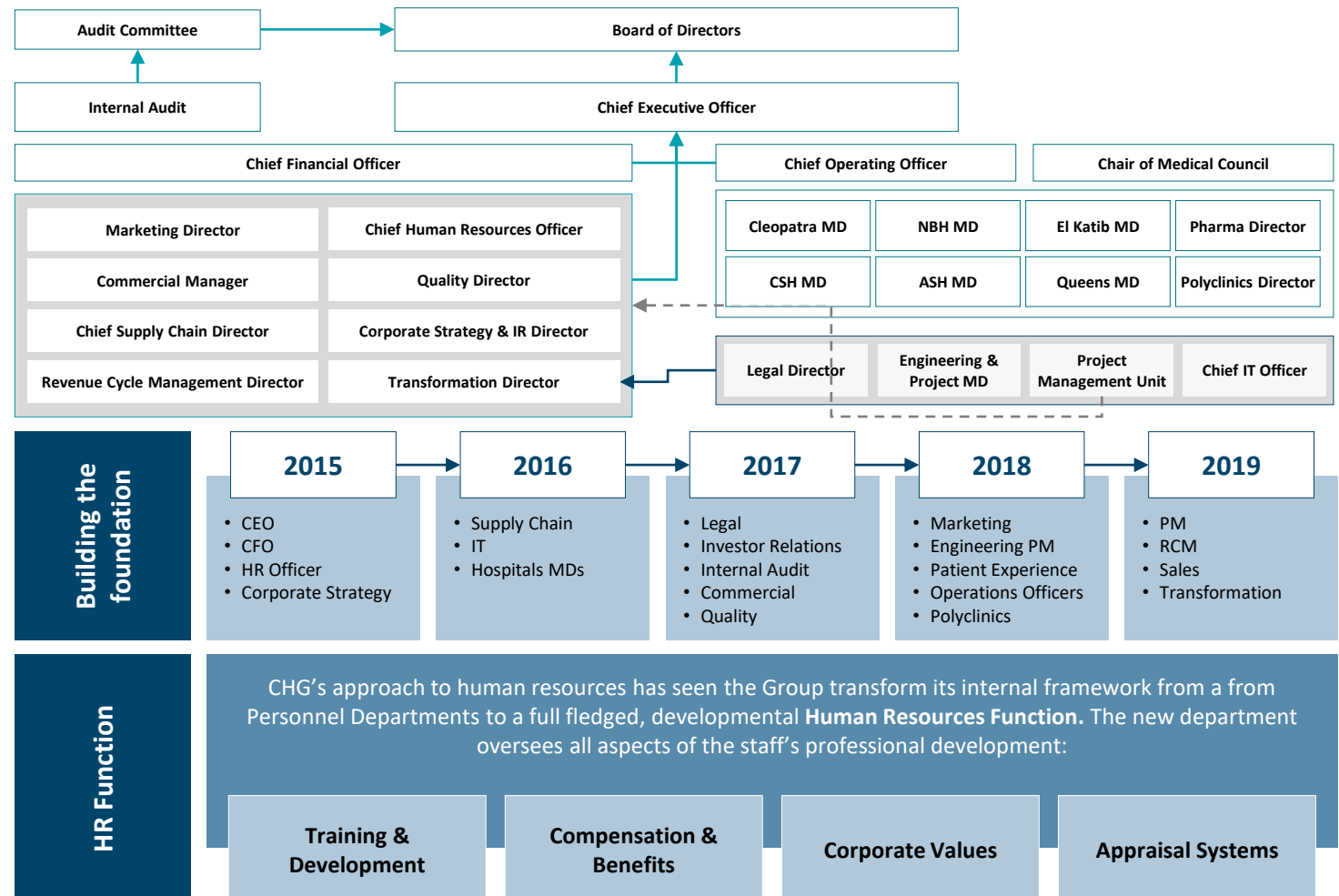
¹. Building new capacity to reach c.1,000 beds, ². Building new capacity to reach c.900 beds, ³. Building new capacity to reach c.600 beds 4. Building new capacity to reach c.500 beds

A Unique Investment Story (II/III)



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

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



A Unique Investment Story (III/III)



Scale and Cost Synergies

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



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

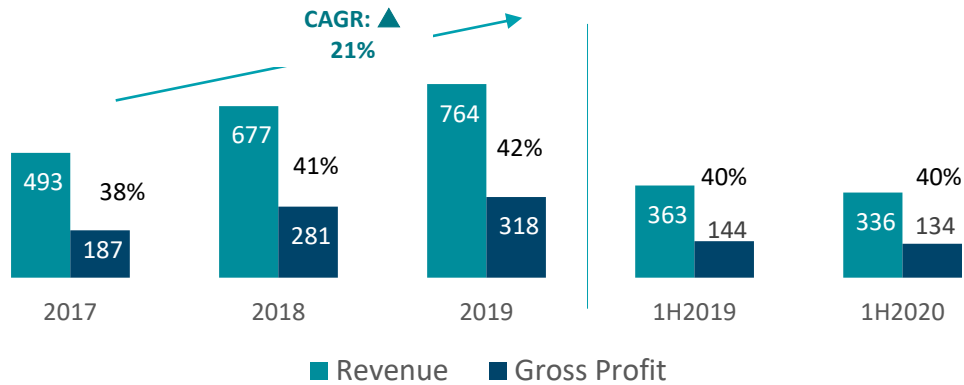


- Cost Synergies
- Inventory Management
- HIS system
- Group wide tenders
- Capex purchasing
- Medication tendering – Pharma
- Material Planning

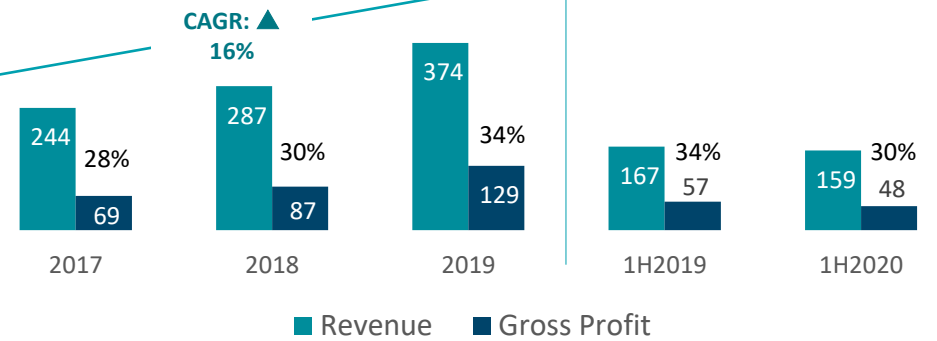
Financial Performance by Hospital



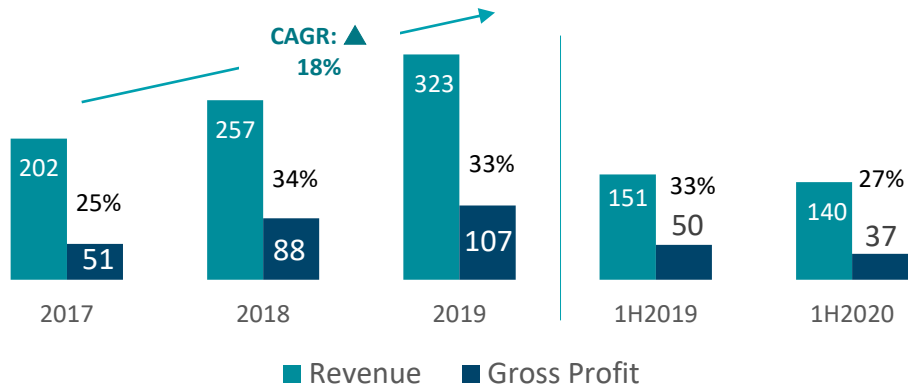
Cleopatra Hospital (CHC)



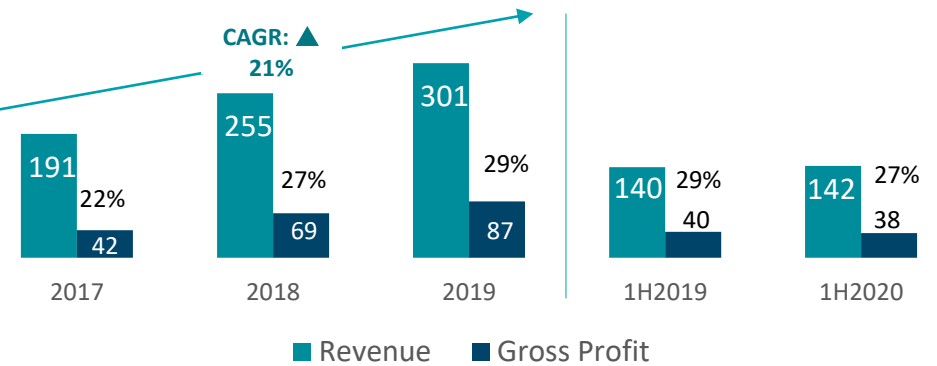
Cairo Specialised Hospital (CSH)



Nile Badrawi Hospital (NBH)



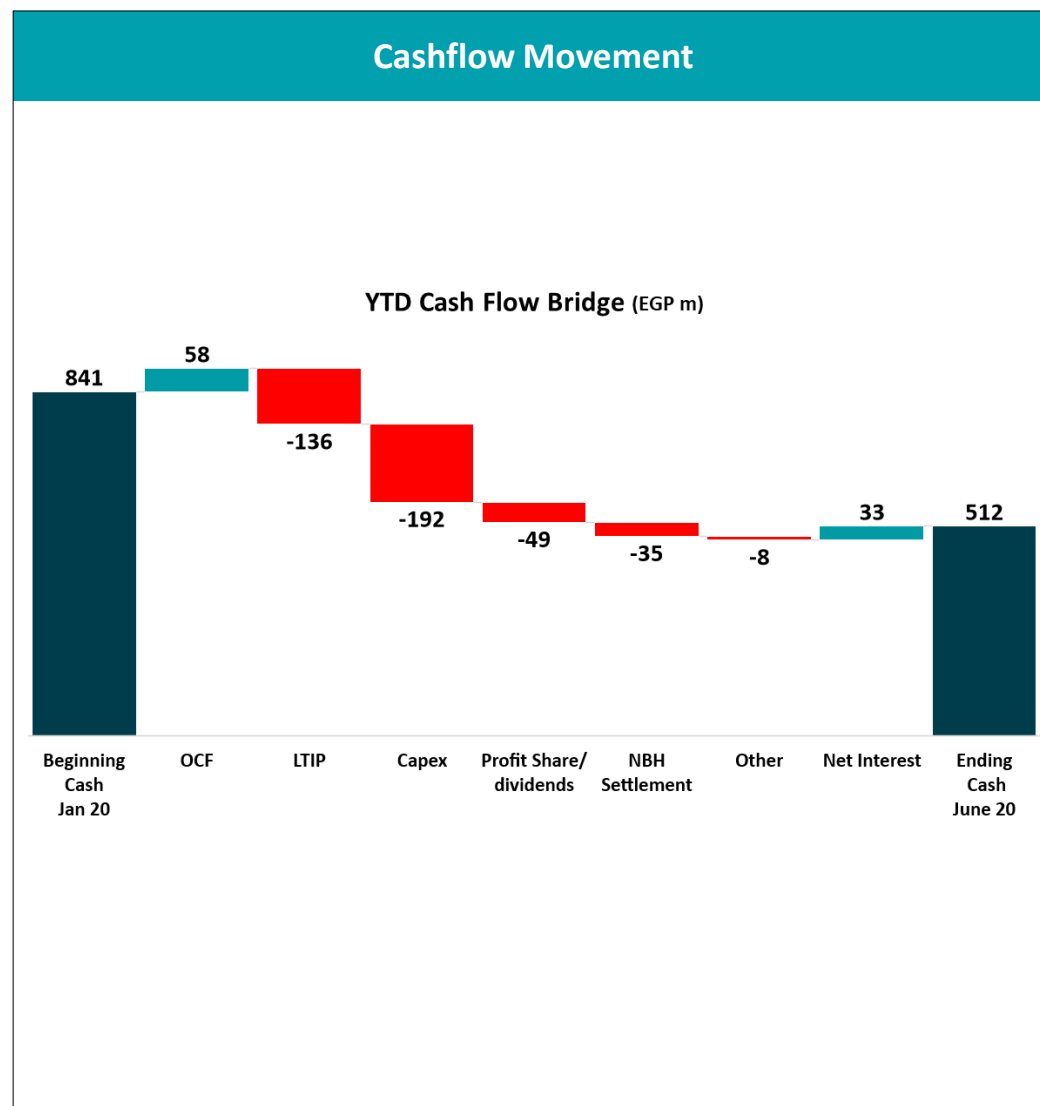
Al Shorouk Hospital (ASH)



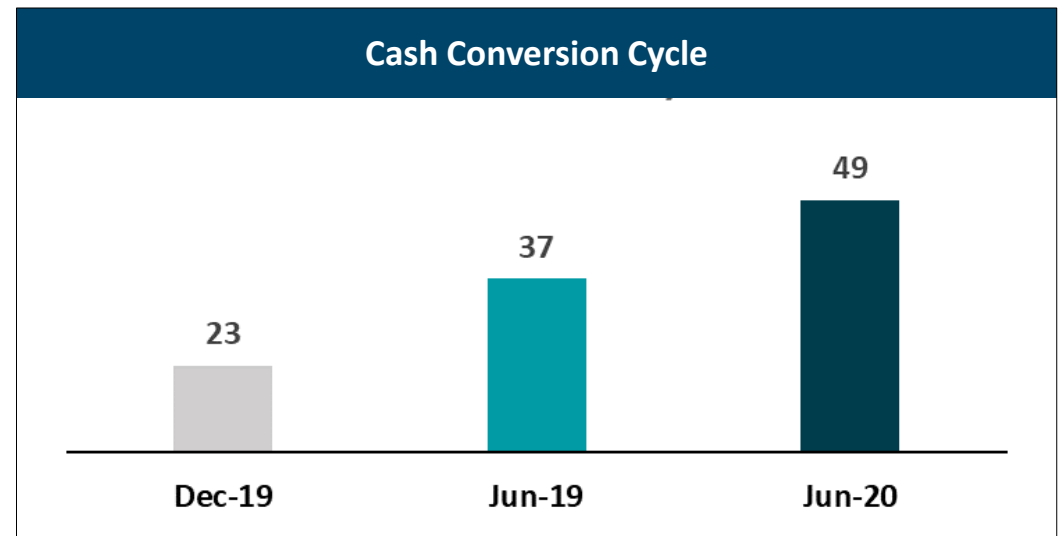
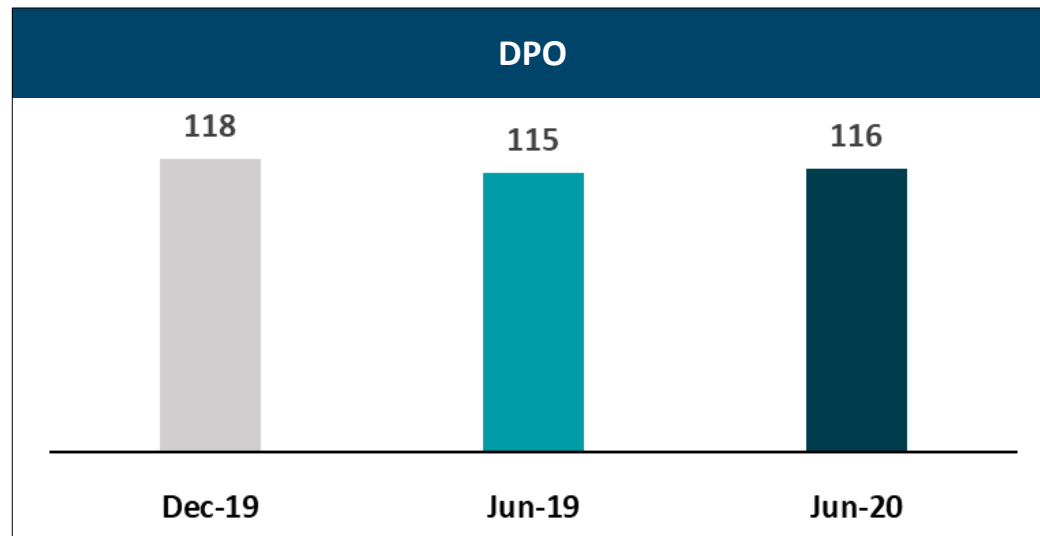
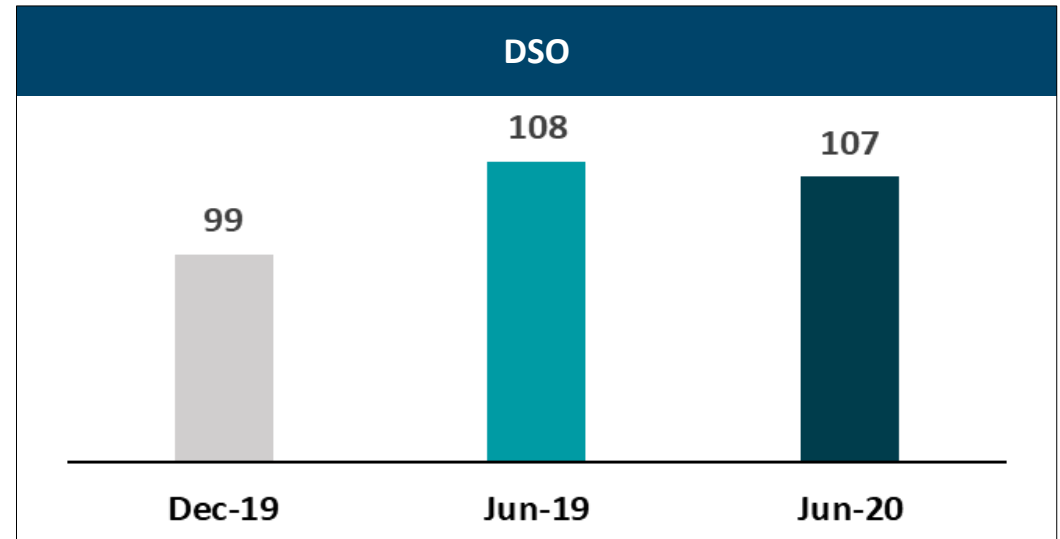
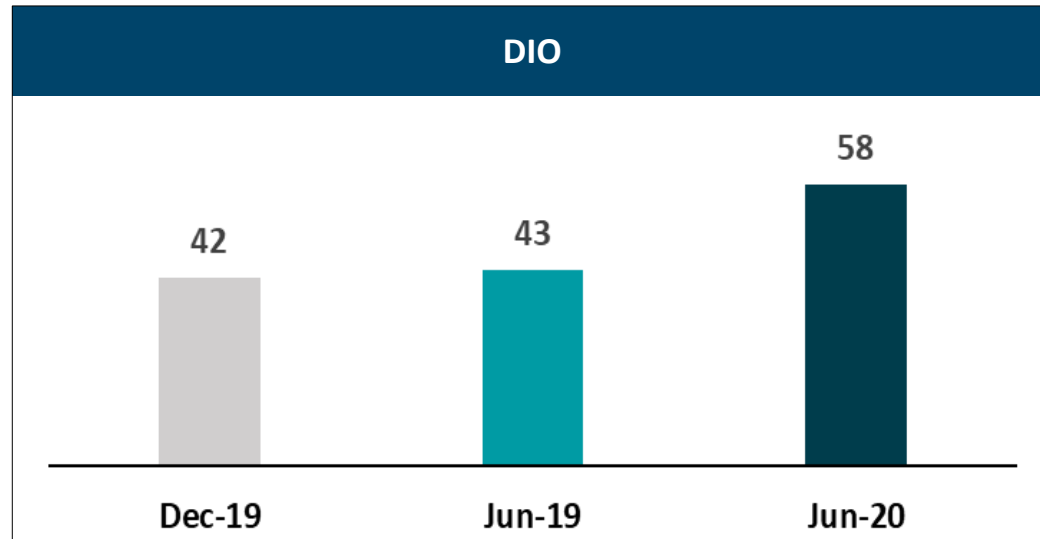
Balance Sheet and Leverage



Balance Sheet Summary		
EGP 000		
Balance Sheet Summary	Dec-19	Jun-20
Cash	841	512
Inventory	49	67
Debtors & other Debt balance	444	456
Current Assets	1,335	1,035
Intangible Assets	414	414
Non-Current Assets	919	1,033
Total Assets	2,667	2,482
Overdraft & Short Term Loan	0	0
Creditors & other Credit balance	652	415
Current Liabilities	652	415
Non-Current Liabilities	81	85
Total Liabilities	733	500
Net Assets	1,935	1,983
Total Equity	1,935	1,983
Leverages Ratios	Dec-19	Jun-20
Total Liabilities / Total Assets	0.27 X	0.20 X
Net bank debt / equity	-0.43	-0.26



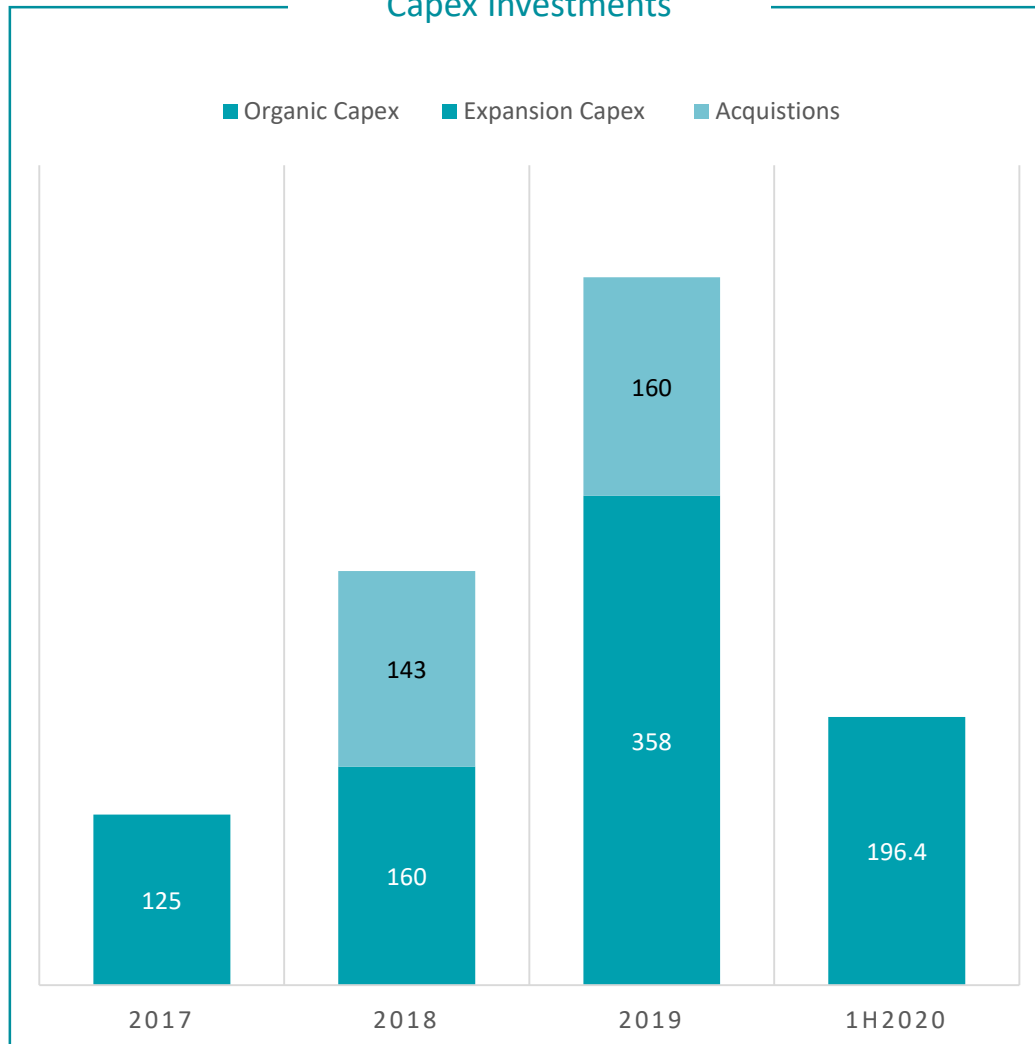
Cash Conversion Cycle



Capex Profile



Capex Investments



Acquisitions

Acquisition Investments:

- El Katib (143mn Propco & 135mn Opco)
- Queens (25mn Opco)
- IVF (2020) EGP 250mn

Expansion Capex

Medical & Renovation Capex:

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

Organic Capex

Medical & Renovation Capex:

- Investments Across the 4 Organic Hospitals

Consolidated Income Statement



All figures in EGP mn	2Q2020	2Q2019	% change	1H2020	1H2019	% change
Revenues	340.2	409.1	-17%	843.1	825.0	2%
Cost of sales	(244.0)	(278.4)	-12%	(575.7)	(540.2)	7%
Gross profit	96.2	130.7	-26%	267.4	284.9	-6%
Gross Profit Margin	28%	32%		32%	35%	
General & administrative expenses	(80.5)	(91.5)	-12%	(150.5)	(190.2)	-21%
Cost of acquisition activities	(4.9)	(0.1)	0%	(4.9)	(0.6)	0%
Provisions	(1.7)	0.9	-297%	(5.6)	(1.8)	207%
Other income	2.1	2.1	3%	3.9	4.1	-5%
Pre-Operating Expenses	0.0	(3.4)	-100%	0.0	(3.4)	-100%
EBIT	11.2	38.6	-71%	110.3	92.9	19%
EBIT Margin	3%	9%		13%	11%	
Interest income	13.9	26.0	-47%	32.2	55.4	-42%
Interest expense	(0.6)	(1.7)	-64%	(1.2)	(4.8)	-75%
Profit before tax	24.5	63.0	-61%	141.3	143.5	-2%
PBT Margin	7%	15%		17%	17%	
Income tax	(9.8)	(19.3)	-49%	(39.5)	(45.6)	-13%
Deferred tax	(0.7)	(1.0)	-33%	0.2	(0.2)	-216%
Net profit after tax	14.0	42.6	-67%	102.0	97.7	4%
Net Profit Margin	4%	10%		12%	12%	
Distributed as follows:						
Shareholders of the company	18.5	43.7	-58%	100.6	97.2	4%
Minority rights	(4.5)	(1.1)	329%	1.4	0.6	133%
Profit for the period	14.0	42.6	-67%	102.0	97.7	4%

Consolidated Balance Sheet



All figures in EGP mn	31 December 2019	30 June 2020
Non-current assets		
Fixed assets	908.5	1,017.0
Intangible assets	413.6	413.6
Right of Use	10.2	20.0
Payment under investment	-	-
Total non-current assets	1,332.4	1,450.7
Current assets		
Paid under subsidiaries capital increase	-	-
Inventory	49.3	63.0
Accounts receivables	337.2	347.9
Other receivables and debit balances	105.2	112.3
Due from related parties	2.0	0.5
Treasury Bills	50.1	121.8
Cash	791.3	390.5
Total current assets	1,335.0	1,035.9
Total assets	2,667.4	2,486.6
Equity		
Share capital	800.0	800.0
Reserves	284.4	288.3
Retained earnings	746.2	798.6
Equity attributable to the parent company	1,830.6	1,886.9
Non-controlling interest	103.9	99.1
Total equity	1,934.5	1,986.0
Non-current liabilities		
Long term debt – non-current portion	-	-
Non-current portion of lease liability	5.8	10.2
Deferred tax liability	74.8	74.6
Total non-current liabilities	80.6	84.8
Current liabilities		
Provisions	15.6	15.5
Creditors and other credit balances	442.3	375.6
CPLTD	-	-
Current portion of lease liability	2.7	5.3
Long term incentive plan	129.1	-
Current income tax	62.6	19.3
Total current liabilities	652.3	415.7
Total liabilities	732.9	500.6
Total liabilities & shareholders' equity	2,667.4	2,486.6

Consolidated Cash Flow Statement



All figures in EGP mn	30 June 2020	30 June 2019
Cash flow from operating activities:		
Profit before tax	141.3	143.5
<u>Adjustments for:</u>		
Depreciation	40.2	29.7
Allowance for impairment of current assets	25.6	40.9
Provision	(0.0)	(2.4)
Capital gain/Loss	(0.7)	(0.3)
Credit / Debit Interest	(31.0)	(52.7)
Changes in current tax liability	(82.8)	(84.0)
Share-based payments financial liabilities	7.8	53.3
Operating profits before changes in assets and liabilities	100.3	128.0
<u>Changes in working capital:</u>		
Changes in Inventories	(13.8)	(4.6)
Change in trade receivables, debtors, and other debit balances	(7.1)	(84.9)
Changes in Due from related parties	1.5	1.7
Change in trade and other payables	(19.2)	25.5
Change in trade and other payables	(136.8)	-
Net cash flows generated from operating activities	(75.2)	65.8
Cash flow from investment activities:		
Proceeds from sale of fixed assets	0.7	0.6
Payments for purchase of fixed assets	(37.3)	(29.7)
PUC purchased	(121.2)	(66.6)
Advanced payments for purchase of fixed assets	(37.8)	(70.2)
Payments for acquisition of a subsidiary, net cash acquired	(6.6)	(25.0)
Payments under investment	(35.5)	-
Credit interest collected	34.0	55.6
Time deposits with maturity more than 3 months	50.1	-
Net cash flow from investment activities	(153.8)	(135.4)
Cash flow from financing activities:		
Proceeds from Minority Share in Subsidiary Cap Increase	-	-
Dividends Paid	(48.9)	(31.9)
Repayment of borrowings	-	(95.1)
Cash proceed from overdraft	-	53.9
Cash paid to overdraft	-	(43.9)
Interest paid	(1.2)	(15.4)
Net cash flow from financing activities	(50.0)	(132.4)
Net change in cash & cash equivalents during the period	(279.0)	(202.0)
Cash & cash equivalents at the beginning of the period	791.1	953.4
Cash & cash equivalents acquired subsidiaries at beginning of period	-	0.6
Cash & cash equivalents at the end of the period	512.3	752.0

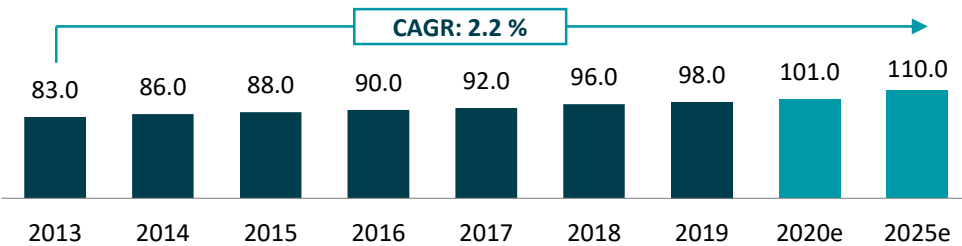
Market Overview



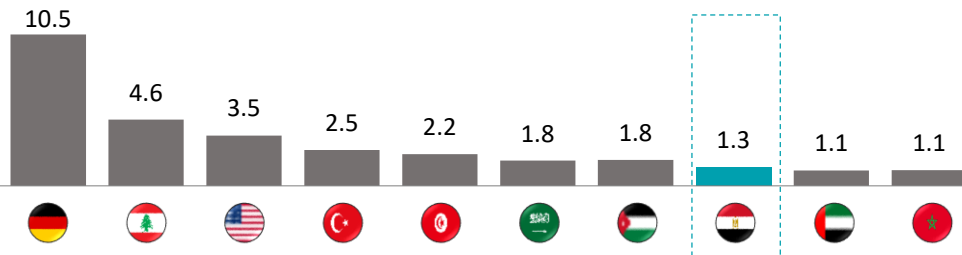
Underserved and Under-penetrated Market with Steady Demand Growth

Supply Gap in Egyptian Healthcare Industry

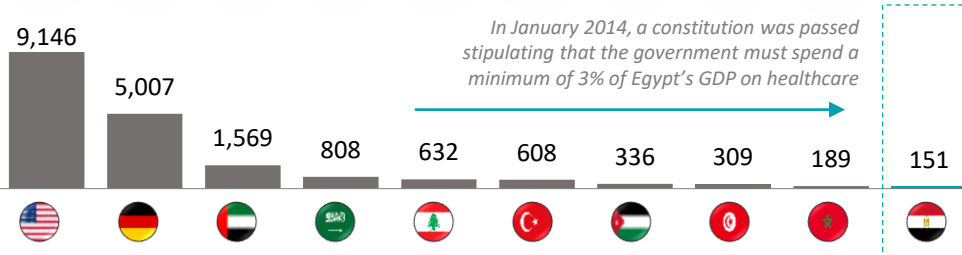
Population (millions)



Hospital Beds (/1,000 people) | 2017

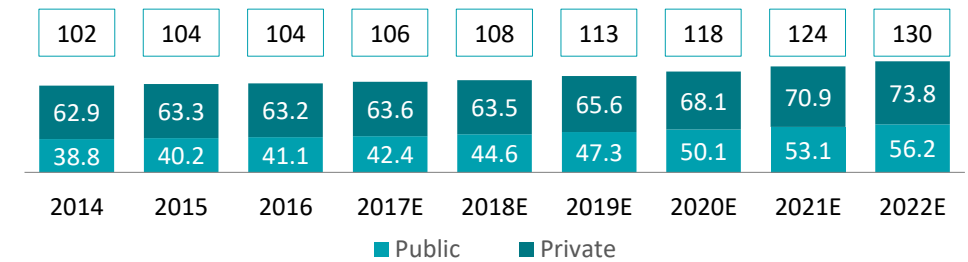


Healthcare Expenditure per Capita (USD) | 2017



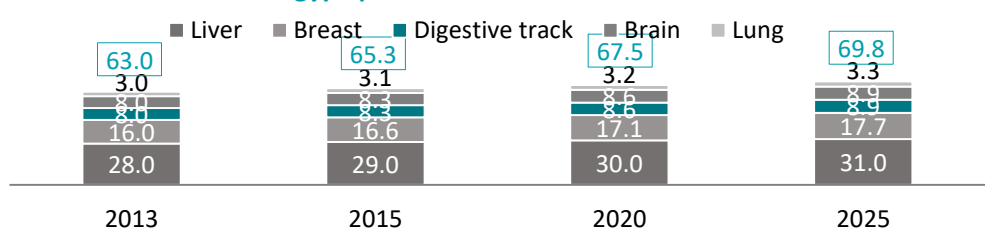
Healthcare Expenditure in Egypt

Public vs. Private Healthcare Expenditure | EGP bn

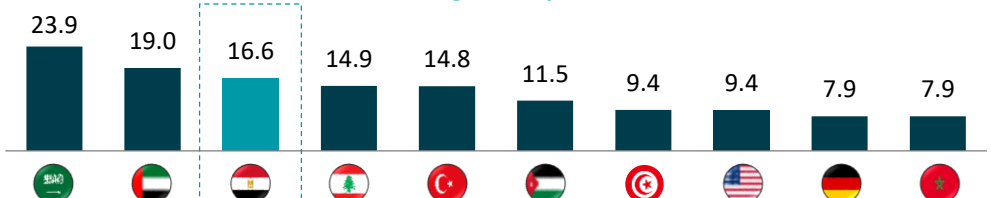


Lifestyle Disease Profile in Egypt

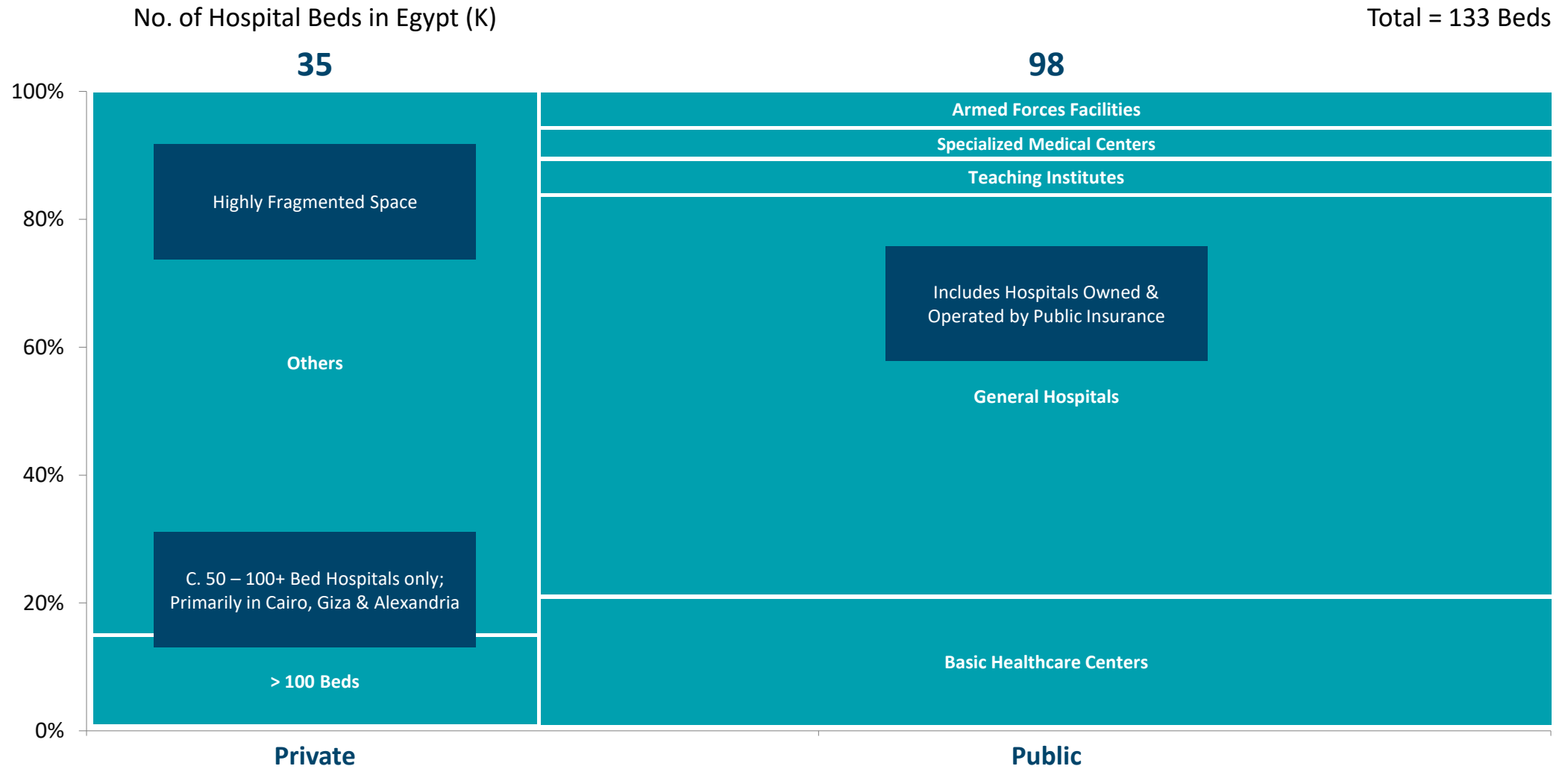
Cancer Prevalence in Egypt | 000 cases



Diabetes Prevalence in the 20-79 Age Group









Egypt Total Hospital Beds (I/III)



Source: CAPMAS, Egypt Ministry of Health, consultants

Egypt Total Hospital Beds (II/III)



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

Focus of Next Slide

Source: CAPMAS, Egypt Ministry of Health, consultants

Egypt Total Hospital Beds (III/III)



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

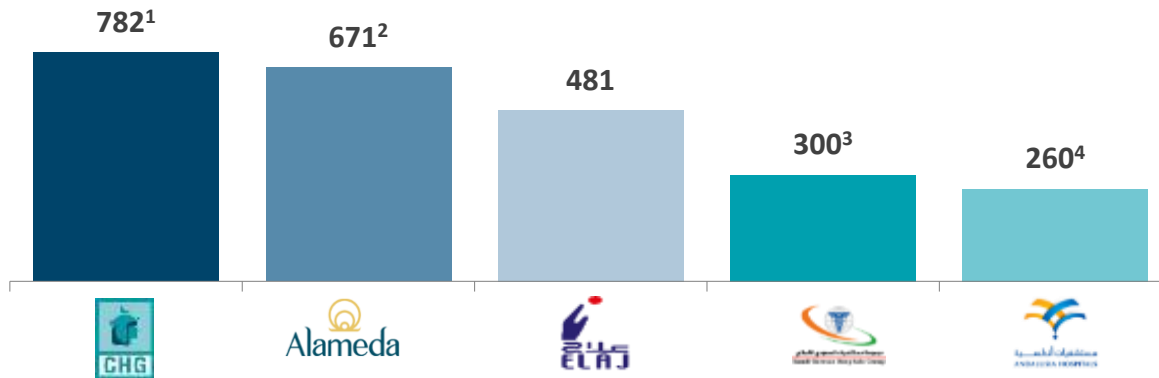
Focus of Next Slide

Source: CAPMAS, Egypt Ministry of Health, consultants

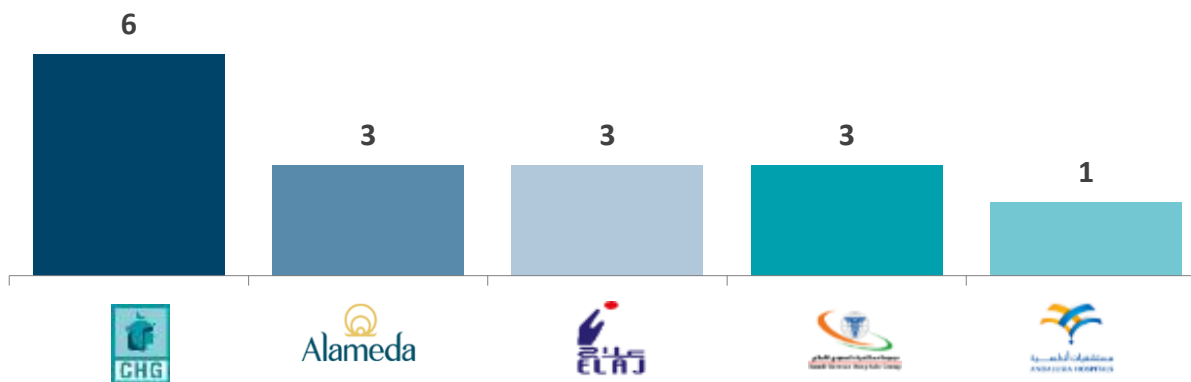
Greater Cairo Hospital Groups by Commercial Bed Count



Hospital Groups in Cairo (Operational) – Bed Count



Hospital Groups in Cairo - # of Operational Hospitals



Building new capacity to reach c1,000 beds

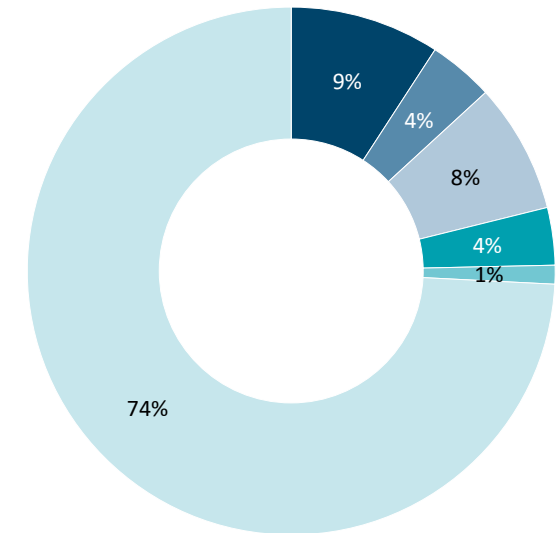
2. Building new capacity to reach c900 beds

3. Building new capacity to reach c600 beds

4. Building new capacity to reach c500 beds

Source: CAPMAS, Egypt Ministry of Health, consultants

Market Share in Cairo by # of Commercial Beds



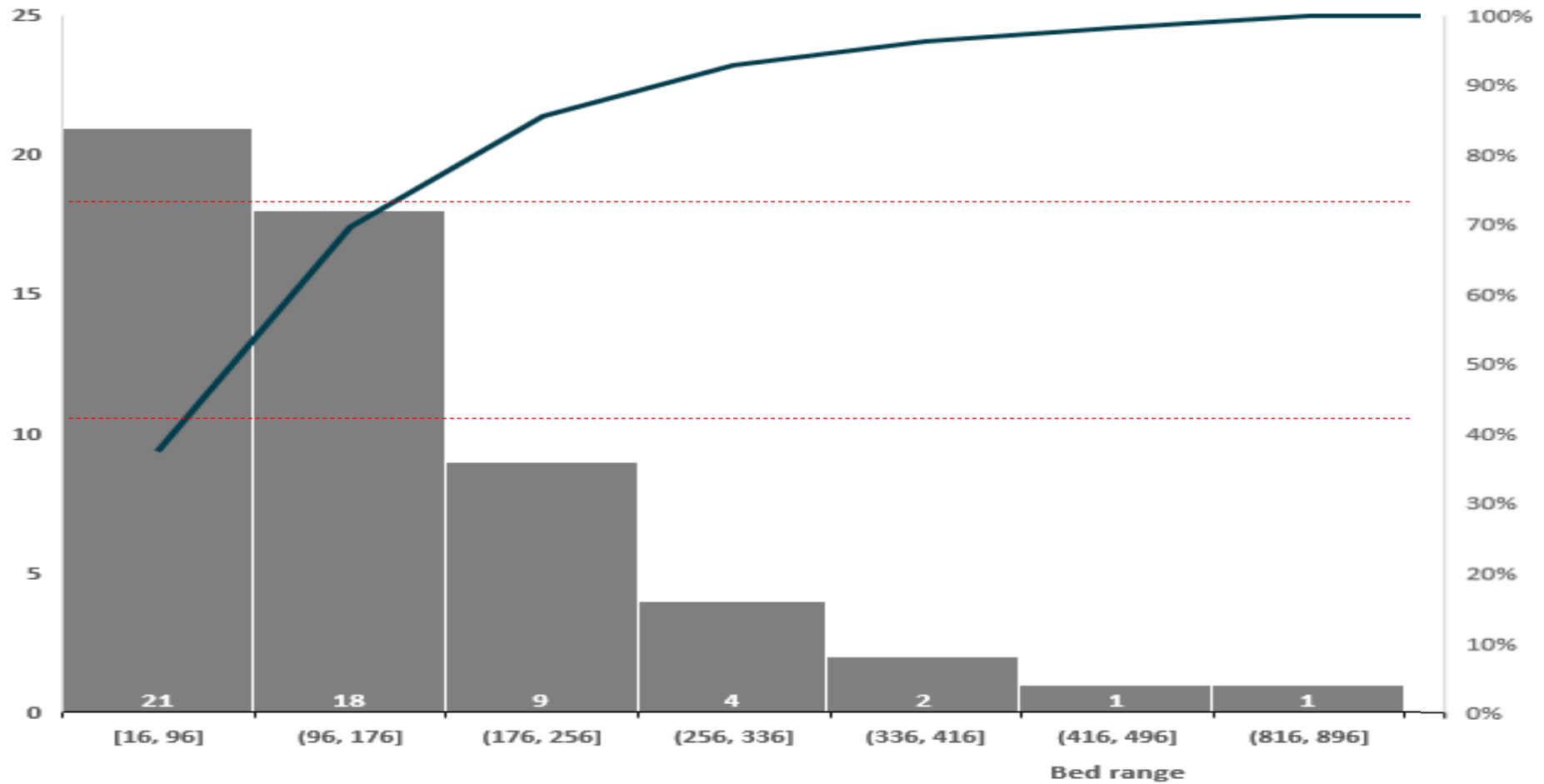
■ CHG ■ Elaj ■ Alameda ■ German Saudi ■ Andaluseya ■ Other

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

Greater Cairo Distribution of Hospitals by Commercial Beds



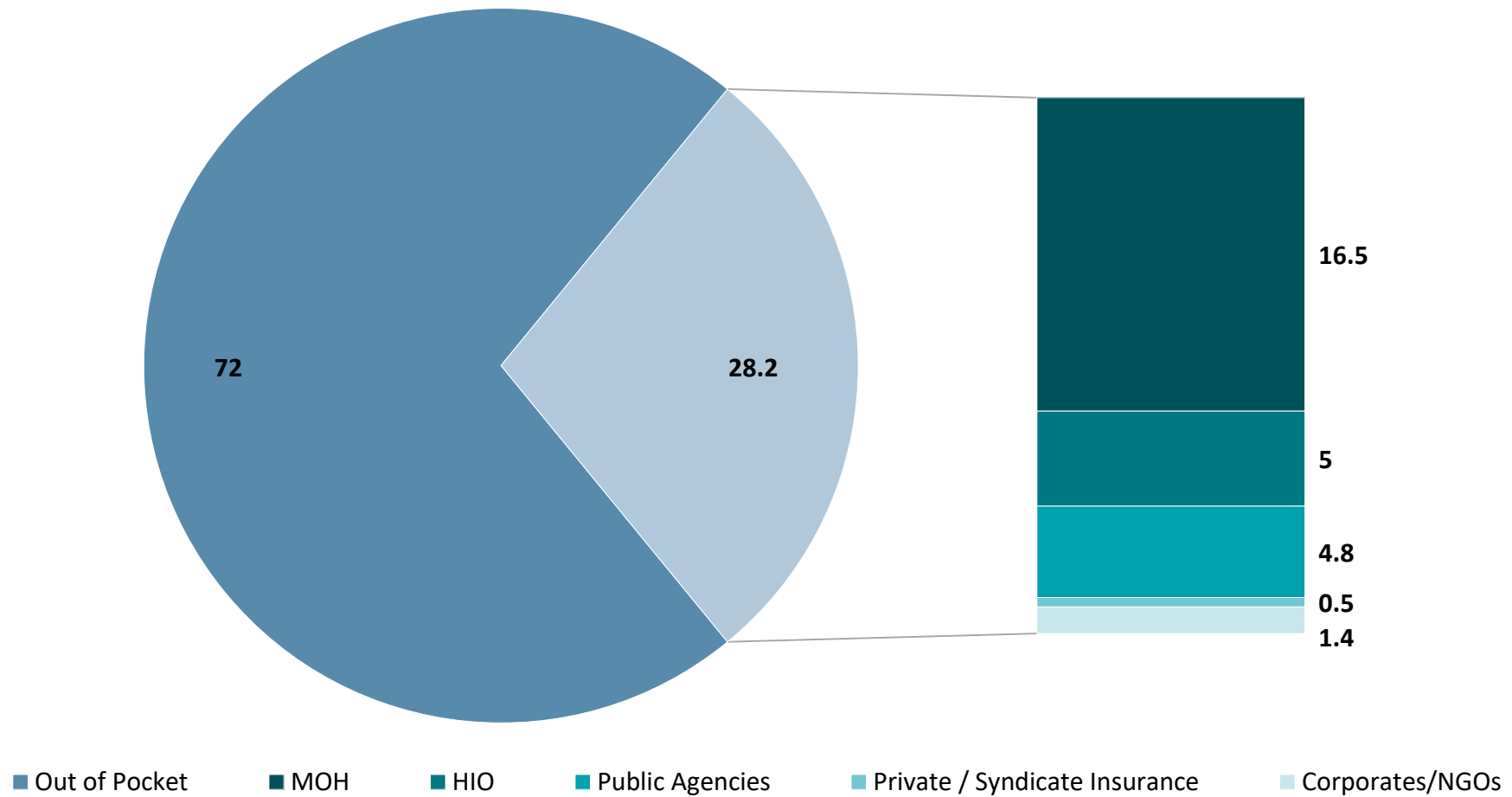
Distribution of Hospitals in Greater Cairo by # of Commercial Beds



Egypt Healthcare Market Payor Profile



Egypt Healthcare Market Payor Profile



Thank you

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SHAREHOLDER INFORMATION

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



CLEOPATRA HOSPITALS
GROUP

