



**CLEOPATRA HOSPITALS**  
GROUP

# **Cleopatra Hospitals Group**

## Investor Presentation 1Q21

# 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

# TABLE OF CONTENTS

Unique Investment Story

1

Performance Review

2

Expansion Strategy & Updates

3

Business Updates

4

Governance & Shareholder Information

5

Appendix

6

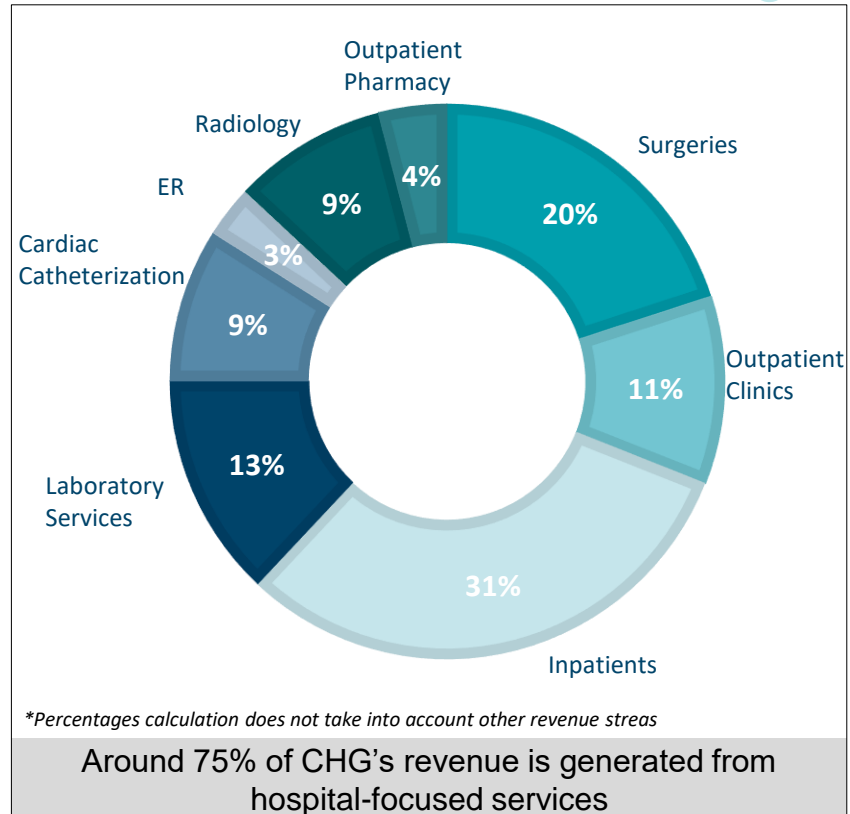


# A Unique Investment Story



# A Diversified Healthcare Services Group

- **Cleopatra Hospitals Group is Egypt's first and largest private hospital group** by number of hospital beds and operating hospitals and consists of six operational hospitals and two polyclinics in addition to a leading IVF Centre all in Cairo. The Group's network includes:
  - Cleopatra Hospital (100.0% ownership)
  - Cairo Specialized Hospital (56.5% ownership)
  - Nile Badrawy Hospital (99.9% ownership)
  - Al Shorouk Hospital (100.0% ownership)
  - Queens Hospital (100.0% ownership)
  - Al Katib Hospital (100.0% ownership)
  - Cleopatra Hospitals Group Clinics (100.0% ownership)
  - Bedaya IVF Centre (60% ownership)
- Since inception, **the Group has revolutionized the Egyptian healthcare industry** by bringing high quality, integrated healthcare solutions to a growing number of patients across a constantly expanding geographical footprint.
- Around 75% of revenue generated from insured & contract patients



**1,000**

Consultant physicians attracted from the top two medical universities



**+4600**

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



**6 Hospitals**

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



**2 Polyclinics**

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

**+1 New Polyclinic**

adjacent to Al Shorouk hospital, housing the hospital's outpatient services



**Bedaya IVF**

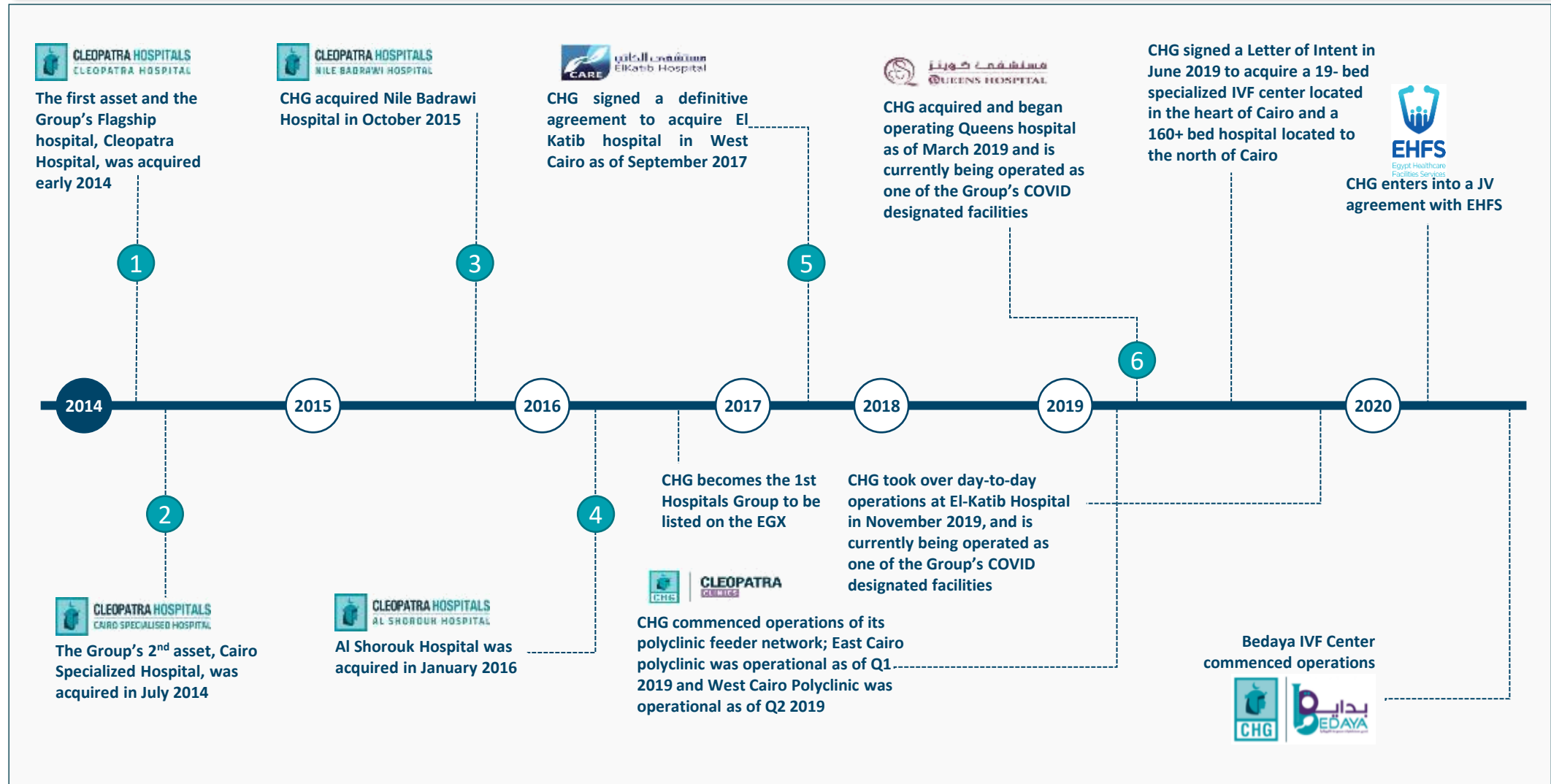
1 Operating facility with 19 beds – acquired in 4Q2020

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



# CHG's Journey History & Timeline

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

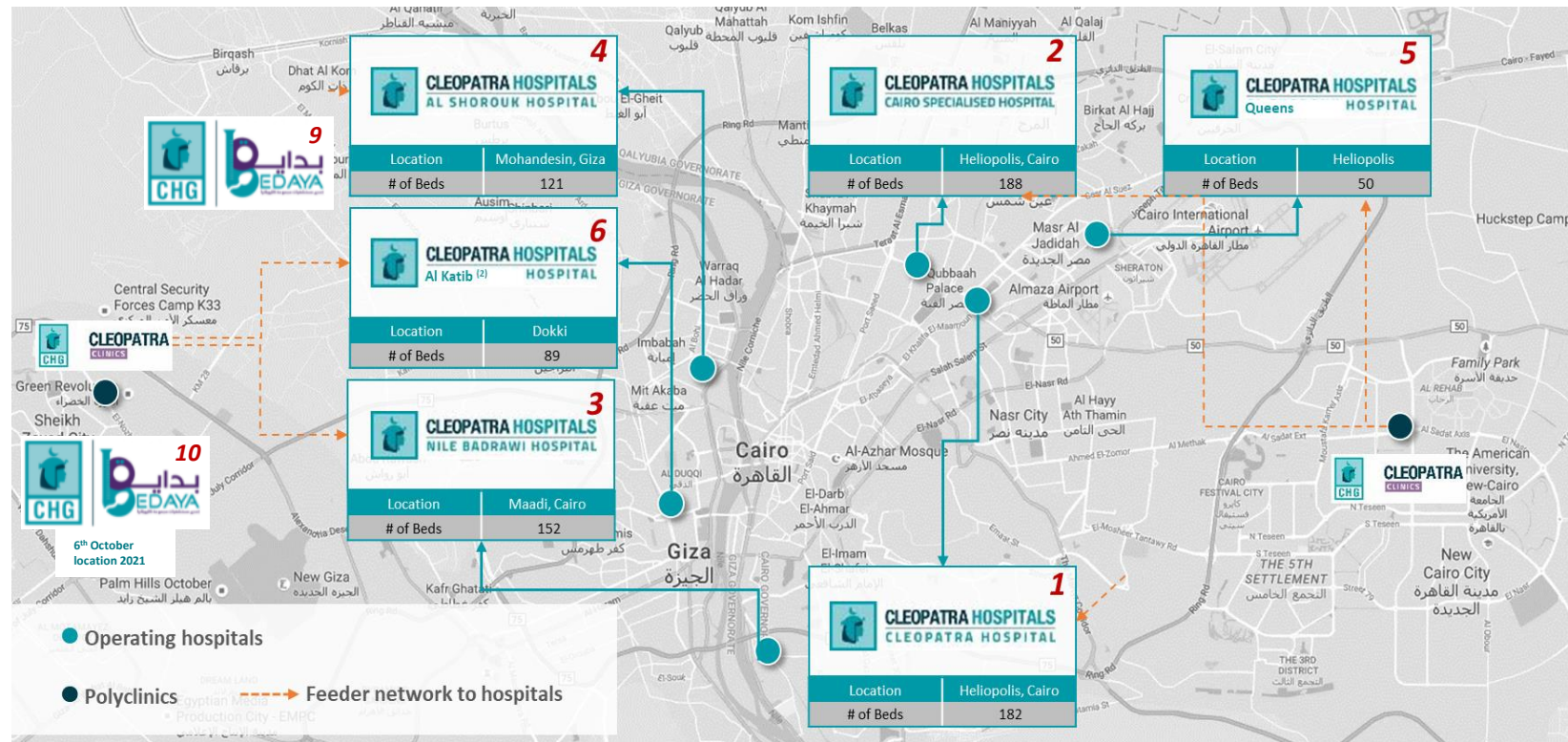


# Broad Network Coverage in Greater Cairo

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

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

*Providing high quality and affordable care to c. 1 Mn patients a year*



**244** thousand

Cases Served\*  
in 1Q2021

**183** thousand

Outpatient Visits  
in 1Q2021

**12** thousand

Inpatients  
in 1Q2021

**9** thousand

Surgeries Performed  
in 1Q2021

**472** thousand

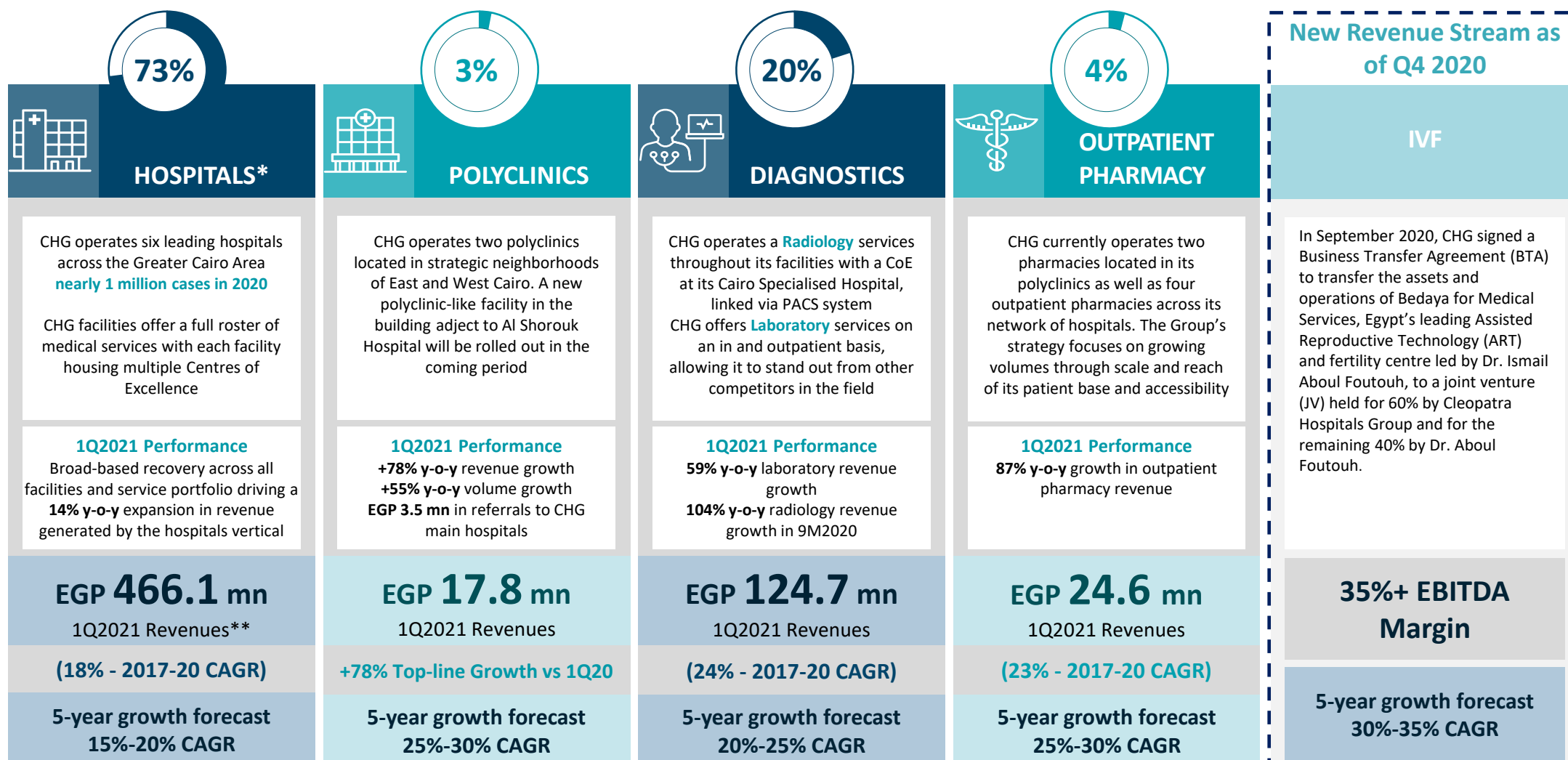
Diagnostic Tests\*\* Performed  
in 1Q2021

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

\*\* Diagnostic Tests include Laboratory and Radiology tests conducted

# Diversified Service Offering and Revenue Stream

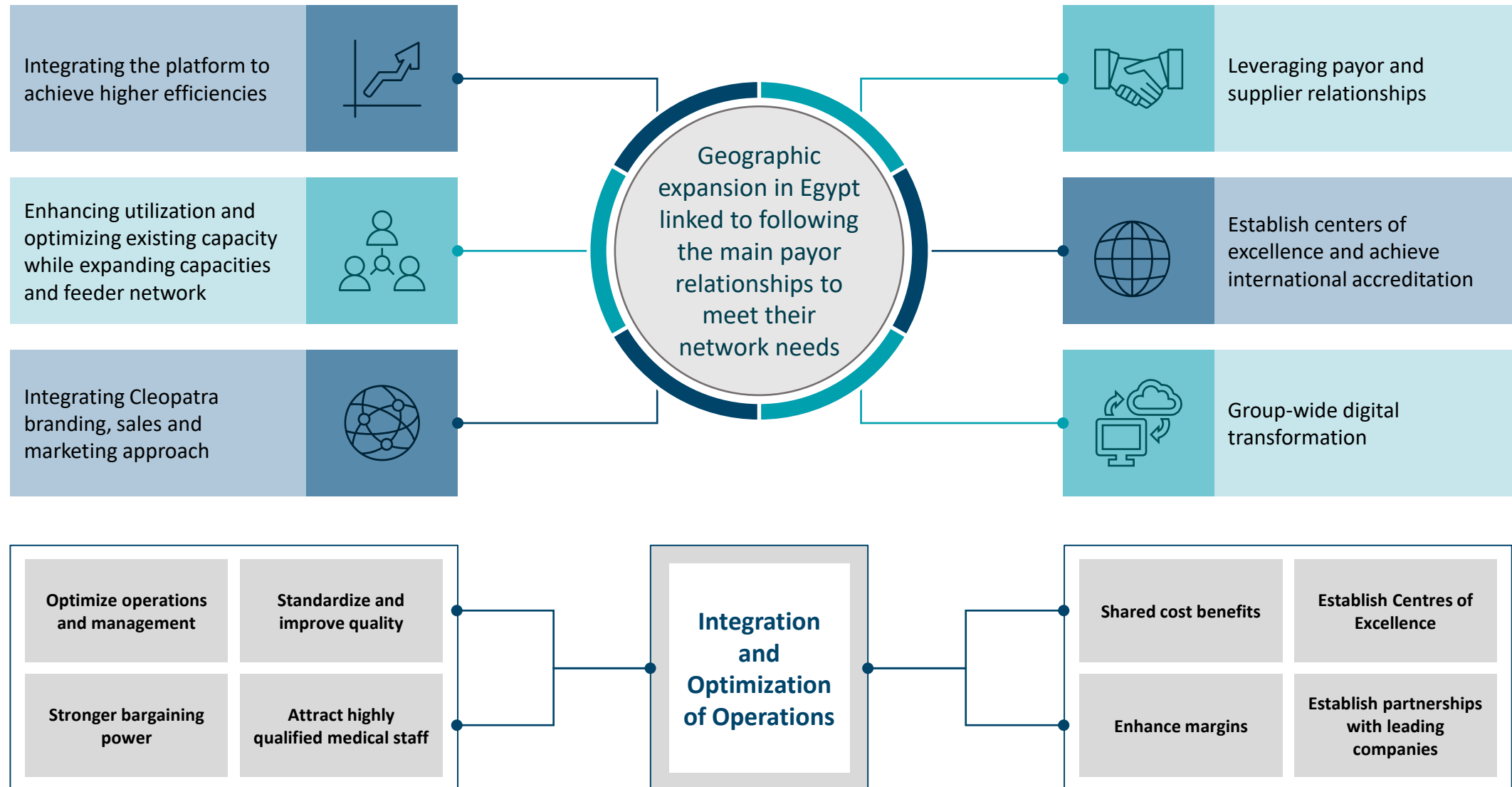
CHG delivered strong top- and bottom-line growth with record-high margins in 1Q2021 supported by strong growth across all verticals



Note: contributions based on 1Q2021 revenues, \*\* Calculated by subtracting revenues of polyclinics, diagnostics and pharmacy services from total revenues for 1Q2021, \*\*\*5 Year forecast growth rates refers to revenue growth for the vertical



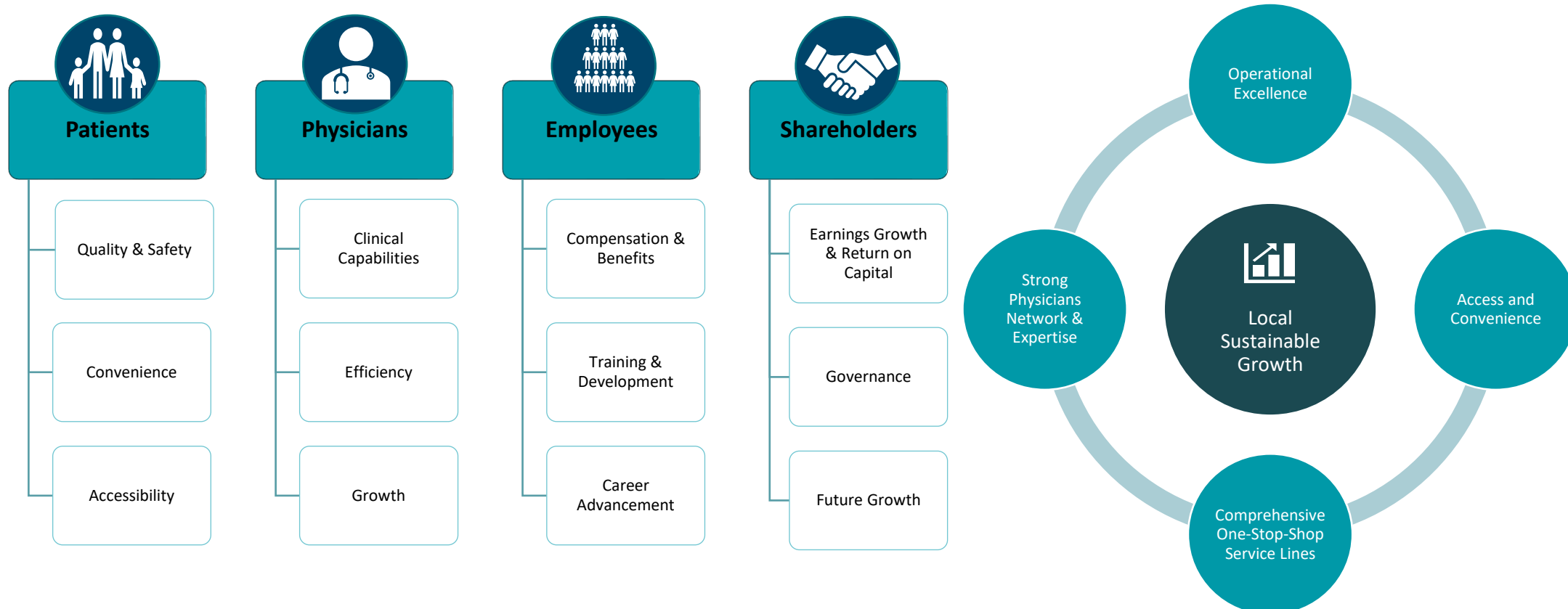
# Clearly Defined Core Growth Strategy



# Healthcare Provider of Choice

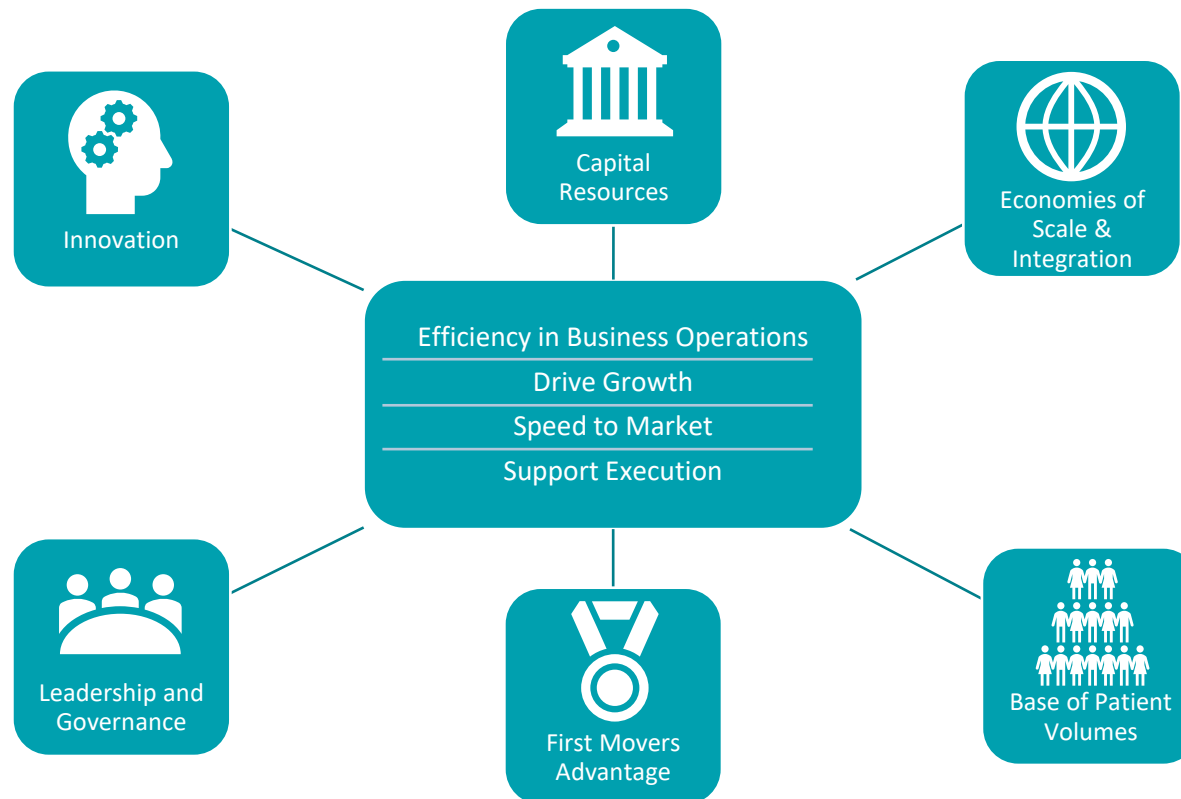


Creating a one-stop-shop that is seamlessly integrated across all our assets comes as a result of the Group's persistence in keeping our patients at the center of everything we do, while at the same time ensuring to drive value to all CHG's key stakeholders. With that focal point on mind at all times, the Group manages to maintain local sustainable growth with every day of operations.



# Sources of Differentiation

Having been the amongst the first private healthcare providers to recognize the attractiveness of the Egyptian healthcare industry, the Group has played a central role in institutionalizing the sector and promoting its growth and development over the years



CHG was the first to introduce a 360-degree integrated management framework to oversee its operations, allowing the Group to consistently improve the quality of its services and patient experience while driving efficiency enhancements throughout its constantly expanding facility network

# CHG 1Q2021 Financial Highlights



Cleopatra Hospitals Group kicked off the new year on the same positive trajectory it had concluded 2020 on, **delivering another quarter of solid financial and operational results across its entire facility network and service portfolio, while continuing to make significant progress on our multi-pronged operational and growth strategy.**

The Group recorded an impressive **26% year-on-year increase in revenues** supported by growing patient volumes and improving utilization rates across all our facilities.

In line with expectations, **patient volumes are nearing a full recovery from the COVID-19-related slowdown** in the second quarter of 2020 and some segments have already returned to year-on-year growth in 1Q2021.

CHG continued to record **strong and improving margins** on the back of solid top-line growth coupled with the continued success of our Group-wide cost control and optimisation efforts.



EGP **633.2** mn

Consolidated revenues in 1Q21  
**+26% y-o-y**



**38%**

Gross profit margin  
EGP 241.2 mn in 1Q21  
**+41% y-o-y**



EGP **200.1** mn

Adjusted EBITDA<sup>1</sup> in 1Q21 with a  
**32% Margin, +47% y-o-y**



**+52%**

EBITDA<sup>2</sup> growth y-o-y in 1Q21  
**30% Margin**



**243,992**

Cases served<sup>3</sup> in 1Q21



**↑4%**

growth in outpatient visits for  
1Q2021, with the **segment returning to year-on-year growth**

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

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

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



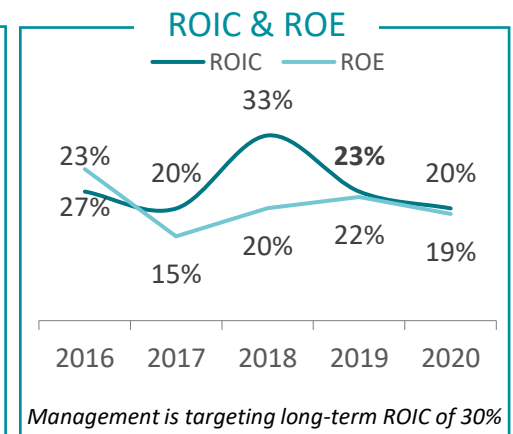
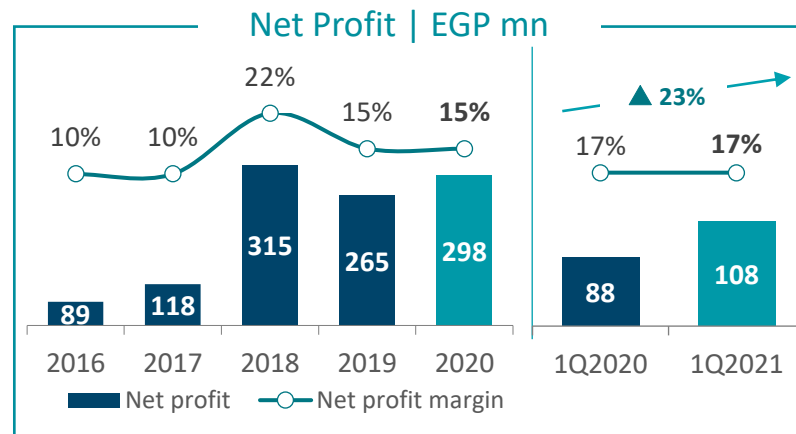
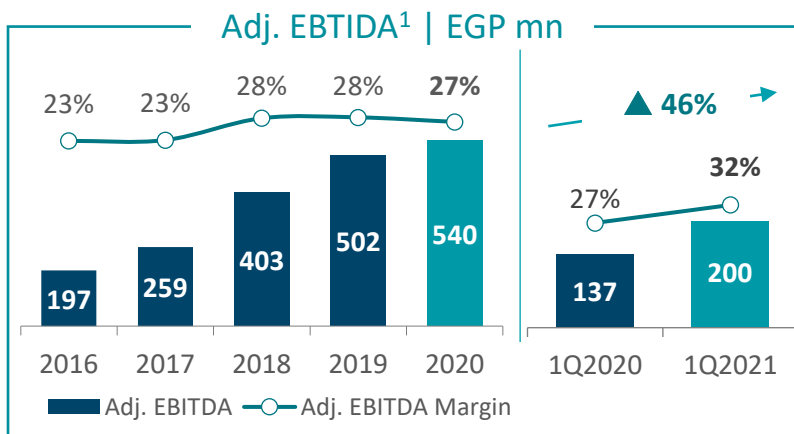
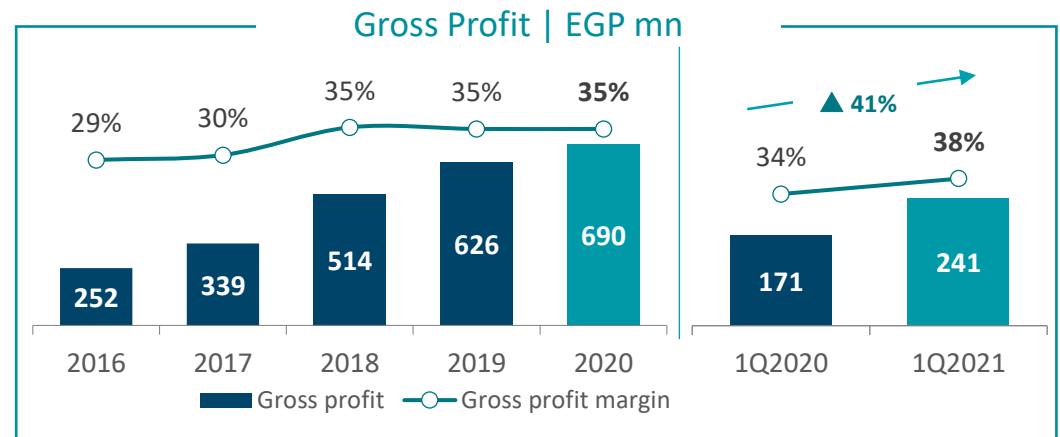
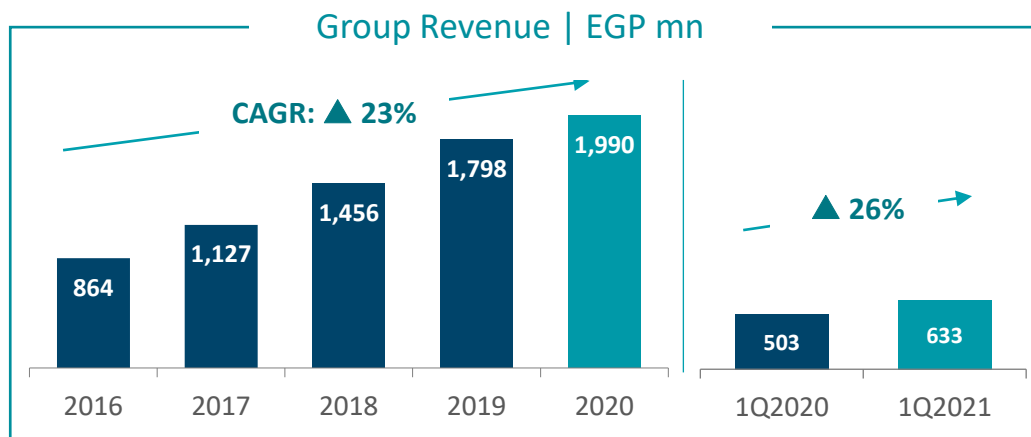


# Q1 2021 in Review

# Financial Performance in 1Q2021



**Top-line growth** was supported by expanding patient volumes, improving utilization, and an increasingly optimised service mix. Revenue growth for the quarter was bolstered by strong cross-asset referrals in line with the Group's feeder network strategy. **Record-high margins** supported by the Group's long-term efficiency enhancement strategy and management's wide ranging cost reduction and optimisation efforts introduced over the last year. **Net profit expanded an impressive 23%** versus the first quarter of last year as strong top-line growth filtered down to the Group's bottom-line

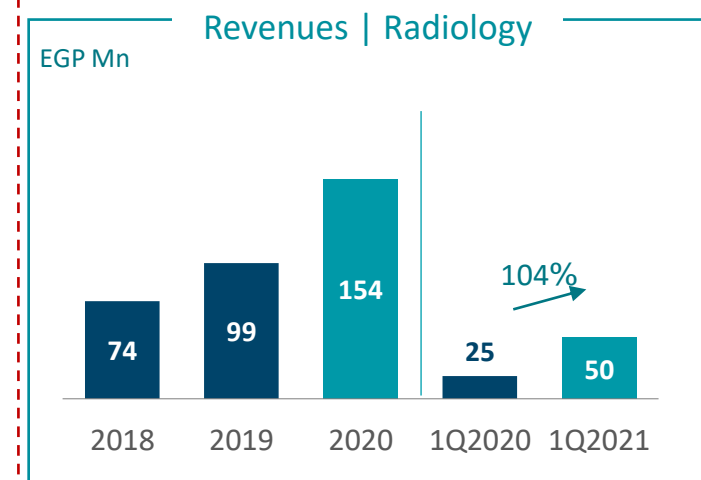
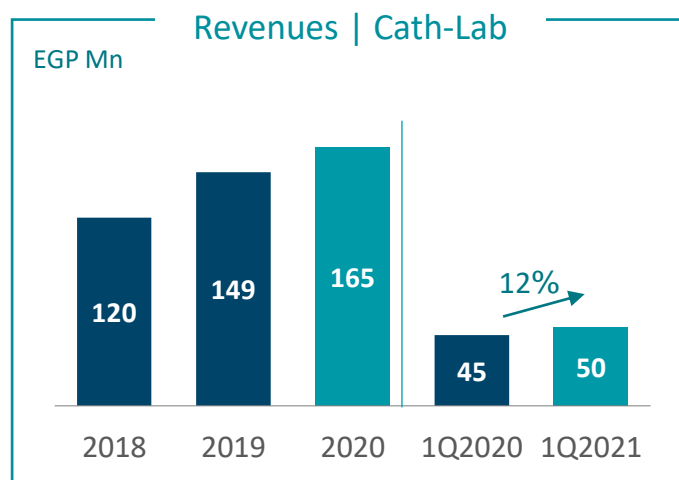
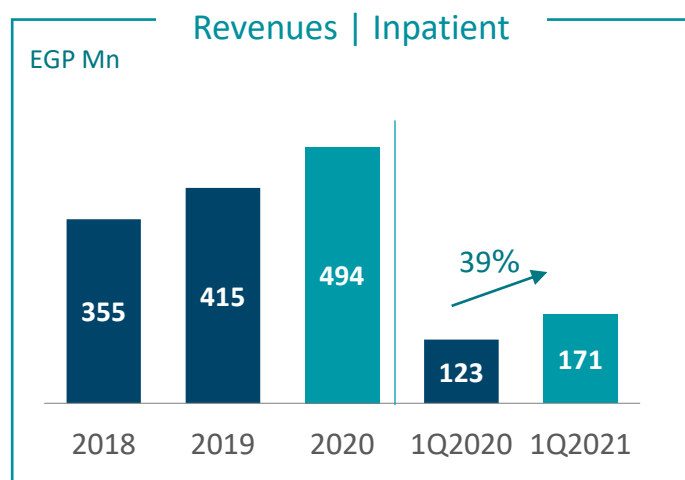
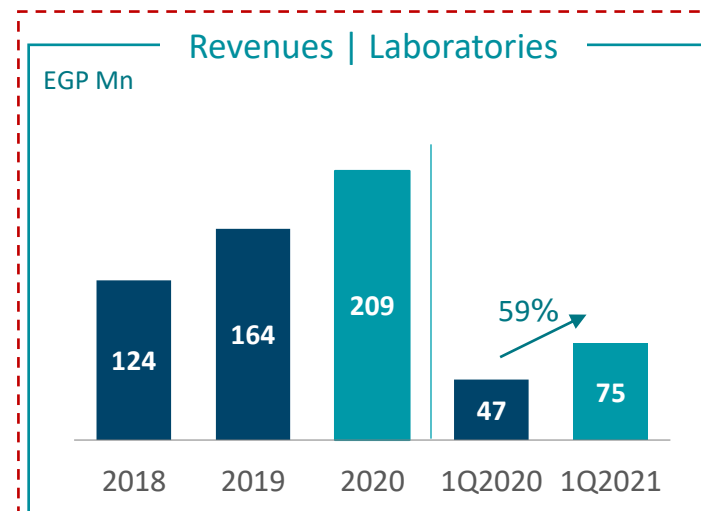
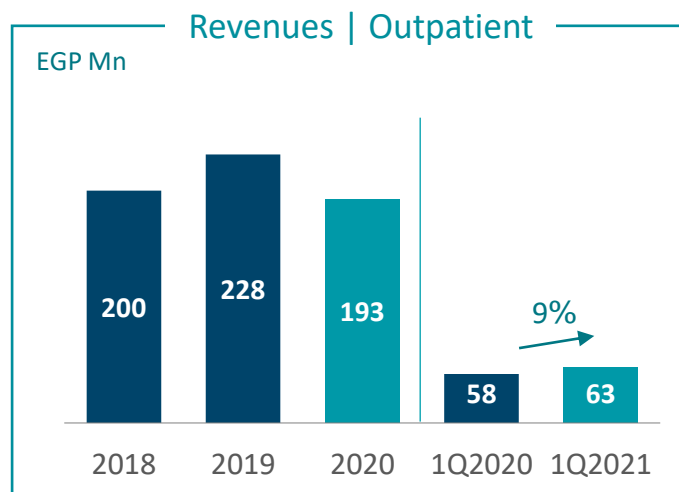
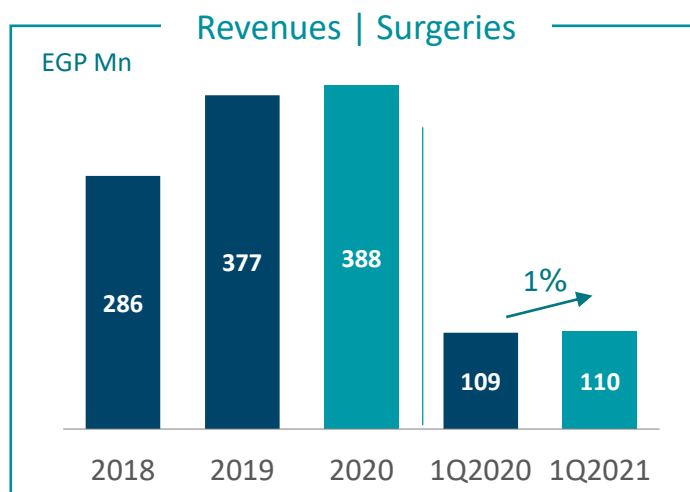


<sup>1</sup> Adjusted EBITDA: Earnings before Interest, Tax, Depreciation and Amortization adjusted for provisions, impairments, LTIP, acquisitions expenses, pre-operating expenses and excluding contributions from other income.

# Key Revenue Drivers (i)



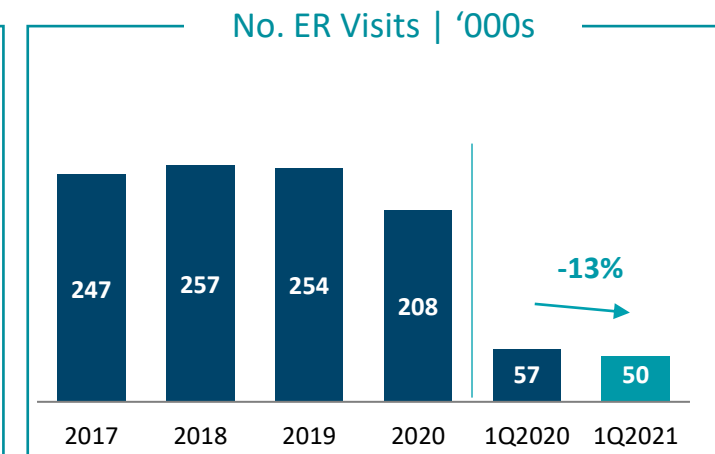
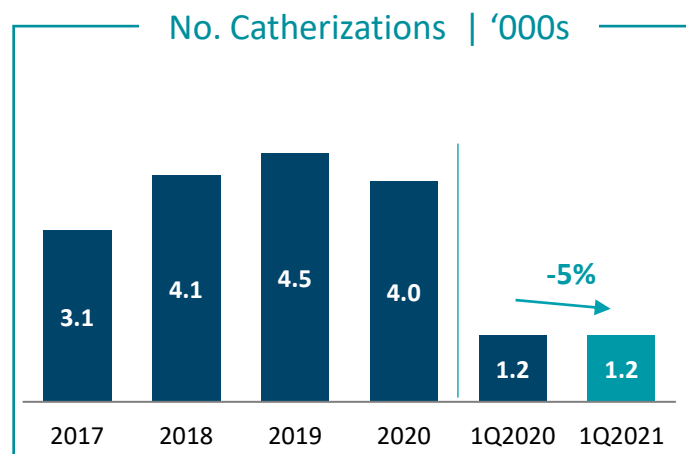
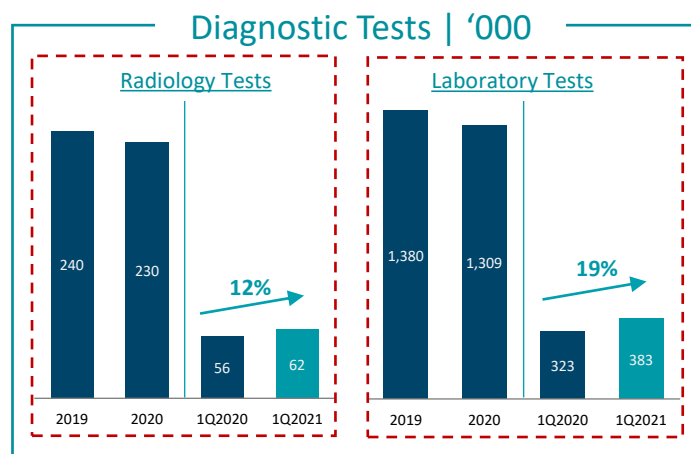
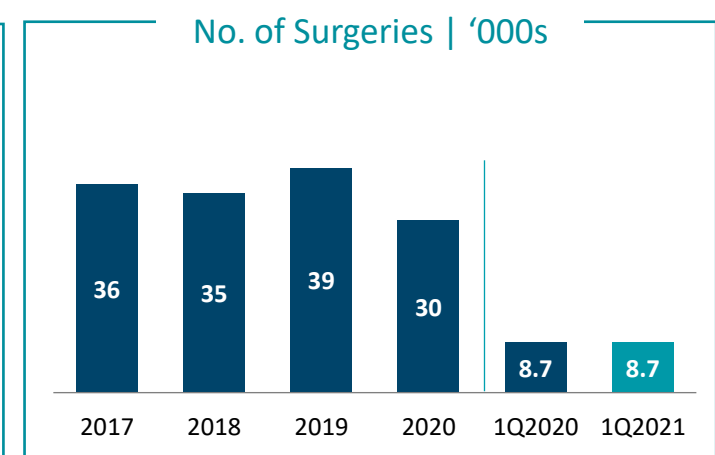
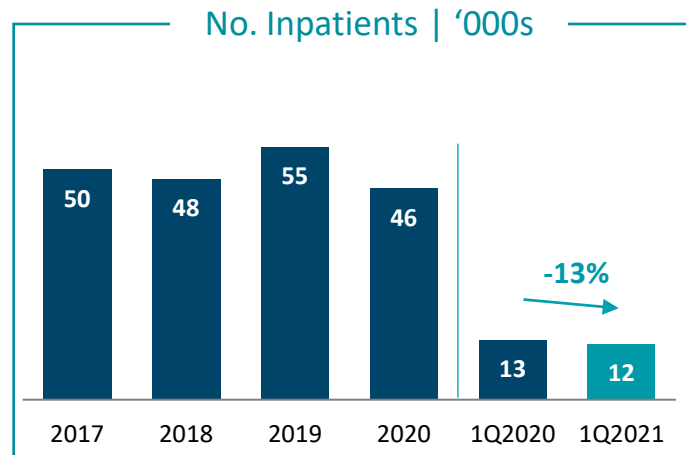
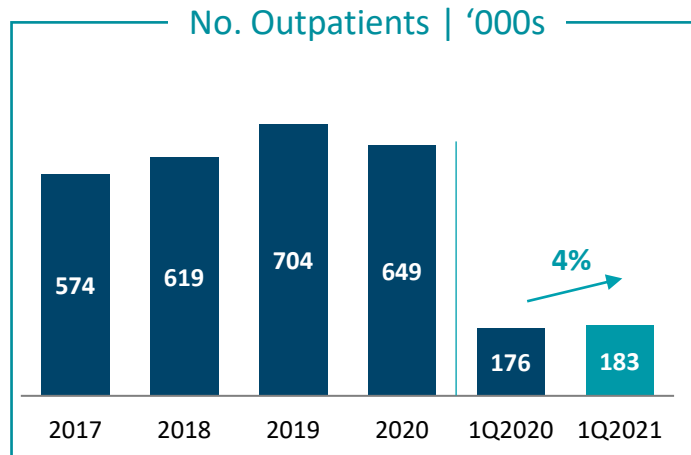
The year-on-year top-line growth was broad-based with solid volumes and growing revenues across CHG's Covid-19-dedicated and regular facilities. Moreover, in line with CHG's diversification strategy, all of the Group's verticals continued to deliver robust results in 1Q2021. More specifically, the Group continued to witness growing volumes and revenues at its polyclinics, as well as growing contributions from its recent expansions and new specialties.



# Key Revenue Drivers (ii)



In line with management's expectations, **patient volumes are nearing a full recovery from the COVID-19-related slowdown in the second quarter of 2020, with some segments returning to year-on-year growth in 1Q2021.** It is important to note that while our COVID-19-dedicated facilities are continuing to record strong demand, the Group recorded solid patient volumes across all our facilities, signaling that **demand for high-quality healthcare remains intact and that a return to our pre-crisis volume growth trajectory is imminent.**



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

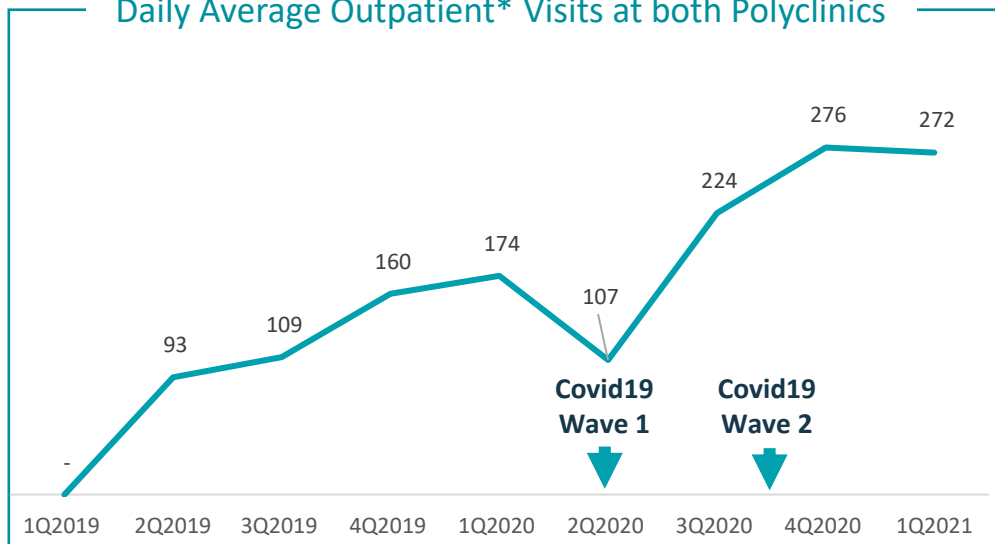


# Patient Volumes Recovery

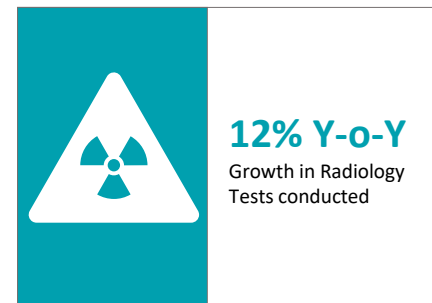
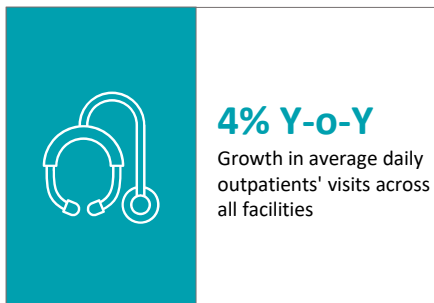
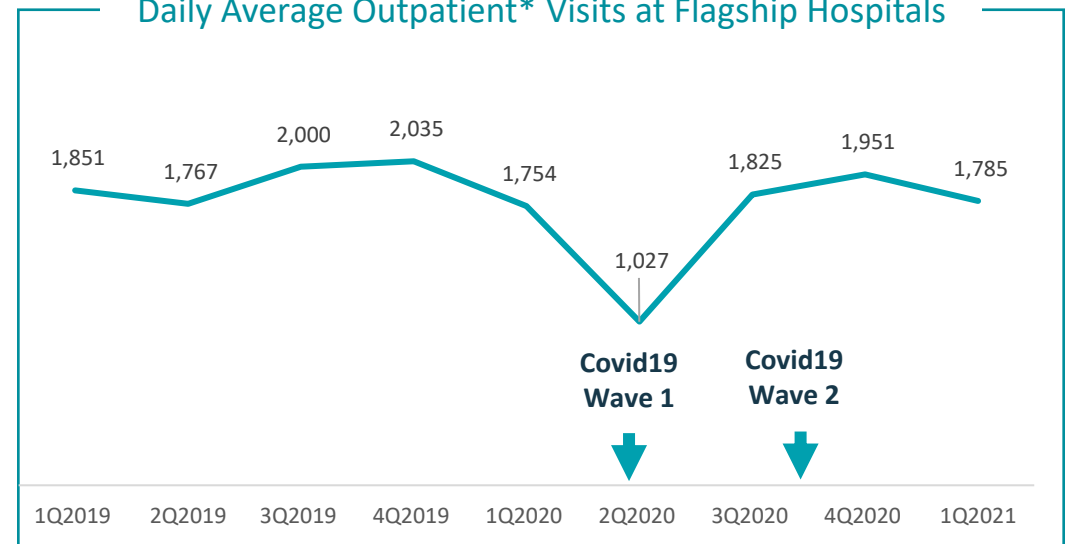
The Group's polyclinics services continued to witness steady growth throughout the quarter across both facilities. Strong volume growth at the two polyclinics is also helping to drive up referrals to the Group's main hospitals, which amounted to EGP 5Mn in Q1 2021, as well as plays an active role in helping patient volumes recover by capturing the missed market opportunities as a result of the COVID-19 related slowdown.

This is also in line with the Group's one-stop-shop strategy which aims to retain patients for the entire treatment cycle from the initial diagnosis and treatment, all the way through to providing pharmacy and long-term home care services.

Daily Average Outpatient\* Visits at both Polyclinics



Daily Average Outpatient\* Visits at Flagship Hospitals



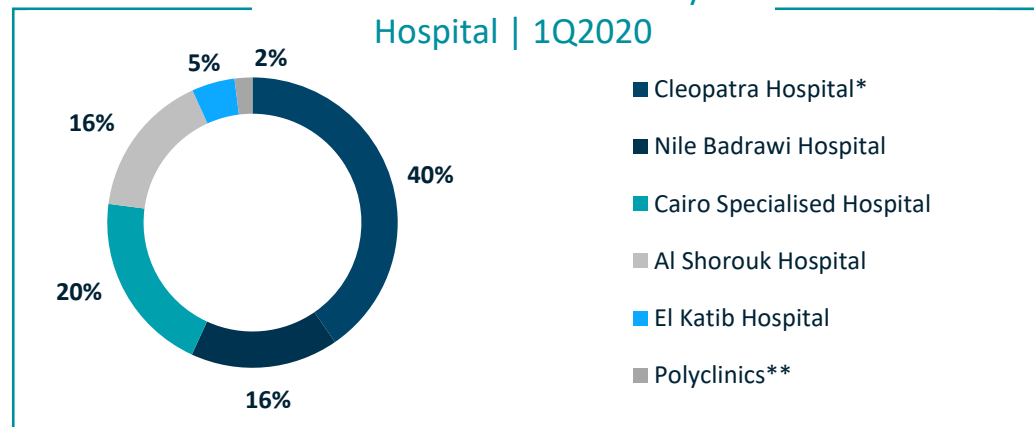
\*Outpatients included are only paid visits and excludes follow-ups

\*\* ALOS are averages across the group's facilities

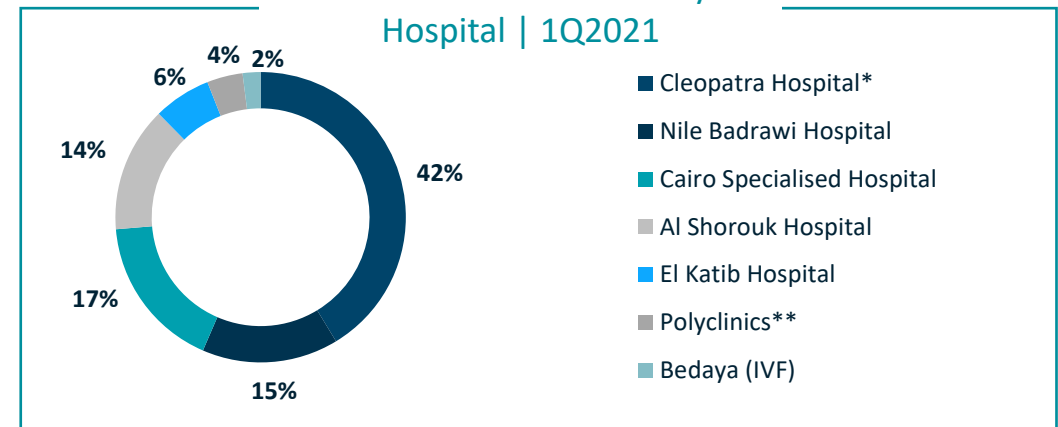
# Group Revenue Contribution in 1Q2021

CHG has witnessed a growing contribution coming from its newly added hospitals and clinics as well as new services and segments. In particular, **the Group's polyclinics continue to outperform expectations recording steady growth in volumes and revenues.** Moreover, the Group's newly acquired hospitals, El Katib and Queens, continue to record high utilization rates supported by the strategic decision to convert them into COVID-19 treatment centers.

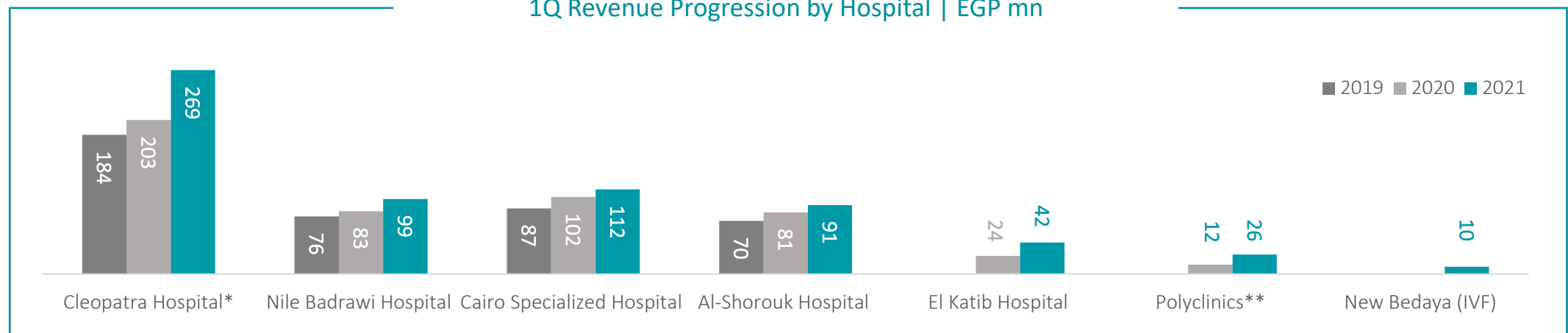
Revenue Contribution by Hospital | 1Q2020



Revenue Contribution by Hospital | 1Q2021



1Q Revenue Progression by Hospital | EGP mn



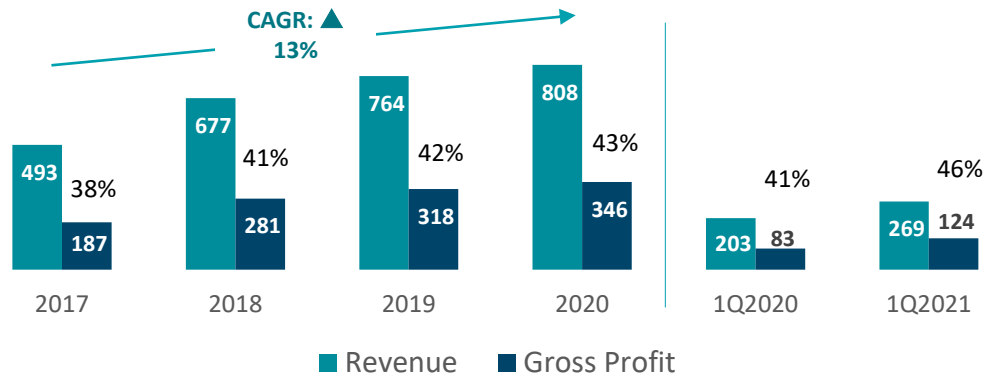
\*Cleopatra Hospital includes contributions from Queens Hospital of EGP 1.5 million in 2020 and EGP 48.6 million in 2021.

\*\*Polyclinics revenues include revenues from the Group's East and West Cairo Polyclinics as well as CHG Pharma.

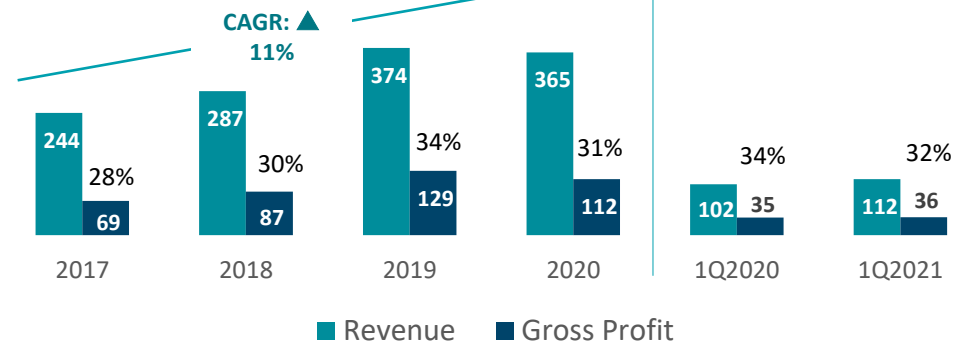
# Financial Performance by Hospital



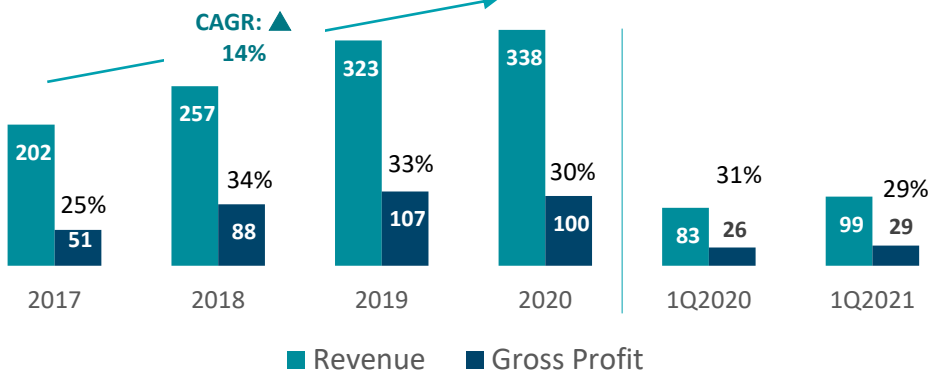
Cleopatra Hospital (CHC)



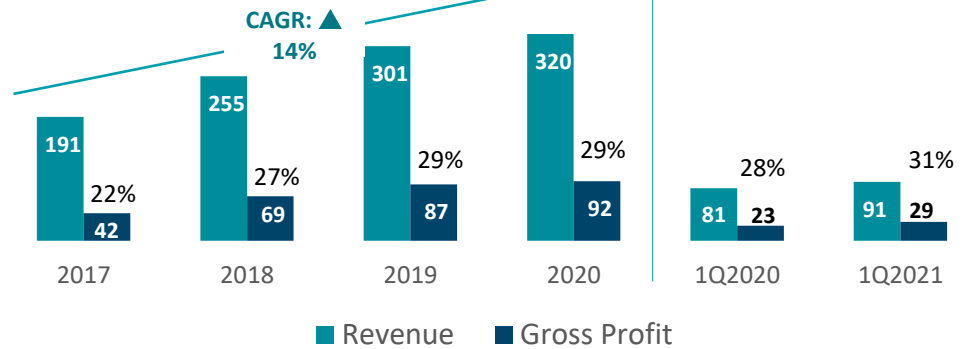
Cairo Specialized Hospital (CSH)



Nile Badrawi Hospital (NBH)



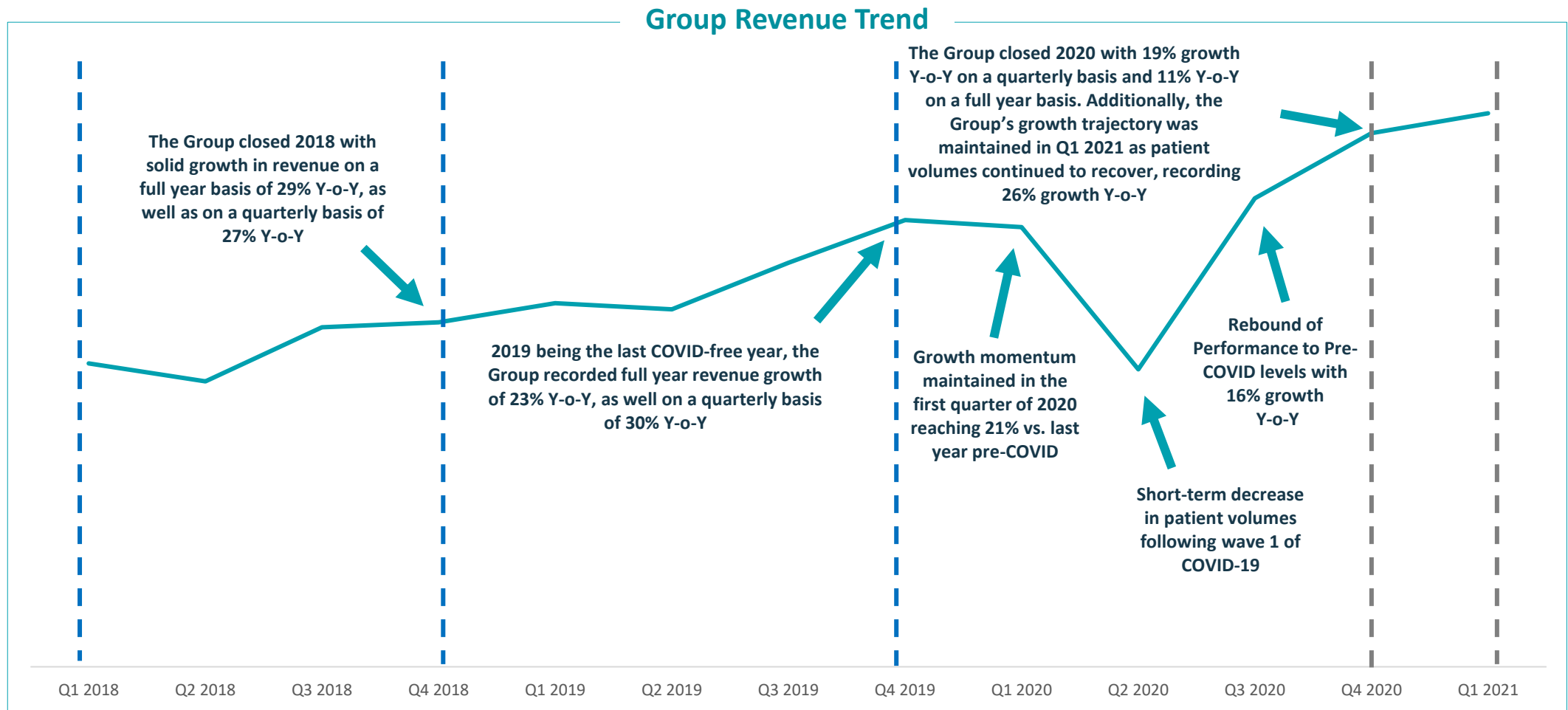
Al Shorouk Hospital (ASH)



# Group Revenue Trend



The Group's assets managed to maintain their growth trajectory of Q4 2020, on the back of patients' recovery, throughout 1Q2021 whereby volumes and revenues resume their historical growth trends, further breaking previous all-time highs.







# 2020 in Review

# 2020 in Review



# 2020 in Review (Cont'd)



## 2020

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

### 2020 Expansion Highlights

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

### Since the IPO\*

30%	Revenue CAGR (2015-20)	30%	Gross Profit CAGR (2015-20)
27%	EBITDA CAGR (2015-20)	20%	ROIC (2020)

\*FY2015 vs FY2020 figures

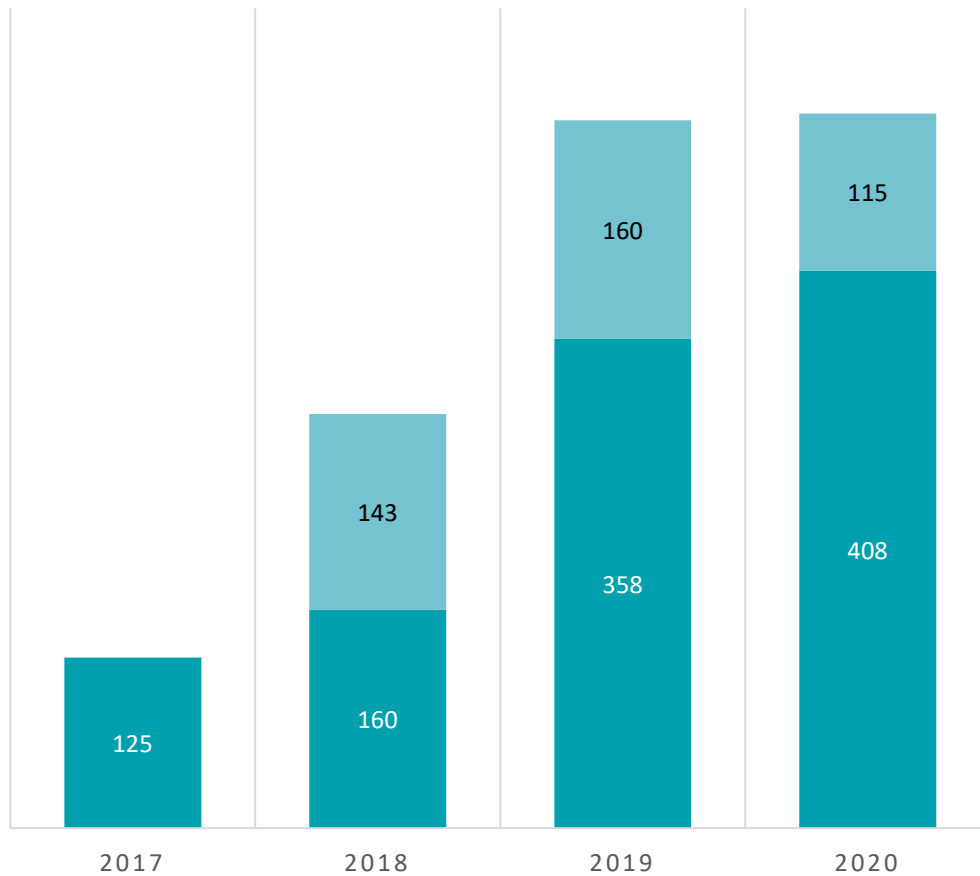


# Capex Profile



Capex Investments

■ Organic Capex ■ Expansion Capex ■ Acquisitions



## Acquisitions

### Acquisition Investments:

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

## Expansion Capex

### Medical & Renovation Capex:

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

## Organic Capex

### Medical & Renovation Capex:

- Investments Across the 4 Organic Hospitals



A photograph of a medical scanner, possibly a CT or MRI machine, in a clinical setting. The image is overlaid with a network of white lines and dots, creating a digital or data-driven aesthetic. Several circular icons are scattered across the image, including a DNA helix, a book, a person silhouette, a Wi-Fi symbol, a cloud, a heart with a pulse line, and a medical bag with a cross. The text "Expansion Strategy & Updates" is prominently displayed in the center-left area.

# 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

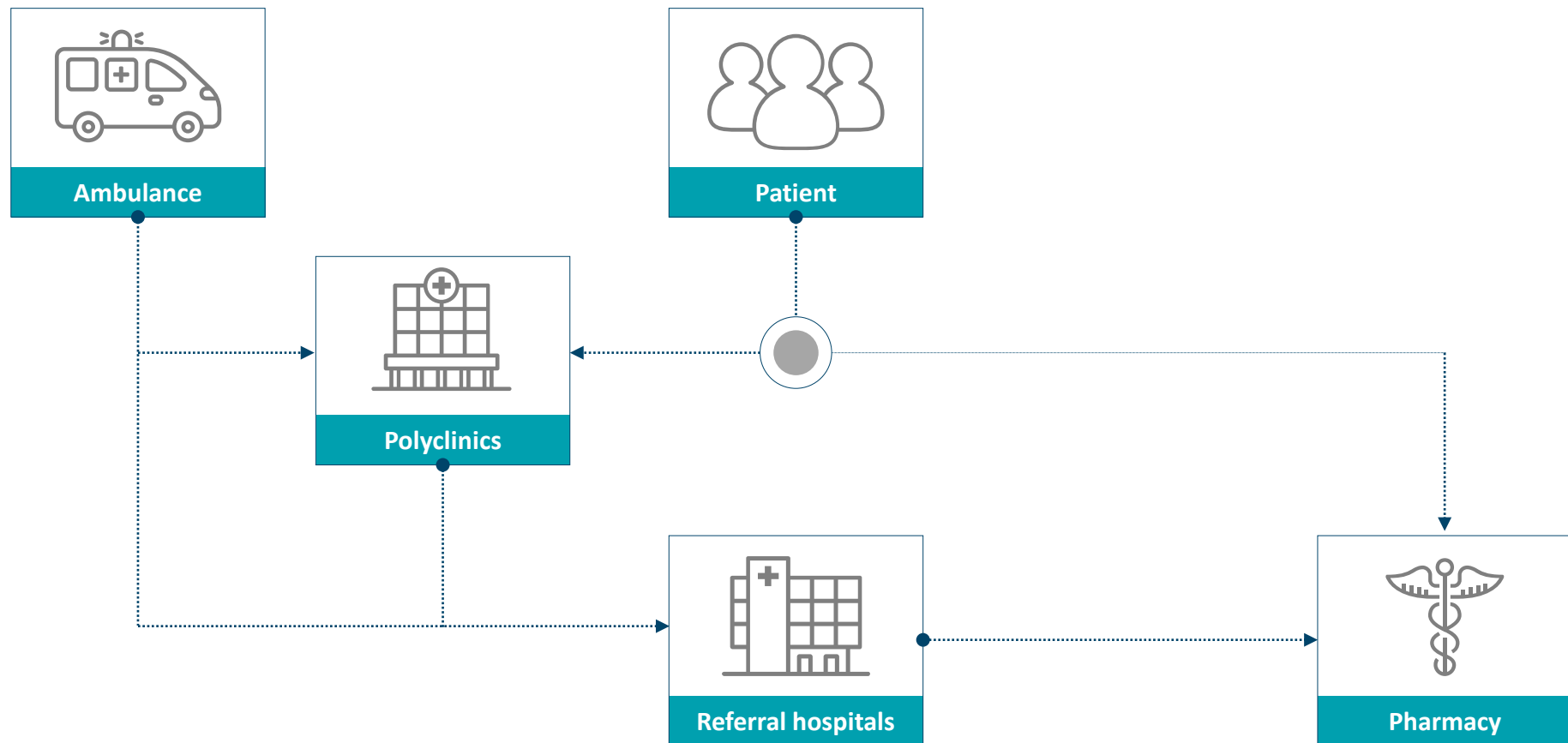
Expanding  
Reach Beyond  
Greater Cairo

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.



# ANMC's Potential Strategic Acquisition

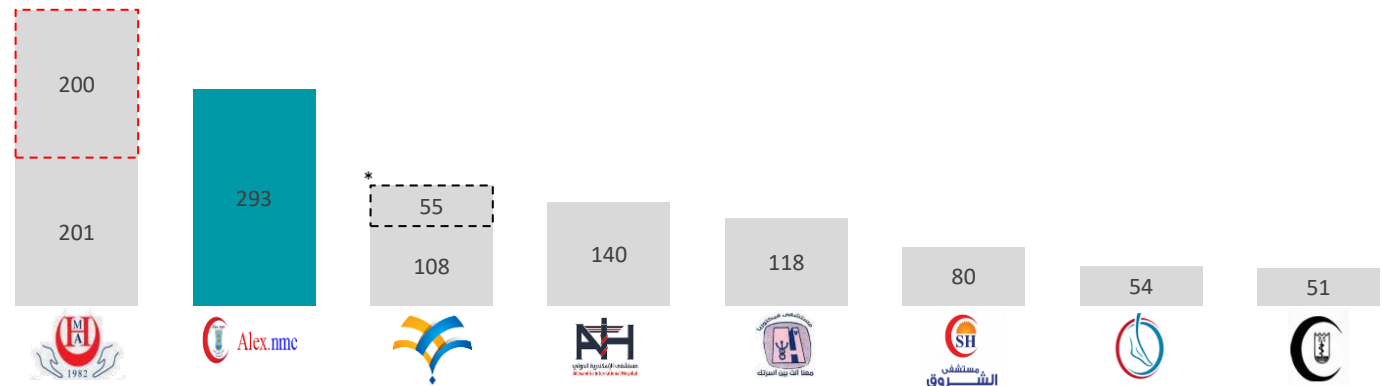
## Transaction Rationale

- Alexandria is the second largest city in Cairo with fewer high-quality assets (albeit with SGH building a large facility) and Andalusia dominating the A&B segment, as well as Mabaraet El Asafra, which recently had Tana Capital acquire a minority stake. There is room to grow the CHC credit segment within ANMC and improve utilization
- The hospital has undergone a recent renovation and expansion growing number of beds from 193 to 293 beds and has introduced new centers of excellence requiring minimal capex going forward
- CHG's management are confident of the ability to manage and integrate a well-known hospital to them and have been in discussions with ANMC management about the transaction and the business since 2015
- There are significant scale and procurement synergies that could be realized at the ANMC level improving margins and bringing them up to the level of CHG

## Market Positioning

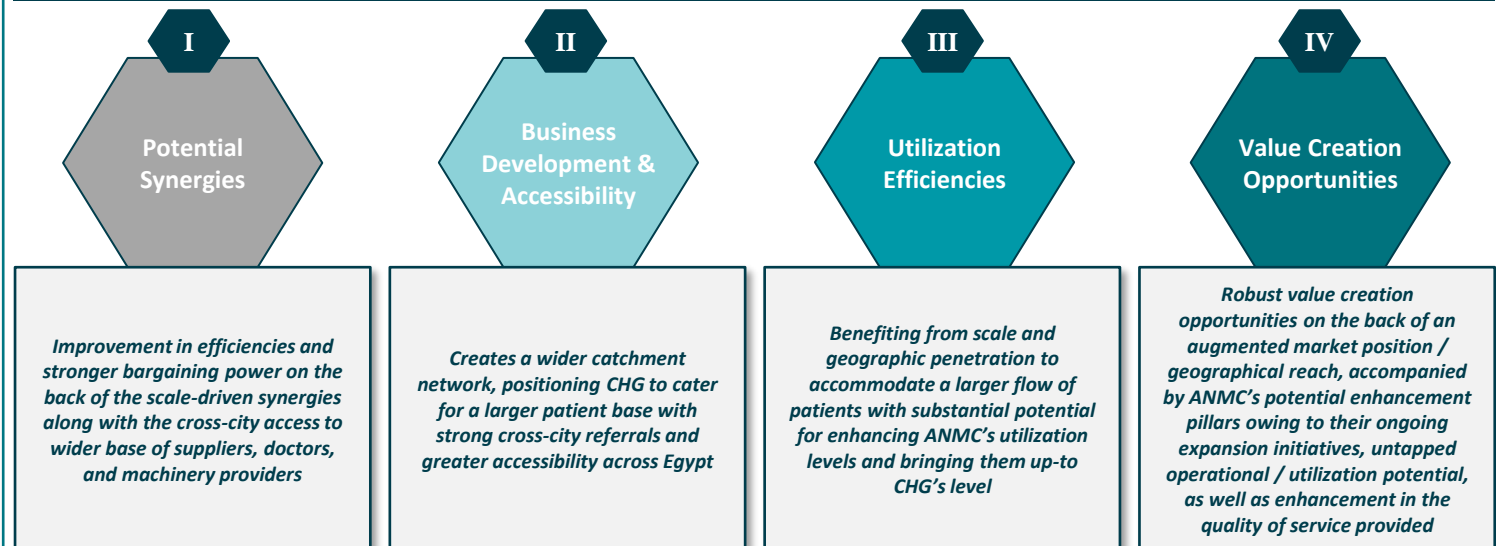
### Market Position by Number of Beds in Alexandria\*\*

Largest private hospital with a c. 27% market share of Alexandria's private healthcare market



- \* The red dotted line of 200 beds capacity at Mabaret El Asafra hospitals under construction
- \* Andalusia Hospitals (Shalalat 108 beds & Smouha 55 beds)
- \*\* All capacities are based on CHG management's estimates

### Key Areas of Integration and Optimization





# Expansion Projects in Brownfield Hospitals in and around Greater Cairo

## Expanding Reach Beyond Greater Cairo

Due to recent regulatory changes in the requirements for hospital ownership for Al Nahda Medical University, CHG is negotiating a management agreement instead of the previously guided ownership model, where the Group would manage the 200-bed hospital in Bani Suef.

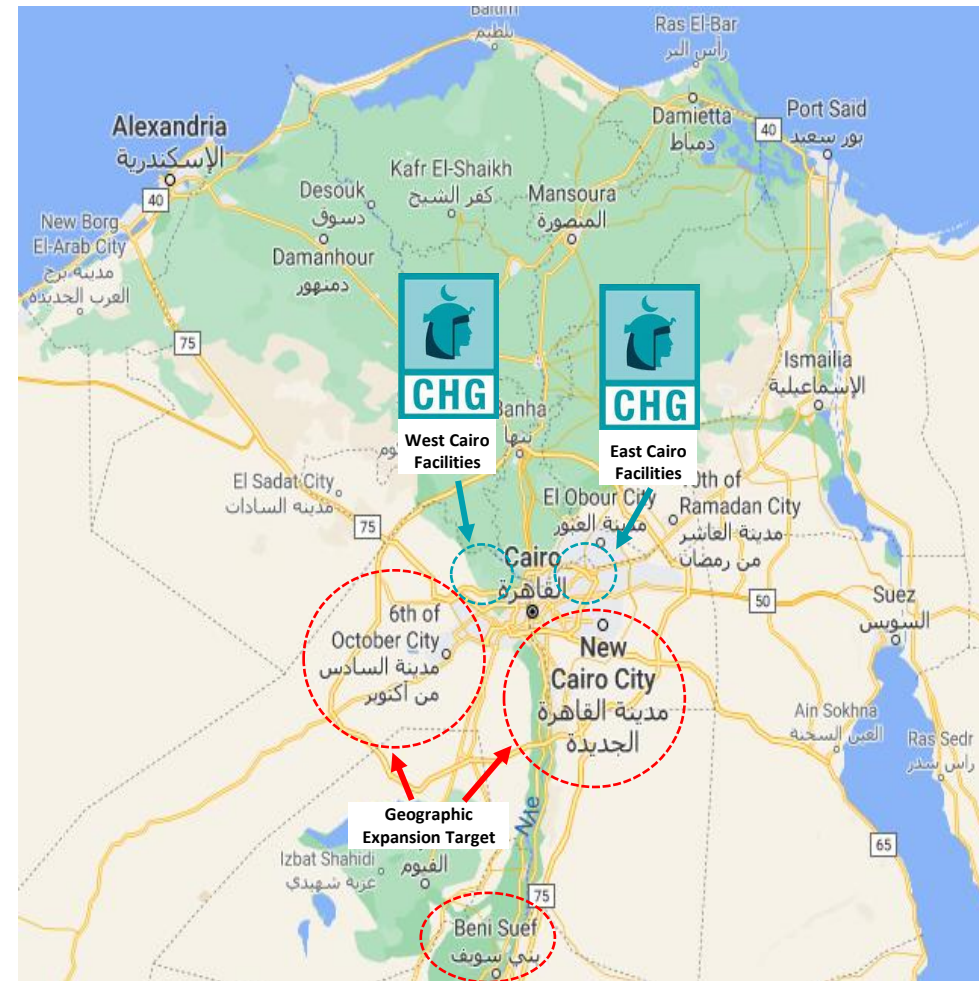
The agreement will witness CHG's foray into new hospital management business line which the Group is looking to grow.



## Brownfield Pipeline

With a strategic aim to have further geographic presence in areas such as New Cairo and 6<sup>th</sup> of October new suburban cities, where most acquisition targets available are brownfields and the regions are underserved, the Group is currently assessing and shortlisting potential Brownfield acquisitions in these two regions

Potential target facilities aim to accommodate 300-400 beds, at prime locations with sufficient space, suitable for an iconic CHG flagship facility. The goal is to be able to match the facility with premium global standards that are yet to be introduced to the Egyptian Healthcare Services market



# Strategic Acquisition of Operating Facilities: IVF Segment – Bedaya

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



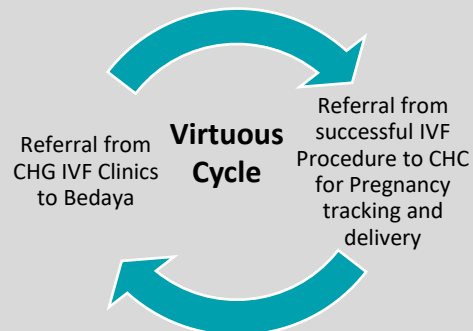
**19 Beds & 3 ORs**



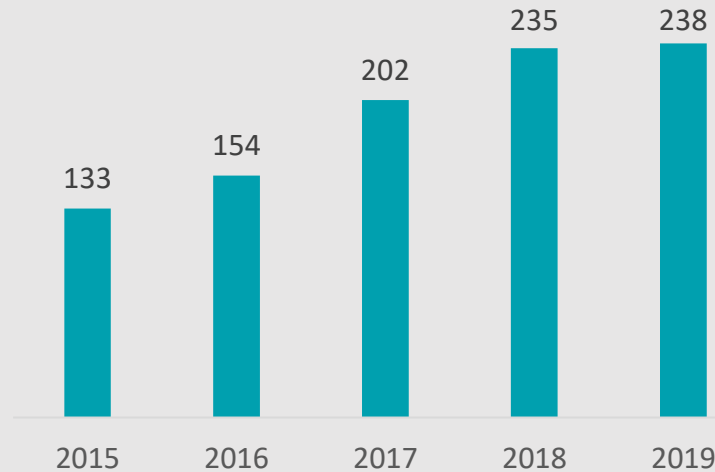
**8 OPD Clinics**



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



## IVF Market Size (USD mn)



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

## Services Offered

1  
Obstetrics, Gynecology, & Infertility

2  
Andrology, Infertility, & Erectile Dysfunction

3  
Dermatology, Reproductive, & Laser Treatments

4  
Nutrition & Health Coaching

5  
Psychology & Family Health

6  
Fetal Medicine



Yearly revenue: **EGP 100 mn**

EBITDA margin: **35%**

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

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



# 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.1.5 million Diagnostic tests performed during the course of 2020.

**c.1.3mn Laboratory tests in FY2019**  
**c.230,000 Radiology scans in FY2020**

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

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

### 2016-2020

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

### 2021-2025

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

### Volume & Scale Focus:

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

### E- Commerce Platform :

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

### Key Trends

#### Patient

#### Affordability & Macro

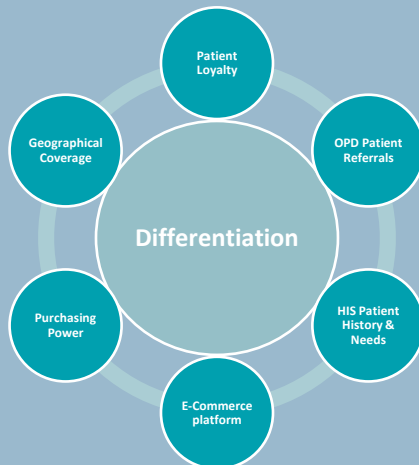
#### Preferences & consumer behavior

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

#### Financial Strategy

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

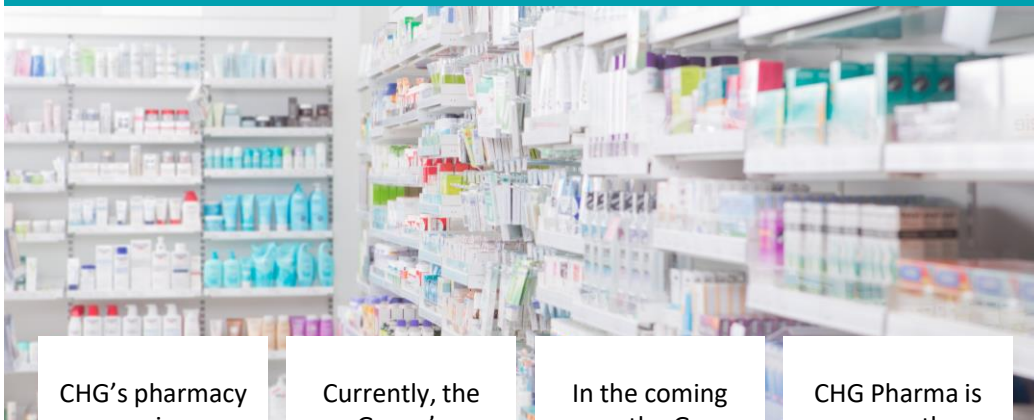
### Differentiation



# Expanding Services Offering: Pharmacy

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

## Pharmacy



### 2016-2020

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

### 2021-2025

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

### Focus on Volume & Scale:

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

### E-commerce Platform:

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

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

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

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

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

### Key Trends

#### Patient

#### Affordability & Macro

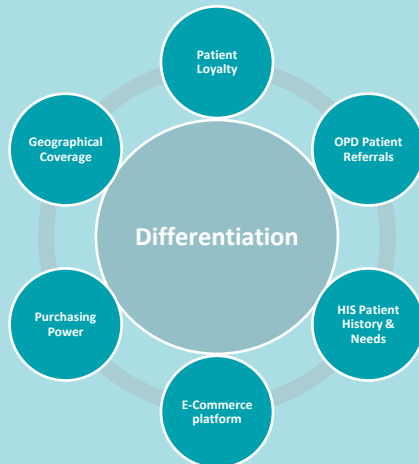
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#### Financial Strategy

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

### Differentiation



# Expanding Services Offering: Home Visits



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

## Home Visits

- **The home visit initiative was launched 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 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
- Additionally, the Group also performs **COVID-19 at home follow up protocols**, as less severe cases were typically self treated at home



# Expanding Services Offering: Telehealth

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

## CHG Telehealth – Video Call App

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

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

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

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





# Expanding Services Offering: Facility Management



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

## The Egyptian Healthcare Facilities Services (EHFS) company

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

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

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

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



# Building Additional Capacities in Existing Facilities



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



Additional 24 Executive Beds in NBH Completed



## Hospital Renovations & Capacity Additions

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

Inpatient wards renovations ongoing across all hospitals

Started electromechanical upgrades across all hospitals

Upgraded all medical equipment

ICU/CCU renovation and upgrade

Operating rooms renovations and upgrade

Outpatient clinics renovations and upgrade

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

New Cath labs across NBH, Al Shorouk and Cleopatra Hospitals

Facility Management outsourcing rollout

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

Al Shorouk: outpatient services building



# Building Additional Capacities in Existing Facilities



## Nile Badrawy Hospital

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



# Building Additional Capacities in Existing Facilities

## Al Shorouk Hospital

The Group has successfully launched Al Sherouk Hospital's new outpatient clinics, that are located adjacently to the hospital's premises.





# Building Additional Capacities in Existing Facilities



## Cleopatra Hospital

The Group has completed the renovations of Cleopatra Hospital's outpatient clinics, meeting the Group's premium standards



# Building Additional Capacities in Existing Facilities



## Cairo Specialized Hospital

The Group has completed the renovations of Cairo Specialized Hospital's Emergency Room, setting a new standard of excellence.





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

# Recent Business Updates



# New Business Models

## Queens Hospital conversion to an Oncology CoE

### Vision

**CHG aims to create the first integrated private Oncology Center of Excellence (CoE) in East Cairo.** The center will provide the full spectrum of oncology specializations and services including radiotherapy and PET CT in East Cairo, expanding the Group's service offering and elevating the quality of care and overall patient experience across the Group .

### Rationale

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

### Center of Excellence Pillars

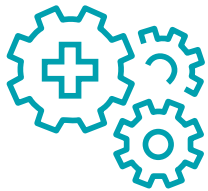


### Concept / Look and Feel



# Strategic 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

# 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)



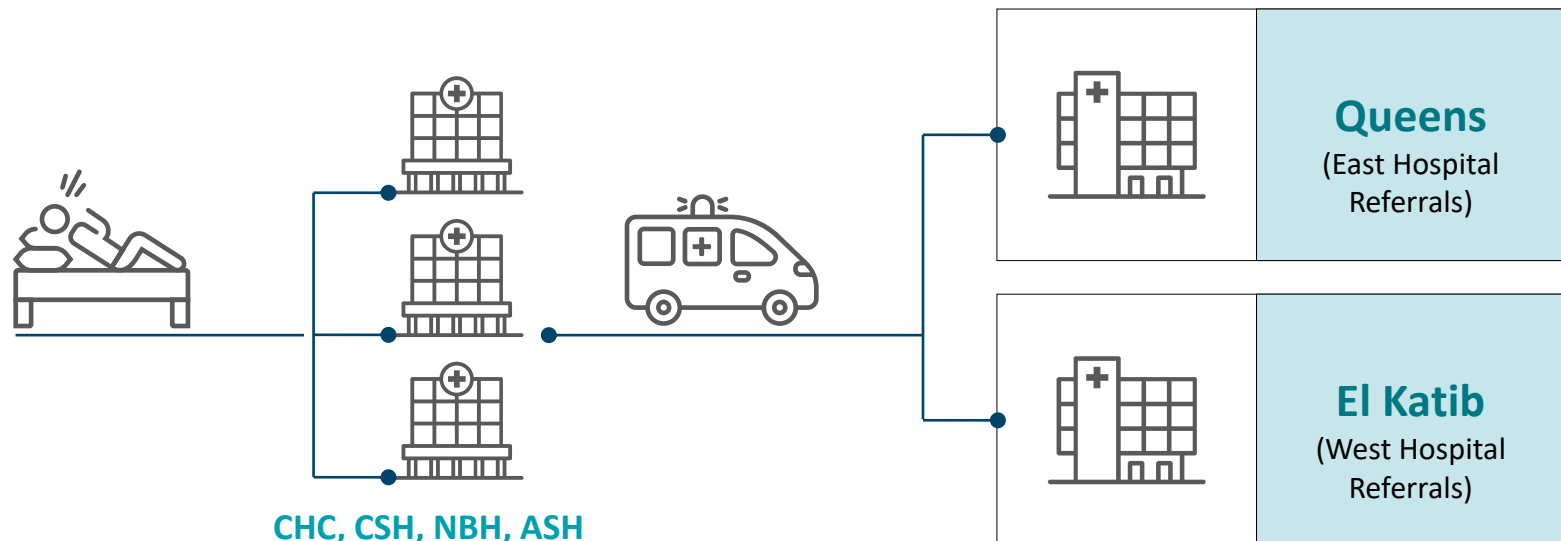
*As demand for private COVID-19 treatment centres increased so did the number of suspected cases approaching CHG hospitals.*

*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 instructed CHG to treat the patient at one of the Group's COVID-19 facilities or arrange for the transfer of the patient to a dedicated government-run facility



# COVID-19 Response Protocols (IV/IV)

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

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

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



# Digital Transformation and HIS/ERP Rollout Update



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

## HIS/Enterprise Resource Planning System (Clinisys)

Core benefits seen from successful implementation of HIS:

Improvement of the healthcare services quality

Inventory & Consumption Management

Daily financial and operating reports

Referral Tracking

Big Data Management

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

Development and effective implementation of clinical quality control functions

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

## Other Digitalisation Initiatives

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

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

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

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

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


















# **Governance & Shareholder Information**

# Governance (I)



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

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

## Board Committees

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

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

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



# Governance (II)



## OPERATIONS

### ABC

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

### No Referral Fees

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

### Medical Council

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



### Audit Committee

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

### Remuneration Committee

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

### Quality & Medical Ethics Committee

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

## BOARD COMMITTEES

# CLHO Trading Analysis

## CHG's Trading Analysis

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

% Change in Performance (IPO - Date)

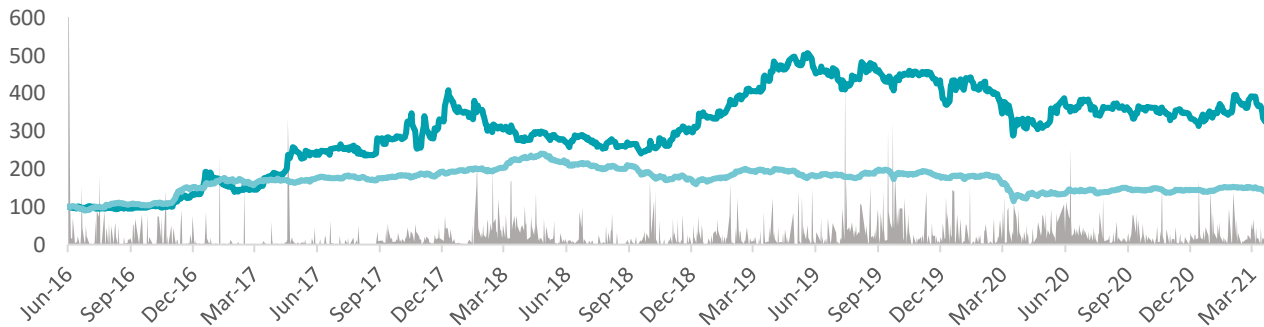
289%

51%

CHG

EGX30

CLHO Volume CHG EGX30



### Valuation Multiples

EV/EBITDA Valuation Multiples (x)

14.1x

10.8x

12.3x

Dec 2019

Dec 2020

Feb 2021

P/E Valuation Multiples (x)

33.9x

29.8x

19.4x

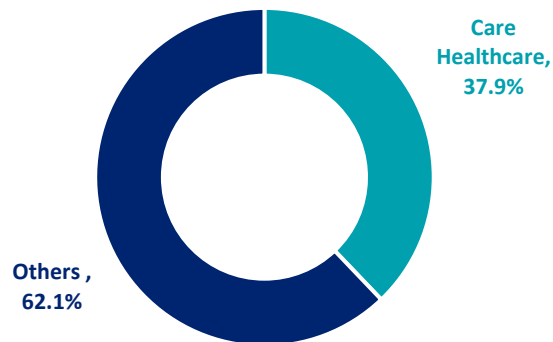
Dec 2019

Dec 2020

Feb 2021

### Shareholding Analysis

#### Shareholding Structure (%)



Care Healthcare DFI Investors

Key Free Float Investors

KFW DEG

Proparco



European Bank for Reconstruction and Development



VanEck



NORGES BANK

CONSILIUM INVESTMENT MANAGEMENT

### Analyst 12M Target Prices (EGP)

7.3

7.0

6.7

Average: EGP 6.7

6.4

6.3

PHAROS

Renaissance Capital

arqaam CAPITAL

HSBC

CI CAPITAL

# Appendix





# **Additional Information and Financial Disclosures**



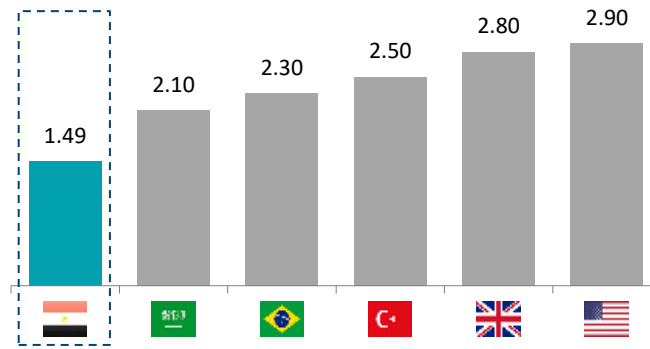
# A Unique Investment Story (I/III)



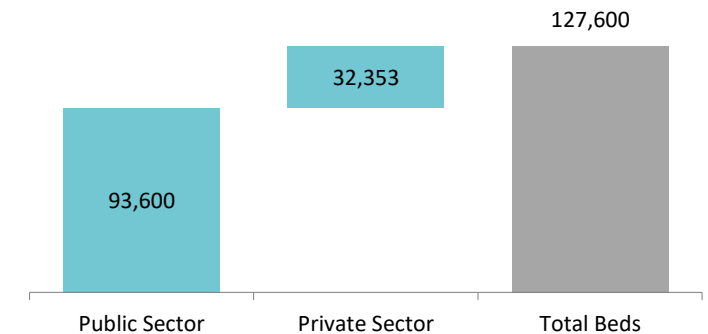
## Market Leader in a Growing Market with Strong Long-term Prospects

- **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

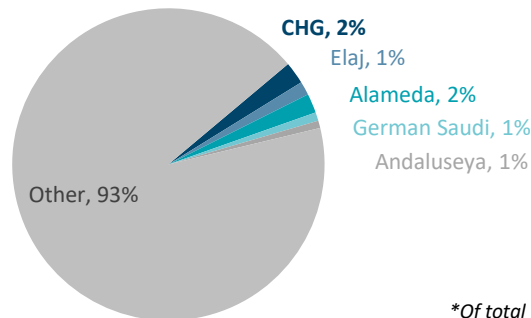
### Number of Beds per 1,000 Citizens



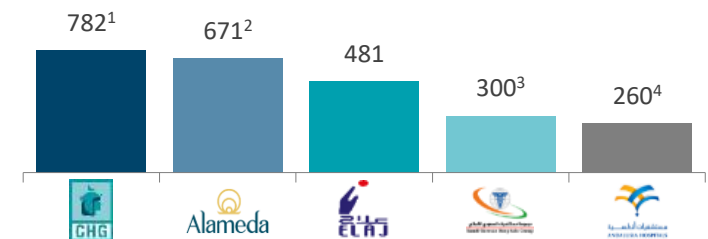
### Egypt's Number of Beds Breakdown



### Market Share by # of Commercial Beds



### Hospital Groups in Cairo – Bed Count



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

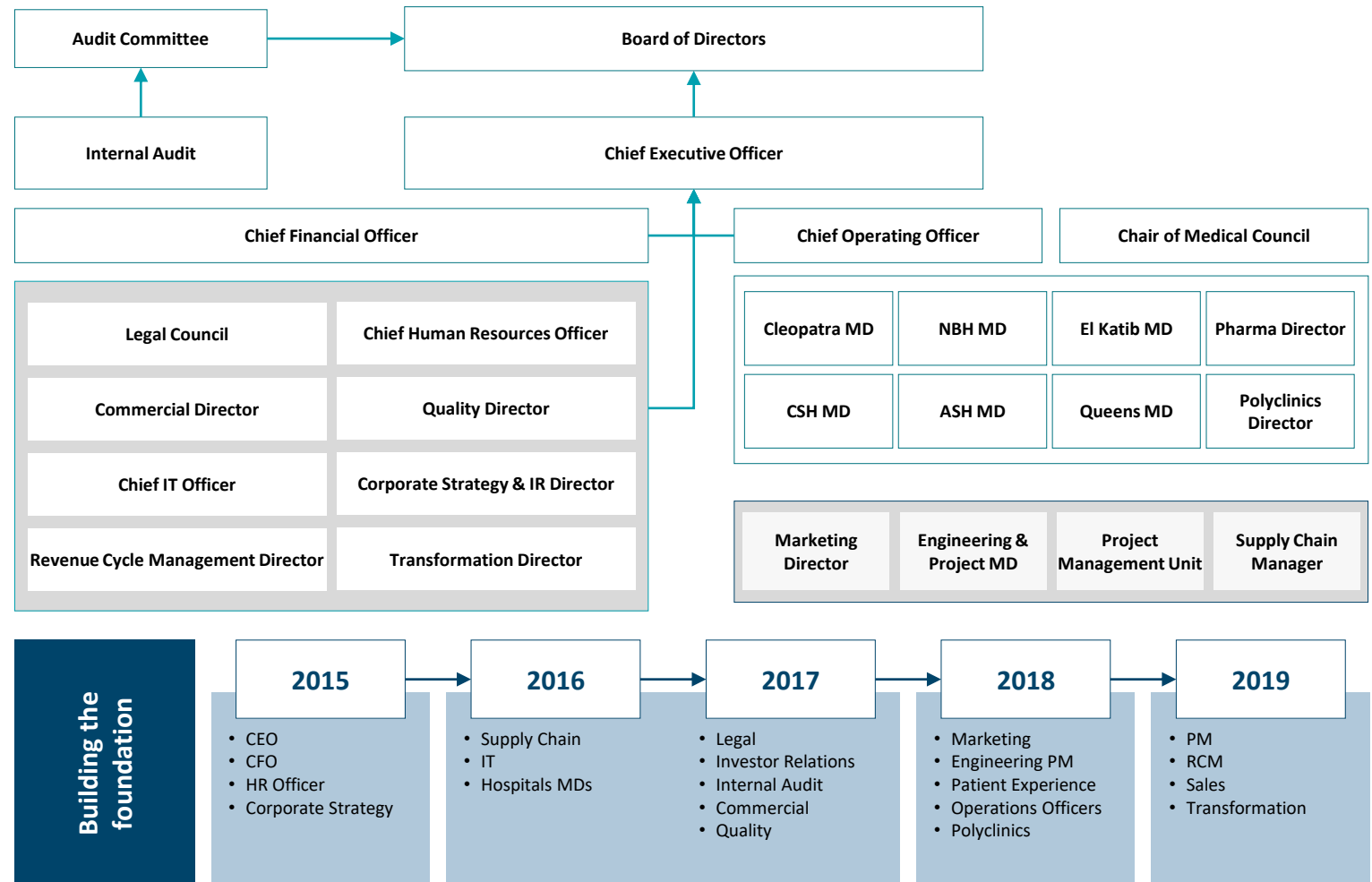


# A Unique Investment Story (II/III)



## 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

# Balance Sheet and Leverage

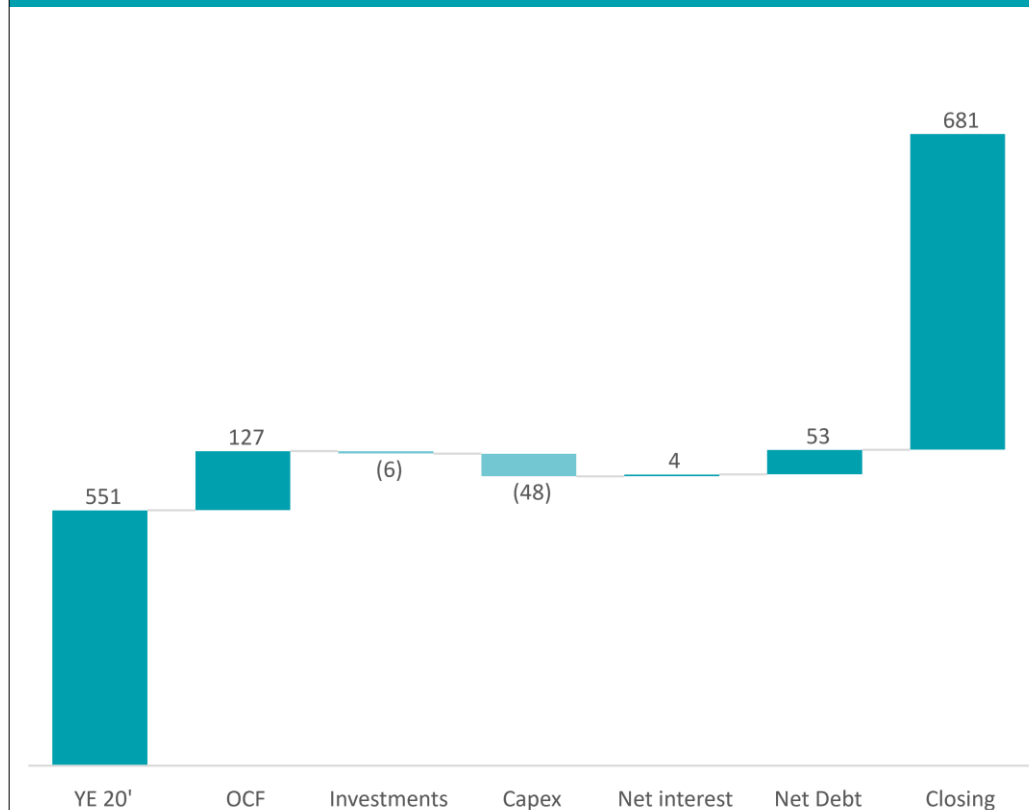


## Balance Sheet Summary

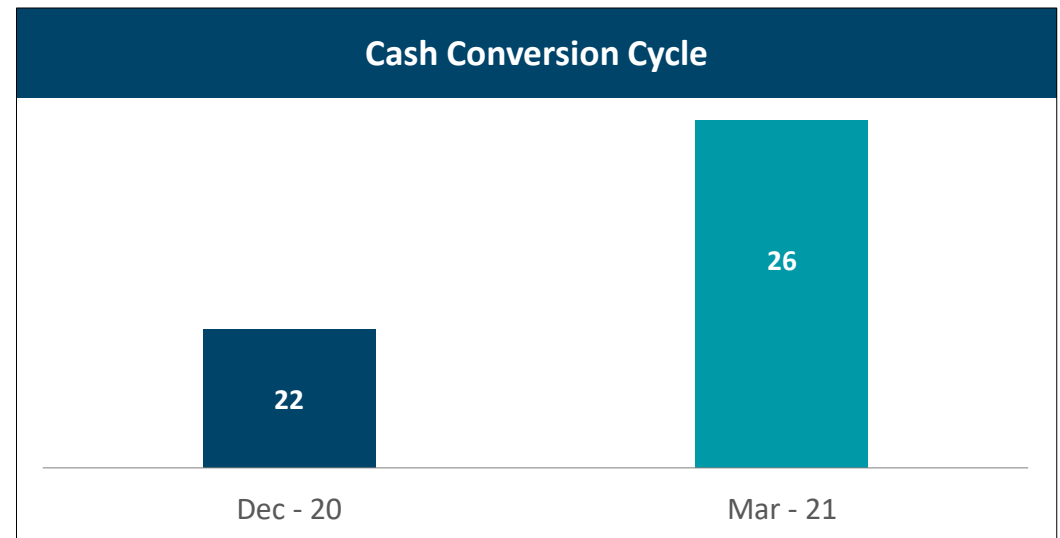
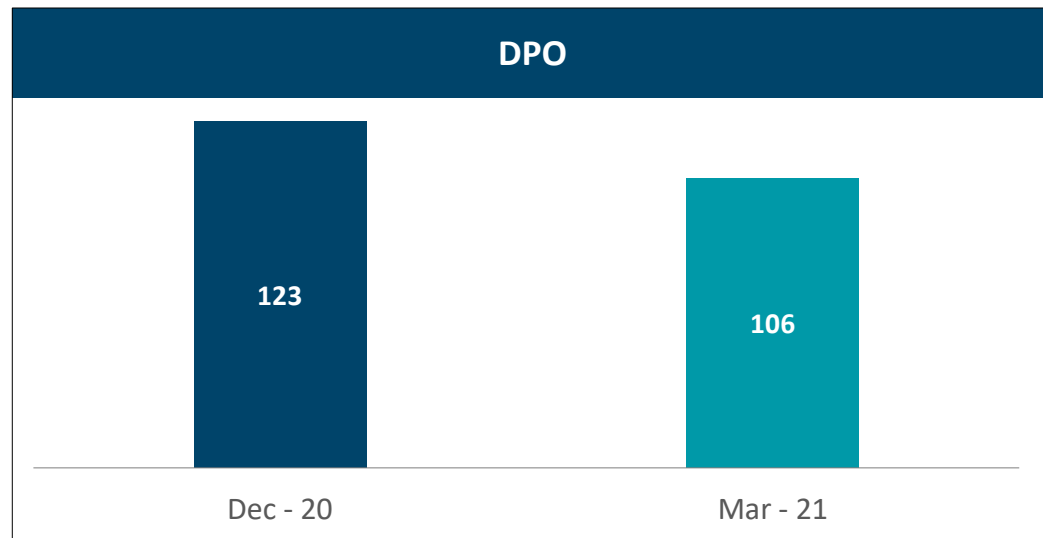
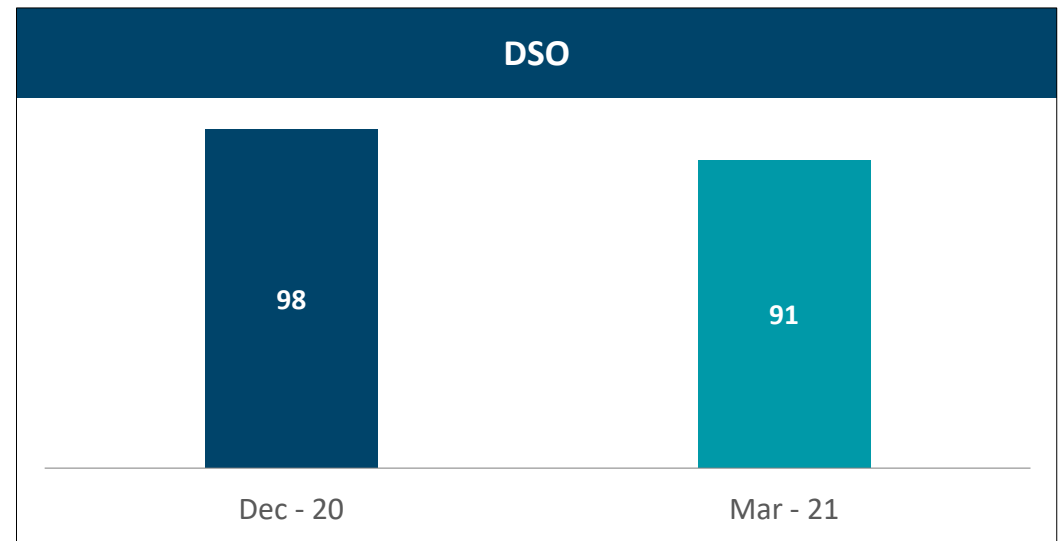
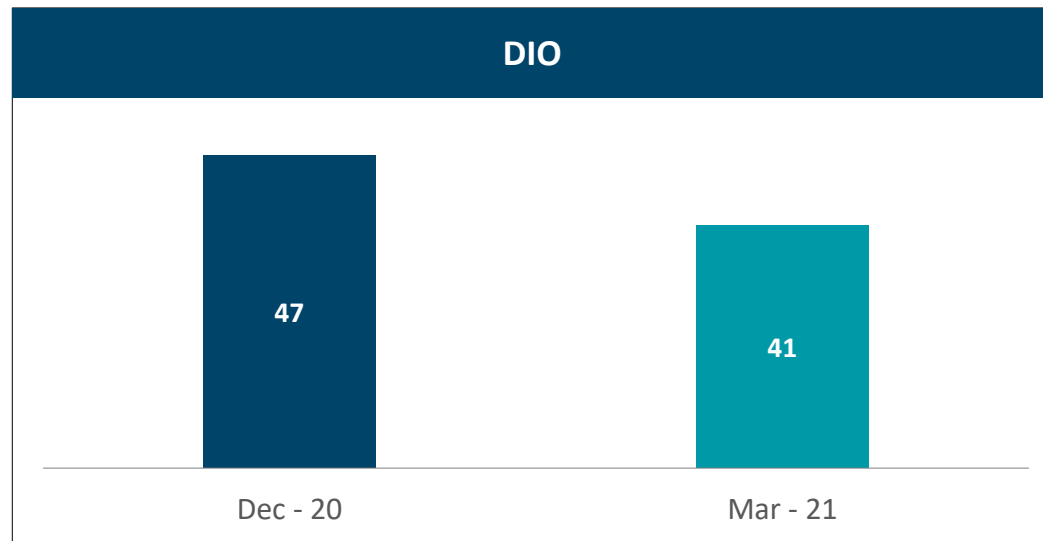
EGP 000

Balance Sheet Summary	Dec-20	Mar-21
Cash	551	678
Inventory	66	66
Debtors & other Debt balance	514	528
<b>Current Assets</b>	<b>1,131</b>	<b>1,271</b>
Intangible Assets	428	427
Non-Current Assets	1,225	1,404
<b>Total Assets</b>	<b>2,783</b>	<b>3,102</b>
Overdraft & Short-Term Loan	5	84
Creditors & other Credit balance	500	512
<b>Current Liabilities</b>	<b>506</b>	<b>597</b>
Non-Current Liabilities	104	278
<b>Total Liabilities</b>	<b>609</b>	<b>874</b>
<b>Net Assets</b>	<b>2,174</b>	<b>2,228</b>
<b>Total Equity</b>	<b>2,174</b>	<b>2,228</b>
<b>Leverages Ratios</b>	<b>Dec-20</b>	<b>Mar-21</b>
Total Liabilities / Total Assets	0.22 X	0.28 X
Net bank debt / equity	-0.25	-0.27

## Cashflow Movement



# Cash Conversion Cycle



# Consolidated Income Statement



All figures in EGP mn	1Q2021	1Q2020	% change
Revenues	633.2	502.9	26%
Cost of sales	(392.0)	(331.7)	18%
<b>Gross profit</b>	<b>241.2</b>	<b>171.2</b>	<b>41%</b>
Gross Profit Margin	38%	34%	4 pts
General & administrative expenses	(93.6)	(70.0)	34%
Cost of acquisition activities	(5.3)	0.0	-
Provisions	(9.6)	(3.9)	148%
Other income	6.2	1.8	254%
<b>EBIT</b>	<b>138.9</b>	<b>99.1</b>	<b>40%</b>
EBIT Margin	22%	20%	2 pts
Interest income	12.6	18.3	-31%
Interest expense	(6.0)	(0.6)	-
<b>Profit before tax</b>	<b>145.5</b>	<b>116.7</b>	<b>25%</b>
PBT Margin	23%	23%	-
Income tax	(37.4)	(29.7)	26%
Deferred tax	(0.1)	0.9	-
<b>Net profit after tax</b>	<b>107.9</b>	<b>88.0</b>	<b>23%</b>
Net Profit Margin	17%	17%	-
Distributed as follows:			
Shareholders of the company	101.3	82.1	23%
Minority rights	6.6	5.9	13%
<b>Profit for the period</b>	<b>107.9</b>	<b>88.0</b>	<b>23%</b>



# Consolidated Balance Sheet



All figures in EGP mn	31 December 2020	31 March 2021
<b>Non-current assets</b>		
Fixed assets	1,205.2	1,220.8
Intangible assets	427.6	427.1
Right of use	18.8	176.2
Payment under investment	-	5.7
Investment in associates	1.1	1.4
<b>Total non-current assets</b>	<b>1,652.7</b>	<b>1,831.2</b>
<b>Current assets</b>		
Inventory	66.3	65.9
Accounts receivables	418.8	441.0
Other receivables and debit balances	94.6	86.2
Due from related parties	0.4	0.4
Treasury bills	220.6	332.8
Cash	330.0	344.8
<b>Total current assets</b>	<b>1,130.5</b>	<b>1,271.2</b>
<b>Total assets</b>	<b>2,783.3</b>	<b>3,102.3</b>
<b>Equity</b>		
Share capital	800.0	800.0
Reserves	281.3	281.3
Retained earnings	984.9	1,041.3
<b>Equity attributable to the parent company</b>	<b>2,066.2</b>	<b>2,122.7</b>
Non-controlling interest	107.7	105.4
<b>Total equity</b>	<b>2,173.9</b>	<b>2,228.0</b>
<b>Non-current liabilities</b>		
Long-term investments creditors	17.9	21.4
Long-term debt – non-current portion	-	-
Non-current portion of lease liability	8.0	178.3
Deferred tax liability	77.9	78.0
<b>Total non-current liabilities</b>	<b>103.8</b>	<b>277.8</b>
<b>Current liabilities</b>		
Provisions	21.6	22.7
Creditors and other credit balances	442.0	447.6
Due to related parties	0.6	0.1
Current Portion of Borrowings	-	53.0
Current portion of lease liability	5.3	31.5
Long term incentive plan	-	1.1
Current income tax	36.1	40.6
<b>Total current liabilities</b>	<b>505.5</b>	<b>596.6</b>
<b>Total liabilities</b>	<b>609.3</b>	<b>874.3</b>
<b>Total liabilities &amp; shareholders' equity</b>	<b>2,783.3</b>	<b>3,102.3</b>

# Consolidated Cashflow Statement



All figures in EGP mn	31 March 2020	31 March 2021
<b>Cash flow from operating activities:</b>		
Profit before tax	116.7	145.5
<b>Adjustments for:</b>		
Depreciation	20.7	27.0
Amortization of intangible assets	-	4.0
Allowance for impairment of current assets	13.0	27.3
Provision	0.6	1.0
Capital gain/loss	(0.2)	(0.0)
Credit/debit interest	(17.9)	(6.6)
Changes in current tax liability	(5.5)	(32.9)
Gain/loss in investments in subsidiaries	-	(0.3)
Employee incentive	-	1.1
<b>Operating profits before changes in assets and liabilities</b>	<b>127.4</b>	<b>166.1</b>
<b>Changes in working capital:</b>		
Changes in inventories	(15.7)	0.7
Change in trade receivables, debtors, and other debit balances	(38.0)	(30.9)
Changes in due from related parties	1.8	(0.5)
Change in trade and other payables	(49.9)	6.8
Paid from employee incentive plan	-	-
Change in lease	-	(14.7)
<b>Net cash flows generated from operating activities</b>	<b>25.5</b>	<b>127.4</b>
<b>Cash flow from investment activities:</b>		
Proceeds from sale of fixed assets	0.3	0.0
Payments for purchase of fixed assets	(7.5)	(19.8)
PUC purchased	(36.1)	(22.8)
Advanced payments for purchase of fixed assets	(44.0)	(5.7)
Payments for acquisition of a subsidiary, net cash acquired	-	-
Payments under investment	(57.2)	(5.7)
Credit interest collected	18.2	11.0
Treasury bills	(99.0)	-
Paid under subsidiaries capital increase	-	-
Paid for investment associates	-	-
<b>Net cash flow from investment activities</b>	<b>(225.2)</b>	<b>(43.1)</b>
<b>Cash flow from financing activities:</b>		
Proceeds from minority share in subsidiary capital increase	-	-
Dividends paid	-	(0.0)
Repayment of borrowings	-	-
Cash proceed from overdraft	-	95.5
Cash paid to overdraft	-	(42.5)
Interest paid	(0.4)	(7.1)
<b>Net cash flow from financing activities</b>	<b>(0.4)</b>	<b>45.9</b>
<b>Net change in cash &amp; cash equivalents during the period</b>	<b>(200.0)</b>	<b>130.3</b>
Cash and cash equivalents at the beginning of the period	791.3	550.5
Cash and cash equivalent in acquired subsidiaries at beginning of period	-	-
<b>Cash &amp; cash equivalents at the end of the period</b>	<b>591.2</b>	<b>680.8</b>

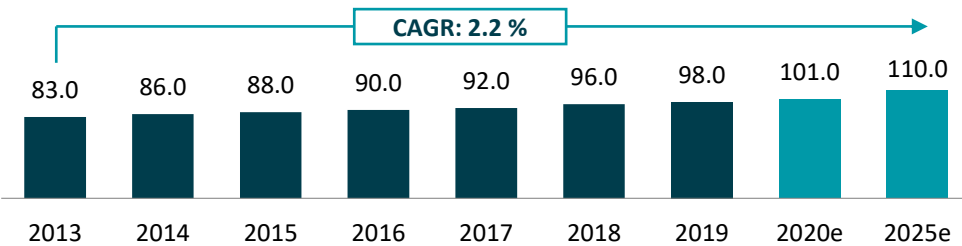
# Market Overview



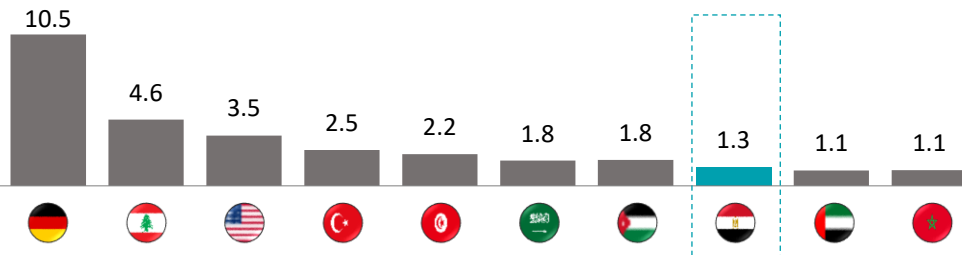
# Underserved and Under-penetrated Market with Steady Demand Growth

## Supply Gap in Egyptian Healthcare Industry

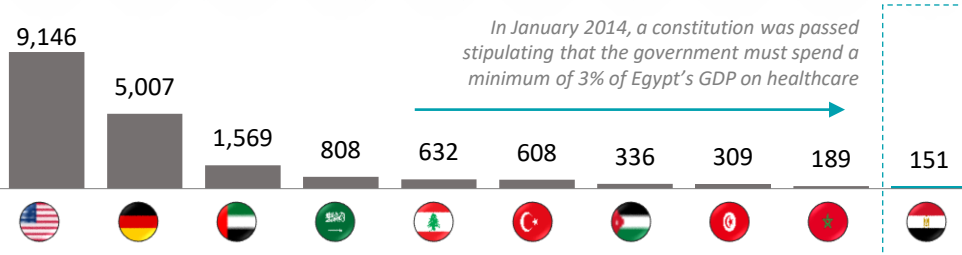
### Population (millions)



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

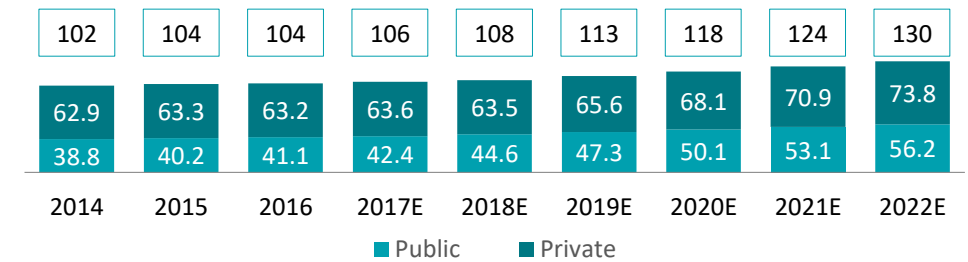


### Healthcare Expenditure per Capita (USD) | 2017



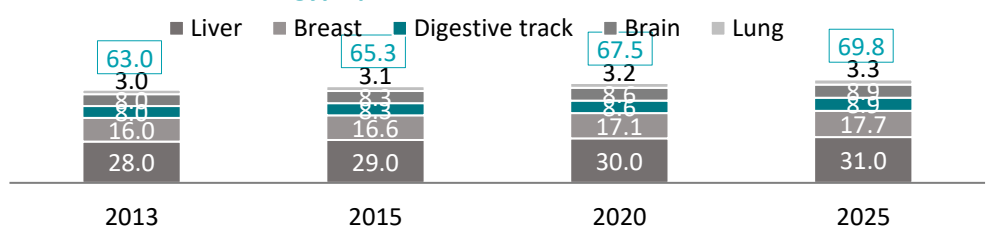
## Healthcare Expenditure in Egypt

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

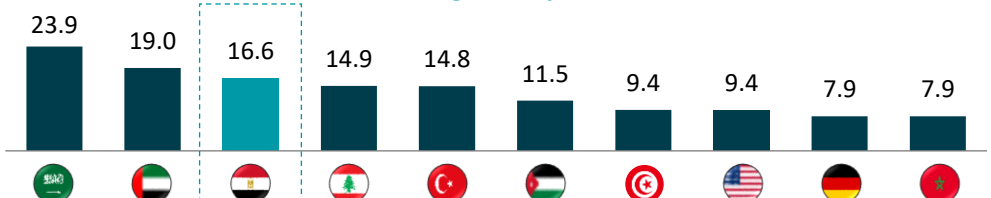


## Lifestyle Disease Profile in Egypt

### Cancer Prevalence in Egypt | 000 cases

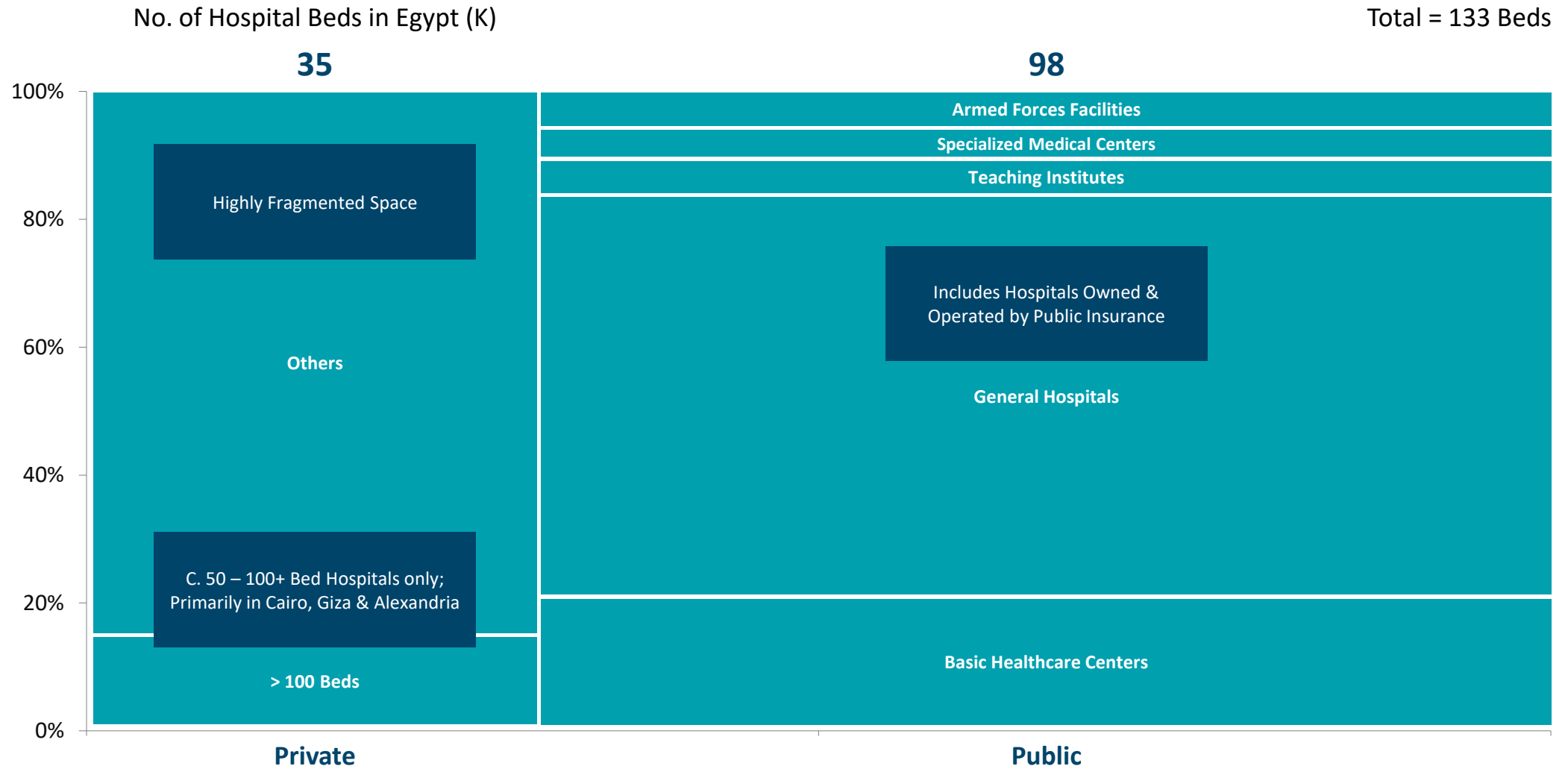


### Diabetes Prevalence in the 20-79 Age Group











# Egypt Total Hospital Beds (I/III)



Source: CAPMAS, Egypt Ministry of Health, consultants

# Egypt Total Hospital Beds (II/III)



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

**Focus of Next Slide**

Source: CAPMAS, Egypt Ministry of Health, consultants

# Egypt Total Hospital Beds (III/III)



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

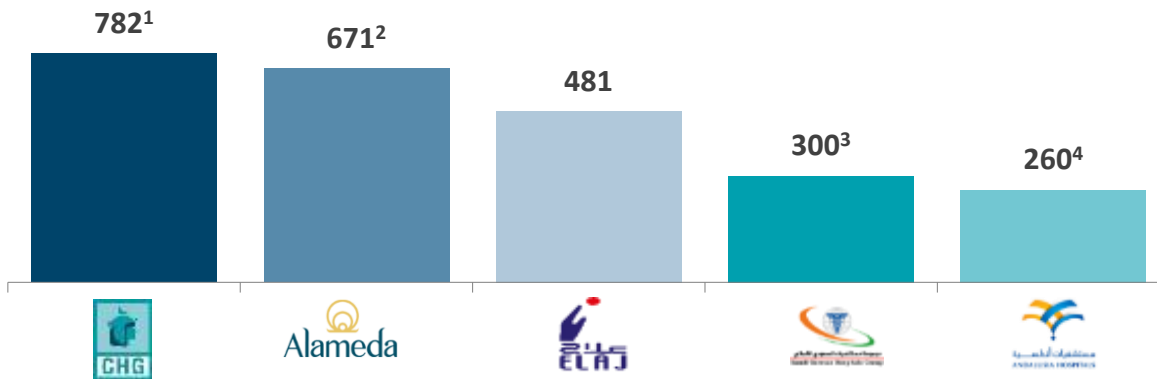
**Focus of Next Slide**

Source: CAPMAS, Egypt Ministry of Health, consultants

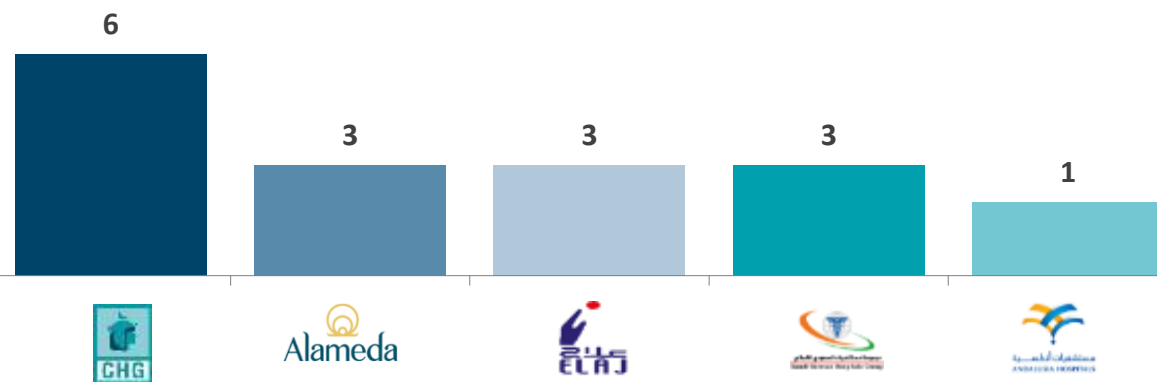
# Greater Cairo Hospital Groups by Commercial Bed Count



Hospital Groups in Cairo (Operational) – Bed Count



Hospital Groups in Cairo - # of Operational Hospitals



Building new capacity to reach c1,000 beds

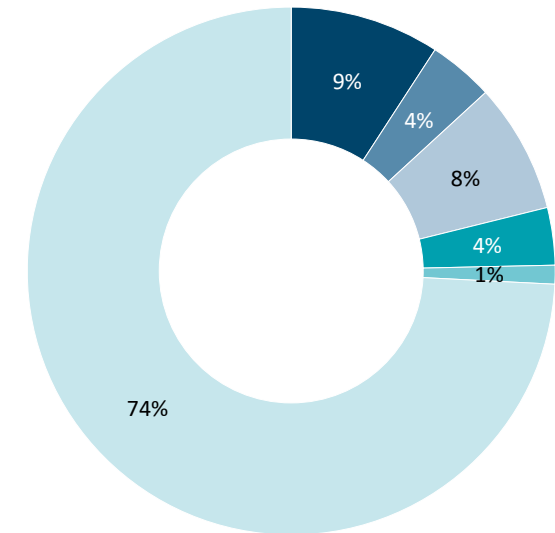
2. Building new capacity to reach c900 beds

3. Building new capacity to reach c600 beds

4. Building new capacity to reach c500 beds

Source: CAPMAS, Egypt Ministry of Health, consultants

Market Share in Cairo by # of Commercial Beds



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

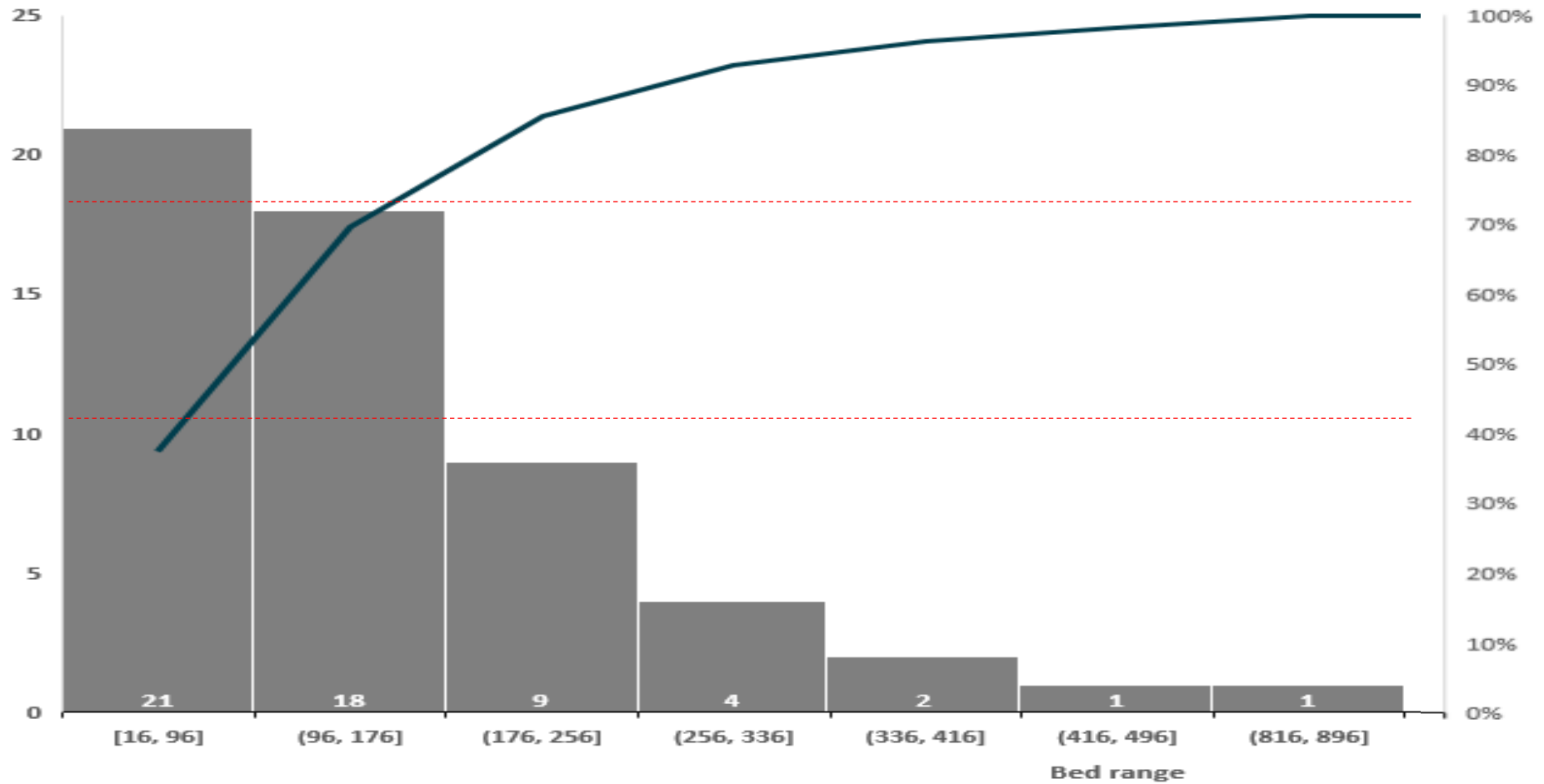
Total 14,000 commercial beds in Cairo of which 8,500+ beds are in '30+ beds' hospitals



# Greater Cairo Distribution of Hospitals by Commercial Beds



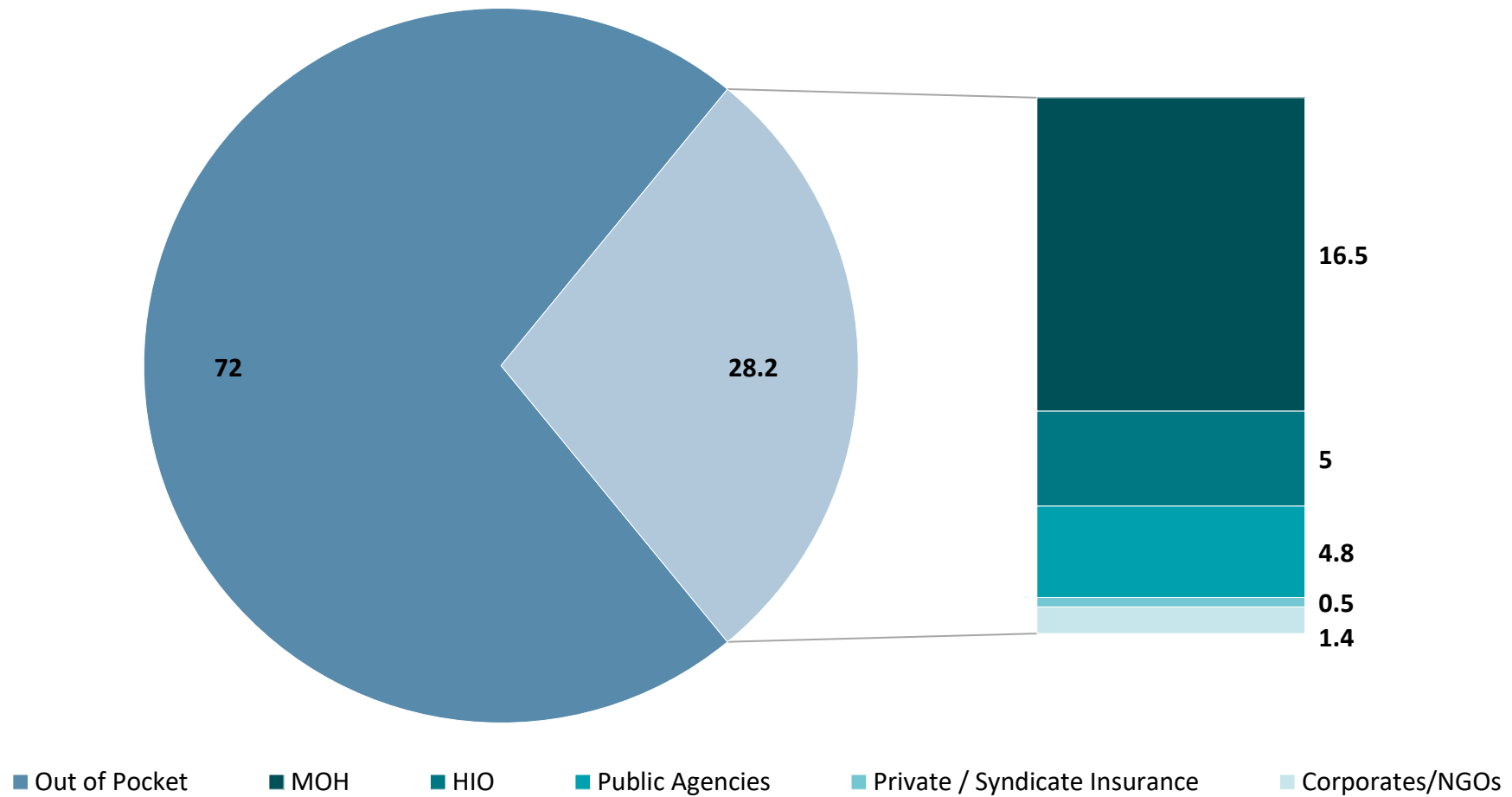
Distribution of Hospitals in Greater Cairo by # of Commercial Beds



# Egypt Healthcare Market Payor Profile



Egypt Healthcare Market Payor Profile



# Thank you

## INVESTOR RELATIONS CONTACTS

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## SHAREHOLDER INFORMATION

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



**CLEOPATRA HOSPITALS**  
GROUP