



CLEOPATRA HOSPITALS
GROUP



CORPORATE GOVERNANCE REPORT 2022

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WHO WE ARE

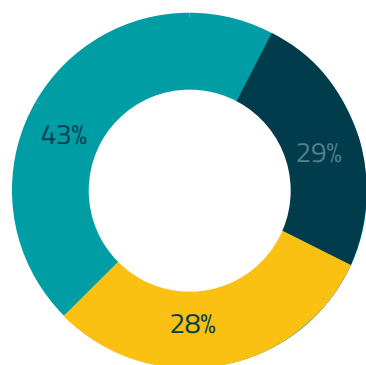
Cleopatra Hospitals Group (CHG) was established in 2014 as Egypt's first institutionalized and integrated private group of hospitals in Egypt. The Group currently hosts the largest number of hospital beds and operating facilities on a Group level in the country and provides comprehensive healthcare services across its patients' entire treatment cycles. The Group is known for its integrated management framework and 360-degree approach of healthcare services provision, resulting in a standardized approach to healthcare delivery with consistent improvement in service quality and patient experience. Over the years, CHG has been at the forefront of the Egyptian healthcare industry and has contributed considerably to its growth and development.

Since being listed on the Egyptian Stock Exchange in 2016, CHG has expanded its services and reach by virtue of meticulous organic and inorganic growth strategies. CHG's hospital network includes four main flagship hospitals - Cleopatra Hospital, Cairo Specialized Hospital, Nile Badrawi Hospital, and Al Shorouk Hospital - all of which have a track record of success spanning over three decades. The hospitals act as the Group's main treatment hubs and offer comprehensive diagnostic, medical, and surgical services to both inpatient and outpatient settings, housing several fully loaded centers of excellence (CoE) in various specialties such as cardiology, radiology, orthopaedic, urology, and others. In addition to the hospitals, The Group also operates two polyclinics located in East and West Cairo, which not only expand CHG's geographic presence across Greater Cairo but also facilitate patients' referrals at the Group's main hospitals by offering accessibility to quality healthcare services at underserved regions. CHG also operates Bedaya IVF centre, the Group's fast-growing Assisted Reproductive Solutions arm, which began operating under the Group's management in the final months of the year 2020. Management has been strategically growing the Group's capacities and expanding its geographic reach by virtue of unprecedented facility management contracts with agreements that span over 15 years. Latest of which, management signed an 18-year agreement with the owners of Haven Hospital in West Cairo in 4Q22. As the facility is has been operating under the Group's management since the final months of 2022, Haven Hospital is the largest operating facility in the Group today standing at c.30,000 sqm and operating as a Physical Therapy, Long Term Care and Rehabilitation Center of Excellence. Haven is equipped with state-of-the-art medical technology complemented with world-class operating theatres and inpatient rooms. Management's strategy towards the hospital is to grow its bed count as well as grow its medical services capabilities, to become a full-fledged tertiary hospital, housing Orthopaedic and Cardiology Centers of Excellence, building vertically on its existing Physical Therapy, Long Term Care and Rehabilitation service offering.

Throughout 2022, CHG has continued to execute on its ongoing comprehensive growth strategy, focusing on consistently enhancing its service quality, expanding overall capacities, and widening CHG's referrals network reach. The Group continues to build on its efficient and technologically enabled organization, which continues to prove its strength and adaptability to market conditions on the back of stringent short- and medium-term responses that help CHG ensure its remarkable resilience. CHG is committed to its six-pillar operational strategy that is governed by a unique governance structure and aims to continue leading the Egyptian healthcare industry by example in exceptional institutionalized patient experience and service quality.



Shareholding Structure and Stock Performance



Cleopatra Hospitals Company's Shareholder Structure

- Free Float
- Care Healthcare limited
- MCI Healthcare Partners

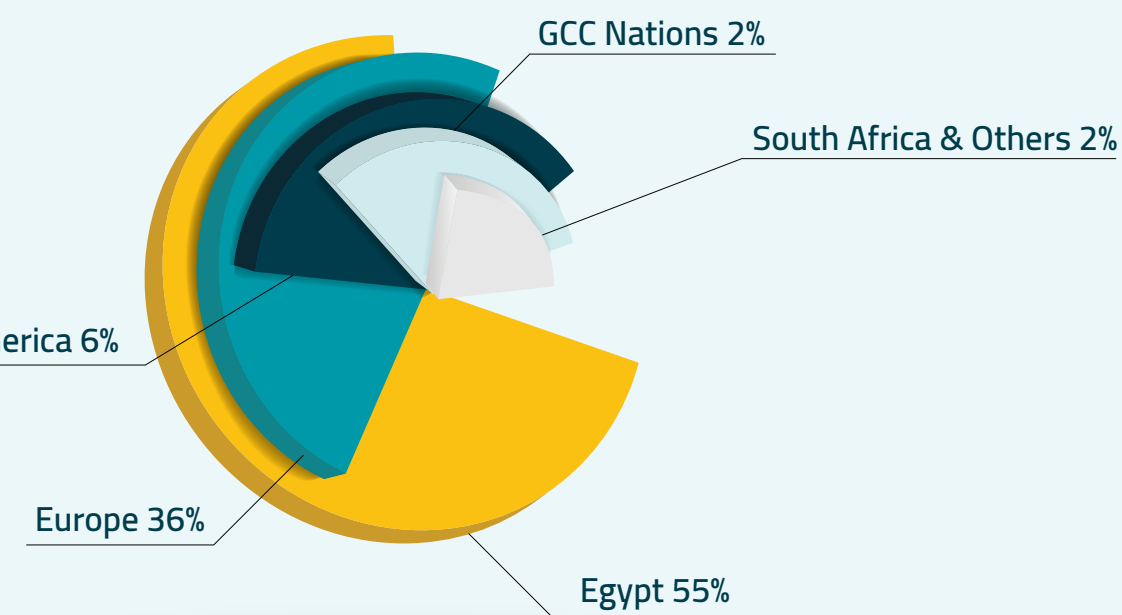
Statement of top 5 shareholders as of Dec 31, 2022

Name (as per MCDR)	Ownership	Country
Care Healthcare	29%	Malta
MCI Capital Healthcare Partners	28%	Egypt
Cleopatra Hospitals Group (Treasury Stock)	10%	Egypt
Helikon Investments	4%	United Kingdom
VanEck	3%	United States of America

Statement of transactions by the board members, spouses and children for 2022

Mr. Mahmoud Attalla owned a total of 1,200,000 shares of CLHO as of closing FY22 on a personal capacity

Above data presented as per official MCDR register and may not reflect aggregate accounts & funds under that may be owned or managed by the same beneficial owner or Investment Advisor



Care
Healthcare
29%



MCI
Capital
28%



Investment
Funds
22%



Treasury
Stocks
10%



Institutional
Investors
7%



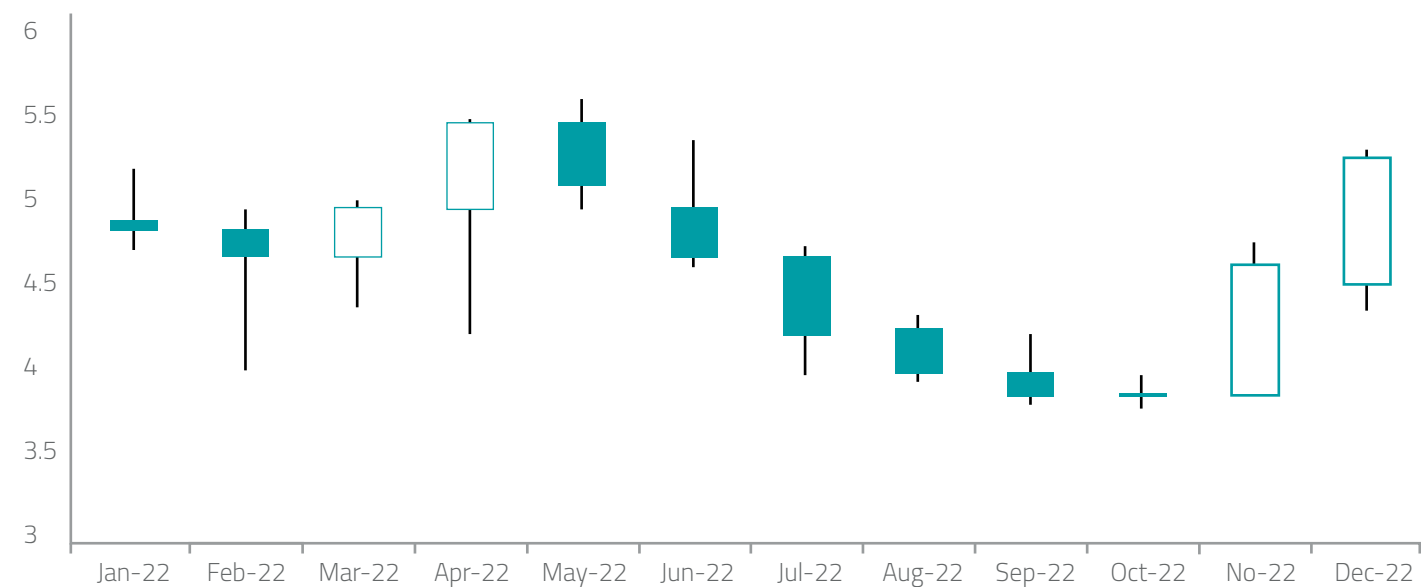
Retail
Investment
4%



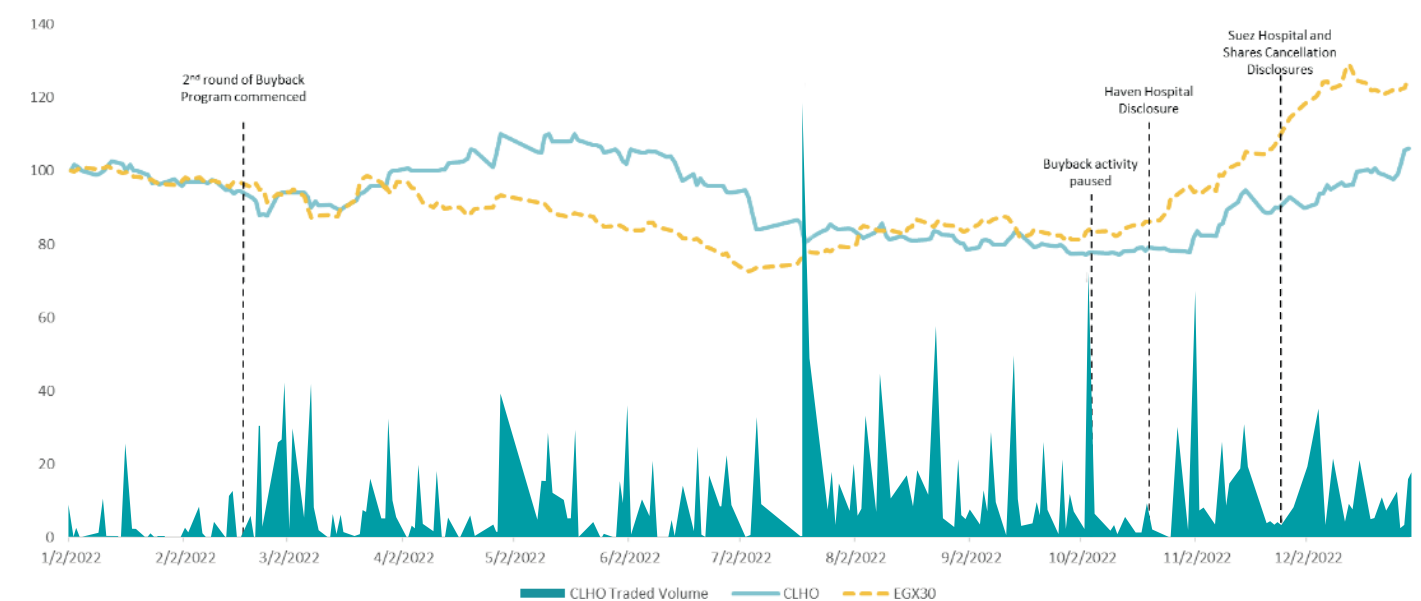


Share Price Performance

Cleopatra Hospitals Company (CLHO) Share price performance in 2022 (EGP)



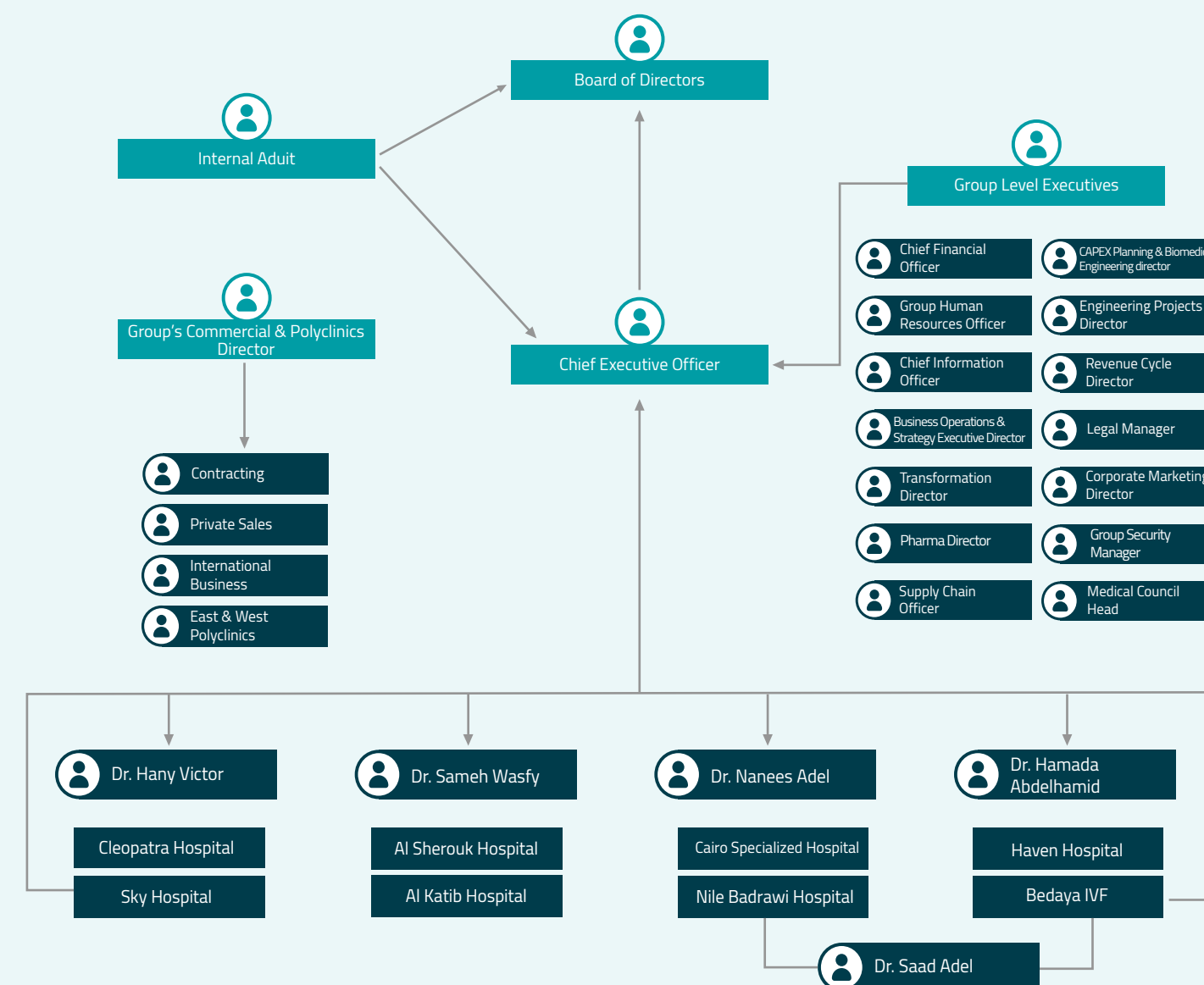
Comparative performance of share price vs EGX index chart



Treasury Stocks Held to date	158,490,917	% of CHG post cancellation	%0.27
% of CHG Owned	%9.91	Shares Outstanding in Market post cancellation	1,441,509,083
Shares approved to be cancelled	154,565,797	EPS (FY2022)	0.223
Shares held post cancellation	3,925,120	Proforma EPS (FY2022)	0.247



Since the Group's institutionalized structure was established in 2014, CHG has been consistently expanding its network year on year. Management has been onboarding new facilities into its network each year, through M&As, Joint Ventures, or management contracts, ultimately extending access to its network into underserved regions across Greater Cairo while growing CHG's overall capacities and service offerings. The Group's Organizational Structure plays a pivotal role in enabling this growth, ensuring seamless collaboration and integration among its facilities allowing CHG to deliver its top quality and standardized One-Stop-Shop approach of healthcare services provision. This cohesive model drives operational and financial efficiency, providing a solid foundation for CHG to differentiate itself in the market. The Group's service offerings are standardized and meticulously governed, cementing its market reputation and allowing CHG to stand out as the preferred provider to all its stakeholders, which includes consultants, suppliers, out of pocket patients, as well as insurance companies and 3rd party payors.



CHG's robust organizational structure encompasses two key components: Executive Management and Hospital Management. The Executive Management team assumes responsibility for shaping the organization's overarching strategy and direction, while the Hospital Management team oversees the day-to-day operations of the hospitals. Comprising this structure is a team of highly skilled medical staff, including physicians, surgeons, nurses, and other healthcare professionals who deliver CHG's diverse array of medical services to its patients. Additionally, key non-medical supporting functions play a vital role in ensuring the seamless operations and alignment of the Group with CHG's overall strategy. These functions encompass a range of essential services, including but not limited to finance, human resources, marketing, and IT. By providing these key services, the supporting functions contribute to the Group's operational efficiency and enable it to effectively execute its strategic objectives.

That said, in 2022, CHG continued to make strides in its organizational optimization agenda by further streamlining its organizational structure. The new structure serves further integration of the Group's hospitals' managing directors, as apparent in the organizational structure chart, aiming for enhancement in cross-asset referrals and overall utilization. Capitalizing on geographic proximity and complementary case mixes, the Group has restructured its management hierarchy such that NBH and CSH are now under common top management, as are AKH and ASH, and CHC and Sky Hospital. Haven and Bedaya Hospitals will continue to operate under single asset-focused top managements. This restructuring will enable the Group to better leverage its strengths, enhance collaboration, and improve operational efficiency. Management also optimized its commercial department's structure enabling it for greater market access as well as effectively make strides on the Group's medical tourism initiative.



Governance Principles













Introduction:

Corporate Governance in Cleopatra Hospitals Group

CHG recognizes its direct impact on the well-being of millions of Egyptians nationwide, as well as the associated weight of responsibly that comes by virtue of the company's role in society and the economy. Central to CHG's commitment to excellent patient care is a robust corporate governance framework. This framework is characterized by transparency, upholding the highest standards of integrity and ethics, and full adherence to global best practices. By strictly adhering to these principles, CHG ensures that patients receive the best possible care, underscoring its dedication to their well-being. Undoubtedly, governance stands as one of the Group's fundamental pillars, driving long-term success and its mission of value creation. CHG's Board of Directors, consist of thirteen members, brings together diverse backgrounds from various industries. The company's board has four seats allocated to Care Healthcare Limited (CHG's founder controlled by CHG's Chairman Ahmed Badreldin), four seats allocated to MCI Capital (an affiliate of Banque Misr and CI Capital), while the remaining five seats are allocated to the Group CEO, Dr. Ahmed Ezzeldin, and four independent board members with extensive sector experience. This amalgamation of expertise strengthens the Group's growth trajectory, facilitating effective decision-making, organizational efficiency, and sustainable value creation within an underserved market. With their collective experience, the Board provides diligent oversight and the necessary blend of skills to thoroughly govern CHG's corporate governance framework and ensure that the Group is well positioned to deliver on its growth and value creation ambitions.



Board Of Directors

Chairman	Executive Board Member	Care Healthcare Representation		
 Ahmed Badreldin Chairman	 Dr. Ahmed Ezzeldin Executive Member & Group CEO	 Samia El Baroudy	 Badr Alasem	 Sadhak Bindal
MCI Capital Healthcare Partners Representation				Independent Board Members
 Mahmoud Attalla	 Hesham Gohar	 Hossam Eldin Abdelwahab	 Ahmed Sobhy	<div>  Nabil Kamhawry Former Head of Ernst & Young Egypt </div> <div>  Dr. Mohamed Awad Tag El Din Former Minister of Health </div> <div>  Dr. Mahmoud El Meteini President of Ain Shams University </div> <div>  Tarek Kabil Former Minister of Trade and Industry </div>

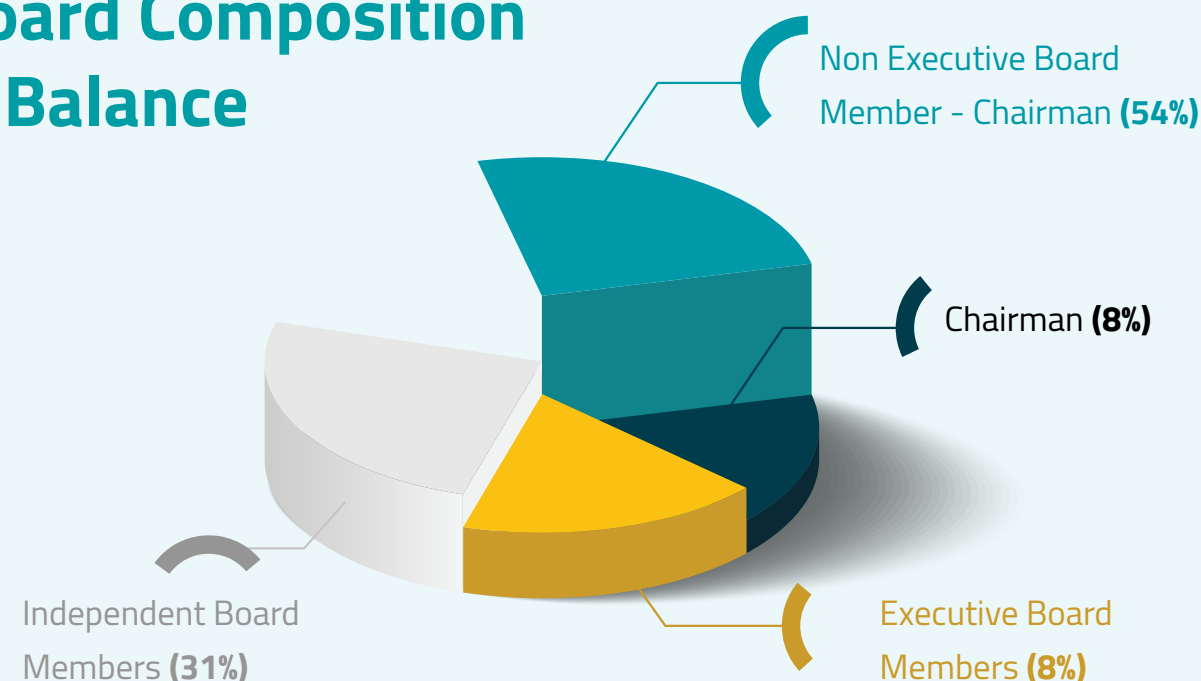
The Board's unwavering dedication to achieving the Group's long-term goals is evident through its leadership and the commitment of its management team. To realize this commitment, the Board takes on the responsibility of defining the company's strategic objectives, ensuring the availability of essential resources to meet these goals, and continuously evaluating the performance of the management team. Furthermore, the Board plays a crucial role in establishing the company's values and standards, ensuring that its obligations to shareholders and all stakeholders are clearly comprehended and fulfilled. The following matters are exclusively entrusted to CHG's Board:

- ▶ Approval on corporate and business plans
- ▶ Approval on budgets and any major capital commitments
- ▶ Approval on any new ventures or expansion plans
- ▶ Approval on Succession Plans
- ▶ Approval on material acquisitions and disposals of properties
- ▶ Changes to the management and control structure within the Company and its subsidiaries, including key policies and delegation authority matrixes
- ▶ Review of the adequacy and integrity of the Group's internal controls and management information systems, including compliance with applicable laws, regulations, rules, directives and guidelines

The Board convenes on a quarterly basis, with additional meetings arranged as needed to address ad hoc matters that require the board's contribution. Well in advance of each meeting, members receive comprehensive meeting materials in facilitation of informed board meeting discussions. Upon the conclusion of each meeting, timely circulation, ratification, and disclosure of the meeting minutes take place. The Board, fully cognizant of its duties and obligations, conducted extensive deliberations in 2022 with the following topic discussions:

- ▶ Business strategies and corporate proposals
- ▶ Review of operational matters as well as quarterly and annual financial reports of the Group
- ▶ Review of clinical performances and expansionary plans
- ▶ Ad-hoc matters that are reserved for board approval
- ▶ Mitigation of economic and industry specific risks
- ▶ Stock performance and valuation

Board Composition & Balance



Ahmed Badreldin assumes the role of the board's Chairman, leading with a steadfast commitment to fostering exemplary corporate governance practices, providing effective leadership, and ensuring the board's utmost efficiency. As the Chairman, Ahmed undertakes a range of specific responsibilities, including:

- ▶ Setting the schedules and crafting well-defined agendas for Board meetings, guaranteeing focused and productive discussions.
- ▶ Ensuring that all Board members are equipped with accurate, comprehensive, and timely information, enabling informed decision-making during meetings.
- ▶ Cultivating an environment of open communication, constructive debates, and challenges among Board members, encouraging diverse perspectives and thoughtful discourse.
- ▶ Establishing effective communication channels with all stakeholders, ensuring their needs and expectations are understood and addressed.
- ▶ Establishing and upholding robust corporate governance practices and procedures, adhering to the highest standards of integrity, compliance, and ethical conduct throughout the Group.
- ▶ Nurturing the Board's effectiveness in supporting the company's long-term growth and stability, providing strategic guidance, and overseeing key decision-making processes.

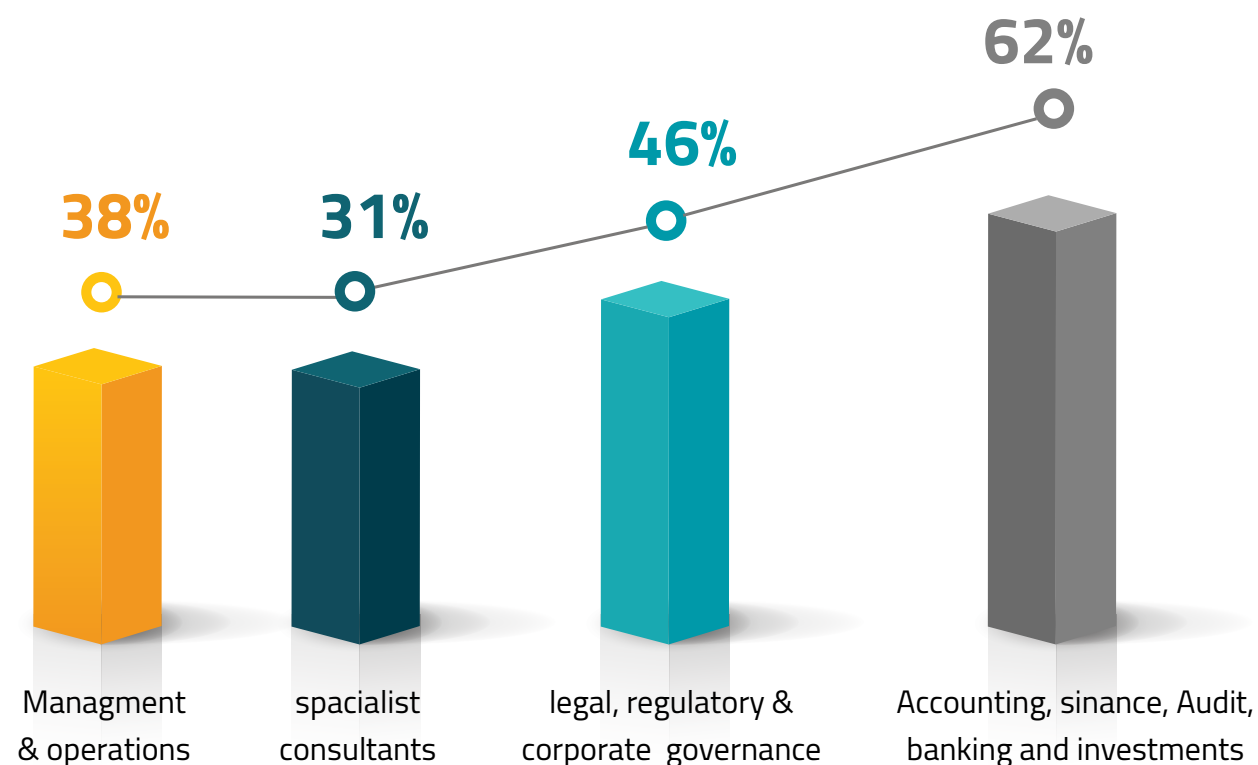
Through Ahmed's dedicated leadership as Chairman, the Board of Directors operates with exemplary governance, upholding transparency, accountability, and ethical practices. By fulfilling these critical responsibilities, Ahmed significantly contributes to the Group's success and its ability to create sustainable value.

The Board of Directors upholds a clear demarcation of roles and responsibilities, adhering to best practices by ensuring separate individuals hold the positions of Chairman and CEO. This segregation fosters a balanced distribution of power and authority, both at the Board level and across the entire Group. Dr. Ahmed Ezzeldin serves as the Group's CEO, spearheading the Management team in executing board-approved policies, strategies, and action plans. Regular engagement with the Board facilitates comprehensive reporting and discussions on the Group's business performance, encompassing critical strategic matters.

Comprising professionals with diverse backgrounds and extensive industry knowledge, the present composition of the Board aligns with the Group's current expansionary phase. Non-Executive members demonstrate their commitment to the company's best interests by refraining from involvement in business dealings related to CHG or its day-to-day management. This allows them to exercise independent judgment, ensuring unwavering focus on the supreme priority of the Group's stakeholders.

All Board members are highly qualified professionals in their respective fields, boasting considerable experience in the realms of medicine, law, finance and accounting, and business management. The Independent members of the Board play a vital role in meticulously examining and assessing proposed business strategies and as help guide the Group during economically turbulent times, leveraging their specialized expertise. This oversight encompasses the long-term interests not only of shareholders but also of employees, customers, suppliers, and the diverse communities in which the Group operates.

Experience & Skills

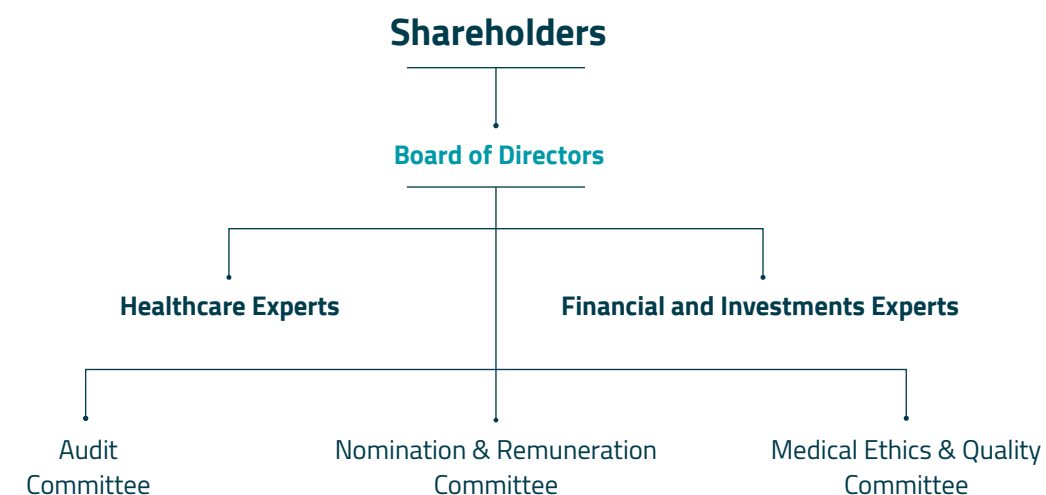
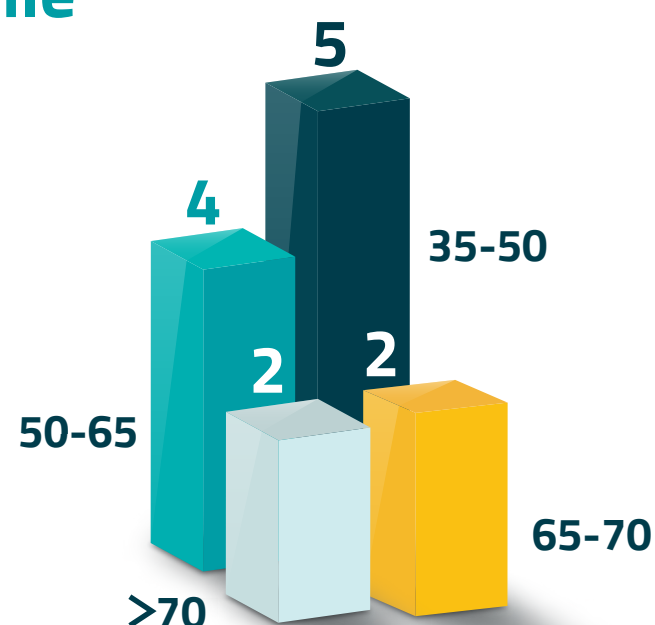


Board Of Directors: : Committees allocations within the Board of Directors

Board Committees and their roles

As an integral component of its leadership function, the Board undertakes the crucial task of coordinating and entrusting specific responsibilities to three primary Committees. Each Committee operates under comprehensive terms of reference that delineate its scope, authority, and obligations. These Committees are empowered to thoroughly examine designated issues, subsequently reporting their findings and recommendations to the Board. However, the ultimate responsibility for final decisions and recommendations arising from these Committees rests with the entire Board. Currently, the following three Board Committees actively contribute to the Group's governance: the Audit Committee, the Medical Ethics & Quality Committee, and the Nominations and Remuneration Committee.

Age Profile



	Audit Committee	Medical Ethics & Quality Committee	Nominations and Remuneration Committee
Ahmed Badreldin Chairman			■ Chairman
Dr. Ahmed Ezeldin CEO		■	
Badr Alasem			
Sadhak Bindal			
Samia El Baroudy	■		
Mahmoud Attalla			■
Hesham Gohar			
Hossam Eldin Abdelwahab			
Ahmed Sobhy	■		
Dr. Mahmoud El Meteini	■		
Tarek Kabil	■		
Nabil Walid Kamhawi			■ Chairman
Dr. Mohamed Tag El Din		■ Chairman	

Audit Committee

The Audit Committee plays a vital role in ensuring transparency, integrity, and accountability within the Group's activities, with a focus on protecting the rights and interests of its shareholders. This committee is responsible for overseeing the Group's financial accounting and reporting practices, aiming to uphold the highest standards of compliance and enhance business efficiency. By doing so, they instill confidence in the accuracy and reliability of the Group's financial results.

Comprising distinguished Non-Executive and Independent members, including Ms. Samia El Baroudy, Mr. Nabil Kamhawy, Mr. Tarek Kabil, Dr. Mahmoud El Meteini, and Mr. Ahmed Sobhy, the Audit Committee maintains the independence of both the External and Internal Audit functions. Notably, Mr. Nabil Kamhawy chairs the Audit Committee, separate from the board's Chairman. The Committee holds regular meetings, ensuring effective communication and documentation of their activities and recommendations.

The members of the Audit Committee bring a wealth of qualifications, skills, and expertise to their roles, enabling them to fulfill their responsibilities effectively. With a strong financial acumen and a deep understanding of the financial reporting process, they uphold the integrity of the Group's financial reporting and statements. Furthermore, the Audit Committee conducts continuous assessments of the independence and objectivity of the Group's external auditors. They carefully review the auditors' policies and confirmations regarding independence, as well as the measures taken to ensure the quality of their work. The Committee maintains an ongoing dialogue with the external auditors, Internal Audit, and Finance, discussing audit plans, reports, internal controls, and procedures. Based on a comprehensive evaluation of the auditors' performance, the Committee provides recommendations to the Board regarding their appointment and remuneration.

It is important to note that the Audit Committee is satisfied with the independence and performance of its current external auditor, PricewaterhouseCoopers (PwC). PwC has been the trusted auditor for Cleopatra Hospitals Group since its inception, collaborating closely with the Audit Committee. Below are the auditing fees paid to PricewaterhouseCoopers, denominated in USD, for their services to Cleopatra Hospitals Group from 2017 to 2022:

	CHG	CHC	CSH	NBH	ASH	QHC	CHG MS	CHG Pharma	KHC	CHG For Hospitals	BHC
2017	123,200	44,000	26,400	26,400	26,400	-	-	-	-	-	-
2018	123,200	44,000	26,400	26,400	26,400	-	-	-	-	-	-
2019	192,500	44,000	26,400	26,400	26,400	16,500	13,200	13,200	26,400	-	-
2020	200,750	44,000	26,400	26,400	26,400	16,500	13,200	13,200	26,400	8,250	-
2021	240,200	48,000	28,800	28,800	28,800	15,000	12,000	12,000	24,000	12,000	30,800
	240,200	48,000	28,800	28,800	28,800	15,000	12,000	12,000	24,000	12,000	30,800

The following outlines a selection of key responsibilities undertaken by the Audit Committee:

- Evaluating the effectiveness of the Internal Audit function.
- Assessing reports from the Internal Auditor, covering both financial and non-financial matters, as well as the corrective actions and risk management measures implemented by CHG.
- Examining investigations conducted by the Internal Auditor and management's responses to reports related to these investigations.

- Reviewing the annual and quarterly financial statements, along with other financial information provided to the Board and shareholders, and providing recommendations based on their assessment.
- Evaluating the financial system applied by CHG, making recommendations for enhancements, ensuring its accuracy and integrity, and preventing the reporting of false data.
- Submitting comprehensive reports to the Board of Directors, encompassing all areas falling within the Committee's jurisdiction.
- Conducting a thorough review and reporting to the Board on the adequacy of the Company's internal audit department in terms of its structure, responsibilities, staffing, resources, and overall functionality. This includes conducting an annual evaluation of the performance and qualifications of the department's head.

Medical Ethics & Quality Committee

The Medical Ethics & Quality Committee is dedicated to upholding the highest standards of patient safety and improving the quality of care provided by CHG. Through continuous monitoring and assessment, the Committee strives to enhance the overall clinical performance of the Group. Their primary focus is on establishing and overseeing clinical governance practices and guidelines across CHG's facilities, with the aim of ensuring rigorous quality control and promoting standardized service delivery.

The Committee is driven by a vision that includes the development of innovative clinical strategies to further enhance the Group's service offerings. They actively identify and explore niche specialties that are currently underserved in the market, while ensuring seamless coordination and synergy among CHG's facilities. The Medical Ethics & Quality Committee comprises two key members: Dr. Ahmed Ezzeldin as the Executive member, and Dr. Mohamed Tag Eldin as the independent member and chairman of the committee. Meetings are held at least once a year, and as required. Comprehensive minutes are maintained, documenting the Committee's activities and presenting their recommendations to the Board for review. Their diverse responsibilities encompass the following key areas, as the committee's multifaceted responsibilities contribute to the ongoing improvement of ethical practices, quality of care, and overall operational excellence within CHG:

Policy Development and Review:

- Developing new policies and guidelines based on evidence-based practices.
- Regularly reviewing and updating existing policies and guidelines to maintain their relevance and effectiveness.

Clinical Governance and Reporting:

- Overseeing clinical governance practices to uphold quality standards.
- Monitoring and evaluating clinical outcomes reported by consultants.

Operational Compliance:

- Reviewing operational activities to ensure compliance with accreditation standards.
- Assessing clinical compliance to maintain the highest quality of care.

Performance Monitoring:

- Tracking performance metrics and patient outcomes with a focus on efficiency.
- Identifying areas for improvement and implementing strategies to enhance performance.

Guideline Creation:

- Developing guidelines for conflict resolution, crises protocols and management.
- Ensuring that the Group operates in an environment of accountability and preparedness.

Ethical Oversight:

- Taking appropriate disciplinary action in response to any medical ethical violations.
- Reviewing and recommending improvements or changes to CHG's medical ethics.

Quality Evaluation:

- Monitoring and evaluating care services to confirm their adherence to the highest quality standards.
- Identifying opportunities to enhance the quality of care provided.

Centers of Excellence:

- Exploring specialized areas of expertise to develop Centers of Excellence around them to incorporate within the Group's offerings.
- Evaluating potential specialties that align with CHG's vision and would benefit patients and the healthcare community.

Nominations and Remuneration Committee

The Nominations and Remuneration Committee assumes a pivotal role in shaping the leadership and compensation landscape of the Group. With a strong emphasis on excellence, the committee provides strategic recommendations for the selection, remuneration, and succession planning of key senior management positions and Board members. This esteemed committee comprises three distinguished members: Ahmed Badreldin, who serves as both the Chairman of the Board and the Committee, Hesham Gohar, a non-executive director, and Nabil Qamhawy, an independent director. Meetings are held at least annually, with flexibility to convene more frequently as required. Thorough documentation of proceedings ensures the accurate record-keeping of activities and recommendations presented to the Board.

In its commitment to fostering a diverse and accomplished Board, the committee actively seeks nominations from a wide array of sources beyond the conventional channels of board members, management, and major shareholders. Leveraging independent resources, the Board rigorously evaluates and assesses potential candidates' qualifications, skills, and expertise. The Company adheres to a rigorous and transparent recruitment and appointment process, ensuring that all nominees undergo comprehensive evaluation by the committee. This evaluation encompasses a holistic assessment of the nominees' aptitude, experience, and capacity to oversee a highly regulated healthcare business. Essential qualities, including character, integrity, and professionalism, are scrutinized to ensure alignment with the Group's best interests. Prior to finalizing appointments, the committee engages in substantive dialogue with the nominees to ascertain their commitment to fulfilling their duties and responsibilities.

The committee recognizes the paramount importance of attracting and retaining top talent within the Board and senior management positions to drive the Group's long-term objectives. Adhering to a robust and impartial methodology, the committee formulates remuneration policies that reflect the company's demands, intricacies, and performance metrics. These policies take into account the skills, competencies, and experience necessary for candidates to successfully accomplish their respective mandates. Remuneration packages for senior management are structured in a manner that aligns with corporate targets established by the Board and individual performance indicators. This approach ensures fair and equitable rewards based on objective-driven achievements. The Company remains steadfast in providing competitive total compensation opportunities, fostering an environment that attracts, motivates, and retains exceptional CHG employees. Performance assessments encompass both the overall company performance and the individual contributions of employees toward meeting business objectives. This comprehensive evaluation framework promotes the Group's long-term continuity and sustainability.

Furthermore, the Board has instituted a Board Remuneration Policy that governs the compensation of its members. The Group firmly believes that the remuneration levels offered are sufficiently competitive to attract and retain directors of exceptional caliber, possessing the requisite experience and talent to enhance the Group's performance. Non-executive and independent directors receive fixed annual director's fees and meeting allowances, exemplifying the Group's commitment to transparent and consistent compensation practices.

In 2022, the Committee exemplified unwavering dedication to its core responsibilities, ensuring the appointment of highly qualified individuals, equitable remuneration practices, and the ongoing success of the Group.

Board of Directors – Remuneration

	Allowance	Bonus	Total
2016	580,000	420,000	1,000,000
2017	1,100,000	1,035,000	2,135,000
2018	1,450,000	1,707,750	3,157,750
2019	4,390,000	3,615,000	8,005,000
2020	3,765,000	3,615,000	7,380,000
2021	5,230,000	3,615,000	8,845,000
2022	2,715,000	4,000,000	6,715,000



Board of Directors: Composition of the Board of Directors

The Board's unwavering commitment to robust governance practices is evidenced by its active engagement in guiding and reviewing the Management's activities. Collaboratively, the Board and Management endeavor to foster a corporate culture rooted in ethical conduct, prudence, and professionalism. Regular quarterly meetings serve as a platform for strategic discussions, allowing the Board to steer the Group's business direction and shape its overarching strategies. In addition to the quarterly meetings, the Board convenes promptly for specific matters that require immediate attention and deliberation. To ensure optimal participation and attendance, meetings are meticulously scheduled well in advance, demonstrating the Board's dedication to fulfilling its duties and responsibilities. During the fiscal year that concluded on December 31, 2022, the Board reflected consistent presence and engagement reflecting their steadfast resolve to uphold the highest standards of corporate governance and contribution to the Group's long-term success. Their attendance records are outlined below:

	Board Meetings	Audit Committee	Nominations and Remuneration Committee	Medical Ethics & Quality Committee
Ahmed Badreldin	8/8		2/2	
Dr. Ahmed Ezeldin	8/8			1/1
Badr Alasem**	3/8			
Sadhak Bindal**	3/8			
Samia El Baroudy	8/8	9/9		
Nabil Kamhawy	8/8	9/9	2/2	
Dr. Mohamed Tag El Din	8/8			1/1
Tarek Kabil	8/8	9/9		
Dr. Mahmoud El Meteini**	2/8			0/1
Ahmed Sobhy*	5/8	4/9		
Hossam Eldin Abdelwahab*	4/8			
Hesham Gohar*	5/8		2/2	
Mahmoud Attalla*	5/8			

Board members that are marked with * were appointed on the board as of April 2022, and members that are marked with ** were appointed on the board as of August 2022.

Board Meetings in 2022

Board Meeting Date	Topics of Discussion
20-01-2022	Hemucure CoE agreement
24-02-2022	Shares Buyback Program Renewal
17-03-2022	Q4 2021 Financial Results
26-05-2022	Q1 2022 Financial Results
18-08-2022	Q2 2022 Financial Results
31-10-2022	Haven Hospital Agreement
13-11-2022	Q3 2022 Financial Results
06-12-2022	Approval of Treasury Stocks Cancellation



Composition of the Board of Directors



Ahmed Adel Badreldin - Chairman of the Board

Mr. Badreldin was Head of MENA at Large Cap Private Equity where he managed their investment portfolio in the Middle East and North Africa. He previously worked at Barclays Capital PLC for eight years, where he climbed the corporate ladder until reaching Senior Director of Leveraged Finance, in addition to serving as an Executive Officer at Baker Hughes Incorporated. Mr. Badreldin possesses over 15 years' experience in investment banking and consulting with a strong skillset in credit analysis, investment, and structuring in both debt and equity. He also holds comprehensive and broad experience in a variety of industries and sectors including industrial and basic materials, telecommunications, retail, services, and energy. Mr. Badreldin holds an MBA from the Cranfield School of Management and a BSc in Mechanical Engineering, Industrial Management, and Business Administration from the American University in Cairo.



Dr. Ahmed Ezz El-Din - Chief Executive Officer

Dr. Ezz El-Din brings over 36 years of healthcare experience to the Group and a deep insight into the healthcare businesses in Egypt. Prior to assuming his role as the Group's CEO, Dr. Ezz El-Din was the Director of Government Affairs & Policy – Middle East, North Africa & Pakistan at Johnson & Johnson Medical, where he also held the position of Managing Director for Egypt & Libya at Johnson & Johnson Medical. Prior to that, Dr. Ezz El-Din also held key positions at GSK, including Sales & Commercial Director at GSK Egypt and Sudan Country Manager, and holds over 18 years of global experience with MSD under his belt. Dr. Ezz El-Din holds a bachelor's degree in Pharmaceutical Science from Cairo University.



Dr. Mohamed Awad Tag El Din - Independent Non-Executive Director

Dr. Tag El Din was the Egyptian Minister of Health from March 2002 to December 2005. Prior to that, he was the President and Vice President of Ain Shams University for one and four years, respectively. He holds a bachelor's degree in Medicine, two diplomas in Internal Medicine and Pulmonology Diseases, and a PhD from Ain Shams University. He is also a Professor and Consultant of Pulmonology.



Nabil Walid Kamhawi - Independent Non-Executive Director

Mr. Kamhawi has over 40 years of consulting, audit and advisory experience in Europe and the Middle East in a wide range of industries. He was the Managing Partner of Ernst & Young in Egypt following its integration with Arthur Andersen, where he was Managing Partner. Mr. Kamhawi holds a bachelor's degree in Commerce (Accounting) from Ain Shams University and is a member of the Institute of Chartered Accountants in England and Wales.



Sadhak Bindal - Non-Executive Director

Mr. Bindal is the Deputy Head of Investments in the Middle East and North Africa region at the Saudi Public Investment Fund since 2020. His previous positions include being a Portfolio Manager at Maras Investments (from 2017 to 2020) and at J.P. Morgan (from 2010 to 2012), among other things. He completed his postgraduate studies in Business Management at the Indian Institute of Management and holds a CFA Charter.



Badr Alasem - Non-Executive Director

Mr. Alasem has been working at the Public Investment Fund in the Kingdom of Saudi Arabia since May 2018. He previously held several positions, including Senior Associate and Investment Portfolio Manager at Al Ahli Capital between 2016 and 2018, Investment Portfolio Manager at HSBC Global Asset Management from 2015 to 2016, Assistant Investment Portfolio Manager at the same company between 2013 and 2015, Energy Research Analyst at Rebsamen Trust Fund from 2011 to 2012, Research Analyst at Arvest Bank at their Fixed Income Securities Fund from 2011 to 2012, and Manager of Supplementary Data Analysis at the University of Arkansas from 2010 to 2011. He holds a bachelor's degree in business administration from the University of Arkansas in the United States in 2012.



Samia El Baroudy - Non-Executive Director

Mrs. El Baroudy brings global experience to the private equity sector through her membership of an investment team that oversees investments across a variety of sectors in Egypt, including the healthcare sector. She has held direct responsibility for several portfolio companies including Integrated Diagnostics Holdings, OMS, ECCO and North Africa Hospital Holdings Group (NAHHG). Currently, Mrs. El Baroudy is part of a team that is responsible for setting up the largest hospital platform in North Africa. Prior to joining the private equity sector, she was a Consultant at Booz & Co. She holds a master's degree in Management Science & Engineering and a bachelor's degree in Economics, both from Stanford University.



Tarek Kabil - Independent Non-Executive Director

Mr. Tarek Kabil is the former Minister of Trade and Industry for Egypt from 2015-2018. He brings over 40 years of global professional experience across a variety of sectors including Government, Private Equity, and FMCGs across US, Asia, Middle East, and Africa. He has led several international organizations including serving as President and CEO of PepsiCo Middle East and Africa. Currently, Mr. Tarek Kabil serves as the CEO and Chairman of Business Solutions Consulting Group, as well as a board member and advisor in different sectors such as FMCG, Banking, and Education.



Hossam Eldin Abdelwahab - Non-Executive Director

In addition to his membership on the board of directors of Cleopatra Hospital Group, Mr. Hossam joined Banque Misr in October 2018 as Deputy Chairman of the Board. Mr. Abdel Wahab previously served as the Deputy CEO of Ahli Bank Kuwait, where he led the bank's retail business, branches, and small and medium-sized enterprises sector from 2016 to September 2018. Mr. Abdel Wahab began his banking career in 1989 at Gulf Bank of Kuwait before moving to Procter & Gamble in 1991, where he rose in ranks throughout his nine-year tenure at the company. During that time, he held several positions in finance and investments. In 2000, he joined Investia Venture Capital as Head of Investments. In 2001, Mr. Abdel Wahab joined Citibank Egypt, where he held leadership positions from 2001 to 2006 in risk management, distribution, and operations. He later assumed a more regional role at Citibank's EMEA regional office in London, where he served as Deputy Head of Credit Operations for Europe, Middle East, and Africa from 2006 to 2008. He then served as Head of Retail Banking Sector at Bank Audi Egypt from 2008 to 2012 before transitioning to Arab Bank, where he held the position of Executive Board Member and Head of Retail Banking Sector managing all the bank's branches from 2012 to 2016. Mr. Abdel Wahab holds a bachelor's degree in commerce from the College of Commerce, majoring in Economics and Political Science at Kuwait University.



Dr. Mahmoud El Meteini - Independent Non-Executive Director

Dr. Mahmoud El Matiny is the current President of Ain Shams University, having previously served as the Dean of the Faculty of Medicine at the university. As one of the oldest medical colleges in the region, Dr. Mahmoud obtained his Master's and Ph.D. degrees in General Surgery from Ain Shams University in 1989 and 1993 respectively, with his doctoral thesis focusing on the experimental and clinical aspects of liver transplantation. He is considered a leading figure in liver diseases and a pioneer in liver transplantation in Egypt. In 2001, he initiated and managed the first living donor liver transplant program for adults and children at Wadi El Nile Hospital in Cairo. Additionally, in 2008, he established the Ain Shams Center for Organ Transplantation (ASCOT) at Ain Shams University. Dr. Mahmoud played a key role in organizing organ transplantation operations in Egypt, leading to the government enacting the "Organ Transplantation Law" in 2010. He chaired the committee that issued the standards, requirements, and necessary infrastructure for licensing hospitals and healthcare institutions as authorized organ transplantation centers in Egypt. As a result, he is currently a member of the "Supreme Committee for Organ Transplantation" and heads the "Ethics Committee" within the Supreme Committee. Within medical organizations, Dr. Mahmoud is a member of several national and international professional associations, including the Egyptian Surgical Society, Chairman of the Scientific Committee of the Egyptian Society for Liver Cancer (ESLC), and founding member and General Secretary of the Pan Arab Liver Transplant Society (PALTS). Furthermore, with an aim to enhance the capabilities and expertise of the private medical sector, Dr. Mahmoud held positions on the boards of directors of several local healthcare and pharmaceutical institutions in Egypt, such as Misr Airlines for Healthcare Services (2007-2013), SEDICO Pharmaceuticals (2009-2012), and the Medical Council of EPICO Pharmaceuticals (2010-2015). Dr. Mahmoud currently serves as a member of the Board of Directors of Ain Shams University Specialized Hospital, the Medical Council of Wadi El Nile Hospital, the Wadi El Nile Benta Pharmaceuticals Company, as well as the Cleopatra Hospitals Group.



Ahmed Sobhy - Non-Executive Director

In addition to his membership on the board of directors of Cleopatra Hospital Group, Mr. Sobhy is also a member of the executive committee of Banque Misr, responsible for managing the bank's investments in the capital markets. Mr. Sobhy joined Banque Misr in April 2020, prior to that, he assumed several positions including and not limited to Investment Manager at Ezdehar Management, Deputy Head of Investment Banking at Morgan Stanley, and Director of Financial Advisory at Swicorp in Riyadh and Geneva. Mr. Sobhy holds a master's degree in finance from the renowned London Business School.



Hesham Gohar - Non-Executive Director

In addition to his membership on the board of directors of Cleopatra Hospital Group, Mr. Gohar is the CEO of CI Capital and a member of its board. Mr. Gohar has been with the company since 2012, whereby he held leadership positions including his most recent role of CEO for the Investment Bank. Formerly, Gohar was MD & Head of Investment Banking, where he led the highly successful transformation of the Group's investment banking franchise into a top ranked advisor. In 2019, Mr. Gohar launched CI Capital's merchant banking platform, anchored by the highly successful investment in Taaleem for Management Services, in which he serves as Chairman of the Board of Directors. Prior to joining CI Capital, Gohar held senior leadership positions in investment banking and private equity investing across the region at Shuaa Capital (Group Head of Principal Investments), Dubai Group and Beltone Financial, among others. During his 22-year career, Mr. Gohar has been a board director of more than 15 companies and completed north of 70 transactions in Egypt and other growth markets with an aggregate value of over \$17bn. Mr. Gohar is a graduate of the American University in Cairo with a bachelor's degree in economics and completed Executive Education at Harvard Business School.



Mahmoud Attalla - Non-Executive Director

In addition to his membership on the board of directors of Cleopatra Hospital Group, Mr. Atallah is CI Capital's Chairman and Managing Director. Mr. Attalla's leadership efforts have been instrumental in transforming the franchise into a full-fledged financial services group serving the expansion of both arms, the investment bank and the non-banking financial services platform. Mr. Attalla led transformational achievements that include placing CI Capital's Investment Banking arm as the #1 ranked advisor in Egypt in addition to being recognized as the "Best Investment Bank in Egypt" by EMEA Finance for four years running from 2013-2016. He also led CI Capital's Securities Brokerage business to become one of the leading brokerage franchises in Egypt as well as grew their Research coverage capacity across 6 markets across the MENA region while expanding their coverage to over 90 stocks. Before joining CI Capital, Mr. Attalla had a long and successful banking career that goes back to 1977, where he spent 20 years at Arab African International Bank (AAIB), rising to become Deputy General Manager and Group Treasurer. His track record includes establishing and managing the first international dealing room at AAIB. He then joined as Managing Director at HSBC Investment Banking division where he launched the first international securities brokerage house in Egypt, which he led to become the third-ranked firm in the business. Attalla was later Vice Chairman of the General Authority for Investment and Free Zones (GAFI) from 2004 until 2007. At GAFI, he was responsible to promote Egypt as an investment hub which in turn witnessed a high growth rate of FDI during that period reaching USD11bn per annum.



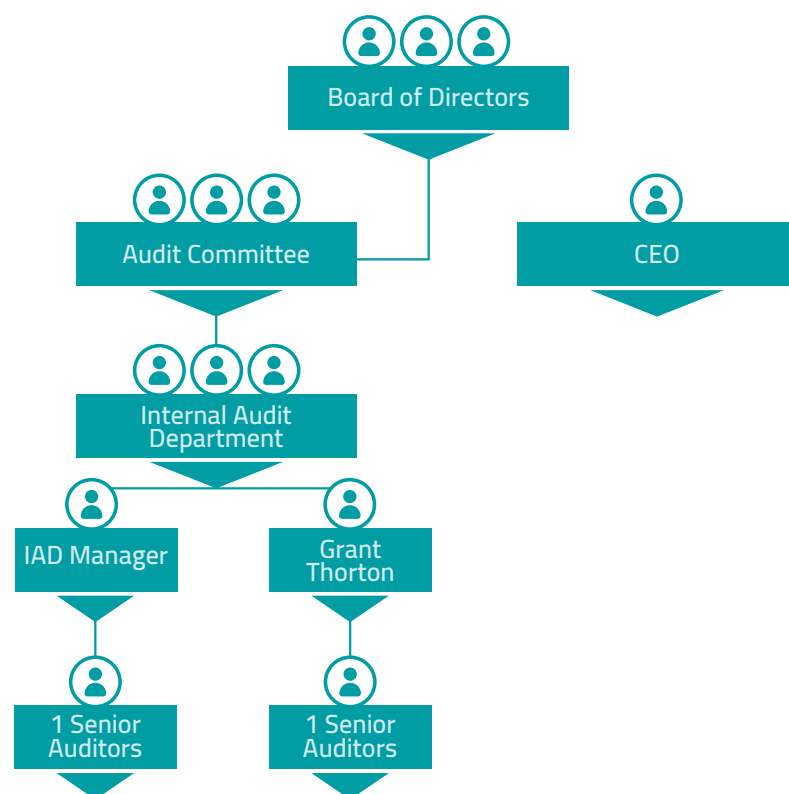
Internal Audit

CHG's Internal Audit Function plays a vital role in supporting the Board by ensuring the presence of robust risk management, internal control, and governance systems within the organization. Serving as the Group's second line of defense, the Internal Audit Team focuses on evaluating the effectiveness of CHG's internal control structures across its facilities. With a dedicated commitment to identifying areas of high risk, each auditable aspect undergoes an annual audit based on the approved Audit Plan. Functionally, the Internal Audit Team reports to the Audit Committee, while administratively, they report to Dr. Ahmed Ezzeldin, the Group's CEO and the Board's Executive Director. It is important to note that the Internal Audit Team operates independently of other operating units within Cleopatra Hospitals Group, ensuring unbiased and objective assessments.

The authority, scope, and responsibilities of the Internal Audit function are governed by CHG's Internal Audit Department Charter, which aligns with the International Professional Practices Framework (IPPF) that is established by the Institute of Internal Auditors (IIA). To further reinforce their commitment to integrity, all members of the Internal Audit team have signed an Independence Statement and pledged their adherence to the IIA's Code of Ethics while carrying out their duties. Moreover, each member has provided a declaration confirming their independence and freedom from any relationships or conflicts of interest that may compromise their objectivity.

In 2022, the Audit Committee expressed its satisfaction with the effectiveness and independence demonstrated by the Internal Audit Team in fulfilling its duties and responsibilities in alignment with the approved Audit Plan. This acknowledgement underscores the team's ability to operate autonomously and uphold the highest standards of professionalism and excellence.

Internal Audit Department - Structure



Internal Audit Department - Functionality

- The Audit Committee, in consultation with the Remuneration Committee, holds responsibility for appointing, dismissing, or replacing top executives within the Internal Audit Department
- The Audit Committee conducts regular reviews of the department's responsibilities, staffing requirements, and quality control procedures to ensure effective functioning.
- The Internal Audit Department adheres to the established standards set forth by the Institute of Internal Auditors (IIA).
- **The Audit Committee's key roles include:**
 - Approval of the internal audit charter, defining the department's purpose and authority.
 - Approval of the internal audit plan based on identified risks and priorities.
 - Approval of the internal audit budget and resources plan to support efficient operations.
 - Decision-making authority concerning the appointment and removal of the Head of Internal Audit.

- Approval of the remuneration package for the Head of Internal Audit.
- Authorization for the appointment of third-party resources as needed for specialized audits or support.
- To maintain objectivity and impartiality, the Internal Audit Department proactively avoids conflicts of interest by periodically rotating staff assignments within the department, subject to applicable regulations and guidelines.

Internal Audit Department - Role and Responsibility

- Assessing the effectiveness of safeguards for protecting assets and conducting verification procedures, where applicable, to confirm the existence of those assets.
- Evaluating the alignment of operations or programs with established objectives and goals and assessing whether they are executed as planned.
- Reviewing the performance and coordination between external auditors and internal audit to ensure quality and effective collaboration.
- Providing consulting and advisory services pertaining to governance, risk management, and control processes.
- Regularly reporting on the purpose, authority, responsibility, and performance of the internal audit function in relation to its approved plan.
- Reporting significant risk exposures, control issues, governance concerns, fraud risks, and other matters requested by the Board or deemed necessary.
- Conducting targeted evaluations of specific operations at the request of the Board, Audit Committee, or management, as deemed appropriate.
- Developing a dynamic annual audit plan using a risk-based methodology, considering risks and control concerns identified by management, and seeking review and approval from the Audit Committee. Periodic updates are also provided.
- Offering the Board reasonable assurance that potential adverse impacts arising from foreseeable events or situations affecting the company's objectives are adequately mitigated and managed.

Internal Audit Department - Process

The Head of Internal Audit/Third-party IA Provider engages in close collaboration with the Audit Committee, senior management, and the Board to formulate and assess the yearly internal audit plan:

- The internal audit plan includes a comprehensive work schedule, budget allocation, and resource requirements for the upcoming calendar year.
- The Head of Internal Audit/Third-party IA Provider proactively communicates any significant interim changes, resource limitations, and their potential impact to senior management and the Audit Committee.
- The internal audit plan is regularly evaluated and adjusted based on a robust risk-based methodology, considering inputs from Senior Management, the Audit Committee, and the Board.
- Any modifications to the approved internal audit plan are documented and communicated, with appropriate approvals obtained.
- Periodic activity reports are generated and shared with senior management and the Audit Committee, highlighting any significant deviations from the approved internal audit plan.
- The Head of Internal Audit/Third-party IA Provider ensures that the internal audit activities align with the organization's objectives and effectively address risks and control issues.
- The internal audit reports provide valuable insights, recommendations, and assurance to the Board and senior management regarding the effectiveness of internal controls, risk management, and governance processes.
- The Audit Committee oversees the internal audit function, reviews the internal audit reports, and provides guidance and support to enhance the internal audit process.

Internal Audit Department - Authority

- Enjoy unrestricted access to all pertinent functions, records, assets, and personnel within the organization.
- Maintain direct and unfettered communication channels with the Audit Committee and Chief Financial Officer.
- Possess the authority to allocate resources autonomously, establish the frequency and scope of audit activities, and employ appropriate methodologies to achieve audit objectives.
- Conduct meetings with the Audit Committee independent of management, ensuring open and candid discussions.

Internal Audit Department - Limitations

- Focus solely on performing internal audit functions, avoiding any involvement in operational duties.
- Refrain from initiating or approving accounting transactions, maintaining independence and objectivity in assessing the adequacy of controls.
- Avoid direct management responsibilities over employees, except when they are specifically assigned to support internal audit activities or assist in investigations.

Internal Audit Department - Independence & Objectivity

- Internal auditors uphold the utmost level of professional integrity, ensuring unbiased examination, evaluation, and communication of information regarding the audited activity or process.
- Uninfluenced by personal interests or external pressures, internal auditors conduct fair assessments, considering all relevant factors when forming judgments.
- The internal audit activity operates autonomously within the organization, without any interference in decisions related to audit selection, scope, procedures, frequency, or timing.
- Internal auditors maintain their independence from operational responsibilities and authority over audited activities. They abstain from involvement in implementing controls, developing procedures, installing systems, preparing records, or engaging in any activities that could compromise their impartiality.
- The Head of Internal Audit possesses the direct authority to initiate proactive and direct communication with the members of the Audit Committee and the Board.
- The internal audit function undergoes periodic independent reviews, including the option for the Audit Committee to commission an External Quality Assurance assessment of the Internal Audit department once every five years.
- Internal auditors are required to report to the Head of Internal Audit promptly in any situation where conflicts of interest or potential biases may arise, maintaining the highest standards of transparency and objectivity throughout the audit process.



Shareholders Communications

The Group is dedicated to treating its shareholders with equality and providing timely and relevant information in accordance to global best practices. By adhering to robust corporate governance practices, the Group aims to establish transparency, foster trust, and nurture a strong relationship with its shareholders. This is achieved through active dialogue, continuous communication, and the effective dissemination of pertinent information.

To ensure open and transparent communication with the investment community, the Group actively engages experienced and senior-level management personnel in its investor relations function. Taking a hands-on approach, the Group's Executive Director of Strategy & Business Operations, Hassan Fikry, and the Investor Relations and Corporate Strategy Manager, Waleed Hamed, play instrumental roles in engaging with analysts, investors, and shareholders. Through one-on-one meetings and participation in conferences, they provide comprehensive updates on the Group's optimization strategies, expansion plans, as well as the company's periodic financial and operational performances. The Group's CEO, Dr. Ahmed Ezzeldin, and Chairman, Ahmed Badreldin, actively participate in discussions with analysts and investors. They seize opportunities to connect with stakeholders at conferences organized by investment banks or research houses, sharing insights on the Group's resilient approach to strategy and growth trajectory. These engagements underscore the Group's commitment to building and maintaining effective investor relations. That said, General Meetings serve as crucial platforms for shareholders to actively participate, engage with the Board, and interact with senior management.

The Group ensures that shareholders have ample opportunities to make informed voting decisions by providing sufficient time during these meetings to raise questions, share feedback, and contribute to the Group's continued success. That said, the OGMs and EGMs of CHG took place on the 15th and on the 29th of April 2021.

To ensure transparency and timely information delivery, the Group's Investor Relations and Corporate Strategy team prepares meticulous materials, including detailed Earnings Releases and Investor Relations Presentations, on a quarterly basis. These materials provide shareholders and the public with a comprehensive understanding of the Group's short-, medium-, and long-term strategies, financial performance, and major developments achieved during the period. Additionally, the Group hosts Earnings Calls to facilitate direct communication and address inquiries from the public market, showcasing the positive outcomes resulting from the Group's robust approach to strategic planning. CHG remains steadfast in complying with regulatory requirements and maintains stringent safeguards to protect privileged material information. It understands the significance of timely and appropriate disclosure, ensuring that shareholders are well-informed about the Group's progress and future prospects in due course.

In line with its commitment to transparency and accessibility, the Group has a dedicated website (<http://investors.cleopatrahospitals.com/>) that provides shareholders and stakeholders with unrestricted access to valuable information. This platform promptly publishes quarterly and annual results announcements, press releases, earnings releases, and publications, enabling stakeholders to stay updated on the company's latest developments. The website also offers convenient channels for shareholders to address any concerns or inquiries to the Investor Relations Team.

Beyond the website, the Group continuously enhances the quality of its publications being the Annual Report, Sustainability Report, and Corporate Governance Report. These comprehensive reports offer detailed coverage of the company from different perspectives, allowing readers to fully digest Cleopatra Hospitals Group's mission to institutionalizing the Egyptian healthcare sector. The Group firmly believes that building shareholders' confidence and trust requires a steadfast commitment to effective corporate governance practices, transparent communication, and reliable corporate and financial reporting.

Thank You

**SHAREHOLDER INFORMATION**

EGX: CLHO.CA

Listed: June 2016

Shares Outstanding: 1.6 billion

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Reservation
& Information

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