Cairo, Egypt | 29 May 2022

Cleopatra Hospitals Group Reports 1Q2022 Results

CHG delivered a strong first quarter performance significantly exceeding pre-pandemic levels in non-COVID-19-related business as COVID-19 contribution continues to decline; margins stood in line with Group's historical averages and above pre-pandemic levels; Operationally, CHG completed the renovation of several existing facilities and began completions works at the brownfield Sky Hospital, its new East Cairo facility

1Q2022 Financial & Operational Highlights[1]

EGP 636.9 mn Total Consolidated Revenue *+1% y-o-y*	16% Non-COVID-19 related revenue growth

EGP 179.5 mn Adjusted EBITDA[2] *28% margin*	29% EBITDA margin of non-COVID-19 facilities	EGP 102.4 mn Net Profit *16% margin*	+263,751 Cases Served[3] *+10% y-o-y*

1Q2022 Performance Highlights

- **Total Group Revenues** recorded EGP 636.9 million in 1Q2022, largely unchanged from 1Q2021 as a solid 16% year-on-year increase in non-COVID-19 related revenue contribution offset a 50% year-on-year decline in COVID-19 related services during the quarter.[4]
- **Volumes** continued their strong growth trajectory, with surgical procedures growing 8% supported by the ramping up of the Group's Centres of Excellence and enhanced cross-asset referrals. Outpatient visits across all facilities increased by 12% supported by a 32% increase in polyclinic volumes. Finally, inpatient volumes continued to expand increasing 6% versus last year.
- **Margins** remained above pre-pandemic levels, as lower profitability generated by COVID-19 services was offset by enhanced operational efficiencies and cost savings across the Group's non-COVID-19 hospitals.
- **Net profit** contracted 5% versus 1Q2021, with the net profit margin stable at 16% for the quarter. CHG continued its share **buyback** program and as of 29 May 2022 has accumulated over 5.7% of the Company's outstanding share capital. Pro-forma for the accumulated shares, which will be cancelled in due course, **earnings per share** is c.1% above the same period last year. CHG's initiated the buyback programme with the aim to cancel acquired shares resulting in accretion to its existing investors.
- Management continued to execute on its **long-term strategy**, effectively adapting its offering to the evolving needs of patients while making significant headway on its **digital transformation** strategy which is delivering an increasingly integrated and seamless healthcare experience to patients.

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[1] Consolidated figures include the newly added East and West Cairo Polyclinics, Queens and El Katib Hospitals, as well as the newly added Bedaya IVF center.
[2] Adjusted EBITDA: Earnings before Interest, Tax, Depreciation and Amortization adjusted for provisions, impairments, ESOP's non-cash charge, acquisitions expenses, pre-operating expenses and excluding contributions from other income.
[3] Cases served includes number of in-patients, outpatient visits and ER visits.
[4] Direct COVID-19 refers to revenues generated by CHG's COVID-19 facilities. In 1Q2021 this included Queens and El Katib Hospitals while in 1Q2022 this included only Queens Hospital. Meanwhile, indirect COVID-19 revenues refers to revenues generated by medical services provided to suspected COVID-19 patients at the Group's non-COVID-19 facilities or by additional protocols introduced during the pandemic in CHG's regular non-COVID-19 hospitals. Management opted to exclude these when presenting its non-COVID-19 performance for the periods due to their one-off nature.

Cairo, 29 May 2022

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

1Q2022 Strategic Updates

- **Cleopatra (CHC), Cairo Specialised (CSH), and Al Shorouk Hospitals (ASH) all witnessed steady growth in the first quarter of the year supported by expanding volume and increasingly optimized case mix.** Meanwhile, at Nile Badrawi Hospital (NBH), extensive renovations to outpatient clinics and ER department weighed down on volumes during the period. Volumes were also impacted by a strategic change in the hospital's client base and service offering which had previously constituted a large part of its revenue pool. **NBH's performance is expected to normalise in the second half of 2022** as management introduces new services and inaugurates its outpatient department unlocking the hospital's full revenue generating potential.
- **El Katib Hospital,** which until recently operated as a COVID-19-dedicated facility, reported a significant year-on-year fall in revenues during the quarter as the facility undergoes its transformation to a regular hospital. During the quarter, the hospital remained in its soft launch phase and its contribution to consolidated results is expected to rise significantly in the second half of the year. **Queens Hospital,** the Group's other COVID-19-dedicated facility, witnessed a 38% year-on-year decline in revenues as the pandemic subsided. This has prompted management to initiate the facility's post-COVID-19 strategy, with the hospital currently closed as it prepares to launch its new operational model and service offering. Queens Hospital is expected to begin operating as a regular hospital in 4Q2022.
- **CHG's polyclinics** maintained their strong performance in 1Q2022. Revenues grew 16% year-on-year in 1Q2022, with margins expanding solidly at both the gross profit and EBITDA level. Moreover, the facilities turned net positive for the first time since their initial launch in 2019.
- **Bedaya**, the Group's IVF brand, witnessed solid year-on-year top-line growth of 58% supported by a steady increase in patient volumes. Revenue growth also supported a further improvement in the facility's profitability during the three-month period.
- Despite the rising inflation and supply chain disruptions, CHG's proactive efforts to secure competitive rates and build up ample stock of key supplies are expected to **protect the Group's margins** throughout 2022**.**
- During the quarter, the Group carried out **renovations** across several facilities. At CSH, the Group completed the renovation of the facility's outpatient department and entrance, an important step in its efforts to position the hospital as the go-to facility for outpatient services in Heliopolis. At CHC, the Group inaugurated a newly renovated inpatient ward. Finally, the ongoing renovations of NBH's outpatient and ER areas are expected to be completed in 2H2022, after which the hospital will roll out an expanded service offering for patients.
- At the Group's new brownfield facility, **Sky Hospital,** the fit-out programme is progressing on schedule and the Group expects to complete by the end of 2023. CHG will operate the new 200-bed facility for a total period of 27 years, extending a full roster of services to employees of the petroleum sector companies as well as to other clients and patients in East Cairo. CHG is currently studying several **opportunities of expansion** in West Cairo as it looks to grow its new bed capacity in currently underserved areas of Greater Cairo.
- CHG's **digitalization** strategy is well underway with Group revamping all its patient-facing tools and applications to enhance patient pathways and deliver seamless integrated care. In particular, during 1Q2022 the Group launched its revamped corporate website. The platform will play a key role in pushing CHG's digital service offering and enhancing the user's experience. This comes as part of a multi-phase digitalisation strategy which in 2021 saw CHG complete the rollout of its HIS/ERP system, Clinisys, across all nine of its facilities.

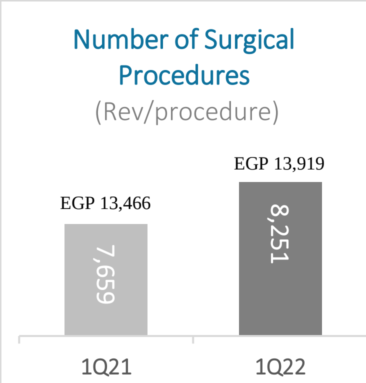
Management Comment

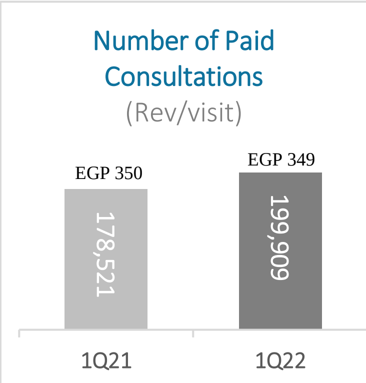
Cleopatra Hospitals Group commenced the new year delivering a strong set of financial and operational results, setting the pace for yet another successful year of growth and value creation. During the quarter, we delivered revenues well in excess of EGP 600 million, significantly exceeding pre-pandemic levels, with strong margins at all levels of profitability. More specifically, **our top-line was supported by solid 16% year-on-year growth at our non-COVID-19 business** which offset an expected decline in revenues generated by our COVID-19 services as the country witnessed a sharp decline in infection rates. Further down the income statement, we recorded **solid margins at all levels of profitability, above our pre-pandemic averages.** This is a particularly noteworthy achievement which comes as a direct result of our proactive cost control and efficiency enhancement strategy. **Having foreseen the continued challenges posed by global supply chains and rising inflation, during the final months of 2021 we actively worked to build up our medical supplies inventory.** This helped us mitigate the impact of rising prices on profitability during the first three months of the new year and ensured we were adequately equipped to serve all our patients during the quarter. While we have seen these challenges continue into the second quarter of the year, **we are confident that our proven ability to navigate them coupled with our proactive mitigation strategy will continue to provide robust safeguards.**

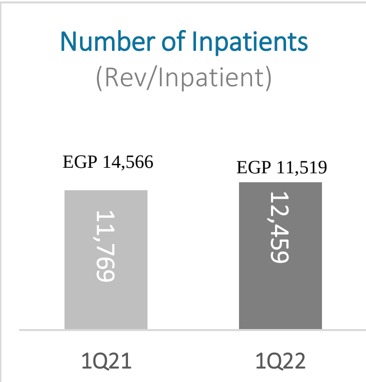
In parallel, we continued taking important strides in solidifying key aspects of the business. Highlights from this quarter include the launch of our revamped corporate website, the completion of several renovation works at Cairo Specialised and Cleopatra Hospitals, and the successful soft launch of El Katib's new service offering in line with the facility's post-COVID-19 strategy. Meanwhile, we are continuing to leverage our new HIS/ERP system to further optimize our operations and are making good progress with the scheduled renovations of Nile Badrawi Hospital, which we expect to conclude in the second half of this year. Finally, I am particularly happy to note that the takeover of operations at our new brownfield facility, **Sky Hospital,** have now been completed and the fit-out phase is progressing according to plan. We expect to conclude it by year-end 2023 after which we will inaugurate the facility and operate it for a period of 25 years.

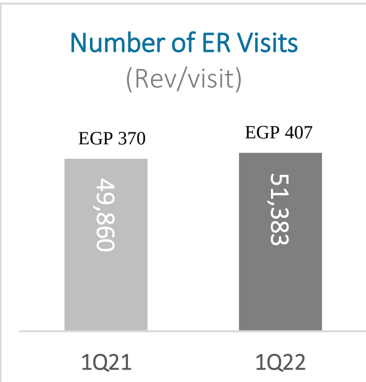
As we near the half-way mark of what has thus far been a turbulent year characterised by several challenges both globally and here at home, our strategy and priorities remain unchanged. On the organic front, we will look to continue **driving broad-based growth across all facilities,** leveraging the increasing integration of our network and our strengthened digital capabilities to create new cross-selling opportunities, drive cost savings and efficiencies, and ultimately enhance our patients' experience. At the same time, **we remain committed to expanding our network.** On this front, we are actively exploring growth opportunities in West Cairo to expand our capacity and footprint further. We are particularly interested in identifying opportunities where we can employ similar contractual arrangements to those used in the Sky Hospital deal which enable us to expand our operations in an asset-light manner. **Overall, I am very pleased with our first quarter performance, and I look forward to building on it to continue creating additional value for patients, stakeholders, and the wider Egyptian healthcare industry.**

Ahmed Ezzeldin
Group CEO









Operational and Strategy Review

During 1Q2022, CHG continued building on the multi-pronged growth and development strategy that was undertaken in 2021 and which helped the Group enhance the quality of its offering while simultaneously place further emphasis on building a more efficient and digitally-driven organization. On the digitalisation front, the Group overhauled its website making it more user friendly and expanding the services offered to its patients. Additionally, it continued to leverage the vast pool of data collected through the newly rolled out HIS/ERP system, Clinisys, to enable management to better assess the Group's performance and identify areas of strength and areas where further improvements are necessary. In parallel, CHG continues to press forward with its Group-wide renovation efforts, completing work on Cleopatra and Cairo Specialized Hospitals and progressing on the renovations of Nile Badrawi Hospital's ER and outpatient departments. CHG also continued to capitalise on the recently revamped centres of excellence (CoE) to attract a growing number of surgical procedures to its hospitals. Finally, CHG also pushed forward with its post-COVID-19 strategy at El Katib Hospital, kickstarting the facility's soft launch phase. Meanwhile, Queens Hospital continued operating as CHG's sole COVID-19 during 1Q2022. In light of the substantial declines in COVID-19 infections since the start of 2022, the facility has now been closed until 2023. Once reopened, with the facility will house a new surgical centre of excellence as well as multiple other services complementary to CHG's current roster.

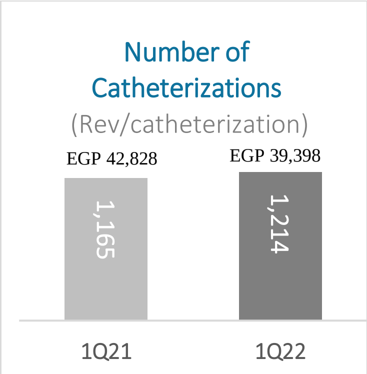
Revenue Stream Diversification

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

CHG's East and West Cairo polyclinics maintained their solid performance with revenues growing by 16% year-on-year to EGP 20.6 million in 1Q2022. Solid top-line growth across both facilities filtered through to the facility's bottom-line, with the polyclinics reporting a net profit for the first time since their launch back in 2019. The steady improvements in revenues continued to be supported by expanding volumes, with the number of cases served increasing by an impressive 32% versus 1Q2021. In particular, CHG's West Cairo polyclinic witnessed an impressive ramp up throughout 2021 and the first quarter of 2022. The polyclinics' ability to continue attracting a growing number of patients stems from their unique service offering which is becoming increasingly attractive to patients in the facilities' respective catchment areas. On a quarter-on-quarter basis, revenue expanded 4% versus the final three months of last year, with margins improving across the board. The polyclinics' consistent quarter-on-quarter improvements continue to highlight their strong growth potential, which will see them play an increasingly important role in driving sustainable growth in the years to come. The outpatient clinics are continuing to generate referral volumes at the Group's other facilities, fulfilling their main strategic purpose.

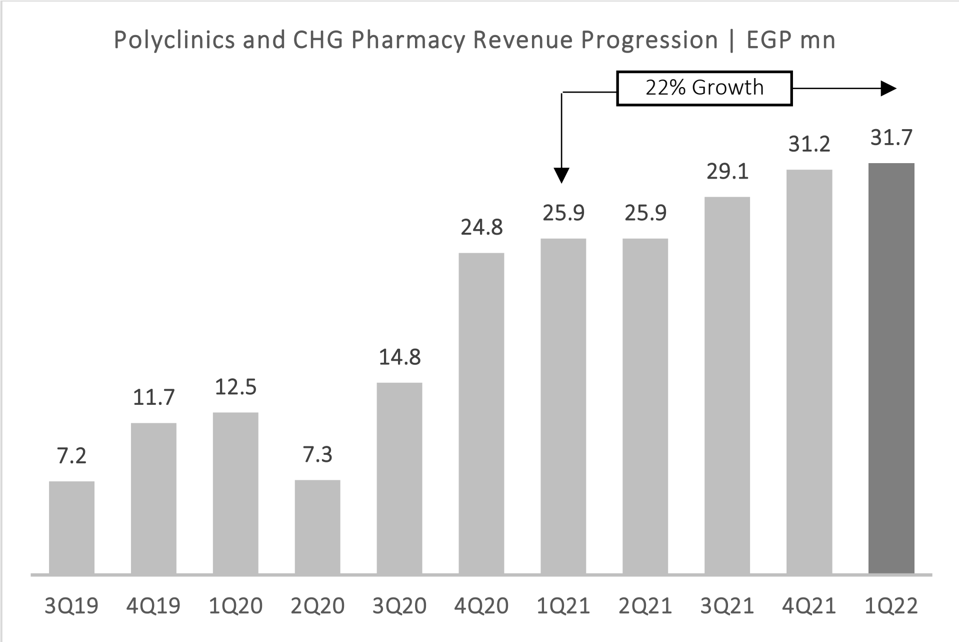
CHG's polyclinic pharmacy business (CHG Pharma), which complements its polyclinics and IVF offering and enables the Group to serve its patients across the entire treatment cycle, witnessed revenue growth of 38% year-on-year to EGP 11.1 million in 1Q2022. Heading forward in 2022, growth is expected to accelerate supported by the new Clinisys platform which is allowing CHG to consolidate patient records under one system allowing it to better track patients' full treatment cycles and cross-sell pharmacy services to them.

Finally, CHG's outpatient pharmacy services, which comprises of all outpatient pharmacies located across the entire CHG network, reported year-on-year top-line growth of 36% in 1Q2022. This saw the segment's contribution the consolidated revenue rise by one percentage point year-on-year to 5% for the quarter. It is worth highlighting that CHG's polyclinics and pharmaceutical services recorded a combined revenue figure of EGP 54 million growing 27% versus the first quarter of last year. The continued growth reported by the two segments is in line with CHG's vision of creating a 360 degree platform capable of generating solid growth across its diagnostics, pharmacy, and polyclinics business to complement its conventional hospitals offerings.



Historical figures have been adjusted to account for standardization of KPI reporting across all facilities as the introduction of a unified ERP system across the group facilities throughout 2020 and 2021.

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



Diagnostics Services (Laboratory and Radiology)
The Group's laboratory reported revenues in line with last year's first quarter figure while at the radiology segment revenues contracted 9% year-on-year. The subdued performances came on the back of lower COVID-19-related volumes. In fact, excluding both direct and indirect COVID-19-related volumes, internal estimates show that revenues would have expanded by around 30% and 15%, respectively. The strong underlying growth reported by both segments is directly attributable to CHG's investments over the past several years as part of management's revenue diversification and one-stop-shop strategies.

Bedaya for Medical Services
Bedaya continued to report strong growth throughout 1Q2022 supported by the successful integration of the facility in the Group's network enabling the venture to make full use of the Group's resources. More specifically, Bedaya's revenues expanded by 58% year-on-year to reach EGP 15.5 million in 1Q2022. This came on the back of a significant increase in volumes of IVF cycles, lab tests, and radiology services resulting from the post-COVID-19 rebound. Higher revenues also drove improvements in Bedaya's profitability, with gross profit margin rising by six percentage points to 42% in 1Q2022 and EBITDA margin reaching 21%.

The impressive performance of Bedaya highlights CHG's proven track record of seamlessly integrating new facilities in the Group's operating frameworks thus ensuring strong and rapid value generation. At Bedaya, the successful conclusion of the integration process has already driven major efficiency improvements across all aspects of its operations.

Digitalisation

Website Revamp
As part of the move towards digitalisation, CHG have completely revamped its website. Patients can now seamlessly access reservations and view their medical files and history utilising the revamped platform. This comes as part of a wider strategy to revamp the Group's client facing digital tools such as its chatbots and app, as well as its call centre offering. This move has allowed the Group to maintain their competitive edge over the rest

of the market as it has made accessing its services more convenient for existing and new patients.

Clinisys

After successfully completing the rollout of its Groups-wide HIS/ERP system "Clinisys" across all its facilities last year and recording substantial efficiency and care quality improvements across all its facilities, the Group is now undertaking phase two of the project focused on data analytics. Efforts on this front are already generating results, with medical management now able to track patients progress throughout the CHG's universe from start to finish. This is not only enabling the Group to assess its operations' performance better but is expected drive further value through the enhancement of CHG's cross-selling capabilities in line with its longer-term growth strategy.

Other Digitalization Initiatives

Over the past year, CHG has taken significant strides in its digitalization efforts. Medical records have become fully integrated between facilities via Clinisys. The Group also established a dedicated function devoted solely to oversee the implementation of the digitalization strategy. In parallel, CHG has been constantly enhancing its digital offering and dedicated app to drive additional improvements in patient satisfaction and outcomes.

Optimisation and Expansion of Capacity (Facilities Updates)

Queens Hospital

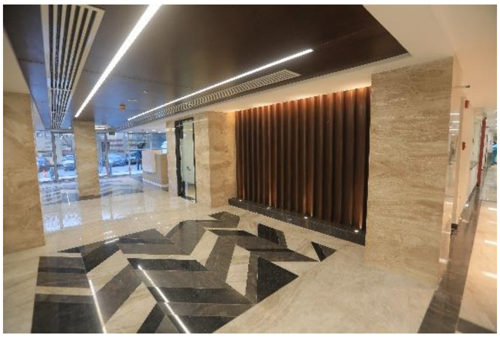
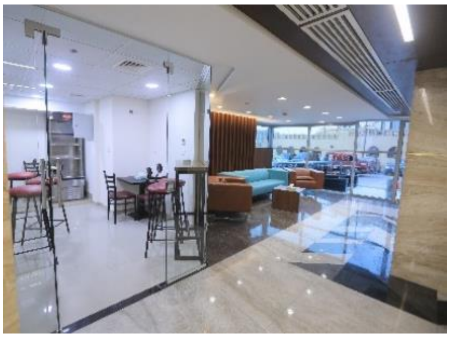
Throughout the first quarter of 2022, Queens Hospital continued to operate as the Group's sole COVID-19-dedicated facility. Throughout the three-month period, the hospital delivered EGP 30.2 mn in revenues in line with the budgeted figure. It was however down 38% year-on-year and 22% quarter-on-quarter, owing to a widespread decline in infection rates across the country. Lower revenues also weighed on profitability, with gross and EBITDA margins down significantly on both a year-on-year and quarter-on-quarter basis. It is worth noting that the impact of lower profitability at Queens Hospital on consolidated profitability was outweighed by efficiency improvements across several other, more established facilities in the Group's network. In light of the significant decline in volumes and revenues at the hospital, management has opted to kickstart the facility's post-COVID-19 strategy, with the facility currently shut down to undergo the necessary repurposing works. The facility is scheduled to reopen in early 2023 operating as a regular facility.

El Katib Hospital

In line with management's post-COVID-19 strategy for El Katib Hospital, during 1Q2022 the facility soft launched its new service offering, recording revenues of just EGP 6.2 million. Although results in the second quarter are expected to be significantly weighed down by the typical slowdown associated with Ramadan and Eid, management is confident that the facility will begin displaying its full potential in the second half of 2022.

Renovations

1Q2022 was a renovation-heavy quarter, with several facilities undergoing work and subsequently witnessing challenges in some patient-facing areas. In Cairo Specialized Hospital, the main entrance remained closed throughout the quarter, while outpatient clinics were temporarily relocated to allow for the completion of renovation works. Renovation works were completed in early 2Q2022, with the new entrance inaugurated in April. The work carried out over the past months is enabling CHG to position the hospital as the go-to facility for outpatient services in its catchment area for both patients and physicians. Cleopatra Hospital also underwent renovation works during the quarter albeit at a lower scope than Cairo Specialized Hospital. Works at Cleopatra Hospital focused on the renovation of several of its inpatient wards. Finally, Nile Badrawi Hospital has been witnessing the most extensive renovations focused on its outpatient and ER departments. During the ongoing renovations, management has temporarily relocated the services. Despite this, the hospital's marketing and sales efforts to promote its OPD offerings has been put on hold until the second half of the year when the Group is expecting to inaugurate the new clinics. Management is confident that once the temporary disruptions subside, the renovations will drive significant long-term improvements in both patient volumes and service quality.

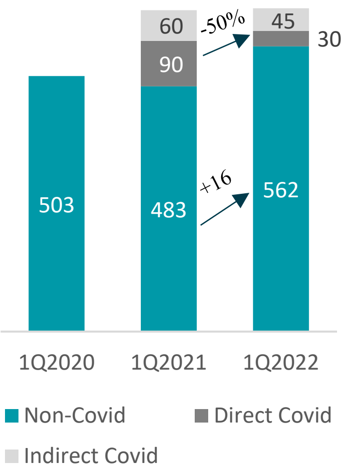




Sky Hospital

Sky Hospital is a c. 200-bed brownfield hospital is located in East Cairo's Fifth Settlement area. In December last year, CHG finalized an agreement with three state-owned petroleum companies to finish and operate Sky Hospital for a 27-year period. CHG is looking to use Sky Hospital to capture a share of the neighbourhood's growing patients base as well as a bigger commercial share from the petroleum sectors' employees. These represent a significant and stable stream of future revenues for the Group. Sky Hospital's full service offerings will also be available for the Group's other contractual and out-of-pocket patients allowing CHG to take advantage of the growth opportunity offered by the currently underpenetrated neighbourhood. The hospital's site is now fully under CHG's control with contractors already on sight and working to deliver on phase one of the hospital's launch strategy which the Group expects to complete by year-end 2023. It is worth highlighting that the Sky Hospital deal entailed no upfront acquisition costs for the Group, with the three state-owned companies retaining ownership of the building and receiving a share of the facility's revenues. This makes it an attractive, asset light expansionary model for the Group, which it aims to continue to employ in future growth opportunities.

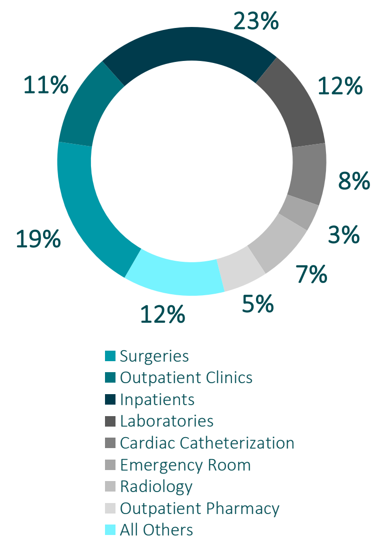
Financial Review

Revenue by Service Type
(EGP, mn)



The breakdown of COVID-19-related revenues between direct and indirect is based on internal calculations carried out by management to better assess the performance of individual services.

Revenue by Segment
(1Q22)



Revenue

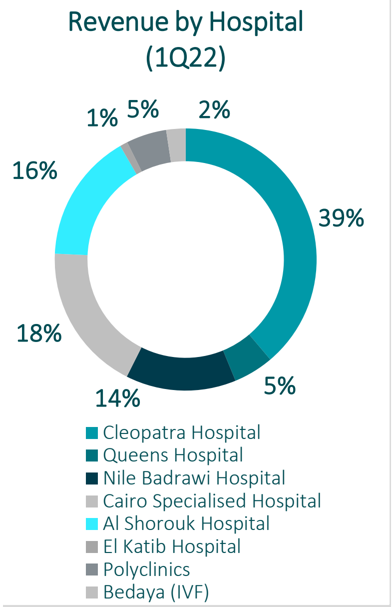
CHG reported revenues of EGP 636.9 million in the first quarter of 2022, marginally above year's figure. The year-on-year expansion comes despite a sharp drop in COVID-19-related revenues and thanks to strong growth across its non-COVID-19 business. Throughout the quarter, revenues were supported by a solid 16% year-on-year increase in non-COVID-19 related revenues, which fully offset the expected decline in direct and indirect COVID-19 business. Starting in 1Q2022, the Group has been able to track patients throughout their full journey and has been able to identify indirect COVID-19 revenues across its non-COVID-19 facilities. This includes both revenues generated by suspected COVID-19 patients at its regular facilities as well as by tests performed as part of the extraordinary protocols introduced during the pandemic (for example,. chest CTs for all surgical patients). Meanwhile, direct COVID-19 revenues continued to include revenues generated by the Group's COVID-19 facilities, which in 1Q2021 included Queens and El Katib Hospitals and in 1Q2022 included only Queens Hospital. During the first quarter, number of cases increased 10% year-on-year, driven by an increase of 13% in outpatient clinics and a 10% increase in revenues from surgeries. Both of these are further evidence of the growth potential offered by CHG's various segments. Moreover, it is worth noting that during 2021, 65% of COVID-19-related revenues were recorded during the first half of the year and hence comparative performance from non-COVID-19 performance should continue to improve throughout 2022.

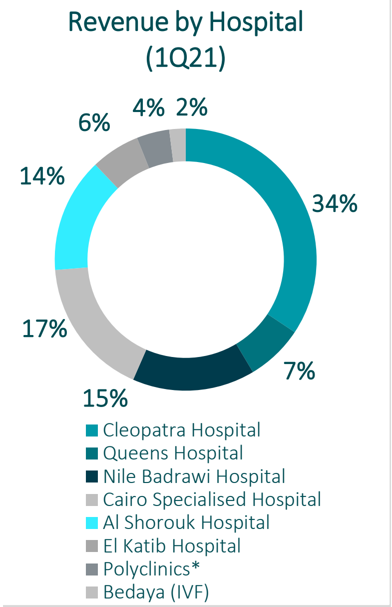
Quarterly Revenue Progression

EGP mn	1Q21	2Q21	3Q21	4Q21	1Q22
Total Revenues	633.2	643.6	623.8	648.7	**636.9**
Y-o-y Growth	26%	89%	16%	6%	**+1%**

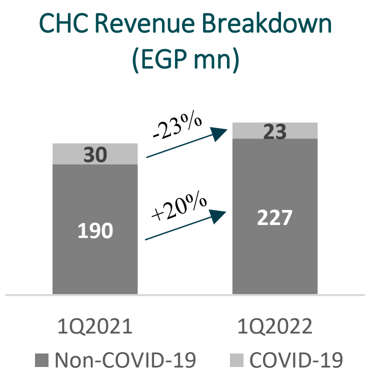
Revenue Breakdown by Segment

On a by service basis, CHG's inpatient services continues to be the largest contributor to the Group's total revenues with a share of 23%. Revenues from CHG's inpatient segment declined 16% year-on-year partially due to lower inpatient revenues generated by COVID-19 patients which on average generated more inpatient revenues per patient. However, the number of inpatients served increased nearly 6% year-on-year as the Group treated more surgical inpatients during the period. It is important to highlight that according to internal management calculations, inpatient revenues expanded by around 15% year-on-year when excluding COVID-19 revenues from both periods. Revenues from the surgery segment grew 10% year-on-year and contributed to 19% of the Group's total revenues in 1Q2022. Growth was widespread as CHG's continue to leverage its increasingly ramped up centres of excellence to attract a growing number of higher-priced procedures to its network. This rise in surgical procedures is also evidence of the shift from COVID-19 specialised services back to conventional medical services. Revenues from CHG's laboratory services remained flat 1Q2022, with the segment making up 12% of total revenues for the three-month period. As previously highlighted, the decline was largely attributable to lower indirect COVID-19-related revenues across the Group's non-COVID-19 facilities. In fact, excluding the direct and indirect business generated by COVID-19, internal management calculations shows that laboratory revenues across the Group's non-COVID-19 facilities would have expanded by around 30% versus 1Q2021. Outpatient services witnessed revenue growth of 13% year-on-year in 1Q2022, constituting 11% of the Group's total revenues for the quarter. It is worth pointing out that growth in the outpatient segment is in part attributable to rising patient traffic at CHG's polyclinics. Revenues from the radiology segment dropped 9% year-on-year in 1Q2022, with the segment contributing to 7% of consolidated revenues. The decline was partially due to lower indirect COVID-19 revenues generated by the Group's non-COVID-19 facilities. Here it is worth specifying that as part of the Group's COVID-19 safety protocols all patients undergoing surgical procedures were required to undergo chest CTs. This protocol has since been amended, leading to a

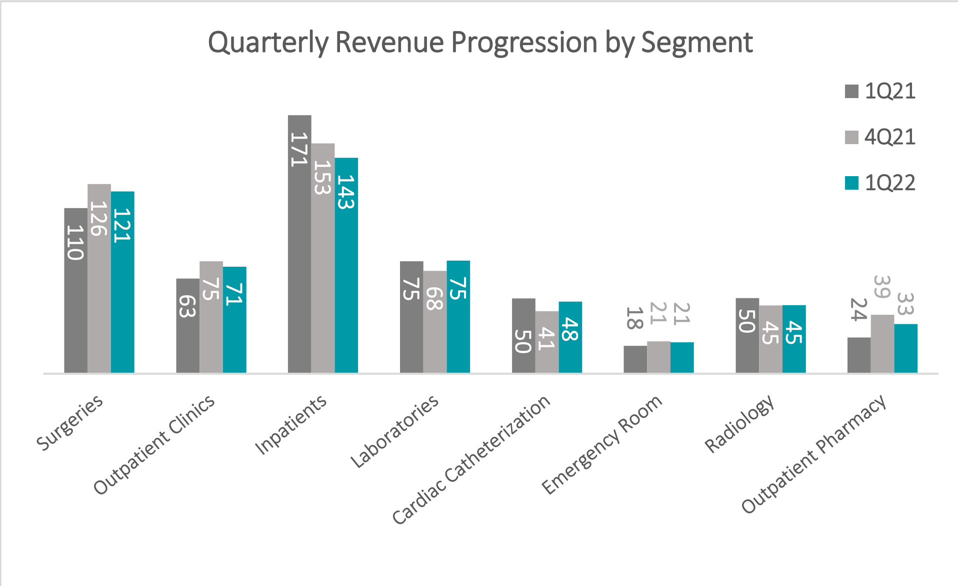




**Polyclinic revenue includes both East and West Cairo Polyclinics (CHG for medical services) in addition to the polyclinic pharmacies segment (CHG Pharma)*

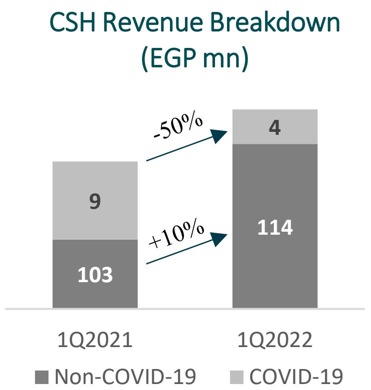


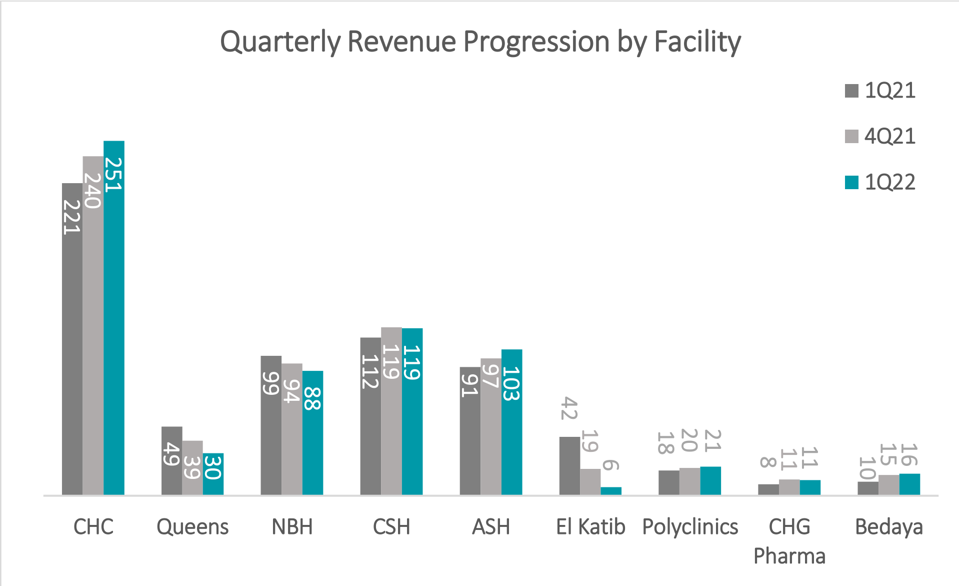
drop of radiology revenues for the period. In fact, excluding indirect COVID-19 revenues from both periods, CHG's radiology department would have grown approximately 15% versus the first quarter of last year.



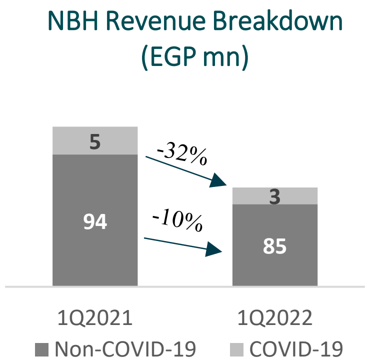
Revenue by Hospital

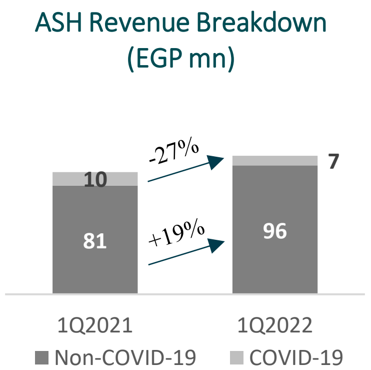
On a per hospital basis, Cleopatra Hospital remained the largest contributor to CHG's consolidated revenues with a 44% contribution including revenues generated by Queens hospital. Looking at the two hospitals' performance in more detail, Cleopatra Hospital recorded a 14% year-on-year increase in revenues (c.20% when excluding indirect COVID-19 revenues as per internal calculations carried out by the Group). On the other hand, a sharp decline in infection rates, saw Queens Hospital's top-line contract 38% year-on-year, with the facility making up just 5% of total revenues for the quarter. Cairo Specialized Hospital saw its revenues expand 6% year-on-year in 1Q2022 (c.10% when excluding indirect COVID-19 revenues as per internal calculations carried out by the Group), with the hospital contributing 18% to the Group's total revenues. Nile Badrawy Hospital's revenues fell by 11% year-on-year during the quarter due to the heavy renovation works being undertaken there which significantly impacted the hospital's capacity during the quarter. Volumes were also impacted by a strategic change in the hospital's client base and service offering which had previously constituted a large part of its revenue pool. NBH's performance is expected to normalise in the second half of 2022 as management introduces new services and inaugurates its outpatient department unlocking the hospital's revenue generating potential. In light of the decline, NBH's revenues made up 14% of CHG's total revenues for the period. Al Shorouk Hospital saw its revenues rise by 14% year-on-year in 1Q2022 and contributed 16% of the Group's total revenues for the quarter. After being transformed from a COVID-19 dedicated facility to a conventional, non-COVID-19 hospital, El Katib Hospital underwent a soft launch phase during 1Q2022 which saw its revenues drop by 85% year-on-year, making up just 1% of CHG's total revenues for the quarter. Together, the Group's East and West polyclinics saw their revenues grow by 16% year-on-year during 1Q2022 and constituted 3% of the Group's consolidated revenues for the period. Finally, CHG's IVF venture, Bedaya, recorded 58% year-on-year revenue growth in 1Q22 and contributed to 2% of CHG's consolidated revenues. Bedaya's results continued to improve supported by the effective integration of the facility within CHG's operating frameworks. As such, management expects its contribution to rise further going forward.

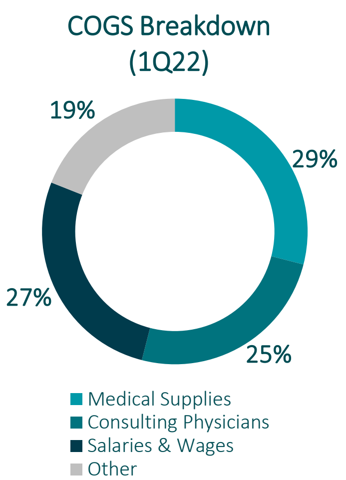




***Polyclinics revenues include revenues from the Group's East and West Cairo Polyclinics as well as CHG Pharma.*







COGS

Costs of goods sold for 1Q2022 reached EGP 415.0 million, up 6% year-on-year. COGS also increased as a percentage of total revenues, rising to 65% of total revenues from 62% in 1Q2021. Looking at the subcomponents in more details, the rise in COGS is largely due to a shift away from COVID-19 patients, following a sharp decline in demand, and back towards surgical patients as well as other services offered by the Group. These are typically associated with higher costs of consulting physicians, and higher salaries and wages, with both items growing 10% year-on-year in 1Q2022. As a share of revenues, they stood at 16% and 18%, respectively, both up by around one percentage point versus the previous year. Medical supplies continued to contribute the largest share of the Group's COGS at 29%. However, despite the rising inflation and supply chain disruptions, CHG's proactive efforts to secure competitive rates and build up ample stock of key supplies saw the total cost of medical supplies fall a remarkable 5% year-on-year. This saw cost of medical supplies as a percentage of total revenues decline to 19% this quarter from 20% in 1Q2021.

Gross Profit

In 1Q2022, CHG recorded gross profit of EGP 222.0 million, an 8% year-on-year drop. Gross profit margin for the quarter stood at 35%, a three-percentage point decline versus last year. Here it is worth noting that management's cost control and optimisation efforts introduced over the past two years played a central role in offsetting the significant drop in the high-margin COVID-19-related business during the period. On a hospital-by-hospital basis, Cleopatra Hospital, which includes Queens Hospital's results, continued being the largest contributor to CHG's gross profits, making up 57% of total gross profit for the quarter, with Cleopatra Hospital alone contributing 50% of CHG's 1Q2022 gross profit and Queens making a 7% contribution. Cleopatra Hospital witnessed a 17% year-on-year increase in gross profit for the quarter, with a gross profit margin of 45% in 1Q2022, well above the Group's average for the quarter. Meanwhile, Cairo Specialised Hospital contributed to 16% of consolidated gross profit for the quarter followed by Al Shorouk Hospital at 14% and Nile Badrawy Hospital at 10%. El Katib Hospital, which operated on a reduced capacity level as it transitions back to a regular service offering, reported a gross loss during the three-month period.

G&A Expenses

General and administrative (G&A) expenses consist of the company's non-medical staff costs, including those of senior management, commercial expenses, and Group-level professional consulting fees. In 1Q2022, G&A expenses stood at EGP 102.0 million, up 9% year-on-year.

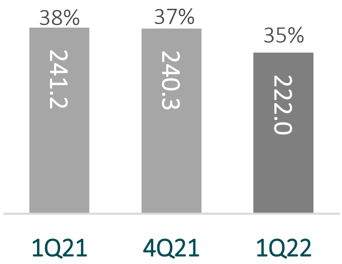
In 1Q2022, CHG recorded EGP 4.4 million in provisions, representing a 54% year-on-year decline and an impressive 60% quarter-on-quarter decrease. Meanwhile, impairments for the quarter came at EGP 10.1 million, down a solid 15% year-on-year reflecting the effectiveness of CHG's new revenue recycle management framework which was introduced back in 2019 for the purpose of enhancing the Group's revenue management and collection cycle.

EBITDA
CHG's adjusted EBITDA, which factors out acquisition expenses, impairments, provisions, the ESOP's non-cash charge, pre-operating expenses and contributions from other income, stood at EGP 179.5 million for 1Q2022, down 10% year-on-year on the back of the decline in gross profit. The Group's adjusted EBITDA margin stood at 28%, a four-percentage point year-on-year contraction. It is important to highlight that the Group's non-COVID-19 facilities reported an adjusted EBITDA growth of around 9% with an associated margin of 29%, continuing to demonstrate the solid profitability of the Group's regular non-COVID-19 business.

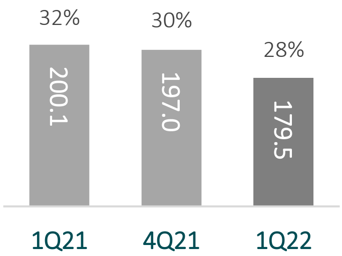
Net Profit
CHG's consolidated net profit for the quarter stood at EGP 102.4 million, a 5% year-on-year decline, with net profit margin standing at 16%, down just one percentage point from 1Q2021. Net profitability for the quarter was supported by managements efficiency enhancement strategy coupled with lower provisions and higher interest income, all of which helped offset the sharp decline in COVID-19-related revenues for the three-month period.

CAPEX
Total CAPEX outlays for the quarter stood at EGP 55 million. This includes down payments for CAPEX purchases not yet delivered.

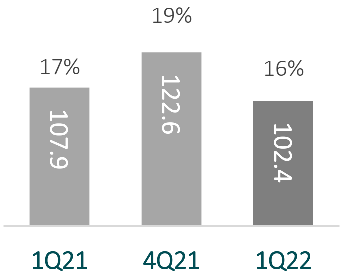
Consolidated Gross Profit, GPM (EGP mn | %)



Adjusted EBITDA, Adj. EBITDA margin (EGP mn | %)



Net Profit, NPM (EGP mn | %)



–Ends–

ABOUT CLEOPATRA HOSPITALS GROUP S.A.E.

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

Shareholder Information

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

For further information, please contact:

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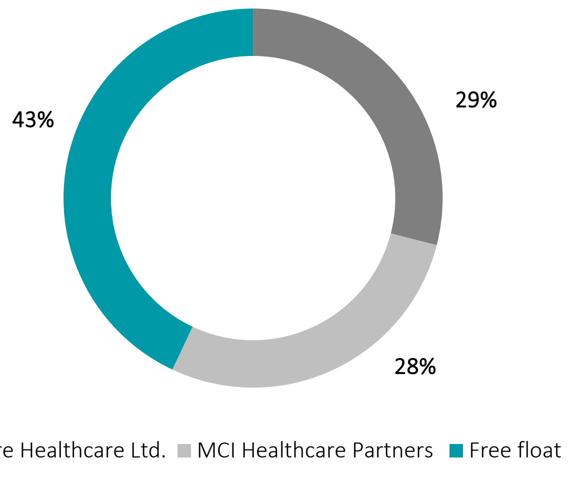
Shareholder Structure

(as of March 2022)



Forward-Looking Statements

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

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

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

Consolidated Statement of Income

All figures in EGP mn	1Q2021	1Q2022	*% change*
Revenues	633.2	636.9	*1%*
Cost of sales	(392.0)	(415.0)	*6%*
Gross profit	**241.2**	**222.0**	***-8%***
Gross Profit Margin	*38%*	*35%*	
General & administrative expenses	(93.6)	(102.1)	*9%*
Cost of acquisition activities	(5.3)	(0.8)	*-85%*
Provisions	(9.6)	(4.4)	*-54%*
Other income	6.2	1.9	*-70%*
Pre-operating income	0.0	0.0	*N/A*
EBIT	**138.9**	**116.5**	***-16%***
EBIT Margin	*22%*	*18%*	
Interest income	12.6	20.7	*64%*
Interest expense	(6.0)	(7.3)	*22%*
Profit before tax	**145.5**	**129.8**	***-11%***
PBT Margin	*23%*	*20%*	
Income tax	(37.4)	(27.3)	*-27%*
Deferred tax	(0.1)	(0.1)	*-2%*
Net profit after tax	**107.9**	**102.4**	***-5%***
Net Profit Margin	*17%*	*16%*	
Distributed as follows:			
Shareholders of the company	101.3	96.0	*-5%*
Minority rights	6.6	6.4	*-3%*
Profit for the period	**107.9**	**102.4**	***-5%***

Consolidated Statement of Comprehensive Income

All figures in EGP mn	1Q2021	1Q2022	*% change*
Net Profit	107.9	102.4	*-5%*
Other comprehensive income	0.0	0.0	-
Total comprehensive income for the year	**107.9**	**102.4**	***-5%***
Total comprehensive income attributable to:			
Owners of the company	101.3	96.0	*-5%*
Non-controlling interest	6.6	6.4	*-3%*
Total comprehensive income for the year	**107.9**	**102.4**	***-5%***

Consolidated Statement of Financial Position

All figures in EGP mn	31 December 2021	31 March 2022
Non-current assets		
Fixed assets	1,351.7	1,374.7
Intangible assets	425.5	425.0
Right of use	174.7	167.6
Payment under investment	5.7	5.7
Investment in associates	2.2	2.2
Total non-current assets	**1,959.8**	**1,975.2**
Current assets		
Inventory	51.3	57.4
Accounts receivables	383.3	431.3
Other receivables and debit balances	191.7	118.3
Due from related parties	0.5	0.8
Treasury bills	677.1	492.3
Cash	168.9	215.6
Total current assets	**1,472.8**	**1,315.8**
Total assets	**3,432.6**	**3,290.9**
Equity		
Share capital	800.0	800.0
Treasury Shares	(4.2)	(234.8)
Reserves	302.9	302.9
Retained earnings	1,270.0	1,366.0
Long term incentive plan	8.3	12.4
Equity attributable to the parent company	**2,377.1**	**2,246.5**
Non-controlling interest	120.7	127.2
Total equity	**2,497.8**	**2,373.7**
Non-current liabilities		
Long-term investments creditors	31.8	35.2
Non-current portion of lease liability	172.7	168.6
Deferred tax liability	81.8	81.9
Total non-current liabilities	**286.3**	**285.8**
Current liabilities		
Provisions	21.9	21.2
Creditors and other credit balances	461.0	476.2
Due to related parties	-	-
Current Portion of Borrowings	60.6	
Current portion of lease liability	38.7	40.6
Current income tax	66.2	93.5
Total current liabilities	**648.5**	**631.4**
Total liabilities	**934.8**	**917.2**
Total liabilities & shareholders' equity	**3,432.6**	**3,290.9**

Consolidated Statement of Cash Flow

All figures in EGP mn	1Q2021	1Q2022
Cash flow from operating activities:		
Profit before tax	145.5	129.8
Adjustments for:		
Depreciation	27.0	38.1
Right of use depreciation	-	-
Amortization of intangible assets	4.0	4.0
Allowance for impairment of current assets	27.3	(10.0)
Provision	1.0	(0.7)
Capital gain/loss	(0.0)	(0.4)
Credit/debit interest	(6.6)	(10.6)
Changes in current tax liability	(32.9)	-
Gain/loss in investments in subsidiaries	(0.3)	-
Employee incentive	1.1	4.1
Operating profits before changes in assets and liabilities	**166.1**	**154.3**
Changes in working capital:		
Changes in inventories	0.6	(6.2)
Change in trade receivables, debtors, and other debit balances	(30.9)	(46.7)
Changes in due from related parties	(0.5)	(0.3)
Change in trade and other payables	6.8	15.9
Paid from employee incentive plan	-	-
Change in lease	(14.7)	(1.7)
Others	-	-
Net cash flows generated from operating activities	**127.4**	**115.4**
Cash flow from investment activities:		
Proceeds from sale of fixed assets	0.0	0.8
Payments for purchase of fixed assets	(19.8)	(21.7)
PUC purchased	(22.8)	(33.3)
Advanced payments for purchase of fixed assets	(5.7)	4.6
Fixed assets suppliers	-	-
Payments for acquisition of a subsidiary, net cash acquired	-	-
Payments under investment	(5.7)	-
Credit interest collected	11.0	14.2
Treasury bills	-	-
Paid under subsidiaries capital increase	-	-
Paid for investment associates	-	(0.0)
Net cash flow from investment activities	**(43.1)**	**(35.3)**
Cash flow from financing activities:		
Lease payments	-	-
Treasury Shares	-	(150.0)
Dividends paid	(0.0)	-
Repayment of borrowings	-	-
Cash proceed from overdraft	95.5	31.8
Cash paid to overdraft	(42.5)	(92.4)
Interest paid	(7.1)	(7.9)
Net cash flow from financing activities	**45.9**	**(218.5)**
Net change in cash & cash equivalents during the period	**130.3**	**(138.3)**
Cash and cash equivalents at the beginning of the period	550.5	847.5
Cash & cash equivalents at the end of the period	**680.8**	**709.2**