

## Cleopatra Hospitals Group 4Q2020 Trading Update

*CHG set to record strong top-line growth for the final quarter of 2020 with revenues reaching a record-high; margins in line with Group's long-term averages supported by management's wide-ranging efficiency enhancement strategy; CHG continued delivery on long-term strategic objectives ideally positions the Group to continue strong growth into 2021, firmly cementing its position as the leading provider of diversified healthcare in Egypt*

Cairo, Egypt | 17 February 2021

Cleopatra Hospitals Group is set to report record-high revenues in the final quarter of the year with strong year-on-year top-line growth supported by volumes returning to normal trends, improving utilization, and an increasingly optimised service mix. Throughout the final quarter of 2020, patient volumes continued to rebound from the COVID-19 related slowdown witnessed earlier in the year, with the volume of cases served up more than 10% versus the previous quarter. The recovery in volumes was supported by management's proactive multi-pronged response strategy which over the course of 2020 saw the Group rollout multiple initiatives targeted at driving up patient volumes. These included the transformation of El Katib and Queens Hospitals into COVID-19-treatment facilities, the rollout of several strategic marketing campaigns, and the launch of telemedicine and at-home medical services. Currently, both Queens Hospital and El Katib Hospital continue to operate as the Group's COVID-19 treatment facilities, helping to meet rising demand following a resurgence of new cases which commenced in the latter half of November 2020. This allows CHG's other facilities to continue offering a full suite of service while guaranteeing the health and safety of staff, patients and their families.

### Key Financial Highlights

- **Revenue** growth of around 20% y-o-y in 4Q2020 supported by patient volumes returning to normal trends, improving utilization, and an increasingly optimised service mix.
- **Cases served** in 4Q2020 were up more than 10% versus the third quarter of this year.
- **Full-year revenues** set to expand 10% year-on-year in FY2020 as robust top-line growth in the second half of the year offset the COVID-19-related slowdown witnessed in the second quarter of 2020.
- **Margins** at both the gross profit and EBITDA levels in line with the Group's historical averages supported by revenue growth and management's wide-ranging cost control and reduction initiatives which helped to offset higher operating costs as a result of COVID-19.
- **Net profit** growth for the year in line with top-line growth despite higher depreciation as the Group continues to invest in its infrastructure and materially lower interest income for the year versus 2019 following the CBE's multiple rate cuts throughout 2020.

### Outlook

Heading into 2021, management is optimistic about the Group's growth prospects for the coming year. Despite the challenges faced in 2020, CHG continued to deliver on its longer-term strategic objectives of revenue stream diversification, digitalisation, and synergy extraction through integration. Combined with a normalizing operating environment, this sees the Group enter the new year ideally positioned to continue building on the solid momentum witnessed in the final months of 2020 to deliver strong growth and improved margins in the coming period.

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## 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  
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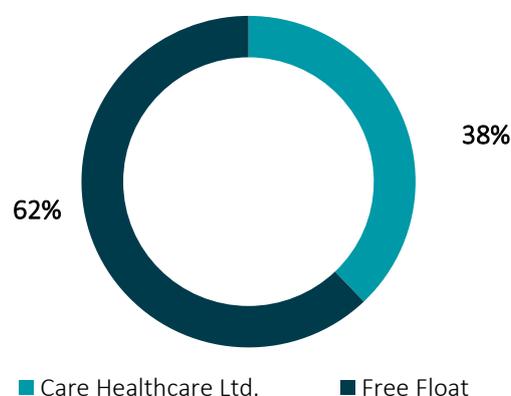
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### Shareholder Structure

(as of 30 September 2020)



## 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.