



Cairo, Egypt | 31 January 2024

Cleopatra Hospitals Group 2024 Capital Investment Strategy Update

Over the next 18 months, Cleopatra Hospitals Group (CHG) intend to invest around EGP 2 billion in growth CAPEX. This investment represents a strategic portion of our cumulative EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization) forecast for the group over the coming two years. Our primary focus with this investment is the completion of Phase 1 and 2 of the Sky Hospital project in East Cairo and the expansion of the Cleopatra October facilities in West Cairo in addition to expansion of our polyclinic activities across Greater Cairo. This CAPEX does not include potential acquisitions of operating hospitals outside of Greater Cairo.

These expansions are a testament to our commitment to healthcare excellence and our dedication to serving the community with enhanced medical facilities. A key component of this expansion is the addition of more than 300 much-needed beds, significantly bolstering the quality patient care capacity in Greater Cairo. This increase in bed capacity is crucial in meeting the growing healthcare demands of the region and demonstrates our proactive approach in addressing the needs of our community.

Furthermore, this expansion is not just about physical growth but also about human capital development. We anticipate creating over 750 new roles, encompassing both medical and non-medical employment positions associated with this growth CAPEX. This expansion will significantly contribute to the economy and provide numerous career opportunities in the healthcare sector.

In terms of technological advancement, we are dedicated to incorporating the latest medical technologies as part of this expansion. This implementation will not only enhance our service quality but also ensure that we remain at the forefront of medical innovation, thereby offering the best possible care to our patients.

Regarding the funding of this CAPEX, it will be financed entirely through internal sources and existing banking lines. This approach underscores our financial stability and our ability to fund growth sustainably.

In conclusion, these investments in our infrastructure, human resources, and technology highlight our ongoing commitment to excellence in healthcare. We are confident that these developments will significantly enhance our operational capabilities in underserved areas of Greater Cairo and contribute positively to our long-term healthcare sector growth and profitability.

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This trading update contains forward-looking statements regarding CHG's future operations and performance. Actual results may differ materially from those projected in the forward-looking statements.

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