

Cleopatra Hospital Group files for regulatory approval on capital increase of EGP 700 million

Cleopatra Hospital Group S.A.E. (CLHO.CA on the Egyptian Exchange), Egypt's largest private hospital group by number of hospital beds and number of operating hospitals, issued the following statement subsequent to a meeting of its Board of Directors yesterday:

The Board of Directors of Cleopatra Hospital Group S.A.E. approved the filing of Egyptian Exchange (EGX) Form 48, which seeks regulatory approval for a capital increase through a fully tradable rights issue at par (EGP 0.50 per share).

The Group will seek to raise proceeds of up to EGP 700 million, with proceeds from the transaction to be used to (a) ensure the availability of EGP 580 million in additional resources to support the acquisition of a hospital of around 150 beds. Due diligence on the transaction is currently in process. The proceeds will also be used to (b) improve Group profitability by retiring EGP 120 million of the existing debt given the high cost of debt in the current interest rate environment.

The Group disclosed details of the contemplated acquisition in its 1H2017 earnings statement.

Pursuant to obtaining regulatory approval, Cleopatra Hospital Group intends to hold an extraordinary general meeting of shareholders to ratify the rights issue.

—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 in four leading hospitals in the Greater Cairo Area: Cleopatra Hospital, Cairo Specialized Hospital, Nile Badrawi Hospital and Al Shorouk Hospital, offering a full array of general and emergency healthcare services.

Shareholder Information

EGX: CLHO.CA

Listed: June 2016

Shares Outstanding: 200 million

For further information, please contact:

Cleopatra Hospitals Group S.A.E.

Hoda Yehia

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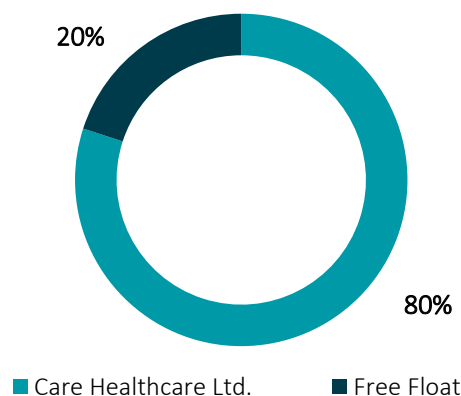
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Shareholder Structure

(as of June 2017)





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, which 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, our ability to retain the services of certain key employees, our 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 identify future risks to our business and manage the risks mentioned above in a timely and accurate manner.

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.