

Burjeel Holdings PLC
(formerly "Burjeel Holdings PVT. Limited")

INTERIM CONDENSED CONSOLIDATED
FINANCIAL STATEMENTS

PERIOD ENDED 30 SEPTEMBER 2022 (UNAUDITED)



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REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS TO THE SHAREHOLDERS OF

BURJEEL HOLDINGS PLC

Introduction

We have reviewed the accompanying interim condensed consolidated financial statements of Burjeel Holdings PLC (formerly “Burjeel Holdings PVT. Limited”) (the “Company”) and its subsidiaries (together referred to as the “Group”) as at 30 September 2022, comprising of the interim condensed consolidated statement of financial position as at 30 September 2022, and the related interim condensed consolidated statements of comprehensive income for the three-months and nine-months period then ended, and the interim condensed consolidated changes in equity and interim condensed consolidated cash flows for the nine-months period then ended and explanatory notes. Management is responsible for the preparation and fair presentation of these interim condensed consolidated financial statements in accordance with International Accounting Standard 34 *Interim Financial Reporting* (“IAS 34”). Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410, “*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*”. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial statements are not prepared, in all material respects in accordance with IAS 34.

Other matter

The interim condensed consolidated statement of comprehensive income, interim condensed consolidated statement of changes in equity, interim condensed consolidated statement of cash flows and related notes for the three-months and nine-months period ended 30 September 2021 were not reviewed by an auditor and are presented for comparison purposes only.

Signed by
Anthony O’Sullivan
Partner
Ernst & Young

Date: 9 November 2022
Abu Dhabi

Burjeel Holdings PLC

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME For the three months and nine months period ended 30 September 2022 (unaudited)

	Notes	Three months ended 30 September		Nine months ended 30 September	
		2022	2021	2022	2021
		AED	AED	AED	AED
Revenue	4	<u>933,157,510</u>	853,109,579	<u>2,831,558,400</u>	2,404,077,708
Doctors' and other employees' salaries and emoluments		(404,785,509)	(332,800,260)	(1,220,276,858)	(996,432,596)
Inventories consumed		(219,131,951)	(204,562,005)	(684,034,715)	(581,563,733)
Depreciation of property and equipment	5	(60,409,026)	(69,414,402)	(189,002,587)	(209,874,380)
Amortisation of intangible assets		(791,934)	(1,378,953)	(3,101,165)	(3,902,707)
Depreciation of right of use assets		(26,855,100)	(26,853,781)	(80,498,461)	(80,510,751)
Rent expenses		(2,559,485)	(1,029,545)	(9,253,115)	(7,523,986)
Provision for expected credit losses		(11,691,954)	(19,753,091)	(49,721,443)	(72,804,036)
Utility charges		(13,037,294)	(11,163,027)	(33,133,085)	(31,410,541)
Other expenses		(92,213,533)	(73,672,975)	(241,300,699)	(192,045,566)
OPERATING PROFIT FOR THE PERIOD		<u>101,681,724</u>	112,481,540	<u>321,236,272</u>	228,009,412
Finance costs		(67,038,705)	(51,497,995)	(172,546,809)	(160,224,131)
Interest income from related parties	8	13,146,999	13,771,456	41,848,351	44,005,891
Share of profit from associates		4,402,902	5,588,979	14,540,732	14,999,100
PROFIT FOR THE PERIOD		<u>52,192,920</u>	80,343,980	<u>205,078,546</u>	126,790,272
Other comprehensive income		-	-	-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		<u>52,192,920</u>	80,343,980	<u>205,078,546</u>	126,790,272
Profit for the period and total comprehensive income for the period attributable to:					
Equity holders of the Parent Company		46,671,999	77,696,173	189,978,290	121,923,878
Non-controlling interests		5,520,921	2,647,807	15,100,256	4,866,394
		<u>52,192,920</u>	80,343,980	<u>205,078,546</u>	126,790,272
Earnings per share attributable to equity holders of the Parent Company: - basic and diluted earnings per share (AED) (restated)	14	<u>0.01</u>	0.02	<u>0.04</u>	0.02

The accompanying notes 1 to 15 form an integral part of these interim condensed consolidated financial statements.

Burjeel Holdings PLC

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION At 30 September 2022

		<i>(Unaudited)</i> 30 September 2022 AED	<i>(Audited)</i> 31 December 2021 AED
	<i>Notes</i>		
ASSETS			
Non-current assets			
Property and equipment	5	2,043,689,651	2,180,920,588
Intangible assets		4,955,733	7,929,931
Right of use assets		1,061,091,546	1,138,517,781
Capital work in progress		23,418,866	16,324,776
Investment in associates		31,931,499	17,390,767
Term deposits		<u>2,552,500</u>	<u>3,195,989</u>
		3,167,639,795	3,364,279,832
Current assets			
Inventories		227,240,661	207,308,714
Accounts receivable and prepayments		1,061,009,008	894,083,418
Amounts due from related parties	8	238,166,156	1,595,991,492
Bank balances and cash	6	<u>350,095,384</u>	<u>133,815,562</u>
		1,876,511,209	2,831,199,186
TOTAL ASSETS		<u>5,044,151,004</u>	<u>6,195,479,018</u>
EQUITY AND LIABILITIES			
Share capital	7(a)	500,473,651	734,000
Shareholder's account		-	532,963,590
Other reserve	7(b)	2,889,504	2,889,504
Shareholder's contribution	7(c)	3,553,665	19,684,559
Retained earnings (accumulated losses)		<u>46,671,999</u>	<u>(192,832,640)</u>
Equity attributable to the equity holders of the Parent Company		553,588,819	363,439,013
Non-controlling interests		<u>27,863,617</u>	<u>17,763,361</u>
Total equity		<u>581,452,436</u>	<u>381,202,374</u>
Non-current liabilities			
Interest bearing loans and borrowings	9	1,620,455,921	2,648,798,249
Lease liabilities		1,075,774,672	1,154,290,056
Employees' end of service benefits		119,567,546	101,343,150
Derivative financial instruments	11	<u>24,939,708</u>	<u>32,463,738</u>
		2,840,737,847	3,936,895,193
Current liabilities			
Accounts payable and accruals		886,676,939	1,046,177,187
Lease liabilities		134,774,724	126,985,989
Interest bearing loans and borrowings	9	494,772,992	558,908,655
Amounts due to related parties	8	49,708,204	53,832,937
Bank overdrafts	6	<u>56,027,862</u>	<u>91,476,683</u>
		1,621,960,721	1,877,381,451
Total liabilities		4,462,698,568	5,814,276,644
TOTAL EQUITY AND LIABILITIES		<u>5,044,151,004</u>	<u>6,195,479,018</u>

John Sunil
Chief Executive Officer



Hari Mohan
Chief Financial Officer

The accompanying notes 1 to 15 form an integral part of these interim condensed consolidated financial statements.

Burjeel Holdings PLC

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

For the nine months period ended 30 September 2022 (unaudited)

	Attributable to the equity holders of Parent					Total	Non-controlling interest	Total equity
	Share capital	Shareholder's account	Other reserve	Shareholder's contribution	Accumulated losses/retained earnings			
As at 1 January 2021 (audited)	734,000	524,784,885	2,889,504	19,234,561	(413,755,124)	133,887,826	4,429,893	138,317,719
Profit for the period (unaudited)	-	-	-	-	121,923,878	121,923,878	4,866,394	126,790,272
Total comprehensive income for the period (unaudited)	-	-	-	-	121,923,878	121,923,878	4,866,394	126,790,272
Movement in shareholder's account, net (unaudited)	-	45,689,806	-	-	-	45,689,806	-	45,689,806
As at 30 September 2021 (unaudited)	<u>734,000</u>	<u>570,474,691</u>	<u>2,889,504</u>	<u>19,234,561</u>	<u>(291,831,246)</u>	<u>301,501,510</u>	<u>9,296,287</u>	<u>310,797,797</u>
As at 1 January 2022 (audited)	734,000	532,963,590	2,889,504	19,684,559	(192,832,640)	363,439,013	17,763,361	381,202,374
Profit for the period (unaudited)	-	-	-	-	189,978,290	189,978,290	15,100,256	205,078,546
Total comprehensive income for the period (unaudited)	-	-	-	-	189,978,290	189,978,290	15,100,256	205,078,546
Dividend paid to non-controlling interest (unaudited)	-	-	-	-	-	-	(5,000,000)	(5,000,000)
Additional contribution (unaudited)	-	-	-	300,000	-	300,000	-	300,000
Movement in shareholder's account, net (unaudited)	-	(128,484)	-	-	-	(128,484)	-	(128,484)
Increase in share capital (unaudited) (Note 7(a))	549,266,000	(532,835,106)	-	(16,430,894)	-	-	-	-
Reduction of share capital (unaudited) (Note 7(a))	(49,526,349)	-	-	-	49,526,349	-	-	-
Balance at 30 September 2022 (unaudited)	<u>500,473,651</u>	<u>-</u>	<u>2,889,504</u>	<u>3,553,665</u>	<u>46,671,999</u>	<u>553,588,819</u>	<u>27,863,617</u>	<u>581,452,436</u>

The accompanying notes 1 to 15 form an integral part of these interim condensed consolidated financial statements.

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Burjeel Holdings PLC

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the nine months period ended 30 September 2022 (unaudited)

	Notes	Nine-month ended 30 September	
		2022	2021
		AED (Unaudited)	AED (Unaudited)
OPERATING ACTIVITIES			
Profit for the period		205,078,546	126,790,272
Adjustments for:			
Depreciation on property and equipment	5	189,002,587	209,874,380
Amortisation of intangible assets		3,101,165	3,902,707
Depreciation of right of use assets		80,498,461	80,510,751
Provision for expected credit losses		49,721,443	72,804,036
Share of profit of investments in associates		(14,540,732)	(14,999,100)
Interest income from related parties	8	(41,848,351)	(44,005,891)
Provision for employees' end of service benefits		29,666,135	22,057,480
Adjustment for rent concession		(342,931)	(597,655)
Gain on disposal of property and equipment		(350,000)	-
Change in fair value of profit rate swaps	11	5,981,957	(91,022)
Finance costs		<u>172,546,809</u>	<u>160,224,131</u>
		678,515,089	616,470,089
Working capital adjustments:			
Inventories		(19,931,947)	(34,817,932)
Accounts receivable and prepayments		(216,647,033)	(330,736,471)
Amounts due from related parties		74,207,709	(6,160,846)
Accounts payable and accruals		(159,500,248)	69,671,169
Amounts due to related parties		<u>(4,124,733)</u>	<u>17,136,541</u>
Cash generated from operations		352,518,837	331,562,550
Employees' end of service benefits paid		(11,441,731)	(8,942,329)
Finance costs paid		<u>(131,973,013)</u>	<u>(127,212,796)</u>
Net cash flows from operating activities		<u>209,104,093</u>	<u>195,407,425</u>
INVESTING ACTIVITIES			
Additions to property and equipment	5	(53,412,593)	(56,164,275)
Additions to intangible assets		(140,804)	(75,250)
Additions to capital work in progress		(7,094,090)	(6,692,287)
Proceeds from disposal of property and equipment		488,019	-
Amounts due from related parties		1,326,968,902	41,059,175
Movement in long term deposits		<u>643,489</u>	<u>1,023,483</u>
Net cash flows from (used in) investing activities		<u>1,267,452,923</u>	<u>(20,849,154)</u>
FINANCING ACTIVITIES			
Net movement in shareholder's account		(128,484)	45,689,806
Net movement in share contribution		300,000	-
Payment of principal portion of lease liabilities		(114,015,909)	(101,698,696)
Net movement in margin account		1,081,721	2,206,899
Dividend paid to non-controlling interest		(5,000,000)	-
Settlement of derivatives	11	(13,505,989)	-
Receipt of interest bearing loans and borrowings	9	300,016,029	121,927,890
Repayment of interest bearing loans and borrowings	9	<u>(1,392,494,020)</u>	<u>(184,947,827)</u>
Net cash flows used in financing activities		<u>(1,223,746,652)</u>	<u>(116,821,928)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS		252,810,364	57,736,343
Cash and cash equivalents at 1 January		<u>39,157,261</u>	<u>(56,034,676)</u>
CASH AND CASH EQUIVALENTS AT 30 SEPTEMBER	6	<u>291,967,625</u>	<u>1,701,667</u>

The accompanying notes 1 to 15 form an integral part of these interim condensed consolidated financial statements.

Burjeel Holdings PLC

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 30 September 2022 (Unaudited)

1 ACTIVITIES

Burjeel Holdings PLC (formerly “Burjeel Holdings PVT. Limited”) (the “Company” or the “Parent”) is registered in Abu Dhabi Global Market (ADGM) under license number 000003466 as a Public Company Limited by Shares. The Company was incorporated on 7 January 2020 (the “inception date”). The registered address of the Company is 402-DO2, 15th Floor, Al Sarab Tower, Abu Dhabi Global Market Square, Maryah Island, Abu Dhabi, United Arab Emirates. The Company and its subsidiaries are collectively referred to as the Group (the “Group”).

The principal activity of the Company is to act as a holding company (Proprietary Investment Company) for the entities within the Group. The principal activities of the subsidiaries are to provide multi-speciality hospitals, medical, surgical and dental services and sale of pharmaceutical goods and medical equipment.

On 8 September 2022, the Company’s shareholders passed a resolution to change the name of the Company to Burjeel Holdings PLC from Burjeel Holdings PVT. Limited and the legal formalities to change the Company’s name were completed on 15 September 2022.

The Company was 100% owned and controlled by Dr. Shamsheer Vayalil Parambath (hereinafter referred as the “Owner”, the “Director” or the “Shareholder”) through VPS Healthcare Holdings PVT. LTD, an entity registered as a Private Company Limited by Shares in Abu Dhabi Global Market (ADGM) under license number 000003462. On 20 September 2022, the ownership of VPS Healthcare Holdings PVT. Ltd reduced to 79.8% as VPS Healthcare Holdings PVT. Ltd sold 750,710,477 (15%) of its shares to Quant Lase Lab LLC and transferred 260,256,708 (5.2%) of its shares to SYA Holdings PVT. Ltd.

The comparative financial information for the three months and nine months period ended 30 September 2021 is not reviewed and are presented for comparative purpose only.

The interim condensed consolidated financial statements were approved by the Board of Directors and authorized for issuance on 09.11.2022

2.1 STATEMENT OF COMPLIANCE

These interim condensed consolidated financial statements have been prepared in accordance with International Accounting Standard (“IAS”) 34, Interim Financial Reporting.

The interim condensed consolidated financial statements do not include all information and disclosures required in the annual consolidated financial statements prepared in accordance with International Financial Reporting Standards, and should be read in conjunction with the Group’s annual consolidated financial statements as at 31 December 2021. In addition, results for the nine months period ended 30 September 2022 are not necessarily indicative of the results for the year ending 31 December 2022.

These interim condensed consolidated financial statements have been prepared on the historical cost basis, except for derivative financial instruments which are carried at fair value.

The interim condensed consolidated financial statements are presented in United Arab Emirates Dirhams (AED), which is the functional currency of the Company and the presentation currency of the Group.

2.2 BASIS OF PREPARATION

The Owner entered into a Framework and Share Purchase Agreement (“FSPA”) dated 28 March 2022 for the transfer of shares (the shares), relating to the entities listed in Note 2.4 to the interim condensed consolidated financial statements (the ‘Entities’), that are beneficially owned and controlled by the Owner. As per the FSPA, the Owner has transferred the entire economic interest in the Entities to the Company and Burjeel Management PVT. Ltd (the “Intermediate Holdco”), an entity wholly owned by the Company. Thereby, the Company holds 98% of the transferred shares and the remaining 2% is held by the Intermediate Holdco.

The aforementioned transfer of shares to the Company is a common control transaction as the Entities will continue to be controlled by the Owner before and after the reorganisation. Therefore, this reorganisation is considered to be outside the scope of IFRS 3 Business Combinations. The Company has applied the pooling of interest method of accounting for the reorganisation.

The basic principle of accounting for business combinations under common control using the pooling of interest method is that the structure of ownership is discretionary, and any reorganisation thereof is without economic substance from the perspective of the controlling party. The pooling of interest method is considered to involve the combining parties being presented as if they had always been combined. To this effect, the Company accounts for the transaction from the beginning of the period in which the combination occurs (irrespective of its actual date) and restates comparatives to include all combining entities.

The concept of pooling generally is based on the premise of a continuation of the combining entities. Consistently, the pre-combination equity composition and history associated with the assets and liabilities would be carried forward upon the combination. In the interim condensed consolidated financial statements of the Group:

- the share capital of the individual entities that are combined are reflected as ‘shareholders’ contribution’;
- the shareholders’ account of the individual entities that are combined are reflected under ‘shareholders account’;
- the retained earnings or the accumulated losses of the individual entities that are combined are reflected under ‘accumulated losses’; and
- the statutory reserves of the individual entities that are combined are reflected as ‘other reserves’

2.3 BASIS OF CONSOLIDATION

The interim condensed consolidated financial statements comprise the financial statements of the Company and its subsidiaries. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if, and only if, the Group has:

- Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee
- The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights results in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement(s) with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the interim condensed consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of Other Comprehensive Income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary;
- Derecognises the carrying amount of any non-controlling interest;
- Derecognises the cumulative translation differences, recorded in equity;
- Recognises the fair value of the consideration received;
- Recognises the fair value of any investment retained;
- Recognises any surplus or deficit in profit or loss; and
- Reclassifies the parent's share of components previously recognized in other comprehensive income to profit or loss or retained earnings, as appropriate.

The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under IFRS 9, when applicable, or the cost on initial recognition of an investment in an associate or a joint venture.

Burjeel Holdings PLC

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 September 2022 (Unaudited)

2.3 BASIS OF CONSOLIDATION continued

Details of the Company's significant subsidiaries and their beneficial holdings percentage as at 30 September 2022 and 31 December 2021 are as follows:

<i>Name of subsidiaries</i>	<i>Beneficiary ownership percentage</i>	<i>Place of incorporation</i>	<i>Principal activities</i>
List of operating entities			
Burjeel Hospital LLC	100%	UAE	Health care services
Burjeel Hospital Pharmacy LLC	100%	UAE	Health care services
Burjeel Farha Hospital L.L.C	100%	UAE	Health care services
Burjeel Day Surgery Centre LLC	100%	UAE	Health care services
Burjeel Alreem Pharmacy LLC	100%	UAE	Health care services
Burjeel Medical City LLC	100%	UAE	Health care services
Burjeel Medical City Pharmacy LLC	100%	UAE	Health care services
Burjeel Medical Centre LLC	100%	UAE	Health care services
Burjeel Medical Centre Al Shamkha LLC	100%	UAE	Health care services
Burjeel Pharmacy Al Shamkha LLC	100%	UAE	Health care services
Burjeel Medical Centre Al Zeina LLC	100%	UAE	Health care services
Burjeel Home Care Services LLC	100%	UAE	Health care services
Burjeel Pharmacy Al Marina LLC	100%	UAE	Health care services
Burjeel Oasis Medical Centre LLC	100%	UAE	Health care services
Burjeel Pharmacy LLC	100%	UAE	Health care services
Burjeel Royal Hospital LLC	100%	UAE	Health care services
Burjeel Royal Pharmacy LLC	100%	UAE	Health care services
Burjeel Medical Centre Barari LLC	100%	UAE	Health care services
Burjeel Pharmacy Barari Mall LLC	100%	UAE	Health care services
Burjeel Pharmacy Al Dhafra LLC	100%	UAE	Health care services
Burjeel Hospital for Advanced Surgery LLC	100%	UAE	Health care services
Burjeel Specialty Hospital LLC	100%	UAE	Health care services
Burjeel Pharmacy Forsan Central Mall LLC	100%	UAE	Health care services
Claims Care Revenue			Provision of group services within the Group
Cycle Management Office LLC	100%	UAE	Health care services
LLH Hospital LLC	100%	UAE	Health care services
LLH Hospital Pharmacy LLC	100%	UAE	Health care services
LLH Hospital Al Musaffah LLC	100%	UAE	Health care services
LLH Hospital Pharmacy Al Musaffah LLC	100%	UAE	Health care services
LLH Medical Centre Al Musaffah LLC	100%	UAE	Health care services
LLH Medical Centre LLC	100%	UAE	Health care services
LLH Pharmacy Al Musaffah LLC	100%	UAE	Health care services
Lifecare Hospital LLC	50%	UAE	Health care services
LLH Pharmacy LLC	100%	UAE	Health care services
Lifecare International Pharmacy LLC	50%	UAE	Health care services
Lifecare Clinic LLC	50%	UAE	Health care services
Lifecare Medical Centre LLC	50%	UAE	Health care services
Lifeline Drug Store LLC	100%	UAE	Procurement
I Med IT Solutions LLC	100%	UAE	Provision of group services within the Group
Medeor 24x7 Hospital LLC	100%	UAE	Health care services
Medeor 24x7 Pharmacy LLC	100%	UAE	Health care services
Medeor International Pharmacy LLC	100%	UAE	Health care services
Medeor 24x7 Hospital LLC	100%	UAE	Health care services
Marina Health Promotion Center LLC	100%	UAE	Health care services

Burjeel Holdings PLC

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 30 September 2022 (Unaudited)

2.3 BASIS OF CONSOLIDATION continued

<i>Name of subsidiaries</i>	<i>Beneficiary ownership percentage</i>	<i>Place of incorporation</i>	<i>Principal activities</i>
List of operating entities continued			
Tajmeel Cosmo Clinic LLC	100%	UAE	Health care services
Tajmeel Royal Clinic LLC	100%	UAE	Health care services
Tajmeel Royal Pharmacy LLC	100%	UAE	Health care services
Tajmeel Kids Park Medical Centre LLC	100%	UAE	Health care services
Tajmeel Specialized Medical Centre LLC	100%	UAE	Health care services
Tajmeel Royal Dental Clinic LLC	100%	UAE	Health care services
VPS Drug Store LLC	100%	UAE	Procurement
Unique Valet Parking	100%	UAE	Valet Parking Services
Lifeline Hospital LLC	100%	Oman	Health care services
Dynamed Healthcare Solutions Pvt Ltd	100%	India	Provision of group services within the Group
List of dormant entities*			
Burjeel Dental Laboratory LLC	100%	UAE	Teeth Manufacturing & Compensation Lab
Burjeel Cancer Institute LLC	100%	UAE	Cancer diseases surgery
Burjeel Darak Management LLC	100%	UAE	Management Office
Burjeel Quick Clinic L.L.C	100%	UAE	Health care services
Burjeel Judiciary Medical Centre LLC	100%	UAE	Health care services
Burjeel Judiciary Pharmacy LLC	100%	UAE	Health care services
Burjeel Management PVT. Limited	100%	UAE	Intermediary Holding Company
Co Lab Services LLC	100%	UAE	Medical Analysis
Co Rad Services LLC	100%	UAE	X-Ray Diagnosis
LLH Mobile Clinic LLC	100%	UAE	Mobile Medical Services
LLH Mobile Medical Unit LLC	100%	UAE	Mobile Medical Services
LLH Mammography Unit LLC	100%	UAE	X-Ray Diagnosis
LLH Clinic LLC	100%	UAE	Health care services
VPS Investments and Property	100%	UAE	Real Estate Lease & Management Services
Kypros Nicolaides Fetal Medicine and Therapy Centre LLC	100%	UAE	Health care services
List of associates			
First IVF Fertility Centre LLC	30%	UAE	Health care services
International Knee & Joint Centre LLC	40%	UAE	Health care services

98% of the beneficial ownership of the above subsidiaries are owned by the Company and 2% is owned by the Intermediate Holdco which is a 100% subsidiary of the Company.

* These entities have not yet carried out any business or commercial operations from the date of their incorporation until the reporting date.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
30 September 2022 (Unaudited)

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 New standards, interpretations and amendments adopted by the Group

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are the same as those applied by the Group in its consolidated financial statements as at and for the year ended 31 December 2021, except for the adoption of the following new standards and amendments effective as of 1 January 2022. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective. Several amendments apply for the first time in 2022, but do not have an impact on the interim condensed consolidated financial statements of the Group.

- Amendments to IAS 37 - Onerous Contracts – Costs of Fulfilling a Contract
- Amendments to IFRS 3 - Reference to the Conceptual Framework
- Amendments to IAS 16 - Property, Plant and Equipment: Proceeds before Intended Use
- IFRS 1 First-time Adoption of International Financial Reporting Standards - Subsidiary as a first-time adopter
- IFRS 9 Financial Instruments - Fees in the '10 per cent' test for derecognition of financial liabilities
- IAS 41 Agriculture - Taxation in fair value measurements

These amendments had no impact on the interim condensed consolidated financial statements of the Group.

3.2 Significant accounting estimates and judgements

The preparation of the interim condensed consolidated financial statements in conformity with the International Financial Reporting Standards requires management to make judgment, estimates and assumptions that affect the application of accounting policies and reported amounts of financial assets and liabilities and the disclosure of contingent liabilities. These judgments, estimates and assumptions also affect the revenue, expenses and provisions as well as fair value changes. Actual results may differ from these estimates.

These judgments, estimates and assumptions may affect the reported amounts in subsequent financial years. Estimates and judgments are currently evaluated and are based on historical experience and other factors.

In preparing these interim condensed consolidated financial statements, the significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty are the same as those applied to the annual consolidated financial statements as at and for the year ended 31 December 2021.

Burjeel Holdings PLC

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 30 September 2022 (Unaudited)

4 REVENUE

4.1 Types of revenue

	<i>Three months ended 30 September</i>		<i>Nine months ended 30 September</i>	
	<i>2022</i>	<i>2021</i>	<i>2022</i>	<i>2021</i>
	<i>Unaudited)</i>	<i>(Unaudited)</i>	<i>Unaudited)</i>	<i>(Unaudited)</i>
	<i>AED</i>	<i>AED</i>	<i>AED</i>	<i>AED</i>
Clinic revenue	903,897,700	821,377,793	2,748,892,566	2,327,197,789
Pharmacy sales	14,315,636	15,574,296	48,416,061	41,683,875
Other income	13,585,040	12,817,270	29,953,190	30,255,824
Revenue from contracts with customers	931,798,376	849,769,359	2,827,261,817	2,399,137,488
Rental income	1,359,134	3,340,220	4,296,583	4,940,220
	933,157,510	853,109,579	2,831,558,400	2,404,077,708

4.2 Revenue from contracts with customers – timing of recognition

Out patient – services rendered at the point in time	610,555,110	513,426,846	1,824,372,954	1,544,588,475
In patient – services rendered over time	293,342,590	307,950,947	924,519,612	782,609,314
Pharmacy – services rendered at the point in time	14,315,636	15,574,296	48,416,061	41,683,875
Other operating income – service rendered at the point in time	13,585,040	12,817,270	29,953,190	30,255,824
	931,798,376	849,769,359	2,827,261,817	2,399,137,488

4.3 Revenue from contracts with customers by geographical markets

	<i>Three months ended 30 September</i>		<i>Nine months ended 30 September</i>	
	<i>2022</i>	<i>2021</i>	<i>2022</i>	<i>2021</i>
	<i>Unaudited)</i>	<i>(Unaudited)</i>	<i>Unaudited)</i>	<i>(Unaudited)</i>
	<i>AED</i>	<i>AED</i>	<i>AED</i>	<i>AED</i>
United Arab Emirates	890,279,394	799,816,084	2,697,785,690	2,255,013,504
Sultanate of Oman	41,518,982	49,953,275	129,476,127	144,123,984
	931,798,376	849,769,359	2,827,261,817	2,399,137,488

4.4 Revenue from contracts with customers by asset type

	<i>Three months ended 30 September</i>		<i>Nine months ended 30 September</i>	
	<i>2022</i>	<i>2021</i>	<i>2022</i>	<i>2021</i>
	<i>Unaudited)</i>	<i>(Unaudited)</i>	<i>Unaudited)</i>	<i>(Unaudited)</i>
	<i>AED</i>	<i>AED</i>	<i>AED</i>	<i>AED</i>
Hospitals	802,094,442	721,987,015	2,478,054,670	2,077,739,507
Medical centres	101,803,258	99,390,778	270,837,896	249,458,282
Pharmacies	14,315,636	15,574,296	48,416,061	41,683,875
Others	13,585,040	12,817,270	29,953,190	30,255,824
	931,798,376	849,769,359	2,827,261,817	2,399,137,488

Burjeel Holdings PLC

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 30 September 2022 (Unaudited)

4 REVENUE continued

Performance obligations

The performance obligation is satisfied based on the nature of medical services or upon delivery of the medical goods or supplies in case of pharmacy items. Certain contracts for the sale of pharmacy items provide customers with a right of return. However, the sales returns are negligible as compared to the gross revenue for the sale of pharmacy items. Based on the analysis of the historical data and experience, sales return is estimated to be less than 0.05% of the total sales made during a financial year. Considering that the sales returns of the Group are not significant, the Group has not recorded a refund liability and a right of return asset for anticipated sales returns as of the reporting dates.

In the Middle East, the normal business process associated with transactions with insurers includes an amount of claims disallowed which is not paid by the insurer. These rejected claims could be for various technical or medical reasons. Accordingly, the healthcare entities within the Group expect an amount of consideration that is less than what was originally invoiced. These rejections constitute variable consideration under IFRS 15. Variable consideration is recognised as revenue to the extent that it is highly probable that a reversal of revenue will not occur. Under IFRS 15, these rejected claims are recognised as part of revenue (decreasing the revenue recognised).

Rental income

The rental income received from external parties during the year from the letting of excess or unused spaces in the hospitals and medical centres. Rental income is based on individual lease agreements with a committed lease term of 1 year or less. Therefore, these are categorised as short-term leases.

There are no unsatisfied performance obligations as of the reporting dates; therefore, there are no transaction prices that are required to be allocated over the remaining or unsatisfied performance obligations.

5 PROPERTY AND EQUIPMENT

The movement in property and equipment pertains to additions of AED 53,412,593 for the nine months period ended 30 September 2022 (nine months period ended 30 September 2021: AED 56,164,275) which comprises of building and leasehold improvements of AED 8,398,450, medical equipment of AED 19,427,687, furniture and fixtures of AED 5,380,552, computer and office equipment of AED 15,753,175 and motor vehicles of AED 4,452,729.

During the nine months period ended 30 September 2022, medical equipment and motor vehicles having net book value of AED 138,019 were disposed (30 September 2021: nil) and motor vehicles having net book value of AED 1,502,924 were transferred to a related party (30 September 2021: nil). The depreciation charge for the three months and nine months period ended amounted to AED 60,409,026 and AED 189,002,587, respectively (three months and nine months period ended 30 September 2021: AED 69,414,402 and AED 209,874,380, respectively).

6 BANK BALANCES AND CASH

	<i>30 September 2022 AED (Unaudited)</i>	<i>31 December 2021 AED (Audited)</i>
Cash in hand	2,259,512	4,042,586
<i>Bank balances:</i>		
Margin deposits	2,099,897	3,181,618
Fixed deposits	3,836,026	2,151,136
Cash at bank	<u>341,899,949</u>	<u>124,440,222</u>
Bank balances and cash	350,095,384	133,815,562
Less: bank overdrafts	(56,027,862)	(91,476,683)
Less: margin deposits	<u>(2,099,897)</u>	<u>(3,181,618)</u>
Cash and cash equivalents	<u>291,967,625</u>	<u>39,157,261</u>

Burjeel Holdings PLC

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 30 September 2022 (Unaudited)

6 BANK BALANCES AND CASH continued

Margin deposits are cash guarantees paid to various banks to secure overdraft facilities. These deposits are not liquid and are not readily convertible to cash as they are subordinated to the respective facilities. Therefore, these deposits are excluded from cash and cash equivalents.

Fixed deposits and margin deposits are kept with local commercial bank in the United Arab Emirates, Oman and India and carry interest at prevailing market rates. Fixed deposits have a 'original maturity' of less than 3 months.

The expected credit loss on bank balances is estimated to be immaterial as the Group only deals with reputable banks with good ratings.

	<i>Nine-month ended 30 September</i>	
	<i>2022</i>	<i>2021</i>
	<i>AED</i>	<i>AED</i>
<i>Notes</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>
Significant non-cash transactions		
Transfer of property and equipment to a related party (note 8)	1,502,924	-
Transfer from shareholder's account to share capital (note 7(a))	549,266,000	-
Reduction of share capital (note 7(a))	49,526,349	-

7 (a) SHARE CAPITAL

	<i>30 September</i>	<i>31 December</i>
	<i>2022</i>	<i>2021</i>
	<i>AED</i>	<i>AED</i>
	<i>(Unaudited)</i>	<i>(Audited)</i>
Authorised		
30 September 2022: 5,500,000,000 shares of AED 0.10 each (US\$ 0.027)	<u>550,000,000</u>	<u>-</u>
31 December 2021: 100 shares of AED 7,340 each	<u>-</u>	<u>734,000</u>
Issued and fully paid		
30 September 2022: 5,004,736,510 shares of AED 0.10 each (US\$ 0.027)	<u>500,473,651</u>	<u>-</u>
31 December 2021: 100 shares of AED 7,340 each	<u>-</u>	<u>734,000</u>

During the period, the Company increased its share capital by AED 549,266,000 by transferring AED 532,835,106 and AED 16,430,894 from the shareholder's account and shareholder's contribution, respectively. The legal formalities with Abu Dhabi Global Market were completed on 14 June 2022 and Abu Dhabi Global Market issued a registration license with an amount of authorised share capital US\$ 149,863,760 (AED 550,000,000).

On 14 September 2022, the Company resolved to reduce its share capital from AED 550,000,000 to AED 500,473,651 (US\$ 136,368,842) in order to meet Securities and Commodities Authority requirement that the net shareholder's equity shall not be less than 100% of the paid-up capital.

7 (b) SHAREHOLDER'S ACCOUNT

Shareholder's account represents net amount invested by the Owner in the Group Entities. The Shareholder's account balance is unsecured, interest free, and has no fixed repayment terms. Any repayment of this amount is at the sole discretion of the Company and Group Entities.

Burjeel Holdings PLC

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 30 September 2022 (Unaudited)

7 (c) SHAREHOLDER'S CONTRIBUTION

Shareholder's contribution included as part of total equity represents Owner's interest in the share capital of entities listed in Note 2.4 to the interim condensed consolidated financial statements which are transferred to the Group.

8 RELATED PARTY TRANSACTIONS AND BALANCES

These represent transactions with related parties, i.e. Owner, equity holders and senior management of the Group, and entities controlled, jointly controlled or significantly influenced by such parties. Pricing policies and terms of all transactions are approved by the management of the Group.

Transactions with related parties included in the interim condensed consolidated statement of comprehensive income are as follows:

	<i>Three months ended 30 September</i>		<i>Nine months ended 30 September</i>	
	<i>2022 Unaudited) AED</i>	<i>2021 (Unaudited) AED</i>	<i>2022 Unaudited) AED</i>	<i>2021 (Unaudited) AED</i>
Revenue	<u>2,128,639</u>	<u>4,501,909</u>	<u>14,127,738</u>	<u>14,721,994</u>
Interest income from related parties	<u>13,146,999</u>	<u>13,771,456</u>	<u>41,848,351</u>	<u>44,005,891</u>
Purchases	<u>5,159,373</u>	<u>4,582,667</u>	<u>12,196,871</u>	<u>10,369,570</u>
Doctors' and other employees' salaries and benefits	<u>107,578</u>	<u>4,397,442</u>	<u>3,419,451</u>	<u>5,889,385</u>
Corporate charges	<u>-</u>	<u>7,500,000</u>	<u>28,108,880</u>	<u>22,500,000</u>
Others	<u>7,447,657</u>	<u>12,665,885</u>	<u>25,045,034</u>	<u>26,548,267</u>

As at 30 September 2022 and 31 December 2021, various group entities and the Owner have provided corporate and personal guarantees to the banks for loans and other facilities obtained by the subsidiaries.

Property and equipment were transferred to VPS Healthcare LLC at net book value of AED 1,502,924 (30 September 2021: Nil).

Compensation of key management personnel

The remuneration of the members of key management during the period was as follows:

	<i>Three months ended 30 September</i>		<i>Nine months ended 30 September</i>	
	<i>2022 Unaudited) AED</i>	<i>2021 (Unaudited) AED</i>	<i>2022 Unaudited) AED</i>	<i>2021 (Unaudited) AED</i>
Salaries, end of service and other benefits	<u>9,953,471</u>	<u>5,595,197</u>	<u>24,441,229</u>	<u>16,959,669</u>
Number of key management personnel	<u>39</u>	<u>37</u>	<u>39</u>	<u>37</u>

Burjeel Holdings PLC

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 30 September 2022 (Unaudited)

8 RELATED PARTY TRANSACTIONS AND BALANCES continued

	<i>30 September 2022 AED (Unaudited)</i>	<i>31 December 2021 AED (Audited)</i>
Amounts due from related parties		
VPS Healthcare LLC*	219,028,597	1,504,149,148
Other related parties	<u>19,137,559</u>	<u>91,842,344</u>
	<u>238,166,156</u>	<u>1,595,991,492</u>

Outstanding balances at the period end arise in the normal course of business, financing to and from related parties and due to receipt and payment transactions. The Entities have not recorded any impairment of amounts due from related parties. This assessment is undertaken each reporting date through examining the financial position of the related party and the market in which the related party operates.

* - This balance carry an interest rate of 6% per annum for the period ended 30 September 2022 and 30 September 2021 and settled in the period and subsequent to the period (note 9).

	<i>30 September 2022 AED (Unaudited)</i>	<i>31 December 2021 AED (Audited)</i>
Amounts due to related parties		
Other related parties	<u>49,708,204</u>	<u>53,832,937</u>

9 INTEREST BEARING LOANS AND BORROWINGS

	<i>30 September 2022 AED (Unaudited)</i>	<i>31 December 2021 AED (Audited)</i>
Term loans	1,825,037,837	2,888,426,321
Ijara loan	-	137,724,585
Short-term loans	272,304,658	97,000,000
Bill discounting	7,912,657	75,755,938
Loan for bank guarantees	2,299,099	2,299,099
Vehicle loans	3,945,455	1,681,490
Rent loans	<u>3,729,207</u>	<u>4,819,471</u>
	<u>2,115,228,913</u>	<u>3,207,706,904</u>

Burjeel Holdings PLC

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 30 September 2022 (Unaudited)

9 INTEREST BEARING LOANS AND BORROWINGS continued

Current and non-current portion of interest-bearing loans and borrowings can be analysed as follows:

	<i>30 September 2022 AED (Unaudited)</i>	<i>31 December 2021 AED (Audited)</i>
Non-current	1,620,455,921	2,648,798,249
Current	<u>494,772,992</u>	<u>558,908,655</u>
	<u>2,115,228,913</u>	<u>3,207,706,904</u>

Movement in the interest bearing loans and borrowings during the period / year is as follows:

	<i>30 September 2022 AED (Unaudited)</i>	<i>31 December 2021 AED (Audited)</i>
At 1 January	3,207,706,904	3,326,724,343
Additions during the period / year	300,016,029	151,181,258
Repayments during the period / year	<u>(1,392,494,020)</u>	<u>(270,198,697)</u>
At the end of the period / year	<u>2,115,228,913</u>	<u>3,207,706,904</u>

Interest rates

Interest rates on these loans and borrowings are at EIBOR plus a fixed margin. The range is as follows:

- Commercial loans – EIBOR + 3% to 7%
- Ijara loans – EIBOR + 3% to 5%
- Bills discounted – EIBOR + 2% to 6%
- Rent loans – EIBOR + 3% to 5%
- Vehicle loans – 3% to 10%

10 SEGMENTAL REPORTING

For management purposes, the Group is organised into business units or segments based on its products and services and has four reportable segments as follows:

- Hospitals;
- Medical Centre;
- Pharmacies; and
- Others

Hospital includes entities that provide inpatient, day-care services and Outpatient services to patients to diagnosis the disease and offer medical and surgical treatment as part of in-patient services.

Medical Centre includes entities which offer only outpatient services to patients which includes medical consultation, lab and radiology diagnostic treatment (if required), will refer the patient to hospitals for Inpatient and day care services, if needed.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
30 September 2022 (Unaudited)

10 SEGMENTAL REPORTING continued

Pharmacies includes all the retail pharmacies which are outside the premises of the hospitals and medical centres. Pharmacies act as retail stores and selling pharmaceutical and cosmetic products.

Other represents business units that support the hospitals, medical centre and pharmacies to manage the supply chain, valet parking and claim submission etc.

No operating segments have been aggregated to form the above reportable operating segments.

The Chief Executive Officer of the Group is the Chief Operating Decision Maker (CODM) and monitors the operating results of the operating segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the interim condensed consolidated financial statements. Also, the Group's financing (including finance costs, finance income and other income) and income taxes are managed on a Group basis and are not allocated to operating segments.

Segment performance is evaluated based on profit or loss including EBIT and EBITDA and is measured consistently with profit or loss in the interim condensed consolidated financial statements.

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NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 September 2022 (Unaudited)

10 SEGMENTAL REPORTING continued

As at and for the nine months period 30 September 2022

	Hospitals AED	Medical centre AED	Pharmacies AED	Others AED	Total segments AED	Adjustments and eliminations AED	Consolidation AED
Revenue							
Out patient revenue	1,675,404,087	279,098,527	-	-	1,954,502,614	(130,129,660)	1,824,372,954
In patient revenue	<u>924,519,612</u>	-	-	-	<u>924,519,612</u>	-	<u>924,519,612</u>
Total clinical revenue	2,599,923,699	279,098,527	-	-	2,879,022,226	(130,129,660)	2,748,892,566
Pharmacy sales	-	-	50,339,584	-	50,339,584	(1,923,523)	48,416,061
Others	21,231,309	683,042	265,286	573,756,300	595,935,937	(565,982,747)	29,953,190
Rental income	<u>4,271,385</u>	<u>25,198</u>	-	-	<u>4,296,583</u>	-	<u>4,296,583</u>
Total revenue	<u>2,625,426,393</u>	<u>279,806,767</u>	<u>50,604,870</u>	<u>573,756,300</u>	<u>3,529,594,330</u>	<u>(698,035,930)</u>	<u>2,831,558,400</u>
External customers	2,498,504,965	276,148,535	48,681,347	8,223,553	2,831,558,400	-	2,831,558,400
Intersegment	<u>126,921,428</u>	<u>3,658,232</u>	<u>1,923,523</u>	<u>565,532,747</u>	<u>698,035,930</u>	<u>(698,035,930)</u>	-
Total revenue	<u>2,625,426,393</u>	<u>279,806,767</u>	<u>50,604,870</u>	<u>573,756,300</u>	<u>3,529,594,330</u>	<u>(698,035,930)</u>	<u>2,831,558,400</u>
Segment profit	137,522,851	45,827,828	3,104,367	18,623,500	205,078,546	-	205,078,546
Finance costs	170,110,859	2,145,340	-	290,610	172,546,809	-	172,546,809
Interest income from related parties	<u>(41,848,351)</u>	-	-	-	<u>(41,848,351)</u>	-	<u>(41,848,351)</u>
Profit before interest, taxation (EBIT)	265,785,359	47,973,168	3,104,367	18,914,110	335,777,004	-	335,777,004
Depreciation and amortisation	<u>242,280,506</u>	<u>28,353,033</u>	<u>573,040</u>	<u>1,395,634</u>	<u>272,602,213</u>	-	<u>272,602,213</u>
Profit before interest, taxation, depreciation, amortisation (EBITDA)	<u>508,065,865</u>	<u>76,326,201</u>	<u>3,677,407</u>	<u>20,309,744</u>	<u>608,379,217</u>	-	<u>608,379,217</u>
Total assets as at 30 September 2022	<u>7,704,910,985</u>	<u>513,593,755</u>	<u>111,572,858</u>	<u>2,054,838,823</u>	<u>10,384,916,421</u>	<u>(5,340,765,417)</u>	<u>5,044,151,004</u>
Total liabilities as at 30 September 2022	<u>7,233,124,163</u>	<u>547,863,367</u>	<u>116,532,703</u>	<u>1,905,943,752</u>	<u>9,803,463,985</u>	<u>(5,340,765,417)</u>	<u>4,462,698,568</u>
Other disclosures:							
Additions to property and equipment	45,843,353	3,412,288	638,801	3,518,134	53,412,576	-	53,412,576
Additions to capital work in progress	7,066,840	27,250	-	-	7,094,090	-	7,094,090
Additions to intangibles	140,804	-	-	-	140,804	-	140,804

Burjeel Holdings PLC

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 September 2022 (Unaudited)

10 SEGMENTAL REPORTING continued

For the nine months period 30 September 2021 and as at 31 December 2021:

	Hospitals AED	Medical centre AED	Pharmacies AED	Others AED	Total segments AED	Adjustments and eliminations AED	Consolidation AED
Revenue							
Out patient revenue	1,343,881,555	252,481,167	-	-	1,596,362,722	(51,774,247)	1,544,588,475
In patient revenue	<u>782,609,314</u>	-	-	-	<u>782,609,314</u>	-	<u>782,609,314</u>
Total clinical revenue	2,126,490,869	252,481,167	-	-	2,378,972,036	(51,774,247)	2,327,197,789
Pharmacy sales	-	-	41,918,829	-	41,918,829	(234,954)	41,683,875
Others	19,722,573	3,755,935	3,632,986	378,898,651	406,010,145	(375,754,321)	30,255,824
Rental income	<u>4,923,439</u>	<u>16,781</u>	-	-	<u>4,940,220</u>	-	<u>4,940,220</u>
Total revenue	<u>2,151,136,881</u>	<u>256,253,883</u>	<u>45,551,815</u>	<u>378,898,651</u>	<u>2,831,841,230</u>	<u>(427,763,522)</u>	<u>2,404,077,708</u>
External customers	2,102,385,520	253,230,997	45,316,861	3,144,330	2,404,077,708	-	2,404,077,708
Intersegment	<u>48,751,361</u>	<u>3,022,886</u>	<u>234,954</u>	<u>375,754,321</u>	<u>427,763,522</u>	<u>(427,763,522)</u>	-
Total revenue	<u>2,151,136,881</u>	<u>256,253,883</u>	<u>45,551,815</u>	<u>378,898,651</u>	<u>2,831,841,230</u>	<u>(427,763,522)</u>	<u>2,404,077,708</u>
Segment profit	66,704,811	31,156,103	8,957,593	19,971,765	126,790,272	-	126,790,272
Finance costs	156,582,816	2,911,542	-	729,773	160,224,131	-	160,224,131
Finance income	<u>(44,005,891)</u>	-	-	-	<u>(44,005,891)</u>	-	<u>(44,005,891)</u>
Profit before interest, taxation (EBIT)	179,281,736	34,067,645	8,957,593	20,701,538	243,008,512	-	243,008,512
Depreciation and amortisation	<u>259,475,356</u>	<u>33,008,470</u>	<u>447,622</u>	<u>1,356,390</u>	<u>294,287,838</u>	-	<u>294,287,838</u>
Profit before interest, taxation, depreciation, amortisation (EBITDA)	<u>438,757,092</u>	<u>67,076,115</u>	<u>9,405,215</u>	<u>22,057,928</u>	<u>537,296,350</u>	-	<u>537,296,350</u>
Total assets as at 31 December 2021	<u>8,108,779,203</u>	<u>476,820,023</u>	<u>94,418,429</u>	<u>382,859,000</u>	<u>9,062,876,655</u>	<u>(2,867,397,637)</u>	<u>6,195,479,018</u>
Total liabilities as at 31 December 2021	<u>7,742,130,436</u>	<u>555,236,920</u>	<u>102,651,078</u>	<u>272,886,378</u>	<u>8,672,904,812</u>	<u>(2,858,628,168)</u>	<u>5,814,276,644</u>
Other disclosures:							
Additions to property and equipment	62,081,945	3,910,293	639,904	1,446,866	68,079,009	-	68,079,009
Additions to capital work in progress	17,567,999	9,083	-	-	17,577,082	-	17,577,082
Additions to intangibles	53,004	30,346	-	-	83,350	-	83,350

Burjeel Holdings PLC

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 30 September 2022 (Unaudited)

10 SEGMENTAL REPORTING continued

For the three months period 30 September 2022

	Hospitals AED	Medical centre AED	Pharmacies AED	Others AED	Total segments AED	Adjustments and eliminations AED	Consolidation AED
Revenue							
Out patient revenue	567,019,239	95,579,187	-	-	662,598,426	(52,043,316)	610,555,110
In patient revenue	<u>293,342,590</u>	-	-	-	<u>293,342,590</u>	-	<u>293,342,590</u>
Total clinical revenue	860,361,829	95,579,187	-	-	955,941,016	(52,043,316)	903,897,700
Pharmacy sales	-	-	16,151,073	-	16,151,073	(1,835,437)	14,315,636
Others	9,182,348	203,991	265,286	191,774,873	201,426,498	(187,841,458)	13,585,040
Rental income	<u>1,132,155</u>	<u>25,198</u>	-	<u>(98,219)</u>	<u>1,059,134</u>	<u>300,000</u>	<u>1,359,134</u>
Total revenue	<u>870,676,332</u>	<u>95,808,376</u>	<u>16,416,359</u>	<u>191,676,654</u>	<u>1,174,577,721</u>	<u>(241,420,211)</u>	<u>933,157,510</u>
External customers	820,107,923	94,183,469	14,580,922	4,285,196	933,157,510	-	933,157,510
Intersegment	<u>50,568,409</u>	<u>1,624,907</u>	<u>1,835,437</u>	<u>187,391,458</u>	<u>241,420,211</u>	<u>(241,420,211)</u>	-
Total revenue	<u>870,676,332</u>	<u>95,808,376</u>	<u>16,416,359</u>	<u>191,676,654</u>	<u>1,174,577,721</u>	<u>(241,420,211)</u>	<u>933,157,510</u>
Segment profit	30,547,611	20,103,469	480,093	1,061,747	52,192,920	-	52,192,920
Finance costs	66,356,668	662,752	-	19,285	67,038,705	-	67,038,705
Finance income	<u>(13,146,999)</u>	-	-	-	<u>(13,146,999)</u>	-	<u>(13,146,999)</u>
Profit before interest, taxation (EBIT)	83,757,280	20,766,221	480,093	1,081,032	106,084,626	-	106,084,626
Depreciation and amortisation	<u>78,538,104</u>	<u>8,906,872</u>	<u>200,915</u>	<u>410,169</u>	<u>88,056,060</u>	-	<u>88,056,060</u>
Profit before interest, taxation, depreciation, amortisation (EBITDA)	<u>162,295,384</u>	<u>29,673,093</u>	<u>681,008</u>	<u>1,491,201</u>	<u>194,140,686</u>	-	<u>194,140,686</u>

Burjeel Holdings PLC

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 September 2022 (Unaudited)

10 SEGMENTAL REPORTING continued

For the three months period 30 September 2021:

	Hospitals AED	Medical centre AED	Pharmacies AED	Others AED	Total segments AED	Adjustments and eliminations AED	Consolidation AED
Revenue							
Out patient revenue	444,573,139	87,281,096	-	-	531,854,235	(18,427,389)	513,426,846
In patient revenue	<u>307,950,947</u>	-	-	-	<u>307,950,947</u>	-	<u>307,950,947</u>
Total clinical revenue	752,524,086	87,281,096	-	-	839,805,182	(18,427,389)	821,377,793
Pharmacy sales	-	-	15,641,624	-	15,641,624	(67,328)	15,574,296
Others	7,077,610	1,174,660	3,632,986	144,853,733	156,738,989	(143,921,719)	12,817,270
Rental income	<u>3,023,439</u>	<u>16,781</u>	-	-	<u>3,040,220</u>	<u>300,000</u>	<u>3,340,220</u>
Total revenue	<u>762,625,135</u>	<u>88,472,537</u>	<u>19,274,610</u>	<u>144,853,733</u>	<u>1,015,226,015</u>	<u>(162,116,436)</u>	<u>853,109,579</u>
External customers	745,419,105	87,551,178	19,207,282	932,014	853,109,579	-	853,109,579
Intersegment	<u>17,206,030</u>	<u>921,359</u>	<u>67,328</u>	<u>143,921,719</u>	<u>162,116,436</u>	<u>(162,116,436)</u>	-
Total revenue	<u>762,625,135</u>	<u>88,472,537</u>	<u>19,274,610</u>	<u>144,853,733</u>	<u>1,015,226,015</u>	<u>(162,116,436)</u>	<u>853,109,579</u>
Segment profit	55,165,677	10,011,013	6,450,773	8,716,517	80,343,980	-	80,343,980
Finance costs	50,384,285	875,055	-	238,655	51,497,995	-	51,497,995
Finance income	<u>(13,771,456)</u>	-	-	-	<u>(13,771,456)</u>	-	<u>(13,771,456)</u>
Profit before interest, taxation (EBIT)	91,778,506	10,886,068	6,450,773	8,955,172	118,070,519	-	118,070,519
Depreciation and amortisation	<u>86,048,319</u>	<u>10,986,653</u>	<u>161,628</u>	<u>450,536</u>	<u>97,647,136</u>	-	<u>97,647,136</u>
Profit before interest, taxation, depreciation, amortisation (EBITDA)	<u>177,826,825</u>	<u>21,872,721</u>	<u>6,612,401</u>	<u>9,405,708</u>	<u>215,717,655</u>	-	<u>215,717,655</u>

Burjeel Holdings PLC

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 30 September 2022 (Unaudited)

10 SEGMENTAL REPORTING continued

Inter-segment revenues are eliminated upon consolidation and reflected in the 'adjustments and eliminations' column.

Revenue by Geographic segments:

	<i>Emirate of Abu Dhabi AED</i>	<i>Northern Emirates AED</i>	<i>Sultanate of Oman AED</i>	<i>Total AED</i>
For the nine months period ended 30 September 2022				
Out patient revenue	1,623,657,141	112,246,569	88,469,244	1,824,372,954
In patient revenue	772,801,551	115,313,578	36,404,483	924,519,612
Pharmacy	48,416,061	-	-	48,416,061
Other income	<u>23,781,307</u>	<u>1,569,483</u>	<u>4,602,400</u>	<u>29,953,190</u>
	<u>2,468,656,060</u>	<u>229,129,630</u>	<u>129,476,127</u>	<u>2,827,261,817</u>
Rental income	<u>3,817,277</u>	<u>371,250</u>	<u>108,056</u>	<u>4,296,583</u>
Total revenue	<u><u>2,472,473,337</u></u>	<u><u>229,500,880</u></u>	<u><u>129,584,183</u></u>	<u><u>2,831,558,400</u></u>
For the nine months period ended 30 September 2021				
Out patient revenue	1,331,285,412	117,004,035	96,299,028	1,544,588,475
In patient revenue	617,780,392	122,529,047	42,299,875	782,609,314
Pharmacy	41,683,875	-	-	41,683,875
Other income	<u>22,427,239</u>	<u>2,303,503</u>	<u>5,525,082</u>	<u>30,255,824</u>
	<u>2,013,176,918</u>	<u>241,836,585</u>	<u>144,123,985</u>	<u>2,399,137,488</u>
Rental income	<u>4,526,781</u>	<u>386,250</u>	<u>27,189</u>	<u>4,940,220</u>
Total revenue	<u><u>2,017,703,699</u></u>	<u><u>242,222,835</u></u>	<u><u>144,151,174</u></u>	<u><u>2,404,077,708</u></u>
For the three months period ended 30 September 2022				
Out patient revenue	545,970,485	36,300,649	28,283,976	610,555,110
In patient revenue	241,092,003	40,077,330	12,173,257	293,342,590
Pharmacy	14,315,636	-	-	14,315,636
Other income	<u>12,003,729</u>	<u>519,562</u>	<u>1,061,749</u>	<u>13,585,040</u>
	<u>813,381,853</u>	<u>76,897,541</u>	<u>41,518,982</u>	<u>931,798,376</u>
Rental income	<u>1,137,328</u>	<u>113,750</u>	<u>108,056</u>	<u>1,359,134</u>
Total revenue	<u><u>814,519,181</u></u>	<u><u>77,011,291</u></u>	<u><u>41,627,038</u></u>	<u><u>933,157,510</u></u>
For the three months period ended 30 September 2021				
Out patient revenue	443,302,488	37,579,037	32,545,321	513,426,846
In patient revenue	248,265,802	44,409,997	15,275,148	307,950,947
Pharmacy	15,574,296	-	-	15,574,296
Other income	<u>9,314,614</u>	<u>1,369,850</u>	<u>2,132,806</u>	<u>12,817,270</u>
	<u>716,457,200</u>	<u>83,358,884</u>	<u>49,953,275</u>	<u>849,769,359</u>
Rental income	<u>2,926,781</u>	<u>386,250</u>	<u>27,189</u>	<u>3,340,220</u>
Total revenue	<u><u>719,383,981</u></u>	<u><u>83,745,134</u></u>	<u><u>49,980,464</u></u>	<u><u>853,109,579</u></u>

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
30 September 2022 (Unaudited)

11 DERIVATIVE FINANCIAL INSTRUMENTS

The Group has entered into a profit rate swap agreements with Islamic bank in United Arab Emirates to manage its interest rate exposure. The changes in the fair value of the derivatives amounting to AED 5,981,957 (gain for the nine months period ended 30 September 2022 (30 September 2021: AED 91,022 – loss) are included as a component of other expenses in the interim condensed consolidated statement of comprehensive income.

The fair values of the Group’s derivative financial instruments as at 30 September 2022 and 31 December 2021 are as follows:

	<i>30 September 2022 AED (Unaudited)</i>	<i>31 December 2021 AED (Audited)</i>
Profit rate swaps – non-current liabilities	<u>24,939,708</u>	<u>32,463,738</u>
Movement in the derivative financial instruments during the period / year is as follows:		
At 1 January	32,463,738	34,961,714
Additions during the period / year	5,981,957	(2,497,976)
Repayments during the period / year	(13,505,987)	-
At the end of the period / year	<u>24,939,708</u>	<u>32,463,738</u>

As at 30 September 2022 and 31 December 2021, the Group has various interest rate swap agreements to limit exposure to interest rate increases related to a portion of the floating rate indebtedness. As at 30 September 2022, the aggregate notional principal amounts of the outstanding interest rate swap contracts amount to AED 499,679,673 (31 December 2021: AED 927,169,991). The derivative financial instruments represent the recognition of a financial liability amounting to AED 24,939,708 as at 30 September 2022 (31 December 2021: AED 32,463,738) relating to the fair value adjustment of the profit rate swaps.

The fair values of the profit rate swaps are estimated using quotes from external sources or the counterparty to the instruments. In valuing unquoted instruments, valuation techniques, including discounted cash flow models and option pricing models, are used as appropriate. The gain / loss on the interest rate swap is recognised in the interim condensed consolidated statement of comprehensive income for respective periods.

The following table analyses within the fair value hierarchy the Group’s financial instruments measured at fair value at 30 September 2022 and 31 December 2021:

	<i>Level 1 AED</i>	<i>Level 2 AED</i>	<i>Level 3 AED</i>
Derivative financial instruments – Profit rate swaps measured at fair value:			
30 September 2022	-	24,939,708	-
31 December 2021	-	32,463,738	-

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
30 September 2022 (Unaudited)

11 DERIVATIVE FINANCIAL INSTRUMENTS continued

The levels of fair value inputs used to measure the investments are characterised in accordance with the fair value hierarchy established by IFRS 7. The management uses its judgment and consider factors specific to the investment in determining the significance of an input to a fair value measurement. The three levels of the fair value hierarchy and investments that fall into each of the levels are described below:

Level 1: Level 1 inputs are unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities. The Group uses Level 1 inputs for investments in publicly traded unrestricted securities for which the Group does not have a controlling interest. The Group does not measure the fair value of the financial instruments using Level 1 inputs as of 30 September 2022 and 31 December 2021.

Level 2: Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. As level 2 investments include positions that are not traded in active markets and/or are subject to transfer restrictions, valuations may be adjusted to reflect illiquidity and/or non-transferability, which are generally based on available market information. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2. The Group measures the fair value of financial instruments using this category.

Level 3: Level 3 inputs are unobservable and cannot be corroborated by observable market data. The Group does not measure the fair value of the financial instruments using Level 3 inputs as of 30 September 2022 and 31 December 2021.

Due to the uncertainty inherent in the valuation process, such estimates of fair value may differ significantly from the values that would have been used had a ready market for the securities existed, and the differences could be material. Additionally, changes in the market environment and other events that may occur over the life of the investments may cause the gains or losses ultimately realized on these instruments to be different than the valuations currently assigned.

During the period ended 30 September 2022 and year ended 31 December 2021, there were no transfers between Level 1 and Level 2 fair value measurements, and no transfers into and out of Level 3 fair value measurements.

12 CONTINGENCIES AND COMMITMENTS

Contingencies

At 30 September 2022, the Group had contingent liabilities in respect of labour guarantees amounting to AED 2,601,118 (31 December 2021: AED 3,820,200) and performance guarantees amounting to AED 8,998,414 (31 December 2021: AED 7,799,476) arising in the ordinary course of business from which it is anticipated that no material liabilities will arise.

Capital commitments

Capital expenditure contracted but not yet incurred at the end of the period / year as follows:

	<i>30 September 2022 AED (Unaudited)</i>	<i>31 December 2021 AED (Audited)</i>
Building improvements	1,149,655	2,204,829
Medical equipment	5,859,614	2,952,734
Others	<u>2,600,521</u>	<u>1,153,667</u>
	<u>9,609,790</u>	<u>6,311,230</u>

Burjeel Holdings PLC

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 30 September 2022 (Unaudited)

13 SEASONALITY OF RESULTS

No significant income of seasonal nature was recorded in the interim condensed consolidated statement of comprehensive income for the three months and six months period ended 30 September 2022 and 30 September 2021.

14 BASIC AND DILUTED EARNINGS PER SHARE

Basic earnings per share are calculated by dividing the profit for the period attributed to the Owner of the Company by the weighted average number of shares outstanding during the period.

Diluted earnings per share amounts are calculated by dividing the profit for the period attributable to the Owner of the Company by the weighted average number of ordinary shares outstanding during the period plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

The information necessary to calculate basic and diluted earnings per share is as follows:

	<i>Three months ended 30 September</i>		<i>Nine months ended 30 September</i>	
	<i>2022 Unaudited AED</i>	<i>2021 (Unaudited) AED</i>	<i>2022 Unaudited AED</i>	<i>2021 (Unaudited) AED</i>
Earnings:				
Profit attributable to equity holders of the Parent Company	<u>46,671,999</u>	<u>77,696,173</u>	<u>189,978,290</u>	<u>121,923,878</u>
Number of shares				
Weighted average number of ordinary shares for basic and diluted earnings per share (restated*)	<u>5,004,736,510</u>	<u>5,004,736,510</u>	<u>5,004,736,510</u>	<u>5,004,736,510</u>
Earnings per share				
Basic and diluted earnings per share (AED) (restated)	<u>0.01</u>	<u>0.02</u>	<u>0.04</u>	<u>0.02</u>

* The weighted average number of shares includes the impact of bonus shares issued, split of shares and reduction of share capital during the period. During the period, there is no dilution in the weighted average number of shares.

15 SUBSEQUENT EVENTS

On 10 October 2022, the Company listed 550,729,221 (11%) of its ordinary shares on the Abu Dhabi Securities Exchange ("ADX").

Subsequent to the period end, the Company received funds amounting to AED 241,651,259 from VPS Healthcare LLC to settle the remaining balance due to the Company (note 8) and raised funds through issuance of new shares in IPO amounting to AED 400,795,331. These amounts and part of the amounts received from VPS Healthcare LLC before period end (note 8) were used to repay term and other loans amounting to AED 836,070,482.