



Burjeel Holdings Reports Strong Q1 2023 Net Profit Growth of 43.4%

- Revenue up 11.6% y-o-y to AED 1.1 billion driven by strong growth at flagship Burjeel Medical City facility, up 32.6% y-o-y
- EBITDA increased 13.4% y-o-y to AED 241.6 million with net profit growth of 43.4% y-o-y to AED 121.3 million, reflecting ongoing operational efficiencies and the shift towards critical, high-value specialties
- Healthy balance sheet position with Net Debt/EBITDA* at 1.4x at the end of the period
- Expansion into Saudi Arabia progressing well through Leejam joint venture.
- Positive outlook and on track to add 120+ new inpatient beds and five new medical centers across UAE

Abu Dhabi, United Arab Emirates, 9 May 2023: Burjeel Holdings PLC (“**Burjeel**” or “**the Group**”), a leading Healthcare Services Provider in the UAE and MENA listed on the Abu Dhabi Securities Exchange (“**ADX**”) (SYMBOL: **BURJEEL**; ISIN: **AEE01119B224**), today announced its financial results for the three-month period ended 31 March 2023.

Q1 2023 Highlights

Net Profit of AED 121.3 million up 43.4% y-o-y, demonstrating the Group’s improved operational efficiency and a strategic shift towards high-end and specialized services

Revenue of AED 1.1 billion, up 11.6% y-o-y, driven by 32.6% topline growth at our flagship hospital Burjeel Medical City (BMC)

EBITDA of AED 241.6 million, up 13.4% y-o-y, with a stable EBITDA margin of 22.3%

Outpatient footfall and **inpatient footfall** saw a strong increase of 16.5% and 26.9%, respectively, primarily due to the Group’s investment in new specialties and enhanced utilization across assets

Burjeel Medical City continued to witness strong growth in inpatient and outpatient footfall driving its revenue growth of 32.6%

Robust financial position with Net Debt/EBITDA* of 1.4x at the end of the period, reflecting a debt reduction from the previous quarter

John Sunil, Chief Executive Officer of Burjeel Holdings, said:

“Burjeel Holdings delivered an impressive result for the first quarter of 2023, achieving strong growth both in top-line and bottom-line whilst making significant operational and strategic progress. Revenue increased by 11.6% year-on-year and net profit by 43.4% reflecting particularly strong growth at our flagship Burjeel Medical City hospital where revenue increased by 32.6% through strong growth in inpatient and outpatient footfall.

“We achieved a major milestone in our geographic expansion, and launched The Paley Middle East Clinic which provides world-class specialized orthopedic care for people with musculoskeletal conditions. Looking ahead, we remain focused on expanding our super specialty and yield-enhancing complex care offering,



and adding significant capabilities to our team, in order to further cement our position as a key referral hub in the region and beyond. We are confident that our latest initiatives will enable us to continue to serve our patients better and bring the latest medical treatments and technologies to the region.

Following our impressive start to the year, we remain positive on the outlook for Burjeel Holdings given our differentiated business model, world class facilities, and strategy to increase asset utilization and patient yield. Additionally, we continue to review partnership opportunities in the Middle East and Africa region, and we are actively evaluating various CAPEX-lite opportunities for geographic expansion, further enhancing our growth prospects.”

Strong first quarter results

Burjeel Holdings revenue for Q1 2023 was AED 1.1 billion, an increase of 11.6% year-on-year, driven by improved utilization across the Hospitals, in particular Burjeel Medical City, and the Medical Centers segments.

Group EBITDA increased by 13.4% year-on-year to AED 241.6 million in Q1 2023. Despite rising manpower costs due to a strategic push to onboard specialized doctors and invest in state-of-the-art facilities, Burjeel Holdings' EBITDA margins remained stable at 22.3%, demonstrating the strength of our operational efficiencies program.

Net Profit in Q1 2023 saw impressive year-on-year growth of 43.4% to AED 121.3 million, due to a combination of higher revenues, increased operational efficiencies and lower finance costs stemming from ongoing debt reduction.

Segmental Financial Overview

Revenue from the Hospitals segment made up 88.3% of the Group's total revenue in the period, consistent with the prior year.

Revenue in the Hospital and the Medical Centers segments increased by 10.9% and 24.8% respectively. EBITDA in the Hospitals segment increased by 21.7% to AED 215.7 million, driven by higher patient footfall, lower provision for expected credit losses and the Group's continued focus on advanced specialty services. EBITDA margin in the Hospitals segment improved marginally to 22.5% in Q1 2023 from 20.5% in Q1 2022.

EBITDA in the Medical Centers segment rose by a very strong 43.5% to AED 30.4 million, outpacing revenue growth of 24.8% to AED 107.1 million. EBITDA margin increased from 24.7% in Q1 2022 to 28.4% in Q1 2023.

Burjeel Medical City (BMC) continues to be a significant growth enabler with a focus on high-potential complex care services

Burjeel's flagship hospital asset, BMC, delivered strong growth in Q1 2023, with revenue increasing by 32.6% to AED 232.4 million, as inpatient bed occupancy increased to 40.6% from 29.1% at the end of Q1 2022. Outpatient capacity utilisation also improved from 34.9% at the end of Q1 2022 to 38.2% in Q1 2023 as BMC continued to expand its service offering in complex medical procedures such as limb lengthening and bone marrow transplants, cementing its position as a key referral receiving center in the UAE. BMC, which was opened in 2020 and is the UAE's largest private hospital, contributed 20.1% of the Group's hospitals segment revenue during the period. The Group's plans for capacity expansion and recruitment of world-class healthcare consultants, as well as the introduction of new complex care specialties, are expected to enable BMC to sustain and accelerate its current growth trajectory.



Balance Sheet & Cashflow

During the quarter, Burjeel Holdings further reduced its debt by AED 29.1 million and Group Net Debt stood at AED 1.06 billion as at 31 March 2023. The Group's Net Debt / Pre-IFRS 16 EBITDA reduced to 1.4x as at 31 March 2023 compared to 2.5x as at 30 September 2022, prior to the completion of its IPO. The strength of the group's balance sheet provides adequate financial flexibility to pursue CAPEX-lite growth opportunities.

Operational Highlights

During the quarter, Burjeel Holdings made significant progress towards bolstering its advanced and complex medical specialties. One notable achievement was the successful launch of The Paley Middle East Clinic, which offers cutting-edge procedures including limb lengthening and deformity correction. The Group also demonstrated its leadership in cutting edge clinical research having initiated Phase 3 trials for adult Thalassemia patients, to test the effectiveness and safety of a new drug, Mitapivat.

As a responsible member of the medical community, Burjeel Holdings made use of its deep expertise and capabilities to deliver life-saving treatment to two Syrian siblings who were airlifted to the UAE after sustaining critical injuries in the February earthquake.

Positive on outlook and long-term value creation

Burjeel Holding's has a strong positive outlook underpinned by its differentiated business model, world class facilities, and strategy to increase asset utilization and patient yield. With significant scope to ramp up its existing assets the group is uniquely positioned to deliver significant growth with a limited requirement for additional CAPEX.

The group is well positioned to benefit from the growth in medical tourism and the positive outlook for the healthcare sector in the UAE, given its unmatched capabilities in complex care specialties. Burjeel Holdings continues to invest in its capabilities enabling it to offer more complex procedures in the future and further differentiate the group from its regional peers.

Burjeel is currently pursuing international opportunities to provide operations and management services for healthcare facilities. The group's reputation as the preferred partner for managing complex healthcare units has led to invitations from both government and non-government bodies to manage their assets. This unlocks significant opportunities for Burjeel to expand its geographic footprint and enhance its growth prospects, in a CAPEX-lite manner.

FINANCIAL OVERVIEW

(Q1 2023 = Three month period to 31 March 2023)

AED millions	Q1 2023	Q1 2022	Change
Revenue	1,084.9	972.0	11.6%
EBITDA	241.6	213.0	13.4%
<i>EBITDA Margin %</i>	22.3	21.9	40bp
Net Profit for the Period	121.3	84.6	43.4%
<i>Net Profit Margin %</i>	11.2%	8.7%	250bp

AED millions	As at 31 Mar 23	As at 31 Mar 22	Change
Interest Bearing Loans and Borrowings	1,231.7	3,271.6	(62.4%)
Net Debt	1,059.9	3,181	(66.7%)

Results by Operating Segments

Revenue (AED millions)	Q1 2023	Q1 2022	Change
Hospitals	957.6	863.3	10.9%
Medical Centers	107.1	85.8	24.8%
Pharmacies	17.7	16.2	9.0%
Other	2.4	6.7	(63.8%)
Total Revenue	1,084.9	972.0	11.6%

EBITDA (AED millions)	Q1 2023	Q1 2022	Change
Hospitals	215.7	177.2	21.7%
Medical Centers	30.4	21.2	43.5%
Pharmacies	4.0	1.2	243.0%
Other	(8.6)	13.4	(171.4%)
Total EBITDA	241.6	213.0	13.4%

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About Burjeel Holdings

Founded in 2007, Burjeel Holdings is one of the leading private healthcare services providers in the MENA region. With a network of 61 assets, including 16 hospitals and 24 medical centers, as well as pharmacies and other allied services, the group provides the highest standard of patient care in the region. Burjeel Holdings' brands include Burjeel Hospitals, Medeor Hospitals, LLH Hospitals, Lifecare Hospitals, and Tajmeel. It has 12 JCI-accredited facilities, with a total 1,660 patient beds across its operations in UAE and Oman, and holds a leading position in the UAE. The Group has comprehensive cancer care facilities in the UAE, and is the country's leading mother and childcare provider.

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