

Burjeel Holdings PLC

**DIRECTORS' REPORT AND
CONSOLIDATED FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 DECEMBER 2025

Burjeel Holdings PLC

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2025

Burjeel Holdings PLC

DIRECTORS' REPORT

For the year ended 31 December 2025

The Directors of Burjeel Holdings PLC (the "Company") and its subsidiaries (collectively referred to as the "Group") have pleasure in submitting their report, together with the audited consolidated financial statements for the year ended 31 December 2025.

Principal activity

The principal activity of the Company is to act as a holding 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.

Results

	<i>2025</i>	<i>2024</i>
	<i>AED</i>	<i>AED</i>
Revenue	<u>5,486,455,591</u>	<u>5,010,081,537</u>
Total comprehensive income for the year	<u>502,638,931</u>	<u>360,325,487</u>

Directors

The Directors of the Company as of 31 December 2025 are as follows:

Dr. Shamsheer Vayalil Parambath *
Dr. Shabeena Yussufali **
Mr. Abdulmohsen Hamad A Alashri **
Mr. Abdul Wahab Al-Halabi **
Mr. Mohd Loay T A Abdelfattah *
Mr. Omran Mohammed Saleh Al Khoori *
Mr. Saif Ateeq Sultan Zayed Al Falahi **

* Reappointed in the Annual General Meeting of the Company on 14 April 2025.

** Appointed in the Annual General Meeting of the Company on 14 April 2025

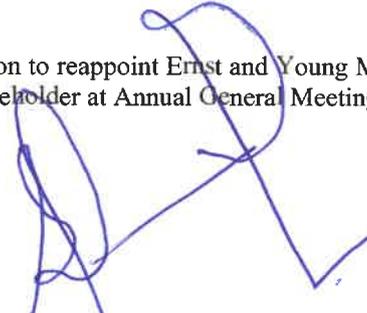
Directors' statement to the disclosure to auditors

As far as the Directors are aware, there is no relevant information of which the Group's auditors are unaware.

The Group's auditors have been provided with access to all information of which we are aware that is relevant to the preparation of consolidated financial statements.

Auditors

A resolution to reappoint Ernst and Young Middle East (ADGM Branch) as auditors for the ensuing year will be put to the shareholder at Annual General Meetings.



Dr. Shamsheer Vayalil Parambath
Chairman & Chief Executive Officer



Burjeel Holdings PLC

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025



**ERNST & YOUNG – MIDDLE EAST
(ADGM BRANCH)**
P.O. Box 136
Tamouh Tower, 16th Floor, Office No. 1603
Tamouh, Al Reem Island
Emirate of Abu Dhabi
United Arab Emirates

Tel: +971 2 417 4400
+971 2 627 7522
Fax: +971 2 627 3383
abudhabi@ae.ey.com
www.ey.com
ADGM Registered No. 000001136

INDEPENDENT AUDITOR’S REPORT TO THE SHAREHOLDERS OF BURJEEL HOLDINGS PLC

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Burjeel Holdings PLC (the “Company”) and its subsidiaries (collectively referred to as the “Group”), which comprise the consolidated statement of financial position as at 31 December 2025, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity, consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2025, its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (“ISAs”). Our responsibilities under those standards are further described in the *Auditor’s responsibilities for the audit of the consolidated financial statements* section of our report. We are independent of the Group in accordance with the *International Code of Ethics for Professional Accountants (including International Independence Standards)* (the “IESBA Code”) as applicable to audits of public interest entities, together with the ethical requirements that are relevant to our audit of the consolidated financial statements of public interest entities in the United Arab Emirates, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code together with the ethical requirements that are relevant to our audit of the consolidated financial statements in the Abu Dhabi Global Market (“ADGM”). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor’s responsibilities for the audit of the consolidated financial statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.



Shape the future
with confidence

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF

BURJEEL HOLDINGS PLC continued

Report on the Audit of the Consolidated Financial Statements continued

Revenue recognition

Revenue recognition is considered to be a key area of focus given that revenue is material and an important determinant of the Group's performance and profitability. The Group recognises revenue from a number of revenue streams relating to its healthcare segments including hospitals, medical centres, pharmacies revenues and revenue from hospital management contracts. Given the magnitude of the amount, volume of transactions and diversity of operations, we consider revenue recognition to be a key audit matter. During the year ended 31 December 2025, total revenue of the Group amounted to AED 5,486,455,591 (2024: AED 5,010,081,537) (note 3).

To address the above risk, we performed the following procedures among others:

- Reviewed the Group's revenue recognition policy as per IFRS 15, Revenue from contracts with customers and assessed its appropriateness and also reviewed the judgement relating to variable considerations;
- Understood the design of the internal controls surrounding the revenue recognition process;
- Performed substantive testing over transactions on a sample basis and tested their occurrence, accuracy and recognition, by tracing them back to supporting documents;
- Performed analytical procedures, to identify inconsistencies and/or unusual movements during the year;
- Performed cut-off procedures by selecting a sample of transactions before and after the year end to evaluate the recognition in the current reporting period;
- Tested journal entries on a sample basis, based on revenue related risk profiles (such as amounts, posting date, adjustments) to identify any instances of management override; and
- Evaluated the adequacy of disclosures relating to revenue.

Provision for expected credit losses

At 31 December 2025, gross trade receivables including unbilled receivables amounted to AED 3,252,002,606 (2024: AED 2,721,815,556) against which provision for expected credit loss ("ECL") of AED 1,068,697,972 (2024: AED 888,721,683) was recorded (note 12). The gross trade receivables represent 47% of the total assets presented in the consolidated financial statements. The Group assesses at each reporting date whether the financial assets carried at amortised cost are credit-impaired. Management has applied the simplified approach for measurement of ECL for trade receivables. The ECL model involves the use of various assumptions, historical trends relating to the Group's trade collections experience and other specific factors. The Group exercises significant judgement when determining both when and how much to record as the ECL.

We have considered ECL as key audit matter given the size of trade receivables and the identification of significant delays in the collection of trade receivables which results in the application of significant auditor judgement regarding the accounting estimates made by management in determining the ECL.

The Group's disclosures included in note 2 of the consolidated financial statements outline the accounting policies and significant estimates made and judgements applied for determining the ECL.



Shape the future
with confidence

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF

BURJEEL HOLDINGS PLC continued

Report on the Audit of the Consolidated Financial Statements continued

Provision for expected credit losses continued

We performed the following procedures in relation to the provision for expected credit losses:

- We obtained an understanding of the design of relevant controls over the measurement and determination of the allowance for ECL;
- We compared the ECL model developed by management against the requirements of IFRS 9 and reviewed the methodology against accepted best practice;
- We tested the arithmetical accuracy of the model;
- We performed procedures on individually significant balances, such as substantiating transactions with underlying documents, including inspecting contracts, tracing subsequent receipts to the bank statements and inspecting the underlying invoices, to obtain evidence for the existence and valuation of the recorded receivables;
- We tested key assumptions, such as those used to calculate the likelihood of default and the subsequent loss on default, by comparing to historical data;
- We compared the results of the output of the ECL model developed by management with our assessment of expected credit losses; and
- We assessed the disclosure in the consolidated financial statements relating to this matter against the requirements of International Financial Reporting Standards.

Other information

Other information consists of the information included in the Directors' report, other than the consolidated financial statements and our auditor's report thereon. We obtained the Directors' report prior to the date of our audit report and we expect to obtain the annual report after the date of our auditor's report. Management and those charged with governance are responsible for the other information.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the consolidated financial statements

The management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards and in compliance with the applicable provisions of the Company's Articles of Association, Companies Regulation 2020 of Abu Dhabi Global Market (ADGM), and for such internal control as the management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance is responsible for overseeing the Group's financial reporting process.



Shape the future
with confidence

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF

BURJEEL HOLDINGS PLC continued

Report on the Audit of the Consolidated Financial Statements continued

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Shape the future
with confidence

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF

BURJEEL HOLDINGS PLC continued

Report on the Audit of the Consolidated Financial Statements continued

Auditor's responsibilities for the audit of the consolidated financial statements continued

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, action taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

- i) the consolidated financial statements include, in all material respects, the applicable requirements of the Companies Regulations 2020 of ADGM; and
- ii) the financial information included in the Director's report is consistent with the books of account and records of the Group.

For and on behalf of Ernst & Young – Middle East (ADGM Branch)

Walid J Nakfour

4 March 2026
Abu Dhabi, United Arab Emirates

Burjeel Holdings PLC

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2025

	<i>Notes</i>	2025 AED	2024 AED
Revenue	3	<u>5,486,455,591</u>	<u>5,010,081,537</u>
Doctors' and employees' salaries and emoluments and other staff costs	4	(2,402,621,905)	(2,181,961,963)
Inventories consumed	11	(1,261,374,447)	(1,246,364,508)
Depreciation of property and equipment	8	(252,871,045)	(223,952,870)
Amortisation of intangible assets	9	(5,842,740)	(6,011,395)
Depreciation of right-of-use assets	18	(126,890,520)	(129,780,426)
Provision for expected credit losses	12 & 19	(178,828,916)	(102,749,138)
Other expenses	6	<u>(624,950,086)</u>	<u>(577,922,812)</u>
OPERATING PROFIT FOR THE YEAR		<u>633,075,932</u>	<u>541,338,425</u>
Loss on disposal of financial assets carried at fair value through profit or loss	22	-	(9,970,454)
Other income	3A	72,978,843	-
Share of (loss) profit from associates and joint ventures	21	(2,901,645)	16,705,504
Finance costs	5	<u>(162,417,342)</u>	<u>(149,141,497)</u>
PROFIT BEFORE TAX FOR THE YEAR		540,735,788	398,931,978
Income tax	29	<u>(38,096,857)</u>	<u>(38,606,491)</u>
PROFIT FOR THE YEAR		502,638,931	360,325,487
Other comprehensive income		<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>502,638,931</u>	<u>360,325,487</u>
Profit and total comprehensive income for the year attributable to:			
Equity holders of the Parent		475,272,382	347,458,342
Non-controlling interests	27	<u>27,366,549</u>	<u>12,867,145</u>
		<u>502,638,931</u>	<u>360,325,487</u>
<i>Earnings per share attributable to the equity holders of the Parent:</i>			
- basic and diluted earnings per share	26	<u>0.09</u>	<u>0.07</u>

The accompanying notes 1 to 31 form an integral part of these consolidated financial statements.

Burjeel Holdings PLC

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2025

	Notes	2025 AED	2024 AED
ASSETS			
Non-current assets			
Property and equipment	8	2,126,539,672	1,931,590,098
Intangible assets	9	20,419,707	16,029,401
Right-of-use assets	18	1,060,696,417	1,278,257,468
Capital work in progress	10	233,268,300	50,327,725
Goodwill	25	92,639,596	-
Investments in associates and joint ventures	21	32,827,345	30,569,179
Deferred tax assets	29	17,927,234	-
Term deposits		<u>2,552,500</u>	<u>2,552,500</u>
		3,586,870,771	3,309,326,371
Current assets			
Inventories	11	288,283,169	277,222,606
Accounts receivable and prepayments	12	2,480,254,430	2,032,497,509
Amounts due from related parties	19	20,929,199	21,493,157
Cash and short-term deposits	13	<u>280,833,867</u>	<u>238,196,268</u>
		3,070,300,665	2,569,409,540
TOTAL ASSETS		6,657,171,436	5,878,735,911
EQUITY AND LIABILITIES			
Equity			
Share capital	14(a)	520,513,417	520,513,417
Share premium	14(b)	366,854,049	366,854,049
Other reserve	14(c)	3,039,504	3,039,504
Shareholder's contribution	14(d)	3,556,305	3,556,305
Retained earnings		<u>1,203,291,251</u>	<u>898,018,869</u>
Equity attributable to equity holders of the parent		2,097,254,526	1,791,982,144
Non-controlling interests	27	<u>67,941,994</u>	<u>50,338,738</u>
Total equity		2,165,196,520	1,842,320,882
Non-current liabilities			
Interest bearing loans and borrowings	16	1,489,046,895	877,081,001
Lease liabilities	18	1,068,229,040	1,344,437,110
Employees' end of service benefits	15	<u>197,991,959</u>	<u>168,181,211</u>
		2,755,267,894	2,389,699,322
Current liabilities			
Accounts payable and accruals	17	1,057,694,069	1,100,801,238
Lease liabilities	18	123,066,629	111,078,336
Interest bearing loans and borrowings	16	428,980,464	331,367,148
Income tax payable	29	56,824,938	38,064,648
Amounts due to related parties	19	<u>70,140,922</u>	<u>65,404,337</u>
		1,736,707,022	1,646,715,707
Total liabilities		4,491,974,916	4,036,415,029
TOTAL EQUITY AND LIABILITIES		6,657,171,436	5,878,735,911

Dr. Shamsheer Vayalil Parambath
Chairman & Chief Executive Officer

Mr. Muhammed Shihabuddin
Chief Financial Officer

The accompanying notes 1 to 31 form an integral part of these consolidated financial statements.

Burjeel Holdings PLC

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2025

	<i>Attributable to the Equity holders of the parent</i>						<i>Non-controlling interest</i> AED	<i>Total equity</i> AED
	<i>Share capital</i> AED	<i>Share premium</i> AED	<i>Other reserve</i> AED	<i>Shareholder's contribution</i> AED	<i>Retained earnings</i> AED	<i>Total</i> AED		
At 1 January 2024	520,513,417	366,854,049	3,039,504	3,553,665	615,624,704	1,509,585,339	47,471,593	1,557,056,932
Profit for the year	-	-	-	-	347,458,342	347,458,342	12,867,145	360,325,487
Total comprehensive income for the year	-	-	-	-	347,458,342	347,458,342	12,867,145	360,325,487
Dividend paid to non-controlling interest (note 7)	-	-	-	-	-	-	(10,000,000)	(10,000,000)
Dividend paid to shareholders of the Company (note 7)	-	-	-	-	(65,064,177)	(65,064,177)	-	(65,064,177)
Additional contribution	-	-	-	2,640	-	2,640	-	2,640
At 31 December 2024	<u>520,513,417</u>	<u>366,854,049</u>	<u>3,039,504</u>	<u>3,556,305</u>	<u>898,018,869</u>	<u>1,791,982,144</u>	<u>50,338,738</u>	<u>1,842,320,882</u>
At 1 January 2025	520,513,417	366,854,049	3,039,504	3,556,305	898,018,869	1,791,982,144	50,338,738	1,842,320,882
Profit for the year	-	-	-	-	475,272,382	475,272,382	27,366,549	502,638,931
Total comprehensive income for the year	-	-	-	-	475,272,382	475,272,382	27,366,549	502,638,931
Dividend paid to non-controlling interest (note 7)	-	-	-	-	-	-	(15,000,000)	(15,000,000)
Dividend paid to shareholders of the Company (note 7)	-	-	-	-	(170,000,000)	(170,000,000)	-	(170,000,000)
Acquired through business combination (note 25)	-	-	-	-	-	-	5,236,707	5,236,707
At 31 December 2025	<u>520,513,417</u>	<u>366,854,049</u>	<u>3,039,504</u>	<u>3,556,305</u>	<u>1,203,291,251</u>	<u>2,097,254,526</u>	<u>67,941,994</u>	<u>2,165,196,520</u>

The accompanying notes 1 to 31 form an integral part of these consolidated financial statements.

Burjeel Holdings PLC

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 December 2025

	<i>Notes</i>	<i>2025</i> <i>AED</i>	<i>2024</i> <i>AED</i>
OPERATING ACTIVITIES			
Profit before tax for the year		540,735,788	398,931,978
Adjustments for:			
Depreciation of property and equipment	8	252,871,045	223,952,870
Amortisation of intangible assets	9	5,842,740	6,011,395
Depreciation of right-of-use assets	18	126,890,520	129,780,426
Provision for expected credit losses	12 & 19	178,828,916	102,749,138
Loss on disposal of financial assets carried at fair value through profit or loss	22	-	9,970,454
Share of (loss) profit from investments in associates and joint ventures	21	2,901,645	(16,705,504)
Provision for employees' end of service benefits	15	56,805,905	43,579,041
Write back of liabilities		-	(6,000,000)
Lease adjustment		(3,387,448)	67,272
Gain on disposal of property and equipment		(115,164)	(497,879)
Gain on termination of lease agreement	3A	(71,791,343)	-
Gain on settlement of derivative financial instrument	24A	-	(12,075,467)
Finance costs	5	<u>162,417,342</u>	<u>149,141,497</u>
		1,251,999,946	1,028,905,221
Working capital changes:			
Inventories		(9,476,517)	(15,950,378)
Accounts receivable and prepayments		(606,604,253)	(505,216,322)
Amounts due from related parties		4,308,476	2,499,991
Accounts payable and accruals		(65,662,686)	77,437,542
Amounts due to related parties		<u>129,450</u>	<u>25,737,309</u>
Cash generated from operations		574,694,416	613,413,363
Employees' end of service benefits paid	15	(29,214,195)	(26,514,930)
Income tax paid	29	(37,263,801)	(541,843)
Finance costs paid		<u>(106,104,632)</u>	<u>(86,838,090)</u>
Net cash flows from operating activities		<u>402,111,788</u>	<u>499,518,500</u>
INVESTING ACTIVITIES			
Purchase of property and equipment	8	(415,015,243)	(214,635,285)
Additions to intangible assets	9	(3,583,672)	(3,076,117)
Additions to capital work in progress	10	(165,926,524)	(37,386,748)
Proceeds from sale of property and equipment		772,556	1,029,995
Proceeds from sale of financial assets carried at fair value through profit or loss	22	-	26,891,608
Investments in associates and joint ventures		(23,159,811)	-
Net cash paid on acquisition of subsidiaries	25	(107,864,745)	-
Dividend income received from associate	21	<u>18,000,000</u>	<u>14,800,000</u>
Net cash flows used in investing activities		<u>(696,777,439)</u>	<u>(212,376,547)</u>

Burjeel Holdings PLC

CONSOLIDATED STATEMENT OF CASH FLOWS continued

For the year ended 31 December 2025

	<i>Notes</i>	2025 AED	2024 AED
FINANCING ACTIVITIES			
Net movement in share contribution		-	2,640
Dividend paid to shareholders of the Company	7	(170,000,000)	(65,064,177)
Payment of lease liabilities	18	(185,081,532)	(170,018,829)
Dividend paid to non-controlling interests	7	(15,000,000)	(10,000,000)
Net movement in margin account		(54,420)	-
Settlement of derivative financial instrument	24A	-	(18,320,538)
Proceeds from interest-bearing loans and borrowings		1,037,536,083	466,171,580
Repayment of interest-bearing loans and borrowings		<u>(330,151,301)</u>	<u>(421,721,337)</u>
Net cash flows from (used in) financing activities		<u>337,248,830</u>	<u>(218,950,661)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS		42,583,179	68,191,292
Cash and cash equivalents at 1 January		<u>234,368,540</u>	<u>166,177,248</u>
CASH AND CASH EQUIVALENTS AT 31 DECEMBER	13	<u>276,951,719</u>	<u>234,368,540</u>

The accompanying notes 1 to 31 form an integral part of these consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

At 31 December 2025

1 ACTIVITIES

Burjeel Holdings PLC (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.

On 10 October 2022, the Company listed 11% of its share capital on Abu Dhabi Securities Exchange (“ADX”) as part of Initial Public Offering (“IPO”) (Note 14(a)).

Subsequent to the IPO, the shareholding of the Company is as follows:

VPS Healthcare Holdings PVT. Ltd	70.0%
Quant Lase Lab LLC	14.4%
SYA Holdings PVT. Ltd.	5.0%
Publicly traded	10.6%

The name of the Parent Company is VPS Healthcare Holdings PVT. Ltd, which is owned by Dr. Shamsheer Vayallil Parambath.

The consolidated financial statements were approved by the Board of Directors and authorized for issuance on 4 March 2026.

2.1 STATEMENT OF COMPLIANCE

The consolidated financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (“IFRSs”) and in compliance with the applicable provisions of the Companies Regulations 2020 of Abu Dhabi Global Market (ADGM).

The consolidated financial statements have been presented in United Arab Emirates Dirhams (“AED”), which is the functional currency of the Company and the presentational currency of the Group.

During the year, the Group has reclassified certain comparative amounts to conform to the presentation as in the current year. These reclassifications were mainly relating to inventories consumption and doctors' and employees' salaries and emoluments and other staff costs to other expenses amounting to AED 40,638,776. These reclassifications have no impact on the total assets, total liabilities, total equity and profit of the Group.

The consolidated financial statements have been prepared under the historical cost basis.

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The accounting policies adopted are consistent with those of the previous financial year, except for the adoption of the following new standards, interpretations and amendments effective as of 1 January 2025. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

- Lack of exchangeability - Amendments to IAS 21

These amendments had no significant impact on the consolidated financial statements of the Group. The Group intends to use the practical expedients in future periods if they become applicable.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

At 31 December 2025

2.3 STANDARDS ISSUED BUT NOT YET EFFECTIVE

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Group's consolidated financial statements are disclosed below. The Group intends to adopt these new and amended standards and interpretations, if applicable, when they become effective.

- Amendments to the Classification and Measurement of Financial Instruments—Amendments to IFRS 9 and IFRS 7
- Annual Improvements to IFRS Accounting Standards - Volume 11
- Contracts Referencing Nature-dependent Electricity – Amendments to IFRS 9 and IFRS 7
- IFRS 18 Presentation and Disclosure in Financial Statements
- IFRS 19 Subsidiaries without Public Accountability: Disclosures

The Group does not expect that the adoption of these new and amended standards and interpretations, other than IFRS 18 will have a material impact on its consolidated financial statements. The Group is currently working to identify all the potential impacts of IFRS 18 on its consolidated financial statements in the future.

2.4 BASIS OF CONSOLIDATION

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at 31 December each year. 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 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.

2.4 BASIS OF CONSOLIDATION continued

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.

Details of the Company's significant operating subsidiaries 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 Royal Hospital Al Sharej (formerly Burjeel Farha Hospital L.L.C)	100%	UAE	Health care services
Burjeel Farha Pharmacy LLC (formerly Medeor International Pharmacy LLC)	100%	UAE	Pharmacy
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 Day Surgery Centre Shahama 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
LLH Oasis Medical Centre LLC	100%	UAE	Health care services
LLH Oasis Pharmacy LLC	100%	UAE	Pharmacy
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 Hospital for Advanced Surgery LLC	100%	UAE	Health care services
Burjeel Specialty Hospital LLC	100%	UAE	Health care services
Claims Care Revenue			Provision of services
Cycle Management Office LLC	100%	UAE	within the Group
LLH Hospital LLC	100%	UAE	Health care services
LLH Hospital Pharmacy LLC	100%	UAE	Health care services
Tajmeel Cosmo Clinic LLC	100%	UAE	Health care services
Nuryana Beauty And Wellness Clinic LLC (formerly Tajmeel Royal Clinic LLC)	100%	UAE	Health care services
Tajmeel Royal Pharmacy LLC	100%	UAE	Health care services
Burjeel Medical Centre Kids Park LLC (formerly Tajmeel Kids Park Medical Centre LLC)	100%	UAE	Health care services
Tajmeel Specialized Medical Centre LLC	100%	UAE	Health care services

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

At 31 December 2025

2.4 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 Specialized Medical Centre LLC - Branch	100%	UAE	Health care services
Tajmeel Royal Dental Clinic LLC	100%	UAE	Health care services
Burjeel Pharmacy Forsan Central Mall LLC	100%	UAE	Health care services
Burjeel Drug Store LLC (formerly 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 services within the Group
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 Medical Centre Al Musaffah LLC- Branch 1	100%	UAE	Health care services
LLH Medical Centre Al Musaffah LLC- Branch 3	100%	UAE	Health care services
LLH Pharmacy Al Musaffah LLC	100%	UAE	Health care services
Lifecare Hospital LLC	50%	UAE	Health care services
Lifecare Hospital LLC-Branch-1	50%	UAE	Health care services
LLH Pharmacy LLC	100%	UAE	Health care services
Lifecare International Pharmacy LLC	50%	UAE	Health care services
Lifecare International Pharmacy LLC-Branch-1	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 services within the Group
Medeor 24x7 Hospital LLC	100%	UAE	Health care services
Medeor 24x7 Pharmacy LLC	100%	UAE	Health care services
Medeor 24x7 Hospital LLC	100%	UAE	Health care services
Burjeel Medical Centre Al Marina (formerly Marina Healthcare Promotion LLC)	100%	UAE	Health care services
Integrated Medical Care Services Company	50%	KSA	Health care services
Burjeel Gulf Medical Care Company	100%	KSA	Health care services
LLH Medical Centre LLC	100%	UAE	Health care services
LLH Medical Centre LLC – Branch	100%	UAE	Health care services
LLH Clinic LLC – Branch	100%	UAE	Health care services
LLH Clinic LLC – Branch	100%	UAE	General medicine
Lifecare Clinic LLC – Branch	50%	UAE	Health care services
Burjeel Darak Management LLC	100%	UAE	Management Office
Burjeel Judiciary Medical Centre LLC	100%	UAE	Health care services
Burjeel Judiciary Pharmacy LLC	100%	UAE	Health care services
Co Lab Services LLC	100%	UAE	Medical Analysis
Burjeel Retail Pharmacy LLC (formerly Burjeel Pharmacy Al Dhafra LLC)	100%	UAE	Health care services
Burjeel Retail Pharmacy LLC – Branch	100%	UAE	Health care services
Burjeel Retail Pharmacy LLC - Branch	100%	UAE	Health care services
Burjeel Retail Pharmacy LLC - Branch	100%	UAE	Health care services
Burjeel Retail Pharmacy LLC - Branch	100%	UAE	Health care services
Burjeel Retail Pharmacy LLC - Branch	100%	UAE	Health care services
Burjeel Retail Pharmacy LLC - Branch	100%	UAE	Health care services
Burjeel Retail Pharmacy LLC - Branch	100%	UAE	Health care services
Burjeel Retail Pharmacy LLC - Branch	100%	UAE	Health care services
Burjeel Retail Pharmacy LLC - Branch	100%	UAE	Health care services
Burjeel Retail Pharmacy LLC - Branch	100%	UAE	Health care services

Burjeel Holdings PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

At 31 December 2025

2.4 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			
Burjeel Retail Pharmacy LLC - Branch	100%	UAE	Health care services
Burjeel Retail Pharmacy LLC - Branch	100%	UAE	Health care services
Burjeel Day Surgery Centre Al Dhafra LLC	100%	UAE	Health care services
Burjeel Day Surgery Centre Barari LLC	100%	UAE	Health care services
Burjeel Clinic Airport - LLC	100%	UAE	Health care services
Trust Fertility Clinic LLC	90%	UAE	Enrichment and treatment of infertility
Imed Solutions Private Limited	100%	India	Health care services
Burjeel One Day Surgery Medical Company	100%	KSA	Health care services
LLH Medical Centre Al Ain LLC**	100%	UAE	Medical complex
LLH Medical Centre Al Dhafra LLC**	100%	UAE	Medical complex
LLH Medical Centre Al Najda LLC**	100%	UAE	Medical complex, professional safety, health consultancy and primary health
Medeor Medical Centre - L.L.C**	100%	UAE	Medical complex, onshore and offshore and gas fields and facilities services and management of medical facilities
Burjeel Medical Centre Al Falah LLC*	100%	UAE	Medical complex
Burjeel Pharmacy Al Falah LLC*	100%	UAE	Pharmacy
Burjeel Medical Centre Al Riyadh LLC*	100%	UAE	Medical complex
Burjeel Medical Centre Saadiyat L.L.C*	100%	UAE	Medical complex
Burjeel Pharmacy Al Saadiyat L.L.C*	100%	UAE	Pharmacy
LLH Al Razeen Clinic - L.L.C*	100%	UAE	General medicine
LLH Pharmacy Al Razeen - L.L.C*	100%	UAE	Pharmacy
Operonix Operation And Management LLC*	100%	UAE	Management services of companies and private institutions, project management services, management of medical facilities and management office.
Advanced Care Oncology Center L.L.C**	80%	UAE	Oncology clinic
LLH Medical Centre Al Noud L.L.C*	100%	UAE	Medical complex
LLH Clinic - L.L.C*	100%	UAE	General medicine
Al Mokhtas Center for Physical Therapy**	100%	KSA	Health care services
Burjeel Medical Centre Ghayathi L.L.C*	100%	UAE	Medical complex
Burjeel Pharmacy Ghayathi L.L.C*	100%	UAE	Pharmacy
Burjeel Dental Laboratory LLC	100%	UAE	Teeth Manufacturing & Compensation Lab
Burjeel One Day Surgery AlRawabi Company*	100%	KSA	Health care services
Therapeutic Triangle Company Limited (physiotrio)**	100%	KSA	Health care services
Validity Medical Services Company**	100%	KSA	Poly Clinic
Claims Care Company*	100%	KSA	Health care services
Burjeel Management Pvt. Ltd.	100%	UAE	Intermediary Holding Company

* These entities have started operations during the year.

** These entities have been acquired during the year.

98% of the beneficial ownership of the above subsidiaries are owned by the Company and 2% is owned by the Burjeel Management Pvt. Ltd. which is a 100% subsidiary of the Company.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

At 31 December 2025

2.4 BASIS OF CONSOLIDATION continued

	<i>Beneficiary ownership percentage</i>	<i>Place of incorporation</i>	<i>Principal activities</i>
List of associates			
First IVF Fertility Centre LLC	30%	UAE	Health care services
International Knee & Joint Centre LLC	40%	UAE	Health care services
List of joint ventures			
Al Kalma Holdings Pvt. Ltd.*	50%	UAE	Holding ownership of equity and non-equity assets, including shares, debentures, bonds, other forms of security and holding ownership of real property, intellectual property, other tangible and intangible assets
Docktour Medicargo Services LLC*	50%	UAE	Import and export of goods, and the provision of multimodal logistics services, including marine and air shipment services, cargo packaging, customs clearance, and warehouse management. The business also undertakes general trading and wholesale/retail of medical, laboratory, and cosmetic equipment and supplies, along with installation, maintenance, and repair service, healthcare and commercial enterprise investment and management, medical equipment operations and therapeutic services brokerage through electronic platforms.

* These entities have started operations during the current year.

2.5 SIGNIFICANT ACCOUNTING ESTIMATES AND ASSUMPTIONS

The preparation of these consolidated financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures and the disclosure of contingent liabilities at the reporting date. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the assets or liabilities affected in future periods.

Estimates and their underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised.

The key judgments, estimates and assumptions that have a significant impact on the consolidated financial statements of the Group are discussed below:

Judgments

Business combinations

Accounting for the acquisition of a business requires the allocation of the purchase price to the various assets and liabilities of the acquired business. For most assets and liabilities, the purchase price allocation is accomplished by recording the asset or liability at its estimated fair value. Determining the fair value of assets acquired and liabilities assumed requires judgment by management and often involves the use of significant estimates and assumptions, including assumptions with respect to future cash inflows and outflows, discount rates, the useful lives of assets and market multiples. The Group's management uses all available information to make these fair value determinations.

2.5 SIGNIFICANT ACCOUNTING ESTIMATES AND ASSUMPTIONS continued

Judgments continued

Business combinations continued

Determining the lease term of contracts with renewal and termination options – the Group as lessee

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The Group has lease contracts that include extension and termination options. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

The Group typically exercises its option to renew for these leases because on the previous experience and the future intention of the management to continue, significant negative effect on production if a replacement asset is not readily available. The renewal periods for leases of hospital, medical centres, pharmacies and stores with a shorter lease period (i.e., <5 years) are included as part of the extended lease term as these are reasonably certain to be exercised.

The lease term is reassessed if an option is actually exercised (or not exercised) or the Group becomes obliged to exercise (or not exercise) it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstances occurs, which affects this assessment, and that is within the control of the lessee.

Identifying performance obligations

At inception of the contract with customers, the Group assesses the performance obligations embedded in the contracts. Based on the assessment, the Group has concluded that sale of goods and healthcare services is generally expected to be the performance obligation. Management considers other incidental services are integral part of healthcare services and not capable of being distinct in the context of contract with the customers. There are no other performance obligations or benefits derived by the customers from the contracts.

Determining method to estimate variable consideration and assessing the constraint

The contracts for the sale of goods include a right of return and discounts that give rise to variable consideration, primarily relating to pharmacy business. In estimating the variable consideration, the Group is required to use either the expected value method or the most likely amount method based on which method better predicts the amount of consideration to which it will be entitled. The Group determined that the expected value method is the appropriate method to use in estimating the variable consideration for the sale of goods with rights of return, given the large number of customer contracts that have similar characteristics. Before including any amount of variable consideration in the transaction price, the Group considers whether the amount of variable consideration is constrained. The Group determined that the estimates of variable consideration are not constrained based on its historical experience, business forecast and the current economic conditions.

Determining transaction price and allocation

The Group considers the terms of the contract and its customary business practices to determine the transaction price. The transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring promised services to a customer. The Group assesses whether, the services are distinct or capable of being distinct within the content of the contracts. The Group has concluded that the services are substantially the same and have the same pattern of transfer to the customers.

Some contracts include disallowances for medical and non-medical reasons. As these transaction prices are not deemed to be collectible the transaction price must be allocated to the performance obligations on a relative stand-alone collectible basis. Management estimates the stand-alone selling price at contract inception based on observable prices likely to be provided and the services rendered in similar circumstances to similar customers. If a discount is granted, it is allocated to both performance obligations based on their relative stand-alone selling prices.

2.5 SIGNIFICANT ACCOUNTING ESTIMATES AND ASSUMPTIONS continued

Judgments continued

Transfer of control in contracts with customers

In cases where the Group determines that performance obligations are satisfied at a point in time, revenue is recognised when control over the asset that is the subject of the contract is transferred to the customer or benefits of the services being provided is received and consumed by the customer.

Consideration of significant financing component in a contract

Using the practical expedient in IFRS 15, the Group does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between the transfer of the promised good or service to the customer and when the customer pays for that good or service will be one year or less. The Group concluded that there is no significant financing component for those contracts where the customer elects to pay in advance considering the length of time between the customer's payment and the transfer of goods to the customer.

Principal versus agent considerations (judgement relating to revenue recognition)

The Group has determined that it is acting as Principal in these arrangements as it has the responsibility for providing the medical services to the patient, it acts as the primary obligator, and it bears the risk of providing the medical service.

Consolidation of subsidiaries, including entities in which the Group holds 50% of the beneficial ownership

The Group has evaluated all the investee entities to determine whether it controls the investee as per the criteria laid out by IFRS 10 Consolidated Financial Statements. The Group has evaluated, amongst other things, its ownership interest, the contractual arrangements in place and its ability and the extent of its involvement with the relevant activities of the investee entities to determine whether it controls the investee.

The Group considers that it controls certain entities with a beneficial holding of 50% (as mentioned in note 2.4) even though it owns only 50% of the voting rights. The Group has contractual arrangements in place that provides it with control through existing rights that give the current ability to direct the relevant activities of the investee that significantly affect the returns of the investee. The general manager, who is responsible for managing the affairs of the investee, is appointed by the Group.

Use of estimates and assumptions

The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. However, existing circumstances and assumptions about future developments may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur. Certain of these accounting policies require critical accounting estimates that involve complex and subjective judgments and the use of assumptions, some of which may be for matters that are inherently uncertain and susceptible to change. Such critical accounting estimates could change from period to period and have a material impact on the Group's results of operations, consolidated financial positions and cash flows.

Impairment of inventories

Inventories are held at the lower of cost and net realizable value. When inventories become old or obsolete, an estimate is made of their net realisable value. For individually significant amounts this estimation is performed on an individual basis. Amounts which are not individually significant, but which are old or obsolete, are assessed collectively and a provision applied according to the inventory type and the degree of ageing or obsolescence, based on historical selling prices.

At the reporting date gross inventories were AED 288,283,169 (2024: AED 277,222,606) with no provision for slow moving or obsolete items (2024: nil). Any difference between the amounts actually realised in future periods and the amounts expected will be recognised in the consolidated statement of comprehensive income.

2.5 SIGNIFICANT ACCOUNTING ESTIMATES AND ASSUMPTIONS continued

Use of estimates and assumptions continued

Estimated useful lives of property and equipment

The Group's management determines the estimated useful lives of its property and equipment for calculating depreciation. The cost of property and equipment is depreciated over the estimated useful life, which is based on the expected usage of the asset, expected physical wear and tear, and the repairs and maintenance program and the residual value. The Group reviews the estimated useful lives of property and equipment at the end of each annual reporting period and any changes to the estimated useful life is adjusted prospectively. The residual values have not been considered as they are deemed immaterial.

Useful lives of right-of-use assets

The Group's management determines the estimated useful lives of its right-of-use assets for calculating amortisation. The cost of right-of-use assets are amortised over the estimated useful lives of the assets, which is based on shorter of the lease term and the estimated useful lives of the assets. The Group reviews the estimated useful lives of right-of-use assets at the end of each annual reporting period. Any change in the lease term or pattern of consumption of these assets are adjusted prospectively.

Impairment of non-financial assets

The Group assesses whether there are any indicators of impairment for all non-financial assets at each reporting date. The non-financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable. An impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs to sell and its value in use. The fair value less costs to sell calculation is based on available data from binding sales transactions in arm's length transactions of similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a discounted cash flow model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance of the cash generating units being tested. The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

Provision for expected credit losses

The Group assesses the impairment of its financial assets based on the Expected Credit Loss ("ECL") model. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms. Under the expected credit loss model, the Group accounts for expected credit losses and changes in those expected credit losses at the end of each reporting period to reflect changes in credit risk since initial recognition of the financial assets.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns (i.e., by customer type). The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions are expected to deteriorate over the next year which can lead to an increased number of defaults, the historical default rates are adjusted. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

2.5 SIGNIFICANT ACCOUNTING ESTIMATES AND ASSUMPTIONS continued

Use of estimates and assumptions continued

The Group measures the expected credit losses of a financial instrument in a way that reflects:

- an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- the time value of money; and
- reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

Leases – Estimating the incremental borrowing rate

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group 'would have to pay', which requires estimation when no observable rates are available (such as for subsidiaries that do not enter into financing transactions) or when they need to be adjusted to reflect the terms and conditions of the lease (for example, when leases are not in the subsidiary's functional currency). The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates (such as the subsidiary's stand-alone credit rating). The Group's uses IBR ranging from 4.33% to 5.75% (2024: 4.33% to 5.75%).

Fair value of financial instruments

When the fair value of financial assets and financial liabilities recorded in the consolidated statement of financial position cannot be derived from active markets, their fair value is determined using valuation techniques including the discounted cash flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. The judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Provision for employees' end of service benefits

An actuarial valuation is not considered necessary by management in respect of employees' end of service benefits as the net impact of the discount rate and future salary and benefits level on the present value of the benefits obligation are not expected to be significant.

Rejections on medical services

In the Middle East, the normal business process associated with transactions with insurers includes a number 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 accept and expect an amount of consideration that is less than what was originally invoiced. These write-offs 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).

2.6 MATERIAL ACCOUNTING POLICY INFORMATION

Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, which is measured at acquisition date fair value, and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets.

The Group determines that it has acquired a business when the acquired set of activities and assets include an input and a substantive process that together significantly contribute to the ability to create outputs. The acquired process is considered substantive if it is critical to the ability to continue producing outputs, and the inputs acquired include an organised workforce with the necessary skills, knowledge, or experience to perform that process or it significantly contributes to the ability to continue producing outputs and is considered unique or scarce or cannot be replaced without significant cost, effort, or delay in the ability to continue producing outputs.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value, except that:

- deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with IAS 12 Income Taxes and IAS 19 Employee Benefits, respectively;
- liabilities or equity instruments related to share-based payment arrangements of the acquiree are measured in accordance with IFRS 2 Share-based Payment at the acquisition date; and
- assets (or disposal groups) that are classified as held for sale in accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that Standard.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of IFRS 9 Financial Instruments, is measured at fair value with the changes in fair value recognised in the consolidated statement of comprehensive income in accordance with IFRS 9. Other contingent consideration that is not within the scope of IFRS 9 is measured at fair value at each reporting date with changes in fair value recognised in consolidated statement of comprehensive income.

Goodwill is initially measured at cost (being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests and any previous interest held over the net identifiable assets acquired and liabilities assumed). If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in consolidated statement of comprehensive income. To determine the amount of goodwill where no consideration is transferred, the Group uses the acquisition date fair values of its interest in the acquiree's net assets.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis. Other types of non-controlling interests are measured at fair value or, when applicable, on the basis specified in another IFRS.

2.6 MATERIAL ACCOUNTING POLICY INFORMATION continued

Business combinations and goodwill continued

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill has been allocated to a cash-generating unit (CGU) and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised at that date.

Key assumptions used in calculating value in use included discount rate of 17.00% per annum and long-term average growth rate of 4.00%.

Investments in associates and joint ventures

An associate is an entity over which the Group has significant influence that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but has no control or joint control over those policies.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control. The considerations made in determining significant influence or joint control are similar to those necessary to determine control over subsidiaries.

The Group's investments in its joint venture and associate are accounted for using the equity method. Under the equity method, the investment in a joint venture or associate is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the joint venture or associate since the acquisition date. Goodwill relating to the joint venture or associate is included in the consolidated carrying amount of the investment and goodwill is neither amortised nor individually tested for impairment.

The consolidated statement of profit or loss reflects the Group's share of the results of operations of the joint ventures and associate. Any change in other comprehensive income of those investees is presented as part of the Group's other comprehensive income.

In addition, when there has been a change recognised directly in the equity of the joint venture or associate, the Group recognises its share of any changes, when applicable, in the consolidated statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the joint venture or associate are eliminated to the extent of the interest in the joint venture or associate.

2.6 MATERIAL ACCOUNTING POLICY INFORMATION continued

Investments in associates and joint ventures continued

The aggregate of the Group's share of profit or loss of a joint venture or associate is shown on the face of the consolidated statement of profit or loss outside operating profit. The financial statements of the joint venture and associate are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its joint venture or associate. At each reporting date, the Group determines whether there is objective evidence that the investment in the joint venture or associate is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the joint venture or associate and its carrying value, and then recognises the loss in the consolidated statement of profit or loss.

Upon loss of joint control over the joint venture or associate, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the joint venture or associate upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognised in consolidated statement of profit or loss.

If the ownership interest in a joint venture or associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

Revenue from customers

The Group is mainly engaged in providing medical, healthcare and polyclinic services and sale of medicines.

Revenue from customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment, historical collections, rejection rates and excluding taxes and duty. Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue and costs, if applicable, can be measured reliably. The Group assesses its revenue arrangements against specific criteria to determine if it is acting as principal or agent. The Group has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer.

The Group provides inpatient and outpatient services. Revenue from providing services is recognised in the accounting period in which the services are rendered. The fees for services include charges for doctors' consultancy fees, room rent, radiology, laboratory, and pharmaceutical items used. Revenues are measured at the transaction price which is the amount of consideration that the Group expects to be entitled to in exchange for the services provided. A performance obligation is a promise to transfer distinct goods and services to a customer. Hospital services provided to patients are regarded as a bundle of services which comprise accommodation, meals, theatre time, use of equipment, pharmacy stock and nursing services. This is considered to be a single performance obligation as the medical procedures cannot be performed without one of the above elements. Revenue is recorded during the period in which the hospital service is provided and is based on the amounts due from patients and/or medical insurers. Fees are calculated and billed based on various tariff agreements with insurers/customers.

Normal business process associated with transactions with insurers includes a number of claims disallowed (disallowance provision) which is not paid by the insurer. These disallowed claims could be for various technical or medical reasons. Disallowance write-offs on rejected claims is a general practice by the insurers in the Middle East. Accordingly, the Group expects an amount of consideration that is less than what was originally invoiced. These write-offs 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.

2.6 MATERIAL ACCOUNTING POLICY INFORMATION continued

Revenue from customers continued

The Group does not expect to have any contracts where the period between the transfer of the promised service to the patient and the payment by the patient exceeds one year. Consequently, the Group does not adjust any of the transaction prices for time value of money.

Sale of goods – pharmacy

The Group operates a chain of pharmacies selling medical inventories. Revenue from the sale of goods is recognised when the Group sells a product to the customer. Payment of the transaction price is due immediately when the customer purchases the medical inventories and takes delivery in a store, at which the right to consideration becomes unconditional.

Revenue from operations and management

Income from operations and management represent the services rendered for the management of customer's clinics and medical centers. This income is recognised on a time apportionment basis.

i) Variable consideration

If the consideration in a contract includes a variable amount, the Group estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. Certain contracts with customers provide customers with a right of return and discounts. The rights of return and discounts give rise to variable consideration.

Sale contracts provide a customer with a right to return the goods within a specified period. The Group uses the 'expected value method' to estimate the goods that will be returned because this method best predicts the amount of variable consideration to which the Group will be entitled. The requirements in IFRS 15 on constraining estimates of variable consideration are also applied in order to determine the amount of variable consideration that can be included in the transaction price.

For goods that are expected to be returned, instead of revenue, the Group recognises a refund liability. A right of return asset (and corresponding adjustment to cost of goods sold) is also recognised for the right to recover products from a customer. However, considering the historical experience and pattern of subsequent returns, which were not significant, the Group has not recognised a refund liability and right to recover/return assets.

(ii) Significant financing component

Using the practical expedient in IFRS 15, the Group does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between the transfer of the promised good or service to the customer and when the customer pays for that good or service will be one year or less. The Group does not receive any long terms advances from customers in relation to its revenue arrangements.

2.6 MATERIAL ACCOUNTING POLICY INFORMATION continued

Revenue from customers continued

(iii) Non-cash consideration

The Group does not receive any non-cash considerations.

Rental income

Rental income is recognised on a straight-line basis over the term of the lease and presented as part of revenue due to its operating nature. The Group does not transfer substantially all the risks and rewards incidental to ownership of the asset leased out and accordingly these lease contracts are classified as operating leases. Contingent rents are recognised as revenue in the period in which they are earned.

Claim submission process

Initial submission

On provision of healthcare services, the Group has period of 30 to 45 days for submitting claims to the insurance companies. Services are submitted in accordance with the submission guidance set out by Department of Health (“DOH”), which includes submission per encounter under one claim.

Claims are submitted through Shafafiya, Dubai Health Post Office (“DHPO”) or Riyati portal which are managed by the regulators.

On submission of the claim, the insurance companies have the right to process and accept or reject the claim within 90 calendar days. In case of rejection, insurance company will specify the reason for the rejection which will entitle the Group for resubmission.

Resubmission

All disputed claims need resubmission to the insurance companies within 45 calendar days from the date of receipt of payment and / or receipt of payment advice and the insurance companies have the right to process and accept or reject the claim within 90 calendar days. In case of rejection, insurance company will specify the reason for rejections which will entitle the Group for resubmission.

The Group is permitted to resubmit disputed claims up to maximum of 2 times.

Payment terms

Upon processing of complete and accurate claim, insurance company is required to make payment for the healthcare services, within 30 to 45 calendar days for various products.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in the consolidated statement of comprehensive income in the year in which they are incurred.

2.6 MATERIAL ACCOUNTING POLICY INFORMATION continued

Property and equipment

Property and equipment are recorded at cost less accumulated depreciation and any impairment in value. Depreciation is calculated on property and equipment at the following rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life:

Land	Indefinite
Buildings	50 years
Leasehold improvements	4 – 20 years
Medical equipments	7 – 12 years
Furniture and fixtures	2 – 10 years
Computer and office equipments	4 – 5 years
Motor vehicles	4 – 5 years

The useful lives and depreciation method are reviewed at each year to ensure that the method and period of depreciation are consistent with the expected pattern of economic benefits from these assets.

Expenditure incurred to replace a component of an item of property and equipment that is accounted for separately is capitalised and the carrying amount of the component that is replaced is written off. Other subsequent expenditure is capitalised only when it increases future economic benefits of the related item of property and equipment. All other expenditure is recognised in the consolidated statement of comprehensive income as the expense is incurred.

Property and equipment are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of property and equipment may not be recoverable. Whenever the carrying amount of property and equipment exceeds their recoverable amount, an impairment loss is recognised in the consolidated statement of comprehensive income. The recoverable amount is the higher of fair value less costs to sell of property and equipment and the value in use. The fair value less costs to sell is the amount obtainable from the sale of property and equipment in an arm's length transaction while value in use is the present value of estimated future cash flows expected to arise from the continuing use of property and equipment and from its disposal at the end of its useful life.

Reversal of impairment losses recognised in the prior years are recorded when there is an indication that the impairment losses recognised for the property and equipment no longer exist or have reduced.

Capital work in progress

Capital work in progress is stated at cost less impairment and includes property and equipment that is being developed for future use. Capital work-in-progress is not depreciated, however, tested for impairment when indicator exists. Allocated costs along with borrowing costs directly attributable to the construction of the asset are capitalised. Cost of capital work in progress represents the purchase price or cost of service required to complete an asset.

The capital work in progress is transferred to the appropriate asset category and depreciated in accordance with the Group's policies when construction of the asset is completed and commissioned.

Intangible assets

Intangible assets are mainly computer software licenses and implementation costs and are stated at cost less accumulated amortisation and any impairment in value. The carrying values of intangible assets are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable. The average useful lives of the intangible assets are assessed to be between 4 to 10 years.

2.6 MATERIAL ACCOUNTING POLICY INFORMATION continued

Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that a non-financial asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded entities or other available fair value indicators. Impairment losses of continuing operations are recognised in the consolidated statement of comprehensive income in those expense categories consistent with the function of the impaired asset.

For assets excluding goodwill, an assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Group estimates the asset's or cash-generating unit's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the consolidated statement of comprehensive income.

Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

i) Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss (FVTPL).

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component are measured at the transaction price.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI) on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

2.6 MATERIAL ACCOUNTING POLICY INFORMATION continued

Financial instruments continued

i) Financial assets continued

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost;
- Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments);
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments); and
- Financial assets at fair value through profit or loss.

Financial assets at amortised cost

This category is the most relevant to the Group. The Group measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows, and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Group's financial assets at amortised cost includes bank balances and cash, accounts and other receivables, long term deposits and amounts due from related parties.

The Group does not have any financial assets at fair value through OCI or financial assets carried at fair value through profit or loss.

Cash and cash equivalents

Bank balances and cash in the consolidated statement of financial position comprise cash at banks and on hand, margin deposits and short-term deposits, which are subject to an insignificant risk of changes in value.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash in hand, bank balances and short-term deposits with an original maturity of three months or less, net of outstanding bank overdrafts, if any, as they are considered an integral part of the Group's cash management and excludes any balances provided as security and not available for the Group's use.

Impairment of financial assets

The Group recognises an allowance for expected credit losses (ECLs) for all financial assets not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL). For trade receivables, the Group applies a simplified approach in calculating ECLs as these financial assets do not contain significant financing component and usually have a maturity of one year or less. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on ECLs at each reporting date. The Group has established default rates that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the customers and the economic environment.

2.6 MATERIAL ACCOUNTING POLICY INFORMATION continued

Financial instruments continued

i) Financial assets continued

Impairment of financial assets continued

The Group considers a financial asset in default when contractual payments are 300 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Derecognition of financial assets

A financial asset (or, when applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised (i.e., removed from the Group's consolidated statement of financial position) when:

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its right to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

ii) Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include loans and borrowings, lease liabilities, bank overdrafts, derivative financial instrument, amounts due to related parties, accounts payable and accruals.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at amortised cost (loans and borrowings)

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the consolidated statement comprehensive income.

This category generally applies to loans and borrowings, lease liabilities, bank overdrafts, amounts due to related parties, accounts payable and accruals.

2.6 MATERIAL ACCOUNTING POLICY INFORMATION continued

Financial instruments continued

ii) Financial liabilities continued

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities designated upon initial recognition as at fair value through profit or loss. This category also includes derivative financial instrument entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by IFRS 9. Gains or losses on liabilities at fair value through profit or loss are recognised in the statement of comprehensive income under finance costs. Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in IFRS 9 are satisfied.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the consolidated statement of comprehensive income.

Offsetting of financial instruments

Financial assets and financial liabilities are offset, and the net amount is reported in the consolidated statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Derivative financial instrument

Derivatives are classified as derivative financial instrument unless they are designated as effective hedging instruments or financial guarantee contract. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently measured at fair value. Derivative financial instrument are carried in the statement of financial position at fair value reflecting changes in interest rates. The gains or losses arising from changes in fair values are recognised in the income statement unless the derivative is designated as a net investment hedge or effective portion of cash flow hedges, which is recognised in other comprehensive income. If the fair value of the derivative is positive it is classified as an asset, if the fair value of the derivative is negative it is classified as a liability.

The Group also uses interest rate caps and swaps to manage its risks associated with interest rate fluctuations. Such derivative financial instrument is initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivative financial instrument consists of profit rate swaps and are measured at the present value of estimated future cash flows and discounted based on the applicable yield curves derived from quoted interest rates. Based on the degree to which the fair value is observable, the profit rate swaps are grouped as level 2 in the fair value hierarchy.

Current versus non-current classification

The Group presents assets and liabilities in consolidated statement of financial position based on current/non-current classification. An asset is classified as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

2.6 MATERIAL ACCOUNTING POLICY INFORMATION continued

Current versus non-current classification continued

A liability is classified as current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other liabilities as non-current.

Inventories

Inventories are valued at the lower of cost and net realisable value after making due allowance for any obsolete or slow moving items. Costs are those expenses incurred in bringing each product to its present location and condition and are determined on a weighted average basis. Net realisable value is based on estimated selling price less any further costs expected to be incurred to disposal.

Employees' end of service benefits

The Group provides end of service benefits to its expatriate employees in United Arab Emirates, Kingdom of Saudi Arabia and Oman. The entitlement to these benefits is usually based upon the employees' final salary and length of service subject to the completion of a minimum service period. The expected costs of these benefits are accrued over the period of employment.

Pension contributions are made in respect of UAE national employees in accordance with the UAE Federal Law No. (2), 2000 for Pension and Social Security. Such contributions are charged to the consolidated statement of comprehensive income during the employee's period of service.

End of service benefit for Omani employees are contributed in accordance with the terms of the Social Securities Law 1991 and Civil Service Employees Pension Fund Law.

End of service benefits for employees in the Kingdom of Saudi Arabia are accrued in accordance with the provisions of the Saudi Labour Law, which entitles employees to a statutory gratuity based on their length of service and their latest monthly remuneration.

Provisions

Provisions are recognised when the Group has a legal or constructive obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and the amount can be reliably estimated. When the Group expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the consolidated statement of comprehensive income net of any reimbursement.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation at the end of the reporting period, using a rate that reflects current market assessments of the time value of money and the risks specific to the obligation.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, the provision is reversed.

Foreign currency translations

The consolidated financial statements are presented in AED, which is the functional currency of the Company. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

Transactions in foreign currencies are recorded in the functional currency at the rate ruling at the date of the transaction, Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. All differences are taken to the consolidated statement of comprehensive income. Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition are treated as assets and liabilities of the foreign operation and translated at the closing rate.

2.6 MATERIAL ACCOUNTING POLICY INFORMATION continued

Foreign currency translations continued

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item.

Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right of use assets representing the right to use the underlying assets.

Right-of-use assets are depreciated on a straight-line basis over the lease term as follows:

Land	51.5 years
Buildings	5 to 25 years

i) Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets include the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the asset.

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

ii) Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities are increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities are remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

2.6 MATERIAL ACCOUNTING POLICY INFORMATION continued

Leases continued

The Group as a lessee continued

iii) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities.

Current income tax relating to items recognised directly in equity is recognised in equity and not in the consolidated statement of comprehensive income. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Zakat tax

Zakat is provided for in accordance with Saudi Arabian fiscal regulations and are charged to the consolidated statement of comprehensive income. Additional amounts, if any, that claimed by the become due on the finalization of an assessment are accounted for in the year in which the assessment is finalised.

Zakat for the period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date. Management periodically evaluates positions taken in the Group's tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of taxable temporary differences associated with investments in subsidiaries, associate, and interests in joint arrangements, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.
- When VAT incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, VAT is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

At 31 December 2025

2.6 MATERIAL ACCOUNTING POLICY INFORMATION continued

Taxes continued

Deferred tax continued

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognised subsequently if new information about facts and circumstances change. The adjustment is either treated as a reduction in goodwill (as long as it does not exceed goodwill) if it was incurred during the measurement period or recognised in profit or loss.

The Group offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Value Added Tax (“VAT”)

Revenue, expenses and assets are recognised net of the amount of VAT, except:

- 1- When the VAT incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the VAT is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable; or
- 2- When receivables and payables are stated with the amount of VAT included.

The net amount of VAT recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the consolidated statement of financial position.

3 REVENUE

3.1 Types of revenue

	2025	2024
	AED	AED
Clinic revenue	5,236,600,906	4,839,872,725
Pharmacy sales	61,282,189	62,583,061
Other operating income	<u>185,671,921</u>	<u>102,561,448</u>
Revenue from customers	5,483,555,016	5,005,017,234
Rental income	<u>2,900,575</u>	<u>5,064,303</u>
	<u>5,486,455,591</u>	<u>5,010,081,537</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

At 31 December 2025

3 REVENUE continued**3.2 Revenue from customers – timing of recognition**

	<i>2025</i>	<i>2024</i>
	<i>AED</i>	<i>AED</i>
Out patient – services rendered at the point in time	3,408,715,074	3,114,654,791
In patient – services rendered over the time	1,827,885,832	1,725,217,934
Pharmacy – services rendered at the point in time	61,282,189	62,583,061
Other operating income – services rendered over the time	114,734,923	68,048,784
Other operating income – services rendered at the point in time	<u>70,936,998</u>	<u>34,512,664</u>
	<u>5,483,555,016</u>	<u>5,005,017,234</u>

3.3 Revenue from customers by geographical markets

	<i>2025</i>	<i>2024</i>
	<i>AED</i>	<i>AED</i>
United Arab Emirates	5,231,440,898	4,790,668,192
Sultanate of Oman	226,213,384	208,194,793
Kingdom of Saudi Arabia	<u>25,900,734</u>	<u>6,154,249</u>
	<u>5,483,555,016</u>	<u>5,005,017,234</u>

3.4 Revenue from customers by asset type

	<i>2025</i>	<i>2024</i>
	<i>AED</i>	<i>AED</i>
Hospitals	4,772,618,565	4,471,688,817
Medical centres	463,982,341	368,183,908
Pharmacies	61,282,190	62,583,061
Others	<u>185,671,920</u>	<u>102,561,448</u>
	<u>5,483,555,016</u>	<u>5,005,017,234</u>

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.

Rental income

The rental income is 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

At 31 December 2025

3 REVENUE continued

3A OTHER INCOME

	<i>2025</i> <i>AED</i>	<i>2024</i> <i>AED</i>
Gain on termination of lease agreement *	71,791,343	-
Write back of liabilities	<u>1,187,500</u>	<u>-</u>
	<u>72,978,843</u>	<u>-</u>

* During the year, the Group recognized a gain of AED 71,791,343 from the termination of a lease. This gain resulted from the early termination of a lease agreement for the property located at Plot No. 38 at Um Hurair First, Dubai on 23 June 2025. The lease was terminated following the Group's purchase of the land and building for an amount of AED 186,800,000, which has been recorded under property and equipment. The gain represents the difference between the carrying amount of the lease liability and right-of-use asset that were derecognized. The gain has been presented in the consolidated statement of profit or loss and other comprehensive income.

4 DOCTORS' AND EMPLOYEES' SALARIES AND EMOLUMENTS AND OTHER STAFF COSTS

	<i>2025</i> <i>AED</i>	<i>2024</i> <i>AED</i>
Doctors' and employees' salaries and emoluments	2,151,673,169	1,996,822,194
Employees' end of service benefits (note 15)	56,805,905	43,579,041
Employees' insurance costs	33,540,153	31,711,404
Staff accommodation costs	30,700,052	33,125,663
Others*	<u>129,902,626</u>	<u>76,723,661</u>
	<u>2,402,621,905</u>	<u>2,181,961,963</u>

* Others include costs related to hospital management contracts amounting to AED 48,723,993 and incentives for the employees of the Group amounting to AED nil (2024: AED 37,167,106 and AED 10,907,751 respectively).

5 FINANCE COSTS

	<i>2025</i> <i>AED</i>	<i>2024</i> <i>AED</i>
Interest on loans and borrowings	102,242,620	85,033,310
Interest expense on lease liabilities (note 18)	56,312,710	62,303,416
Facility renewal fee	<u>3,862,012</u>	<u>1,804,771</u>
	<u>162,417,342</u>	<u>149,141,497</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

At 31 December 2025

6 OTHER EXPENSES

	<i>2025</i>	<i>2024</i>
	<i>AED</i>	<i>AED</i>
Repair and maintenance costs	121,909,442	114,897,292
Advertisement and marketing expenses	112,612,524	102,667,921
Housekeeping and hospitality expenses	89,853,171	87,011,084
Utility charges	59,692,146	54,495,379
Legal and professional expenses	43,916,444	36,543,076
Transportation expenses	21,831,620	22,296,158
Directors' remuneration and allowance* (note 19)	18,245,796	45,266,534
Rent expenses (note 18)	18,020,383	22,865,046
Security charges	17,542,425	17,319,968
Hospital management project related costs	16,525,995	5,451,362
Bank charges and credit card commission costs	11,943,981	13,251,508
Printing and stationery expenses	10,518,469	8,812,571
Call centre expenses	9,497,107	12,309,837
License and registration	8,176,573	7,389,034
License fee software	7,867,255	5,678,758
Insurance expenses	5,821,061	5,452,681
Ambulance charges	4,929,054	5,115,461
Patient refreshment expenses	4,222,207	3,727,043
Gain on disposal of profit rate swaps (note 24A)	-	(12,075,467)
Miscellaneous expenses	<u>41,824,433</u>	<u>19,447,566</u>
	<u>624,950,086</u>	<u>577,922,812</u>

* Includes bonus amounting to AED nil (2024: AED 27,020,738).

7 DIVIDEND

The Shareholders of the Company on 14 April 2025, approved the final cash dividend distribution of AED 170,000,000 which is equals to AED 0.03 per share (rounded off) and was paid to the shareholders on 22 April 2025.

(2024: interim cash dividend of AED 65,064,177 approved on 5 April 2024 and paid on 6 April 2024 and 13 April 2024).

Additionally, one of the Group's subsidiary, Lifecare Hospital LLC, issued cash dividend during the year ended 31 December 2025 and 31 December 2024. The amount received by the Group was eliminated on consolidation and the amount paid to non-controlling interests was AED 15,000,000 (2024: AED 10,000,000).

Burjeel Holdings PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

At 31 December 2025

8 PROPERTY AND EQUIPMENT

	<i>Land AED</i>	<i>Buildings AED</i>	<i>Leasehold improvements AED</i>	<i>Medical equipments AED</i>	<i>Furniture and fixtures AED</i>	<i>Computer and office equipments AED</i>	<i>Motor vehicles AED</i>	<i>Total AED</i>
2025								
Cost:								
At 1 January 2025	-	760,522,268	1,413,064,183	1,949,927,432	188,810,722	168,940,457	78,537,171	4,559,802,233
Acquired through business combination (note 25)	-	-	5,573,177	21,492,917	237,861	578,443	347,089	28,229,487
Additions	115,000,000	71,800,000	61,737,335	112,131,470	17,745,055	26,471,361	10,130,022	415,015,243
Transferred from capital work in progress (note 10)	-	-	5,104,858	6,533	121,890	-	-	5,233,281
Disposals	-	-	(579,518)	(10,949,399)	(658,007)	(545,837)	(507,000)	(13,239,761)
At 31 December 2025	<u>115,000,000</u>	<u>832,322,268</u>	<u>1,484,900,035</u>	<u>2,072,608,953</u>	<u>206,257,521</u>	<u>195,444,424</u>	<u>88,507,282</u>	<u>4,995,040,483</u>
Accumulated depreciation:								
At 1 January 2025	-	57,380,415	724,998,222	1,501,528,333	161,903,389	124,449,390	57,952,386	2,628,212,135
Charge for the year	-	10,083,880	85,157,138	117,049,193	11,222,831	20,664,761	8,693,242	252,871,045
Disposals	-	-	-	(10,871,525)	(658,007)	(545,837)	(507,000)	(12,582,369)
At 31 December 2025	-	<u>67,464,295</u>	<u>810,155,360</u>	<u>1,607,706,001</u>	<u>172,468,213</u>	<u>144,568,314</u>	<u>66,138,628</u>	<u>2,868,500,811</u>
Net carrying amount:								
At 31 December 2025	<u>115,000,000</u>	<u>764,857,973</u>	<u>674,744,675</u>	<u>464,902,952</u>	<u>33,789,308</u>	<u>50,876,110</u>	<u>22,368,654</u>	<u>2,126,539,672</u>

Burjeel Medical City buildings are constructed on land leased from Abu Dhabi Department of Economic Development. Initial period of the lease was 27 years. In 2022, the land lease has been extended up to year 2074, by Abu Dhabi Department of Economic Development.

Burjeel Holdings PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

At 31 December 2025

8 PROPERTY AND EQUIPMENT

Property and equipment amounting to net block of AED 1,725,227,027 (2024: AED 1,782,043,570), as mentioned below, have been pledged as security against Group's loans and borrowings (note 16).

<i>List of subsidiaries</i>	<i>2025</i>		<i>2024</i>	
	<i>Gross block of property and equipment</i>	<i>Net block of property and equipment</i>	<i>Gross block of property and equipment</i>	<i>Net block of property and equipment</i>
Burjeel Medical City LLC	1,448,140,984	1,060,439,452	1,397,862,564	1,096,116,280
Burjeel Hospital LLC	653,587,685	147,915,405	615,282,982	145,744,223
Burjeel Royal Hospital LLC	280,959,614	130,841,842	269,196,752	139,644,912
Burjeel Specialty Hospital LLC	265,148,345	146,840,702	262,254,794	161,773,978
Medeor 24X7 Hospital LLC (Abu Dhabi)	248,578,390	52,887,153	243,438,285	54,283,742
Burjeel Day Surgery Center LLC	194,128,910	74,818,383	189,331,268	86,593,248
Burjeel Royal Hospital Asharej - LLC	184,730,053	52,478,694	179,390,892	52,609,786
LLH Hospital LLC	170,977,567	17,723,643	160,848,472	11,724,618
LLH Hospital Al Musaffah LLC	149,437,661	9,675,198	145,306,450	8,288,039
Burjeel Day Surgery Centre Shahama - LLC	57,596,641	18,685,978	54,247,816	19,419,402
Burjeel Medical Center Al Shamkha LLC	42,006,993	11,274,426	32,287,457	4,246,177
Life Line Drug Store LLC	8,744,383	634,987	8,397,996	569,921
Burjeel Drug Store LLC	7,145,411	1,011,165	6,716,359	1,029,244
	<u>3,711,182,639</u>	<u>1,725,227,027</u>	<u>3,564,562,088</u>	<u>1,782,043,570</u>

Burjeel Holdings PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

At 31 December 2025

8 PROPERTY AND EQUIPMENT continued

	<i>Land AED</i>	<i>Buildings AED</i>	<i>Leasehold improvements AED</i>	<i>Medical equipments AED</i>	<i>Furniture and fixtures AED</i>	<i>Computer and office equipments AED</i>	<i>Motor vehicles AED</i>	<i>Total AED</i>
<i>2024</i>								
Cost:								
At 1 January 2024	-	760,522,268	1,336,783,648	1,844,283,206	172,710,209	137,761,118	71,196,165	4,323,256,614
Additions	-	-	76,057,040	82,680,578	16,195,578	28,168,864	11,533,225	214,635,285
Transferred from capital work in progress (note 10)	-	-	223,495	23,000,036	-	3,679,046	-	26,902,577
Transferred to intangible assets (note 9)	-	-	-	(20,388)	-	-	-	(20,388)
Disposals	-	-	-	(16,000)	(95,065)	(668,571)	(4,192,219)	(4,971,855)
At 31 December 2024	-	<u>760,522,268</u>	<u>1,413,064,183</u>	<u>1,949,927,432</u>	<u>188,810,722</u>	<u>168,940,457</u>	<u>78,537,171</u>	<u>4,559,802,233</u>
Accumulated depreciation:								
At 1 January 2024	-	49,076,501	646,639,320	1,399,287,013	150,993,336	108,248,669	54,456,134	2,408,700,973
Charge for the year	-	8,303,914	78,358,902	102,253,755	11,005,118	16,869,292	7,161,889	223,952,870
Transferred to intangible assets (note 9)	-	-	-	(1,969)	-	-	-	(1,969)
Disposals	-	-	-	(10,466)	(95,065)	(668,571)	(3,665,637)	(4,439,739)
At 31 December 2024	-	<u>57,380,415</u>	<u>724,998,222</u>	<u>1,501,528,333</u>	<u>161,903,389</u>	<u>124,449,390</u>	<u>57,952,386</u>	<u>2,628,212,135</u>
Net carrying amount:								
At 31 December 2024	-	<u>703,141,853</u>	<u>688,065,961</u>	<u>448,399,099</u>	<u>26,907,333</u>	<u>44,491,067</u>	<u>20,584,785</u>	<u>1,931,590,098</u>

Burjeel Holdings PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

At 31 December 2025

9 INTANGIBLE ASSETS

	<i>2025</i>	<i>2024</i>
	<i>AED</i>	<i>AED</i>
Cost:		
At 1 January	81,525,098	78,355,927
Acquired through business combination (note 25)	181,824	-
Additions	3,583,672	3,076,117
Transferred from capital work in progress (note 10)	6,467,550	72,666
Transferred from property and equipment (note 8)	-	20,388
At 31 December	<u>91,758,144</u>	<u>81,525,098</u>
Accumulated amortisation:		
At 1 January	65,495,697	59,482,333
Transferred from property and equipment (note 8)	-	1,969
Charge for the year	<u>5,842,740</u>	<u>6,011,395</u>
At 31 December	<u>71,338,437</u>	<u>65,495,697</u>
Net carrying amount	<u>20,419,707</u>	<u>16,029,401</u>

10 CAPITAL WORK IN PROGRESS

	<i>2025</i>	<i>2024</i>
	<i>AED</i>	<i>AED</i>
Cost:		
At 1 January	50,327,725	39,916,220
Additions during the year	165,926,524	37,386,748
Capitalization of finance costs and depreciation of non-operational leases	28,714,883	-
Transferred to property and equipment (note 8)	(5,233,282)	(26,902,577)
Transferred to intangible assets (note 9)	<u>(6,467,550)</u>	<u>(72,666)</u>
At 31 December	<u>233,268,300</u>	<u>50,327,725</u>

Capital work in progress mainly represents costs incurred for IT infrastructure, leasehold improvements and other costs including overhead expenses incurred during the development stage directly attributable to the construction of hospitals or departments within the hospitals.

The capitalization of IT infrastructure and leasehold improvements are expected to be completed in the near future. These include amounts incurred towards architectural, tenant improvement, and interior work, supply and installation and advances for software and lease hold improvements. When commissioned, capital work in progress will be transferred to the appropriate asset category under property and equipment or intangible assets and depreciated or amortised in accordance with the Group's policy.

The amount of borrowing costs capitalised during the year ended 31 December 2025 was AED 5,207,366 (2024: Nil). The rate used to determine the amount of borrowing costs eligible for capitalisation was 5.47%.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

At 31 December 2025

11 INVENTORIES

	<i>2025</i>	<i>2024</i>
	<i>AED</i>	<i>AED</i>
Pharmaceutical products	189,143,910	178,179,279
Consumables and others	<u>99,139,259</u>	<u>99,043,327</u>
	<u>288,283,169</u>	<u>277,222,606</u>

The cost of inventories recognised as an expense and included in consolidated statement of comprehensive income are as follows:

	<i>2025</i>	<i>2024</i>
	<i>AED</i>	<i>AED</i>
Inventories consumed	<u>1,261,374,447</u>	<u>1,246,364,508</u>

12 ACCOUNTS RECEIVABLE AND PREPAYMENTS

	<i>2025</i>	<i>2024</i>
	<i>AED</i>	<i>AED</i>
Trade receivables	3,123,471,037	2,604,112,888
Less: provision for expected credit losses*	<u>(1,066,866,939)</u>	<u>(886,296,582)</u>
	2,056,604,098	1,717,816,306
Unbilled receivables	128,531,569	117,702,668
Less: provision for expected credit losses*	<u>(1,831,033)</u>	<u>(2,425,101)</u>
	126,700,536	115,277,567
Advances and other receivables	210,963,671	134,553,059
Prepayments	53,426,967	44,731,334
Deposits	<u>32,559,158</u>	<u>20,119,243</u>
	<u>2,480,254,430</u>	<u>2,032,497,509</u>

Trade receivables and unbilled receivables include amounts due from insurance companies for goods sold or services performed in the ordinary course of business. Trade receivables are generally due for settlement within 90 days and therefore are all classified as current. Trade receivables and unbilled receivables are recognised initially at the amount of consideration that is unconditional. The Group holds the trade receivables and unbilled receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

At 31 December 2025

12 ACCOUNTS RECEIVABLE AND PREPAYMENTS continued

* Movement in the provision for expected credit losses is as follows:

	2025	2024
	AED	AED
At 1 January	888,721,683	786,671,761
Acquisitions under IFRS 3 business combination	3,647,373	-
Charge for the year	176,328,916	102,749,138
Reversal (written off) during the year	<u>-</u>	<u>(699,216)</u>
At 31 December	<u>1,068,697,972</u>	<u>888,721,683</u>

As at 31 December, the ageing analysis of unimpaired trade receivables is as follows:

	<i>*Not due nor impaired</i>				<i>*Past due but not impaired</i>			
	<i>Less than 30 days</i>	<i>31-60 days</i>	<i>61-90 days</i>	<i>91-120 days</i>	<i>121-180 days</i>	<i>181-300 days</i>	<i>More than 300 days</i>	
<i>Total</i>	<i>AED</i>	<i>AED</i>	<i>AED</i>	<i>AED</i>	<i>AED</i>	<i>AED</i>	<i>AED</i>	
2025	2,056,604,098	338,773,338	346,636,831	364,864,321	198,535,242	333,041,767	433,558,958	41,193,641
2024	1,717,816,306	335,797,558	303,857,338	289,799,295	187,120,381	238,704,702	320,829,364	41,707,668

For claim submission process, refer accounting policy on “revenue from customers” in note 2.6.

Unimpaired receivables are expected, on the basis of past experience, to be fully recoverable. It is not the practice of the Group to obtain collateral over receivables and the receivables are, therefore, unsecured. Neither past due nor impaired are those receivables which are under review and approval process with the insurance companies. Credit risk is limited to the carrying values of financial assets in the consolidated statement of financial position.

* “Not due nor impaired” and “Past due but not impaired” are presented net of provision for expected credit losses.

13 CASH AND SHORT-TERM DEPOSITS

	2025	2024
	AED	AED
Cash in hand	5,397,976	3,862,112
<i>Bank balances:</i>		
Current accounts	271,366,985	230,319,670
Fixed deposits	186,758	186,758
Margin deposits	<u>3,882,148</u>	<u>3,827,728</u>
Bank balances and cash	<u>280,833,867</u>	<u>238,196,268</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

At 31 December 2025

13 CASH AND SHORT-TERM DEPOSITS continued

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprises of the following as at 31 December:

	<i>2025</i> <i>AED</i>	<i>2024</i> <i>AED</i>
Bank balances and cash	280,833,867	238,196,268
Less: margin deposits	<u>(3,882,148)</u>	<u>(3,827,728)</u>
Cash and cash equivalents	<u>276,951,719</u>	<u>234,368,540</u>

Margin deposits are cash guarantees paid to various banks. 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 are kept with local commercial banks in the United Arab Emirates and carry interest at prevailing market rates.

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

	<i>2025</i> <i>AED</i>	<i>2024</i> <i>AED</i>
Significant non-cash transactions		
Transfer from prepayment to right-of-use assets	-	3,888,748
Lease adjustment	3,387,448	67,272
Additions to right-of-use assets and lease liabilities	83,824,111	360,142,219
Transfer to property and equipment from capital work in progress	5,233,282	26,902,577
Transfer to intangible assets from capital work in progress	6,467,550	72,666

14(a) SHARE CAPITAL

	<i>2025</i> <i>AED</i>	<i>2024</i> <i>AED</i>
--	---------------------------	---------------------------

Authorised

31 December: 5,500,000,000 (2024: 5,500,000,000 shares of AED 0.10 each (US\$ 0.027))	<u>550,000,000</u>	<u>550,000,000</u>
--	---------------------------	--------------------

Issued and fully paid

31 December: 5,205,134,175 (2024: 5,205,134,175 shares of AED 0.10 each (US\$ 0.027))	<u>520,513,417</u>	<u>520,513,417</u>
--	---------------------------	--------------------

14(b) SHARE PREMIUM

Share premium represents amounts received in excess of par value relating to new shares issued on 10 October 2022 as part of the IPO net off equity issuance costs.

14(c) OTHER RESERVE

Other reserve represents statutory reserve relating to subsidiaries. These reserves are not available for distribution except in such circumstances as specified in the relevant laws and regulations applicable to the respective entities in their country of incorporation.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

At 31 December 2025

14(d) SHAREHOLDER'S CONTRIBUTION

Shareholder's contribution included as part of total equity represents Dr Shamsheer Vayalil interest in the share capital of certain entities listed in note 2.4 to the consolidated financial statements which were transferred to the Group in 2022 pursuant to the Share Purchase Agreement.

15 EMPLOYEES' END OF SERVICE BENEFITS

The movement in the provision for employees' end of service benefits was as follows:

	2025	2024
	AED	AED
At 1 January	168,181,211	151,117,100
Charge for the year (note 4)	56,805,905	43,579,041
Acquired through business combination (note 25)	2,219,038	-
Employees' end of service benefits paid	<u>(29,214,195)</u>	<u>(26,514,930)</u>
At 31 December	<u>197,991,959</u>	<u>168,181,211</u>

16 INTEREST BEARING LOANS AND BORROWINGS

	2025	2024
	AED	AED
Term loans	1,567,336,508	952,742,827
Short-term loan	347,373,581	250,000,000
Vehicle loans	<u>3,317,270</u>	<u>5,705,322</u>
	<u>1,918,027,359</u>	<u>1,208,448,149</u>

Current and non-current portion of interest-bearing loans and borrowings are as follows:

	2025	2024
	AED	AED
Non-current	1,489,046,895	877,081,001
Current	<u>428,980,464</u>	<u>331,367,148</u>
	<u>1,918,027,359</u>	<u>1,208,448,149</u>

The Group has outstanding of AED 601million (2024: AED 680 million) from Islamic Bank in UAE to meet the general corporate requirement. Loan is payable in Monthly instalment with last payment due on 31 December 2030.

This facility is secured by corporate guarantees of AED 1.11 billion (2024: AED 1.11 billion) each provided by LLH Hospital LLC and LLH Hospital Al Musaffah LLC.

Further, during the prior year, the Company entered into another loan agreement with a commercial bank in Abu Dhabi aggregating to AED 1,322 million ("Loan 2"), for the purpose of new permitted investments and to repay the existing loans. The facility is secured by corporate guarantees, pledge over collection accounts and present and future property and equipment of certain subsidiaries of the Company. As at 31 December 2025, AED 974 million (2024: AED 284 million) has been drawn from the total facility amount.

Furthermore, during the current year, the Company entered into another loan agreement with a commercial bank in Abu Dhabi aggregating to AED 347 million, the same has been used to repay the short-term loan amounting to AED 250 million.

Burjeel Holdings PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

At 31 December 2025

16 INTEREST BEARING LOANS AND BORROWINGS continued

Non-current

Group entity name	Facility	Country	Bank type	Loan maturity year	Security	2025	2024
						AED	AED
Burjeel Hospital LLC*	Term loan	UAE	Islamic	2030	Corporate guarantee and pledge	522,471,302	601,298,530
Burjeel Holdings PLC**	Term Loan	UAE	Commercial	2031	Corporate guarantee and pledge	964,410,511	272,617,070
Burjeel Hospital LLC	Vehicle Loan	UAE	Islamic	2028	Mortgage of same vehicles	1,010,987	3,091,247
Advanced Care Oncology Centre LLC	Term loan	UAE	Commercial	2028	Pledge	1,001,136	-
Dynamed Healthcare Solutions Pvt. Ltd	Vehicle loan	India	Commercial	2028	Mortgage of same vehicles	152,959	74,154
						1,489,046,895	877,081,001

Current

Group entity name	Facility	Country	Bank type	Loan maturity year	Security	2025	2024
						AED	AED
Burjeel Holdings PLC	Short-term loan	UAE	Commercial	2026	Unsecured	347,373,581	-
Burjeel Hospital LLC*	Term loan	UAE	Islamic	2030	Corporate guarantee and pledge	78,827,227	78,827,227
Burjeel Hospital LLC	Vehicle loan	UAE	Commercial	2028	Mortgage of same vehicles	2,080,260	2,492,426
Advanced Care Oncology Centre LLC	Term loan	UAE	Commercial	2028	Pledge	626,330	-
Dynamed Healthcare Solutions Pvt Ltd	Vehicle loan	India	Commercial	2028	Mortgage of same vehicles	73,066	47,495
Burjeel Hospital LLC	Short-term loan	UAE	Islamic	2025	Corporate guarantee	-	250,000,000
						428,980,464	331,367,148

Security & pledges

- Corporate guarantees by the entities within the Group, and;
- Certain property and equipment, assignment of insurance and credit card receivables of specific subsidiaries of the Group are pledged against the loans and borrowings (note 8).

* Includes unamortized transaction cost amounting to AED 2,750,922 (2024: AED 3,809,072). The transaction cost amounting to AED 1,058,150 (2024: AED 1,230,083) has been amortized during the year.

** Includes unamortized transaction costs amounting to AED 10,013,788 (2024: AED 11,807,229). The transaction costs amounting to AED 1,793,441 (2024: AED 751,771) has been amortized during the year.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

At 31 December 2025

16 INTEREST BEARING LOANS AND BORROWINGS continued

Changes in liabilities arising from financing activities

The table below details changes in the Group's liabilities arising from financing activities, including cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows as cash flows used in financing activities.

	<i>1 January</i> <i>2025</i> <i>AED</i>	<i>Net</i> <i>cash flows *</i> <i>AED</i>	<i>Other</i> <i>AED</i>	<i>31 December</i> <i>2025</i> <i>AED</i>
<i>Current:</i>				
Interest bearing loans and borrowings	331,367,148	(331,367,148)	428,980,464	428,980,464
<i>Non-current:</i>				
Interest bearing loans and borrowings	<u>877,081,001</u>	<u>1,040,946,358</u>	(428,980,464)	<u>1,489,046,895</u>
Total	<u>1,208,448,149</u>	<u>709,579,210</u>	—	<u>1,918,027,359</u>

* Includes AED 2,194,428 towards interest bearing loans acquired through business combination (note 25).

	<i>1 January</i> <i>2024</i> <i>AED</i>	<i>Net</i> <i>cash flows</i> <i>AED</i>	<i>Other</i> <i>AED</i>	<i>31 December</i> <i>2024</i> <i>AED</i>
<i>Current:</i>				
Interest bearing loans and borrowings	381,911,515	(381,911,515)	331,367,148	331,367,148
<i>Non-current:</i>				
Interest bearing loans and borrowings	<u>782,086,391</u>	<u>426,361,758</u>	(331,367,148)	<u>877,081,001</u>
Total	<u>1,163,997,906</u>	<u>44,450,243</u>	—	<u>1,208,448,149</u>

The 'Other' column includes the effect of reclassification of non-current portion of interest-bearing loans and borrowings to current due to the passage of time and the effect of accrued but not yet paid interest on interest-bearing loans and borrowings. The Group classifies interest paid as cash flows from operating activities.

Interest rates

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

Term loans	– EIBOR + 1.65% to 1.9% (2024: EIBOR + 1.65 to 1.9%) – 10% per annum reducing balance (relating to acquisition during the year)
Short-term loans	– EIBOR + 1.65% (2024: EIBOR + 1.9%)
Vehicle loans	– 3% to 10% (2024: 3% to 10%)

17 ACCOUNTS PAYABLE AND ACCRUALS

	<i>2025</i> <i>AED</i>	<i>2024</i> <i>AED</i>
Trade accounts payable	738,350,083	813,766,124
Employees' salaries and other payables	154,934,638	155,798,518
Accrued expenses	105,193,760	85,816,180
Retention payable	4,105,004	17,446,875
Advances including advance from customers	4,222,961	3,206,795
Directors' remuneration payable	4,579,654	4,561,297
Other payables*	<u>46,307,969</u>	<u>20,205,449</u>
	<u>1,057,694,069</u>	<u>1,100,801,238</u>

*This includes advance received from ADNOC towards managing Al Dannah Hospital amounting to AED 13,674,255 (2024: AED 12,453,425).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

At 31 December 2025

18 RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

The Group has lease contracts for land and buildings leases and are part of core operations of the Group. Generally, the Group is restricted from assigning and subleasing the leased assets. Some of the lease contracts include extension and termination options, which are further discussed below.

The Group also has certain leases with lease terms of 12 months or less. The Group applies the ‘short-term lease’ recognition exemptions for these leases.

Set out below, is the carrying amount of the Group’s right-of-use assets and lease liabilities and the movement during the respective years:

	<i>Right-of-use assets AED</i>	<i>Lease liabilities AED</i>
At 1 January 2025	1,278,257,468	1,455,515,446
Acquired through business combination (note 25)	13,213,441	14,896,925
Additions	83,824,111	83,824,111
Remeasurement	19,475,386	19,475,386
Depreciation expense	(126,890,520)	-
Write off (note 3A)	(189,609,112)	(261,400,455)
Transfer to capital work in progress	(14,965,852)	-
Lease adjustment	(2,608,505)	(5,995,953)
Accretion of interest expense (note 5)	-	70,061,741
Payments	-	(185,081,532)
	<u>1,060,696,417</u>	<u>1,191,295,669</u>
At 31 December 2025		
At 1 January 2024	1,010,791,935	1,169,806,385
Additions	360,142,219	360,142,219
Remeasurement	33,213,687	33,213,687
Depreciation expense	(129,780,426)	-
Lease adjustment	3,890,053	68,568
Accretion of interest expense (note 5)	-	62,303,416
Payments	-	(170,018,829)
	<u>1,278,257,468</u>	<u>1,455,515,446</u>
At 31 December 2024		

Included in the accretion of interest expense is an amount of AED 13,749,031 (2024: AED nil), which has been capitalized and transferred to capital work in progress.

Lease liabilities are analysed in the consolidated statement of financial position as follows:

	<i>2025 AED</i>	<i>2024 AED</i>
Current	123,066,629	111,078,336
Non – current	<u>1,068,229,040</u>	<u>1,344,437,110</u>
	<u>1,191,295,669</u>	<u>1,455,515,446</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

At 31 December 2025

18 RIGHT-OF-USE ASSETS AND LEASE LIABILITIES continued

The Group has several lease contracts that include extension and termination options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the Group's business needs. There are no contracts wherein the extension options are not expected to be exercised, or termination options are expected to be exercised. Therefore, there are no undiscounted potential future rental payments relating to periods following the exercise date of extension and termination options that are not included in the lease term.

Included in right-of-use assets is a land with a net book value of AED 6,570,766 (2024: AED 6,705,551) and remaining right-of-use assets are leased properties amounting to AED 1,054,125,651 (2024: AED 1,271,551,917).

The following are the amounts recognised in the consolidated statement of comprehensive income:

	2025	2024
	AED	AED
Depreciation expense of right-of-use assets	<u>126,890,520</u>	<u>129,780,426</u>
Interest expense on lease liabilities (note 5)	<u>56,312,710</u>	<u>62,303,416</u>
Expense relating to short term leases (note 6)	<u>18,020,383</u>	<u>22,865,046</u>

In 2025, the Group had total cash outflows for leases of AED 185,081,532 (2024: AED 170,018,829). There are no future cash outflows relating to leases that have not yet commenced. The Group's lease contracts do not contain any variable lease payments.

Changes in lease liabilities arising from financing activities:

	<i>1 January</i>			<i>31 December</i>
	<i>2025</i>	<i>Cash flows</i>	<i>Other</i>	<i>2025</i>
	<i>AED</i>	<i>AED</i>	<i>AED</i>	<i>AED</i>
Current:				
Leases liabilities	111,078,336	(185,081,532)	197,069,825	123,066,629
Non-current:				
Leases liabilities	<u>1,344,437,110</u>	-	<u>(276,208,070)</u>	<u>1,068,229,040</u>
Total	<u>1,455,515,446</u>	<u>(185,081,532)</u>	<u>(79,138,245)</u>	<u>1,191,295,669</u>
	<i>1 January</i>			<i>31 December</i>
	<i>2024</i>	<i>Cash flows</i>	<i>Other</i>	<i>2024</i>
	<i>AED</i>	<i>AED</i>	<i>AED</i>	<i>AED</i>
Current:				
Leases liabilities	107,362,123	(170,018,829)	173,735,042	111,078,336
Non-current:				
Leases liabilities	<u>1,062,444,262</u>	-	<u>281,992,848</u>	<u>1,344,437,110</u>
Total	<u>1,169,806,385</u>	<u>(170,018,829)</u>	<u>455,727,890</u>	<u>1,455,515,446</u>

The 'Other' column includes the effect of reclassification of non-current portion of lease liabilities to current due to the passage of time, rent concessions, remeasurement, lease adjustments, write off and the effect of accretion on interest on lease liabilities. The Group classifies interest on lease liabilities as cash flows from operating activities.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

At 31 December 2025

19 RELATED PARTY TRANSACTIONS AND BALANCES

Related parties represent the shareholders 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.

During the year, the Group entered into the following transactions with entities under common control:

	<i>2025</i> <i>AED</i>	<i>2024</i> <i>AED</i>
Revenue	<u>3,639,048</u>	<u>2,616,704</u>
Doctors' and employees' salaries and emoluments and other staff costs	<u>142,191</u>	<u>1,922,280</u>
Purchases	<u>23,775,261</u>	<u>26,441,027</u>
Others	<u>9,033,523</u>	<u>10,467,055</u>
Hospitality expenses	<u>27,554,795</u>	<u>27,289,866</u>
Directors' remuneration and allowance (note 6)	<u>18,245,796</u>	<u>45,266,534</u>

As at 31 December 2025 and 2024, various group entities have provided corporate guarantee to the banks for loans and other facilities obtained by the subsidiaries.

Balances with related parties included in the consolidated statement of financial position are as follows:

	<i>2025</i> <i>AED</i>	<i>2024</i> <i>AED</i>
Amounts due from related parties		
<i>Entities under common control</i>		
VPS Healthcare LLC	12,305,285	12,305,285
Hirmas Real Estate LLC	5,198,039	5,198,036
Docktour Medicargo Services LLC	1,489,091	-
International Knee & Joint Centre LLC	2,925,014	3,105,454
Life Pharma FZE	552,703	384,382
Al Barakah Investment	300,000	300,000
Burjeel Management Private Limited	200,000	200,000
Al Kalma Holdings Pvt Ltd	<u>459,067</u>	<u>-</u>
	23,429,199	21,493,157
Less: provision for expected credit losses	<u>(2,500,000)</u>	<u>-</u>
	<u>20,929,199</u>	<u>21,493,157</u>

Burjeel Holdings PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

At 31 December 2025

19 RELATED PARTY TRANSACTIONS AND BALANCES continued

Movement in the provision for expected credit losses is as follows:

	2025 AED	2024 AED
At 1 January	-	-
Charge for the year	<u>2,500,000</u>	<u>-</u>
At 31 December	<u>2,500,000</u>	<u>-</u>
	2025 AED	2024 AED
Amounts due to related parties		
Response Plus Medical Services LLC	11,884,166	20,424,820
Leejam Sports Company	26,026,389	18,556,648
Keita Catering LLC	20,661,857	14,266,084
Ziva Wet Wipes LLC	5,815,748	6,452,315
Al Raha Village Properties LLC	2,718,370	1,990,453
Workers Village Real Estate	1,309,725	1,846,229
International Construction Contracting Company	1,067,147	1,067,147
First IVF Fertility Centre L.L.C	<u>657,520</u>	<u>800,641</u>
	<u>70,140,922</u>	<u>65,404,337</u>

Terms and conditions with related parties

Outstanding balances at the year-end arise in the normal course of business and due to receipt and payment transactions. The Company assess the recoverability of receivables (net of payables) and records impairment in the consolidated financial statements where it believes the recoverability is doubtful. 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.

Compensation of key management personnel

The remuneration of the members of key management during the year were as follows:

	2025 AED	2024 AED
Salaries, end of service and other benefits	7,446,434	7,626,000
Bonus	<u>-</u>	<u>4,750,000</u>
	<u>7,446,434</u>	<u>12,376,000</u>
Number of key management personnel	<u>3</u>	<u>3</u>

20 FINANCIAL RISK MANAGEMENT POLICIES AND OBJECTIVES

The Group's activities expose it to a variety of financial risks: market risk (including foreign currency risk and interest rate risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

The Group's principal financial liabilities consist of accounts payables, interest bearing loans and borrowings, amounts due to related parties, lease liabilities and certain other liabilities. The main purpose of the financial liabilities is to raise finance for the Group's operations. The Group has various financial assets such as long term deposits, accounts receivable, amounts due from related parties and bank balances and cash and certain other assets, which arise directly from its operations and inter-company receipt and payment transactions.

Risk management activities carried out by the Group are under policies approved by the management. The Group identifies and evaluates financial risks in close co-operation with the Group's operating units. The financial risk management disclosures have been presented to illustrate different potential scenarios and situations that the Group may encounter in practice.

Credit risk

Credit risk refers the risk arising on account of a default by counterparty on its contractual obligations resulting in financial loss to the Group.

The Group has adopted a policy of only dealing with creditworthy counterparties, as a means of mitigating the risk of financial loss from defaults. Credit exposure is controlled by counterparty limits that are reviewed and approved by the Group annually. The Group uses its own trading records to rate its major customers.

The Group is exposed to credit risk on its accounts receivable, unbilled receivables, bank balances and amounts due from related parties as disclosed in Notes 12, 13 and 19, respectively. Credit risk is limited to the carrying values of each class of financial assets in the consolidated statement of financial position.

Trade receivables

Customer credit risk is managed by the Group's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed, and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored.

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar loss patterns (i.e., by geographical region, customer type and rating) The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. The Group does not hold collateral as security.

The Group's five largest customers account for approximately 74% of outstanding accounts receivable at 31 December 2025 (2024: 75%). The average credit period on trade receivables is 90 days (2024: 90 days).

Bank balances

Credit risk from balances with banks and financial institutions is managed by the Group. The Group seeks to limit its credit risk with regard to bank balances by dealing only with reputable banks. These balances are callable on demand and held with reputable financial institutions. Management has assessed that the credit risk is minimal on bank balances.

Amounts due from related parties

Amounts due from related parties is not considered to represent significant credit risk because amounts due from related parties are from the companies owned and controlled by the Group and therefore, do not carry any significant risks of default. The credit risk is assessed to be minimal as there is no historical default and these balances are due from entities, which has common shareholding.

20 FINANCIAL RISK MANAGEMENT POLICIES AND OBJECTIVES

Credit risk continued

Other financial assets

With respect to credit arising from the other financial assets of the Group, which comprise other receivables, the Group's exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments.

Interest rate risk

The Group has no significant interest-bearing assets and the Group's income, and operating cash flows are substantially independent of changes in market interest rates. Any excess cash and cash equivalents are invested at short term market interest rates.

Interest rate risk is the exposure to various risks associated with the effect of fluctuations in the prevailing interest rates on the Group's financial position and cash flows. The Group manages the interest rate risk by regularly monitoring the interest rate profiles of its interest-bearing financial instruments. The Group is exposed to interest rate risk on its interest-bearing loans and borrowings.

Interest rate sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to interest rates for both derivatives and non-derivative instruments at the statement of financial position date. For floating rate liabilities and bank deposits, the analysis is prepared assuming the amount of liability and bank deposit outstanding at the statement of financial position date was outstanding for the whole year. A 100 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

The sensitivity of the consolidated statement of comprehensive income is the effect of the assumed changes in interest rates on the Group's profit or loss, based on the floating rate financial liabilities held at reporting dates. The analysis is prepared assuming the amount of interest-bearing assets and liabilities (floating rate) outstanding at the reporting date was outstanding for the whole year. The following table demonstrates the sensitivity of the consolidated statement of comprehensive income to reasonably possible changes in interest rates, with all other variables held constant. In management's opinion, the sensitivity analysis is unrepresentative of the interest rate risk, as the year end exposure does not reflect the exposure during the year.

	<i>Increase/decrease in basis points</i>	<i>Effect on profit / (loss) AED</i>
2025	+100	(19,178,406)
	-100	19,178,406
2024	+100	(12,082,614)
	-100	12,082,614

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting obligations from its financial liabilities. Prudent liquidity risk management implies maintaining sufficient cash, availability of funding through an adequate amount of committed credit facilities. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

Liquidity risk may result from an inability to sell a financial asset quickly at an amount close to its fair value. Liquidity risk is managed by monitoring on a regular basis that sufficient funds are available through committed credit facilities to meet any future commitments. The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank loans. The Group monitors its risk of shortage of funds using cash flow budgeting in which it considers the cash flows and as well as their sources of funding.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

At 31 December 2025

20 FINANCIAL RISK MANAGEMENT POLICIES AND OBJECTIVES continued

Liquidity risk continued

The Group limits its liquidity risk by ensuring bank facilities are available and by funding non-current assets with long term loans. Trade payables are normally settled within 90 to 120 days of the date of purchase.

The table below summarises the maturities of the Group's undiscounted financial liabilities, based on contractual payment dates and current market interest rates.

	<i>On demand</i> <i>AED</i>	<i>Less than 3 months</i> <i>AED</i>	<i>3 to 12 months</i> <i>AED</i>	<i>1 to 5 years</i> <i>AED</i>	<i>More than 5 years</i> <i>AED</i>	<i>Total</i> <i>AED</i>
2025						
Interest bearing loans and borrowings	-	385,066,912	112,182,149	1,660,356,014	-	2,157,605,075
Lease liabilities	-	53,083,784	131,229,306	687,104,849	744,829,734	1,616,247,673
Amounts due to related parties	-	7,782,993	62,357,929	-	-	70,140,922
Trade and accounts payable	-	403,524,505	530,205,935	-	-	933,730,440
Total	-	849,458,194	892,800,257	2,347,460,863	744,829,734	4,834,549,048
2024						
Interest bearing loans and borrowings	-	280,319,016	90,502,424	759,656,627	247,375,559	1,377,853,626
Lease liabilities	-	46,626,565	137,107,828	658,257,710	1,154,854,479	1,996,846,582
Amounts due to related parties	-	9,099,186	56,305,151	-	-	65,404,337
Trade and accounts payable	-	370,760,340	628,564,300	-	-	999,324,640
Total	-	<u>706,805,107</u>	<u>912,479,703</u>	<u>1,417,914,337</u>	<u>1,402,230,038</u>	<u>4,439,429,185</u>

Foreign currency risks

The Group is exposed to foreign currency risk arising from future commercial transactions, recognised assets and liabilities and net investments in foreign operations that are denominated in a currency other than the respective functional currencies of the Group entities. As the UAE Dirham, Omani Riyal and Saudi Riyal is pegged to the USD, balances in these currencies are not considered to represent significant foreign currency risk.

Management has set up policies to require Group companies to manage their foreign currency risk against their functional currency. Further, the Group is not significantly exposed to foreign currency risk in respect of its subsidiary in India as those operations are minimal as compared to the Group's operations. The Group's exposure to foreign currency changes is not material.

Capital management

The primary objective of the Group's capital management is to ensure that it is able to continue as going concern while maintaining healthy capital ratios in order to support its business and maximise shareholders' value.

The Group manages its capital structure and makes adjustments to it in light of changes in business conditions. No changes were made in the objectives, policies or processes during the years ended 31 December 2025 and 31 December 2024.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

At 31 December 2025

20 FINANCIAL RISK MANAGEMENT POLICIES AND OBJECTIVES continued

Capital management continued

The Group monitors capital using a gearing ratio, which is net debt divided by total equity plus net debt. The Group includes within net debt, interest bearing loans and borrowings, lease liabilities, less bank balances and cash.

	2025	2024
	AED	AED
Interest bearing loans and borrowings (note 16)	1,918,027,359	1,208,448,149
Lease liabilities (note 18)	1,191,295,669	1,455,515,446
Bank balances and cash (note 13)	<u>(280,833,867)</u>	<u>(238,196,268)</u>
Net debt	<u>2,828,489,161</u>	<u>2,425,767,327</u>

21 INVESTMENTS IN ASSOCIATES AND JOINT VENTURES

Details of the Group's associates and joint ventures are as follows:

<u>Name of entity</u>	<u>Principal activities</u>	<u>Place of incorporation and operation</u>	<u>Ownership percentage</u>	
			<u>At 31 December</u>	
			<u>2025</u>	<u>2024</u>
Associates				
International Knee & Joint Centre LLC	Supply of sports medicine and the provision of medical and rehabilitation services in relation to sports injuries and, in particular, those related to the knee.	U.A.E.	40%	40%
First IVF Fertility Centre LLC	To run, operate and manage fertility and infertility treatment centre for the patients	U.A.E.	30%	30%
Joint Ventures				
Al Kalma Holdings Pvt. Ltd.	Holding ownership of equity and non-equity assets, including shares, debentures, bonds, other forms of security and holding ownership of real property, intellectual property, other tangible and intangible assets	U.A.E.	50%	-
Docktour Medicargo Services LLC	Import and export of goods, and the provision of multimodal logistics services, including marine and air shipment services, cargo packaging customs clearance, and warehouse management. The business also undertakes general trading and wholesale/retail of medical, laboratory, and cosmetic equipment and supplies, along with installation, maintenance, and repair service, healthcare and commercial enterprise investment and management, medical equipment operations and therapeutic services brokerage through electronic platforms.	U.A.E.	50%	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

At 31 December 2025

21 INVESTMENTS IN ASSOCIATES AND JOINT VENTURES continued

The investments are accounted for using the equity method in these consolidated financial statements.

Associates

a) International Knee & Joint Centre LLC

Movement in International Knee & Joint Centre LLC ('Knee & Joint Centre') are as follows:

	2025	2024
	AED	AED
Balance at 1 January	11,946,202	13,112,643
Share of the profit for the year	3,421,514	7,633,559
Dividend received during the year	<u>-</u>	<u>(8,800,000)</u>
Balance at 31 December	<u>15,367,716</u>	<u>11,946,202</u>

The following table illustrates the summarised financial information relating to the Group's investment in Knee & Joint Centre:

	2025	2024
	AED	AED
Total assets	64,014,150	79,068,161
Total liabilities	(44,179,799)	(48,703,696)
Net assets	<u>19,834,351</u>	<u>30,364,465</u>
The Group's share of net assets in Knee & Joint Centre – 40% share	<u>7,933,740</u>	<u>12,145,786</u>
The Group's carrying amount of investment in Knee & Joint Centre (A)	<u>15,367,716</u>	<u>11,946,202</u>

* The difference in Group's share of net assets in Knee & Joint Centre – 40% share and Group's carrying amount of investment in Knee & Joint Centre is on account of additional investment made by the Company resulting no change in controlling interest.

	2025	2024
	AED	AED
Revenue	<u>63,951,291</u>	<u>69,314,039</u>
Profit for the year	<u>8,553,784</u>	<u>19,083,898</u>
Other comprehensive income	<u>=</u>	<u>=</u>
Total comprehensive income	<u>8,553,784</u>	<u>19,083,898</u>
The Group's share of profit in Knee & Joint Centre – (B)	<u>3,421,514</u>	<u>7,633,559</u>
The Group's share of total comprehensive income in Knee & Joint Centre	<u>3,421,514</u>	<u>7,633,559</u>

Knee & Joint Centre had no contingent liabilities or capital commitments as at 31 December 2025 (2024: nil).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

At 31 December 2025

21 INVESTMENTS IN ASSOCIATES AND JOINT VENTURES continued

Associates continued

b) First IVF Fertility Centre LLC

Movement in First IVF Fertility Centre LLC (IVF) are as follows:

	<i>2025</i> <i>AED</i>	<i>2024</i> <i>AED</i>
Balance at 1 January	18,622,977	15,551,032
Share of the Group's profit for the year	8,354,978	9,071,945
Dividend received during the year	(18,000,000)	<u>(6,000,000)</u>
Balance at 31 December	<u>8,977,955</u>	<u>18,622,977</u>

The following table illustrates the summarised financial information relating to the Group's investment in IVF:

	<i>2025</i> <i>AED</i>	<i>2024</i> <i>AED</i>
Total assets	40,509,501	68,295,590
Total liabilities	(15,110,153)	<u>(13,273,820)</u>
Net assets	<u>25,399,348</u>	<u>55,021,770</u>
The Group's share of net assets in IVF – 30% share	<u>7,619,804</u>	<u>16,506,531</u>
The Group's carrying amount of investment in IVF – (C)*	<u>8,977,955</u>	<u>18,622,977</u>

* The difference in Group's share of net assets in IVF – 30% share and Group's carrying amount of investment in IVF is on account of additional investment made by the Company resulting no change in controlling interest.

	<i>2025</i> <i>AED</i>	<i>2024</i> <i>AED</i>
Revenue	<u>96,726,872</u>	<u>103,136,242</u>
Profit for the year	<u>27,849,925</u>	<u>30,239,817</u>
Other comprehensive income	<u>–</u>	<u>–</u>
Total comprehensive income	<u>27,849,925</u>	<u>30,239,817</u>
The Group's share of profit in IVF – (D)	<u>8,354,978</u>	<u>9,071,945</u>
The Group's share of total comprehensive income in IVF	<u>8,354,978</u>	<u>9,071,945</u>

IVF had no contingent liabilities or capital commitments as at 31 December 2025 (2024: nil).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

At 31 December 2025

21 INVESTMENTS IN ASSOCIATES AND JOINT VENTURES continued

Joint venture

c) Al Kalma Holdings Pvt. Ltd.

Movement in Al Kalma Holdings Pvt. Ltd. (Al Kalma) are as follows:

	2025 AED	2024 AED
Balance at 1 January	-	-
Investment made during the year	21,084,811	-
Share of the Group's loss for the year	<u>(13,654,314)</u>	-
Balance at 31 December	<u>7,430,497</u>	-

The following table illustrates the summarised financial information relating to the Group's investment in Al Kalma:

	2025 AED	2024 AED
Total assets	27,165,714	-
Total liabilities	<u>(12,304,720)</u>	-
Net assets	<u>14,860,994</u>	-
The Group's share of net assets in Al Kalma – 50% share	<u>7,430,497</u>	-
The Group's carrying amount of investment in Al Kalma – (E)	<u>7,430,497</u>	-

	2025 AED	2024 AED
Revenue	<u>9,635,627</u>	-
Loss for the year	<u>(27,308,627)</u>	-
Other comprehensive income	=	-
Total comprehensive loss	<u>(27,308,627)</u>	-
The Group's share of loss in Al Kalma – (F)	<u>(13,654,314)</u>	-
The Group's share of total comprehensive loss in Al Kalma	<u>(13,654,314)</u>	-

Al Kalma had no contingent liabilities or capital commitments as at 31 December 2025 (2024: nil).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

At 31 December 2025

21 INVESTMENTS IN ASSOCIATES AND JOINT VENTURES continued

Joint venture

d) Docktour Medicargo Services LLC

Movement in Docktour Medicargo Services LLC (Docktour) are as follows:

	<i>2025</i> <i>AED</i>	<i>2024</i> <i>AED</i>
Balance at 1 January	-	-
Investment made during the year	2,075,000	-
Share of the Group's loss for the year	<u>(1,023,823)</u>	-
Balance at 31 December	<u>1,051,177</u>	-

The following table illustrates the summarised financial information relating to the Group's investment in Docktour:

	<i>2025</i> <i>AED</i>	<i>2024</i> <i>AED</i>
Total assets	4,731,910	-
Total liabilities	<u>(2,629,556)</u>	-
Net liabilities	<u>2,102,354</u>	-
The Group's share of net liabilities in Docktour – 50% share	<u>1,051,177</u>	-
The Group's carrying amount of investment in Docktour – (G)*	<u>1,051,177</u>	-
	<i>2025</i> <i>AED</i>	<i>2024</i> <i>AED</i>
Revenue	<u>2,534,560</u>	-
Loss for the year	<u>(2,047,646)</u>	-
Other comprehensive income	<u>=</u>	<u>=</u>
Total comprehensive loss	<u>(2,047,646)</u>	-
The Group's share of loss in Docktour – (H)	<u>(1,023,823)</u>	-
The Group's share of total comprehensive loss in Docktour	<u>(1,023,823)</u>	-

Docktour had no contingent liabilities or capital commitments as at 31 December 2025 (2024: nil).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

At 31 December 2025

21 INVESTMENTS IN ASSOCIATES AND JOINT VENTURES continued

Total share of the Group's (loss) profit from associates and joint ventures are as follows:

	<i>2025</i>	<i>2024</i>
	<i>AED</i>	<i>AED</i>
International Knee & Joint Centre LLC – (B)	3,421,514	7,633,559
First IVF Fertility Centre LLC – (D)	8,354,978	9,071,945
Al Kalma Holdings Pvt. Ltd. – (F)	(13,654,314)	-
Docktour Medicargo Services LLC – (H)	<u>(1,023,823)</u>	<u>-</u>
	<u>(2,901,645)</u>	<u>16,705,504</u>

The Group's total carrying amount of investments in associates and joint ventures are as follows:

	<i>2025</i>	<i>2024</i>
	<i>AED</i>	<i>AED</i>
International Knee & Joint Centre LLC - (A)	15,367,716	11,946,202
First IVF Fertility Centre LLC - (C)	8,977,955	18,622,977
Al Kalma Holdings Pvt. Ltd. – (E)	7,430,497	-
Docktour Medicargo Services LLC – (G)	<u>1,051,177</u>	<u>-</u>
	<u>32,827,345</u>	<u>30,569,179</u>

22 FINANCIAL ASSET CARRIED AT FAIR VALUE THROUGH PROFIT AND LOSS

Movement in investment in financial asset carried at fair value through profit or loss is as follows:

	<i>2025</i>	<i>2024</i>
	<i>AED</i>	<i>AED</i>
At 1 January	-	36,862,062
Additions	-	-
Disposals	-	(26,891,608)
Loss on disposal	<u>-</u>	<u>(9,970,454)</u>
At 31 December	<u><u>-</u></u>	<u><u>-</u></u>

23 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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

At 31 December 2025

23 **SEGMENTAL REPORTING** continued

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.

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.

Others represent business units that support the hospitals, medical centre, and pharmacies to manage the supply chain, valet parking, IT services and claim submission etc.

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

The Chief Executive Officers of the Group is the Chief Operating Decision Maker (CODM) and monitors the operating results of its 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 consolidated financial statements. Also, 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 consolidated financial statements.

Burjeel Holdings PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

At 31 December 2025

23 SEGMENTAL REPORTING continued

As at and for the year ended 31 December 2025

	<i>Hospitals AED</i>	<i>Medical centre AED</i>	<i>Pharmacies AED</i>	<i>Others AED</i>	<i>Total segments AED</i>	<i>Adjustments and eliminations AED</i>	<i>Consolidation AED</i>
Revenue							
Out patient revenue	3,066,004,615	467,648,347	-	-	3,533,652,962	(124,937,888)	3,408,715,074
In patient revenue	<u>1,827,281,404</u>	<u>604,428</u>	-	-	<u>1,827,885,832</u>	-	<u>1,827,885,832</u>
Total clinical revenue	<u>4,893,286,019</u>	<u>468,252,775</u>	<u>-</u>	<u>-</u>	<u>5,361,538,794</u>	<u>(124,937,888)</u>	<u>5,236,600,906</u>
Pharmacy sales	-	-	63,180,652	-	63,180,652	(1,898,463)	61,282,189
Others	64,907,942	4,358,940	2,621,137	1,461,824,706	1,533,712,725	(1,348,040,804)	185,671,921
Rental income	<u>2,900,575</u>	-	-	-	<u>2,900,575</u>	-	<u>2,900,575</u>
Total revenue	<u>4,961,094,536</u>	<u>472,611,715</u>	<u>65,801,789</u>	<u>1,461,824,706</u>	<u>6,961,332,746</u>	<u>(1,474,877,155)</u>	<u>5,486,455,591</u>
Revenue							
External customer	4,840,427,083	468,341,281	63,903,077	113,784,150	5,486,455,591	-	5,486,455,591
Intersegment	<u>120,667,453</u>	<u>4,270,434</u>	<u>1,898,712</u>	<u>1,348,040,556</u>	<u>1,474,877,155</u>	<u>(1,474,877,155)</u>	<u>-</u>
Total revenue	<u>4,961,094,536</u>	<u>472,611,715</u>	<u>65,801,789</u>	<u>1,461,824,706</u>	<u>6,961,332,746</u>	<u>(1,474,877,155)</u>	<u>5,486,455,591</u>
Segment profit before tax	720,762,716	3,546,735	6,174,563	(189,748,226)	540,735,788	-	540,735,788
Finance costs	<u>109,811,068</u>	<u>3,255,858</u>	-	49,350,416	<u>162,417,342</u>	-	<u>162,417,342</u>
Profit before interest, taxation (EBIT)	<u>830,573,784</u>	<u>6,802,593</u>	<u>6,174,563</u>	<u>(140,397,810)</u>	<u>703,153,130</u>	<u>-</u>	<u>703,153,130</u>
Depreciation and amortisation	<u>334,603,918</u>	<u>43,502,112</u>	<u>685,171</u>	<u>(6,813,104)</u>	<u>385,604,305</u>	-	<u>385,604,305</u>
Profit before interest, taxation, depreciation, amortisation (EBITDA)	<u>1,165,177,702</u>	<u>50,304,705</u>	<u>6,859,734</u>	<u>(133,584,706)</u>	<u>1,088,757,435</u>	<u>-</u>	<u>1,088,757,435</u>
Total assets as at 31 December 2025	<u>9,058,332,049</u>	<u>817,507,139</u>	<u>225,859,351</u>	<u>3,546,096,842</u>	<u>13,647,795,381</u>	<u>(6,990,623,945)</u>	<u>6,657,171,436</u>
Total liabilities as at 31 December 2025	<u>7,067,725,903</u>	<u>854,767,413</u>	<u>214,285,769</u>	<u>3,406,296,354</u>	<u>11,543,075,439</u>	<u>(7,051,100,523)</u>	<u>4,491,974,916</u>
<i>Other disclosures:</i>							
Additions to property and equipment	360,340,803	46,905,672	399,280	7,369,488	415,015,243	-	415,015,243
Additions to capital work in progress	98,688,956	13,888,312	-	53,349,256	165,926,524	-	165,926,524
Additions to intangible assets	2,946,088	486,216	-	151,368	3,583,672	-	3,583,672

Burjeel Holdings PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

At 31 December 2025

23 SEGMENTAL REPORTING continued

As at and for the year ended 31 December 2024

	<i>Hospitals AED</i>	<i>Medical centre AED</i>	<i>Pharmacies AED</i>	<i>Others AED</i>	<i>Total segments AED</i>	<i>Adjustments and eliminations AED</i>	<i>Consolidation AED</i>
Revenue							
Out patient revenue	2,925,834,039	372,560,047	-	-	3,298,394,086	(183,739,295)	3,114,654,791
In patient revenue	1,724,016,318	1,201,616	-	-	1,725,217,934	-	1,725,217,934
Total clinical revenue	<u>4,649,850,357</u>	<u>373,761,663</u>	<u>-</u>	<u>-</u>	<u>5,023,612,020</u>	<u>(183,739,295)</u>	<u>4,839,872,725</u>
Pharmacy sales	-	-	63,211,570	-	63,211,570	(628,509)	62,583,061
Others	51,369,167	5,794,936	1,130,508	1,308,113,147	1,366,407,758	(1,263,846,310)	102,561,448
Rental income	5,064,303	-	-	-	5,064,303	-	5,064,303
Total revenue	<u>4,706,283,827</u>	<u>379,556,599</u>	<u>64,342,078</u>	<u>1,308,113,147</u>	<u>6,458,295,651</u>	<u>(1,448,214,114)</u>	<u>5,010,081,537</u>
Revenue							
External customer	4,521,336,974	373,978,844	63,713,569	51,052,150	5,010,081,537	-	5,010,081,537
Intersegment	184,946,853	5,577,755	628,509	1,257,060,997	1,448,214,114	(1,448,214,114)	-
Total revenue	<u>4,706,283,827</u>	<u>379,556,599</u>	<u>64,342,078</u>	<u>1,308,113,147</u>	<u>6,458,295,651</u>	<u>(1,448,214,114)</u>	<u>5,010,081,537</u>
Segment profit before tax	531,246,230	30,082,760	5,319,052	(167,716,064)	398,931,978	-	398,931,978
Finance costs	131,298,421	1,545,306	-	16,297,770	149,141,497	-	149,141,497
Profit before interest, taxation (EBIT)	662,544,651	31,628,066	5,319,052	(151,418,294)	548,073,475	-	548,073,475
Depreciation and amortisation	325,936,262	28,780,524	696,549	4,331,356	359,744,691	-	359,744,691
Profit before interest, taxation, depreciation, amortisation (EBITDA)	<u>988,480,913</u>	<u>60,408,590</u>	<u>6,015,601</u>	<u>(147,086,938)</u>	<u>907,818,166</u>	<u>-</u>	<u>907,818,166</u>
Total assets as at 31 December 2024	<u>8,922,145,950</u>	<u>650,938,448</u>	<u>196,573,878</u>	<u>2,799,206,787</u>	<u>12,568,865,063</u>	<u>(6,690,129,152)</u>	<u>5,878,735,911</u>
Total liabilities as at 31 December 2024	<u>7,391,666,228</u>	<u>637,840,004</u>	<u>190,550,350</u>	<u>2,573,474,659</u>	<u>10,793,531,241</u>	<u>(6,757,116,212)</u>	<u>4,036,415,029</u>
<i>Other disclosures:</i>							
Additions to property and equipment	183,043,330	28,651,661	964,727	1,975,567	214,635,285	-	214,635,285
Additions to capital work in progress	17,837,997	5,274,274	-	14,274,477	37,386,748	-	37,386,748
Additions to intangible assets	2,280,354	739,513	-	56,250	3,076,117	-	3,076,117

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

At 31 December 2025

23 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>Emirate of Dubai & Northern Emirate AED</i>	<i>Sultanate of Oman AED</i>	<i>Kingdom of Saudi Arabia AED</i>	<i>Total AED</i>
<i>For the year ended 31 December 2025</i>					
In patient revenue	1,488,148,967	285,926,648	53,810,217	-	1,827,885,832
Out patient revenue	2,957,176,582	272,320,573	154,503,229	24,714,690	3,408,715,074
Pharmacy	61,282,189	-	-	-	61,282,189
Other income	<u>156,995,140</u>	<u>9,590,799</u>	<u>17,899,938</u>	<u>1,186,044</u>	<u>185,671,921</u>
	4,663,602,878	567,838,020	226,213,384	25,900,734	5,483,555,016
Rental income	<u>2,747,401</u>	<u>-</u>	<u>153,174</u>	<u>-</u>	<u>2,900,575</u>
Total revenue	<u><u>4,666,350,279</u></u>	<u><u>567,838,020</u></u>	<u><u>226,366,558</u></u>	<u><u>25,900,734</u></u>	<u><u>5,486,455,591</u></u>

	<i>Emirate of Abu Dhabi AED</i>	<i>Emirate of Dubai & Northern Emirate AED</i>	<i>Sultanate of Oman AED</i>	<i>Kingdom of Saudi Arabia AED</i>	<i>Total AED</i>
<i>For the year ended 31 December 2024</i>					
In patient revenue	1,431,126,546	243,823,506	50,267,882	-	1,725,217,934
Out patient revenue	2,768,720,651	198,619,850	141,857,994	5,456,296	3,114,654,791
Pharmacy	62,583,061	-	-	-	62,583,061
Other income	<u>78,305,922</u>	<u>7,488,656</u>	<u>16,068,917</u>	<u>697,953</u>	<u>102,561,448</u>
	4,340,736,180	449,932,012	208,194,793	6,154,249	5,005,017,234
Rental income	<u>4,938,719</u>	<u>-</u>	<u>125,584</u>	<u>-</u>	<u>5,064,303</u>
Total revenue	<u><u>4,345,674,899</u></u>	<u><u>449,932,012</u></u>	<u><u>208,320,377</u></u>	<u><u>6,154,249</u></u>	<u><u>5,010,081,537</u></u>

24 FAIR VALUES OF FINANCIAL INSTRUMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability; or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

At 31 December 2025

24 FAIR VALUES OF FINANCIAL INSTRUMENTS continued

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities;

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly; and

Level 3: techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

There were no transfers between Level 1 and Level 2 fair value measurements during the period, and no transfers into or out of Level 3 fair value measurements during the year ended 31 December 2025.

For assets and liabilities that are recognised in the consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting year.

The management assessed that the fair values of all other financial assets and financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

24A DERIVATIVE FINANCIAL INSTRUMENT

During the prior year, the Group has settled interest rate swap which was used to limit exposure to interest rate increases related to a portion of the floating rate indebtedness. The gain on settlement of the derivative amounting to AED nil for the year ended 31 December 2025 (2024: AED 12,075,467 (gain)) are included as a component of other expenses in the consolidated statement of comprehensive income.

Changes in liabilities:

	<i>At 1 January AED</i>	<i>Cash flows AED</i>	<i>Non -cash transactions AED</i>	<i>At 31 December AED</i>
31 December 2025				
Derivative financial instrument – (non-current)	=====	=====	=====	=====
31 December 2024				
Derivative financial instrument – (non-current)	<u>30,396,005</u>	<u>(18,320,538)</u>	<u>(12,075,467)</u>	=====

The ‘Non-cash transaction’ column includes the effect of gain on settlement of derivative financial instrument, which does not affect the consolidated statement of cash flows.

25 ACQUISITIONS UNDER IFRS 3 BUSINESS COMBINATION

During the year, the Group acquired the following entities and the acquisitions have been accounted for in the consolidated financial statements using acquisition method, which reflects the economic substance of these transactions. The consolidated financial statements include the results of the following entities from the date of acquisition.

Advanced Care Oncology Center LLC (“ACOC”)

On 14 February 2025, the Group acquired 80% interest in Advanced Care Oncology Center LLC for AED 92 million as consideration. Advanced Care Oncology Center LLC is a limited liability company registered in the Emirate of Dubai, engaged in operating a cancer diseases clinic in Dubai. From the date of acquisition, Advanced Care Oncology Center LLC contributed revenue and profit to the Group (net) amounting to AED 71,539,625 and AED 11,196,314, respectively.

Al Fuad Medical Center (name changed to LLH Medical Centre Al Najda LLC (“Najda”))

The Group acquired 100% interest in Al Fuad Medical Center for AED 3.2 million as consideration. The name of Al Fuad Medical Center was changed to LLH Medical Centre Al Najda LLC. LLH Medical Centre Al Najda LLC is a limited liability company registered in the Emirate of Abu Dhabi, engaged in operating medical centre and providing professional safety and health consultancy in Abu Dhabi. From the date of acquisition, LLH Medical Centre Al Najda LLC contributed revenue and loss to the Group (net) amounting to AED 2,367,810 and AED 1,089,156, respectively.

American European Medical Center LLC (name changed to Medeor Medical Center LLC (“Medeor”))

The Group acquired 100% interest in American European Medical Center LLC for AED 2.3 million as consideration. The name of American European Medical Center LLC was changed to Medeor Medical Center LLC. Medeor Medical Center LLC is a limited liability company registered in the Emirate of Abu Dhabi, engaged in operating medical center and management of medical facilities in Abu Dhabi. From the date of acquisition, Medeor Medical Center LLC contributed revenue and loss to the Group (net) amounting to AED 1,407,315 and AED 1,104,387, respectively.

Al Hilal Medical Centre L.L.C (name changed to LLH Medical Centre Al Ain LLC – (Al Hilal) (“Hilal”))

The Group acquired 100% interest in Al Hilal Medical Centre L.L.C for AED 1.25 million as consideration. The name of Al Hilal Medical Centre L.L.C was changed to LLH Medical Centre Al Ain LLC - (Al Hilal). LLH Medical Centre Al Ain LLC - (Al Hilal) is a limited liability company registered in the Emirate of Abu Dhabi, engaged in operating medical centre in Al Ain. From the date of acquisition, LLH Medical Centre Al Ain LLC - (Al Hilal) contributed revenue and loss to the Group (net) amounting to AED 1,445,154 and AED 446,534, respectively.

Hala Medical Centre (name changed to LLH Medical Centre Al Dhafra LLC – (Hala) (“Hala”))

The Group acquired 100% interest in Hala Medical Centre for AED 1.15 million as consideration. The name of Hala Medical Centre was changed to LLH Medical Centre Al Dhafra LLC – (Hala). LLH Medical Centre Al Dhafra LLC – (Hala) is a limited liability company, engaged in operating medical centre in Al Dhafra Region. From the date of acquisition, LLH Medical Centre Al Dhafra LLC – (Hala) contributed revenue and profit to the Group (net) amounting to AED 1,735,236 and AED 214,925, respectively.

Al Mokhtas Center for Physical Therapy (“Mecca Center”)

The Group acquired 100% interest in Al Mokhtas Center for Physical Therapy for AED 6.5 million as consideration. Al Mokhtas Center for Physical Therapy is a limited liability company registered in Saudi Arabia, engaged in operating physical therapy centers in Makkah. From the date of acquisition, Al Mokhtas Center for Physical Therapy contributed revenue and loss to the Group (net) amounting to AED 3,407,444 and AED 717,066, respectively.

Therapeutic Triangle Company Limited (PhysioTrio)

The Group acquired 100% interest in PhysioTrio for AED 4.9 million as consideration. PhysioTrio is a limited liability company registered in Saudi Arabia, engaged in operating physiotherapy centers, medical operation of medical laboratory, radiology center and medical services support. From the date of acquisition, PhysioTrio contributed revenue and profit to the Group (net) amounting to AED 5,117,893 and AED 669,526, respectively.

Vitality Medical Services Company (“Vitality”)

The Group acquired 100% interest in Vitality for AED 1 million as consideration. Vitality is a limited liability company registered in Saudi Arabia, engaged in operating medical test specialized centers, nutrition centers and home services medical centers. From the date of acquisition, Vitality contributed revenue and loss to the Group (net) amounting to AED 440,248 and AED 277,684, respectively.

Burjeel Holdings PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

At 31 December 2025

25 ACQUISITIONS UNDER IFRS 3 BUSINESS COMBINATION continued

Vitality Medical Services Company (“Vitality”) continued

The amounts recognised in respect of the identifiable assets acquired and liabilities assumed are as set out in the table below:

	<i>ACOC AED</i>	<i>Najda AED</i>	<i>Medeor AED</i>	<i>Hilal AED</i>	<i>Hala AED</i>	<i>Mecca Center AED</i>	<i>PhysioTrio* AED</i>	<i>Vitality* AED</i>	<i>Total AED</i>
Assets									
Property and equipment (note 8)	24,368,882	88,829	164,095	227,747	23,946	1,630,729	1,470,722	254,537	28,229,487
Intangible assets (note 9)	181,824	-	-	-	-	-	-	-	181,824
Right-of-use assets (note 18)	13,213,441	-	-	-	-	-	-	-	13,213,441
Inventories	1,513,793	36,536	-	-	-	-	-	33,717	1,584,046
Accounts receivable and prepayments	18,170,813	962,540	60,615	32,890	98,317	277,009	24,615	354,785	19,981,584
Amounts due from related parties	-	-	-	-	-	29,412	1,734,287	3,569,679	5,333,378
Cash and bank balance	<u>3,999,809</u>	<u>26,723</u>	<u>6,353</u>	<u>34,390</u>	<u>79,075</u>	<u>1,356</u>	<u>245,525</u>	<u>34,945</u>	<u>4,428,176</u>
	<u>61,448,562</u>	<u>1,114,628</u>	<u>231,063</u>	<u>295,027</u>	<u>201,338</u>	<u>1,938,506</u>	<u>3,475,149</u>	<u>4,247,663</u>	<u>72,951,936</u>
Liabilities									
Interest bearing loans (note 16)	2,194,428	-	-	-	-	-	-	-	2,194,428
Lease liabilities (note 18)	14,896,925	-	-	-	-	-	-	-	14,896,925
Employees’ end of service benefits (note 15)	1,650,038	67,182	34,741	67,630	12,950	99,792	155,677	131,028	2,219,038
Account payable and accruals	16,523,637	890,541	175,951	205,940	56,849	37,949	4,405,088	259,563	22,555,518
Amounts due to related parties	-	97,449	-	-	-	-	-	6,098,546	6,195,995
	<u>35,265,028</u>	<u>1,055,172</u>	<u>210,692</u>	<u>273,570</u>	<u>69,799</u>	<u>137,741</u>	<u>4,560,765</u>	<u>6,489,137</u>	<u>48,061,904</u>
Net assets	26,183,534	59,456	20,371	21,457	131,539	1,800,765	(1,085,616)	(2,241,474)	24,890,032
Less: non-controlling interest	<u>(5,236,707)</u>	-	-	-	-	-	-	-	<u>(5,236,707)</u>
Total identifiable net assets	<u>20,946,827</u>	<u>59,456</u>	<u>20,371</u>	<u>21,457</u>	<u>131,539</u>	<u>1,800,765</u>	<u>(1,085,616)</u>	<u>(2,241,474)</u>	<u>19,653,325</u>
Consideration paid	<u>92,000,000</u>	<u>3,200,000</u>	<u>2,300,000</u>	<u>1,250,000</u>	<u>1,150,000</u>	<u>6,510,568</u>	<u>4,901,961</u>	<u>980,392</u>	<u>112,292,921</u>
Goodwill	<u>71,053,173</u>	<u>3,140,544</u>	<u>2,279,629</u>	<u>1,228,543</u>	<u>1,018,461</u>	<u>4,709,803</u>	<u>5,987,577</u>	<u>3,221,866</u>	<u>92,639,596</u>
Analysis of cash flows on acquisition:									
Net cash acquired with the subsidiaries	3,999,809	26,723	6,353	34,390	79,075	1,356	245,525	34,945	4,428,176
Cash paid	<u>(92,000,000)</u>	<u>(3,200,000)</u>	<u>(2,300,000)</u>	<u>(1,250,000)</u>	<u>(1,150,000)</u>	<u>(6,510,568)</u>	<u>(4,901,961)</u>	<u>(980,392)</u>	<u>(112,292,921)</u>
Net cash flow on acquisition	<u>(88,000,191)</u>	<u>(3,173,277)</u>	<u>(2,293,647)</u>	<u>(1,215,610)</u>	<u>(1,070,925)</u>	<u>(6,509,212)</u>	<u>(4,656,436)</u>	<u>(945,447)</u>	<u>(107,864,745)</u>

* The net assets recognized are based on a provisional assessment of their fair values at the acquisition date. The Group will finalize the purchase price allocation exercise of the acquisitions before the end of the next financial year.

26 EARNINGS PER SHARE

Basic earnings per share amounts are calculated by dividing profit for the year attributable to the Equity holders of Parent by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share amounts are calculated by dividing the net profit attributable to the Equity holders of the Parent by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

Burjeel Holdings PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

At 31 December 2025

26 EARNINGS PER SHARE continued

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

	<i>2025</i>	<i>2024</i>
	<i>AED</i>	<i>AED</i>
Earnings:		
Profit attributable to the Equity holders of the Parent	<u>475,272,382</u>	<u>347,458,342</u>
Number of shares		
Weighted average number of ordinary shares for basic and diluted earnings per share	<u>5,205,134,175</u>	<u>5,205,134,175</u>
Earnings per share		
Basic and diluted earnings per share (AED)	<u>0.09</u>	<u>0.07</u>

During the year 2025 and 2024, there is no dilution in the weighted average number of shares.

There have been no other transactions involving ordinary shares or potential ordinary shares between the reporting date and the date of authorisation of these consolidated financial statements.

27 MATERIAL PARTLY-OWNED SUBSIDIARIES

Financial information of subsidiaries of the Group that has material non-controlling interest is provided below:

	<i>Country of incorporation</i>	Ownership 2025	<i>Ownership 2024</i>
Lifecare Hospital LLC	UAE	50%	50%
Lifecare International Pharmacy LLC	UAE	50%	50%
Lifecare Clinic LLC	UAE	50%	50%
Lifecare Medical Centre LLC	UAE	50%	50%
Lifecare Clinic LLC - Branch	UAE	50%	50%
Integrated Medical Care Services Company	KSA	50%	50%
Advanced Care Oncology Centre LLC	UAE	20%	0%
Trust Fertility Clinic L.L.C	UAE	10%	0%

Total net assets attributable to non-controlling interests:

	<i>2025</i>	<i>2024</i>
	<i>AED</i>	<i>AED</i>
Lifecare Hospital LLC & Lifecare International Pharmacy LLC (i)	79,047,540	62,484,718
Lifecare Clinic LLC (ii)	394,462	363,051
Lifecare Medical Centre LLC (iii)	(2,668,871)	(2,774,091)
Lifecare Clinic LLC - Branch (iv)	245,125	(162,916)
Integrated Medical Care Services Company (v)	(17,238,776)	(9,572,024)
Advanced Care Oncology Centre LLC (vi)	7,475,970	-
Trust Fertility Clinic L.L.C (vii)	<u>686,544</u>	-
	<u>67,941,994</u>	<u>50,338,738</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

At 31 December 2025

27 MATERIAL PARTLY-OWNED SUBSIDIARIES continued

Total comprehensive income for the year attributable to non-controlling interests:

	2025	2024
	AED	AED
Lifecare Hospital LLC & Lifecare International Pharmacy LLC (i)	31,562,804	20,428,119
Lifecare Clinic LLC (ii)	31,432	(50,426)
Lifecare Medical Centre LLC (iii)	105,218	(275,130)
Lifecare Clinic LLC - Branch (iv)	408,040	244,096
Integrated Medical Care Services Company (v)	(7,666,752)	(7,479,514)
Advanced Care Oncology Centre LLC (vi)	2,239,263	-
Trust Fertility Clinic L.L.C (vii)	<u>686,544</u>	<u>-</u>
	<u>27,366,549</u>	<u>12,867,145</u>

i) Lifecare Hospital LLC & Lifecare International Pharmacy LLC ('Lifecare Hospital')

The summarised financial information of Lifecare Hospital is provided below. This information is based on amounts before inter-company eliminations.

	2025	2024
	AED	AED
<i>Statement of comprehensive income for the year:</i>		
Revenue	324,418,794	285,790,390
Expenses	<u>(261,293,186)</u>	<u>(244,934,152)</u>
Profit for the year	<u>63,125,608</u>	<u>40,856,238</u>
Profit allocated to non-controlling interest	<u>31,562,804</u>	<u>20,428,119</u>
<i>Statement of cash flows for the year:</i>		
Cash flows from operating activities	56,833,312	36,979,884
Cash flows used in investing activities	(9,036,595)	(8,212,011)
Cash flows used in financing activities	<u>(28,250,000)</u>	<u>(12,750,000)</u>
Net cash inflows	<u>19,546,717</u>	<u>16,017,873</u>
<i>Statement of financial position:</i>		
Total assets	374,059,108	336,443,281
Total liabilities	<u>(215,964,029)</u>	<u>(211,473,845)</u>
Net assets	<u>158,095,079</u>	<u>124,969,436</u>
Accumulated non-controlling interest	<u>79,047,540</u>	<u>62,484,718</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

At 31 December 2025

27 MATERIAL PARTLY-OWNED SUBSIDIARIES continued

ii) Lifecare Clinic LLC ('Lifecare Clinic')

The summarised financial information of Lifecare Clinic is provided below. This information is based on amounts before inter-company eliminations.

	<i>2025</i> <i>AED</i>	<i>2024</i> <i>AED</i>
<i>Statement of comprehensive income for the year:</i>		
Revenue	2,099,221	2,156,087
Expenses	<u>(2,036,357)</u>	<u>(2,256,940)</u>
Profit (loss) for the year	<u>62,864</u>	<u>(100,853)</u>
Profit (loss) allocated to non-controlling interest	<u>31,432</u>	<u>(50,426)</u>
<i>Statement of cash flows for the year:</i>		
Cash flows from operating activities	282,845	229,002
Cash flows used in investing activities	(31,325)	(8,530)
Cash flows used in financing activities	<u>(250,920)</u>	<u>(215,640)</u>
Net cash inflows	<u>600</u>	<u>4,832</u>
<i>Statement of financial position:</i>		
Total assets	6,141,233	5,103,600
Total liabilities	<u>(5,352,310)</u>	<u>(4,377,498)</u>
Net assets	<u>788,923</u>	<u>726,102</u>
Share of non-controlling interest	<u>394,462</u>	<u>363,051</u>

iii) Lifecare Medical Centre LLC ('Lifecare Medical Centre')

The summarised financial information of Lifecare Medical Centre is provided below. This information is based on amounts before inter-company eliminations.

	<i>2025</i> <i>AED</i>	<i>2024</i> <i>AED</i>
<i>Statement of comprehensive income for the year:</i>		
Revenue	3,170,943	1,893,756
Expenses	<u>(2,960,507)</u>	<u>(2,444,016)</u>
Profit (loss) for the year	<u>210,436</u>	<u>(550,260)</u>
Profit (loss) allocated to non-controlling interest	<u>105,218</u>	<u>(275,130)</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

At 31 December 2025

27 MATERIAL PARTLY-OWNED SUBSIDIARIES continued

iii) Lifecare Medical Centre LLC ('Lifecare Medical Centre') continued

	2025	2024
	AED	AED
<i>Statement of cash flows for the year:</i>		
Cash flows from operating activities	299,843	282,927
Cash flows used in investing activities	(42,768)	(26,405)
Cash flows used in financing activities	<u>(255,000)</u>	<u>(255,000)</u>
Net cash inflows	<u><u>2,075</u></u>	<u><u>1,522</u></u>
<i>Statement of financial position:</i>		
Total assets	1,574,255	1,816,956
Total liabilities	<u>(6,911,997)</u>	<u>(7,365,137)</u>
Net liabilities	<u>(5,337,742)</u>	<u>(5,548,181)</u>
Share of non-controlling interest	<u>(2,668,871)</u>	<u>(2,774,091)</u>

iv) Lifecare Clinic LLC - Branch

The summarised financial information of Lifecare Clinic LLC - Branch is provided below. This information is based on amounts before inter-company eliminations.

	2025	2024
	AED	AED
<i>Statement of comprehensive income for the year:</i>		
Revenue	2,647,467	2,071,770
Expenses	<u>(1,831,387)</u>	<u>(1,583,578)</u>
Profit (loss) for the year	<u><u>816,080</u></u>	<u><u>488,192</u></u>
Profit (loss) allocated to non-controlling interest	<u><u>408,040</u></u>	<u><u>244,096</u></u>
<i>Statement of cash flows for the year:</i>		
Cash flows from operating activities	174,526	169,511
Cash flows used in investing activities	(7,924)	-
Cash flows used in financing activities	<u>(167,750)</u>	<u>(167,750)</u>
Net cash (outflows) inflows	<u><u>(1,148)</u></u>	<u><u>1,761</u></u>
<i>Statement of financial position:</i>		
Total assets	1,101,055	625,381
Total liabilities	<u>(610,805)</u>	<u>(951,212)</u>
Net assets (liabilities)	<u><u>490,250</u></u>	<u><u>(325,831)</u></u>
Share of non-controlling interest	<u><u>245,125</u></u>	<u><u>(162,916)</u></u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

At 31 December 2025

27 MATERIAL PARTLY-OWNED SUBSIDIARIES continued

v) Integrated Medical Care Services Company

The summarised financial information of Integrated Medical Care Services Company is provided below. This information is based on amounts before inter-company eliminations.

	<i>2025</i> <i>AED</i>	<i>2024</i> <i>AED</i>
<i>Statement of comprehensive income for the year:</i>		
Revenue	16,813,219	6,151,308
Expenses	<u>(32,146,723)</u>	<u>(21,110,335)</u>
Loss for the year	<u>(15,333,504)</u>	<u>(14,959,027)</u>
Loss allocated to non-controlling interest	<u>(7,666,752)</u>	<u>(7,479,514)</u>
<i>Statement of cash flows for the year:</i>		
Cash flows from operating activities	643,816	15,006,435
Cash flows used in investing activities	(520,971)	(15,165,982)
Cash flows used in financing activities	<u>(98,039)</u>	<u>(98,039)</u>
Net cash (outflows) inflows	<u>24,806</u>	<u>(257,586)</u>
<i>Statement of financial position:</i>		
Total assets	28,960,458	30,537,736
Total liabilities	<u>(63,438,010)</u>	<u>(49,681,783)</u>
Net liabilities	<u>(34,477,552)</u>	<u>(19,144,047)</u>
Share of non-controlling interest	<u>(17,238,776)</u>	<u>(9,572,024)</u>

vi) Advanced Care Oncology Centre LLC

The summarised financial information of Advanced Care Oncology Centre LLC is provided below. This information is based on amounts before inter-company eliminations.

	<i>2025</i> <i>AED</i>	<i>2024</i> <i>AED</i>
<i>Statement of comprehensive income for the year:</i>		
Revenue	71,539,625	-
Expenses	<u>(60,343,310)</u>	<u>-</u>
Profit for the year	<u>11,196,315</u>	<u>-</u>
Profit allocated to non-controlling interest	<u>2,239,263</u>	<u>-</u>
<i>Statement of cash flows for the year:</i>		
Cash flows from operating activities	19,975,048	-
Cash flows used in investing activities	(1,983,386)	-
Cash flows used in financing activities	<u>(2,809,339)</u>	<u>-</u>
Net cash inflows	<u>15,182,323</u>	<u>-</u>

Burjeel Holdings PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

At 31 December 2025

27 MATERIAL PARTLY-OWNED SUBSIDIARIES continued

vi) Advanced Care Oncology Centre LLC continued

	2025 AED	2024 AED
Statement of financial position:		
Total assets	68,816,914	-
Total liabilities	<u>(31,437,063)</u>	-
Net assets	<u>37,379,851</u>	-
Share of non-controlling interest	<u>7,475,970</u>	-

vi) Trust Fertility Clinic L.L.C

The summarised financial information of Trust Fertility Clinic L.L.C is provided below. This information is based on amounts before inter-company eliminations.

	2025 AED	2024 AED
Statement of comprehensive income for the year:		
Revenue	57,733,053	-
Expenses	<u>(50,867,615)</u>	-
Profit for the year	<u>6,865,438</u>	-
Profit allocated to non-controlling interest	<u>686,544</u>	-
Statement of cash flows for the year:		
Cash flows from operating activities	3,114,818	-
Cash flows used in investing activities	<u>(3,450,835)</u>	-
Cash flows used in financing activities	-	-
Net cash inflows	<u>(336,017)</u>	-
Statement of financial position:		
Total assets	32,235,100	-
Total liabilities	<u>(25,369,660)</u>	-
Net assets	<u>6,865,440</u>	-
Share of non-controlling interest	<u>686,544</u>	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

At 31 December 2025

28 CONTINGENCIES AND COMMITMENTS

Contingencies:

As at 31 December 2025, the Group had contingent liabilities in respect of labour guarantees amounting to AED 3,966,828 (2024: AED 3,956,828) and performance guarantees amounting to AED 75,596,519 (2024: AED 26,585,123), arising in the ordinary course of business from which it is anticipated that no material liabilities will arise.

The Group in the normal course of business is involved from time to time in claims and counter claims with respect to contractors, customers and other parties. The Group undertake a periodic review of its potential exposure to claims made against it by vendors and as at 31 December 2025 there is no material exposure that requires to be disclosed.

Capital commitments:

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

	2025	2024
	AED	AED
Building improvements	35,079,005	25,602,042
Software	24,294,482	39,778,068
Medical equipment	23,422,924	14,119,225
Others	<u>7,275,705</u>	<u>9,670,745</u>
	<u>90,072,116</u>	<u>89,170,080</u>

29 INCOME TAX

The Group calculates the period income tax expense using the tax rate that would be applicable to the expected total annual earnings. The major component of income tax expense in the consolidated statement of comprehensive income are:

29.1 Amount recognised in the consolidated statement of comprehensive income

The major components of income tax expense for the year ended 31 December 2025:

	2025	2024
	AED	AED
Current income tax charge	56,024,091	38,606,491
Deferred income tax credit relating to origination and reversal of temporary differences	<u>(17,927,234)</u>	<u>-</u>
Income tax expense reported in the consolidated statement of comprehensive income	<u>38,096,857</u>	<u>38,606,491</u>

Burjeel Holdings PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

At 31 December 2025

29 INCOME TAX continued

29.2 Reconciliation of accounting income

	2025 AED	2024 AED
Profit before tax	540,735,788	398,931,978
Add: loss related to foreign entities	<u>5,093,558</u>	<u>33,745,334</u>
Accounting profit before tax relating to UAE entities	<u>545,829,346</u>	<u>432,677,312</u>
At United Arab Emirates statutory income tax rate of 9%	49,124,641	38,940,958
Add: share of loss (profit) from associate	261,148	(1,503,495)
Less: tax effect of standard exemption	(236,499)	(105,194)
Add: tax on non-deductible expenses	194,438	104,090
Add: tax and zakat related to foreign entities	607,257	1,170,132
Add: Top-up tax % (Difference between Minimum rate and ETR (covered UAE tax / GloBE income of UAE))	<u>6,073,106</u>	-
Income tax expense reported consolidated statement of comprehensive income	<u>56,024,091</u>	<u>38,606,491</u>
Effective tax rate	<u>10%</u>	<u>9%</u>

The difference in the ETR year-on-year is due to introduction of the pillar two requirements in the UAE.

At 31 December 2025, there were no amounts recognised directly to equity or in other comprehensive income.

Deferred tax assets relate to the following:

	<i>Consolidated statement of financial position</i>		<i>Consolidated statement of profit or loss and other comprehensive income</i>	
	2025 AED	2024 AED	2025 AED	2024 AED
Net book value of equipment	5,882,650	-	5,882,650	-
Carried forward losses	5,860,194	-	5,860,194	-
Allowance for expected credit losses	4,304,896	-	4,304,896	-
Right-of use asset and lease liability	<u>1,879,494</u>	-	<u>1,879,494</u>	-
Deferred tax assets / income	<u>17,927,234</u>	-	<u>17,927,234</u>	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

At 31 December 2025

29 INCOME TAX continued

29.3 Income tax payable

The movement in the current taxation account is as follows:

	2025	2024
	AED	AED
At 1 January	38,064,648	-
Charge for the year	56,024,091	38,606,491
Payment made during the year	(37,263,801)	(541,843)
At 31 December	<u>56,824,938</u>	<u>38,064,648</u>

Oman

Lifeline Hospital LLC, the subsidiary in Oman had a tax exemption granted up to 26 November 2016. The carried forward tax losses amounting to AED 29,745,348 (Riyal Omani 3,117,961) (2024: AED 43,471,261 (Riyal Omani 4,556,736)) from the date of establishment to 26 November 2016 are eligible for set off against future taxable income without expiry.

The tax rate applicable to Lifeline Hospital LLC is 15% (2024: 15%). For the purpose of determining the taxable result for the year, the accounting loss has been adjusted for tax purposes. Adjustments for tax purposes include items relating to both income and expense. The adjustments are based on the current understanding of the existing tax laws, regulations and practices.

The Subsidiary's taxable profit for the year has been set off against tax losses brought forward from earlier years resulting in a taxable loss. Therefore, the applicable tax rate is nil (2024: nil). The average effective tax rate can not be determined in view of the taxable loss.

The subsidiary in Oman has declared and estimated tax losses available for offset against future taxable profits as follows:

	At 31 December	
	2025	2024
	AED	AED
2011 (assessed - indefinite)	-	-
2012 (assessed - indefinite)	-	-
2013 (assessed - indefinite)	-	36,433
2014 (assessed - indefinite)	-	9,108,706
2015 (assessed - indefinite)	1,105,581	5,686,355
2016 (assessed - indefinite)	28,639,767	28,639,767
2018 (assessed - definite)	-	40,641,430
2019 (assessed - definite)	-	20,562,955
2020 (assessed - definite)	-	11,871,471
2021 (declared)	5,263,619	5,263,619
2022 (declared)	9,920,598	7,789,028
2023 (declared)	<u>7,739,239</u>	<u>6,472,947</u>
	<u>52,668,804</u>	<u>136,072,711</u>

No deferred tax asset on the carried forward losses has been recognised in these consolidated financial statements due to uncertainty regarding availability of future taxable profits. The tax assessments were issued by the taxation authorities up to the year 2020.

29 INCOME TAX continued

29.3 Income tax payable

India

Dynamed Healthcare Solutions Pvt Ltd, the subsidiary in India was incorporated on 18 August 2017 at Infopark Special Economic Zone (Phase-II) in Kochi, State of Kerala and it is subject to the provisions of the Special Economic Zone Act, 2005. The subsidiary in India has 100% income tax exemption on export income for Special Economic Zone units under Section 10AA of the Income Tax Act for first 5 years, 50% for next 5 years thereafter and 50% of the ploughed back export profit for next 5 years. Dynamed Healthcare Solutions Pvt Ltd provides services to Group Entities in Middle East and therefore, its income is being generated from export revenue. Dynamed Healthcare Solutions Pvt Ltd has assessed the income tax impact for tax year ended 31 March 2023, 31 March 2024 and 31 March 2025. The income tax impact for the aforesaid years has been recorded in the consolidated financial statements.

International Tax Reform - Pillar Two model rules

The Organisation for Economic Co-operation and Development (OECD)/G20 Inclusive Framework on Base Erosion and Profit Shifting (BEPS) has published the Pillar Two Anti Global Base Erosion Rules (“GloBE Rules”), which are designed to address the tax challenges arising from the digitalisation of the global economy, and the Group consolidates into a Group that falls within the scope of Pillar Two legislation as its consolidated revenue exceeds the €750 million threshold and it operates in a jurisdiction that has enacted and substantively enacted Pillar Two legislation.

Due to uncertainty regarding whether the Pillar Two model rules give rise to additional temporary differences, require the remeasurement of deferred taxes, or affect the applicable tax rate, the IASB issued amendments to IAS 12 on 23 May 2023 introducing a mandatory temporary exception from recognising and disclosing deferred tax assets and liabilities related to the Pillar Two model rules.

The UAE, where the parent entity is incorporated, published Federal Decree-Law No. 60 of 2023 on 24 November 2023. This law amends specific provisions of Federal Decree-Law No. 47 of 2022 on the Taxation of Corporations and Businesses, as part of the UAE's commitment to the OECD guidelines. The amendments introduced by Federal Decree-Law No. 60 of 2023 are intended to prepare for the introduction of the BEPS 2.0 Pillar Two Rules.

On 11 February 2025, the Ministry of Finance of the UAE released Cabinet Decision No. 142 of 2024 regarding the Imposition of Top-Up Tax on Multinational Enterprises on its website. This decision provides further details on the UAE Domestic Minimum Top-up Tax (UAE DMTT), which will apply to fiscal years starting on or after 1 January 2025. The UAE DMTT aims to ensure that certain in-scope UAE entities of a multinational enterprise meet a 15% ETR on profits derived from the UAE.

As a result, the Group has recognised additional current tax expense for year ended 31 December 2025 of AED 6,073,106, representing top-up tax allocated to the Group under the Pillar Two framework. The allocation reflects the application of the UAE DMTT legislation, arising from the application of the 15% minimum effective tax rate to GloBE income generated in the UAE.

The Group continues to follow Pillar Two legislative developments, as further countries enact the Pillar Two model rules, to evaluate the potential future impact on its consolidated results of operations, financial position and cash flows beginning.

30 NUMBER OF EMPLOYEES

The number of employees of the Group was 14,088 for the year ended 31 December 2025 (2024: 13,179).

31 EVENTS AFTER THE REPORTING PERIOD

In January 2026, the board of Directors of the Company has approved a \$1.5 billion unsecured, non-convertible, multi-tranche Sukuk issuance Program to support long-term growth and regional expansion.