



PUREHEALTH⁺

Annual Report 2024

Transforming Healthcare

20
24

We are the largest
healthcare group
in the Middle East.

We have a cross-category ecosystem that covers hospitals, clinics, diagnostics, insurance, pharmacies, health-tech, procurement and more, we are on the ground and in the cloud to advance the science of longevity.

purehealth.ae



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Vision, Mission and Values

Vision

To unlock time for humankind.

Mission

To advance the science of longevity so that people live longer, healthier, happier and fuller lives.

Values

Purity

Honesty, integrity, and transparency.



Unity

Delivering universal benefits through people, products, and services.



Resilience

Agility and flexibility in achieving goals.



Energy

Passion for innovation and enterprise.



Human

Conducting with compassion.



Evolution

Pushing boundaries and extending lifespans.



Ahead

Being well-versed on the ground and in the cloud.



Limitless

Unstoppable in the quest for longevity.



Financial and
Operational Highlights

An outstanding set of financial
and operational outputs

Key 2024 figures

Revenue

AED 25.8bn

Reported EBITDA

AED 4.1bn

Net Profit

AED 1.7bn

Our reach

Patient Interactions 9.9mn	Active Health Insurance Members 3mn+	Hospitals 100+	Diagnostic centres 143+
Bed Capacity 4,900 approximately	Health Insurance GWP (AED) 6.9bn+	Clinics 300+	Countries UAE USA UK
Prescription Volume 2.6mn	Test Volume 26mn	On-site pharmacies 65+	

Financial and Operational Highlights continued

Strategic Highlights



Acquisition of Circle Health Group, expanding our international footprint



Acquisition of Sheikh Shakhbout Medical City (SSMC)



Successful launch of Ardent Health's IPO on the New York Stock Exchange



Establishment of Centres of Excellence, including SSMC as a Centre of Excellence for Burn Treatments



SKMC Designated Centre of Excellence for Paediatric Cardiac Surgery by Department of Health – Abu Dhabi



Launched Sakina, the Region's Largest Mental Health Platform

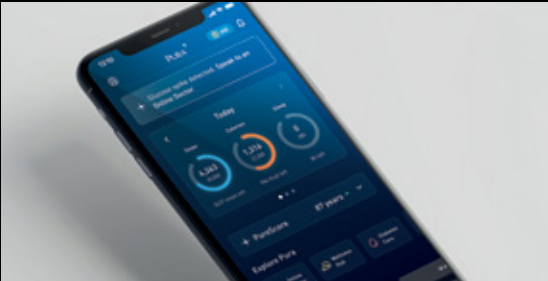
Innovation and Technology



Implementation of PureHub, a centralised ERP system



Introduction of Digital Twin technology for personalised care



Launch of Pura, our healthcare Super App



Leading multi-institutional research, enhancing clinical trials, publishing in top journals, and forming partnerships for collaborative growth



Launched technology platform to connect in-hospital and remote healthcare services



Advancement in AI-powered healthcare solutions

At a Glance

PureHealth is the UAE’s largest healthcare group and the only vertically integrated payer-provider Group in the MENA region.

PureHealth holds the unique distinction of bringing together every element of the healthcare value chain within a single, integrated ecosystem. This includes hospitals, primary care centres, pharmacies, group purchasing organisations, diagnostics, research, health tech, insurance, and an expanding international footprint. This comprehensive structure allows PureHealth to align the incentives of all stakeholders, enabling better health outcomes for patients while unlocking synergies across its diverse entities.

Strategic Goals

PureHealth is on a mission to enhance longevity by democratising healthcare and making it more personalised, accessible, and accountable. Its strategy is underpinned by growth, innovation, and societal impact.

Enhancing healthcare delivery through innovation

Driving commercial and market share growth by developing a future-ready health system

Maximising societal impact through sustainable stewardship

 **Read more** about our strategy: Go to page 12

Core Business Segments

Hospital and Other Healthcare Related Services



Health Insurance Services



Diagnostics Services



Procurement and Supply of Medical Related Products



Technology Services and Others



 **Read more** about our core business segments: Go to page 20

People and Culture

Building a resilient, sustainable, future-ready workforce and fostering a value-based culture that is focused on synergies, employee engagement, and well-being.

 **Read more** about our people and culture: Go to page 53

Data Value Creation

Advancing personalised medicine, AI-driven enhancements, preventative care, data capability building, and generating new business models and revenue streams.

Patient Experience

2024 was named as the Year of Patient Experience, underscoring our commitment to placing patient experience at the heart of our philosophy. We are actively revamping and enhancing patient interactions across all our touchpoints to ensure a seamless and exceptional journey for every individual in our care.

Expanding our Global Footprint

PureHealth continues to drive healthcare transformation, focusing on patient-centred care, technological innovation, and global expansion to create lasting value for all stakeholders.

Total



USA



UK



UAE



Hospitals	30+	Hospitals	50+	Hospitals	24
Care sites	200+	Beds	2,000+	Clinics	100+
Employees	24,000+	Employees	9,000+	Employees	24,000+

Message from the Founder and Managing Director



Care & Cover, which transcends conventional medical treatment with a meticulous focus on ongoing wellness, data-driven health management, and quality of life metrics that truly matter to those we serve.



Care & Cover Platform: Transforming Healthcare for Longevity

The year 2024 marks a pivotal milestone for PureHealth as we continue to consolidate our transformative Care & Cover platform – a forward-looking strategy that enables us to actively architect the future of healthcare. This integrative model fundamentally reimagines healthcare delivery, drives system-wide efficiency, and delivers enduring value across the entire continuum of life. At its core, our vision is to evolve traditional healthcare into a comprehensive platform—providing individuals with continuous support, lasting security, and the means to realise their highest potential in health and well-being.

At PureHealth, we believe healthcare must be seen as a continuous, evolving circle of care that adapts seamlessly throughout every individual's life journey. Internally, we call this our 2C strategy, the C's coming from Care & Cover, which transcends conventional medical treatment with a meticulous focus on ongoing wellness, data-driven health management, and quality of life metrics that truly matter to those we serve. Our approach recognises that true health encompasses not just the absence of illness, but the presence of vitality across physical, mental, and social dimensions.

Our Care & Cover platform operationalises this holistic philosophy, which serves as the cornerstone of the broader PureHealth ecosystem. By strategically embedding this approach across our hospital networks, diagnostic centers, primary care facilities, and insurance operations, we are capturing meaningful synergies that optimise care delivery and substantially reduce inefficiencies.

This translates to enhanced access, significantly lower financial barriers to essential care, superior clinical outcomes, and a frictionless experience for our customers. For our shareholders, it delivers more sustainable margins, strengthened actuarial performance, and a distinct competitive edge anchored in long-term value creation.

2024: Redefining Healthcare Excellence

Our strong financial performance underscores the effectiveness of our strategy. With AED 25.8 billion in revenue—representing a 58% year-on-year increase—and EBITDA advancing 69% to AED 4.1 billion, we continue to demonstrate that impact and commercial sustainability are mutually reinforcing imperatives while maintaining a strong balance sheet.

Our ambition is global. As the largest healthcare group in the Middle East, we are not merely expanding— we are reimagining what healthcare can and should be. PureHealth is building an integrated healthcare ecosystem that transcends borders, blending clinical excellence with advanced technologies to set new benchmarks in medical care. The acquisition of Circle Health Group, the UK's largest private hospital network, has strengthened our international reach, enabling us to leverage best practices and bring world-class healthcare closer to those who need it. Simultaneously, our expansion within the UAE, acquiring the largest healthcare

complex in the region, which focuses on specialty care, reaffirms our commitment to elevating healthcare standards at home while positioning the UAE as a global hub for medical excellence.

Our approach is anchored in disciplined capital allocation, strategic foresight, and unwavering commitment to measurable impact. We have deployed capital toward high-growth segments that align with our integrated care model, focusing on technologies and capabilities that enhance our ability to deliver personalised, proactive care at scale.



Our approach transcends conventional AI adoption across the value chain, where we deliberately position the PureHealth ecosystem to be an early adopter of AI Agents and Artificial General Intelligence, creating a frictionless experience that dismantles traditional healthcare boundaries.



Navigating Global Shifting Landscapes

As we enter an era when older demographic cohorts will outnumber younger ones for the first time in history, our mission is to fully realise the substantial benefits inherent in this longevity economy in sustainable and inclusive ways.

Concurrently, we are witnessing the emergence of advanced artificial intelligence and profound technological disruption across the healthcare and insurance value chain. These developments represent catalysts for the fundamental reinvention of healthcare delivery, financing, and patient experience, with PureHealth strategically positioned at the vanguard of this evolution.

Technology: The Enabler of Transformation

Technology serves as the horizontal enabler, amplifying capabilities across our entire ecosystem. By integrating robotic process automation (RPA), artificial intelligence (AI), and advanced data analytics, we are constructing an intelligent healthcare system with sophisticated data lakes and smart analytics. This technology-driven approach enables us to anticipate patient needs, facilitate early interventions, and personalise treatment protocols at an unprecedented scale.

We continuously invest in technology not only as a tool but also as a strategic transformation platform that redefines healthcare’s potential. Our approach transcends conventional AI adoption across the value chain, where we deliberately position the PureHealth ecosystem to be an early adopter of AI Agents and Artificial General Intelligence, creating a frictionless experience that dismantles traditional healthcare boundaries. This strategy hinges on building an adaptive technological infrastructure capable of evolving with emerging innovations, ensuring PureHealth remains at the cutting edge of the healthcare technological revolution.



Our ambition is global.



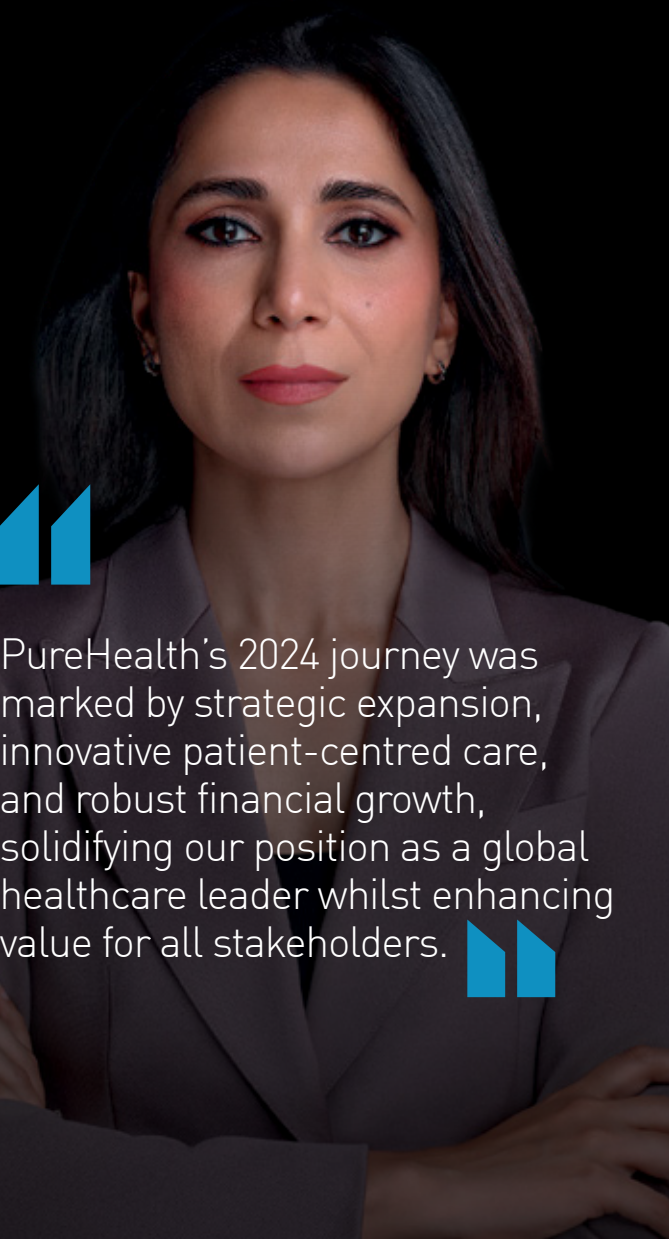
Economic Impact: Unlocking the Longevity Dividend

PureHealth is redefining longevity as a shared right — a selective privilege transformed into a universal opportunity, recognising that the future of healthcare extends beyond merely prolonging life to enhancing its quality and unlocking its economic potential. By making extended, healthy lives accessible to all through democratising longevity, we are advancing health equity and contributing meaningfully to the financial resilience of the nations we serve. A healthier population is more productive—driving sustained workforce participation, reducing the long-term healthcare burden, and strengthening GDP. This creates a virtuous cycle: as people live healthier for longer, economies thrive, and as economies grow, they can reinvest in the health and well-being of their citizens.

Forging Tomorrow: Healthcare as a Catalyst for Societal Progress

As we advance into 2025, PureHealth remains steadfast in our mission to expand internationally, scale digital innovations, and redefine the patient experience. Our vision extends beyond traditional treatment paradigms to create a future where healthcare is intelligent, intuitive, and inclusive —where well-being is not a destination but a lifelong journey of discovery and fulfilment. PureHealth is shaping a new era of healthcare, one that is built to last, built to lead, and built for life.

Farhan Malik
Founder and Managing Director



PureHealth's 2024 journey was marked by strategic expansion, innovative patient-centred care, and robust financial growth, solidifying our position as a global healthcare leader whilst enhancing value for all stakeholders.

Transforming Healthcare, Expanding Horizons

2024 has been a landmark year for PureHealth, defined by strong financial performance, strategic expansion, and an unwavering commitment to advancing healthcare excellence.

As the largest healthcare group in the Middle East and a rapidly growing global player, we continue to reshape the industry, integrating world-class capabilities to create a more connected, patient-centric, and technology-driven ecosystem. Our focus remains steadfast on driving sustainable growth, enhancing patient outcomes, and delivering lasting value to our stakeholders.

Accelerating Growth

PureHealth's growth story is one of transformation, underpinned by a disciplined and ambitious strategy that extends beyond acquisitions. In 2024, our consolidated revenue surged by 58% to AED 25.8 billion, driven by strong performance across our core segments: hospitals, insurance, diagnostics, and procurement. Our EBITDA increased by 69% to AED 4.1 billion, while Net Profit rose by 78% to AED 1.7 billion, demonstrating our ability to scale efficiently and enhance profitability.

We successfully acquired Sheikh Shakhbout Medical City (SSMC) in the UAE and Circle Health Group in the UK, significantly enhancing our footprint in specialised and complex care. At the same time, we expanded our presence through the commissioning of Sheikh Khalifa Hospital Fujairah and the integration of the National Rehabilitation Centre (NRC). These strategic developments underscore our vision to build an interconnected global healthcare network, delivering excellence across borders and advancing the future of health globally.

Beyond acquisitions, our growth has been driven by organic expansion, enhanced operational efficiencies, and a patient-centric approach. Investments in advanced clinical services, digital transformation, and AI-powered healthcare solutions have strengthened our ability to deliver superior outcomes while improving accessibility. Our focus on elevating primary care, expanding specialist services, and optimising hospital operations has led to increased patient volumes and improved clinical outcomes. The continued growth of our insurance and diagnostics businesses, alongside the integration of cutting-edge technologies, has further cemented our position as a leader in healthcare innovation and service excellence.



Our Pura healthcare super app has revolutionised patient experiences and centralised services and introduced proactive health tools that truly transform how patients interact with healthcare.



Enhancing Patient Care and Expanding Access

Beyond expansion, our focus in 2024 was on delivering high-impact healthcare solutions that improve lives at scale. We saw a significant increase in patient volumes, with over 9 million interactions across our network. Our hospitals and clinics experienced double-digit growth in admissions, while our market share in the private healthcare sector increased to 43% in the UK and continued to rise across key markets in the UAE.

To further elevate healthcare access, we expanded SEHA's primary care clinics, enhanced emergency services at Sheikh Khalifa Medical City and Tawam, and introduced new service lines, including home-based haemodialysis and genetic metabolic services. Also, SSMC's designation as a Centre of Excellence for Burns Treatment and Sheikh Khalifa Medical City's recognition for Paediatric Cardiac Surgery reaffirmed our leadership in specialised care.

Harnessing Innovation to Redefine Healthcare

Innovation remains at the core of our strategy. In 2024, we continued to push the boundaries of healthcare technology, advancing our digital-first approach to improve efficiency, enhance patient experiences, and drive precision medicine.

Pura, our AI-driven healthcare super app, has transformed patient engagement, by enabling its users to access seamless digital health services, personalised care pathways, and real-time monitoring tools. We also strengthened our predictive healthcare capabilities through the expansion of AI-powered diagnostics, remote patient monitoring, and the integration of wearable technologies to shift healthcare from reactive to proactive models.

Our commitment to digital transformation extended to operational excellence, with the rollout of PureNet, our advanced digital health platform, and the successful implementation of Laboratory Information System (LIS) as a Service across our diagnostic network.

These innovations have enhanced service delivery, optimised workflows, and reinforced our leadership in data-driven healthcare.

Building a Sustainable and Resilient Future

As we grow, we do so with purpose. Sustainability is central to our mission, ensuring that every aspect of our operations contributes positively to the communities we serve. In 2024, we made significant strides in environmental, social and governance (ESG) maturity, strengthening our governance, enhancing environmental initiatives, and expanding social impact programmes.

We launched our inaugural Sustainability Report, aligned with global standards such as GRI, TCFD, and SASB, and submitted our first Climate Change Disclosure (CDP). Our Net Zero strategy is now embedded across our business, guiding investment decisions and operational efficiencies to drive long-term sustainability. In parallel, we deepened our partnerships with government to advance healthcare accessibility, mental health awareness, and community wellness programmes.

Shaping the Future of Global Healthcare

As we look to the future, our ambition remains clear: to build a healthcare ecosystem that is accessible, intelligent, and patient-first. We will continue to expand our service offerings, drive innovation, and pursue strategic partnerships that enhance our capabilities and market presence. With a strong foundation, a clear growth trajectory, and an unwavering commitment to excellence, PureHealth is well positioned to redefine healthcare, not only in the UAE but also on a global scale.

We are not just building a healthcare company; we are shaping the future of care globally, ensuring that every decision we make delivers tangible, lasting impact for our patients, partners, and communities globally.

Shaista Asif
Group Chief Executive Officer



STRATEGY

Strategy

PureHealth’s strategic vision is built upon three fundamental pillars that drive our mission to revolutionise healthcare delivery and advance the science of longevity.

Driving our Mission for Healthcare Delivery

Strategic Pillars and Objectives

Our strategy aims to solidify PureHealth’s position as a national champion, expand the depth and geographic reach of groundbreaking innovation for patients, and pioneer next-generation healthcare technologies. We strive to enhance the lives of individuals and foster healthier communities worldwide, revolutionising the healthcare landscape and unlocking time for humankind.



Driving Expansion through M&A

PureHealth’s M&A strategy targets healthcare sectors and subsectors beyond healthcare providers, including dispensing and retail pharmacy platforms, digital pharmacy dispensing solutions, diagnostics, healthcare technologies, health insurance, and supply chains. We seek growth-oriented firms with strong market positions that offer globalisation, operational, and synergy potential.



Enhancing Healthcare Delivery through Innovation

At the core of PureHealth’s ethos is a relentless pursuit of transformation and the creation of synergies across our diverse operations. By harnessing the power of AI and digitisation across all our verticals, we aim to enhance operational efficiency, foster innovation, and deliver superior patient care.



Driving Sustainability and Social Impact

PureHealth remains committed to sustainability and social responsibility, aligning our operations with global environmental goals and community needs. We strive to improve the healthy life expectancy of the populations we serve, reimagining the ageing process to tackle the status quo of reactive and siloed care through a whole-of-life approach to longevity.

Strategy in Action

Revolutionising Healthcare Delivery

PureHealth’s strategy resulted in significant global expansion through acquisitions, enhanced healthcare delivery via digital innovation, and improved sustainability efforts. Key outcomes include increased patient volumes, expanded services, and a strong commitment to environmental and social initiatives.

Driving Expansion through M&A

In alignment with our global expansion strategy, PureHealth has made significant strides in 2024:

Acquisitions

- We completed the acquisition of Circle Health, the UK’s largest independent hospital operator, for US\$ 1.2 billion. This strategic move has expanded our international footprint and provided access to the UK healthcare market, aligning with our goal of bringing healthcare excellence from Abu Dhabi to the world.
- The acquisition of Sheikh Shakhboub Medical City (SSMC) in Abu Dhabi for US\$ 600 million has strengthened our leadership in advanced care within the UAE, furthering our objective of consolidating our position as the pre-eminent healthcare network in the region.

Portfolio Optimisation

- In line with our strategy to focus on high-growth areas, we divested non-core assets such as Yas Clinic and Abu Dhabi Stem Cells Center (ADSCC). This allows us to concentrate resources on areas that align more closely with our longevity-focused goals and drive sustainable returns for stakeholders.

Enhancing Healthcare Delivery through Innovation

Our commitment to innovation and digital transformation is evident in several key initiatives:

Digital Transformation

- We continued to grow and scale our healthcare super app and digital front door, which has garnered over 575,000 active users. This aligns with our vision to become a leading customer-centric smart innovator and move healthcare from a reactive to a proactive paradigm.
- Implementing AI-driven analytics and predictive care models has enhanced clinical decision-making and patient care across our network.

Healthcare Excellence

- We established specialised centres, including the Comprehensive Cancer Center at Tawam Hospital and the Paediatric Cardiac Surgery Center at Sheikh Khalifa Medical City. These initiatives support our strategy of providing world-class, specialised care aligned with international best practices.
- The launch of Sakina, the region’s largest mental health platform, addresses critical care gaps and underscores our commitment to tackling underserved healthcare needs through innovation.

Driving Sustainability and Social Impact

Our actions in 2024 demonstrate our commitment to sustainability and social responsibility:

Advancing ESG Maturity and Performance

- We achieved an MSCI AAA rating, positioning us as a leader in ESG within the healthcare sector.
- We secured a spot in the LSEG Top 50 Global ESG-rated companies, highlighting our global standing in ESG performance.
- Our Sustainability rating of Low Risk reflects the strength of our ESG risk management and our proactive approach in addressing material ESG issues.
- We also received SBTi target validation, reaffirming our commitment to science-based climate action and the alignment of our net-zero goals with global climate frameworks.

Community Engagement and Social Responsibility

- As part of PureHealth’s commitment to creating healthier, more resilient communities, we expanded Active Abu Dhabi initiative, in partnership with the Emirates Foundation, promoting preventative care and community well-being. Additionally, our ongoing support for the Emirati Development Center (EDC) helps nurture local talent and empowers future leaders.

Through these strategic actions, PureHealth continues to drive towards its vision of revolutionising healthcare delivery, advancing the science of longevity, and creating a more sustainable and healthier future for all.

Market Overview

The IMF forecasts the UAE’s GDP growth rate at 3.1% for 2024, surpassing many advanced and emerging economies. This impressive performance is largely driven by the nation’s successful diversification efforts and the decoupling of its non-oil economy from global trends, supported by lower inflation rates compared to global averages.

Economic Landscape

Global Perspective

The global economy is showing signs of resilience and gradual recovery following the previous year’s deceleration. The International Monetary Fund (IMF) anticipates global economic growth to reach 3.1% in 2024, a slight improvement from earlier forecasts. This upturn is attributed to the robust performance of the United States and several key emerging markets, alongside additional fiscal support from China. However, a cautious approach is warranted as inflation remains a concern despite its projected decline to 5.8% in 2024 and 4.6% in 2025, down from 6.9% in 2023.

United Arab Emirates Outlook

The United Arab Emirates (UAE) and the broader GCC region continue to demonstrate economic resilience, bolstered by robust oil prices and substantial fiscal reserves.

Healthcare Sector Highlights

Global Trends

The healthcare industry is on the cusp of a revolutionary era, with technological advancements, particularly in Artificial Intelligence (AI), set to revolutionise care delivery, enhance diagnostic accuracy, and elevate patient experiences. The Economist predicts that health spending will outpace inflation in 2024, growing by 1.1% in real terms, despite a slowdown in nominal US-dollar growth to 6.1%.

A significant focus is being placed on health equity, with concerted efforts to bridge disparities in healthcare access and outcomes across various socioeconomic groups. Virtual healthcare solutions, personalised medicine, and preventative care strategies are emerging as key players in achieving this objective. The sector is witnessing a shift towards profitable digital health business models supported by government initiatives and impending regulatory frameworks.

According to Morgan Stanley, industry investments in AI and machine learning are projected to exceed 10% of budgets in 2024, up from approximately 5% in 2022. However, the lingering effects of Covid-19 continue to pose challenges, including workforce shortages and persistent cost pressures.

3.1% (2024E*)

IMF projected global economic growth

5.8% (2024E)

Anticipated global inflation rate

1.1% (2024E)

Predicted health spending growth by The Economist

3.1% (2024E)

Estimated UAE’s GDP growth

The WHO reports that global health spending reached US\$9 trillion in 2019, representing 9.8% of global GDP. However, there remains a significant disparity, with high-income countries spending an average of US\$5,562 per person on health compared to just US\$40 in low-income countries.

* Estimate at the time of going to print.

Market Overview continued

The World Health Statistics 2024 report reveals that over just two years (2020 and 2021), global life expectancy dropped by two years, wiping out a decade of progress made in improving population health. The WHO regions for the Americas and Southeast Asia were hit hardest, with life expectancy dropping by approximately three years and healthy life expectancy by 2.5 years between 2019 and 2021.¹

Despite setbacks, there has been encouraging progress in some areas. New HIV infections dropped from 2.8 million in 2000 to 1.3 million in 2022, a 54% reduction. Global tuberculosis rates decreased from 180 per 100,000 in 2000 to 133 per 100,000 in 2022, a 26% reduction.¹

United Arab Emirates Healthcare Landscape

The Middle East, particularly the UAE, is experiencing a healthcare revolution driven by demographic shifts, technological advancements, and an increased focus on quality care. The MENA healthcare market is forecast to expand at a compound annual growth rate (CAGR) of 11.7%, reaching US\$243.6 billion by 2023. In 2022, GCC healthcare expenditure was estimated at US\$105 billion, with the UAE contributing 25% of this total.

Growth Catalysts

The health-tech sector has seen substantial investment growth, particularly in telemedicine, AI-driven diagnostics, and digital health solutions. MENA health-tech companies (excluding Israel) achieved a combined valuation exceeding US\$1.5 billion in 2022, representing a 22-fold increase since 2016. The UAE has emerged as a key player, boasting over 250 health-tech startups within its ecosystem.

Key UAE Healthcare Statistics

25%

UAE's share of GCC healthcare spending

US\$244bn

Projected MENA healthcare market value by 2023

Demographic Dynamics

The UAE's healthcare sector growth is fuelled by ongoing population expansion, with the nation now home to approximately 9.6 million residents. A significant demographic shift is anticipated, with the proportion of the population aged over 60 projected to increase from 3% in 2020 to 20% by 2050. This transition presents opportunities for increased focus on longevity and preventive care, paving the way for investments in specialised clinics and associated technologies.

The WHO estimates that by 2030, the world will need an additional 18 million health workers, primarily in low- and lower-middle income countries.

Human Capital Challenges

The global healthcare sector faces significant human capital constraints, with demand for skilled professionals outpacing supply. Projections indicate a global shortfall of 10 million healthcare workers by 2030, posing a significant challenge to the industry's growth and transformation.

The World Health Statistics 2024 report highlights that Universal Health Coverage expanded to 585 million more people, falling short of the goal of 1 billion. Additionally, only 777 million more people are likely to be adequately protected during health emergencies by 2025, falling short of the 1 billion target set in WHO's 13th General Programme of Work.¹

Accelerated Development

The MENA region, led by the UAE, is experiencing a technological revolution in healthcare, with vertically integrated providers like PureHealth at the forefront. The integration of telemedicine, AI, and other advanced technologies across broad consumer segments, coupled with population growth, promises both revenue expansion and accelerated development of healthcare services. However, the looming shortage of qualified professionals presents a significant challenge. Addressing this talent gap will be crucial in maintaining the momentum of the region's healthcare transformation and ensuring the efficient delivery of high-quality care.



¹ UN/WHO: World Health Statistics Report (May 2024).

We are PureHealth

The largest healthcare group in the Middle East, providing integrated services to transform healthcare and enhance patient outcomes.

We do this through our five-tier business model:



1 What Sets Us Apart



Cutting-Edge Technology Platform

Transforming healthcare through innovation and integration

PureHealth invests in advanced technologies like telemedicine, AI diagnostics, and data analytics to enhance care delivery. Vertical integration ensures seamless communication and operational efficiency, while medical research drives innovation. These advancements enable personalised care, data-driven decisions, and improved healthcare outcomes.



Unique Payer Provider Model

Integrated ecosystem enhancing care, efficiency, and outcomes

Our unique payer-provider model integrates hospitals, insurance, diagnostics, and pharmacies into a cohesive ecosystem. This structure ensures seamless care coordination, reduces costs through resource optimisation, and leverages data analytics to deliver personalised healthcare. It enhances patient experiences while improving outcomes.



Economies of Scale and Scope

Centralised procurement driving efficiency and collaboration

We achieve cost efficiency through centralised procurement, bulk purchasing, and streamlined distribution, eliminating redundancies across facilities. A strong network fosters knowledge sharing, enabling better supplier negotiations and operational improvements. This integrated approach enhances patient care while reducing overall costs.



Strategic Global Footprint

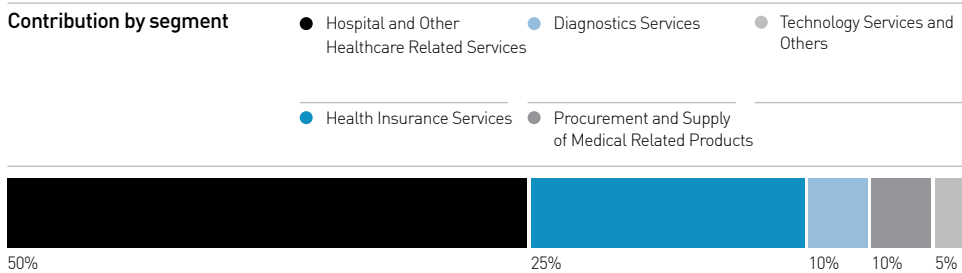
Expanding healthcare reach through strategic acquisitions globally

PureHealth's global strategy focuses on acquiring high-profile healthcare assets, such as Circle Health Group in the UK and Ardent Health Services in the US. These acquisitions enhance expertise, expand market access, reduce dependence on single markets, and integrate best practices from diverse healthcare systems.

2 Our Core Healthcare Segments

At PureHealth, our strategic diversification across five key segments has positioned us as a comprehensive healthcare leader in the region.

Our hospitals vertical boasts the largest network of inpatient and outpatient facilities in the UAE, offering unparalleled patient care and accessibility.

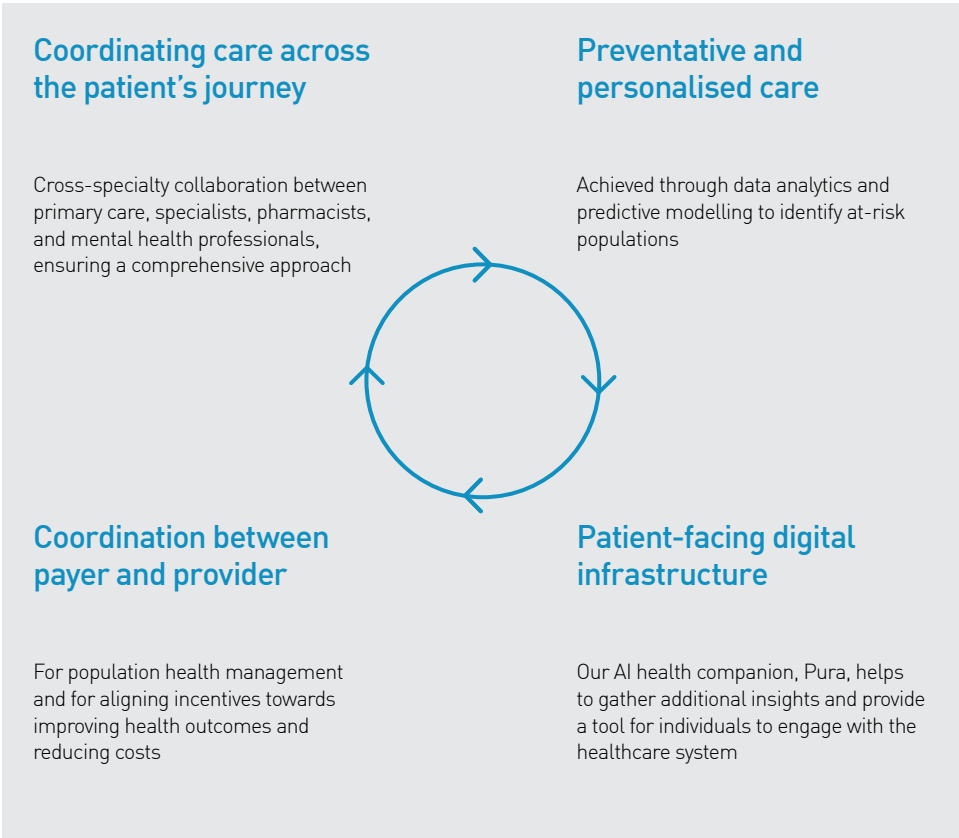


Hospital and Other Healthcare Related Services Delivering comprehensive care through hospitals and clinics. Provides inpatient, outpatient, and specialised care, including surgeries, rehabilitation, and mental health, across regional and international facilities. How we generate financial value Value is generated through delivering a comprehensive continuum of care covering primary, secondary and tertiary level of care with strong connections to the patient community.	Health Insurance Services Providing accessible, affordable healthcare for all. Manages government and private insurance plans, enabling accessible healthcare through innovative reimbursement models and claims processing systems. How we generate financial value Income comes from premiums collected for government schemes as well as private health insurance policies, along with revenue from claims management and fund administration.	Diagnostics Services Advanced laboratory testing and diagnostic research services. Operates ISO and CAP accredited labs Offering routine, esoteric testing supporting healthcare network in UAE and beyond. How we generate financial value Revenue streams include fees for routine and advanced laboratory testing, genetic diagnostics, and collaborations on research initiatives.	Procurement and Supply of Medical Related Products Ensuring healthcare supply chain excellence across systems. Centralised procurement, warehousing, and distribution of medical goods, ensuring efficiency, quality, and availability across healthcare facilities. How we generate financial value Earnings are driven by contracts for sourcing, warehousing, and distributing medical products, including consumables, devices, and pharmaceuticals, to hospitals and healthcare providers.	Technology Services and Others Innovating healthcare with IT and digital solutions. Delivers AI-driven tools, teleconsultations, and cloud platforms like Pura, enabling efficiency and personalised care across the ecosystem. How we generate financial value Revenue is generated through digital health platforms for teleconsultations and personalised care, IT licensing fees, and subscriptions for AI-driven tools and cloud-based healthcare solutions.
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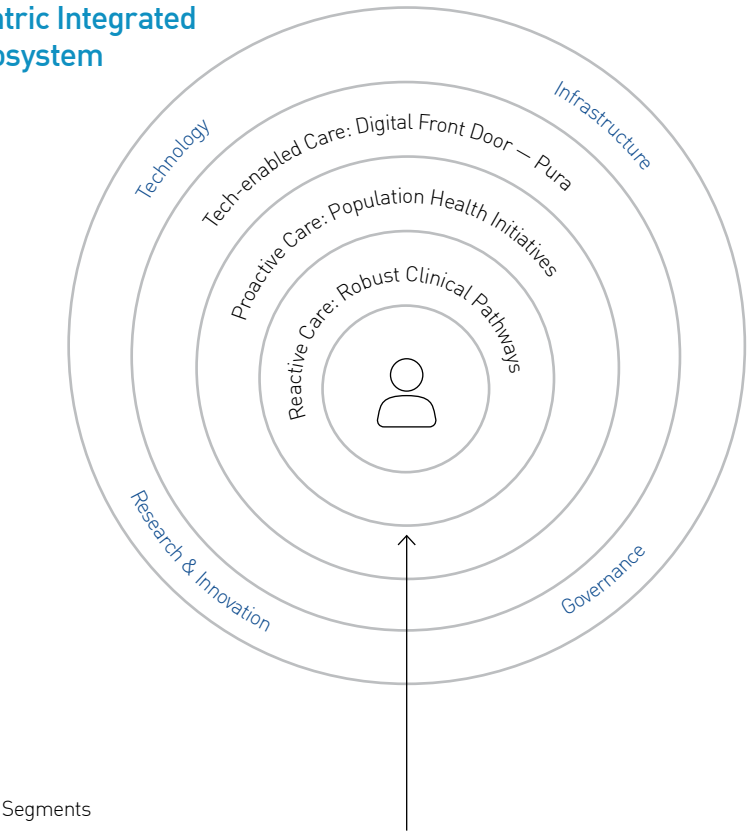
3 Our Integrated Healthcare Experience Chain

We are uniquely positioned across the healthcare experience chain.

As an integrated healthcare system PureHealth encompasses a coordinated network of healthcare verticals and players that work together to deliver seamless, high-quality care to patients.



PureHealth's patient-centric Integrated Ecosystem



Segments

Insurance	Healthcare Services	Diagnostics
Pharmacy	Distribution and Procurement	Digital Services

A unified approach for better outcomes

Through these integrated activities, we deliver a comprehensive healthcare experience that moves beyond reactive, siloed, and fragmented treatment models. This approach not only lowers costs but also improves outcomes and enhances patient satisfaction, ultimately making healthcare more efficient and accessible.

4 How We Prioritise Investments

Strategic Acquisitions and Divestments

We actively leverage strategic acquisitions and divestments to continuously optimise our portfolio, accelerate global expansion, and drive operational excellence. Our disciplined approach targets high-value opportunities that enhance patient care, strengthen our market positions, and deliver sustainable growth.

We remain focused on strategic investments in markets where we have an established presence, as well as neighbouring geographies that align closely with our core operations. By pursuing selective bolt-on and tuck-in acquisitions, we aim to deepen our local capabilities, achieve greater operational synergies, and reinforce our competitive advantage. Simultaneously, we continue streamlining our portfolio by divesting non-core assets, ensuring the efficient allocation of capital, and creating meaningful, long-term value for all stakeholders.

Investment in Organic Growth

We foster sustainable organic growth by consistently driving higher patient volumes, optimising our pricing structures, and continually enhancing operational efficiency across our network. By embracing innovation, leveraging digital transformation, and prioritising patient-centric care, we deliver superior healthcare services tailored to evolving patient needs. This strategic approach allows us not only to enhance our global impact but also ensures sustainable value creation and positions us effectively to address the dynamic healthcare landscape of today and tomorrow.

Generating Sustainable Dividends

We balance delivering consistent dividends with reinvestment to support growth, ensuring our financial policies align with enhancing patient

care and long-term value creation.

5 How We Create Value for our Stakeholders

Patients

Improving lives through accessible, quality care.

We deliver high-quality care, diagnostics, and personalised health services, improving accessibility and achieving better health outcomes for all.

Employees

Empowering people to thrive and succeed.

We foster a culture of excellence, collaboration, and wellbeing, empowering our people with the tools, training, and environment to thrive and deliver better health outcomes.

Communities

Advancing equity, wellness, and sustainability.

We advance health equity, sustainability, and wellness by delivering outreach programs, renewable energy initiatives, and accessible healthcare services.

81%

Favourable employee response rate

Shareholders

Generating sustainable long-term value.

We drive financial growth through diversified revenue streams, strategic investments, and operational excellence to maximise long-term value.

Governments

Partnering to strengthen public health systems.

We support public health programs, manage insurance initiatives, and collaborate on infrastructure projects to enhance national healthcare systems.

Suppliers and Partners

Collaborating for reliable and ethical solutions.

We build strong partnerships through ethical sourcing, innovative procurement practices, and ensuring supply chain efficiency and reliability.

BUSINESS SEGMENTS

HOSPITAL AND OTHER
HEALTHCARE RELATED SERVICES



Hospital and Other
Healthcare Related Services

Abu Dhabi Health Services CO.
PJSC (SEHA)



Saeed Al Kuwaiti, CEO



2.0mn+
OP Volumes

1,900+
Operational Beds

89,000+
IP Volumes

3,643
Cancer Screenings

550,000+
ED Volumes

37,000+
Surgeries Performed (OR + non-OR)



SEHA is the largest and most comprehensive healthcare network in the UAE, serving as the backbone of the country’s healthcare system.

With a portfolio of the largest tertiary care hospitals, SEHA is focused on multi-speciality clinical services delivering world-class treatments to communities across the region.

With a dedicated workforce of over 12,000 professionals, including doctors, nurses, and administrative staff, SEHA is one of the largest integrated healthcare providers in the Middle East. It is responsible for the ownership and operation of all public hospitals and clinics in the Emirate of Abu Dhabi, including significant operations in Al Ain and Al Dhafra. This pivotal role places SEHA at the heart of the region’s extensive healthcare sector developments.

Committed to maintaining global standards, SEHA oversees 14 hospitals, ensuring comprehensive healthcare coverage that is both accessible and efficient. With 13 of its facilities proudly accredited by the Joint Commission International, SEHA is dedicated to elevating the quality of public healthcare and aligning its services with the world’s finest healthcare systems, thereby enhancing patient care and safety across its extensive network.

SEHA Flagship Facilities:



Sheikh Khalifa Medical City, Abu Dhabi

Sheikh Khalifa Medical City (SKMC) serves as the flagship tertiary institution for SEHA’s healthcare system. SKMC’s comprehensive healthcare services cater to the needs and priorities of the Abu Dhabi community, ensuring not only optimal levels of patient care and satisfaction but also promoting general health and well-being through education and awareness.

SKMC has been recognised as a Centre of Excellence for Pediatric Cardiac Surgery by the Department of Health – Abu Dhabi. This designation underscores SKMC’s dedication to providing top-tier healthcare for children with congenital heart conditions. The hospital offers a broad spectrum of specialised pediatric services, including oncology, hematology, nephrology, metabolic disorders, and minimally invasive procedures.

Recent Achievements

- Achieved JCI CCPC for kidney transplant
- Achieved the first three liver transplants
- Activation of adult services
- Platinum Champion Award for Patient Safety
- DOH approval provision of the Periodic Comprehensive Screening Program (PCSP)
- Started IFHAS Program

SEHA continued



Corniche Hospital, Abu Dhabi

Corniche Hospital has a legacy as the most trusted and leading referral centre for women and newborn care in Abu Dhabi, with more than 46 years of dedication to motherhood and over 275,000 babies delivered to date (over 6,000 babies per year).

Recent Achievements

- Recorded 6,171 newborn and 493 IVF procedure cycles
- “New Pregnancy” OPD clinic initiative driving deliveries
- Increased inpatient and outpatient volumes year-on-year in FY2024

Tawam Hospital, Al Ain

Tawam Hospital is a premier tertiary care facility located in Al Ain, Abu Dhabi. As one of the largest hospitals in the United Arab Emirates, Tawam is committed to providing a continuum of quality healthcare that meets the needs and expectations of the UAE. Tawam’s state-of-the-art cancer care supports complex cancer treatments for patients throughout the UAE.

In addition, the Hospital collaborates with SEHA CLINICS, primary care network of PureHealth, in the area to offer a variety of services and resources, guaranteeing that expectant mothers have access to continuous and coordinated care throughout their pregnancy journey.

Recent Achievements

Operational and service expansion

- Introduced evening and weekend clinics and OR service expansion of an additional OR expanded for elective cases
- Launched Genetic Metabolic Center to provide comprehensive one-stop care
- Launched laparoscopic egg collection procedure at Tawam Fertility Center

Medical achievements

- Performed the first non-invasive procedure using high-intensity focused ultrasound technology to treat liver cancer – the first of its kind outside the USA
- Performed first aquablation therapy for benign prostatic hyperplasia (BPH)

Accreditation and awards

- International Hospital Federation (IHF) Awards 2024
- NIHS Accreditations for Infectious Disease Fellowship and Internship programs
- Accreditation from Royal College of Physicians and Surgeons of Canada
- First healthcare facility in the UAE to embrace AI technology in radiation oncology care





Sheikh Tahnoon Bin Mohammed Medical City (STMC)

Sheikh Tahnoon Bin Mohammed Medical City (STMC), a brand-new tertiary care, state-of-the-art, multispecialty facility with a licensed bed capacity of 718 beds, covering a built-up area of more than 340,000 square metres, was inaugurated in late 2023 and has commenced operations in phases. The initial phases included the operationalisation of comprehensive rehabilitative and outpatient services in 2023. Inpatient and Emergency services started in September 2024. Once fully operational, the facility will become the largest tertiary care facility in the Al Ain region and one of the largest in the UAE, boasting a range of tertiary care specialties such as Cardiology, Neurosciences, Surgical Oncology services, Orthopaedics, Interventional Radiology, Nephrology, Bariatrics, etc. The facility is expected to receive Centre of Excellence recognition for Stroke, Bariatrics, Neurosciences, Robotic, Rehabilitation, and Cardiac Surgery.

STMC encompasses a unique patient environment called the “Healing Oasis”, built for modern needs. STMC’s aim is to provide the highest quality healthcare possible, dedicated to excellence in everything we do, striving to be one of the best acute healthcare providers in the region. STMC, with its state-of-the-art academic facilities, is a teaching hospital and research centre of choice for healthcare professionals in affiliation with United Arab Emirates University.

Additionally, STMC includes a stand-alone Rehabilitation Hospital with 131 inpatient beds, offering advanced rehabilitation programs that utilise cutting-edge technologies to address complex medical needs. This facility ensures a smooth transition from acute care to full recovery, setting new standards in comprehensive care.

Recent Achievements

- Successfully obtained STMC research license
- STMC Is recognised as the only hospital in the UAE to establish a dedicated Sjogren’s Clinic



Hospital and Other
Healthcare Related Services

Sheikh Shakhbout
Medical City (SSMC)



ssmc مدينة الشيخ شخبوط الطبية
Sheikh Shakhbout Medical City

Dr Marwan Al Kaabi, CEO

29,290
2024 IP Discharges

423,898
2024 OP Visits
(OP + DC)

164,831
2024 ED

586
Operating Beds as at
December 2024



SSMC is the region’s largest healthcare complex, providing advanced tertiary care with a focus on multi-specialty and complex treatments. As a leading medical facility, SSMC is dedicated to delivering cutting-edge healthcare services, ensuring excellence in patient care across a wide range of specialties.

Established in 2019, SSMC has 660 patient beds, 18 operating theatres, including a hybrid operating room and a 26-bed neonatal intensive care unit.

Supported by the latest diagnostic and treatment modalities available, SSMC offers care in 46 specialties, bringing advanced and trusted quality care closer to the UAE and the wider region.

Key Achievements in 2024

Patient Experience:

- Highest patient scores in Press Ganey since 2020: Inpatient, outpatient, and emergency departments scores reached highest level in Press Ganey since the hospital’s opening in 2020, with year-on-year improvements

- Emergency Department performance: Despite an 17% increase inpatient volume, the Emergency Department Press Ganey scores improved by 21% compared to 2023

New Services and Awards:

- Recognition as a Centre of Excellence for Burn Treatments by the Department of Health Abu Dhabi
- Best Patient Experience Improvement Project Award at the Patient Experience Congress and Awards in Riyadh
- SSMC has completed 500 robotic assisted surgeries milestone to date. In 2024 alone, more than 200 robotic assisted surgeries were performed
- SSMC has introduced an innovative Neuroscience Institute to enhance patient outcomes

Complex Cases:

- 3D planned resection and reconstruction with microvascular flap and patient-specific implants
- Single posterior-only corpectomy and fixation of severe L5 lumbar fracture in a young male patient
- Reconstruction after near total facial skin and bone loss
- Delivery of quintuplets at 25 weeks of gestation

Hospital and Other Healthcare Related Services

Circle Health Group



Paolo Pieri, CEO



2.45mn+
Outpatient Volumes

50+
Total Hospitals

63,000+
Inpatient Volumes

9,000+
Employees



Circle Health is the UK’s largest independent hospital group, with a national network of hospitals across the United Kingdom.

Circle has been named ‘Hospital Group of the Year’ at the prestigious LaingBuisson Awards 2024. This award follows Circle Health winning the award for UK’s Leading Private Hospital Group earlier this year at the HealthInvestor Awards.

Circle delivers unrivalled standards of patient care to over two million patients annually across a diverse range of specialties, including orthopaedics, oncology, cardiothoracic surgery, ophthalmology, neurosurgery, and general surgery.

With over 9,000 employees and 6,500 consultants across more than 60 specialties, Circle Health Group offers rapid access to hospital care that has been independently recognised as amongst the best in the UK.

The Group boasts an unprecedented four-year winning streak in the prestigious UK ‘Health Investor’ awards, where it was voted ‘Private Hospital Group of the Year’ in 2021, 2022, 2023 and 2024, as well as ‘Hospital Group of the Year’ in the 2024 Laing Buisson awards, where the judges commended Circle’s ‘excellent growth story driven by aggressive innovation, achieving market-leading outcomes’.

Dedicated to technological advancement, Circle Health Group leads the industry in deploying cutting-edge technologies such as robotics, AI, and fully digital pathways. The Group’s emphasis on innovation has earned it a reputation as the UK’s most

patient-focused and technologically advanced healthcare provider.

Key Achievements in 2024

- Ranked 4th Best Big Company to Work For in the UK
- Significant growth in revenue with 3% increase in self-pay and 18% increase in PMI
- Individually, orthopaedics, gynaecology and oncology admitted revenue grew by 8%, 7%, and 14% respectively
- Increased the number of surgical robots across the Group to 15

Key Operational KPIs for 2024

- Record-breaking 2.45 million patients seen in 8% annual increase in volumes
- Founded the UK’s first hospital management degree in partnership with Liverpool St John Moore University to solve recruitment and retention challenges
- To date, Circle has sent almost 300 employees for formal leadership training with partner universities
- Exceptionally high patient safety standards with year-on-year reductions in the number of patient incidents, unexpected deaths and readmissions
- Innovation in service lines with 43% increase in private GP services at hospitals, and commissioned two new satellite clinics for flagship hospitals in the north of England and Scotland

Hospital and Other Healthcare Related Services

Ambulatory Health Services (SEHA CLINICS)



Dr Khadija Al Marashda,
Acting CEO



3.6mn
OP Volumes

1.3mn
Visa Screening Visits

186,000
IFHAS Screening Visits

105,000
Home Visits



SEHA CLINICS is the largest primary care network in the emirate of Abu Dhabi, covering a network of 64 clinics across all of Abu Dhabi, Al Ain and Al Dhafra Region. SEHA CLINICS is focused on prevention, convenience, community well-being and, due to its network, acts as a referral system to the PureHealth eco-system.



With a strategic focus on evolving market demands and the increasingly complex public health needs, SEHA CLINICS has successfully transformed the provision of healthcare services. Today, SEHA CLINICS stands as the UAE's largest network of healthcare centres, offering a comprehensive blend of family medicine, specialty care, screening, and diagnostic service across more than 60 facilities.

The remarkable growth and resilience of SEHA CLINICS can be attributed to its dynamic team of over 3,000 highly qualified professionals who are committed to excellence. As SEHA CLINICS continues to advance, it is uniquely positioned to redefine the future of ambulatory care. By harnessing the power of digital innovations and population health solutions, SEHA CLINICS is pioneering a model of care that brings high-quality healthcare services closer to the community, enhancing accessibility and convenience in a way that truly meets the needs of today's families.



Hospital and Other Healthcare Related Services

Salma Long Term Care



Philipp Mielenz, CEO

مستشفى سلمى لإعادة التأهيل
SEHA SALMA REHABILITATION HOSPITAL

296
Bed Capacity

823
Employees



Salma is the largest specialised provider of rehabilitation and long-term care in the emirate of Abu Dhabi, offering comprehensive, patient-centred services designed to support recovery, independence, and quality of life.

We provide specialised medical care to residents/patients with chronic illness or disability, those who cannot be cared for in their home environment, or those who require sub-acute, post-acute rehabilitation, or long-term care.

Accredited by JCI (Joint Commission International), our medical facilities are managed by highly experienced physicians, rehabilitation specialists, therapists, and nurses using state-of-the-art medical equipment, set in a world-class hospitality environment.

Salma Rehabilitation Hospital provides best-in-class services in the long-term care and rehabilitation segment in five strategic locations within the emirate of Abu Dhabi:

- **Salma Children’s Rehabilitation Hospital (salmaCHILDRENS)** is our flagship facility and is the first premium holistic children’s rehabilitation hospital in Abu Dhabi, designed to provide the highest medical care and hospitality for residents and their families. Opened in August 2019, salmaCHILDRENS is a purpose-built state-of-the-art hospital that is intended to create a “home away from home” feeling and atmosphere for residents and their families. Currently, salmaCHILDRENS has 53 rooms with 70-bed licenses.
- **Salma Rehabilitation Hospital – SKMC (salmaSKMC)** provides personalised long-term care and post-acute rehabilitation services for adults and is housed within Sheikh Khalifa Medical City (SKMC).salmaSKMC started operations in May 2022 and has 48 bed licenses.
- **Salma Rehabilitation Hospital – Al Ain (salmaALAIN)** offers comprehensive long-term care and post-acute rehabilitation services for adults and children and is located inside Al Ain Hospital. salmaALAIN opened its doors in July 2022, now expanded to 4 long-term care (LTC) wards with a total of 65 bed licenses.
- **Salma Rehabilitation Hospital – Rahba (salmaRAHBA)** provides highly specialised long-term care and rehabilitation services for adult segments and is housed inside Al Rahba Hospital. salmaRAHBA became operational in December 2022 and has 2 LTC wards with 45 bed licenses.
- **Salma Rehabilitation Hospital – Dhafra (salmaDHAFRA)** offers personalised and highly specialised long-term care and rehabilitation services for adults and is located in Madinat Zayed Hospital, Al Dhafra region. salmaDHAFRA opened in June 2023 and boasts 28 bed licenses.

Hospital and Other Healthcare Related Services

Sakina



Dr Zain Al Yafai, CEO



32
Centres Offering Mental Health Services

369
Mental Health Professionals



Sakina is the region’s largest mental health platform, delivering inclusive, personalised care across every stage – from early intervention to full rehabilitation, both in-person and digitally.

In an effort to enhance patient care, facilitate broader accessibility throughout Abu Dhabi, and establish standardised practices, SEHA – Abu Dhabi Health Services Co. has formulated a plan to centralise all mental health services from across the wide network, within a single entity named Sakina. “Sakina” stands for the “spirit of tranquillity” or “peace of reassurance”.

Sakina is driven by a passion for excellence, focused on quality care and best practices. Sakina has been established to progress mental health services in Abu Dhabi in response to growing demand and need to provide a transformative model of care. Mental well-being is a core determinant of longevity hence Sakina is positioned to realise our longevity ambitions.

Sakina takes pride in its extensive network of healthcare facilities across the Emirate of Abu Dhabi, strategically designed to seamlessly incorporate mental health services, working alongside other medical specialties to offer comprehensive, stigma-free, and easily reachable world-class care. This approach encourages interdisciplinary cooperation and the enhancement of infrastructure, resulting in a well-rounded mental health care system that caters to the diverse needs of the community.

Key Achievements in 2024

- Completed key clinical projects:
 - Sakina for Children: Abu Dhabi & Al Ain
 - Sakina Hubs: Abu Dhabi & Al Ain
 - Integrated Clinics: SSMC, Tawam, SKMC, Al Rahba Hospital, Dhafrah Hospital, Corniche Hospital
- Launched dedicated Sakina call centre
- Standardised mental health screening across SEHA Clinics, and Hospitals

Sakina for Children

Sakina has newly launched Sakina for Children, a centre for neurodiversity that delivers the full spectrum of clinical services for developmental challenges. Our services include, pediatric consults, diagnostic assessments, treatment interventions, social support to families and caregivers, specialised therapies and psychoeducational workshops. These services are available in both, English and Arabic and are delivered by internationally qualified mental health experts with cultural context. The clinical expertise includes neurodevelopmental pediatrics, child and adolescent psychiatry and psychology, specialised therapies, dietary support and assessments. Sakina for Children stands as a beacon of hope and progress for individuals with neurodiverse needs and their families, we are determined to make a lasting positive impact on the lives of those we serve.

Hospital and Other
Healthcare Related Services

The National Rehabilitation
Center (NRC)



Yousef Altheeb Al Ketbi, CEO



1,032
Inpatient Admissions

15,499
Outpatient Visits



NRC is the largest and most specialised center in the UAE providing addiction medicine, rehabilitation and treatments for substance abuse.

NRC was established upon the insightful directives of the late Sheikh Zayed Bin Sultan Al Nahyan in 2002 to serve and provide clinically excellent care for those suffering from addiction. NRC serves as the UAE’s main hub for treatment, rehabilitation and research. In 2017, NRC was designated as a prestigious WHO Collaborative Centre for Substance Use Prevention and Treatment of Substance Use Disorders – the only centre of its kind in the Middle East. In 2024 NRC successfully became the first addiction services centre in the region to be fully CARF accredited.

The centre’s strategy focuses on a set of key priorities that aim to promote awareness around addiction, develop and offer specialised treatment services and programs based on scientific methods, provide rehabilitation and community integration services, and help improve the quality of addiction treatment regionally and internationally. In addition, it aims to play an active role in training and capacity building to cater to the growing demand for specialised addiction care. The NRC collaborates with governmental and semi-governmental entities to establish social and integration services for addiction patients, conducts community awareness sessions and empowers students as addiction prevention ambassadors in their communities through school programmes.

In its continuous effort to enhance service provision, NRC has recently inaugurated two new outpatient clinics, one in Liwa and another in Ghayathi, marking significant progress in its mission to offer tailored and compassionate care in the various regions of the Emirate of Abu Dhabi.

Key Achievements in 2024

- NRC has expanded its operations during 2024, to provide affordable, equitable and accessible services.
 - Expansion in Al Dhafra – 16 beds in Liwa
 - Expansion in Al Dhafra – opened 2 new clinics in Liwa and Ghayathi
 - Opened an automated pharmacy and laboratory in Liwa
- Renewed and automated its HQ pharmacy, saving patients time and providing an effortless experience
- NRC has successfully achieved CARF accreditation, the first rehabilitation centre to achieve a full accreditation for its outpatient and inpatient services for three years
- NRC lab has been accredited by UNODC as an early warning lab for the third year in a row and obtained validation of the accuracy of new POCT cup
- Patients’ readmission within 6 months was less than 1%, while 80% of patients completed treatment programs

Hospital and Other
Healthcare Related Services

The Life Corner (TLC)



Shaun Davies, CEO

65+

Total number of
Pharmacies

TLC operates 65+ pharmacies located in SEHA facilities, SSMC facilities and MOPA hospitals in Northern Emirates.

2.6mn

Number of
Prescriptions Dispensed

Total number of prescriptions dispensed increased by 22%, reaching 2.6 million compared to 2.1 million in 2023 including business integrations.



TLC is a pharmacy operator delivering comprehensive pharmacy experience through both on-site and digital channels. TLC manages outpatient and in patient pharmacies across the entire UAE.

In addition we have launched our first pharmacy in the Emirate of Dubai servicing both online and walk-in patients.

TLC’s pharmacy vertical encompasses two service lines called TLC and Dawak, both innovating the pharmacy experience through technological integration and patient-centric services.

By leveraging advanced technology solutions, TLC offers seamless access to essential medications and aims to set a benchmark for world-class pharmacy services. Today, TLC operates over 65 pharmacies across various hospitals and clinics, reaching more than 6 million patients annually and delivering high-quality care and support across the UAE. Complementing the physical presence of TLC, the launch of Dawak marks a significant milestone in digital healthcare delivery.

Dawak is a pioneering digital pharmacy app that transitions TLC’s services to the

cloud, enhancing convenience for patients by allowing them to order and receive medications from the comfort of their homes. This service ensures adherence to medication schedules by offering delivery at preferred times and dates, sending reminders, and automating the dispensing process. This reduces waiting times and streamlines operations, positioning Dawak as a leader in digital pharmacy solutions within the UAE.

Key Achievements in 2024

Dubai Pharmacy

Our first pharmacy in the Emirate of Dubai servicing both online and walk-in patients. Additionally, this pharmacy will facilitate Dawak, external prescriptions and Dawak online for OTC.

A New Business Vertical – DME

During the year, the company expanded its business service lines by adding Durable Medical Equipment and Retail Stores.

Hospital and Other Healthcare Related Services

The Medical Office (TMO)



Dr Aref Al Shehhi, CEO



587
Operating Beds

286,000
Outpatient Volume

21,000
Admissions

235,000
ED Visits

9,000+
Surgeries



TMO is a hospital management company, specialising in managing everything from hospital commissioning to hospital management. Currently TMO oversees the largest network of specialist and tertiary care hospitals across the UAE’s Northern Emirates.

This significant responsibility aligns with the healthcare initiatives spearheaded by His Highness the President of the UAE, aimed at delivering superior healthcare services to the region’s citizens and expatriates. TMO not only oversees healthcare operations within its network but also provides strategic counsel to the Presidential Court concerning major infrastructure projects and healthcare initiatives throughout the UAE.

TMO’s hospital portfolio includes the below:

- Sheikh Khalifa Hospital Ajman
- Sheikh Khalifa Women and Children Hospital Ajman
- Sheikh Khalifa Hospital Masfoot
- Rashid Centre for Diabetes and Research Ajman
- Sheikh Khalifa Specialty Hospital Ras Al Khaimah
- Sheikh Khalifa General Hospital Umm Al Quwain
- Sheikh Khalifa Hospital Fujairah
- National Rehabilitation Center Abu Dhabi (NRC)

As the latest addition in the TMO portfolio, Sheikh Khalifa Hospital Fujairah (SKHF),

fully operational since mid-2024, stands as Fujairah’s sole tertiary care specialty hospital for burns, trauma, and rehabilitation. With 31 clinical services, 222 inpatient beds, 30 emergency beds, and 11 operating theatres, SKHF provides comprehensive care.

TMO’s Vision and Strategic Imperatives

TMO is operating with the vision of creating value for the patients by delivering patient-centred care that is accessible, high-quality, and meets diverse medical needs. The four building blocks in this vision are:

- **Clinical Excellence** – Consistently delivering high-quality patient care and continuously targeting best possible outcomes
- **Patient Experience** – Exhibiting passion for patient care at every touch point of patient journey
- **Quality & Patient Safety** – Ensuring patient safety by equipping SK hospitals with the right quality tools, certifications and accreditations
- **Operational Excellence** – A structured and well-coordinated operational backbone to bring in efficiencies

Centres of Excellence in TMO hospital portfolio

With clinical excellence at the heart of its vision, TMO is currently engaged in establishing 9 Centres of Excellence across its Sheikh Khalifa Hospital network. The centres are: urology, burns, trauma, rehabilitation, neurosciences, cardiac sciences, oncology, women & child, and diabetes.

Hospital and Other Healthcare Related Services

Tamouh Healthcare



Abdulla Alrashdi, CEO



2,000+

Supporting UAE President's initiative to provide healthcare treatment to Foreign Guests of the State



Tamouh Healthcare is an agile healthcare delivery provider which mobilises on special projects, international missions and during crises. It has been a critical player in the UAE's healthcare sector in providing field hospitals and vaccine centres particularly during the Covid-19 pandemic.

The organisation has demonstrated operational excellence by establishing 84 Covid-care field hospitals, ICUs, and clinical laboratories. These initiatives positioned Tamouh at the forefront of pandemic response efforts, initially in Abu Dhabi and later across the UAE.

Additionally, Tamouh successfully had led a year-long earthquake relief operation in Afghanistan under the directive of the UAE government, reinforcing its commitment to international humanitarian efforts.

Beyond Covid-19, Tamouh Healthcare has continued to expand its role as a trusted provider of comprehensive medical services. The organisation specialises in the management and staffing of healthcare facilities, provision of essential medical personnel, and operation of on-site medical services for government entities and private sector clients.

Tamouh Healthcare services cover emergency care, primary healthcare, medical assistance plans, and occupational health solutions, catering to industries such as oil & gas, construction, facility management, and hospitality.

Key Achievements in 2024

Emergency Field Hospital Deployment

Successfully established and operated two emergency field hospitals in Sharjah and Ajman to combat the UAE's dengue fever outbreak in June–July 2024. These facilities:

- Were set up within 12 to 48 hours
- Admitted, treated, and discharged over 750 patients in two months
- Provided critical support to the Northern Emirates' healthcare infrastructure



BUSINESS SEGMENTS

HEALTH INSURANCE
SERVICES



Health Insurance
Services

National Health Insurance
Company PJSC (Daman)



Khaled Aldhaheeri, CEO



AED 6.9bn
GWP (Enhanced + Basic)

93%
Combined Ratio

192%
Solvency Ratio

52mn+
Claims Processed



Daman is the largest health insurance provider in the UAE and was established in 2006 under a government decree. Daman was instrumental in providing universal health insurance roll-out in the Emirate of Abu Dhabi and since then has been a trusted provider for all stakeholders, from policy holders to regulators.

As the largest health insurance solution provider in the UAE, Daman serves over 3 million members and collaborates with a vast network of more than 2,000 hospitals and clinics, ensuring comprehensive coverage and accessibility. Daman is not only at the forefront of health insurance but also plays a pivotal role in health fund management and administration for several government entities.

This includes the administration of the Abu Dhabi Basic Plan, which provides

subsidised healthcare for low-income expatriates, and the Thiqa healthcare program for UAE Nationals, in effect since 2008. Additionally, Daman’s Enhanced portfolio offers a variety of private insurance products across the UAE, catering to a broad demographic.

As the first specialised health insurer in the UAE, Daman has been instrumental in shaping the country’s healthcare landscape. Through its advocacy and leadership, Daman has significantly influenced the introduction and implementation of healthcare laws, reinforcing its status as a leader in the health insurance sector and underscoring PureHealth’s commitment to delivering exceptional healthcare outcomes across the UAE.

Key Achievements in 2024

- Provided coverage for over 3 million members
- Launched its international private medical insurance (IPMI) product in partnership with AXA
- Achieved the highest in-country value (ICV) for a health insurer at 72%
- Won six awards from the Emirati Talent Competitiveness Council (Nafis) programme’s 2023-2024 edition
- Ranked as 5th highest insurance brand value at USD 221 million across the Middle East region, top in UAE, by Brand Finance
- Ranked 4th strongest brand in the UAE and 10th strongest brand in the Middle East by Brand Finance
- Daman was the highest ranked health insurer for recommendation, trust, perception, comfort, and care by Brand Finance



BUSINESS SEGMENTS

DIAGNOSTIC SERVICES

Diagnostic Services

PureLab



Arindam Halder, CEO

PURELAB⁺

26.3mn+
Lab Test Volumes

20+
Research Publications

65+
Pathologists

143+
Labs



PureLab is the UAE’s largest laboratory network, with over 143 labs nationwide. As the country’s leading reference lab, it offers the most extensive test menu in the region, delivering advanced diagnostics and accurate testing solutions with unmatched speed and efficiency.

We are the largest provider of laboratory diagnostic services and lab management solutions in the UAE and GCC, serving both public and private healthcare sectors. Our commitment to precision and patient care is evident in our state-of-the-art facilities, highly skilled expertise, and unparalleled turnaround times. Our Transplant Immunology Laboratory (HLA Lab), is the first ASHI-accredited lab in the UAE, serves as the main referral laboratory for both the Living and Deceased-Donor Transplant Programme.

In addition, PureLab manages the Federal Newborn Screening Centre, screening over 1.4 million infants and identifying over 22,000 cases of series hereditary diseases. PureLab is expanding its reach, with a new state-of-the-art Genetics Lab at STMC, in efforts to advance scientific research and provide cutting-edge healthcare services. We also perform Non-Invasive Prenatal Testing (NIPT) in-

house, a global breakthrough in prenatal care. Our commitment to excellence and dependability, coupled with our robust network of pathologists, ensures unparalleled expertise and quality in diagnostic services, setting a high standard for pathology services in the region.

Key Achievements in 2024

- Launched Dubai Lab to cater to private clients of Emirate of Dubai
- Established its Genetic Centre of Excellence, for cutting-edge genetic testing and precision medicine
- Successfully launched mobile residency screening under EHS with “OnTime” as the operator
- Launched the UAE’s largest Reference Lab specialty testing, faster turnaround time, and best-in-class quality



BUSINESS SEGMENTS

**PROCUREMENT AND SUPPLY
OF MEDICAL RELATED PRODUCTS**

Procurement and Supply of Medical Related Products

Rafed



Mohamed Mostafa Saeed, CEO



AED5.2bn
Annual Procurement Spend

58,000
Warehouse Capacity
(No. of pallets)



Rafed is the largest Group Purchasing Organisation (GPO) for pharmaceutical and healthcare related procurement across the entire UAE. It also has the largest cold store and supply chain solutions for healthcare within the UAE.

As a centralised healthcare procurement specialist, Rafed ensures the continuous availability and quality of essential healthcare goods and services across the UAE. By integrating procurement, warehousing, and distribution under a single umbrella, Rafed champions a value-driven approach that delivers substantial efficiencies and cost savings.

The organisation maintains robust procurement and supply chain risk resilience standards, offering comprehensive services including supplier sourcing, contract management, and advanced warehousing and distribution operations. By leveraging significant procurement volumes and a diversified strategy, Rafed not only secures economies of scale but also fosters valuable synergies among stakeholders, ensuring optimal inventory levels and industry-leading delivery standards. Committed to excellence, Rafed’s service delivery model is built on strong supplier

relationships, cutting-edge technology, and a performance-driven culture that prioritises sustainable growth and exceptional delivery standards.

Key Achievements in 2024

- Outstanding Organisation Award at the Health 2.0 Conference
- Procurement Excellence Award at 100 CPO Summit & Awards
- Digital Transformation Initiative of 2024 at 2nd Annual Middle East Procuretech Summit & Awards



Procurement and Supply of Medical Related Products

One Health



Kinjal Zaveri, CEO



50%+
Percentage of Revenue from
External Customers

400+
Total Employees



One Health offers comprehensive services to healthcare facilities from medical equipment supplies to biomedical services. One Health also partners with leading global vendors in providing distribution, logistics and support services to the UAE healthcare facilities.

Authorised to distribute leading global brands, One Health partners with key stakeholders across critical medical specialties, including critical care, radiology, and oncology.

Supported by expert biomedical engineers, the division ensures optimal equipment functionality. Notably, One Health, in collaboration with Pure Lab, contributes to

federal programs like the Emirati Genome Programme. Leveraging AI innovation, One Health provides high-tech medical AI solutions. With services spanning genomics, medical, oncology, surgical, laboratories, and pharma, One Health serves as a one-stop solution for healthcare providers and investors in the region.

Key Achievements in 2024

- Strategic business partnerships with global manufacturers: Abbott Diagnostics USA (lab consumables), GE USA (medical devices), Weltra USA (digital health), Leica Biosystems USA (histopathology), Meril India (orthopedic/cardiology consumables), Snibe China (diagnostics)
- Signed strategic partnership with Ministry of Foreign Affairs to provide performance validation of all International Medical Assets in multiple continents in Asia and Africa
- Obtained ISO certifications: ISO 9001:2015, ISO 14001:2015, ISO 45001:2018
- Expanded the partnership in new fields of healthcare design, histopathology, AI and robotics
- Entered new market segments of surgical sterilisation, durable medical equipment, nuclear medicine and digital health
- Achieved 88% employee satisfaction score and build an even stronger workforce and create optimal employee experience



BUSINESS SEGMENTS

TECHNOLOGY SERVICES
AND OTHERS

Technology Services and Others

PureCS



Junaid Khan, CEO



98%+
Incident Resolution

350+
Total Employees



PureCS is a technology solutions company and a digital enabler. PureCS drives digital transformation through a comprehensive suite of IT services, including management consulting, end-to-end IT solutions, cyber security services, cloud infrastructure, and AI-powered applications.

By enabling digital care through an integrated healthcare ecosystem, PureCS uplifts strategic partners through digital enablement and driving innovation across the healthcare value chain.

With a steadfast commitment to innovation and operational excellence, PureCS has strengthened its role as a key technology enabler across PureHealth platforms, advancing healthcare capabilities through seamless integration and cutting-edge solutions. With a vision of becoming a leading system integrator in Smart Care and Government Services, PureCS is committed to providing on-demand, real-time technology solutions that make a meaningful impact on healthcare outcomes.

Key Achievements in 2024

PureNet

PureNet is a first-of-its-kind digital health platform across the healthcare value chain, where it accelerates the configuration of tailored digital health solutions and empowers rapid application development that enables patient-centric care with optimised costs.

PureCS provides a comprehensive set of services through PureNet, a digital health service platform, tailored to seamlessly connect existing and new healthcare service providers to streamline and digitalise their operations while significantly reducing operational costs.

PureCS sets a global benchmark and in 2024 expanded Digital Health capabilities, enabling more than 84 services within PureNet and onboarding more than 13 facilities, transforming healthcare delivery with enhanced care quality and operational efficiency.

The Laboratory Information System (LIS) as a Service was launched, hosted on the highly secure PureCloud and enabled by PureNet. This state-of-the-art solution redefines laboratory operations, enabling labs to focus on their core expertise while leveraging the latest technological advancements. LIS as a Service sets a new benchmark for innovation, transforming laboratory services and elevating quality standards to extraordinary heights while delivering operational efficiency.

Successfully completed the Patient Registry and Core Data on PureNet in October 2024 marking a significant milestone in strengthening data integrity and ensuring consistent availability to healthcare professionals, ultimately improving the patient experience and reducing service time. The Registry and Core Data serve as a centralised repository for all critical clinical information essential for seamless integration.

As part of PureNet solutions, PureCS has successfully implemented the Health Information System (HIS) and ERP at Sheikh Khalifa Hospital Fujairah, focusing on enhancing patient care, and operational efficiency.

Pura

PureCS accelerated digital transformation by delivering new capabilities to Pura, an AI-powered health application, featuring Fitness and Wellness, Online Doctor and Diabetes Care modules.

Pura Diabetes Care effectively monitors blood glucose levels continuously or at regular intervals, thereby enhancing the overall health and well-being of the user. Robust analytics and educational resources empower users to delve deeply into their glucose trends and health insights, enabling them to make informed decisions for better health outcomes.

Advanced “AI Engine models” for Pura was developed to power a state-of-the-art recommendation engine that predicts individual longevity and provides actionable insights to improve it. This innovation empowers individuals to take proactive control of their longevity journey, fostering healthier, more sustainable living.

PureCS continued

Dawak

Dawak new modules play a pivotal role in enhancing accessibility for users, delivering a seamless healthcare experience, and addressing critical needs. They facilitate improved medication access, streamlined claim submission processes, and reduced workload for pharmacists. Additionally, they empower users with better control over their prescription claims, ultimately advancing the efficiency and effectiveness of healthcare delivery.

The “External Prescription” feature in “Dawak” the online digital pharmacy platform enables patients to conveniently upload their prescriptions directly through the app, enabling seamless delivery of prescription medications prescribed from any medical facility across Abu Dhabi and Dubai.

Corporate Solutions and Managed Services

In Q3 2024, PureCS launched PureHub, a powerful centralised ERP system designed to empower PureHealth Group and its entities by standardising operations, optimising resource management, and driving smarter, data-driven decisions. This solution ensures secure integration and provides real-time analytics across various business functions.

PureCS successfully scaled and expanded Managed Services, integrating all

PureHealth Group entities, positioning the company to meet the growing demands of the business and customers alike.

PureCS reinforced its leadership in Cyber Security by becoming the first private company to integrate with the National Security Operations Center (NSOC), ensuring security services delivers robust protection for operations and data.

Riayati (National Unified Medical Record)

Riayati focuses on Digital Health transformation with the use of technology to improve healthcare delivery, management and outcomes. The platform has aggregated 610 million medical records, accessible securely to more than 19 thousand healthcare providers across 661 medical facilities, enabling streamlined and efficient patient care coordination.

92.72% of all Northern Emirates hospitals have been onboarded on the platform.

Cybersecurity

PureCS is a cybersecurity leader built on trust, innovation, and resilience. It protects critical operations and data through smart policies and advanced technologies, ensuring continuity and defence against evolving threats.

PureCS offers a range of services including threat intelligence, breach simulations, audits, and expert advisory. PureCS has strengthened its ability to safeguard operations.

Its 24/7 Security Operations Centre (SOC) provides continuous monitoring, threat detection, and rapid response for clients in the UK and the UAE. By adopting next-generation technologies and conducting red, blue, and purple teaming exercises, PureCS delivers robust protection, proactive threat hunting, and effective incident response, keeping organisations secure in a rapidly evolving digital world.

Talent One



Anas Ghazi, CEO



Talent One is a human resources management company. It specialises in staffing, resource management, payroll, and outsourcing solutions, connecting businesses with top professionals while also managing workforce operations to enhance efficiency.

Our mission is to empower businesses by providing tailored workforce solutions, ensuring they have access to the right talent to drive success in an increasingly competitive market. We offer comprehensive staffing services, including manpower recruitment, temporary and permanent placements, and contract staffing, with a strong focus on medical and non-medical professionals. Leveraging our global network and rigorous selection process, we ensure a diverse, skilled, and readily available talent pool to meet dynamic workforce demands, reinforcing our commitment to excellence in recruitment and placement.

Key Achievements in 2024

Having commenced business in early 2024, Talent One’s initial focus was on refining processes and increasing staff efficiency internally within the PureHealth Group. Talent One successfully completed the following which resulted in substantial cost savings for the Group.

- Transitioned outsourced employees from Third Party entities to Talent One
- Centralised the PRO and Payroll Services for the Group
- Total of 518 staff were transited for this exercise from external agencies to Talent One successfully. Also 191 new staff were recruited and supplied to various entities.
- 140 Corporate staff offering support services to all subsidiaries were successfully centralised under Talent One
- 5 million profit generated with better centralised manpower control and efficiency.
- Destination Health, a new division for attracting international patients into our SEHA hospitals was conceptualised under Talent One.

Additionally, Talent One also initiated the process of centralising the recruitment functions and the Medical Tourism for hospitals in the UAE in late 2024.

In 2025, Talent One will expand its services to offer manpower and staffing solutions to external companies across the UAE, with a focus on the healthcare, IT, hospitality, financial, and oil & gas sectors. Its medical tourism arm, Destination Health, aims to boost international and domestic patient footfall by partnering with PureHealth’s state-of-the-art hospitals and strengthening collaborations with Patient Abroad Offices across the Middle East, Africa, and Europe.

SUSTAINABILITY

A perspective view of a wooden boardwalk with metal railings, leading into a lush mangrove forest. The boardwalk is made of light-colored wooden planks and has dark metal railings on both sides. The forest is dense with green trees and vegetation, and the water is visible in the background. The sky is a clear, deep blue.

Sustainability and Social Impact (SSI) Report 2024

We are committed to driving positive change through transparent action, continuous improvement, and collaboration. These disclosures are just the beginning of our journey to build a healthier planet and a thriving future for all.

Leya Aldamani
Chief Sustainability Officer , ESG



At PureHealth, we believe that sustainability is not just a responsibility; it’s an opportunity.

This is a high-level summary of PureHealth’s 2024 sustainability and social impact achievements. PureHealth’s 2024 Sustainability Report, which will be launched in H1 2025, will communicate our full and detailed sustainability performance.

Translating Vision to Reality: SSI framework

At PureHealth, the focus on Sustainability and Social Impact is a key enabler for achieving the Longevity of the People and the Planet. We aspire to engage with the global healthcare community to raise awareness, rally support, and mobilise action for a healthier, greener world.

PureHealth actively partners with the government to advance sustainable healthcare in the region. As the largest integrated healthcare company in the Middle East with a growing global footprint, we play a vital role in realising the vision for comprehensive and sustainable development.

Our sustainability strategy serves as a blueprint for the future, ensuring that our vision for a healthier planet and thriving communities becomes a shared reality. By embedding it across our ecosystem, we are not only addressing today’s challenges but also building a foundation for resilience and shared prosperity. This vision continues to guide our actions as we navigate an increasingly complex and interconnected world.



Delivering Clinical Excellence



Care for Our Planet

Act on climate change by becoming a net zero business

Transition to climate-resilient and low-carbon healthcare operations



Fostering Talent and Culture

Invest in our talent and contribute to UAE's national intellectual capital

Foster a diverse, inclusive, and safe work environment



Empowering Communities

Promote health and well-being through community development programmes

Support underprivileged sections of society to inspire and contribute to our future generations' longevity



Trust and Credibility

Foster a diverse and accountable governance

Always maintain high ethical standards for mutual growth

PureHealth is guided by a comprehensive sustainability framework centred on four pillars: Empowering Communities, Care for Our Planet, Fostering Talent and Culture, Empowering Communities and Trust and Credibility.

This framework underpins our commitment to environmental stewardship, social responsibility, and governance excellence. We strive for longevity – for individuals, our planet, and the communities we serve.

Material Topics

At PureHealth, transparency and accountability are paramount. To ensure our sustainability efforts address the most critical issues, we conducted a comprehensive Double Materiality Assessment (DMA). This rigorous process evaluated both our environmental and social impact (impact materiality) and the financial implications of these issues on our business (financial materiality).

Through extensive research, including stakeholder engagement, analysis of ESG standards and ratings, industry trends, and peer comparisons, we identified key material topics. This dual-lens approach enables us to prioritise initiatives that generate positive environmental and social outcomes while also contributing to our long-term business success. This section outlines the key findings of our DMA, presents the identified material topics, and details our strategic focus areas moving forward.

Patient-first Approach PureHealth emphasises upholding service excellence. We believe in personalised care, keeping in mind diverse patient needs. We have developed the PURA App, which aims to integrate technology with traditional healthcare delivery, thus creating a more personalised experience for users.	People and Culture People and Culture are material to us because we are a people-centric business. We are committed to employee well-being by inculcating a safe and inclusive environment and promoting human rights. To this end, we have several employee engagement programmes and aim to enhance the skills of our workforce by providing training courses.	Community Development and Social Impact In the UAE, we have several avenues for contributing to the upliftment of local communities. We actively participate in the UAE government’s Emiratisation initiative and provide several upskilling initiatives through programmes such as the Emirati Development Centre and the Emirati Women Chapter.	Resource Use and Circularity Judiciously using resources is important for the healthcare sector, as it is water-intensive and has a significant waste footprint. PureHealth Group assets have implemented several waste management initiatives to promote circularity.
Subtopics _____ Patient Centricity _____ Technology and Innovation _____ Customer Relationship Management _____	Subtopics _____ Talent Attraction and Retention _____ Diversity, Equity, and Inclusion _____ Employee Engagement and Well-being _____ Human Rights _____	Subtopics _____ Access and Affordability _____ Employment Creation (Emiratisation) and ICV _____	Subtopics _____ Waste and Electronic Waste _____ Water Management _____ Biomedical Waste _____

Material Topics

Climate Action The UAE is classified among the countries with the highest rate of vulnerability to the potential impacts of climate change. Additionally, climate change will disproportionately affect the healthcare sector. Since we are headquartered in the UAE and are the UAE's largest health group, climate change is a material topic for us. We focus on minimising our environmental footprint through our Net Zero by 2040 Commitment.	Data Privacy and Security PureHealth processes and stores sensitive patient information. Therefore, intelligent data security is of the utmost importance to our business operations. We have obtained ISO 27001:2013 certification for PureHealth Group's technological arm, PureCS.	Business Ethics As a healthcare group that is present in several cross categories, PureHealth is required to comply with multiple laws and regulations. Furthermore, as corporate citizens, we must uphold ethical principles and integrity in our business conduct. We have implemented several policies such as Anti-Bribery and Corruption, Whistleblower Policy and Code of Conduct and Business Ethics.	Corporate Governance Having a robust corporate governance structure is essential to mitigating risk and ensuring business continuity. We uphold transparency and accountability and are committed to ensuring proper management and mitigation of risks. Our Corporate Governance Policy covers the roles and responsibilities of various stakeholders.	Sustainable Value Chain Procurement and distribution are integral to the healthcare sector. Additionally, our asset, Rafed, is the UAE's largest procurement arm. We have formulated a Supplier Code of Conduct and are in the process of implementing supplier screening processes in the forthcoming year.	Technology and Innovation PureHealth believes in improving access to healthcare through digitalisation. At present, we have implemented an integrated care delivery model through healthcare in the cloud.
Subtopics Climate Change Energy Management Sustainable Infrastructure Green Transportation Environmental Risk Management	Subtopics Data Privacy and Security	Subtopics Business Ethics Information Security Data Privacy	Subtopics Board Governance Risk Management Business Continuity	Subtopics Sustainable Supply Chain Management Partnerships and Collaborations	Subtopics Technology Solutions Research and Development

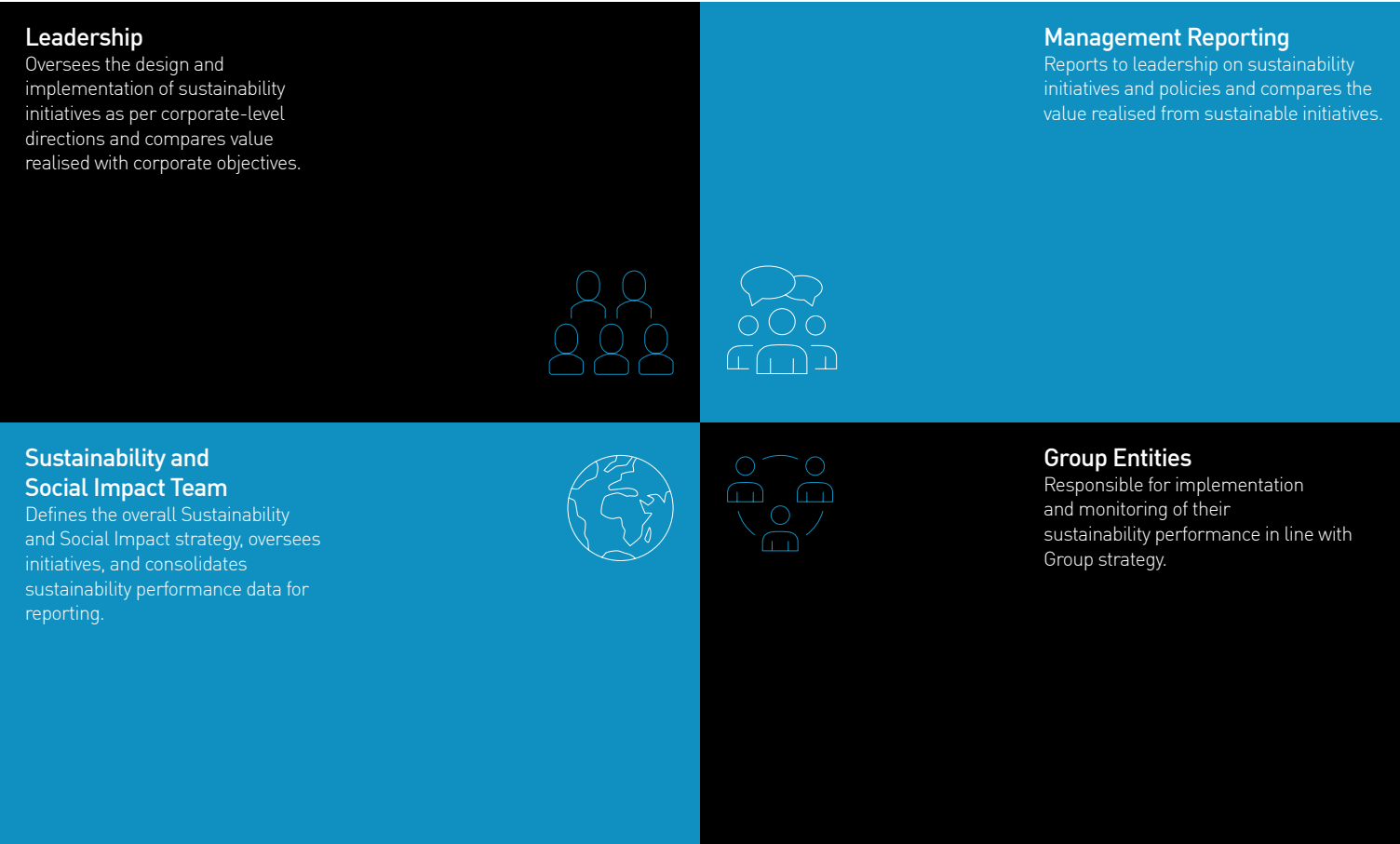
SSI Governance Model

PureHealth’s SSI strategy is fully integrated with the Company’s overarching mission and vision, driven by the leadership of our Group CEO. The leadership team ensures proactive management of ESG risks, the establishment of ambitious targets, strict adherence to regulatory standards, and the identification of opportunities to create positive impact. Guided by this commitment, we foster a culture of responsibility and resilience across all levels, striving to create a healthier and more sustainable future.

The Group Sustainability and Social Impact department is responsible for developing, implementing, and monitoring our SSI strategy. This includes setting clear targets, tracking progress, and ensuring timely reviews and adjustments to our action plans.

At the operational level, each PureHealth entity is accountable for implementing our SSI policies, adhering to best practices, and reporting on its sustainability performance. Dedicated ESG points of contact within these entities play a crucial role in embedding sustainability into daily operations and driving initiatives that align with the Group’s overarching ESG strategy.

Sustainability Governance Structure



Sustainability and Social Impact Report 2024 continued

Recapping 2024: A Year of Purpose and Progress

2024 witnessed significant strides in PureHealth’s sustainability journey. Building upon the foundation of our 2023 disclosures, we achieved new milestones in ESG maturity, expanded our global reach, and deepened our engagement with the communities we serve. Some of the key highlights include:

Scaling the Framework Maturity

PureHealth’s commitment to sustainability has garnered recognition from leading ESG assessment providers, with PureHealth being the top performer in the healthcare sector in the Middle East region. We received a “Low Risk” rating from Sustainalytics, a leading ESG research, ratings, and analytics firm. This signifies that PureHealth’s management of ESG risks is considered strong, and the Company is effectively addressing material ESG issues.

Furthermore, we achieved a strong ranking of 47 out of 225 among global healthcare peers in the Refinitiv ESG assessment. This ranking demonstrates our relative strength in ESG performance compared to our global industry peers and highlights the value of our sustainability efforts to investors.

Maximising Positive Impact through Expanding Operations

The acquisition of new assets presented a unique opportunity to maximise our positive impact. We strategically integrated sustainability across the expanded operations, ensuring that new assets not only met our rigorous SSI standards but also enhanced their social and environmental performance. By cascading our proven sustainability strategy across these newly acquired entities, we have ensured consistency in our approach, ultimately amplifying our positive impact and creating shared value for all stakeholders.

Commitment to Transparency

PureHealth has taken significant strides in ESG disclosure, acknowledging the growing importance of transparency and accountability in the eyes of our investors, patients, and the broader community.

In 2024, we successfully launched our inaugural Sustainability Report, marking a significant milestone in our journey towards greater transparency. Furthermore, we successfully submitted our first Climate Change disclosure to the Carbon Disclosure Project (CDP). This disclosure provides valuable insights into our climate-related risks and opportunities, enabling us to develop and implement more effective climate action strategies.

Data-Driven Decision Making

Recognising the critical role of data in driving meaningful change, we embarked on a journey to strengthen our data quality and internal reporting processes. While our current reporting relies on manual data collection, we are committed to aligning with leading reporting standards such as the Global Reporting Initiative (GRI), Taskforce for Climate-related Financial Disclosures (TCFD), and the Greenhouse Gas (GHG) Protocol etc. This foundation will enable us to track our progress effectively, identify areas for improvement, and make data-driven decisions that support our sustainability goals.

Strengthening Community Engagement

We deepened our engagement with the local communities that we serve. We partnered with non-profit organisations to address critical social needs, such as improving access to healthcare for underserved populations and promoting health equity and education programmes in local communities.

PureHealth achieved new milestones in ESG maturity during 2024

MSCI Provisional ESG Rating

AAA

First Healthcare company in the region

SBti Target Validation achieved

LSEG/Refinitiv ESG Ranking amongst global peers

47/225

Sustainalytics ESG Risk Rating

Low Risk

Climate Change disclosures

First CDP disclosure completed

Harnessing the Power of Partnerships and Collective Action

Notable partnerships undertaken during the year include:



Mental health initiatives with the Supreme Council for Motherhood and Childhood



Active Abu Dhabi community wellness initiative with Emirates Foundation



Strategic Partnership between Department of Community Development and PureHealth



Continuation of Emirati Women Chapter (under the patronage of Sheikh Fatima bint Mubarak) with the General Women's Union alongside the Remarkable Emirati Women Event

Sustainability and Social Impact in Numbers

Emission Reductions (Scope 1 and 2)

19%
(vs 2022 baseline)



Scope 1 and 2 Emissions Reduced

>75,000 MT
(vs 2022 baseline)



Total emissions (Scope 1&2)

328,443 MT



Diversity – female workforce

62%



Diversity – females in senior management

32%



PureHealth has officially been
recognised as a Great Place to
Work® Nov 2024 to Nov 2025



Beneficiaries of CSR Programs

219,000+



ICV score – SEHA

81.13%



Total number of significant instances of
regulatory non-compliance

Nil



The reporting boundary is limited to operational assets located in the UAE.

Looking Ahead: Goals for 2025

Scaling Impact and Innovation

In 2025, PureHealth will continue to prioritise sustainability across all facets of our operations. Our key focus areas will include:

- Deepening Stakeholder Engagement**
We will actively engage with key stakeholders, including patients, employees, investors, and communities, to understand their priorities and incorporate their feedback into our sustainability strategy.
- Accelerating Climate Action**
We will intensify our efforts to reduce our environmental impact by setting ambitious science-based targets and implementing innovative solutions to minimise our carbon footprint.
- Driving Innovation in Healthcare Delivery**
We will explore and implement innovative technologies and sustainable practices to enhance the quality and accessibility of healthcare services while minimising our environmental impact.
- Strengthening our Social Impact**
We will expand our community outreach programmes and explore new partnerships to address critical social challenges, such as improving access to healthcare for underserved populations.
- Continuous Improvement**
We will continuously review and refine our SSI framework to ensure it remains aligned with evolving industry best practices, regulatory requirements, and stakeholder expectations.

People and Culture

Our people are at the core of PureHealth’s success.



People & Culture – A Strategic Enabler of PureHealth’s Vision

The People & Organisation (P&O) function is pivotal in developing a resilient, sustainable, and future-ready workforce, that is the foundation of our organisation.

Our strategy focuses on expanding workforce participation, maximising human capital and cultivating a dynamic talent ecosystem to meet the evolving demands of the healthcare sector. This approach aligns with our purpose-driven values and commitment to long term growth. PureHealth has been recognised for the second year in a row as a “Best Place to Work” by Great Place To Work, affirming our commitment to employee well-being and engagement and recognising our efforts in creating a positive and supportive work environment. PureHealth was also recognised as a “Best Place to Work for Women” by Great Place To Work.

Our Strategic Pillars in People & Organisation are:

- One PureHealth
Unified system and inclusive culture.
- Employee Experience & Value Proposition
World-class experience, Employer of Choice.
- Growth-Driven & Innovative Talent
Sustainable pipeline of ambitious talent.
- Meaningful Analytics
Data-driven talent approach via PureHub.
- High Performing & Agile Teams
Highly productive workforce.

PureHealth Values

							
Energy	Unity	Resilience	Energy	Human	Evolution	Ahead	Limitless

Strategic Workforce Overview

We ensure PureHealth has the right talent, skills, and agility to drive business growth in the evolving healthcare landscape. We proactively build a future-ready workforce through continuous learning, technology integration, and strategic talent management, aligned with PureHealth's resilience and forward-thinking ethos.

With a network of around 4,900 beds hospitals, PureHealth employs over 37,000 professionals internationally in clinical and non-clinical roles. This includes around 4,500 physicians, 12,000 nurses and 6,000 Allied Health team members.

Driving Transformation and Digitisation

We have led significant transformation and digitisation efforts, enhancing efficiency and data insights:

- **Data Centralisation through our ERP System (PureHub):** As the Group has grown in size and complexity, centralising HR data on PureHub has enabled more data-driven decision-making.
- **Shared Services Centre:** We established a Shared Services Centre to streamline HR processes, resulting in greater efficiency. The migration to digital data has improved accuracy and resource optimisation, creating a lean, synergistic operating model.
- **People and Culture Integration:** We successfully integrated Circle Health and Sheikh Shakhboub Medical City (SSMC), bringing together a workforce of 13,000 permanent team members with diverse and specialised capabilities — further enhancing the healthcare services PureHealth delivers to its patients and customers.

Talent Transformation – Developing and Retaining Top Talent

Talent transformation remains a core priority within PureHealth. We are dedicated to developing and retaining top talent, fostering

a culture of growth, mobility, and continuous learning through:

Talent Life Cycle Management: A comprehensive framework nurturing talent from recruitment to succession

- **Career Navigation Programs:** Supporting employee growth and skill development
- **Upskilling/Reskilling:** Equipping employees for the evolving healthcare landscape
- **Leadership Development:** Cultivating future healthcare leaders through innovative and enterprising learning solutions and platforms

Culture Transformation, Engagement, and Inclusion

We are committed to fostering a value-based culture focused on synergies, employee engagement, and well-being. We believe a thriving culture is the foundation of a high-performing workforce, critical to attracting top talent, driving engagement, and sustaining long-term success. Key achievements include:

- **Emirati Development Center (EDC):** Building on our commitment to enhancing diversity and inclusivity and solidifying PureHealth's reputation as an Employer of Choice, the Emirati Development Centre prioritises the upskilling of UAE National employees. The EDC is committed to developing 1,000 future Emirati leaders over the next five years. With over 125 trained last year alone, we are proud to support Abu Dhabi's Economic Vision 2030 and contribute to building a highly skilled Emirati workforce.
- **Emirati Women Chapter (EWC):** Launched under the patronage of H.H. Shekha Fatima Bint Mubarak, the EWC is committed to nurturing the development and advancement of Emirati women within the professional world. Led by inspirational women leaders, the EWC provides guidance, mentorship, and opportunities for Emirati women to thrive in their careers and contribute meaningfully to society.
- **Employee Wellness Programs:** We have developed comprehensive employee wellness programs powered by our AI health companion PURA, to promote physical and mental well-being, reduce stress, and enhance work-life balance. These programs underscore our commitment to the holistic well-being of our employees.
- **Recognition and Rewards Programs:** To foster a culture of appreciation and motivation, we have established robust recognition and rewards programs. These programs acknowledge and appreciate employee contributions, reinforcing positive behaviours and high performance.
- **Engagement and Inclusivity Initiatives:** We launched various engagement and inclusivity initiatives to foster a sense of belonging, connection, and collaboration among employees. These initiatives aim to strengthen team cohesion and create a more connected and supportive work environment.
- **PureSpace App:** The PureSpace app has been instrumental in standardising Group-wide digital communication. This platform enhances connectivity, collaboration, and knowledge sharing across the organisation, embodying our culture and values, and driving employee engagement and participation.
- **Trailblazers:** The Trailblazers programme serves as a platform dedicated

to nurturing innovative ideas focused on healthcare evolution, sustainability, community, and social impact. This initiative encourages employee innovation and supports PureHealth's commitment to driving positive social change.



People and Culture continued

Diversity, Equity, and Inclusion (DE&I) – A Core Value

PureHealth is deeply committed to fostering a diverse, equitable, and inclusive workplace which we believe is vital to our success.

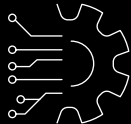
Our DE&I strategy is embedded in every aspect of our People & Organisation (P&O) initiatives, ensuring that every employee feels valued, respected, and has equal opportunities to thrive. Our initiatives like the Emirati Development Center and the Emirati Women Chapter are concrete examples of our commitment to DE&I, alongside the implementation of DEI-friendly policies across the organisation. We recognise that fostering a truly inclusive environment is an ongoing journey and remain dedicated to championing DE&I principles in all aspects of our work.

We are proud to have over 100 nationalities in our workforce with 60% of our workforce comprising women. In the UAE, 21% of our workforce are UAE Nationals of which 16% are females. Our talent bench is composed of 12% Gen Z, 57% Gen Y, 30% Gen X, and 2% Baby Boomers.



Future Outlook

Looking ahead, we will continue to be a strategic driver of PureHealth’s success. Our focus will remain on:



Sustaining Digital Transformation
Expanding the reach and impact of digital HR solutions, further leveraging data analytics to drive workforce insights, and continuously improving the digital employee experience.



Enhancing Talent Development
Expanding leadership development programs, focusing on future skills development, and preparing our workforce for the evolving demands of the smart health era.



Deepening Culture Transformation
Further embedding our desired organisational culture through targeted engagement initiatives, strengthening our DE&I framework, and prioritising employee well-being as a cornerstone of our employee value proposition.



Strategic Workforce Planning
Proactively planning for future workforce needs, ensuring PureHealth has the talent pipeline necessary to achieve its strategic objectives in the long term.

OPERATIONAL AND FINANCIAL HIGHLIGHTS



Group Operational and Financial Review

Income Statement Analysis

PureHealth’s consolidated revenue increased by 58% YoY to AED 25.8 billion, primarily driven by the Hospitals segment. Cost of sales grew by 48% YoY to AED 19.2 billion and operating expenses to AED 4.7 billion (+71% YoY), resulting in an expansion of EBITDA, which grew by 69% to AED 4.1 billion. EBITDA margin increased to 15.9% (+1.1 pts YoY). Net income was AED 1.7 billion, increasing by 78% YoY.

AED mn	FY 2024	FY 2023	Change%	4Q 2024	4Q 2023	Change%
Revenue	25,848	16,399	+58%	6,892	4,282	+61%
Cost of sales	(19,212)	(12,976)	+48%	(5,664)	(3,522)	+61%
Gross profit	6,636	3,423	+94%	1,228	760	+62%
G&A expenses, incl. selling & distribution	(4,725)	(2,762)	+71%	(1,140)	(1,191)	-4%
Finance costs	(848)	(117)	+622%	(243)	(30)	+701%
Other operating income	715	840	-15%	404	143	+183%
Profit before tax	1,778	1,384	+28%	250	(318)	+179%
Income tax expense	(62)	(419)	-85%	30	11	+179%
Profit for the year	1,716	965	+78%	279	(307)	+191%
EBITDA	4,119	2,434	+69%	993	(53)	NA
EBITDA Margin	+15.9%	+14.8%	+1.1ppts	+14.4%	-1.2%	+15.6ppts
Net Profit Margin	+6.6%	+5.9%	+0.8ppts	+4.1%	-7.2%	+11.3ppts
Gross Profit Margin	+25.7%	+20.9%	+4.8ppts	+17.8%	+17.8%	+0.1ppts

Group Operational
and Financial Review continued

Segment Performance

PureHealth’s revenue growth was primarily driven by the Hospitals segment. Led by SEHA, the segment grew by 87% YoY through higher patient volumes, improved pricing, strategic acquisitions of SSMC & Circle Health, commissioning of Sheikh Khalifa Hospital Fujairah and takeover of NRC.

The Health Insurance segment delivered a 17% YoY increase in revenue to AED 6,838 million. Gross Written Premiums increased by 24% YoY to AED 6.9 billion, driven by growth in its “Enhanced” healthcare plan, which crossed the AED 5 billion mark for the first time ever. Overall growth was driven by a higher member count, improved premiums and higher retentions.

Total revenue of the Diagnostic segment increased by 1% YoY to AED 1,056 million with overall growth impacted by a decline in Covid-related activities compared to 2023. However, non-Covid test volumes grew by 14% YoY, reflecting the continued strength of the segments’ core business.

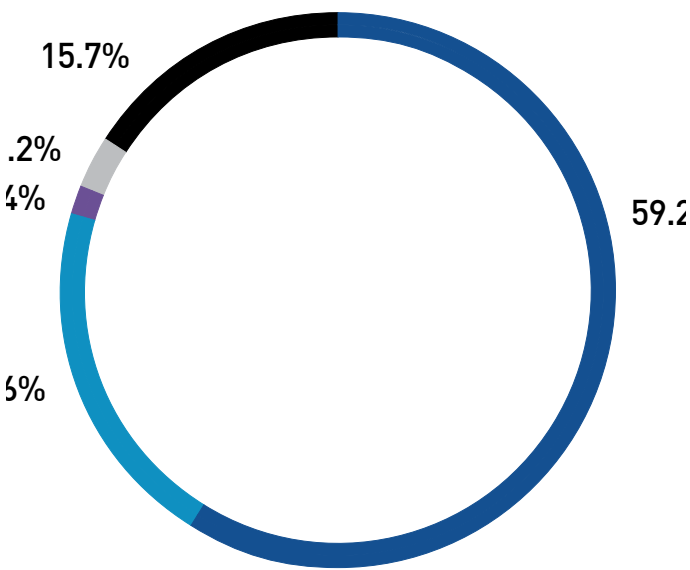
The Procurement segment achieved 27% growth YoY reaching revenues of AED 5,204 million, driven by increased patient volumes, new strategic partnerships, and agreements that facilitated key optimisations across the Group.

The Technology segment, which was acquired in Q4 2023 successfully delivered a range of integrated services, contributing AED 469 million in revenue during FY 2024.

Revenue by Segments AED mn	FY 2024	FY 2023	Change%	4Q 2024	4Q 2023	Change%
Hospital and Related Services	19,653	10,528	+87%	5,085	2,719	+87%
Health Insurance Services	6,838	5,853	+17%	1,785	1,527	+17%
Procurement and Supply	5,204	4,099	+27%	1,347	1,108	+22%
Diagnostic Services	1,056	1,043	+1%	332	290	+14%
Technology Services and Others	469	76	+514%	223	76	+192%
Adjustment & Eliminations	(7,372)	(5,201)	-42%	(1,878)	(1,438)	-31%
Total Revenue	25,848	16,399	+58%	6,892	4,282	+61%

Total Revenue FY 2024
(before adjustments & eliminations)

- Hospital and Related Services
- Health Insurance Services
- Technology Services and Others
- Diagnostic Services
- Procurement and Supply



Group Operational and Financial Review continued

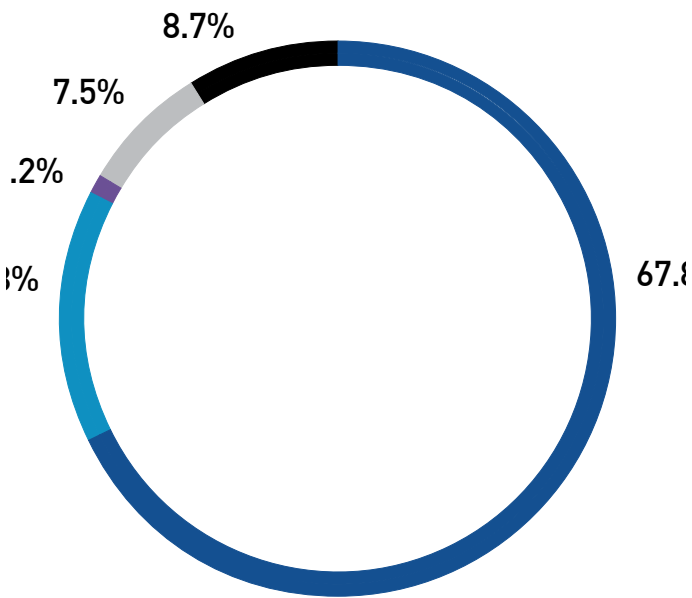
EBITDA

For FY 2024 EBITDA reached AED 4,119 million, an increase of 69% from the previous year. The overall Group EBITDA margin stood at 15.9%, up from 14.8% in 2023. This increase was primarily driven by the Hospitals segment, which grew 75% YoY, reflecting transformation, organic growth and synergies following recent acquisitions. The Health Insurance segment's strong performance was driven by a lower combined ratio and higher investment income compared to FY 2023. EBITDA of the Diagnostic segment decreased by 18%, impacted by prior period Covid-related activities and prior and current period one-offs. Normalising for these impacts, the Diagnostic segment's EBITDA effectively grew by 18%.

EBITDA by Segments AED mn	FY 2024	FY 2023	Change%	4Q 2024	4Q 2023	Change%
Hospital and Related Services	2,956	1,690	+75%	757	(174)	+536%
Health Insurance Services	645	398	+62%	97	56	+72%
Procurement and Supply	379	218	+74%	170	49	+250%
Diagnostic Services	327	399	-18%	84	99	-15%
Technology Services and Others	54	8	+584%	23	8	+195%
Adjustment & Eliminations	(242)	(280)	+14%	(138)	(91)	-51%
EBITDA	4,119	2,434	+69%	993	(53)	NA

Total Revenue FY 2024
(before adjustments & eliminations)

- Hospital and Related Services
- Health Insurance Services
- Technology Services and Others
- Diagnostic Services
- Procurement and Supply



Detailed Segment Performance

Hospital and Other Related Services

The Hospitals segment, led by SEHA, continued its growth trajectory, with revenue and EBITDA increasing by 87% and 75% YoY, respectively. This growth was fuelled by the strategic acquisitions of SSMC and Circle Health. Additionally, TMO expanded its portfolio by adding NRC and Sheikh Khalifa Hospital – Fujairah, while launching specialised services such as burns, trauma, and rehabilitation.

Net Profit before Tax decreased by 11% YoY to AED 971 million. This decline was primarily contributed to incremental IFRS-16 impacts of lease arrangements pertaining to new acquisitions and recognition of an impairment loss on a hospital within Circle Health. On a normalised basis, Net Profit before Tax increased by 28% YoY (after adjusting for impacts of the acquisitions, addition of new entities and incremental IFRS-16).

SEHA continued to focus on clinical excellence, innovation, and patient-centric care, strengthening its leadership position through strategic collaborations, accreditations, and advanced healthcare solutions, reflecting its commitment to improve health outcomes, expanding research capabilities, and enhancing specialised services to meet the evolving needs of the community.

Hospital and Other Related Services AED mn	FY 2024	FY 2023	Change%	4Q 2024	4Q 2023	Change%
Revenue	19,653	10,528	+87%	5,085	2,719	+87%
Total OPEX	(18,392)	(10,229)	+80%	(5,047)	(3,158)	+60%
EBITDA	2,956	1,690	+75%	757	(174)	+536%
EBITDA margin	15.0%	16.1%	-1.0ppts	14.9%	-6.4%	+21.3ppts
Net Profit Before Tax	971	1,089	-11%	112	(332)	+134%
Net Profit	969	1,076	-10%	161	(345)	+147%
Net Profit margin	4.9%	10.2%	-5.3ppts	3.2%	-12.7%	+15.8ppts

Key Operational Metrics (SEHA & SSMC)

- Non-Covid OP services witnessed a 24% rise, an increase of over 1.2 million patients compared to the previous year. This was significantly influenced by enhanced patient visits at SEHA hospitals and clinics, including SSMC, which contributed 8% to the OP growth.
- Non-Covid IP volumes grew by 44% (an additional 35K patients), while ED services rose by 40% (an increase of 201K patients). SSMC played a substantial role in this growth, accounting for 34% and 30% of IP & ED volume growth, respectively.
- Total surgeries across hospitals increased 44% YoY, rising to 61K driven primarily by SSMC, which accounted for 35% of this growth, alongside SKMC, Tawam, and Corniche hospitals.

*Total Operating Expenses is calculated as sum of Cost of sales and General & administrative expenses, including selling and distributing expenses.

Detailed Segment Performance
continued

Health Insurance Services

The Health Insurance Services segment comprises of Daman, the UAE's largest health insurance company covering a network of over 2,000 hospitals and clinics across the UAE.

2024's strong performance was on the back of higher Gross Written Premiums, Health Fund Management and Investment Income. Daman's Enhanced Insurance plan reached an unprecedented milestone, with GWP crossing AED 5 billion, up 24% from the previous year. This growth was due to an improved value proposition that led to higher retention of key accounts, at higher premiums.

Investment income also played a crucial role in the segment's success, benefiting from higher locked-in interest rates and favourable market conditions. As a result, Net Profit before Tax increased by 81% to AED 579 million.

Health Insurance Services AED mn	FY 2024	FY 2023	Change%	4Q 2024	4Q 2023	Change%
Revenue	6,838	5,853	+17%	1,785	1,527	+17%
Total OPEX	(6,480)	(5,641)	+15%	(1,799)	(1,525)	+18%
EBITDA	645	398	+62%	97	56	+72%
EBITDA margin	9.4%	6.8%	+2.6ppts	5.4%	3.7%	+1.7ppts
Net Profit Before Tax	579	319	+81%	80	38	+114%
Net Profit	526	319	+65%	75	38	+100%
Net Profit margin	7.7%	5.5%	+2.2ppts	4.2%	2.5%	+1.8ppts

*Total Operating Expenses is calculated as sum of Cost of sales and General & administrative expenses, including selling and distributing expenses.

Detailed Segment Performance
continued

Diagnostic Services

In line with the growth of the Hospitals segment, the Diagnostic Services segment increased its non-Covid test volumes by 14% to 26.2 million. This growth was primarily driven by higher patient volumes at SEHA hospitals and clinics, SSMC, and the addition of new external clients. Additionally, the segment reduced its average cost per test by 5%.

The segment's reported EBITDA declined 18% to AED 327 million with an EBITDA margin of 31%. Net profit before tax also fell 25% to AED 280 million. These declines were driven by prior period Covid-related activities and prior and current period one-offs. Normalising for these impacts, the Diagnostic segment's EBITDA and Net Profit before Tax effectively grew by 18% and 12% respectively.

Diagnostic Services AED mn	FY 2024	FY 2023	Change%	4Q 2024	4Q 2023	Change%
Revenue	1,056	1,043	+1%	332	290	+14%
Total OPEX	(771)	(671)	+15%	(258)	(198)	+30%
EBITDA	327	399	-18%	84	99	-15%
EBITDA margin	31.0%	38.2%	-7.3ppts	25.2%	34.1%	-8.8ppts
Net Profit Before Tax	280	371	-25%	73	93	-22%
Net Profit	254	371	-32%	71	93	-24%
Net Profit margin	24.0%	35.6%	-11.6ppts	21.4%	32.0%	-10.7ppts

*Total Operating Expenses is calculated as sum of Cost of sales and General & administrative expenses, including selling and distributing expenses.

Detailed Segment Performance
continued

Procurement & Supply
of Medical-related Services

Supporting the core business operations, the Procurement segment saw a 27% revenue increase due to a strong performance across the Group's entities, addition of new customers, strategic expansion in diagnostics, medical devices, pharmaceutical and diabetes divisions.

The segment's EBITDA rose to AED 379 million, a 74% improvement, indicating enhanced operational efficiency. The segment's net profit before tax rose to AED 366 million, up 73% YoY.

Procurement & Supply of Medical-related Services AED mn	FY 2024	FY 2023	Change%	4Q 2024	4Q 2023	Change%
Revenue	5,204	4,099	+27%	1,347	1,108	+22%
Total OPEX	(4,847)	(3,888)	+25%	(1,178)	(1,051)	+12%
EBITDA	379	218	+74%	170	49	+250%
EBITDA margin	7.3%	5.3%	+2.0ppts	12.7%	4.4%	+8.3ppts
Net Profit Before Tax	366	212	+73%	175	57	+207%
Net Profit	332	212	+57%	160	57	+179%
Net Profit margin	6.4%	5.2%	+1.2ppts	11.9%	5.2%	+6.7ppts

New agreements focused on innovation and quality in 2024

- Abbott Laboratories USA, providing life changing technology in diabetes management and leaders in diagnostic and point of care solutions for screening, diagnosis, and monitoring of diseases in hospitals, blood banks, emergency departments and clinics.
- Varian Medical Systems (a Siemens company) USA, the pioneers in advanced radio therapy, radio surgery and advanced cancer care technologies.
- Brain Lab Germany, pioneers in the healthcare industry specialising in neurosurgery, ENT, spine and traumatic interventions.
- Fujifilm Japan, for a wide variety of products in imaging diagnostics including MRI and CT.
- Planmeca Finland, global leaders in dental technology including advanced digital dental imaging solutions and dental care imaging devices.

*Total Operating Expenses is calculated as sum of Cost of sales and General & administrative expenses, including selling and distributing expenses.

Detailed Segment Performance
continued

Technology Services and Others

In 2024, the Technology Services and Others segment achieved AED 469 million in revenue. PureCS, acquired in October 2023, is at the forefront of PureHealth's digital transformation strategy, enhancing AI and IT capabilities, launching innovative products, and optimising collaboration across the ecosystem.

Technology Services and Others AED mn	FY 2024	FY 2023	Change%	4Q 2024	4Q 2023	Change%
Revenue	469	76	+514%	223	76	+192%
Total OPEX	(425)	(70)	+504%	(202)	(70)	+186%
EBITDA	54	8	+584%	23	8	+195%
EBITDA margin	11.4%	10.3%	+1.2ppts	10.4%	10.3%	+0.1ppts
Net Profit Before Tax	44	5	+806%	22	5	+352%
Net Profit	38	5	+686%	19	5	+284%
Net Profit margin	8.2%	6.4%	+1.8ppts	8.4%	6.4%	+2.0ppts

- The launch of Pura, an AI-driven health application offering Fitness, Wellness, Online Doctor, and Diabetes Care modules, plus the integration of advanced “AI Engine models”. These enhancements offer personalised health recommendations and actionable insights for users. The app now has 575k+ users.
 - Dawak also saw improvements, with new features aimed at simplifying medication access, streamlining claims submission, and reducing pharmacists’ workload.
 - PureCS deployed a comprehensive set of PureNet services, by expanding Digital Health capabilities, transforming healthcare delivery with enhanced care quality and operational efficiency. Health Information System (HIS) and ERP were successfully implemented at Sheikh Khalifa Hospital Fujairah and the Laboratory Information System (LIS) as a Service has been launched, redefining laboratory operations, enabling labs to focus on their core expertise while leveraging the latest technological advancements.
- August 2024 saw the debut of PureHub, a centralised ERP system tailored to unify PureHealth Group’s operations, enhance resource management, and facilitate informed, data-driven decision-making. This platform guarantees secure data integration and offers comprehensive, real-time analytics across various business functions.
 - PureCS’ commitment to cybersecurity saw it become the first private company to integrate with the National Security Operations Center (SOC), ensuring robust protection for operations and data.
 - PureCS successfully scaled and expanded Managed Services, integrating all PureHealth Group entities, positioning the Company to meet the growing demands of the business and customers alike.

*Total Operating Expenses is calculated as sum of Cost of sales and General & administrative expenses, including selling and distributing expenses.

Group CFO's Message

Financial strength,
operational stability,
strong shareholder
returns.

A robust financial performance underpinned PureHealth's strategic expansion and operational excellence in 2024.

PureHealth's financial results for 2024 reflect significant growth and strategic expansion. Consolidated revenue increased by 58% to AED 25.8 billion, and profitability improved across key segments. Our acquisitions and operational efficiencies have strengthened our market position and enhanced shareholder value.

The Group's consolidated revenue increase was primarily driven by strong performances in Hospital segment (87% year-on-year), Technology (technology business has start consolidated since last quarter of 2023), and Procurement (27% year-on-year), while the Insurance segment also showed solid growth of 17% year-on-year. Our 2024 financial results demonstrate PureHealth's ability to drive significant growth while maintaining profitability, with EBITDA increasing by 69% to AED 4.1 billion and net income rising by 78%.

The Impact of our Acquisition

The acquisition of Circle Health in the UK and Sheikh Shakhbout Medical City (SSMC) in the UAE were pivotal to PureHealth's growth strategy in 2024. Circle Health contributed AED 6.0 billion to the top line, demonstrating a 7% year-on-year revenue growth. Meanwhile, SSMC added AED 2.0 billion to revenue, reinforcing domestic operations and enhancing specialised tertiary care services. These strategic moves not only expanded PureHealth's global footprint but also strengthened its integrated healthcare ecosystem.

PureHealth's financial metrics showed remarkable improvement in 2024. The EBITDA margin improved from 14.8% to 15.9%, and the Net Profit margin increased from 5.9% to 6.6%. This growth was driven by strong performance across various segments and the successful integration of new acquisitions. With a net leverage/net Debt EBITDA of 0.9, we've maintained a strong financial position that allows us to pursue growth opportunities while ensuring financial stability.

Balance Sheet and Credit Profile

Despite significant investments and acquisitions, PureHealth has maintained a strong financial position. The Company's net leverage, including leases, stands at 0.9 times EBITDA, well below the upper limit of 3.0x required to maintain an investment-grade credit profile. This prudent approach to financial management ensures flexibility to pursue further growth opportunities while maintaining financial stability.

PureHealth has implemented various cost optimisation initiatives, including leveraging vast patient data for better resource allocation and inventory optimisation, streamlining processes through the payor-provider model, automating regular processes across entities, and implementing a new ERP system (Oracle Fusion) to reduce administrative costs. These measures have contributed to improved profitability while allowing for expansion in scale and service offerings.

A Year on the Abu Dhabi Securities Exchange

PureHealth's share price and market capitalisation demonstrated robust performance throughout 2024, building on the momentum from its successful IPO. The Company's market value continued to grow as investors recognised its strong financial results and strategic expansion. PureHealth's focus on operational efficiencies, innovation, and strategic acquisitions underscores its commitment to long-term value creation, positioning the Company well for potential future dividend payments and sustained shareholder returns.

Looking ahead to 2025, PureHealth anticipates another strong year that will bring the Company closer to its mid-term guidance. The Company remains committed to its disciplined cost management strategy and will continue to leverage economies of scale and drive synergies across its expanded operations.

Manzoor Ahmad

Group Chief Financial Officer

A dramatic photograph of a lighthouse on a rocky island. In the foreground, a stone wall is being hit by large, white-capped waves. The lighthouse is a white tower with a red band near the base and a black lantern room. The sky is dark and stormy, with large plumes of white sea spray rising from the waves. The text 'RISK MANAGEMENT' is overlaid in large, white, sans-serif capital letters.

RISK MANAGEMENT

Risk Management

The healthcare landscape, both domestically and internationally, is undergoing rapid evolution in economic, technological, and regulatory spheres.

To navigate these dynamic changes and stay ahead of the curve, an effective risk management framework and culture are critical. Such a framework helps PureHealth anticipate and address challenges, ensuring long-term success in this ever-shifting environment and the creation of sustainable value for stakeholders.

A Robust Risk Management Framework for Long-Term Sustainability

PureHealth maintains a proactive approach to risk management as a cornerstone of our operational strategy. Our comprehensive framework is integrated across all organisational levels, enabling us to navigate the evolving healthcare landscape effectively. This structured approach, supported by advanced systems and rigorous processes, positions us to mitigate challenges arising from macroeconomic fluctuations while upholding our firm commitment to patient-centric care. Patient safety and regulatory compliance remain the fundamental priorities underpinning all operational activities.

Continuous Improvement and Strategic Risk Mitigation

PureHealth has established robust strategies and structured processes to drive continuous risk management enhancement. We proactively identify, assess, and mitigate key risks to safeguard long-term sustainability.

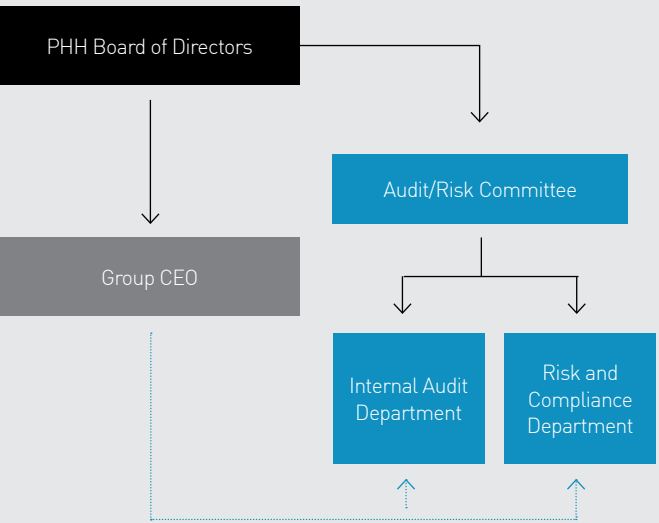
The Board firmly believes that implementing an efficient and effective risk management framework creates substantial value for PureHealth and its stakeholders. This strategic approach facilitates the achievement of our operational and strategic objectives while enhancing long-term organisational value and sustainability.

Governance, Delegation, and Adaptability

While the Board retains ultimate accountability for risk management, it strategically delegates specific functions to dedicated sub-committees. The Audit, Risk & Compliance Committee ensures the risk management framework remains robust, adaptive, and responsive to the ever-evolving healthcare environment. This governance structure empowers PureHealth to anticipate and navigate future challenges while maintaining its commitment to delivering exceptional healthcare services.

PureHealth's approach to risk management is deeply aligned with its corporate governance principles, reflecting its dedication to transparency, accountability, and stakeholder trust.

Risk management responsibility framework



Risk Management Process

1. Understanding the Risk Landscape

Our risk management approach begins with a comprehensive analysis of both internal and external risk factors, including market dynamics, industry trends, and regulatory requirements. This ensures our risk management strategies align with broader organisational objectives and operational realities.

2. Structured Risk Assessment

Risk assessment is conducted through a methodical and prioritised approach:

Proactive Risk Identification: Risks are systematically identified at all levels through scenario planning, industry trend analysis, and cross-functional collaboration. This anticipatory approach ensures early detection of emerging risks, enabling timely mitigation.

Thorough Risk Analysis: Each identified risk undergoes in-depth analysis to understand its root causes, potential interactions with other risks, and impact on business operations.

Systematic Risk Evaluation: Risks are assessed based on likelihood, impact, and potential consequences for operations, financial performance, and corporate reputation. A structured risk matrix visually represents severity levels, facilitating informed decision-making and efficient resource allocation.

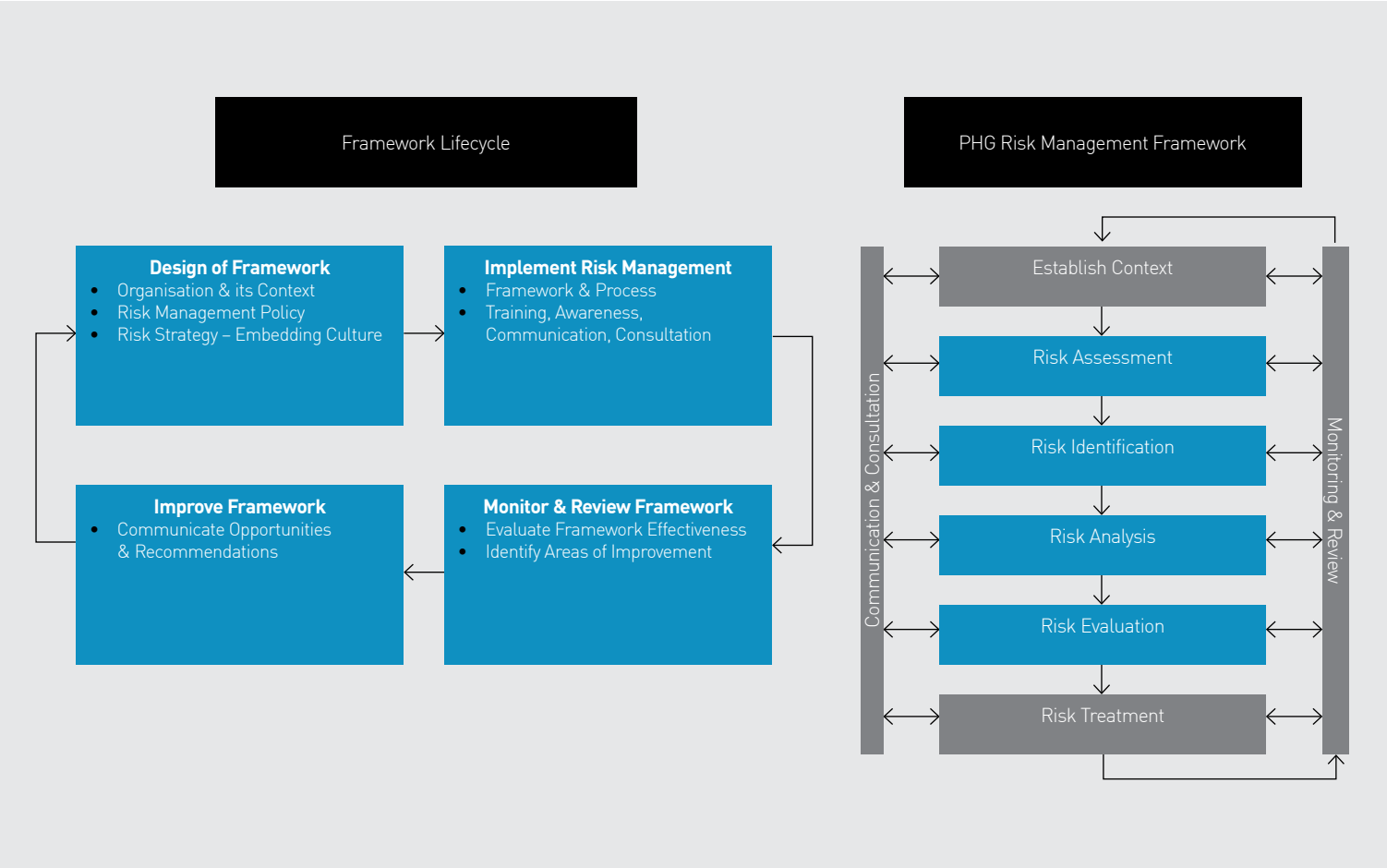
3. Targeted Risk Mitigation Strategies

For each identified risk, PureHealth develops tailored treatment strategies, including risk avoidance, mitigation, transfer, or acceptance. These measures are fully integrated into our strategic and operational plans to ensure effective execution. Our goal is to minimise both the probability and potential impact of identified risks while enhancing overall organisational resilience.

4. Continuous Monitoring and Transparent Reporting

Risk management at PureHealth is a dynamic and iterative process. We continuously monitor risk exposures, assess the effectiveness of mitigation strategies, and adapt our framework in response to emerging threats. Regular reports are provided to the Board of Directors and key stakeholders, ensuring transparency and facilitating data-driven decision-making.

At the core of this framework lies a strong risk management culture, fostered through visible leadership commitment, clearly defined responsibilities, and continuous communication. At PureHealth, we recognise that every member of our organisation plays a critical role in identifying and managing risks that could impact our patients, operations, and long-term success.



Principal Risks

PureHealth’s risk management framework defines the key risks we face in pursuit of our strategic objectives. Understanding that effective risk management is fundamental to the sustainable success of PureHealth, these risks are monitored on a continuous basis to ensure timely response to emerging circumstances.

Market Dynamics & Competition	Our ability to timely identify, understand, and respond to market trends, changes, and direction is instrumental in maintaining a competitive edge and improving growth and market share.
Geopolitics	Geopolitical conflicts and emerging developments may lead to unanticipated disruption in the supply of medical equipment, pharmaceuticals, the flow of healthcare professionals, skilled labour etc.
Government Mandates & Evolving Regulatory Landscape	Government policy/mandates on subsidised healthcare may be subject to significant changes, thereby impacting PureHealth operations in the UAE and the UK. Additionally, emerging regulatory and legal requirements require active engagement with regulatory bodies to further solidify their trust in our ability to provide effective and efficient healthcare services.
Concentration of Assets & Services	PureHealth’s strategy to diversify the portfolio of services and explore new markets and product lines is underpinned by its approach to mitigate reliance on specific markets or products.
Patient/Customer Experience	The quality of our service delivery and clinical expertise is critical in shaping the patient experience and strengthening their perception of PureHealth as a trusted healthcare provider.
Attracting/Retaining Talent	The healthcare sector is grappling with workforce retention challenges, particularly in the wake of clinical workforce shortages and meeting the rising expectations of healthcare professionals.
Cybersecurity	Our proactive approach towards managing cybersecurity threats plays a pivotal role in safeguarding our assets against the rising sophistication of cyber-attacks.
Operational Disruptions	Failure of information systems, devices, equipment, natural events (like flooding, earthquakes, storms), fires, etc. may cause disruptions to PureHealth operations.
Third-Party Management	PureHealth’s reliance on third parties exposes it to financial and reputational implications arising out of its failure to perform.
Governance Practices	Standardised consistent adoption of corporate governance practices is instrumental in improving operational efficiency and decision-making.

A nighttime photograph of a city skyline across a body of water. The sky is a deep blue, and the city lights are reflected on the water's surface. The text "CORPORATE GOVERNANCE" is overlaid in large, white, sans-serif capital letters.

CORPORATE GOVERNANCE

Governance at a Glance

Pure Health Holding PJSC (PureHealth) is a Public Joint Stock Company registered on the Abu Dhabi Securities Exchange (ADX) since 2023.

PureHealth is the largest healthcare group in the Middle East. It is committed to enhancing human longevity and enriching lives through health, significance, and purpose. Established as a pioneering force in longevity research, PureHealth strives to propel humanity towards a healthier and more fulfilling future.

Incorporated in the UAE, PureHealth operates a comprehensive ecosystem that integrates hospitals, clinics, diagnostics, insurance, pharmacies, health technology, and procurement. This holistic approach to health and well-being enables the Company to deliver exceptional care and services, leveraging operational efficiency and a commitment to excellence.

As an Investment Holding Company, PureHealth has demonstrated remarkable and sustained growth throughout 2024, driven by visionary leadership and strategic insights. The organisation maintains a strong commitment to transparency, ethics, and sustainability, which are embedded in its operational framework. The Board of Directors and Executive Management work collaboratively to define and guide the Company's vision while diligently monitoring performance across all sectors.

The Annual Report outlines PureHealth's Corporate Governance framework, systems, and procedures as of December 2024, ensuring compliance with applicable regulations and governance requirements. This report will be made available on the ADX website, aligning with the guidelines set forth by the Securities and Commodities Authority (SCA). PureHealth's proactive approach includes targeted acquisitions and strategic consolidations, establishing a diversified and resilient platform for growth that emphasises a commitment to Corporate Governance and the creation of sustainable shareholder value.

2024 highlights

Board Meetings

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Board Meeting Attendance

89%  Read more
Go to page 86

Emiratisation & Diversity

21%
as of 31 Dec 2024

5,417
UAE Nationals

Committee Meetings

8
Audit, Risk and Compliance Committee

3
Nomination and Remuneration Committee

2
Investment Committee

 Read more
Go to pages 88-92

Wholly Owned Subsidiaries

9  Read more
Go to page 73

New Acquisitions

ssmc مدينة الشيخ شخبوط الطبية
Sheikh Shakhboub Medical City



Our Governance Framework

PureHealth’s governance framework is crafted to adhere to applicable regulations and international best practices, ensuring strong strategic direction and effective oversight.

The framework fosters a culture of robust governance, with a specific focus on strengthening local and international governance structures, reinforcing Committee effectiveness, and providing continuous education and training. At its core, the framework emphasises the four key pillars outlined in the Governance Guide: Accountability, Responsibility, Fairness, and Transparency & Disclosure.



Accountability

The Board ensures the establishment of comprehensive and effective risk management, internal control, and compliance systems, promoting alignment and integration throughout the organisation.



Fairness

The Board ensures the protection of all shareholders’ and stakeholders’ rights, fostering open and constructive communication between the Board, shareholders, and stakeholders.



Responsibility

The Board oversees the Company’s management and performance, ensuring that decisions are always made in the best interests of the organisation and its stakeholders.



Transparency & Disclosure

The Board is committed to keeping shareholders and stakeholders informed about the Company’s operations, plans, and associated risks. By ensuring timely, accurate disclosures of financial results, key events, and strategies, the Company builds trust and demonstrates its commitment to transparency.



The Board holds primary responsibility for overseeing the governance framework’s effectiveness and making adjustments as needed to ensure its continued relevance and efficiency.



Our Governance Framework continued

Strategic Direction and Innovation

With a mission to unlock time for humankind, PureHealth is pioneering groundbreaking innovations toward advancing the science of longevity. It is a brand synonymous with scientific innovation, combining imagination, technological advances, and a dedication to extending human life.

The strategic goals of the Company include:

- Transform the UAE healthcare system from episodic/reactive care to a continuous/proactive ecosystem powered by an advanced digital infrastructure.
- Increase market share and profitability across all verticals.
- Establish the UAE as a life sciences hub, fostering and commercialising innovation.
- Enhance the lifespan and health span of UAE citizens and residents.
- Expand globally through strategic acquisitions in diverse healthcare sectors.
- Drive diversification and digital innovation to achieve operational excellence.
- Lead in climate-smart healthcare solutions, building resilience against climate change.
- Reduce carbon footprint through decarbonisation efforts.

The Company is focused on building the largest tech-enabled integrated healthcare platform in the region and establishing Centres of Excellence across its healthcare assets to deliver proactive, personalised patient experiences.

Governance and Management Oversight

The Executive Management team is responsible for strategic direction, oversight, and governance across all subsidiaries. This includes ensuring synergies and value creation within the Company’s ecosystem, fostering research and innovation, and collaborating with global partners.

The Company adheres to local, regional, and international quality standards. Select facilities are accredited by global bodies such as the Joint Commission International (JCI) and the International Standards Organisation (ISO), as well as the UAE In-Country Value (ICV) Program.

To drive operational efficiencies, PureHealth operates through five distinct verticals encompassing its subsidiaries, joint ventures, and affiliates:

Wholly owned operating subsidiaries include
1. Pure Health Medical Supplies LLC (PHMS)
2. Tamouh Healthcare LLC
3. National Health Insurance Company – PJSC (Daman)
4. Abu Dhabi Health Services Company – PSC (SEHA)
5. The Life Corner LLC (TLC)
6. Pure Capital Investments LLC
7. PureCS Investments LLC
8. Talent One Employment Services LLC
9. SEHA Care LLC (formerly Pure Care Facilities Management LLC)

Board Governance and Shareholder Rights

PureHealth’s ultimate decision-making authority resides with its shareholders, whose collective voice shapes the Company’s trajectory. The General Assembly Meeting serves as the paramount forum for shareholder expression, providing the platform for the exercise of their voting rights on matters critically impacting the Company’s future course.

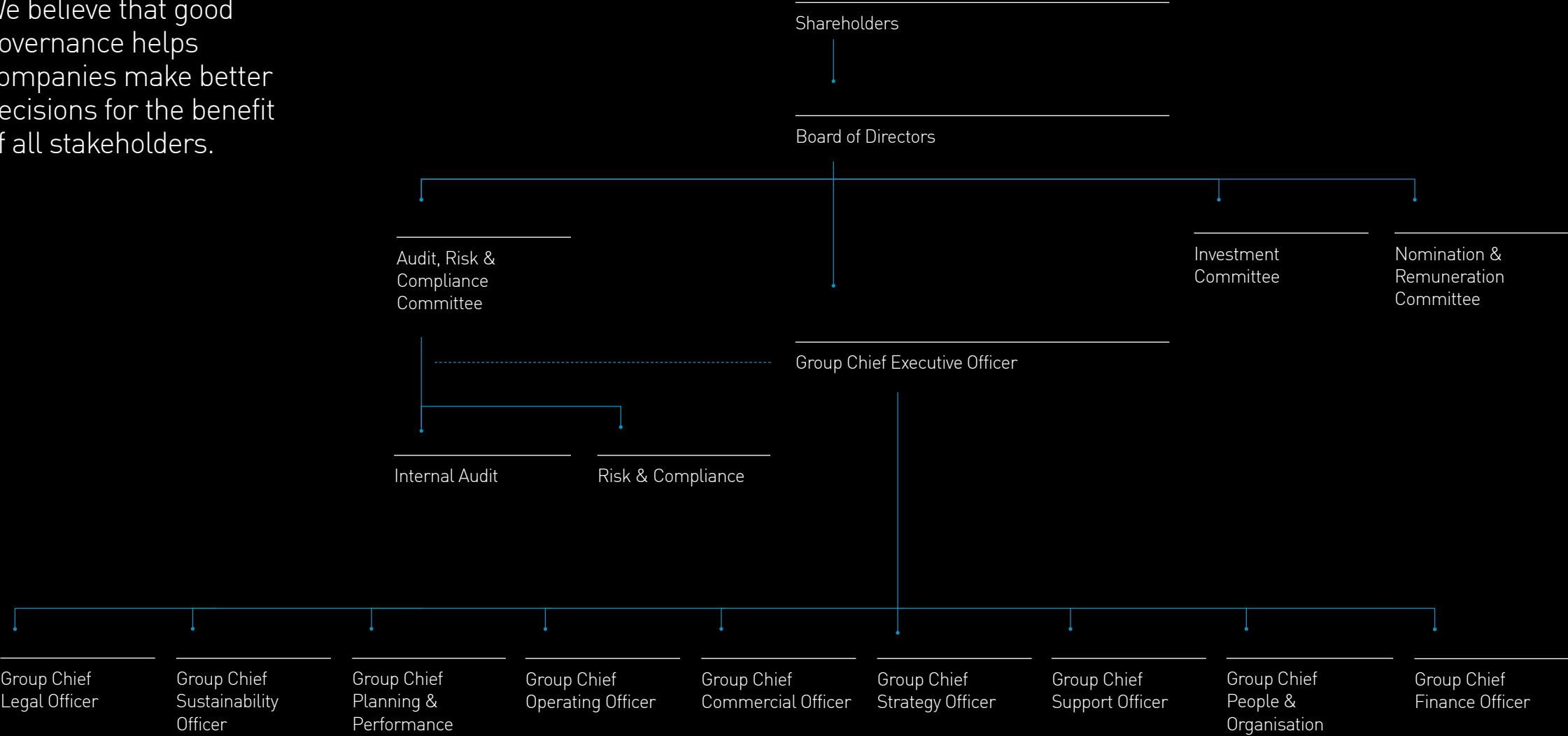
The Company’s governance is overseen by a Board of Directors comprised of five individuals selected by the Ordinary General Assembly through a confidential ballot process. Each Board member serves a term of three years, and from within their ranks, they elect a Chairperson and Vice-Chairperson to guide the Board’s direction.

Board empowerment is fundamental to upholding robust Corporate Governance. Recognising its role in maintaining business integrity and investor confidence, the Board adheres to the highest standards. This commitment extends to all Directors and employees, who are expected to uphold the principles of honesty, integrity, and fairness.

Beyond internal conduct, PureHealth places significant emphasis on responsible compliance. The Group diligently strives to adhere to the legal and regulatory frameworks of all countries in which it operates while simultaneously embracing high standards of ethical business practices and demonstrating sensitivity to local cultural norms.

PureHealth Organisational Structure

We believe that good governance helps companies make better decisions for the benefit of all stakeholders.



Key Governance Framework Policies

In line with PureHealth’s unwavering commitment to robust Corporate Governance that protects the integrity of the business and drives sustainable strategic growth, the Company has established a comprehensive suite of key policies.

These policies are fundamental to our governance framework, ensuring operational transparency, accountability, and alignment with the highest industry standards. They include but are not limited to:

Corporate Governance Manual The Corporate Governance Manual covers the roles and responsibilities of all stakeholders involved in governance processes, including the General Assembly of Shareholders, the Board of Directors, the Chairman of the Board and Board Committees, the Managing Director and Group CEO, Executive Management, Internal and External Audit, Board and Committees Secretary, and other stakeholders.	Whistleblower Offering a secure channel, the whistleblower policy encourages employees to report in confidence on matters where they feel malpractice is taking place or if ethical/integrity standards are being compromised.	Anti-Bribery and Corruption The policy sets forth the Group’s principles and practices for ensuring the highest standards of legal and ethical conduct in all its business dealings, aligning with the SCA guidelines, the Commercial Companies Law, and other relevant anti-bribery and corruption laws applicable within the United Arab Emirates.	Conflict of Interest The policy sets forth requirements for avoiding and managing potential and actual conflicts of interest involving the Group and establishes principles for declaring and disclosing conflicts of interest.
Information Sharing and Disclosure The policy outlines the guidelines for sharing and disclosing information within the Group, ensuring compliance with legal and regulatory requirements while protecting sensitive data.	Fraud Control The policy sets out measures to prevent, detect and respond to fraud within the Group, establishing clear procedures for reporting and addressing fraudulent activities.	Dividends The Board ensures that the distribution of the Company’s profits is managed in a way that aligns with the best interests of both the Company and its shareholders. The approach to determining, declaring, and paying dividends is guided by applicable regulations and principles that prioritise financial stability and long-term shareholder value, ensuring transparency and fairness in all decisions.	

Compliance Management

Pure Health Holding PJSC is firmly committed to maintaining the highest standards of ethical conduct and regulatory compliance, recognising these as fundamental to our success.

Our compliance management approach ensures operational integrity and strengthens trust with all stakeholders. Our leadership team sets an example by fostering a culture of compliance throughout the organisation. The Board of Directors oversees the compliance programme and provides strategic direction. Our dedicated Head of Compliance, along with a skilled team of compliance professionals, is responsible for implementing and monitoring a programme that meets the highest international standards.

To ensure the effectiveness and accountability of our compliance programme, we have established a structured framework based on ISO 37301 and international best practices. In 2024, we prioritised streamlining and automating compliance processes by introducing systems and tools that enhanced the overall effectiveness and efficiency of our programme. These initiatives have laid a strong foundation for 2025 and beyond.

Compliance Management Framework

Our Compliance Management Framework serves as the blueprint for embedding compliance into every facet of our operations. In 2024, we made significant progress across the framework's key components, and in 2025, we will continue to enhance and expand these initiatives.

1. Organisational Context

Our Compliance Management Framework aligns business activities with applicable laws, regulations, and industry standards. In 2024, we reinforced governance structures and compliance mandates to address evolving regulatory requirements. In 2025, we aim to standardise operational compliance frameworks across our healthcare facilities and monitor adherence to compliance obligations.

2. Compliance Management System

The Compliance Management System serves as the central repository for compliance policies and procedures, fostering a culture of compliance at all organisational levels. In 2024, we achieved and maintained ISO 37301 certification and aligned compliance processes across all PureHealth entities. Building on this, our focus in 2025 would be to further strengthen our programme through internal and external compliance assessments and advancing compliance engagements across the group.

3. Training and Awareness

Our comprehensive training programme ensures employees, contractors, and business partners understand their compliance obligations. In 2024, our training initiatives contributed significantly to improving the overall compliance culture within the organisation. By delivering targeted training on sanctions, supplier due diligence, and compliance best practices, we empowered our teams to support our compliance objectives actively. In 2025, we will expand training programmes to address emerging risks and continuously reinforce the importance of ethical conduct.

4. Continuous Improvement

Through the Compliance Management Framework, we continually monitor and assess our compliance processes, ensuring ongoing enhancements. In 2024, a key focus was streamlining and automating compliance processes, which we achieved by introducing advanced systems and tools. These innovations have significantly improved the efficiency and effectiveness of the compliance programme. In 2025, we will further enhance our monitoring and tracking capabilities to further our commitment to continuous improvement.

5. Engagement and Transparency

We sustained a culture of compliance through regular communication and transparent engagement with stakeholders. In 2025, we plan to strengthen this culture through targeted campaigns and periodic updates across all PureHealth entities.

6. Assurance and Risk Assessments

To ensure accountability and alignment with best practices, we conducted targeted assurance assessments in 2024. These assessments have been pivotal in identifying and addressing key risks proactively through recommendations of corrective actions. In 2025, we will introduce a self-assurance framework to identify and address compliance gaps while promoting continuous improvement independently.

7. Technology and Process Enhancement

In 2024, the automation of key compliance processes, including conflict-of-interest (COI), Code of Conduct (COC) and Whistleblowing declarations, marked a significant step forward. Additionally, we introduced a Compliance Service Desk to streamline the resolution of compliance-related enquiries. In 2025, we plan to implement a comprehensive compliance management solution to automate risk assessments, obligations adherence and verification of supplier disclosures.

Compliance Mandate

In 2025, we will build on previous engagements and continue standardising operational compliance frameworks across healthcare facilities, ensuring consistency and alignment with international best practices.

Through these efforts, we will continue to embed a culture of compliance throughout the organisation, ensuring the trust and confidence of all stakeholders.



Internal Controls

Introduction

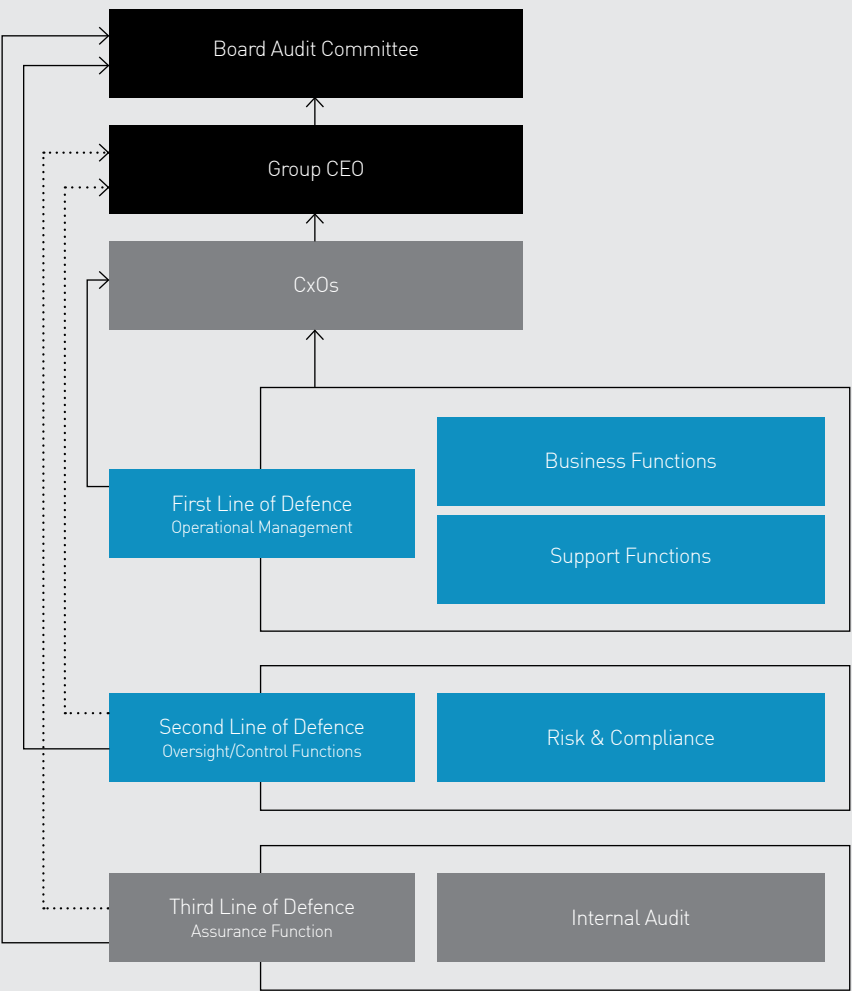
Pure Health Holding PJSC and its subsidiaries operate in a complex business environment, which requires navigating the ever-evolving risk landscape while ensuring compliance with internal governance and regulatory frameworks to sustain long-term success and safeguard stakeholder interests.

The Board of Directors acknowledges and assumes the responsibility of ensuring the effective development and implementation of a robust Risk and Compliance Management system within the organisation.

Three Lines of Defence

PureHealth leverages a well-established three-lines of defence risk governance model to foster transparency and accountability. This model ensures clear segregation of roles and responsibilities, with each line reporting to designated Board Committees.

Operating Model – Three Lines of Defence



Internal Controls continued

Operating Model – Three Lines of Defence

PureHealth has adopted a 'Three Lines of Defence' model, which is a widely recognised framework for effective risk management and governance. It serves as a conceptual structure to explain how various functions contribute to risk management and compliance efforts. The model delineates responsibilities among three lines, each playing a distinct role in mitigating risks and ensuring adherence to governance and regulatory requirements.

Overview of Internal Control System

The Internal control system within the Company was established via the implementation of 'Three Lines of Defence' model. The first line includes business and process owners whose activities include managing risks. The second line includes the functions which supports management by developing frameworks and implementing processes to monitor and manage risks.

The third line i.e. Internal Audit Department, provides reasonable assurance regarding the effective and efficient implementation of Internal Controls across the Company, in accordance with the annual audit plan.

First Line of Defence (Operational Management)

Responsibility:

The first line comprises the operational functions directly involved in daily activities and processes. This includes business units, operations, and front-line employees.

Role:

Operational management is responsible for identifying, assessing, and managing risks inherent in their day-to-day operations. They implement controls and preventive measures to mitigate risks at the source.

Second Line of Defence (Risk and Compliance Management)

Responsibility:

The second line is composed of specialised risk management and compliance functions that support the first line in implementing the required controls.

Role:

The second line provides guidance, monitoring, and independent oversight. They work to ensure that the first line is effectively managing risks and complying with relevant governance and regulatory requirements. This includes establishing policies, conducting risk assessments, and validating the adequacy of controls.

Third Line of Defence (Internal Audit)

Responsibility:

The third line consists of the internal audit function, which operates independently of operational and management functions.

Role:

Internal audits play a critical role in providing independent assurance and evaluating the effectiveness of key control and governance processes. It enhances the overall transparency, accountability, and governance structure of the organisation through its findings and recommendations.

Board of Directors

The Board of Directors is the highest governing body within PureHealth. It is vested with the necessary powers to oversee and manage the operations of the Company, except for matters reserved by law or the Articles of Association of the General Assembly.

The Board plays a key role in guiding the Corporate Governance of the Company, ensuring that the Group Chief Executive Officer (GCEO) and Executive Management effectively manage the operations in line with the Company’s strategic objectives.

Board Governance and Shareholder Rights

PureHealth’s ultimate decision-making authority lies with its shareholders, whose collective voice shapes the Company’s direction. The General Assembly Meeting is the primary forum for shareholders to express their views and exercise their voting rights on matters significantly affecting the Company’s future.

The Company’s governance is overseen by a Board of Directors consisting of five members selected by the Ordinary General Assembly through a confidential ballot process. The Board includes an Independent Non-Executive Chairman, three Independent Non-Executive Directors, and one Non-Independent Executive Director, ensuring a diverse and balanced leadership structure. Each Board member serves a term of three years, and the Board elects a Chairperson and Vice-Chairperson from among its members to guide the Board’s direction.

PureHealth’s Board is committed to maintaining a high standard of corporate governance that is in line with international best practices and regulatory standards. The Company places significant emphasis on building a strong and skilled Board with a mix of experience and diversity that empowers decision-making and drives the Company’s strategic vision and long-term goals. Independent judgement and oversight are integral to the governance framework, with the Group CEO not serving on the Board, as stipulated by the Company’s Articles of Association. The composition reflects a commitment to impartiality with a majority of independent members, further strengthening business integrity and investor confidence.

The Board’s empowerment is fundamental to upholding robust Corporate Governance. It adheres to the highest standards of honesty, integrity, and fairness while also setting expectations for Directors and employees to uphold these principles. Beyond internal conduct, PureHealth places significant emphasis on responsible compliance, diligently adhering to the legal and regulatory frameworks of the countries in which it operates while embracing ethical business practices and demonstrating sensitivity to local cultural norms.

Board of Directors continued

Board of Directors Roles and Responsibilities

The Board of Directors regularly reviews and updates its governance practices to adapt to changing regulatory requirements and evolving stakeholder expectations. The PureHealth Board consists of a diverse group of experts led by an independent chair who is elected from within its members. The Chair holds the authority to act on behalf of the Board, facilitating communication with Executive Management, engaging with shareholders and meeting with regulators, as necessary. The Chair provides leadership and is accountable for ensuring the overall effectiveness of the Board. By fostering an environment of open discussion, the Chair ensures that decisions are well-informed and encourages diverse viewpoints throughout the decision-making process. The Board Charter outlines the roles, responsibilities, and governance framework under which the Board operates.

Key Elements of the Board’s Roles and Responsibilities

Leadership and Stakeholder Engagement	The Board represents the interests of shareholders and other key stakeholders, overseeing and evaluating the Company’s strategy, performance, policies and framework. Ensuring constructive dialogue with stakeholders, the Board takes into account the balance of interests between shareholders, employees, customers and the community.
Strategy and Performance	The Board is responsible for approving and monitoring the Company’s strategy and long-term objectives, ensuring alignment with PureHealth’s risk appetite and management framework. It reviews financial performance against strategic goals and the annual budget, taking corrective action where necessary.
Financial Reporting	The Board reviews and approves PureHealth’s annual and quarterly financial reports, ensuring accuracy, transparency, and the integrity of all financial disclosures.
Risk Management	The Board plays a pivotal role in approving the Company’s risk management framework, ensuring the establishment of an effective risk culture and internal control systems that meet regulatory standards and support organisational objectives.
Governance, Internal Controls and Compliance	The Board is responsible for establishing PureHealth’s Corporate Governance framework in line with regulatory requirements and best practices, ensuring efficient internal controls across finances and operations and maintaining effective control over the business while respecting the governance responsibilities of individual subsidiaries.
Corporate Culture	The Board sets the tone for the Company’s values and business conduct, ensuring that all activities are carried out legally and ethically. It also oversees the adherence to these standards by all employees and business units.
Remuneration	The Board approves the Company’s remuneration policies and frameworks, ensuring that they align with PureHealth’s values, risk appetite and long-term objectives.
Appointment and Succession Planning	The Board ensures that PureHealth has a robust process for selecting its Executives, including key roles in risk management, compliance, and internal audit, while also maintaining effective succession planning for senior leadership.
Consumer Protection	The Board emphasises the importance of consumer protection, promotes a culture of positive institutional conduct, supports staff training, and ensures that policies, procedures, and organisational structures safeguard consumers’ interests.

Board of Directors continued

Code of Conduct

In 2024, PureHealth updated its Directors' Code of Conduct to ensure that the Board of Directors upholds the highest standards of integrity and ethical conduct. This revision reinforces the commitment to acting with transparency, maintaining confidentiality, and always prioritising the best interests of the Company and its stakeholders. The Code is applicable to the Directors of the Group Board and all subsidiary Boards within the PureHealth Group.

The code of conduct is designed to ensure:

- Compliance with applicable laws and regulations.
- Loyalty, good faith, and fiduciary responsibilities.
- Management of conflicts of interest and related party transactions.
- Strict anti-bribery and anti-corruption policies.
- Commitment to confidentiality.
- Timely and accurate disclosures of relevant information.
- Upholding the highest standards of ethical behaviour,
- Protection of consumer interests.
- Clear guidelines on the acceptance of gifts and hospitality.

Independence

PureHealth evaluates the independence of its Board members in accordance with regulatory standards. Based on these criteria, four of the Board members of PureHealth are deemed independent as of 2024. Specifically, they do not have any relationships with the Company or its subsidiaries that could result in personal benefit or compromise their decision-making. None of the Board members is subject to undue influence, whether internal or external or have ownership or control that could hinder their ability to exercise impartial judgement. Additionally, four of the members of the Board are non-executive and meet the independence criteria established by relevant regulatory bodies.

Conflict of Interest

Each PureHealth Director is obligated to avoid any activities, either within the Company or elsewhere, that create a conflict between their personal interests (whether as an individual or through any entity they are associated with) and the interests of PureHealth. Specifically, a Director must refrain from directly or indirectly competing with PureHealth, including holding directorships in competing organisations.

Furthermore, a Director is prohibited from:

- Granting unjustified advantages to third parties at the expense of PureHealth.
- Taking for themselves, their immediate family, or related parties any opportunities that are available through their position as a Director or from the use of PureHealth's property or information.
- Using their position as a Director to gain personal advantage, directly or indirectly, which could harm the interests of PureHealth.

If a Director becomes aware of an actual or potential conflict of interest, they must:

- Immediately disclose the matter to the Chair of the Board and the Board Secretary.
- Abstain from participating in any discussion or decision-making regarding the matter, including recusing themselves from voting or attending relevant meetings.

Key Elements of the Board’s Roles and Responsibilities		
Name	Membership Capacity	Date of Accession to the Board
Mr. Hamad Abdulla Mohamed Alshorafa Alhammadi	Chairman (Non-Executive/Independent)	2023
Mr. Farhan Malik	Board Member and Managing Director (Executive/Non-Independent)	2023
Eng. Hamad Salem Mohamed Binlouteya Alameri	Board Member (Non-Executive/Independent)	2023
Ms. Mouza Saeed Khalfan Matar Alromaithi	Board Member (Non-Executive/Independent)	2023
Mr. Jawad Shafique Mohamed Shafique	Board Member (Non-Executive/Independent)	2024

Board of Directors continued

The Board of the Company brings a diverse range of expertise, skills, and qualifications across multiple sectors, including telecom, information technology, banking, finance, investment, oil and gas, real estate, aviation, insurance, hospitality and ESG.

Mr. Hamad Al Hammadi

Mr. Hamad Al Hammadi is Deputy Group Chief Executive Officer of ADQ. Hamad is responsible for the growth and development of companies within the Energy & Utilities, Healthcare & Life Sciences and Sustainable Manufacturing clusters. He ensures these entities align with ADQ's mandate of unlocking value and generating sustainable financial returns for Abu Dhabi.

He is Chairman of PureHealth, EMSTEEL and Emirates Water and Electricity Company (EWEC), in addition to serving as a board member of Abu Dhabi National Energy Company (TAQA), TAZIZ and Modon Holding.

Prior to his current role, Hamad was Chief Executive Officer of Energy & Utilities and Sustainable Manufacturing at ADQ. Previously, he was Head of Greenfield Investments in the utilities vertical at Mubadala Investment Company, where he successfully spearheaded high-profile projects across the utilities, industry and financial services sectors.

Mr. Farhan Malik

Mr. Farhan Malik is the Managing Director and a Board Member of PureHealth. He founded the company in 2006 and served as its Chief Executive Officer until December 2023. Under his leadership, PureHealth has grown into the largest healthcare group in the Middle East and one of the largest globally, with a footprint spanning over 100 hospitals, 300 clinics, health insurance services, and more than 55,000 employees across the UAE, the USA, and the UK.

PureHealth was successfully listed on the Abu Dhabi Securities Exchange with a market capitalisation exceeding AED 36 billion.

Earlier in his career, Mr. Malik played a key role in establishing the UAE's first federal drug authority and now serves as a Board Member of the Emirates Drug Establishment.

Board of Directors continued

Eng. Hamad Al Ameri

Eng. Hamad Al Ameri is the Managing Director and Group CEO of Alpha Dhabi Holding PJSC, one of the UAE's fastest-growing investment holding companies. With a diversified portfolio of more than 100 businesses across healthcare, renewable energy, petrochemicals, real estate, construction, and hospitality, Alpha Dhabi plays a vital role in supporting the country's economic agenda.

Since his appointment in 2021, Eng. Al Ameri has led the transformation of Alpha Dhabi, including its successful IPO on the Abu Dhabi Securities Exchange in June 2021. He has since spearheaded a multi-billion-dirham M&A and investment strategy, expanding the Group into new sectors such as fintech and renewable energy.

In addition to his role at Alpha Dhabi, he holds key positions at several major companies, including Vice Chairman of the National Marine Dredging Company, Board Member of Aldar Properties, Chairman of Sandstorm Motor Vehicles Manufacturing LLC, Board Member of Mawarid Holding, and Board Member of ADC Acquisition Corporation PJSC.

Mr. Jawad Shafique Muhammad Shafique

Mr. Jawad Shafique is a Director of Financial Services at ADQ, where he is responsible for managing the organisation's investments across the financial services sector. With over 18 years of experience in investment management, M&A, turnarounds, and corporate restructuring, he brings deep expertise in strategic transactions and value creation.

Before joining ADQ, Mr. Shafique was a Partner at KPMG, where he led the firm's deal advisory practice. In this role, he advised financial institutions, private equity firms, and corporates on a wide range of complex transactions, including mergers, divestitures, and joint ventures across diverse geographies and sectors.

He currently sits on the boards of Abu Dhabi Securities Exchange, Quantum Wealth Holdings, and Sayacorp B.S.C. Mr. Shafique is a CFA Charter holder and a member of the Association of Chartered Certified Accountants (ACCA).

Ms. Mouza Alromaiti

Ms. Mouza Alromaiti is the Director of Information and Cybersecurity at ADQ. With over 14 years of experience, she has led the development and execution of strategic cybersecurity and digital transformation programmes across government and semi-government entities in the UAE.

She currently serves as a Non-Executive Director at Global Aerospace Logistics – Advanced Military Maintenance, Repair, and Overhaul Centre (GAL-AMMROC), Q Market Makers LLC (QMM), and Abu Dhabi National Energy Company (TAQA).

Prior to her role at ADQ, she held senior leadership roles at the Abu Dhabi Systems and Information Centre and Emirates Identity Authority. Ms. Alromaiti holds a Master of Science in Information Technology with a specialisation in Cybersecurity and a Bachelor of Science in Information Technology (Networking Systems) from Zayed University in Abu Dhabi.

Board of Directors continued

The Board Secretary

The Board Secretary at PureHealth ensures effective communication between the Board of Directors and Executive Management while overseeing Corporate Governance.

Appointed in June 2024, Mr. Abdel Kader Ahmed El Khatib serves as the Board Secretary, reporting directly to the Board and managing all secretarial duties. He works closely with the Board and Executive Management to coordinate meetings and ensure effective attendance management.

Mr. El Khatib, a Chief Legal Officer with 20 years of experience in healthcare legal operations, has advised Boards, managed contracts, directed Corporate Governance, and overseen litigation. Known for his energy and knowledge, he has effectively supervised legal departments, ensuring efficient operations while demonstrating a deep understanding of world-class standards, corporate governance, risk management, and business strategy.

His achievements include recognition as one of the 100 most influential lawyers in the region by the Legal 500 GC Power List, reflecting his commitment to excellence in legal advisory and Corporate Governance. He has assisted many organisations in navigating complex legal landscapes.

As Board Secretary, Mr. El Khatib advises on legal and governance matters, providing independent legal opinions to ensure governance compliance. He advises on conflicts of interest, related party transactions, and non-competition policies, as well as maintaining integrity and transparency. Abdel oversees periodic disclosures and the legal requirements for General Assembly meetings, managing quorum, proceedings, and voting on resolutions.

He is also responsible for governing Board elections, ensuring compliance with directorship rules, and managing Director vacancies. Acting as a key interface between the Board, Executive Management, regulators, shareholders, and other stakeholders, he fosters strong communication and relationships across all parties.

Board Diversity

PureHealth is committed to fostering diverse leadership across all levels of the organisation. The composition of the Board reflects this commitment, with a focus on diversity in gender, nationality, age, and professional expertise. In line with our dedication to gender equality, PureHealth currently has female representation on the Board and continues to actively seek opportunities to attract, develop and retain female representation across all areas of the Company's operations. This diversity enhances our decision-making process and strengthens the Company's ability to achieve its strategic goals.

Board Remuneration Disclosure

The Board Remuneration and Nomination Committee is responsible for recommending the level of Board member remuneration to the Annual General Meeting (AGM) for consideration and approval. In line with regulatory requirements, the Board Member remuneration is set at 8,774,658 (eight million seven hundred seventy-four thousand six

hundred fifty-eight) Dirhams for the financial year ended on 31 December 2024 (subject to AGM approval). However, due to the recent formation of the Board of Directors, no remuneration was paid to the Directors for the period ending 31 December 2024. Any future remuneration will be subject to approval by the General Assembly in accordance with the Company's Articles of Association and applicable law.

Board Induction and Training

In 2024, following Mr. Semih Sen's resignation, Mr. Jawad Shafique was appointed to the PureHealth Board.

To ensure a smooth transition, newly appointed Directors received a comprehensive and customised induction package that covered all relevant aspects of governance at PureHealth. This induction was designed to equip Directors with the knowledge and tools necessary to fulfil their roles effectively. The materials included information on Board Committees, governance frameworks, the skills and experience of fellow Directors and Executive Management, external reporting requirements, Board ethics, pertinent regulatory guidance, policies and an overview of the Company's business and market environment.

Board Evaluation

The Board Secretary at PureHealth conducts an annual performance evaluation of the Board, which is designed to assess the overall effectiveness and performance of the Board and its Committees. The annual assessment focuses on the following key areas:

- Board Structure, Organisation, and Objectives.
- Effectiveness of Board Meeting Processes.
- Clarity of Board Responsibilities and Performance.
- Interaction between the Board and Executive Management.

In addition to the annual assessment, an independent evaluation of the Board is performed periodically in line with regulatory requirements. The findings and recommendations from these evaluations are carefully considered to improve the governance framework and strengthen the performance of the Board and its Committees. Based on these evaluations, the Board's charters are updated annually to ensure they remain aligned with best practices.

The 2024 Board evaluation was positive, highlighting that sufficient time was allocated to key discussions, particularly the Group's strategic direction. Board members were praised for their expertise, and materials were shared in a timely manner. Feedback on the induction process for new members has been addressed, leading to improvements, ensuring continued effective governance and maximum value for the Company and its shareholders.

Board Meetings and Agenda

Board Activities in 2024

- Evaluating the Group's strategy, including long-term planning, strategic initiatives, acquisitions and integration.
- Reviewing Board Committees and, in addition, having oversight over Risk, Sustainability, Remuneration, Nominations, Governance, Compliance, Audit etc.
- Assessing the financial performance of the Group, including the annual budget.

- Approving leadership development and succession planning.
- Reviewing the annual Board evaluation review.
- Appointing a new Board member.
- Formation of the Board sub-committees, including (i) the Audit, Risk and Compliance Committee, (ii) the Nomination and Remuneration Committee and (iii) the Investment Committee.
- Appointing a new Board Secretary.

Board of Directors continued

The Board of Directors held nine (9) meetings during 2024.

The below table shows the Board members' attendance at these meetings:

No.	Meeting Date	Attendance	Proxy	Absent	Names of Absent Members
1.	12 February 2024	5 members	–	–	–
2.	15 February 2024	5 members	–	–	–
3.	28 March 2024	5 members	–	–	–
4.	1 May 2024	4 members	–	–	–
5.	27 June 2024	5 members	1	1	Mr. Hamad Alameri (Proxy had been given to Mr. Hamad Alhammadi)
6.	30 July 2024	4 members	1	1	Mr. Hamad Alhammadi (Proxy had been given to Mr. Jawad Shafique)
7.	9 September 2024	5 members	–	–	–
8.	30 October 2024				
9.	25 November 2024	5 members	–	–	–

Below are details of Board meetings attendance during the year 2024 as follows:

Board of Directors	No. of Absences	1 st	2 nd	3 rd	4 th	5 th	6 th	7 th	8 th	9 th
Mr. Hamad Abdulla Mohamed Alshorafa Alhammadi	1	•	•	•	•	•	–	•	•	•
Eng. Hamad Salem Mohamed Binlouteya Alameri	1	•	•	•	–	•	•	•	•	•
Mr. Farhan Malik	–	•	•	•	•	•	•	•	•	•
Mr. Semih Sen	–	•	•	•	–	–	–	–	–	–
Mr. Jawad Shafique Muhammad Shafique	–	–	–	–	–	•	•	•	•	•
Ms. Mouza Saeed Khalfan Matar Alromaithi	–	•	•	•	•	•	•	•	•	•

Summary of Board resolutions passed during 2024

Passed Resolutions

- Approval of audited financial statements for the year ended 31 December 2023.
- Approve PureHealth Management discussion and Analysis Report for 2023.
- Approval to hold Shareholders' General Assembly Meeting on 22 April 2024 (by circulation on 19 March 2024).
- Recommendation the General Assembly not to distribute any dividends for the fiscal year ending 31 December 2023.
- Approve Abu Dhabi Health Service Company "SEHA" (PureHealth's subsidiary) to acquire Mayo Clinic's interest in Sheikh Shakhbout Medical City (by circulation on 29 January 2024).
- Approve General Assembly meeting agenda.
- Approve to appoint Liquidity Provider.
- Approve the financial statement for the first quarter of the fiscal year 2024, for the financial period ended 31 March 2024.
- Accept resignation of Mr. Semih Sen from the Company's Board of Directors and appointment of Mr. Jawad Shafique as an alternative Board member.
- Approve the appointment of Mr. Jawad Shafique as Chairman of the Audit Committee and the Nomination and Remuneration Committee.
- Approve the appointment of Mr. Mohammad Yaser as a member of the Audit Committee.
- Approve the appointment of Mr. Abdel Kader El Khatib as Board Secretary.
- Approve the financial statement for the second quarter of the financial period ended 30 June 2024.
- Approve the appointment of Mr. Rashed Al Qubaisi as Chief Operating Officer.
- Approve the appointment of Mr. Abdel Kader El Khatib as Chief Legal Officer.
- Approve the appointment of Mr. Mohammed Hassan Al Zaabi as Chief Officer Infrastructure and Response.
- Approve the financial statement for the third quarter of the financial period ended 30 September 2024.

Board Committees

The Board Committees play an essential role in supporting the Board’s decision-making process and ensuring effective governance. By sharing the Board’s workload, these specialised committees allow for more detailed and focused oversight of business activities, enabling Board members to be more involved in specific areas.

With their specialised focus, committees conduct in-depth research and analysis on technical matters and are empowered to make recommendations for Board approval. PureHealth’s Board has established several key committees, each chaired by an independent non-executive director.

These committees meet as needed to achieve their objectives, ensuring ample time for discussions, presentations, deliberations, and decision-making.



Audit, Risk and Compliance Committee (ARC)

The ARC Committee plays a critical role in assisting the Board in fulfilling its oversight responsibilities, ensuring effective internal controls and assessing financial and operational risks.

This ensures the integrity of PureHealth’s consolidated financial statements and compliance with legal and regulatory requirements. The Committee also oversees the Internal Audit department, the Risk and Compliance functions, and the external auditor’s activities. The ARC considers the applicable laws and regulations of the UAE and the SCA, including the provisions of the Governance Rules.

The ARC Committee supports the Board in fulfilling its responsibilities related to financial reporting, external and internal audits and controls. This includes:

- Reviewing and monitoring the integrity of PureHealth’s annual and interim financial statements.
- Assessing and overseeing the scope of non-audit services provided by the external auditors.
- Providing recommendations on the appointment of external auditors.
- Managing the relationship with external auditors to ensure effective communication and collaboration.
- Evaluating the effectiveness of the external audit process.
- Reviewing the performance and effectiveness of PureHealth’s Internal Audit function.

The ARC takes appropriate steps to ensure that the Company’s external auditors are independent of the Company and intends to obtain written confirmation from the Company’s auditors that they will comply with guidelines on independence issued by the relevant accountancy and auditing bodies. The Governance Guide requires that the ARC Committee comprise at least three Non-Executive Directors with knowledge and expertise in financial and accounting matters and at least two Independent members. One of the Independent Members must be appointed as the Chairperson of the ARC Committee. The Company complies with these provisions, and details of membership are defined hereafter.

Members of the Audit, Risk and Compliance Committee (ARC) as of 31/12/2024

Name of the Member	Title	Category
Mr. Jawad Shafique Muhammad Shafique	Chairperson	Non-Executive/Independent
Mr. Mohammad Yaser Bader	Member	Non-Executive/Independent
Ms. Mouza Saeed Khalfan Matar Alromaithi	Member	Non-Executive/Independent

Audit, Risk and Compliance Committee (ARC)

continued

The ARC held eight (8) meetings during the financial year ending 31 December 2024.

1. Audit, Risk and Compliance Committee (ARC) Functions

The ARC Committee shall use appropriate fiduciary standards of care, skill, prudence and diligence in its actions. All actions taken by the ARC Committee must be in the sole interest of the Company and in accordance with the powers granted to it by the Board.

The Committee's responsibilities are further detailed in the ARC Committee Charter and supported by the Delegation of Authority, which remains subject to annual review and approval by the Board.

2. Quarterly Reports

At quarterly intervals, the ARC Committee Chairman shall present a comprehensive report to the Board mainly detailing the ARC Committee's activities and a description of the key topics that were discussed during the Committee meetings, including related to internal audit, risk and compliance, external audit and any other pertinent topics.

3. Audit, Risk and Compliance (ARC) Committee Report

The ARC Committee shall:

- Update the Board of Directors about Committee activities after each Committee meeting, identifying matters where action or improvement is needed, including where the Committee is not satisfied with any aspect of risk management and internal control, financial reporting or audit related activities; including the independence and performance of the External Auditor, the performance of the internal audit function and any other matters the Committee deems appropriate and making recommendations as to the steps to be taken.

- Bring to attention of the Board of Directors material issues, as well as complaints or concerns regarding accounting, internal controls, procurement, auditing or other matters, and, at least annually, share with the Board of Directors the report it receives from the Company on compliance with internal controls (including with respect to insider trading compliance).
- The ARC Committee shall review, at least annually, the Committee's charter and recommend any proposed changes to the Board of Directors for approval. The ARC Committee shall conduct and report to the Board of Directors, the summary of its annual activities and the results of the internal annual performance evaluation (comparing the performance of the ARC Committee with the requirements of this charter).
- Describe to shareholders in the Annual Report how it has discharged its responsibilities and how auditor objectivity and independence has been safeguarded.

4. Internal Audit

- The Group Internal Audit Department (IAD) provides risk-based, independent and objective assurance over the Company's internal control system, in addition to advisory and special reviews aiming at improving processes and adding value to the operations.
- The IAD maintains its independence from the Company's management through functional reporting to the ARC Committee. This reporting structure is established as per the Internal Audit Charter and the ARC Committee Charter.
- The Group IAD is led by Mr. Nauman Hassan, who has approximately 21 years' of audit and finance experience with leading companies. He holds a Master's degree in Accounting and Finance, along with certifications including CFE, CRMA, and CICA.

- The IAD primarily operates based on an annual risk-based audit plan which focuses on financial, operational and technology strategic risk areas. During 2024, the IAD successfully performed and reported a number of internal audit engagements, whereby management action plans to address the results are systematically tracked on a regular basis for timely closure.

5. IAD Key Focus Areas/Achievements in 2024

- Successfully completed the External Quality Assessments conducted by the Institute of Internal Auditors (IIA) UAE. Awarded a rating of "Generally Conforms", in accordance with the IIA's globally recognised standards and was assessed at the "Managed" maturity level, ranking 4 out of 5 on the maturity scale.
- Successfully completed the Assisted Self-Assessment Internal Audit Quality Assurance Review conducted by the IIA Australia, wherein it was rated as "Generally Conforms".
- Established and executed a Risk-Based Internal Audit Plan methodology, in line with the IIA standards and relevant regulations.
- Onboarded newly integrated entities on Internal Audit Management System, which is utilised by the audit teams and auditees across the Company, driving a digitally enabled internal audit process.
- Enhanced IAD staff skills and capabilities through certifications and trainings.

External Auditor

Board Audit, Risk and Compliance (ARC) Committee Oversight of External Audit

The Board ARC Committee is responsible for overseeing the external audit process, ensuring transparency, accountability and adherence to regulatory requirements. As part of its mandate, the Committee supervises the work of the statutory auditor and meets with them at least once per year without Executive Management’s presence to discuss audit findings, key observations and any emerging financial or regulatory matters.

For the 2024 fiscal year, PureHealth appointed Ernst & Young (EY) as its external auditor. With a global presence across more than 150 countries and deep-rooted expertise in the MENA region for over 90 years, EY has been operating in the UAE since 1966, providing specialised services across Assurance, Advisory, Tax, Transaction Advisory Services (TAS) and Core Business Services (CBS).

The Board ARC Committee ensures the Board is kept informed at least annually regarding fees paid to the statutory auditor for audit, audit-related and non-audit services. This report includes:

- A breakdown of total fees paid or payable for non-audit services during the year and their proportion relative to audit fees.
- Confirmation of the Committee’s satisfaction that the provision of non-audit services has not compromised the independence of the external auditor.

By maintaining rigorous oversight, the Board ARC Committee reinforces PureHealth’s commitment to strong financial governance, regulatory compliance and transparent reporting to uphold the trust of shareholders and stakeholders.

External Audit Fees, Services and Costs

Below is a detailed breakdown of the external audit fees incurred by PureHealth Holding PJSC during the 2024 fiscal year:

- External Audit Fees: In 2024, Ernst & Young (EY) was paid AED 700,000 (Seven Hundred Thousand Dirhams) for external audit services. These fees covered the annual audit and interim review of PureHealth Holding PJSC consolidated financial statements.

External Audit Qualified Opinions on Interim and Annual Consolidated Financial Statements of the Year 2023

The external auditor did not state any qualified opinions on the interim and annual consolidated financial statements of the year 2024.

Violations

No Violations were Committed by the Group during the year 2024.

Nomination and Remuneration Committee (NRC)

The NRC at PureHealth plays a critical role in assisting the Board with its responsibilities regarding Board composition, oversight and remuneration matters.

The Committee ensures that the Board has the appropriate balance of skills, knowledge and experience and that it is structured to meet the Company’s needs. Its responsibilities include:

- Evaluating the balance of skills, knowledge and experience on the Board and reviewing the size, structure and composition of the Board and its Committees.
- Monitoring the independence of the Non-Executive Directors and identifying potential candidates for appointment to the Board or its Committees when required.
- Assessing the performance of the Board, its Committees, individual Board members and senior executives.
- Endorsing the Remuneration Policy, strategy and guidelines of the Group, ensuring they align with the Company’s objectives and governance framework.

In addition, the NRC supports the Board in formulating and reviewing remuneration policies for the Directors and Executive Management, ensuring that the overall principles and governance framework of the Remuneration Policy are consistently applied.

The Committee is composed of at least three Non-Executive Directors, with a majority of Independent Directors. One of the Independent Members serves as the Chairperson. The NRC responsibilities and operations are in line with the Company’s Charter and Delegation of Authority, which are reviewed and approved by the Board annually.

Members of the Nomination and Remuneration Committee (NRC) as of 31/12/2024		
Name of the Member	Title	Category
Mr. Jawad Shafique Muhammad Shafique	Chairperson	Non-Executive/Independent
Eng. Hamad Salem Mohamed Binlouteya Alameri	Member	Non-Executive/Independent
Ms. Mouza Saeed Khalfan Matar Alromaithi	Member	Non-Executive/Independent

The NRC held three (3) meetings during the financial year ending 31 December 2024.

Key focus areas/achievements in 2024

- Endorsed the Board Remuneration Policy.
- Recommended the Board remuneration for 2023 after careful consideration.
- Reviewed and evaluated discretionary increments throughout the year.
- Assessed annual recruitment strategies and progress on Emiratization.
- Reviewed the independence declarations of the Board members and reported findings to the Board.
- Evaluated and approved the Board composition and skillset guidelines.

Investment Committee (IC)

The Investment Committee at PureHealth plays a pivotal role in guiding the Board on key strategic, financial and operational decisions to support the Company’s long-term growth and sustainability.

The Committee ensures that all major investment-related decisions align with PureHealth’s strategic objectives and governance framework. Its key responsibilities include:

- Overseeing the evaluation and approval of significant investments, joint ventures, mergers and acquisitions to ensure alignment with the Company’s business strategy.
- Reviewing and endorsing high-value contracts and capital expenditures, ensuring prudent financial decision-making and risk management.
- Assessing the financial viability and strategic impact of business plans and investment opportunities before submission to the Board for approval.
- Monitoring the performance of existing investments and providing recommendations to enhance financial returns and operational efficiency.
- Ensuring that all investment activities comply with regulatory requirements, internal policies and best governance practices.

The Committee is composed of four Non-Executive/Independent Directors. One of the Independent Members serves as the Chairperson. The Investment Committee operates under the approved Investment Committee Charter, which is reviewed and updated annually to maintain alignment with PureHealth’s governance framework and strategic direction.

The IC held two (2) meetings during the financial year ending 31 December 2024.

Key focus areas/achievements in 2024

- Evaluated and endorsed major investment proposals, ensuring alignment with PureHealth’s strategic objectives.

Members of the Investment Committee (IC) as of 31/12/2024

Name of the Member	Title	Category
Eng. Hamad Salem Mohamed Binlouteya Alameri	Chairperson	Non-Executive/Independent
Mr. Farhan Malik	Member	Executive/Non-Independent
Mr. Jawad Shafique Muhammad Shafique	Member	Non-Executive/Independent
Mr. Khalil Massoud	Member	Non-Executive/Independent
Mr. Ahmed Alshamsi	Member	Non-Executive/Independent

- Reviewed and approved high-value contracts, joint ventures and mergers to drive business growth and expansion.
- Assessed the financial and operational impact of capital expenditures and provided recommendations to the Board.
- Monitored the performance of existing investments, identifying opportunities for optimisation and enhanced returns.
- Ensured investment decisions adhered to regulatory requirements, governance standards and risk management frameworks.
- Reviewed and refined the Company’s investment strategy to support long-term financial sustainability and business excellence.

Related Party Transactions

PureHealth has engaged in transactions with related parties in accordance with the definitions outlined in the Governance Guide.

These transactions were conducted in the normal course of business and on terms agreed between the parties. For further details on related party transactions, refer to Note 25 of the audited 2024 consolidated financial statements, which provides a comprehensive breakdown in accordance with International Financial Reporting Standards (IFRS).

Investor Relations

PureHealth is committed to maintaining high standards of transparency, communication, and corporate governance that are in line with international best practices.

To uphold this commitment, PureHealth has established a dedicated Investor Relations (IR) Department to ensure timely and accurate communication with the market, stakeholders and investors in full compliance with applicable capital market regulations.

The primary objective of the Investor Relations Department is to provide clear, complete and transparent information to the market on both favourable and adverse events, ensuring effective dialogue with the investment community. This department strives to respond promptly and in good faith to inquiries from investors, analysts, rating agencies and other key stakeholders.

To optimise shareholder communication and engagement, the Company has appointed a highly qualified Investor Relations Officer who holds:

- A relevant degree and expertise in managing shareholder affairs and legal matters, particularly within the UAE's regulatory landscape.
- Extensive knowledge of PureHealth's activities, financial performance and opportunities.
- A deep understanding of applicable legal and regulatory frameworks governing investor relations.
- Exceptional communication skills to engage effectively with investors across various platforms.

To enhance communication, PureHealth leverages its corporate website to publish the latest updates and financial data, aligning with regulations from the Abu Dhabi Exchange (ADX). This includes a dedicated Investor Relations page, regularly updated to meet international standards, offering investors access to key documents, executive summaries and contact details. Information and data disclosed to regulators, markets or the public are posted on the Company's website: Investor Relations [PureHealth.ae]



Contact details for Investor Relations Officer

Investor Relations Office
Aldar Headquarters building, Al Raha Street,
Abu Dhabi, UAE

Tel: +971.2.2018200/ +971.2.2018201

Email: ir@PureHealth.ae

Company website: <https://PureHealth.ae>

Available to respond to shareholder inquiries from Monday to Friday, 10am to 3pm.

The following table presents the Company's highest and lowest share price at the end of each month during 2023 and shares performance against the market index and sector index as of 31 December 2024.

1 Company share price performance during the year 2024

Month	Share Price (AED)			Share Performance				
	High	Low	Closing Price	Market Index	Healthcare Index	Absolute	vs Market	vs Sector
January	5.71	4.60	4.88	9,508.32	3,459.93	-14.39%	-13.66%	-7.37%
February	5.04	3.84	3.84	9,254.81	2,951.00	-21.31%	-18.65%	-6.60%
March	4.19	3.80	3.86	9,228.09	2,929.26	0.52%	0.81%	1.26%
April	4.07	3.78	3.93	9,067.42	2,939.50	1.81%	3.55%	1.46%
May	3.98	3.26	3.59	8,862.58	2,732.69	-8.65%	-6.39%	-1.62%
June	4.47	3.53	4.23	9,060.73	2,955.25	17.83%	15.59%	9.68%
July	4.45	3.91	4.02	9,338.96	2,851.27	-4.96%	-8.04%	-1.45%
August	4.06	3.61	3.65	9,284.93	2,612.51	-9.20%	-8.63%	-0.83%
September	3.76	3.45	3.60	9,425.49	2,577.24	-1.37%	-2.88%	-0.02%
October	3.64	3.28	3.46	9,327.92	2,558.27	-3.89%	-2.85%	-3.15%
November	3.46	3.27	3.28	9,234.80	2,396.10	-5.20%	-4.20%	1.14%
December	3.58	3.14	3.33	9,419.00	2,408.06	1.52%	-0.47%	1.03%

Investor Relations continued

2 Statement of the shareholders’ ownership distribution as at 31 December 2024 (individuals & companies) classified by geography

Description	Individuals	Companies	Total
Local	203,962,773	10,634,010,635	10,837,973,408
GCC	827,392	4,142,891	4,970,283
Arabs	17,701,718	16660	17,718,378
Foreigners	78,696,399	171,752,643	250,449,042
Total	301,188,282	10,809,922,829	11,111,111,111
Percentage	2.71%	97.29%	100%

3 Statement of how shareholders are distributed by size of equity as at 31 December 2024

Ownership of Shares	Number of Shareholders	Number of Owned Shares	Ownership %
Less than 50,000	9,554	23,706,659	0.21%
From 50,001 to 500,000	442	73,862,439	0.66%
From 500,001 to 5,000,000	141	192,215,682	1.73%
More than 5,000,000	39	10,821,326,331	97.39%
Total	10,176	11,111,111,111	100%

4 Statement of shareholder ownership reaching 5% or more

Name of Shareholders	Shareholders Share %
Q Health LLC	40.51%
Alpha Dhabi Health Holding LLC	24.93%
IHC Healthcare Holding LLC	6.45%
AH Capital (FZE)	5.56%
Total	77.45%

Annual General Meeting

PureHealth held its Annual General Meeting (AGM) on 22 April 2024, both in person at the Sheikh Shakhboub Medical City Auditorium/Grand Hall in Abu Dhabi, UAE, and virtually with electronic participation from shareholders. Mr. Hamad Abdulla Mohamed Alshorafa Alhammadi chaired the meeting, and the quorum was 78.33% of the total capital.

During the AGM, the following resolutions were reviewed and approved:

31 December 2023

1. The Board of Directors' Annual Report for the financial year ended 31 December 2023.
2. The External Auditor's Report on the Company's financial position for the financial year ended 31 December 2023.
3. The Company's Balance Sheet and Profit & Loss account for the financial year ended 31 December 2023.
4. The Board of Directors' recommendation not to distribute dividends for the financial year ended 31 December 2023.
5. The Board of Directors' recommendation not to remunerate the Board members in their capacity as members of the Board for the year ended 31 December 2023.
6. The discharge of the Board of Directors from liability for the performance of their duties for the financial year ended 31 December 2023.

7. The discharge of the external auditor from liability for the financial year ended 31 December 2023.
8. The appointment of the external auditor for the financial year ending 31 December 2024 and the determination of their fees.

31 December 2024

Agenda:

1. Review and approve of the Board of Directors' annual report for the financial year ended on 31 December 2024.
2. Review and approve of the external auditors' report on the financial position of the Company for the financial year ended on 31 December 2024.
3. Review and approve of the balance sheet and profit and loss and financial statements for the financial year ended 31 December 2024.
4. Consider and approve the Board of Directors' recommendation to distribute cash dividends to the shareholders at a rate of 20% of the Company's net profits, which is equivalent to AED 343,145,009 (3.09 fils per share) for the financial year ended on 31 December 2024.
5. Consider and approve the Board of Directors' recommendation for the remuneration for the members of the Board of Directors by distributing total amount of 8,774,658 (eight million seven hundred seventy-four thousand six hundred fifty-eight) Dirhams for the financial year ended on 31 December 2024.
6. Discharge of the members of the Board of Directors from liability for the performance of their duties for the financial year ended on 31 December 2024.
7. Discharge of external auditors from liability for the financial year ended 31 December 2024 or remove them and file a liability action against them, as the case may be.
8. Appointment of the external auditors of the Company for the financial year that will end on 31 December 2025 and determine their fees.
9. Ratification of the Board's approval to appoint Mr. Jawad Shafique Muhammad Shafique as a member of the Board of Directors in replacement of the resigned member Mr. Semih Sen.
10. Election of two (2) new members to the Board of Directors of the Company.

Shareholders attended the meeting, which was open to the public and allowed them to vote in person or by proxy. The resolutions passed during the AGM reflect the Company's commitment to transparency and compliance with regulatory standards.

Special Resolutions

1. Approve to amend the Company's Articles of Association to comply with the provisions of the Securities and Commodities Authority Resolution No. (3 /R.M) of 2020 Concerning the Approval of Joint Stock Companies Governance Guide as amended.
2. Authorise the Board of Directors of the Company, or any person so authorised by the Board of Directors to take any action as may be necessary to implement the above resolution including, without limitation, to liaise with the Securities and Commodities Authority and any other competent authority to amend the Company's Articles of Association and the issuance of a certificate of amendment of the Articles of Association.

Directors' Report

Dear Shareholders,

It is our pleasure to present the Directors' report along with the audited consolidated financial statements of Pure Health Holding PJSC (the "Company") and its subsidiaries (together referred to as the "Group") for the year ended 31 December 2024.

Principal activities

The main activities of the Group are to provide hospital operations and management services, hospitalisation services, clinical services, pharmacy services, diagnostic and laboratory management services, health insurance, procurement and supply of medical related products, information technology and other healthcare related operations.

Results for the year

During the year ended 31 December 2024, the Group reported profit of AED 1,715,725 thousand and revenue of AED 25,848,242 thousand.

Board of Directors

The Directors of the Company are:

Chairman	Mr. Hamad Abdulla Mohamed Alshorafa Alhammadi
Vice Chairman	Eng. Hamad Salem Mohamed Binlouteya Alameri
Members	Mr. Farhan Malik Mr. Jawad Shafique Ms. Mouza Saeed Khalfan Matar Alromaithi

To the best of our knowledge, the financial information included in these consolidated financial statements fairly reflects in all material respects the financial condition, results of operation and cash flows of the Group as of and for, the years presented therein. The consolidated financial statements were approved by the Board of Directors and authorised for issue on 10 February 2025.

Auditors

A resolution proposing the reappointment of Ernst & Young as auditors of the Group for the year ending 31 December 2025 will be put to the shareholders at Annual General Meeting.

On behalf of Board of Directors

Mr. Hamad Abdulla Mohamed Alshorafa Alhammadi
Chairman

Independent Auditor's Report

To the Shareholders of Pure Health Holding PJSC

Report on the Audit of the consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Pure Health Holding PJSC (the "Company") and its subsidiaries (together referred to as the "Group"), which comprise the consolidated statement of financial position as at 31 December 2024, and the consolidated statement of profit or loss, consolidated statement of other comprehensive income, consolidated statement of changes in equity and 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 2024 and 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 (IFRSs).

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*) (IESBA Code) together with the ethical requirements that are relevant to our audit of the consolidated financial statements in the United Arab Emirates, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. 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 year. 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.

Revenue recognition

Revenue recognition is considered to be a key area of focus given there are multiple revenue streams associated with the Group which come from various decentralised operational locations. In addition, there are a number of different IT systems and applications in place for the recording of revenue transactions. The Group has a variety of customer contracts and revenue arrangements that require careful consideration and judgement to determine the appropriate revenue recognition. Further, revenue is also a key performance indicator for the Group's performance. During the year ended 31 December 2024, total revenue of the Group amounted to AED 25,848,242 thousand (2023: AED 16,398,920) (note 26).

We reviewed the revenue recognition policies applied by the Group to assess their compliance with IFRSs requirements. For each material operational location with significant revenue streams, we performed, or involved component auditors to perform substantive audit procedures which included substantive analytical procedures at the Group and subsidiary level and testing on transactions around the year end, to assess whether revenues were recognised in the correct accounting period and throughout the year, to assess whether revenues were properly recognised.

Independent Auditor's Report continued

To the Shareholders of Pure Health Holding PJSC

Report on the Audit of the consolidated Financial Statements continued

Business combinations within the scope of IFRS 3

During the year, the Group has acquired control over the entities as disclosed in note 5.1 which were determined to be business combinations as defined by IFRS 3. External valuation specialists were engaged by the Group to perform the purchase price allocation exercise, including the fair valuation and identification of acquired assets and liabilities. The acquisition of businesses is a key audit matter as these are significant transactions during the year which require significant judgement regarding the allocation of the purchase price to the assets and liabilities acquired and adjustments made to align accounting policies of the newly acquired businesses with those of the Group.

We performed the following procedures:

- Reviewed the share purchase agreements and ownership structures before and after the acquisitions to assess if the acquisitions fulfilled the requirements of business combination under IFRS 3;
- Obtained the provisional purchase price allocation reports for material acquisitions prepared by the external valuers engaged by the Group;
- Involved our internal specialists to review the reports. The review included an assessment of reasonableness of inputs used in the valuation, assumptions made such as the cash flow projections, discount rate, terminal growth rate, the identification of intangible assets and the useful life of tangible and intangible assets;
- Assessed the independence, qualification and expertise of external valuation specialists engaged by the Group and read the terms of their engagement to determine whether there were any matters that might have affected their objectivity or may have imposed scope limitations upon their work; and
- Verified that the business combination was properly accounted by the Group, including the determination of the date of acquisition and the fair value of the consideration transferred, in accordance with IFRS 3, and all related disclosures, as required by IFRSs, are disclosed in the consolidated financial statements.

Valuation of insurance contract liabilities and reinsurance contract assets

As at 31 December 2024, insurance contract liabilities and reinsurance contract assets amounted to AED 3,232,639 thousand and AED 1,526,851 thousand respectively, as detailed in note 24 to the consolidated financial statements. A key element of the valuation of insurance contract liabilities and reinsurance contract assets is the present value of future cash flows ("PVFCFs") included in the liability for incurred claims for contracts measured under the Premium Allocation Approach and risk adjustment for non-financial risks. Management uses an internal and external actuary specialists to assist in the calculation of the liability for incurred claims.

Due to the inherent estimation uncertainty and subjectivity involved in the assessment of valuation of the liability for incurred claims arising from insurance contracts, we have considered this as a key audit matter.

We performed the following procedures with the involvement of our IFRS 17 actuarial specialists:

- Obtained an understanding and tested key controls for claims handling process;
- Evaluated the competence, capabilities and objectivity of the management's expert based on their professional qualifications and experience and assessed their independence;
- Assessed the integrity of data used as inputs into the actuarial valuations, and tested on sample basis, the accuracy of underlying claims data utilised by the management's expert in estimating the present value of the future cashflows and the risk adjustment for non-financial risk by comparing it to the accounting and other records;
- Obtained and reviewed the Group's process for determining the key actuarial assumptions including claims ratios and tested these by comparing them with our expectations based on the Group's historical experience, current trends and our own industry knowledge;
- Assessed the appropriateness of the calculation methods and approach along with the assumptions used; and
- We assessed the adequacy of disclosures in the consolidated financial statements related to reinsurance contract assets and insurance contract liabilities as per IFRS 17.

Independent Auditor's Report continued

To the Shareholders of Pure Health Holding PJSC

Report on the Audit of the consolidated Financial Statements continued

Impairment assessment of Goodwill

The Group has recognised goodwill amounting to AED 4,642,142 thousand (2023: AED 1,342,106 thousand) arising from the acquisition of subsidiaries operating in multiple segments under business combinations within the scope of IFRS 3 (note 9).

Management carries out impairment assessments of goodwill annually. Goodwill impairment testing is considered a key audit area given the significant estimates and assumptions involved in determining the value in use of the respective cash generating units. Assumptions used relate to future cash flows, revenue growth rates, expected inflation rates and discount rates.

As part of our audit procedures, we performed, or involved component auditors to perform the following for CGUs with significant goodwill:

- tested, with involvement of internal valuation specialists, the methodologies and inputs used by the Group in the discounted cash flow models for impairment testing including key assumptions relating to growth rates, inflation rates and discount rates;
- analyzed the sensitivity of available headroom in the respective CGUs to changes in certain assumptions;
- compared actual performance of cash generating units to the assumptions applied in discounted cash flow models to assess the historical accuracy of management's estimates; and
- assessed the adequacy of disclosure in line with the requirements of the IFRSs.

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 is 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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRSs) and in compliance with the applicable provisions of the Articles of Association of the Company and the UAE Federal Law No. (32) of 2021 and for such internal control as 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, 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 management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

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

Independent Auditor's Report continued

To the Shareholders of Pure Health Holding PJSC

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 auditor's 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 skepticism 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 auditor's 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 auditor's 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 the 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.

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, actions 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.

Independent Auditor's Report continued

To the Shareholders of Pure Health Holding PJSC

Report on the Audit of the consolidated Financial Statements continued

Report on Other Legal and Regulatory Requirements

Further, as required by the UAE Federal Law No. (32) of 2021, we report that for the year ended 31 December 2024:

- i) we have obtained all the information and explanations we considered necessary for the purposes of our audit;
- ii) the consolidated financial statements have been prepared and comply, in all material respects, with the applicable provisions of the UAE Federal Law No. (32) of 2021, the Articles of Association of the Company;
- iii) the Group has maintained proper books of account;
- iv) the consolidated financial information included in the Directors' report is consistent with the books of account and records of the Group;
- v) investments in shares and stocks are included in note 11 to the consolidated financial statements and include purchases and investments made by the Group during the year ended 31 December 2024;
- vi) note 25 reflects the disclosures relating to material related party transactions and the terms under which they were conducted;
- vii) based on the information that has been made available to us nothing has come to our attention which causes us to believe that the Company has contravened, during the financial year ended 31 December 2024, any of the applicable provisions of the UAE Federal Law No. (32) of 2021 or of its Articles of Association which would materially affect its activities or its consolidated financial position as at 31 December 2024; and
- viii) during the year, the Group made no social contributions.

Further, as required by the Resolution of the Chairman of the Abu Dhabi Accountability Authority No. (88) of 2021 regarding financial statements Audit Standards for the Subject Entities, we report that, in connection with our audit of the consolidated financial statements for the year ended 31 December 2024, nothing has come to our attention that causes us to believe that the Group has not complied, in all material respects, with any of the provisions of the following laws, regulations and circulars as applicable, which would materially affect its activities or the consolidated financial statements as at 31 December 2024:

- i) Its Memorandum of Association or Law of Establishment which would materially affect its activities or its financial position as at 31 December 2024; and
- ii) Relevant provisions of the applicable laws, resolutions and circulars organising the Group's operations.

For Ernst & Young

Raed Ahmad

Registration No. 811

10 February 2025

Abu Dhabi, United Arab Emirates

Consolidated Statement of Financial Position

At 31 December 2024

	Notes	2024 AED '000	2023 AED '000
ASSETS			
Non-current assets			
Property and equipment	6	3,277,222	1,662,166
Investment property	7	2,097	2,696
Right-of-use assets	8	11,018,566	1,407,721
Intangible assets and goodwill	9	8,644,003	4,382,911
Deferred tax assets	20	199,985	–
Investments in associates and joint ventures	10	40,340	1,865,185
Investments in financial assets	11.2 & 11.3	2,577,692	266,305
Other non-current assets	13	84,037	3,260
		25,843,942	9,590,244
Current assets			
Inventories	12	1,183,577	741,322
Due from related parties	25	1,178,168	262,219
Trade receivables and other assets	13	4,869,538	4,680,975
Derivative financial instrument	14	–	24,511
Investments in financial assets	11.1	270,584	351,369
Reinsurance contract assets	24	1,526,851	1,330,898
Contract assets	26	1,750,647	633,462
Cash and bank balances	15	11,951,518	10,559,509
		22,730,883	18,584,265
TOTAL ASSETS		48,574,825	28,174,509

The attached notes 1 to 37 form part of these consolidated financial statements.

	Notes	2024 AED '000	2023 AED '000
EQUITY AND LIABILITIES			
Equity			
Share capital	16	11,111,111	11,111,111
Share premium		2,507,749	2,507,749
Statutory reserve	17	424,242	202,596
Fair value reserve		(78,237)	49,997
Cashflow hedge reserve	14	–	24,511
Foreign currency translation reserve		(72,739)	21
Merger and other reserves		2,055,128	6,437
Retained earnings		3,766,935	2,150,373
Equity attributable to owners of the Company		19,714,189	16,052,795
Non-controlling interests		22,061	4,172
Total equity		19,736,250	16,056,967
Non-current liabilities			
Borrowings	18	1,834,039	284,628
Lease liabilities	19	12,205,124	1,620,448
Deferred tax liabilities	20	1,025,139	418,698
Net employees defined benefit liabilities	21	1,506,422	1,413,143
Other liabilities	22	186,640	154,588
		16,757,364	3,891,505
Current liabilities			
Borrowings	18	26,204	4,962
Trade and other payables	23	7,576,448	4,964,116
Contract liabilities		56,602	39,244
Insurance contract liabilities	24	3,232,639	2,563,899
Lease liabilities	19	306,969	45,841
Income tax payable	20	182,910	–
Due to related parties	25	611,459	607,975
Other liabilities	22	87,980	–
		12,081,211	8,226,037
Total liabilities		28,838,575	12,117,542
TOTAL EQUITY AND LIABILITIES		48,574,825	28,174,509

Chairman

Chief Executive Officer

Chief Financial Officer

Consolidated Statement of Profit or Loss

For the year ended 31 December 2024

	Notes	2024 AED '000	(Reclassified Note 2.3) 2023 AED '000
Revenue	26	25,848,242	16,398,920
Cost of sales	27	(19,212,442)	(12,976,007)
Gross profit		6,635,800	3,422,913
General and administrative expenses, net	28	(4,665,725)	(2,718,255)
Selling and distribution expenses		(59,262)	(43,944)
Gain on bargain purchase on acquisition of a subsidiary	5.1	24,925	–
Finance costs	29	(847,634)	(117,472)
Share of profit from associates and joint ventures	10	81,655	25,153
Other income, net	30	608,002	815,254
PROFIT BEFORE TAX		1,777,761	1,383,649
Income tax expense	20	(62,036)	(418,698)
PROFIT FOR THE YEAR		1,715,725	964,951
Attributable to:			
Owners of the Company		1,711,640	964,657
Non-controlling interests		4,085	294
TOTAL PROFIT FOR THE YEAR		1,715,725	964,951
Basic and diluted earnings per share (AED)	31	0.15	0.10

The attached notes 1 to 37 form part of these consolidated financial statements.

Consolidated Statement of Other Comprehensive Income

For the year ended 31 December 2024

	Notes	2024 AED '000	2023 AED '000
PROFIT FOR THE YEAR		1,715,725	964,951
Other comprehensive income / (loss)			
<i>Items that may be reclassified subsequently to profit or loss:</i>			
Foreign exchange difference on translation of foreign operations		(72,760)	4
		(72,760)	4
<i>Items that will not be reclassified subsequently to profit or loss:</i>			
Remeasurement gain on net employees defined benefit liabilities, net of tax	21	61,305	77,220
Share of other comprehensive loss of associates and joint ventures	10	(779)	(2,800)
Share of other comprehensive loss of an associate reclassified to profit or loss on loss of significant influence	10	3,579	–
Net (loss) / gain on cash flow hedge		(14,575)	24,511
Change in fair value of investment in financial assets carried at fair value through other comprehensive income, net of tax		(65,771)	36,611
		(16,241)	135,542
Total other comprehensive (loss) / income		(89,001)	135,546
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		1,626,724	1,100,497
Attributable to:			
Owners of the Company		1,622,639	1,100,203
Non-controlling interests		4,085	294
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		1,626,724	1,100,497

The attached notes 1 to 37 form part of these consolidated financial statements.

Consolidated Statement of Changes in Equity

For the year ended 31 December 2024

	Attributable to equity holders of the Company										
	Share capital AED '000	Share premium AED '000	Statutory reserve AED '000	Fair value reserve AED '000	Cashflow hedge reserve AED '000	Foreign currency translation reserve AED '000	Merger and other reserves AED '000	Retained earnings AED '000	Total AED '000	Non controlling- interests AED '000	Total equity AED '000
Balance at 1 January 2023	500,000	11,214,927	109,242	16,186	–	17	(1,896,193)	1,383,117	11,327,296	3,835	11,331,131
Profit for the year	–	–	–	–	–	–	–	964,657	964,657	294	964,951
Other comprehensive income for the year	–	–	–	33,811	24,511	4	–	77,220	135,546	–	135,546
Total comprehensive income for the year	–	–	–	33,811	24,511	4	–	1,041,877	1,100,203	294	1,100,497
Share capital issued (note 16)	10,611,111	(6,810,985)	–	–	–	–	–	(181,267)	3,618,859	–	3,618,859
Transfer from share premium to merger reserve (note 16)	–	(1,896,193)	–	–	–	–	1,896,193	–	–	–	–
Transfer to statutory reserve (note 17)	–	–	93,354	–	–	–	–	(93,354)	–	–	–
Business combination of entities under common control (note 5.1)	–	–	–	–	–	–	6,437	–	6,437	–	6,437
Other movement	–	–	–	–	–	–	–	–	–	43	43
Balance at 31 December 2023	11,111,111	2,507,749	202,596	49,997	24,511	21	6,437	2,150,373	16,052,795	4,172	16,056,967
Balance at 1 January 2024	11,111,111	2,507,749	202,596	49,997	24,511	21	6,437	2,150,373	16,052,795	4,172	16,056,967
Profit for the year	–	–	–	–	–	–	–	1,711,640	1,711,640	4,085	1,715,725
Other comprehensive (loss) / income for the year, net of tax	–	–	–	(62,971)	(14,575)	(72,760)	–	61,305	(89,001)	–	(89,001)
Total comprehensive (loss) / income for the year	–	–	–	(62,971)	(14,575)	(72,760)	–	1,772,945	1,622,639	4,085	1,626,724
Transferred to non-financial assets (note 5.1)	–	–	–	–	(9,936)	–	–	–	(9,936)	–	(9,936)
Transfer of fair value reserve on disposal of equity investments carried at fair value through other comprehensive income	–	–	–	(65,263)	–	–	–	65,263	–	–	–
Transfer to statutory reserve (note 17)	–	–	221,646	–	–	–	–	(221,646)	–	–	–
Acquisition of subsidiaries (note 5.1)	–	–	–	–	–	–	2,048,691	–	2,048,691	13,804	2,062,495
Balance at 31 December 2024	11,111,111	2,507,749	424,242	(78,237)	–	(72,739)	2,055,128	3,766,935	19,714,189	22,061	19,736,250

The attached notes 1 to 37 form part of these consolidated financial statements.

Consolidated Statement of Cash Flows

For the year ended 31 December 2024

	Notes	2024 AED '000	2023 AED '000
OPERATING ACTIVITIES			
Profit before tax		1,777,761	1,383,649
Adjustments for:			
Depreciation of property and equipment	6	624,519	564,061
Depreciation of investment property	7	599	598
Depreciation of right-of-use assets	8	628,598	196,095
Amortisation of intangible assets	9	306,676	203,831
Impairment of intangible assets	9	22	–
Impairment of property and equipment	6	10,748	–
Impairment of right-of-use assets	8	55,069	–
Write-off of property and equipment	6	1,075	–
Allowance for slow moving inventories	12	3,039	4,968
Allowance for expected credit loss of financial assets		284,930	77,953
Amortisation of discount on investment through amortised cost	11.3	240	–
Share of profit of investment in associates	10	(81,655)	(25,153)
Gain on loss of significant influence of associate	10	(56,332)	–
(Gain) / loss on disposal of property and equipment	30	(444)	1,569
Write-off of intangible assets	9	–	163
Gain on bargain purchase arising on acquisition of a subsidiary	5.1	(24,925)	–
Gain on disposal of a subsidiary	5.2	–	(955)
Provision for employees' end of service benefits, net	21	227,257	153,168
Fair value gain / (loss) on investment carried at fair value through profit and loss	30	(11,843)	8,713
Dividend income	30	(18,554)	(19,372)
Finance income	30	(285,492)	(130,155)
Finance costs	29	847,634	117,472
Operating cash flows before changes in working capital		4,288,922	2,536,605
Working capital changes:			
Inventories		(230,616)	(146,762)
Due from related parties		(1,073,403)	54,522
Trade receivables and other assets		667,335	1,346,097

	Notes	2024 AED '000	2023 AED '000
Reinsurance contract assets		(195,952)	(57,285)
Contract assets		(960,359)	(209,811)
Other liabilities		82,759	(17,551)
Restricted cash		(653,308)	52,826
Due to related parties		344,336	(148,553)
Insurance contract liabilities		668,740	284,127
Contract liabilities		17,357	–
Trade and other payables		1,364,465	(952,983)
Cash generated from operations		4,320,276	2,741,232
Employees' end of service benefit paid	21	(156,889)	(208,787)
Cash generated from operating activities		4,163,387	2,532,445
INVESTING ACTIVITIES			
Proceeds from disposal of property and equipment		4,148	104
Purchase of property and equipment	6	(777,529)	(390,467)
Purchase of intangible assets	9	(177,212)	(58,547)
Purchase of investments		(697,020)	(30,395)
Proceeds from sale of investments		392,798	26,989
Change in derivative financial instrument		14,575	–
Investment in an associate		–	(1,843,925)
Disposal of a joint venture		–	46,964
Movement in term deposits with original maturities greater than 3 months		63,319	(427,004)
Dividend received		25,125	19,372
Interest received		292,562	130,155
Disposal of subsidiaries, net of cash	5.2	(62,744)	(1,493)
Acquisition of subsidiaries – net of cash acquired	5.1	(2,730,780)	44,755
Cash used in investing activities		(3,652,758)	(2,483,492)

The attached notes 1 to 37 form part of these consolidated financial statements.

Consolidated Statement of Cash Flows continued

For the year ended 31 December 2024

	Notes	2024 AED '000	2023 AED '000
FINANCING ACTIVITIES			
Issue of share capital	16	–	3,618,859
Repayment of borrowings		(705,283)	(4,726)
Repayment of related party loan		–	(110,358)
Proceeds from borrowings, net		1,830,340	–
Other liabilities		63,065	58,441
Lease liabilities payments	19	(774,193)	(85,283)
Finance cost paid		(114,201)	(38,248)
Dividends paid	25	–	(300,000)
Cash generated from financing activities		299,728	3,138,685
INCREASE IN CASH AND CASH EQUIVALENTS DURING THE YEAR			
		810,357	3,187,638
Foreign exchange rate changes during the year		(8,337)	–
Cash and cash equivalents at beginning of the year		7,986,659	4,799,021
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR			
	15	8,788,679	7,986,659

The attached notes 1 to 37 form part of these consolidated financial statements.

Notes to the Consolidated Financial Statements

31 December 2024

1 GENERAL INFORMATION

Pure Health Holding PJSC (the "Company") is a public joint-stock company, registered and incorporated in the Emirate of Abu Dhabi, United Arab Emirates (UAE) on 26 July 2021. The Company's registered address is P.O. Box 144443, Abu Dhabi, United Arab Emirates.

The share capital of the Company was increased during the year 2023 as further disclosed in note 16. Additionally, the shareholders approved changing the legal status of the Company from a limited liability company to a public joint-stock company in October 2023.

The Company's ordinary shares were listed on the Abu Dhabi Securities Exchange ("ADX") on 20 December 2023.

These consolidated financial statements include the results of operations and financial position of the Company and its subsidiaries (together referred to as the "Group"). The main activities of the Group are to provide hospital operations and management services, hospitalisation services, clinical services, pharmacy services, diagnostic and laboratory management services, health insurance, procurement and supply of medical related products, information technology and other healthcare related operations.

The consolidated financial statements of the Group were approved by the Board of Directors and authorised for issue on 10 February 2025.

2 BASIS OF PREPARATION

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 Company's Memorandum of Association and UAE Federal Law No. (32) of 2021.

These consolidated financial statements have been prepared on the historical cost basis, except for investments in financial assets carried at fair value through profit or loss, derivative financial instruments and investments in financial assets carried at fair value through other comprehensive income (OCI) which are measured at fair value.

The consolidated financial statements are presented in United Arab Emirates Dirhams (AED), which is the functional currency of the Company and presentation currency of the Group. All the values are rounded to the nearest thousand (AED '000'), except when otherwise indicated.

2.2 BASIS FOR CONSOLIDATION

The consolidated financial statements of the Group comprise the financial information of the Group and its subsidiaries.

Control is achieved when the Group:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Group reassesses 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 listed above.

When the Group has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally.

The Group considers all relevant facts and circumstances in assessing whether or not the Group's voting rights in an investee are sufficient to give it power, including:

- the size of the Group's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Group, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Group has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of comprehensive income from the date the Group gains control until the date when the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Group and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Group and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Notes to the Consolidated Financial Statements continued

31 December 2024

2 BASIS OF PREPARATION continued

2.2 BASIS FOR CONSOLIDATION continued

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group’s accounting policies.

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

When the Group loses control of a subsidiary, a gain or loss is recognised in consolidated statement of profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets and liabilities of

the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (reclassified to consolidated statement of profit or loss or transferred to another category of equity as specified/permitted by applicable IFRSs). 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, the cost on initial recognition of an investment in an associate or a joint venture.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Details of the Company’s subsidiaries as at 31 December 2024 were as follows:

Name of subsidiary and operation	Place of incorporation	Principal activities	Proportion of ownership interest and voting power held	
			2024	2023
Abu Dhabi Stem Cells Center –Sole Proprietorship LLC (ii)	United Arab Emirates	Healthcare and research centers operation and management	–	100%
Pure Health Medical Supplies LLC (PHMS)	United Arab Emirates	Health care technology and management services	100%	100%
Tamouh Healthcare LLC	United Arab Emirates	Health services enterprises investment, institution and management. Tourist services investment, institution and management	100%	100%
National Health Insurance Company –PJSC (Daman)	United Arab Emirates	Health insurance services	100%	100%
Abu Dhabi Health Services Company –PSC (SEHA)	United Arab Emirates	Management of healthcare and medical facilities	100%	100%
Yas Clinic Group –Sole Proprietorship LLC (ii)	United Arab Emirates	Health services enterprises investment, institution and management. Tourist services investment, institution and management	–	100%
The Life Corner LLC (TLC)	United Arab Emirates	Pharmacy management services	100%	100%
Pure Capital Investments LLC	United Arab Emirates	Investment in commercial enterprises & management	100%	100%
Pure CS Investments LLC	United Arab Emirates	Investment in commercial enterprises & management	100%	100%
Talent One EmploymentServices LLC	United Arab Emirates	Human service delivery of medical cadres and upon request employees provision services	100%	100%
SEHA Care LLC (formerly Pure Care Facilities Management LLC) (i)	United Arab Emirates	Commercial enterprises investment, institution, and management company. management and operation of public utilities company	100%	100%

Notes to the Consolidated Financial Statements continued

31 December 2024

2 BASIS OF PREPARATION continued

2.2 BASIS FOR CONSOLIDATION continued

Name of subsidiary and operation	Place of incorporation	Principal activities	Proportion of ownership interest and voting power held	
			2024	2023
Below is the subsidiary of Abu Dhabi Stem Cells Center –Sole Proprietorship LLC:				
ADSCC Pharmacy –Sole Proprietorship LLC (ii)	United Arab Emirates	Sale of pharmaceutical and related items	–	100%
Below are the subsidiaries of Pure Health Medical Supplies LLC:				
Dawak Healthcare Supplies LLC	United Arab Emirates	Commercial enterprises investment, institution and management company	100%	100%
Medclaim Billing Services LLC (i)	United Arab Emirates	Health services enterprises investment, institution and management company	100%	100%
One Health LLC	United Arab Emirates	Health services and commercial enterprises investment, institution and management company Health treatment undertaking services company	100%	100%
Pure Lab LLC	United Arab Emirates	Health services enterprises investment, institution and management company	100%	100%
Pure Health Capital LLC	United Arab Emirates	Commercial enterprises investment, institution and management company	100%	100%
Pure Health Facilities Management LLC (i)	United Arab Emirates	Health services enterprises investment, institution and management company	100%	100%
Pure Health Investment –Sole Proprietorship LLC (i)	United Arab Emirates	Investment, institution and management company		
Pure Investment LLC (i)	United Arab Emirates	Health services enterprises investment, institution and management company	100%	100%
Rafed Healthcare Supplies L.L.C	United Arab Emirates	Healthcare group procurement company. Wholesale trading of medical related items and medical storehouse	100%	100%
Telldoc Technology LLC (i)	United Arab Emirates	Investment, establishment and management of technology projects company	100%	100%
The Medical Office Facilities Management LLC	United Arab Emirates	Health services enterprises investment, institution and management company and health treatment undertaking services company	100%	100%
Union Health Facilities Management LLC (i)	United Arab Emirates	Commercial enterprises investment, institution and management company	100%	100%
Below are the subsidiaries of Pure Lab LLC:				
Pure Lab North LLC	United Arab Emirates	Investment in healthcare enterprises and	100%	100%
Pure Lab South L.L.C	United Arab Emirates	Management of medical facilities	100%	100%

Notes to the Consolidated Financial Statements continued

31 December 2024

2 BASIS OF PREPARATION continued

2.2 BASIS FOR CONSOLIDATION continued

			Proportion of ownership interest and voting power held	
Name of subsidiary and operation	Place of incorporation	Principal activities	2024	2023
Below are the subsidiaries of Pure Health Capital LLC:				
Pure Health Capital Americas 1 SPV RSC LTD	United Arab Emirates	Holding ownership of equity, non-equity assets, real property, intellectual property, other tangible and intangible assets	100%	100%
Pure Health Capital UK 1 LTD (formerly Pure Health Capital UK 1 RSC LTD)	United Arab Emirates	Holding ownership of equity and non-equity assets, including shares, debentures, bonds, other forms of security. Holding ownership of real property, intellectual property, other tangible and intangible assets	100%	100%
Below is the subsidiary of Pure Health Capital UK 1 LTD:				
Pure Health UK Topco Limited	United Kingdom	Holding ownership of equity	100%	100%
Below is the subsidiary of Pure Health UK Topco Limited:				
Pure Health UK Bidco Limited	United Kingdom	Holding ownership of equity	100%	100%
Below is the subsidiary of Pure Health UK Bidco Limited:				
Circle Health Holdings Limited (iii)	United Kingdom	Holding ownership of equity	100%	–
Below is the subsidiary of Circle Health Holdings Limited:				
Circle Health 1 Limited (iii)	United Kingdom	Holding ownership of equity	100%	–
Below is the subsidiary of Circle Health 1 Limited:				
Circle Health 2 Limited (iii)	United Kingdom	Holding ownership of equity.	100%	–
Below are the subsidiaries of Circle Health 2 Limited:				
Circle Holdings Limited (Jersey) (iii)	United Kingdom	Holding ownership of equity.	100%	–
Circle Health 3 Limited (iii)	United Kingdom	Holding ownership of equity.	100%	–
Below is the subsidiary of Circle Holdings Limited (Jersey):				
Circle International plc (iii)			100%	–
Below is the subsidiary of Circle International PLC:				
CHG Management Services Limited (iii)			100%	–

Notes to the Consolidated Financial Statements continued

31 December 2024

2 BASIS OF PREPARATION continued

2.2 BASIS FOR CONSOLIDATION continued

Name of subsidiary and operation	Place of incorporation	Principal activities	Proportion of ownership interest and voting power held	
			2024	2023
Below are the subsidiaries of CHG Management Services Limited:				
Circle Rehabilitation Services Limited (iii)	United Kingdom	Provision of healthcare services	100%	–
Circle Hospital (Reading) Limited (iii)	United Kingdom	Provision of healthcare services	100%	–
Circle Clinical Services Limited (iii)	United Kingdom	Provision of healthcare services	100%	–
Circle Birmingham Limited (iii)	United Kingdom	Provision of healthcare services	100%	–
Nations Healthcare Limited (i) (iii)	United Kingdom	Holding ownership of equity	100%	–
Below is the subsidiary of Nations Healthcare Limited:				
Circle Nottingham Limited (i) (iii)	United Kingdom	Provision of healthcare services	100%	–
Below is the subsidiary of Circle Health 3 Limited:				
Circle Health 4 Limited (i) (iii)	United Kingdom	Holding ownership of equity	100%	–
Below is the subsidiary of Circle Health 4 Limited:				
GHG Healthcare Holdings Limited (iii)	United Kingdom	Holding ownership of equity	100%	–
Below is the subsidiary of GHG Healthcare Holdings Limited:				
General Healthcare Group Limited (iii)	United Kingdom	Holding ownership of equity	100%	–
Below is the subsidiary of General Healthcare Group Limited:				
General Healthcare Holdings (2) Limited (iii)	United Kingdom	Holding ownership of equity	100%	–
Below is the subsidiary of General Healthcare Holdings (2) Limited:				
General Healthcare Holdings (3) Limited (iii)	United Kingdom	Holding ownership of equity	100%	–

Notes to the Consolidated Financial Statements continued

31 December 2024

2 BASIS OF PREPARATION continued

2.2 BASIS FOR CONSOLIDATION continued

			Proportion of ownership interest and voting power held	
Name of subsidiary and operation	Place of incorporation	Principal activities	2024	2023
Below are the subsidiaries of General Healthcare Holdings (3) Limited:				
GHG (DB) Pension Trustees Limited (iii)	United Kingdom	Pension Trustee	100%	–
North West Cancer Clinic Limited (i) (iii)	United Kingdom	Provision of healthcare services	100%	–
Generale de Sante International Limited (i) (iii)	United Kingdom	Holding ownership of equity	100%	–
GHG Mount Alvernia Hospital Limited (i) (iii)	United Kingdom	Holding ownership of equity	100%	–
Syon Clinic Limited (iii)	United Kingdom	Provision of healthcare services	50%	–
GHG Intermediate Holdings Limited (iii)	United Kingdom	Holding ownership of equity	100%	–
Below are the subsidiaries of GHG Intermediate Holdings Limited:				
Bishopswood SPV Limited (iii)	United Kingdom	Provision of healthcare services	100%	–
Runnymede SPV Limited (iii)	United Kingdom	Provision of healthcare services	100%	–
GHG Leasing Limited (iii)	United Kingdom	Provision of healthcare services	100%	–
Circle Health MyWay Limited (iii)	United Kingdom	Health plan subscription services	100%	–
Circle Health Group Limited (iii)	United Kingdom	Provision of healthcare services	100%	–
Below are the subsidiary of Circle Health Group Limited				
Circle Decontamination Limited (iii)	United Kingdom	Provision of decontamination services	100%	–
Below are the subsidiaries of Tamouh Healthcare LLC:				
Protect 7 Healthcare –Sole Proprietorship LLC (i)	United Arab Emirates	Retail sale of medical equipment and apparatuses	100%	100%
Society Travel LLC (i)	United Arab Emirates	Health services enterprises investment, institution and management. Tourist services investment, institution and management	99.99%	99.99%
INOCHI Healthcare –Sole Proprietorship LLC (i)	United Arab Emirates	Health services enterprises investment, institution and management	100%	100%

Notes to the Consolidated Financial Statements continued

31 December 2024

2 BASIS OF PREPARATION continued

2.2 BASIS FOR CONSOLIDATION continued

Name of subsidiary and operation	Place of incorporation	Principal activities	Proportion of ownership interest and voting power held	
			2024	2023
Medi Q Healthcare LLC (i)	United Arab Emirates	Investment, incorporation and management of healthcare service projects	51%	51%
Somerian Health LLC	United Arab Emirates	Health services and commercial enterprises investment, institution and management	80%	80%
Below is the subsidiary of Somerian Health LLC:				
American Crescent Health Care Center – Sole Proprietorship LLC	United Arab Emirates	Medical complex, onshore and offshore oil and gas fields and facilities services	100%	100%
Below are the subsidiaries of National Health Insurance Company –PJSC (Daman):				
Daman Healthcare Solutions GmbH	Germany	Provision of services in international healthcare management.	100%	100%
Independent Health Information Technology Services L.L.C	United Arab Emirates	Software designing and IT related services	100%	100%
Damam Healthcare Solutions – L.L.C (iv)	United Arab Emirates	Management of health insurance claims (TPA)	100%	–
Below are the subsidiaries of Abu Dhabi Health Services Company –PSC (SEHA):				
Salma Rehabilitation Hospital – L.L.C – S.P.C (formerly PlusInternational Medical Center –Sole Proprietorship L.L.C)	United Arab Emirates	Natural and rehabilitation medical center related services	100%	100%
Qemmat Al Shumookh Properties –Sole Proprietorship L.L.C	United Arab Emirates	Purchase and sale land and real estate and to provide real estate lease and management services	100%	100%
Sheikh Shakhbout Medical City (SSMC) – Sole Proprietorship L.L.C (iii)	United Arab Emirates	General hospital, pharmacy, medical complex, ambulance services	100%	–
Below are the subsidiaries of Yas Clinic Group Sole Proprietorship LLC:				
Yas Clinic Al Mushrif –Sole Proprietorship LLC (ii)	United Arab Emirates	Operation and management of medical complex	–	100%
Yas Clinic Center Al Ain –Sole Proprietorship LLC (ii)	United Arab Emirates	Operation and management of medical complex and performing medical analysis	–	100%
Yas Clinic Khalifa City –Sole Proprietorship LLC (ii)	United Arab Emirates	General hospital, management of medical facilities, pharmacy and ambulance services	–	100%
Yas Clinic One Day Surgery –Sole Proprietorship LLC (ii)	United Arab Emirates	Performance of day surgery cases	–	100%

Notes to the Consolidated Financial Statements continued

31 December 2024

2 BASIS OF PREPARATION continued

2.2 BASIS FOR CONSOLIDATION continued

Name of subsidiary and operation	Place of incorporation	Principal activities	Proportion of ownership interest and voting power held	
			2024	2023
Yas Clinic Saadiyat –Sole Proprietorship LLC (i) (ii)	United Arab Emirates	Operation and management of medical complex	–	100%
Yas Clinic Emirates –Sole Proprietorship LLC (i) (ii)	United Arab Emirates	Health services enterprises investment, institution and management	–	100%
Yas Clinic Hospital –Sole Proprietorship LLC (ii)	United Arab Emirates	Health services	–	100%
Yas Clinic Emirates Palace –Sole Proprietorship LLC (ii)	Unite Arab Emirates	General medicine	–	100%
YAS Pharmacy –Sole Proprietorship LLC (ii)	United Arab Emirates	Sale of pharmaceutical products	–	100%
YAS City Pharmacy –Sole Proprietorship LLC (ii)	United Arab Emirates	Sale of pharmaceutical products	–	100%
Medlife –Sole Proprietorship LLC (ii)	United Arab Emirates	Management of medical facilities and onshore and offshore oil and gas fields facilities services	–	100%
Below are the subsidiaries of Medlife –Sole Proprietorship LLC:				
AIC Medical Center Sole Proprietorship LLC (ii)	United Arab Emirates	Operation and management of medical complex	–	100%
Al Haneen Pharmacy –Sole Proprietorship LLC (ii)	United Arab Emirates	Sale of pharmaceutical products	–	100%
ALD Medical Clinic Sole Proprietorship LLC (ii)	United Arab Emirates	Sale of general medicine	–	100%
AMH Medical Clinic –Sole Proprietorship LLC (ii)	United Arab Emirates	Sale of general medicine and onshore and offshore oil and gas fields facilities services	–	100%
CHC Medical Clinic –Sole Proprietorship LLC (ii)	United Arab Emirates	Sale of general medicine	–	100%
HHC Medical Clinic –Sole Proprietorship LLC (ii)	United Arab Emirates	Sale of general medicine	–	100%
ILLC Medical Clinic –Sole Proprietorship LLC (ii)	United Arab Emirates	Sale of general medicine and onshore and offshore oil and gas fields facilities services	–	100%
AMC Medical Clinic –Sole Proprietorship LLC (ii)	United Arab Emirates	Sale of general medicine	–	100%
Sehaty Medical Center –Sole Proprietorship LLC (ii)	United Arab Emirates	Operation and management of medical complex	–	100%
Golden Health Mobile Medical –Sole Proprietorship LLC (ii)	United Arab Emirates	Mobile medical services and onshore and offshore oil and gas fields facilities services	–	100%
Good Care Pharmacy –Sole Proprietorship LLC (ii)	United Arab Emirates	Sale of pharmaceutical products	–	100%
Healing Pharmacy –Sole Proprietorship LLC (ii)	United Arab Emirates	Sale of pharmaceutical products and offshore and onshore oil and gas fields facilities services	–	100%
Med Care Pharmacy –Sole Proprietorship LLC (ii)	United Arab Emirates	Sale of pharmaceutical products	–	100%

Notes to the Consolidated Financial Statements continued

31 December 2024

2 BASIS OF PREPARATION continued

2.2 BASIS FOR CONSOLIDATION continued

			Proportion of ownership interest and voting power held	
Name of subsidiary and operation	Place of incorporation	Principal activities	2024	2023
Below is the subsidiary of YAS Pharmacy – Sole Proprietorship LLC:				
YAS Pharmacy Ladies Club –Sole Proprietorship LLC (ii)	United Arab Emirates	Sale of pharmaceutical products	–	100%
Below are the subsidiaries of Pure Capital Investments LLC:				
Pure CS IT Infrastructure LLC equipment software trading	United Arab Emirates	Computer systems & communication	99%	99%
Pure Health Medical Billing Services LLC (i)	United Arab Emirates	Medical billing services	99%	99%
Two Five 55 Healthcare Investment LLC (i)management	United Arab Emirates	Investment in industrial enterprises &	99%	99%
Union Health Facilities Management LLC (i)	United Arab Emirates	Facilities management services	99%	99%
Pure Health FZE (i)	United Arab Emirates	Trading in pharmaceuticals and related products	99%	99%
Below is the subsidiary of Pure Health FZE:				
Pure Health MedicalSupplies FZE (i)	United Arab Emirates	Pharmaceuticals & related products. General trading and trading in	100%	100%

- (i) Dormant subsidiaries with no operations during the year.
- (ii) Subsidiaries disposed of during the year.
- (iii) Subsidiaries acquired during the year.
- (iv) Subsidiary incorporated during the year.

Notes to the Consolidated Financial Statements continued

31 December 2024

2 BASIS OF PREPARATION continued

2.3 CHANGES IN ACCOUNTING POLICIES AND ESTIMATES

New standards, interpretations and amendments adopted by the Group

The accounting policies adopted in the preparation of the consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2023, except for the adoption of the following new standards and amendments effective as of 1 January 2024. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

- Supplier Finance Arrangements –Amendments to IAS 7 and IFRS 7;
- Amendments to IFRS 16: Lease Liability in a Sale and Leaseback; and
- Amendments to IAS 1: Classification of Liabilities as Current or Non-current with Covenants.

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.

Voluntary change in accounting policy – government grants

During the year, the Group changed its accounting policy for the presentation of grants related to income from presenting the grants separately on the face of the consolidated statement of profit or loss to deducting the grants from the related expenses.

The Group has elected to change the accounting policy to improve the users' understanding of the Group's financial performance by showing the net cost after the application of the related grants. The change in accounting policy has been applied retrospectively in accordance with IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' and the prior year's consolidated statement of profit or loss has been reclassified to conform with the current year presentation.

Results of reclassifications on prior year consolidated statement of profit or loss are as follows:

	As previously reported AED '000	Reclassification due to change in accounting policy AED '000	Other reclassifications ** AED '000	As Presented AED '000
<i>31 December 2023</i>				
Cost of sales (note 27)	(13,840,050)	1,131,771	(267,728)	(12,976,007)
General and administrative expenses, net (note 28)	(3,731,784)	745,801	267,728	(2,718,255)
Government grant income	2,296,172	(2,296,172)	–	–
Other income, net (note 30) *	396,654	418,600	–	815,254

* This item represents the grants related to capital expenditures and COVID which were previously presented separately on the face of consolidated statement of profit or loss.

** Other reclassifications include depreciation of right-of-use assets of AED 179,997 thousand and amortisation of intangible assets of AED 87,731 thousand reclassified from general and administrative expenses to cost of sales. These comparative numbers were reclassified to conform the current year presentation and have no effect on the previously reported profit, total assets, total liabilities or the equity of the Group.

Government grants are presented on consolidated profit or loss as follows:

	2024 AED'000	2023 AED'000
Deducted from cost of sales (note 27) *	1,556,839	1,131,771
Deducted from general and administrative expenses, net (note 28) *	891,694	745,801
Reported as other income, net (note 30)	102,699	418,600
	2,551,232	2,296,172

* This includes AED 1,350,779 thousand (2023: AED 1,003,770 thousand) and AED 488,237 thousand (2023: AED 745,801 thousand) on account of grants deducted from salaries, allowances and benefits, as disclosed in note 27 and 28, respectively.

Notes to the Consolidated Financial Statements continued

31 December 2024

2 BASIS OF PREPARATION continued

2.3 CHANGES IN ACCOUNTING POLICIES AND ESTIMATES

Change in Accounting Estimate for Useful Life of Property and Equipment

During the year, the Group reviewed and revised the estimated useful lives of medical equipment. This review was conducted as part of its regular assessment of the actual usage, wear and tear, and technological advancements affecting the assets. The estimated useful lives of the medical equipment have been revised based on the current assessment of the period over which the assets are expected to be utilized by the Group. The change in the estimated useful lives reflects a more realistic expectation of the period over which the assets will generate economic benefits for the group.

This change has been accounted for as a change in accounting estimate in accordance with the requirements of IAS 8. Accordingly, the effect of this change has been recognized prospectively in the consolidated statement of profit or loss. These changes in accounting estimates have an impact on depreciation expense for the current year. Had there been no change in estimate of useful lives of medical equipment, depreciation expense pertaining to medical equipment for the year would have been higher by AED 18,233 thousand. The expected impact on future periods will depend on the remaining carrying amounts and the revised useful lives of the affected medical equipment.

UAE corporate income tax

On 9 December 2022, the United Arab Emirates (UAE) Ministry of Finance ("MoF") released Federal Decree-Law No. 47 of 2022 on the Taxation of Corporations and Businesses ("CT Law") to enact a new Corporate Tax ("CT") regime in the UAE. The new CT regime has become effective for accounting periods beginning on or after 1 June 2023. As the Group's accounting year ends on 31 December, the first tax year of the Group is the period from 1 January 2024 to 31 December 2024, with the tax return to be filed on or before 30 September 2025.

The taxable income of the Group entities, exceeding AED 375,000 per taxable person, is subject to applicable rate as per CT Law.

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) published the Pillar Two Anti Global Base Erosion Rules ("GloBE Rules") designed to address the tax challenges arising from the digitalisation of the global economy. The Group is in scope of such GloBE Rules as it operates in multiple jurisdictions and has an annual consolidated revenue which exceeds the prescribed threshold of Euro 750 million in at least two of the four preceding years.

It is expected that the UAE will implement the Domestic Minimum Top-up Tax (DMTT) in 2025. The Group is closely monitoring the legislative developments and is further assessing the potential quantitative impact of the Cabinet Decision on Group operations.

As of the reporting date, GloBE Rules were already enacted in Germany and United Kingdom (UK), where the Group operates. The Group has performed an initial assessment of the potential exposure to Pillar Two rules in these jurisdictions and simulated the Transitional CbCR Safe Harbour tests as set out in the OECD Pillar 2 guidelines. According to this assessment, the Group should qualify for the Transitional CbCR Safe Harbour relief in the Germany, UK (including operations in China). Therefore, there is no top up tax attributable to these jurisdictions for the financial year ended December 31, 2024.

The Group has applied the temporary exemption issued by the IASB in May 2023 from the accounting requirements for deferred taxes in IAS 12 under Pillar 2. Accordingly, the Group neither recognises nor discloses information about deferred tax assets and liabilities related to Pillar Two taxes.

2.4 STANDARDS ISSUED BUT NOT 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.

- IFRS 18: Presentation and disclosure in financial statements;
- IFRS 19: Subsidiaries without public accountability: Disclosures; and
- Amendments to IAS 21: Lack of Exchangeability.

The Group does not expect impact, that the adoption of these new and amended standards and interpretations will have a material impact on its consolidated financial statements.

Notes to the Consolidated Financial Statements continued

31 December 2024

3 MATERIAL ACCOUNTING POLICY INFORMATION

Business combinations

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. Acquisition-related costs are expensed as incurred and included in general and administrative expenses.

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 profit or loss 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 the consolidated statement of profit or loss.

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 the consolidated statement of profit or loss or in the consolidated statement of changes in equity, as considered appropriate.

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 IFRSs.

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.

Notes to the Consolidated Financial Statements continued

31 December 2024

3 MATERIAL ACCOUNTING POLICY INFORMATION continued

Business combinations continued

Changes in Group's ownership interest in existing subsidiaries

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity under merger and other reserves and attributed to the Owner of the Group.

When the Group loses control of a subsidiary, a gain or loss is recognised in the consolidated statement of profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary.

The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the initial carrying amount for the purposes of subsequent accounting for the retained interest as an investment in an associate or a joint venture or financial asset.

Disposals of interest in a subsidiary to an equity accounted investee

Gain or loss on the disposal of interest in a subsidiary to an equity accounted investee is eliminated to the extent of the retained indirect interest in that disposed entity by the Group.

Acquisition of entities under common control

Transactions giving rise to a transfer of interest in entities that are under common control are accounted for in accordance with the pooling of interest method of accounting at the date the transfer without restatement of prior periods. The assets and liabilities acquired are recognised at the carrying amounts recognised previously in the books of transferor entity. The components of the equity of the acquired entities are added to merger and other reserves within equity. Any transaction costs paid for the acquisition are recognised directly in equity.

Investments in joint venture and associate

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.

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.

Notes to the Consolidated Financial Statements continued

31 December 2024

3 MATERIAL ACCOUNTING POLICY INFORMATION continued

Investments in joint venture and associate continued

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 recognition

For contracts determined to be within the scope of revenue recognition, the Group is required to apply the five-step model to determine when to recognise revenue, and at what amount. Revenue is measured based on the consideration to which the Group expects to be entitled in a contract with a customer and excludes amounts collected on behalf of third parties. The Group recognises revenue when it transfers control of a product or service to a customer.

The Group recognises revenue from contracts with customers based on the five-step model set out in IFRS 15:

- Step 1
- Identify contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.
- Step 2
- Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.
- Step 3
- 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 goods or services to a customer, excluding amounts collected on behalf of third parties.
- Step 4
- Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Group allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Group expects to be entitled in exchange for satisfying each performance obligation.
- Step 5
- Recognise revenue when (or as) the Group satisfies a performance obligation.

The Group satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

- The customer simultaneously receives and consumes the benefits provided by the Group's performance as and when the Group performs; or
- The Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- The Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

For performance obligations where none of the above conditions are met, revenue is recognised at the point in time at which the performance obligation is satisfied.

The Group allocates the transaction price to the performance obligations in a contract based on the input method, which requires revenue recognition based on the Group's efforts or inputs to the satisfaction of the performance obligations.

When the Group satisfies a performance obligation by delivering the promised goods and services, it creates a contract asset based on the amount of consideration earned by the performance. Where the amount of consideration received from a customer exceeds the amount of revenue recognised, this gives rise to a contract liability.

Revenue is recognised to the extent that it is probable that the economics benefits will flow to the Group and the revenue and cost, if applicable can be measured reliably.

Laboratory management and diagnostic services

The Group provides laboratory management and diagnostic services to certain customers for a certain service fee as well as a percentage share in certain laboratory revenues. The Group has one performance obligation and revenue is recognised at a point in time when the service is performed, and results are delivered to the customers.

Hospitals management services

The Group provides hospitals' management services against a service fee and percentage share in hospitals' revenue. The Group has one performance obligation (i.e. to manage the operations of the hospitals) and revenue is recognised at a point in time when the services are rendered and simultaneously consumed by the customer.

Notes to the Consolidated Financial Statements continued

31 December 2024

3 MATERIAL ACCOUNTING POLICY INFORMATION continued

Revenue recognition continued

Hospitalisation and other related services

The Group provides hospitalisation, quarantine, clinical and other related hospital services to its customers. For hospitalisation and quarantine services, revenue is recognised over the period as services are performed. For clinical and other related hospital services, revenue is recognised at a point in time when the services are rendered and simultaneously consumed by the customers.

Procurement and supply of medical related products

The Group procures, manages and supplies medicines, diagnostic and other medical equipment to its customers. The Group has two performance obligations (i.e. to deliver goods to the customers and to render inventory management services). The revenue for delivery of goods is recognised at a point in time when control is transferred to the customers and revenue for inventory management services is recognised over time.

Insurance contracts revenue and insurance commission income

The Group provides health insurance services to its customers. Premiums are recognised as revenue (earned premium) on time-proportion basis over the effective period of policy coverage. The portion of premium received on in-force contracts that relates to unexpired risks at the end of the reporting period is reported as the unearned premium liability. Insurance commission income is recognised when the policies are written based on the terms and percentages agreed with the reinsurers.

Implementation of turnkey IT systems

The Group generates its revenue from the development of customized turnkey system solutions including provision of IT infrastructure, software licenses, providing professional services including implementation and consulting and providing support and maintenance services including post contract support for its customers. The revenue is recognised over time.

Government grant income including government funded program income

Government grant income includes fees arising from different contracts with various clients for government funded programs. Income is recognized when the Group satisfies a performance obligation by transferring a service to a customer.

The nature and timing of the satisfaction of performance obligations in contracts related to government funded programs are summarized as follows:

- Government grant is recognized when there is a reasonable assurance that the grant will be received.
- Government grant is recognized when the group will comply with all the attached conditions.
- Government grant is recognized when the group fulfils the performance obligations.

Government grants are recognised where there is reasonable assurance that the grant will be received, and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the years that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset. When grant relates to administrative services is recognised over time as the services are provided and if it relates to significant act (e.g. medical saving) is recognised when the act is completed.

When the Group receives grants of non-monetary assets, the asset and the grant are recorded at nominal amounts.

Dividend income

Dividend income from investments is recognised in the consolidated statement of profit or loss when the Group's right to receive dividend has been established (provided that it is probable that the economic benefits will flow to the Group and the amount of Income can be measured reliably).

Interest income and expense

Interest income and expense for all interest-bearing financial instruments is calculated by applying the effective interest rate to the gross carrying amount of the financial instrument and are recognised within 'finance income' in the consolidated statement of profit or loss. The effective interest rate (EIR) is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial asset or financial liability to the gross carrying amount of a financial asset or to the amortised cost of a financial liability.

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional. The Group has recognised contract asset related to hospitals management services and unbilled hospitalisation services.

Notes to the Consolidated Financial Statements continued

31 December 2024

3 MATERIAL ACCOUNTING POLICY INFORMATION continued

Revenue recognition continued

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made, or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract.

Property and equipment

Property and equipment are stated at historical cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset.

Depreciation on property and equipment is calculated using the straight-line basis over their useful economic lives as follows:

Freehold property	10 –30 years
Leasehold improvements	5 –50 years
Medical equipment	3 –15 years
Furniture and fixtures	3 –10 years
Office equipment	3 –10 years
Computer and IT equipment	3 –8 years
Motor vehicles	4 –10 years

The estimated useful lives, residual values and depreciation method are reviewed at each year end with the effect of any changes in estimate accounted for on a prospective basis.

When parts of an item of property and equipment are significant and have different useful lives, they are accounted for as separate items of property and equipment. Any gain or loss on disposal of an item of property and equipment (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in the consolidated statement of profit or loss.

Capital work in progress

Assets under construction ('capital work in progress') are stated at cost, net of accumulated impairment losses, and are not depreciated. All costs directly attribute to bringing the asset to the location and condition necessary for it to be used in the manner intended by management are included in the construction cost, including related staff costs, and for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy. When the assets are ready for intended use, the capital work in progress is transferred to the appropriate property and equipment or investment properties category and is depreciated in accordance with the Group's policies.

Derecognition

The gain or loss arising on the disposal or retirement of an item of property and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in consolidated statement profit or loss.

Investment property

Investment property principally comprises of offices that are held to earn lease rentals. Investment property is measured at cost less accumulated depreciation and impairment losses, if any. The historical cost of investment property represents the purchase cost together with any incidental expenses of acquisition. Subsequent costs are included in the asset's carrying amount only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. Depreciation is calculated using the straight-line method to write off the cost of the investment property over its estimated useful life of 20 years.

Transfers to and from investment properties are made when and only when there is change in use, evidenced by either starting or ending of owner-occupation, commencement or cessation of an operating lease to another party or commencement or cessation of construction or a development plan. Investment properties are derecognized either when they have been disposed of (i.e., at the date the recipient obtains control) or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal.

When investment property is sold, gains and losses on disposal are determined by reference to its carrying amount and are taken into account in determining non-operating income. Any expenditure that results in the maintenance of property to an acceptable standard or specification is treated as repairs and maintenance and is expensed in the period.

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.

Notes to the Consolidated Financial Statements continued

31 December 2024

3 MATERIAL ACCOUNTING POLICY INFORMATION continued

Revenue recognition continued

Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in consolidated statement of profit or loss in the year in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite. Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. The amortisation expense on intangible assets with finite lives is recognised in the consolidated statement of profit or loss.

The estimated useful lives are:

Trade licenses	Indefinite
Customer and consultants relationships and contracts	5 – 20 years
Computer softwares	3 – 10 years
Trademarks	3 – 8 years
Favourable lease contract	10 years
Brand	10 years – indefinite

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the consolidated statement of profit or loss.

Customer and consultants relationships and contracts

Customer contracts have a finite useful life and are carried at cost less accumulated amortisation and impairment and mainly represent long-term contracts with customers for the supply of services which were acquired through business combinations. Amortisation is calculated using the straight-line method to allocate the cost over their estimated useful lives as stated above.

Brand

Brand is a unique design, sign, symbol, words, or a combination of these, employed in creating an image that identifies a product and differentiates it from its competitors. Brand names represent future economic benefits in the form of future business linked with the brand names of subsidiaries acquired in business combination. Brand names identified as part of acquisitions have finite and indefinite useful lives. Brand names with finite useful lives are carried at cost less accumulated amortisation and impairment. Amortisation on brand names with definite useful lives is calculated using the straight-line method to allocate the cost over their estimated useful life as stated above. Brand names with indefinite useful lives are carried at cost less accumulated impairment.

Trademarks

Trademarks are words, names, symbols or other devices used in trade to indicate the source of a product and to distinguish it from the products of others. Trademarks represent future economic benefits in the form of future business linked with the trademarks of subsidiaries acquired in business combinations. The trademarks identified as part of acquisitions have finite useful lives. Trademarks with a finite useful life are carried at cost less accumulated amortisation and impairment. Amortisation is calculated using the straight-line method to allocate the cost over their estimated useful lives as stated above.

Trade license

During 2022, as part of business combinations, a health insurance license has been identified with an indefinite useful life.

Favorable lease contracts

Lease benefits represents the future economic benefits in the form of a favorable lease arrangement the Group acquired in a business combination. Amortisation is calculated using the straight-line method to allocate the cost over their estimated useful life as stated above.

Notes to the Consolidated Financial Statements continued

31 December 2024

3 MATERIAL ACCOUNTING POLICY INFORMATION continued

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.

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.

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 premeasurement of lease liabilities. The cost of right-of-use assets includes 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 estimated useful life of the assets, as follows:

Premises	2 – 107 years
Vehicles	2 – 5 years
Equipment	3 – 15 years

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.

The Group applies IAS 36 to determine whether a right-of-use asset is impaired and accounts for an identified impairment loss as described in the 'Impairment of non-financial assets' policy.

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 a lease, if the lease term reflects the Group exercising the option to terminate.

Variable rents that do not depend on an index or rate are not included in the measurement of the lease liability and the right-of-use asset. The related payments are recognised as an expense in the year in which the event or condition that triggers those payments occurs and are included in the line 'other expenses' in the consolidated statement of profit or loss.

In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

As a practical expedient, IFRS 16 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement.

The Group re-measures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- the lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- the lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).
- a lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is re-measured by discounting the revised lease payments using a revised discount rate.

Notes to the Consolidated Financial Statements continued

31 December 2024

3 MATERIAL ACCOUNTING POLICY INFORMATION continued

Leases continued

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 of property and equipment (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 of office equipment that are considered of 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.

iv) Variable lease payments

If lease arrangements contain variable payments that are linked to the usage/performance of the leased asset, such lease payments are recognised in the consolidated statement of profit or loss.

Inventories

Inventories are stated at the lower of cost and net realisable value after recognising a provision for slow moving and obsolete inventory. Cost is determined on a weighted average basis. Net realisable value is based on estimated selling price less any further costs expected to be incurred on completion and necessary to make the sale.

Goods in transit are recorded at cost when the rights and obligations relating to the goods are transferred to the Group.

Foreign currencies

Transactions in currencies other than AED (foreign currencies) are recorded at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the end of the reporting period. Non-monetary items (if any) denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange differences are recognised in the consolidated statement of profit or loss in the year in which they arise.

Foreign currency translation

The individual financial statements of each group entity are presented in the currency of the primary economic environment in which the entity operates (its functional currency). For the purpose of the consolidated financial statements, the results and financial position of each group entity are expressed in United Arab Emirates Dirhams ("AED"), which is the functional currency of the Company and the presentation currency for the consolidated financial statements.

In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined.

Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange differences are recognised in the consolidated statement of profit or loss in the year in which they arise except for:

- exchange differences which relate to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;
- exchange differences on transactions entered into in order to hedge certain foreign currency risks; and
- exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur which form part of the net investment in a foreign operation, and which are recognised initially in the foreign currency translation reserve and recognised in the consolidated statement of profit or loss on disposal of the net investment.

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations are expressed in United Arab Emirates Dirhams ("AED"), using exchange rates prevailing at the end of the reporting period. Income and expense items are translated at the average exchange rates for the year, unless exchange rates fluctuated significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are recognised in the foreign currency translation reserve. Such exchange differences are recognised in the consolidated statement of profit or loss in the year in which the foreign operation is disposed.

Notes to the Consolidated Financial Statements continued

31 December 2024

3 MATERIAL ACCOUNTING POLICY INFORMATION continued

Foreign currency translation continued

In addition, in relation to a partial disposal of a subsidiary that does not result in the Company losing control over the subsidiary, the proportionate share of accumulated exchange differences are re-attributed to non-controlling interests and are not recognised in the consolidated statement of profit or loss. For all other partial disposals (i.e. partial disposals of associates or jointly controlled entities that does not result in the Company losing significant influence or joint control), the proportionate share of the accumulated exchange differences is reclassified to the consolidated statement of profit or loss.

Goodwill and fair value adjustments on identifiable assets and liabilities acquired arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the rate of exchange prevailing at the end of each period. Exchange differences arising are recognised in equity.

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.

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. 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.

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.

Subsequent measurement

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

- a) Financial assets at amortised cost;
- b) Financial assets at fair value through OCI with recycling of cumulative gains and losses;

- c) Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition; and
- d) Financial assets at fair value through profit or loss.

The Group has the following financial assets:

Financial assets at amortised cost

The Group measures financial assets at amortised cost if both of the following conditions are met:

- a) The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- b) 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 the consolidated statement of profit or loss when the asset is derecognised, modified or impaired. The Group's financial assets at amortised cost includes trade and other receivables, contract assets, due from related parties and cash and bank balances.

Financial assets at fair value through OCI (debt instruments)

The Group measures debt instruments at fair value through OCI if both of the following conditions are met:

- The financial asset is held within a business model with the objective of both holding to collect contractual cash flows and selling; 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.

For debt instruments at fair value through OCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in consolidated statement of profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in OCI. Upon derecognition, the cumulative fair value change recognised in OCI is recycled to consolidated statement of profit or loss.

The Group does not have any debt instruments under this category.

Notes to the Consolidated Financial Statements continued

31 December 2024

3 MATERIAL ACCOUNTING POLICY INFORMATION continued

Financial assets continued

Financial assets designated at fair value through OCI (equity instruments) continued

Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under IAS 32 Financial Instruments: Presentation and are not held-for-trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to consolidated statement of profit or loss. Dividends are recognised as other income in the consolidated statement of consolidated statement of profit or loss when the right of payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are carried in the consolidated statement of financial position at fair value with net changes in fair value recognised in the consolidated statement of profit or loss.

This category includes quoted and unquoted equity investments which the Group had not irrevocably elected to classify at fair value through OCI. Dividends on quoted and unquoted equity investments are recognised under investment and other income in the consolidated statement of profit or loss when the right of payment has been established.

Impairment of financial assets

The Group recognises an allowance for expected credit losses (ECLs) for all debt instruments 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, due from related parties and contract assets, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The Group considers 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

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire; or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset.

Equity instruments and financial liabilities

Financial liabilities and equity instruments issued by the Group are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recorded at the proceeds received, net of direct issue costs.

Notes to the Consolidated Financial Statements continued

31 December 2024

3 MATERIAL ACCOUNTING POLICY INFORMATION continued

Equity instruments continued

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 trade and other payables, due to related parties, lease liabilities and borrowings.

Subsequent measurement

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- Financial liabilities at fair value through profit or loss; and
- Financial liabilities at amortised cost.

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

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.

Financial liabilities at amortised cost

This is the category most relevant to the Group. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in consolidated statement of 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 of profit or loss.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire.

Offsetting of financial instruments

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

Value added tax ("VAT")

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

- When the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority; in which case, the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable; and
- 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.

Fair value measurement

The Group measures financial instruments such as financial assets at fair value through other comprehensive income and financial assets at fair value through profit or loss at fair value at each consolidated statement of financial position date.

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.

Notes to the Consolidated Financial Statements continued

31 December 2024

3 MATERIAL ACCOUNTING POLICY INFORMATION continued

Fair value measurement continued

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.

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.

Impairment of non-financial assets

The Group assesses, at each reporting date, whether there is an indication that an 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 CGU's fair value less costs of disposal and its value in use. The recoverable amount 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. When 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 of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Group bases its impairment calculation on most recent budgets and forecast calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a reasonable period to project future cash flows.

Impairment losses of continuing operations are recognised in the consolidated statement of profit or loss in expense categories consistent with the function of the impaired asset.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU'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 periods. Such reversal is recognised in the consolidated statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

Goodwill and intangible assets with indefinite useful lives are tested for impairment annually and when circumstances indicate that the carrying value may be impaired.

Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received, and the amount of the receivable can be measured reliably.

Cash and cash equivalents

For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and term deposits with original maturity of three and less than 3 months, net of outstanding bank overdrafts (if any) as they are considered an integral part of the Group's cash management.

Notes to the Consolidated Financial Statements continued

31 December 2024

3 MATERIAL ACCOUNTING POLICY INFORMATION continued

Employee benefits

i) Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

An accrual is made for estimated liability for employees' entitlement to annual leave and leave passage as a result of services rendered by eligible employees up to the end of the reporting period and is classified as current liability.

ii) Defined contribution plan

Pension contributions are made in respect of UAE national employees to the UAE General Pension and Social Security Authority in accordance with the UAE Federal Law No. (2), 2000 for Pension and Social Security. who are covered by the Law No. 2 of 2000. The pension fund is administered by the Government of Abu Dhabi, Finance Department, represented by the Abu Dhabi Retirement Pensions and Benefits Fund. Obligations for contributions to defined contribution plans are expensed as the related service is provided.

Pension contributions are made in respect of other GCC National employees, who are covered by the Circular no. 3 of 2007 issued by the General Authority of Pension and Social Security. The contribution made by the Group is charged to consolidated statement of profit or loss. The pension contribution is made according to the laws of the respective GCC nation.

Payments to defined contribution retirement benefit schemes related to UK employees are charged as an expense as they fall due. Payments made to state-managed retirement benefit schemes are dealt with as payments to defined contribution schemes where the Group's obligations under the schemes are equivalent to those arising in a defined contribution retirement benefit scheme.

iii) Defined benefit plan

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Group currently operates an unfunded scheme for defined benefits in accordance with the applicable provisions of the UAE Federal Labour Law and is based on periods of cumulative service and levels of employees' basic salaries at the end of their employment contract. The Group's net obligation in respect of defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods discounted to determine its present value. Any unrecognized past service costs are deducted.

The calculation of defined benefit obligation is performed periodically by a qualified actuary using the projected unit credit method. When benefits of the plan are improved, the portion of the increased benefit related to past service by employees is recognised in the consolidated statement of profit or loss on a straight-line basis over the average period until the benefits become vested. To the extent that the benefits vest immediately, the expense is recognised immediately in the consolidated statement of profit or loss. The Group recognises all actuarial gains and losses arising from defined benefit plans in consolidated statement of other comprehensive income and all expenses related to defined benefit plans within consolidated statement of profit or loss.

Contingencies

Contingent liabilities are not recognised in the consolidated financial statements. They are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote.

Contingent assets are not recognised in the consolidated financial statements but disclosed when an inflow of economic benefits is probable.

Investment income

Investment income mainly comprises interest income/profit and realised gains and losses on sale of investments classified as available for sale.

Dividend distribution

Dividend distribution to the Shareholders is recognised as a liability in the consolidated financial statements in the year in which the dividends are declared and approved by the Shareholders.

Current versus non-current classification

The Group presents assets and liabilities in the 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 the 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.

Notes to the Consolidated Financial Statements continued

31 December 2024

3 MATERIAL ACCOUNTING POLICY INFORMATION continued

Current versus non-current classification continued

All other assets are classified as non-current.

A liability is classified as current when:

- It is expected to be settled in the 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 terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification. The Group classifies all other liabilities as non-current.

Insurance contracts

Definition and classification

The Group issues contracts with insurance risk. The Group does not issue contracts that transfer only financial risks.

Insurance contracts are contracts under which the Group accepts significant insurance risk from a policyholder by agreeing to compensate the policyholder if a specified uncertain future event adversely affects the policyholder. In making this assessment, all substantive rights and obligations, including those arising from law or regulation, are considered on a contract-by-contract basis. The Group uses judgement to assess whether a contract transfers insurance risk (that is if there is a scenario with commercial substance in which the Group has the possibility of a loss on a present value basis) and whether the accepted insurance risk is significant.

In the normal course of business, the Group uses reinsurance to mitigate its risk exposures. A reinsurance contract transfers significant risk if it transfers substantially the insurance risk resulting from the insured portion of the underlying insurance contracts, even if it does not expose the reinsurer to the possibility of a significant loss.

The Group does not have any self-insurance policies that need to be excluded from the scope of IFRS 17. The Group does not write any investment contracts with discretionary participation features or insurance contracts with direct participation features. The Group does not have any contracts that contain embedded derivatives, distinct investments, or service components that need to be unbundled and accounted for under other IFRSs.

Unit of account

The Group manages insurance contracts issued by product type. All insurance contracts within a product line represent a portfolio of contracts. Each portfolio is further disaggregated into groups of contracts that are issued within a calendar year (annual cohorts) starting 1 January and ending 31 December of the respective year.

Each cohort is classified under one of the following groups of contracts:

- Contracts that are onerous at initial recognition;
- Contracts that at initial recognition have no significant possibility of becoming onerous subsequently; and
- A group of remaining contracts.

This level of granularity determines sets of contracts.

The Group uses underwriting/pricing review exercise and combined/loss ratio analysis in order to define onerosity. Significant judgement is used to assess the onerosity of the set of contracts.

Portfolios of reinsurance contracts held are assessed for aggregation separately from portfolios of insurance contracts issued. The Group has split reinsurance contracts into portfolio based on the product types which are covered by reinsurance contracts. For the Enhanced product, the Group has a quota share treaty while for the Basic product, the Group has an arrangement with the Department of Health.

The benefits to which the Group is entitled under its reinsurance contracts held are recognised as reinsurance assets. These assets consist of balances due from reinsurers.

Applying the grouping requirements to reinsurance contracts held, the Group classifies reinsurance contracts held and concluded within a calendar year (annual cohorts) into:

- contracts for which there is a net gain at initial recognition, if any;
- contracts for which, at initial recognition, there is no significant possibility of a net gain arising subsequently; and
- remaining contracts in the portfolio, if any.

This level of granularity determines sets of contracts for reinsurance contracts.

For all reinsurance contracts net gain or net loss is assessed at the same level as direct insurance contracts using underwriting/pricing review exercise and combined/loss ratio analysis.

Notes to the Consolidated Financial Statements continued

31 December 2024

3 MATERIAL ACCOUNTING POLICY INFORMATION continued

Insurance contracts continued

Recognition and derecognition

Groups of insurance contracts issued are initially recognized from the earliest of the following:

- the beginning of the coverage period; the date when the first payment from the policyholder is due or actually received, if there is no due date; and
- when the Group determines that a group of contracts becomes onerous.

Reinsurance contracts held are recognized as follows:

- A group of reinsurance contracts held that provide proportionate coverage is recognized at the later of the beginning of the coverage period of the group and the initial recognition of any underlying insurance contract, unless the Group entered into the reinsurance contract held at or before the date when an onerous group of underlying contracts is recognized, in which case the reinsurance contract held is recognized at the date the entity recognizes an onerous group of underlying insurance contracts.
- All other groups of reinsurance contracts held are recognized from the beginning of the coverage period of the group of reinsurance contracts held; unless the Group entered into the reinsurance contract held at or before the date when an onerous group of underlying contracts is recognized prior to the beginning of the coverage period of the group of reinsurance contracts held, in which case the reinsurance contract held is recognized at the same time as the group of underlying insurance contracts is recognized.

Only contracts that individually meet the recognition criteria by the end of the reporting period are included in the groups. When contracts meet the recognition criteria in the groups after the reporting date, they are added to the groups in the reporting period in which they meet the recognition criteria. The composition of the groups is not reassessed in subsequent periods.

When an insurance contract is modified by the Group as a result of an agreement with the counterparties or due to a change in regulations, the Group treats changes in cash flows caused by the modification as changes in estimates of the Free Cash Flows (FCFs), unless the conditions for the de-recognition of the original contract are met.

The Group de-recognizes the original contract and recognizes the modified contract as a new contract if any of the following conditions are present:

- If the modified terms had been included at contract inception and the Group would have concluded that the modified contract is not within the scope of IFRS 17, results in different separable components, results in a different contract boundary or belongs to a different group of contracts.
- The original contract represents an insurance contract with direct participation features, but the modified contract no longer meets that definition, or vice versa.
- The original contract was measured under the PAA, but the modification means that the contract no longer meets the eligibility criteria for that approach.
- When an insurance contract accounted for under the PAA is derecognized, adjustments to remove related rights and obligations to account for the effect of the derecognition result in the following amounts being charged immediately to profit or loss.
- If the contract is extinguished, any net difference between the derecognized part of the Liabilities for Remaining Coverage (LRC) of the original contract and any other cash flows arising from extinguishment.
- If the contract is transferred to the third party, any net difference between the derecognized part of the LRC of the original contract and the premium charged by the third party.

If the original contract is modified resulting in its derecognition, any net difference between the derecognized part of the LRC and the hypothetical premium that the entity would have charged if it had entered into a contract with equivalent terms as the new contract at the date of the contract modification, less any additional premium charged for the modification.

Measurement approach

The Group elects to measure all insurance contracts under the PAA where eligible to do so. Contracts written by the Group that have a coverage period of one year or less are automatically eligible for the PAA. Currently, all insurance contracts are eligible and thus measured under the PAA.

The Group elects to measure all reinsurance contracts under the PAA where eligible to do so. For all the groups of contracts within the portfolio, the LRC measured under the PAA and the General Measurement Approach (GMA) were projected over the lifetime of the contracts, considering different reasonable scenarios, to determine if the differences were significant. The Group has found that for all these contracts the PAA provided a reasonable approximation of the GMA and were thus eligible for measurement under the PAA.

Notes to the Consolidated Financial Statements continued

31 December 2024

3 MATERIAL ACCOUNTING POLICY INFORMATION continued

Insurance contracts continued

Contract boundaries

The Group uses the concept of contract boundary to determine what cash flows should be considered in the measurement of groups of insurance contracts. Cash flows are within the boundary of an insurance contract if they arise from the rights and obligations that exist during the period in which the policyholder is obligated to pay premiums or the Group has a substantive obligation to provide the policyholder with insurance contract services. A substantive obligation ends when:

- The Group has the practical ability to reprice the risks of the particular policyholder or change the level of benefits so that the price fully reflects those risks; or
- both of the following criteria are satisfied:
 1. The Group has the practical ability to reprice the contract or a portfolio of contracts so that the price fully reflects the reassessed risk of that portfolio; and
 2. the pricing of premiums up to the date when risks are reassessed does not reflect the risks related to periods beyond the reassessment date.

In assessing the practical ability to reprice, risks transferred from the policyholder to the Group, such as insurance risk and financial risk, are considered; other risks, such as lapse or surrender and expense risk, are not included.

Cash flows outside the insurance contracts boundary relate to future insurance contracts and are recognized when those contracts meet the recognition criteria.

For groups of reinsurance contracts held, cash flows are within the contract boundary if they arise from substantive rights and obligations of the Group that exist during the reporting period in which the Group is compelled to pay amounts to the reinsurer or in which the Group has a substantive right to receive insurance contract services from the reinsurer.

The contract boundary of the treaty business of the Group which is written on a risk attaching basis includes the reinsurer's share of all the cash flows of all contracts that attach during the term of the treaty.

Measurement of expenses

The Group has defined acquisition expenses as the costs of selling, underwriting and starting/issuing a group of insurance contracts as per the Standard requirements. The Group had defined acquisition costs as attributable to a contract (or group of contracts) if the cost is incurred to acquire a specific contract or portfolio of contracts (as opposed to new business in general).

The Group had defined all other expenses as maintenance expenses. The Group had defined maintenance costs as attributable if they could not have been avoided if the contract had not been entered into.

Cash flows that are not directly attributable to a portfolio of insurance contracts are recognized in other operating expenses as incurred.

The Group performs regular expense studies and uses judgement to determine the extent to which fixed and variable overheads are directly attributable to fulfilling insurance and reinsurance contracts.

Where estimates of expenses-related cash flows are determined at the portfolio level or higher, they are allocated to groups of contracts on a systematic basis. The Group allocates these using relevant proxies. Similar methods are consistently applied to allocate expenses of a similar nature.

The Group does not pay (or recognize a liability, applying a standard other than IFRS 17) directly attributable acquisition costs before a group of insurance contracts is recognized. As such, no pre-recognition acquisition costs assets have been established.

Initial and subsequent measurement –group of contracts measured under the PAA

For insurance contracts issued measured under the PAA, on initial recognition, the Group measures the LRC at the amount of premiums received, less any acquisition cash flows paid. Insurance acquisition cash flows allocated to a group are deferred and recognized over the coverage period of contracts in a group.

For insurance contracts issued, at each of the subsequent reporting dates, the LRC is:

- Increased for premiums received in the period;
- Decreased for insurance acquisition cash flows paid in the period;
- Decreased for the amounts of expected premium receipts recognized as insurance revenue for the services provided in the period; and
- Increased for the amortization of insurance acquisition cash flows in the period recognized as insurance service expenses.

The Group does not adjust the remaining coverage for reinsurance contracts held for the effect of the time value of money, because reinsurance premiums are due and expected to be paid within a year of the coverage provided associated with each premium.

Notes to the Consolidated Financial Statements continued

31 December 2024

3 MATERIAL ACCOUNTING POLICY INFORMATION continued

Insurance contracts continued

Initial and subsequent measurement –group of contracts measured under the PAA continued

For groups of reinsurance contracts, the Group recognizes reinsurance expenses related to the premium ceded based on the same earning pattern as the underlying contract. This is because where reinsurance is on risk attaching basis, risk pattern would be based on the individual contracts earning (actual risk) pattern.

The Group adjusts the remaining coverage for reinsurance contracts held for the effect of the risk of reinsurer's non-performance.

If facts and circumstances indicate that a group of insurance contracts measured under the PAA is onerous on initial recognition or becomes onerous subsequently, the Group increases the carrying amount of the LRC to the amounts of the FCF determined under the GMA with the amount of such an increase recognized in insurance service expenses, and a loss component is established for the amount of the loss recognized. Subsequently, the loss component is remeasured at each reporting date as the difference between the amounts of the FCF determined under the GMA relating to the future service and the carrying amount of the LRC without the loss component.

When a loss is recognized on initial recognition of an onerous group of underlying insurance contracts or on addition of onerous underlying insurance contracts to that group, the carrying amount of the asset for remaining coverage for reinsurance contracts held measured under the PAA is increased by the amount of income recognized in consolidated statement of profit or loss and a loss recovery component is established or adjusted for the amount of income recognized. The referred income is calculated by multiplying the loss recognized on underlying insurance contracts by the percentage of claims on underlying insurance contracts that the Group expects to recover from the reinsurance contract held that are entered into before or at the same time as the loss is recognized on the underlying insurance contracts.

Changes in the loss recovery component are not disaggregated between income and expenses from reinsurance contracts held and reinsurance finance income or expenses for the effect of the time value of money and financial risk as the underlying loss components, which are all measured under the PAA, are not adjusted for the effect of the time value of money and financial risk.

Reinsurance contracts held –loss recovery component

A loss-recovery component is established or adjusted within the remaining coverage for reinsurance contracts held for the amount of income recognized when a loss component is set up for the group of onerous underlying insurance contracts.

Reinsurance contracts held –loss recovery component

This amount is calculated by multiplying the loss recognized on underlying insurance contracts by the percentage of claims on underlying insurance contracts that the Group expects to recover from the reinsurance contracts held that are entered into before or at the same time as the loss is recognized on the underlying insurance contracts. When underlying insurance contracts are included in the same group with insurance contracts issued that are not reinsured, the Group applies a systematic and rational method of allocation to determine the portion of losses that relates to underlying insurance contracts.

Subsequently, the loss-recovery component is adjusted to reflect changes in the loss component of an onerous group of underlying insurance contracts. The loss recovery component is further adjusted, if required, to ensure that it does not exceed the portion of the carrying amount of the loss component of the onerous group of underlying insurance contracts that the Group expects to recover from the group of reinsurance contracts held.

The loss-recovery component determines the amounts that are presented as a reduction of incurred claims recovery from reinsurance contracts held and are consequently excluded from the reinsurance expenses determination.

Estimates and assumptions

Best estimate cash flows

Cash flows within the boundary of an insurance contract are those that relate directly to the fulfillment of the contracts. At gross level, the main cash flows include:

- Cash Inflows (premiums, recoveries on past and future claims); and
- Cash Outflows (claims, commission, expenses).

Future cash flows within the contract boundary which are to be included in the IFRS 17 valuation are those that relate directly to the fulfilment of the existing insurance contract. In short, these cash flows comprise premiums and premium receivables, claims acquisition, claims handling and administrative costs, transaction based taxes or tax payments on behalf of the client (where the Group does not act as an agent), potential recoveries and attributable overhead costs, and other expenses, all within the boundary of the corresponding contract.

All the cash flows as described above must be best estimate cash flows after removing any margin for prudence or management margins.

The cash flows as described are not adjusted for present value using discount rates as these are expected to be paid/received within 12 months from the date of incurrence.

Notes to the Consolidated Financial Statements continued

31 December 2024

3 MATERIAL ACCOUNTING POLICY INFORMATION continued

Insurance contracts continued

Estimates and assumptions continued

The claims and Unallocated Loss Adjustment Expenses (ULAE) cash flows need to be adjusted and multiplied with risk adjustment percentage and the corresponding amount shall be added while computing FCFs.

The reinsurance cash flows will be calculated in a similar way like insurance cash flows with the following additional considerations to be taken:

- Reinsurance Level of Aggregation may not be aligned completely with the gross level.
- The Group does not have cashflows contingent to claims.
- The Group does not expect any probability of default of reinsurer.

Other cash flows, which need to be considered, are:

- Costs of providing benefits in kind;
- Potential cash inflows from claim recoveries, as long as they have not been recognized as a separate asset;
- Transaction-based taxes and levies that arise directly from existing insurance contracts or are attributable to them; and
- Payments to (or on behalf of) a policyholder resulting from derivatives that are not separated from the contracts (if applicable).

Discount rates

The bottom-up approach is used to derive the discount rate for all contracts within the scope of IFRS 17, where applicable. Under this approach, the discount rate is determined as the risk-free yield, adjusted for differences in liquidity characteristics between the financial assets used to derive the risk-free yield and the relevant liability cash flows (known as an 'illiquidity premium').

The three-step approach to derive discount rates has been highlighted below:

- Credit risk premium component is removed from the asset yields of the reference portfolio;
- The illiquidity risk premium is then derived using the risk-free rates and the rates computed in above step; and
- Subsequently, the bottom-up approach is used by adding this illiquidity premium to the risk-free base curve in order to arrive at the "point-in-time" locked-in interest rate curve.

Currently, all the premiums written by the Group are received within 12 months from the policy start date, so there are no contracts with significant financing component or credit facilities. Hence, there is no requirement of discounting the LRC under PAA.

Similarly, most of the claims are settled within 12 months from the date of incurrence. Hence, there is no requirement of discounting the Liability for Incurred Claims (LIC) under PAA.

In the future, if the Group has policies with claims pattern exceeding one year then the Group shall use the discount rate computed under the bottom-up approach to determine the impact of discounting.

Risk Adjustment (RA) for non-financial risk

The RA for non-financial risk is applied to the present value of the estimated future cash flows, and it reflects the compensation that the Group requires for bearing the uncertainty about the amount and timing of the cash flows from non-financial risk as the Group fulfils insurance contracts.

For LIC, the Group measures volatility of reserves using a combination of the Mack Method for most periods and the volatility of past expectations vs. actuals for recent periods and reconciliations. The current calculations would be aggregated from the current reserving segmentation to derive the RA at the portfolio level decided under level of aggregation.

For LRC, the Group has decided to use volatility in past ultimate loss ratio expectations vs. actuals to estimate the RA on unexpired business.

The profitable groups which are either automatically eligible for PAA or decided to be run using PAA based on the results of PAA eligibility run at the portfolio level will not require an explicit RA on LRC. Currently, all groups are PAA eligible. The RA for all groups of contracts is 65% confidence level.

The Group does not disaggregate changes in the RA between insurance service result and insurance finance income or expenses.

For reinsurance contracts the Group uses the same approach to calculate the RA as for the insurance contracts.

Taxation

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. The tax rates and tax laws used to compute the amounts are those that are enacted or substantively enacted at the reporting date in the countries where the Group operates and generates taxable income.

Notes to the Consolidated Financial Statements continued

31 December 2024

3 MATERIAL ACCOUNTING POLICY INFORMATION continued

Taxation continued

Current income tax continued

Current income tax relating to items recognized directly in equity is recognized in equity and not in the consolidated statement of profit or loss. 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.

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, associates 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, and
- 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 utilised.

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. Unrecognized 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 consolidated statement of 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 consolidated statement of 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.

Derivative financial instruments

Initial recognition and subsequent measurement

The Group uses derivative financial instruments, such as forward currency contracts, to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Notes to the Consolidated Financial Statements continued

31 December 2024

3 MATERIAL ACCOUNTING POLICY INFORMATION continued

Derivative financial instruments continued

Initial recognition and subsequent measurement continued

For the purpose of hedge accounting, hedges are classified as:

- Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognized firm commitment;
- Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognized firm commitment; and
- Hedges of a net investment in a foreign operation.

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which it wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge.

The documentation includes identification of the hedging instrument, the hedged item, the nature of the risk being hedged and how the Group will assess whether the hedging relationship meets the hedge effectiveness requirements (including the analysis of sources of hedge ineffectiveness and how the hedge ratio is determined). A hedging relationship qualifies for hedge accounting if it meets all of the following effectiveness requirements:

- There is 'an economic relationship' between the hedged item and the hedging instrument.
- The effect of credit risk does not 'dominate the value changes' that result from that economic relationship.
- The hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Group actually hedges and the quantity of the hedging instrument that the Group actually uses to hedge that quantity of hedged item.

Hedges that meet all the qualifying criteria for hedge accounting are accounted for, as described below:

Cash flow hedge

The effective portion of the gain or loss on the hedging instrument is recognised in OCI in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the consolidated statement of profit or loss. The cash flow hedge reserve is adjusted to the lower of the cumulative gain or loss on the hedging instrument and the cumulative change in fair value of the hedged item.

The Group uses forward currency contracts as hedges of its exposure to foreign currency risk in firm commitments. The ineffective portion relating to foreign currency contracts is recognised as other expense.

The amounts accumulated in OCI are accounted for, depending on the nature of the underlying hedged transaction. If the hedged transaction subsequently results in the recognition of a non-financial item, the amount accumulated in equity is removed from the separate component of equity and included in the initial cost or other carrying amount of the hedged asset or liability. This is not a reclassification adjustment and will not be recognised in OCI for the period. This also applies where the hedged forecast transaction of a non-financial asset or non-financial liability subsequently becomes a firm commitment for which fair value hedge accounting is applied.

For any other cash flow hedges, the amount accumulated in OCI is reclassified to profit or loss as a reclassification adjustment in the same period or periods during which the hedged cash flows affect profit or loss.

If cash flow hedge accounting is discontinued, the amount that has been accumulated in OCI must remain in accumulated OCI if the hedged future cash flows are still expected to occur. Otherwise, the amount will be immediately reclassified to profit or loss as a reclassification adjustment. After discontinuation, once the hedged cash flow occurs, any amount remaining in accumulated OCI must be accounted for depending on the nature of the underlying transaction as described above.

4 KEY SOURCES OF ESTIMATION OF UNCERTAINTY AND CRITICAL ACCOUNTING JUDGMENTS

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period are discussed below.

While applying the accounting policies as stated in note 3, the management of the Group has made certain judgments, estimates and assumptions that are not readily apparent from other sources. The estimates and associated assumptions are based on factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognised in the year of the revision in which the estimate is revised if the revision affects only that period, or in the year of the revision and future periods if the revision affects both current and future periods.

Key sources of estimation of uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period.

Notes to the Consolidated Financial Statements continued

31 December 2024

4 KEY SOURCES OF ESTIMATION OF UNCERTAINTY AND CRITICAL ACCOUNTING JUDGMENTS continued

Key sources of estimation of uncertainty continued

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.

Classification of investment in Ardent Health as investment in financial assets

Significant influence is presumed to exist when the Group holds 20% or more of the voting power of investee. In July 2024, and due to the issuance of new shares in a public offering, the Group's share in Ardent got diluted from 26.05% to 21.20% and as a result the Group ceased to have board representation on Ardent's Board of Directors.

The Group has determined that it lost significant influence over Ardent when it lost its board representation and the power to participate in the financial and operating policy decisions of Ardent subsequent to the listing of Ardent shares in New York Stock Exchange.

Useful lives of property, right of use assets and equipment and intangible assets

The Group's management determines the estimated useful lives of its property and equipment, right of use assets, and intangible assets for calculating depreciation and amortisation respectively. This estimate is determined after considering the expected usage of the asset or physical wear and tear. Management reviews the residual value and useful lives annually and future depreciation and amortisation charge would be adjusted where the management believes the useful lives differ from previous estimates.

Provision for expected credit losses (ECL) of trade and other receivables (including government receivables), due from related parties and contract assets

The Group uses a provision matrix to calculate ECLs for trade receivables, other receivables, government receivables, due from related parties and contract assets. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns (i.e., by geography, product type, customer type, time value of money, and rating etc.).

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. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

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.

As at 31 December 2024, gross trade receivables and other receivables (including government receivables), due from related parties, and contract assets were AED 7,985,656 thousand with provision for expected credit losses of AED 582,786 thousand (2023: AED 5,522,834 thousand with provision for expected credit losses of AED 305,617 thousand). Any difference between the amounts collected in future periods and the amounts expected to be received will be recognised in the consolidated statement of comprehensive income.

Allowance for slow moving inventories

Inventories are stated at the lower of cost or net realisable value. Adjustments to reduce the cost of inventory to its net realisable value, if required, are made at the product level for estimated excess, obsolescence, or impaired balances. Factors influencing these adjustments include changes in demand, technological changes, physical deterioration, and quality issues. Based on these factors, management has identified inventory items as slow and non-moving to calculate the allowance for slow moving and obsolete inventories. Revisions to the allowance for slow moving inventories would be required if the outcome of these indicative factors differ from the estimates.

At the reporting date 31 December 2024, inventories amounted to AED 1,296,530 thousand and allowance for slow moving inventories were AED 112,953 thousand (2023: AED 1,023,820 thousand and allowance for slow moving inventories were AED 282,498 thousand).

Impairment assessment of non-financial assets

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 of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs of disposing of the asset. The value in use calculation is based on a Discounted Cash Flow (DCF) 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 performance of the assets of the CGU being tested.

Notes to the Consolidated Financial Statements continued

31 December 2024

4 KEY SOURCES OF ESTIMATION OF UNCERTAINTY AND CRITICAL ACCOUNTING JUDGMENTS continued

Key sources of estimation of uncertainty continued

Impairment assessment of non-financial assets continued

The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

Assets classified under property and equipment, intangible assets and right-of-use assets are assessed for impairment based on the assessment of cash flows on individual cash-generating units when there is an indication that those assets have suffered an impairment loss.

During the year, the Group conducted impairment assessments on non-financial assets and concluded that an amount of AED 55,069 thousand against right-of-use assets and AED 10,748 thousand against property and equipment pertaining to hospital in UK and AED 22 thousand against intangible assets pertaining to computer software. The impairment was determined by reference to a discounted cash flow method, using discount rate of 7.5%. Accordingly, an impairment loss of AED 65,839 thousand was recorded on non-financial assets for the year ended 31 December 2024 (2023: AED nil).

Employees' end of service benefits

The cost and the present value of the defined benefit plans obligation are generally determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and voluntary termination rate. Due to the complexity of the valuation, the underlying assumptions and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All significant assumptions and assets are reviewed at each reporting date.

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).

Determining the lease term of contracts with renewal options

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 several 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.

5 BUSINESS COMBINATIONS

5.1 Acquisition of subsidiaries

During the year, the Group acquired the following entities, which was accounted for using the acquisition method under IFRS 3 Business Combination:

Circle Health Holdings Limited

Effective 1 January 2024, Pure Health UK Bidco LTD acquired a 100% equity interest in Circle Health Holdings Limited and its subsidiaries ("Circle Health"), for a consideration of AED 3,457,741 thousand (GBP 742,009 thousand). Circle Health is a limited liability company, registered and incorporated in the United Kingdom ("UK") and is engaged in provision of hospitalisation and integrated healthcare services. From the date of acquisition, Circle Health contributed revenue and net profit after tax to the Group, amounting to AED 6,005,870 thousand and AED 121,406 thousand respectively.

a) Acquired during the year

Sheikh Shakhbout Medical City LLC

Effective 1 February 2024, Abu Dhabi Health Services Company –PSC acquired a 100% equity interest in Sheikh Shakhbout Medical City LLC ("SSMC"), for a consideration of AED 2,599,497 thousand. SSMC is a limited liability company, registered and incorporated in the Emirate of Abu Dhabi and is engaged in provision of hospitalisation services.

Notes to the Consolidated Financial Statements continued

31 December 2024

5 BUSINESS COMBINATIONS continued

5.1 Acquisition of subsidiaries continued

a) Acquired during the year continued

Sheikh Shakhbout Medical City LLC continued

From the date of acquisition, SSMC contributed revenue and net profit after tax to the Group, amounting to AED 2,132,446 thousand and AED 126,001 thousand respectively. If the acquisition had taken place at the beginning of the year, SSMC would have contributed revenue and net profit after tax to the Group amounting to AED 2,232,358 thousand and AED 35,166 thousand respectively.

The provisional fair values of the net identifiable assets and liabilities as at the date of acquisition were as follows:

	Notes	Circle Health Holdings Limited AED '000	Sheikh Shakhbout Medical City LLC AED '000	Total AED '000
Assets				
Property and equipment	6	1,465,594	482,042	1,947,636
Right-of-use assets	8	9,343,205	557,985	9,901,190
Intangible assets	9	594,005	505,146	1,099,151
Investment in associates and joint ventures	10	29,040	–	29,040
Sub-lease receivables		2,490	–	2,490
Inventories		91,345	152,590	243,935
Due from related parties		8,918	–	8,918
Contract assets		–	196,586	196,586
Trade and other receivables		492,832	705,004	1,197,836
Deferred tax asset	20	178,378	8,861	187,239
Indemnification asset		115,432	–	115,432
Cash and bank balances		188,034	1,089,733	1,277,767
Total assets		12,509,273	3,697,947	16,207,220

	Notes	Circle Health Holdings Limited AED '000	Sheikh Shakhbout Medical City LLC AED '000	Total AED '000
Liabilities				
Borrowings	18	709,639	–	709,639
Lease liabilities	19	9,944,486	557,985	10,502,471
Deferred tax liabilities	20	659,859	52,909	712,768
Employees' end of service benefits	21	–	95,578	95,578
Other liabilities		5,286	4,996	10,282
Trade and other payables		1,065,547	324,269	1,389,816
Income tax payable	20	717	–	717
Due to related parties		4,213	37,788	42,001
Total liabilities		12,389,747	1,073,525	13,463,272
Net assets acquired				
Less: non-controlling interests		(13,804)	–	(13,804)
Proportionate share of identifiable net assets acquired		105,722	2,624,422	2,730,144
Goodwill arising on acquisition	9	3,352,019	–	3,352,019
Bargain purchase gain arising on acquisition		–	(24,925)	(24,925)
Purchase consideration		3,457,741	2,599,497	6,057,238

The net assets recognised are based on a provisional assessment of their fair values as at the respective acquisition dates. The Group will finalise the purchase price allocation exercise for the acquisitions before the end of first quarter of 2025.

Notes to the Consolidated Financial Statements continued

31 December 2024

5 BUSINESS COMBINATIONS continued

5.1 Acquisition of subsidiaries continued

(a) Acquired during the year continued

Purchase consideration includes the below:

	Circle Health Holdings Limited AED '000	Sheikh Shakhbout Medical City LLC AED '000	Total AED '000
Cash paid for the acquisition (i)	3,457,741	550,806	4,008,547
Shareholder contribution (ii)	–	2,048,691	2,048,691
Total	3,457,741	2,599,497	6,057,238

(i) The cash paid for the acquisition of Circle Health is net of the amount transferred from the cash flow hedge reserve of AED 9,936 thousand upon the settlement of the foreign exchange forward contract.

The cash paid for the acquisition of SSMC represents the cash paid by the Group to acquire 25% of the shares of SSMC from a third party.

(ii) The shareholder contribution represents 75% of the economic rights in the equity of SSMC transferred from a shareholder for no consideration. The shareholder contribution was calculated on the basis of provisional assessment of the fair value of the 75% ownership in SSMC.

The Group has recognised an indemnification asset of AED 115,432 thousand (GBP 24,700 thousand) at fair value which pertains to the reimbursement of the expenses related to one of the hospitals which was not operational at the date of acquisition as well as the provision for a claim raised by one of the aquiree’s patient.

The Group has recognised intangible assets of AED 1,099,151 thousand as a result of the aforementioned acquisitions, which comprise mainly of brand and consultant relationships. Further, the Group has also recognised an uplift in the fair value of property and equipment amounting to AED 210,266 thousand.

The Group has recognized property and equipment at its fair value using the depreciated replacement cost and market approaches.

Further, the fair values of right-of-use assets are determined using the incremental borrowings rate prevailing in the market at acquisition date adjusted for favorable / unfavorable market terms.

Goodwill of AED 3,352,019 thousand arising from the acquisitions comprises largely the value of expected synergies arising from the acquisitions, which are not separately recognised.

The fair value measurement is based on significant inputs that are not observable in the market, which IFRS 13 “Fair Value Measurement” refers to as level 3 inputs. The fair value estimate is based on:

- Assumed discount rates of 7.3% to 9.3%; and
- A terminal value calculated based on long-term sustainable growth rate for the industry 2%, which has been used to determine income for the future years.

Analysis of cashflows on acquisitions is as follows:

	Circle Health Holdings Limited AED '000	Sheikh Shakhbout Medical City LLC AED '000	Total AED '000
Net cash acquired on business combination	188,034	1,089,733	1,277,767
Cash paid for the acquisition	(3,457,741)	(550,806)	(4,008,547)
Acquisition of operating business –net of cash acquired (included in cash flows from investing activities)	(3,269,707)	538,927	(2,730,780)
Transaction costs of the acquisition (included in cash flows from operating activities)	(25,450)	–	(25,450)
Net cash acquired on acquisition	(3,295,157)	538,927	(2,756,230)

Notes to the Consolidated Financial Statements continued

31 December 2024

5 BUSINESS COMBINATIONS continued

5.1 Acquisition of subsidiaries continued

b) Acquired during the previous year

During the year 2023, the Group acquired the following entities.

Pure Capital Investment LLC

Effective 1 October 2023, the Company acquired 100% equity interest in Pure Capital Investment LLC from a shareholder, for no consideration. Pure Capital Investment LLC is a limited liability company, registered and incorporated in the Emirate of Dubai and is engaged in technology and related services. From the date of acquisition till 31 December 2023, Pure Capital Investment LLC contributed revenue and net profit to the Group amounting to AED 76,288 thousand and AED 6,453 thousand respectively. If the acquisition had taken place at the beginning of the year 2023, Pure Capital Investment LLC would have contributed revenue and profit to the Group amounting to AED 266,257 thousand and AED 28,863 thousand respectively for the year ended 31 December 2023.

Pure CS Investment LLC

Effective 1 October 2023, the Company acquired 100% equity interest in Pure CS Investment LLC from a shareholder, for no consideration. Pure CS Investment LLC is a limited liability company, registered and incorporated in the Emirate of Dubai. The acquired Company does not meet the definition of a business as it did not have any operations at the acquisition date.

Summary of business combination of above stated entities under common control is as follows:

	Notes	Pure capital investment AED '000	Pure CS investment AED '000	Total AED '000
Assets				
Property and equipment	6	17,914	–	17,914
Right-of-use assets	8	3,802	–	3,802
Intangible assets	9	4,790	–	4,790
Due from related parties		17,218	100	17,318
Contract assets		22,456	–	22,456
Trade and other receivables		110,253	–	110,253
Cash and bank balances		44,755	–	44,755
Total assets		221,188	100	221,288

	Notes	Pure capital investment AED '000	Pure CS investment AED '000	Total AED '000
Liabilities				
Loan from related party		109,351	–	109,351
Lease liabilities	19	3,995	–	3,995
Employees' end of service benefits	21	4,095	–	4,095
Trade and other payables		82,362	–	82,362
Due to related parties		14,992	56	15,048
Total liabilities		214,795	56	214,851
Net assets				
		6,393	44	6,437
Less: non-controlling interests		–	–	–
Proportionate share of identifiable net assets acquired		6,393	44	6,437
Consideration paid		–	–	–
Shareholder contribution		6,393	44	6,437

Notes to the Consolidated Financial Statements continued

31 December 2024

5 BUSINESS COMBINATIONS continued

5.2 Disposal of subsidiaries

a) Disposal during the year

Yas Clinic Group Sole Proprietorship LLC and Abu Dhabi Stem Cells Center Sole Proprietorship LLC Effective 1 April 2024, the Group disposed its 100% equity interest in Yas Clinic Group Sole Proprietorship LLC and Abu Dhabi Stem Cells Center Sole Proprietorship LLC, to related parties at an agreed consideration of AED 40,191 thousand. The disposal of equity interest was aligned with the Group's strategy to streamline operations and reallocate resources towards synergies.

	Notes	Yas Clinic Group Sole Proprietorship LLC AED '000	Abu Dhabi Stem Cells Center Sole Proprietorship LLC AED '000	Total AED '000
Assets				
Property and equipment	6	376,573	63,302	439,875
Right-of-use assets	8	10,002	1,933	11,935
Intangible assets	9	3,204	1,800	5,004
Inventories		22,868	5,035	27,903
Due from related parties		159,538	47,001	206,539
Contract assets		30,282	216	30,498
Trade and other receivables		46,338	11,983	58,321
Cash and bank balances		32,270	30,474	62,744
Total assets		681,075	161,744	842,819
Liabilities				
Loans and borrowings	18	288,362	–	288,362
Lease liabilities	19	11,189	1,795	12,984
Employees' end of service benefits	21	3,766	1,533	5,299
Trade and other payables		66,186	47,173	113,359
Due to related parties		326,001	56,624	382,625
Total liabilities		695,504	107,125	802,629
Net (liabilities) / assets disposed off		(14,429)	54,619	40,190
Consideration receivable (note 25)				40,190
Gain / (loss) at disposal				–

Analysis of cash flow from the disposal of subsidiaries:

	Yas Clinic Group Sole Proprietorship LLC AED '000	Abu Dhabi Stem Cells Center Sole Proprietorship LLC AED '000	Total AED '000
Cash received on disposal	–	–	–
Cash sold as part of the disposal	(32,270)	(30,474)	(62,744)
Acquisition of operating business –net of cash acquired (included in cash flows from investing activities)	(3,269,707)	538,927	(2,730,780)
Net cash outflow on date of derecognition	(32,270)	(30,474)	(62,744)

The results of the operations of the above-mentioned disposed subsidiaries were not segregated on the face of the consolidated statement of profit or loss, as the amounts are insignificant.

b) Disposal during the previous year

GenQore Drug Store LLC

Effective 01 October 2023, Somerian Health LLC, a subsidiary, disposed of its entire ownership interest in GenQore Drug Store LLC ("GenQore") for nil consideration. This resulted in net cash out flow of AED 1,493 thousand and a gain on disposal of subsidiary, amounting to AED 955 thousand during the year, which is recognized as other income (note 30) in the consolidated statement of profit or loss.

Notes to the Consolidated Financial Statements continued

31 December 2024

6 PROPERTY AND EQUIPMENT

	Freehold property AED '000	Leasehold improvements AED '000	Medical equipments AED '000	Furniture & fixtures AED '000	Office equipments AED '000	Motor vehicles AED '000	Computer & IT equipment AED '000	Capital work in progress AED '000	Total AED '000
Cost:									
At 1 January 2023	814,225	143,671	2,837,783	533,188	194,169	56,812	912,190	125,711	5,617,749
Acquired through business combinations (note 5.1)	–	192	–	54	6	–	16,316	1,346	17,914
Additions	275	39,556	89,021	8,848	12,158	5,276	36,432	198,901	390,467
Transfer	(76,611)	181,205	17,387	1,893	6,183	14,778	54,941	(202,666)	(2,890)
Written-off	–	–	(59)	(15)	(466)	(36)	–	(6,478)	(7,054)
Disposal	(2,615)	(763)	(176,099)	(50,741)	(5,336)	(11,373)	(68,658)	–	(315,585)
Disposal of a subsidiary	–	–	–	(72)	(171)	–	(6)	–	(249)
At 31 December 2023	735,274	363,861	2,768,033	493,155	206,543	65,457	951,215	116,814	5,700,352
At 1 January 2024	735,274	363,861	2,768,033	493,155	206,543	65,457	951,215	116,814	5,700,352
Acquired through business combinations (note 5.1)	811,670	–	858,131	26,262	17,231	–	110,590	123,752	1,947,636
Additions	101,596	47,728	188,953	18,013	18,401	1,772	23,572	377,494	777,529
Reclassifications	65,674	113,306	17,991	3,019	(1,484)	1,368	10,177	(210,051)	–
Transfer to intangible assets (note 9)	(338)	–	–	–	–	–	–	(4,523)	(4,861)
Written-off	–	–	–	(452)	–	–	(607)	(715)	(1,774)
Disposals	(4,138)	(163)	(94,985)	(37,062)	(5,903)	(11)	(41,546)	–	(183,808)
Disposal of subsidiaries (note 5.2)	(279,577)	(58,123)	(133,176)	(14,211)	–	(1,956)	(8,693)	(49,121)	(544,857)
Foreign exchange movement	(14,629)	–	(7,669)	(441)	–	–	(1,434)	(3,711)	(27,884)
At 31 December 2024	1,415,532	466,609	3,597,278	488,283	234,788	66,630	1,043,274	349,939	7,662,333

Notes to the Consolidated Financial Statements continued

31 December 2024

6 PROPERTY AND EQUIPMENT continued

	Freehold property AED '000	Leasehold improvements AED '000	Medical equipments AED '000	Furniture & fixtures AED '000	Office equipments AED '000	Motor vehicles AED '000	Computer & IT equipment AED '000	Capital work in progress AED '000	Total AED '000
Accumulated depreciation and impairment:									
At 1 January 2023	399,773	60,198	2,065,327	419,704	85,754	50,909	706,528	–	3,788,193
Charge for the year	24,825	32,673	261,053	102,674	45,745	5,224	91,867	–	564,061
Reclassifications	(1,970)	805	608	302	716	860	(1,321)	–	–
Written-off	–	(3)	(59)	–	–	–	–	–	(62)
Disposals	(2,591)	(159)	(175,187)	(50,644)	(5,316)	(11,366)	(68,649)	–	(313,912)
Disposal of a subsidiary	–	–	–	(12)	(77)	–	(5)	–	(94)
At 31 December 2023	420,037	93,514	2,151,742	472,024	126,822	45,627	728,420	–	4,038,186
At 1 January 2024	420,037	93,514	2,151,742	472,024	126,822	45,627	728,420	–	4,038,186
Charge for the year	73,133	49,991	337,874	23,064	44,901	4,896	90,660	–	624,519
Reclassifications	4,390	–	(5,564)	(1,322)	(1,060)	–	3,556	–	–
Transfer to intangible assets (note 9)	(338)	–	–	–	–	–	–	–	(338)
Written-off	–	–	–	(396)	–	–	(303)	–	(699)
Disposals	(1,249)	(163)	(94,559)	(36,759)	(5,892)	(11)	(41,471)	–	(180,104)
Disposal of subsidiaries (note 5.2)	(18,749)	(24,220)	(46,881)	(8,463)	–	(1,158)	(5,511)	–	(104,982)
Impairment during the year (note 28)	7,176	–	3,505	47	–	–	79	(59)	10,748
Foreign exchange movement	(879)	–	(926)	(77)	–	–	(338)	1	(2,219)
At 31 December 2024	483,521	119,122	2,345,191	448,118	164,771	49,354	775,092	(58)	4,385,111
Carrying amount:									
At 31 December 2024	932,011	347,487	1,252,087	40,165	70,017	17,276	268,182	349,997	3,277,222
At 31 December 2023	315,237	270,347	616,291	21,131	79,721	19,830	222,795	116,814	1,662,166

Notes to the Consolidated Financial Statements continued

31 December 2024

6 PROPERTY AND EQUIPMENT continued

During the year, Group disposed property and equipment with a net carrying amount of AED 3,704 thousand against proceeds of AED 4,148 thousand accordingly, a gain of AED 444 thousand was recognised (note 30).

Depreciation charge for the year has been allocated and disclosed in the consolidated statement of profit or loss as follows:

	2024 AED'000	2023 AED'000
Cost of sales (note 27)	339,850	263,462
General and administrative expenses (note 28)	284,669	300,599
	624,519	564,061

7 INVESTMENT PROPERTY

	2024 AED'000	2023 AED'000
Cost:		
At 1 January	6,239	6,239
At 31 December	6,239	6,239
Accumulated depreciation:		
At 1 January	3,543	2,945
Charge for the year (note 27 & 28)	599	598
At 31 December	4,142	3,543
Net book value at 31 December	2,097	2,696

The investment property represents leasehold property situated at Jumeirah Lake Tower, Dubai. The Group's investment property comprises of offices, which are leased out during the current year. The Group earned rental income of AED 366 thousand (2023: AED 287 thousand) from the investment property. The Group did not incur any material operating expenses during the year.

The fair value of the investment property as at 31 December 2024 is AED 9,825 thousand (2023: AED 9,050 thousand). The Group's investment property was valued by independent external valuer having recognised professional qualification and recent experience in the locations and segments of the investment property valued. The valuation of the Group's investment property was determined using the investment (income capitalization) method whereby the rental income is capitalized at an appropriate yield reflecting current market conditions. The fair value measurement falls under level 3 in the fair value measurement hierarchy.

8 RIGHT-OF-USE ASSETS

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the year:

	2024 AED'000	2023 AED'000
At 1 January	1,407,721	1,534,306
Acquired through business combinations (note 5.1)	9,901,190	3,802
Additions	413,336	26,696
Depreciation	(628,598)	(196,095)
Impairment during the year (note 28)	(55,069)	–
Modification and termination	133,940	39,012
Disposal of subsidiaries (note 5.2)	(11,935)	–
Foreign exchange movement	(142,019)	–
At 31 December	11,018,566	1,407,721

The Group entered into lease agreements with tenure ranging from 2-107 years for medical equipment, land and buildings which are discounted using an incremental borrowing rate of 4.1%-6.08%.

Depreciation charge has been recognised in the consolidated statement of profit or loss as follows:

	2024 AED'000	2023 AED'000
Cost of sales (note 27)	628,448	195,601
General and administrative expenses (note 28)	150	494
	628,598	196,095

Notes to the Consolidated Financial Statements continued

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9 INTANGIBLE ASSETS AND GOODWILL

	Computer software AED '000	Trademarks AED '000	Customer and consultants relationships and contracts AED '000	Brand AED '000	Goodwill AED '000	Favorable lease contract AED '000	Trade license AED '000	Capital work in progress AED '000	Total AED '000'
Cost:									
At 1 January 2023	1,026,401	1,348	919,497	1,358,157	1,342,106	877,308	11,000	15,241	5,551,058
Acquired through business combinations (note 5.1)	4,790	-	-	-	-	-	-	-	4,790
Additions	20,563	-	-	-	-	-	-	37,984	58,547
Transfer	21,741	-	-	-	-	-	-	(18,853)	2,888
Written-off	(4)	(9)	-	-	-	-	-	(157)	(170)
Disposal of a subsidiary	-	(375)	-	-	-	-	-	-	(375)
At 31 December 2023	1,073,491	964	919,497	1,358,157	1,342,106	877,308	11,000	34,215	5,616,738
At 1 January 2024	1,073,491	964	919,497	1,358,157	1,342,106	877,308	11,000	34,215	5,616,738
Acquired through business combinations (note 5.1)	45,334	-	322,462	261,708	3,352,019	469,647	-	-	4,451,170
Additions	93,356	-	-	-	-	-	-	83,856	177,212
Transfers	19,725	-	-	-	-	-	-	(19,725)	-
Transfer to intangible assets (note 9)	338	-	-	-	-	-	-	4,523	4,861
Disposal of subsidiaries (note 5.2)	(9,674)	(964)	-	-	-	-	-	-	(10,638)
Foreign exchange movement	(263)	-	(4,986)	(4,047)	(51,983)	-	-	-	(61,279)
At 31 December 2024	1,222,307	-	1,236,973	1,615,818	4,642,142	1,346,955	11,000	102,869	10,178,064

Notes to the Consolidated Financial Statements continued

31 December 2024

9 INTANGIBLE ASSETS AND GOODWILL continued

	Computer software AED '000	Trademarks AED '000	Customer and consultants relationships and contracts AED '000	Brand AED '000	Goodwill AED '000	Favorable lease contract AED '000	Trade license AED '000	Capital work in progress AED '000	Total AED '000
Accumulated amortisation and impairment:									
At 1 January 2023	936,241	348	70,232	1,249	–	21,933	–	–	1,030,003
Charge for the year (note 27 & 28)	49,303	138	61,661	4,998	–	87,731	–	–	203,831
Written-off	(7)	–	–	–	–	–	–	–	(7)
At 31 December 2023	985,537	486	131,893	6,247	–	109,664	–	–	1,233,827
At 1 January 2024	985,537	486	131,893	6,247	–	109,664	–	–	1,233,827
Charge for the year (note 27 & 28)	60,856	34	96,864	18,140	–	130,782	–	–	306,676
Impairment during the year (note 28)	22	–	–	–	–	–	–	–	22
Transfer from property and equipment (note 6)	338	–	–	–	–	–	–	–	338
Disposal of subsidiaries (note 5.2)	(5,114)	(520)	–	–	–	–	–	–	(5,634)
Foreign exchange movement	(214)	–	(695)	(259)	–	–	–	–	(1,168)
At 31 December 2024	1,041,425	–	228,062	24,128	–	240,446	–	–	1,534,061
Carrying amount:									
At 31 December 2024	180,882	–	1,008,911	1,591,690	4,642,142	1,106,509	11,000	102,869	8,644,003
At 31 December 2023	87,954	478	787,604	1,351,910	1,342,106	767,644	11,000	34,215	4,382,911

Notes to the Consolidated Financial Statements continued

31 December 2024

9 INTANGIBLE ASSETS AND GOODWILL continued

Amortisation charge has been recognised in the consolidated statement of profit or loss as follows:

	2024 AED'000	2023 AED'000
Cost of sales (note 27)	178,848	105,789
General and administrative expenses (note 28)	127,828	98,042
	306,676	203,831

Brand

Brand represents future economic benefits in the form of future business linked with the brand names of subsidiaries acquired in various business combinations and meet the criteria for recognition as intangible assets under IAS 38.

Customer and consultants relationships and contracts

These represent long term non-cancellable contracts with customers and non-contractual relationships which were acquired in various business combinations and meet the criteria for recognition as intangible assets under IAS 38.

Trademarks

Trademarks represent future economic benefits in the form of future business linked with the trademarks which were acquired in various business combinations and meet the criteria for recognition as intangible assets under IAS 38.

Trade license

Trade license includes license of an acquired subsidiary, National Health Insurance Company PJSC ("Daman"), that allows them to carry out insurance related activities. The license has an indefinite useful life.

Favorable lease contract

Lease benefits represents the future economic benefits in the form of favorable lease arrangements the Group acquired in business combinations. These represent leases of hospitals, medical centers and retail shops having a useful life of 10 years.

Goodwill

Goodwill primarily comprises sales growth, new customers, assembled workforce and expected synergies arising from the acquisitions. Goodwill is allocated to respective cash generating units.

During the year ended 31 December 2024, the Group performed its annual impairment assessments of goodwill, using the discounted cashflow model approach to calculate the value in use for the respective cash generating units. For the purpose of the impairment testing, goodwill was allocated to the respective cash generating units based on the respective enterprise values. The Group has assessed that the recoverable amounts of the cash generating units exceed their carrying values and so no impairment loss is required to be recognised against goodwill at the reporting date. Following key assumptions were used in the discounted cashflow review:

- Terminal growth rate: 2%-3%
- Inflation rate: 2%-5%
- Discount rate: 7.5%-9.9%

The recoverable amounts of the CGUs are most sensitive to the discount rate used for the value-in-use calculation. A change in discount rate by 1% would result in a reduction in the difference between the carrying values of the CGUs (including allocated goodwill) and the recoverable amounts by a range of 14% to 44%, without resulting in an impairment loss.

Notes to the Consolidated Financial Statements continued

31 December 2024

10 INVESTMENT IN ASSOCIATES AND JOINT VENTURES

Details of Group's investment in associates and joint venture are as follows:

Name of entities	Principal activities	Place of incorporation and operation	Ownership interest		Carrying value	
			2024	2023	2024 AED'000	2023 AED'000
Associates:						
Ardent Health Partners LLC*	Healthcare	USA	–	26.05%	–	1,865,185
Three Shires Hospital LLP	Healthcare	UK	50%	–	18,575	–
Joint ventures:						
Meriden Hospital Advanced Imaging Centre Limited	Healthcare	UK	50%	–	4,127	–
BMI Imaging Clinic Limited	Healthcare	UK	50%	–	13,593	–
BMI Southend Private Hospital Limited	Healthcare	UK	50%	–	3,215	–
Circle Harmony Health Limited (China)	Healthcare	China	50%	–	830	–
					40,340	1,865,185

Notes to the Consolidated Financial Statements continued

31 December 2024

10 INVESTMENT IN ASSOCIATES AND JOINT VENTURES continued

The reporting date for the associates and joint ventures is same as for the Group.

Movement in investment in associates and joint ventures in the consolidated statement of profit or loss and other comprehensive income is as follows:

	2024 AED'000	2023 AED'000
At 1 January	1,865,185	45,871
Acquired through business combinations (note 5.1)	29,040	–
Additions	–	1,843,925
Share of net profit for the year	81,655	25,153
Disposals	–	(46,964)
Dividends received	(6,571)	–
Share of other comprehensive loss for the year	(779)	(2,800)
Reclassification to investments carried at fair value through other comprehensive income*	(1,927,505)	–
Foreign exchange movement	(685)	–
At 31 December	40,340	1,865,185

* In July 2024, Ardent Health Partners, Inc. ("Ardent") issued new shares of common stock through a public offering upon listing on the New York Stock Exchange (NYSE). As a result of this issuance, the Group's ownership interest in Ardent was diluted from 26.05% to 21.20% of the common stock and the Group ceased to have board representation on Ardent's Board of Directors resulting in loss of significant influence. A net gain of AED 56,332 thousand was recorded upon loss of significant influence, under equity method, calculated as follows:

	2024 AED'000	2023 AED'000
Fair value of retained investment (note 11.2)	1,987,416	–
Carrying value of the investment in associate	(1,927,505)	–
Other comprehensive loss reclassified to profit or loss	59,911	–
	(3,579)	–
Net gain on loss of significant influence of an associate	56,332	–

Notes to the Consolidated Financial Statements continued

31 December 2024

10 INVESTMENT IN ASSOCIATES AND JOINT VENTURES continued

Summarized financial information of the assets, liabilities and profit of the associate and joint venture as at 31 December is as follows:

	2024 AED'000	2023 AED'000
Assets and liabilities:		
Assets	140,791	17,189,560
Liabilities	(60,110)	(13,212,026)
Non-controlling interest	–	(1,511,961)
Net assets	80,681	2,465,573
Group’s share of net assets	40,340	642,282
Goodwill implied including intangible assets	–	1,222,903
Carrying amount	40,340	1,865,185
Revenues and profit for the year:		
Revenue for the year	12,688,219	13,408,182
Net profit for the year	279,336	94,593
Group’s share of net profit for the year	81,655	25,153

11 INVESTMENTS IN FINANCIAL ASSETS

	2024 AED'000	2023 AED'000
Investments at fair value through profit or loss (note 11.1)	270,584	351,369
Investments at fair value through other comprehensive income (note 11.2)	2,009,691	266,305
Investments carried at amortised cost (note 11.3)	568,001	–
	2,848,276	617,674

Geographic concentration of investments is as follows:

	2024 AED'000	2023 AED'000
Inside UAE	547,497	262,365
Outside UAE	2,300,779	355,309
	2,848,276	617,674

11.1 Investments carried at fair value through profit or loss

	2024 AED'000	2023 AED'000
Quoted equity securities	269,088	348,432
Unquoted equity securities	1,496	2,937
	270,584	351,369

Notes to the Consolidated Financial Statements continued

31 December 2024

11 INVESTMENTS IN FINANCIAL ASSETS continued

11.1 Investments carried at fair value through profit or loss continued

Movement in investments carried at fair value through profit or loss during the year is as follows:

	2024 AED'000	2023 AED'000
At 1 January	351,369	359,701
Additions	–	185
Changes in fair value (note 30)	11,843	(8,713)
Disposal during the year	(92,474)	–
Foreign exchange movement	(154)	196
At 31 December	270,584	351,369

11.2 Investments carried at fair value through other comprehensive income

	2024 AED'000	2023 AED'000
Quoted securities –equities	2,008,390	253,995
Unquoted securities –managed funds	1,301	12,310
	2,009,691	266,305

The Group has elected to designate these investments in financial instruments as fair value through other comprehensive income, as it believes that recognising short-term fluctuations in the fair value of these investments in profit or loss would not be consistent with the Group’s strategy of holding these investments for long-term purposes and realising their performance potential in the long run.

Movement in investment carried at fair value through other comprehensive income during the year is as follows:

	2024 AED'000	2023 AED'000
At 1 January	266,305	226,474
Reclassified from investment in associates and joint ventures (note 10)	1,987,416	–
Additions	121,319	30,210
Changes in fair value	(65,027)	36,611
Disposals	(300,324)	(26,989)
Foreign exchange movement	2	(1)
At 31 December	2,009,691	266,305

11.3 Investment carried at amortized cost

	2024 AED'000	2023 AED'000
Debt Instruments	568,001	–
	568,001	–

Debt instruments are stated at amortised cost using the effective interest rate method.

Movement in investment in financial assets carried at amortised cost is as follows:

	2024 AED'000	2023 AED'000
At 1 January	–	–
Purchased during the year	568,633	–
Amortisation during the year	(240)	–
Disposal	(204)	–
Provision for expected credit losses	(188)	–
At 31 December	568,001	–

Notes to the Consolidated Financial Statements continued

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12 INVENTORIES

	2024 AED'000	2023 AED'000
Medical supplies and spare parts	1,296,530	1,023,820
Less: allowance for slow moving inventories	(112,953)	(282,498)
	1,183,577	741,322
Movement in allowance for slow moving inventories during the year is as follows:		
	2024 AED'000	2023 AED'000
At 1 January	282,498	393,778
Acquired through business combinations	12,902	–
Charge for the year, net (note 28)	3,039	4,968
Write off for the year	(185,063)	(116,248)
Disposal of subsidiaries	(228)	–
Foreign exchange movement	(195)	–
At 31 December	112,953	282,498

13 TRADE RECEIVABLES AND OTHER ASSETS

	2024 AED'000	2023 AED'000
Trade receivables	1,984,564	2,151,412
Less: allowance for expected credit losses	(140,463)	(83,565)
Net trade receivables	1,844,101	2,067,847
Other receivables	2,049,854	1,920,470
Provision for expected credit losses for other receivables	(361,646)	(152,274)
Government funded programs receivables	957,689	499,799
Provision for government funded programs receivables	(15,943)	(14,306)
Advances to suppliers	55,208	44,806
VAT receivable	29,647	21,017
Prepayments	228,516	250,044
Sub-lease receivables	7,210	1,260
Indemnification asset	113,647	–
Statutory deposits	2,000	2,000
Margin and other deposits	43,292	43,572
	4,953,575	4,684,235

Trade receivables and other assets are presented in consolidated statement of financial position as follows:

	2024 AED'000	2023 AED'000
Non-current	84,037	3,260
Current	4,869,538	4,680,975
At 31 December	4,953,575	4,684,235

Notes to the Consolidated Financial Statements continued

31 December 2024

13 TRADE RECEIVABLES AND OTHER ASSETS continued

Movement in the allowance for expected credit losses against trade receivables during the year is as follows:

	2024 AED'000	2023 AED'000
At 1 January	83,565	75,378
Acquired through business combinations	35,186	–
Charge for the year (note 28)	68,794	99,559
Transfer to other receivables	(15,229)	(17,613)
Written-off	(25,273)	(73,655)
Disposal of subsidiaries	(6,190)	(104)
Foreign exchange movement	(390)	–
At 31 December	140,463	83,565

Movement in the allowance for expected credit losses against other receivables during the year is as follows:

	2024 AED'000	2023 AED'000
At 1 January	152,274	226,101
Acquired through business combinations	28,042	–
Charge / (reversal) for the year (note 28)	205,049	(91,384)
Transfer from trade receivables	15,229	17,613
Written-off	(38,948)	–
Disposal of subsidiaries	–	(56)
At 31 December	361,646	152,274

Movement in the allowance for expected credit losses against government funded programs receivables is follows:

	2024 AED'000	2023 AED'000
At 1 January	14,306	–
Charge for the year (note 28)	1,637	14,306
At 31 December	15,943	14,306

The Group measures the loss allowance for trade receivables and other receivable at an amount equal to lifetime ECL. The expected credit losses on financial assets are estimated using a provision matrix based on the Group’s historical credit loss experience and an analysis of the debtor’s current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtor operates and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

Notes to the Consolidated Financial Statements continued

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13 TRADE RECEIVABLES AND OTHER ASSETS continued

	Total AED'000	Not past due AED'000	<30 days AED'000	31-60 days AED'000	61-120 days AED'000	121-360 days AED'000	> 360 days AED'000
31 December 2024							
Expected credit loss rate		0.27%	0.36%	0.47%	0.91%	6.42%	31.67%
Estimated total gross carrying amount at default	1,984,564	244,625	460,804	155,822	390,313	389,192	343,808
Life time expected credit losses	140,463	649	1,663	733	3,553	24,971	108,894
<i>Balance at 1 January 2023</i>							
Expected credit loss rate		0.18%	0.50%	0.98%	0.95%	1.03%	16.41%
Estimated total gross carrying amount at default	2,151,412	251,482	179,697	163,065	415,316	719,738	422,114
Life time expected credit losses	83,565	446	903	1,596	3,930	7,411	69,279

Notes to the Consolidated Financial Statements continued

31 December 2024

14 DERIVATIVE FINANCIAL INSTRUMENT

Hedging activities and derivative

Cash flow hedge –Foreign exchange forward contract

During the year 2023, in order to manage its exposure to the fluctuations in the exchange rate of the GBP, the Group had entered into a foreign exchange forward contract with a counter-party bank to fix the exchange rate of the GBP in future dates, in relation to the acquisition of Circle Health and the settlement of its bank loan. The derivative financial instrument was designated as cash flow hedge at inception and had a positive fair value of AED 24,511 thousand as at 31 December 2023.

During the year, the Group executed the agreement and settled the purchase consideration to acquire 100% of the voting shares of Circle Health and repaid its bank loan and accordingly, the above-mentioned derivative was settled.

Derivative designated as hedging instrument:

	Notional amount AED'000	Current	
		Assets AED'000	Liabilities AED'000
31 December 2024			
Foreign exchange forward contract	–	–	–
<i>31 December 2023</i>			
Foreign exchange forward contract	4,545,000	24,511	–

15 CASH AND BANK BALANCES

	2024 AED'000	2023 AED'000
Cash on hand	4,255	2,903
Bank balances	6,305,462	7,994,148
Term deposits	4,471,144	2,052,441
Restricted cash and fixed deposits	1,171,715	518,407
Margins against bank guarantees	2,002	2,002
Provision for expected credit losses on cash and bank balances	(3,060)	(10,392)
Cash and bank balances	11,951,518	10,559,509
Less: Term deposits (original maturity of more than 3 months)	(1,989,122)	(2,052,441)
Less: margins against bank guarantees	(2,002)	(2,002)
Less: restricted fixed deposits	(30,452)	(18,250)
Less: restricted cash*	(1,141,263)	(500,157)
Less: deposits and other balances	(3,162,839)	(2,572,850)
Cash and cash equivalents	8,788,679	7,986,659

- * Restricted cash comprises of:
- bank balances representing fines collected on behalf of the Department of Health –Abu Dhabi amounting to AED 4,962 thousand (2023: AED 6,759 thousand);
 - funds received from the Department of Health amounting to AED 1,047,265 thousand pertaining to medical claims of governmental health fund management programs not yet paid to medical providers (2023: AED 443,413 thousand);
 - funds received from the Department of Health amounting to AED 89,036 thousand for strategic procurement (2023: AED 49,985 thousand).

Fixed term deposits are placed with local financial institutions, denominated in UAE Dirham and carry interest at an effective rate ranging from 3.88% to 5.60% per annum (2023: 4.75% to 6.33%).

Notes to the Consolidated Financial Statements continued

31 December 2024

15 CASH AND BANK BALANCES continued

Movement in the allowance for expected credit losses against cash and bank balances during the year is as follows:

	2024 AED'000	2023 AED'000
At 1 January	10,392	4,630
(Reversal) / charge for the year (note 28)	(7,284)	5,762
Disposal of subsidiaries	(45)	–
Foreign exchange movement	(3)	–
At 31 December	3,060	10,392

16 SHARE CAPITAL

	2024 AED'000	2023 AED'000
Authorised and issued		
11,111,111,111 shares with par value of AED 1/- each	11,111,111	11,111,111

On 22 September 2023, the Shareholders approved to increase the share capital of the Company from AED 500,000 thousand to AED 10,000,000 thousand, through the issuance of 9,500,000 thousand new shares with a par value of AED 1 per share. Further, the Shareholders approved the distribution of the increased share capital pro-rate to the shares they hold as documented in the amendment to the addendum of the Memorandum of Association. The increase in share capital was completed by capitalizing retained earnings by an amount of AED 181,266 thousand and share premium of AED 9,318,734 thousand.

On 20 October 2023, the Shareholders approved to increase the share capital of the Company from AED 10,000,000 thousand to AED 11,111,111 thousand, through the issuance of 1,111,111 thousand new shares with a par value of AED 1 per share. Further, the new shares of 1,111,111 thousand were sold through a public offering, which took place in December 2023, at a price of AED 3.26 per share. The proceeds from the offering amounted to AED 3,618,859 thousand (net of initial public offering related cost AED 3,363 thousand) and resulted in share premium of AED 2,507,749 thousand.

17 STATUTORY RESERVE

In accordance with UAE Federal Law No. (32) of 2021 and the Company's Articles of Association, the Company has established a statutory reserve by appropriation of 10% of profit for each year until the reserve equals 50% of the share capital. This reserve is not available for distribution except as stipulated by the Law.

18 BORROWINGS

Movement in bank borrowings during the year was as follows:

	2024 AED'000	2023 AED'000
At 1 January	289,590	294,316
Term loan draw-down *	1,845,000	–
Transaction cost paid	(14,660)	–
Acquired through business combinations (note 5.1) **	709,639	–
Repayments ***	(797,129)	(4,726)
Interest expense for the year (note 29)	113,247	–
Disposal of subsidiaries (note 5.2)	(288,362)	–
Foreign exchange movement	2,918	–
At 31 December	1,860,243	289,590

Notes to the Consolidated Financial Statements continued

31 December 2024

18 BORROWINGS continued

Annual interest rate	Maturity	2024 AED '000	2023 AED '000	Instalments	Purpose	Security
3m EIBOR+1.1% p.a.	January 2027	1,845,000	–	On maturity	To finance the acquisition	Secured against corporate guarantee provided by the Group and its certain operating subsidiaries
3m EIBOR+3.5% p.a.	November 2036	–	300,000	Quarterly	To finance the purchase of a hospital building	Secured against properties
1.5 % p.a.	December 2029	8,577	–	On maturity	Working capital support	Un-Secured

* During the year, the Group entered into a loan facility agreement with a local bank for the amount of AED 2,345,000 thousand. Out of this facility limit, AED 1,845,000 thousand was drawn during the year and utilized for the acquisition of Circle Health. The facility is repayable in one bullet payment by the maturity date and the interest is payable on quarterly basis.

** The loan acquired by the Group through the acquisition of Circle Health was subsequently settled by the Group.

*** This item includes an amount of AED 91,846 thousand of interest paid during the year.

Borrowings are presented in the consolidated statements of financial position as follows:

	2024 AED'000	2023 AED'000
Non-current portion	1,834,039	284,628
Current portion	26,204	4,962
	1,860,243	289,590

Notes to the Consolidated Financial Statements continued

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19 LEASE LIABILITIES

	2024 AED'000	2023 AED'000
At 1 January	1,666,289	1,608,392
Acquired through business combinations (note 5.1)	10,502,471	3,995
Additions	415,997	26,696
Lease modification and cancellations	160,685	34,273
Interest expense for the year (note 29)	712,032	78,216
Payments	(774,193)	(85,283)
Disposal of subsidiaries (note 5.2)	(12,984)	–
Foreign exchange movement	(158,204)	–
At 31 December	12,512,093	1,666,289

Lease liabilities are presented in the consolidated statements of financial position as follows:

	2024 AED'000	2023 AED'000
Non-current portion	12,205,124	1,620,448
Current portion	306,969	45,841
	12,512,093	1,666,289

20 INCOME TAX EXPENSE

The major components of income tax expense in the consolidated statement of profit or loss are as follows:

	2024 AED'000	2023 AED'000
Current tax charge:		
Income tax @ 9% (UAE operations)	183,680	–
Income tax @ 25% (UK operations)	560	–
Total current tax	184,240	–
Deferred tax (benefit) expense:		
Relating to origination and reversal of temporary differences		
UAE operations	(35,128)	418,698
UK operations	(87,076)	–
Total deferred tax (benefit) expense	(122,204)	418,698
Total tax expense for the year	62,036	418,698

Tax charge to other comprehensive income as follows:

	2024 AED'000	2023 AED'000
Change in fair value of investments in financial assets carried at fair value through other comprehensive income	2,055	–
Remeasurement gain on defined benefits plans	6,063	–
Related to other items	(1,311)	–
Total current tax charge to other comprehensive income	6,807	–

Notes to the Consolidated Financial Statements continued

31 December 2024

20 INCOME TAX EXPENSE continued

The reconciliation of tax expense to accounting profit before tax comprised of as follows:

	2024 AED'000	2023 AED'000
Accounting profit before tax	1,777,761	1,383,649
Tax at the domestic rate of 9% (2023: 0%)	159,998	-
Adjusted for:		
Income taxable at the rate of 0%	(22,424)	-
Exempt income	(6,333)	-
Non-deductible expenses	831	-
Non-absorbable losses of disposed of subsidiaries	3,438	-
Effect of higher tax rate applicable to loss making foreign operations	(65,611)	-
Relating to enactment of UAE Corporate Tax	-	418,698
Others	(7,863)	-
Tax expense	62,036	418,698

Movement in income tax payable is as follows:

	2024 AED'000	2023 AED'000
At 1 January	-	-
Acquired through business combinations (note 5.1)	717	-
Tax charge to profit or loss for the year	184,240	-
Tax charge to other comprehensive income for the year	6,807	-
Realization of preacquisition taxable losses of a subsidiary (note 5.1)	(8,861)	-
Others	28	-
Foreign exchange movement	(21)	-
At 31 December	182,910	-

Movement in net deferred tax liabilities is as follows:

	2024 AED'000	2023 AED'000
At 1 January	418,698	-
Deferred tax liabilities acquired through business combinations (note 5.1)	712,768	-
Deferred tax asset acquired through business combinations (note 5.1)	(187,240)	-
Realization of preacquisition taxable losses of a subsidiary	8,861	-
Tax (benefit) / charge for the year	(122,204)	418,698
Foreign exchange movement	(5,729)	-
At 31 December	825,154	418,698
Deferred tax liabilities / assets are presented in the consolidated statement of financial position as follows:		
	2024 AED'000	2023 AED'000
Deferred tax liabilities	1,025,139	418,698
Less: deferred tax asset	(199,985)	-
	825,154	418,698

Notes to the Consolidated Financial Statements continued

31 December 2024

20 INCOME TAX EXPENSE continued

As at reporting date, deferred tax asset and liabilities comprises of:

	2024 AED'000	2023 AED'000
Deferred Tax Assets		
Tax losses	162,764	–
Other timing differences	37,221	–
	199,985	–
Deferred Tax Assets		
Goodwill	120,790	120,790
Intangible assets (excluding goodwill)	418,881	262,446
Right-of-use assets	281,253	278
Accelerated depreciation for tax purposes	111,556	–
Land, buildings and other assets	55,651	13,381
Other temporary differences	37,008	21,803
	1,025,139	418,698

21 NET DEFINED BENEFITS LIABILITIES

	2024 AED'000	2023 AED'000
Employees' end of service benefits (a)	1,506,422	1,413,143
Defined benefit plan, net of assets (b)	–	–
	1,506,422	1,413,143
a) Employees' end of service benefits		
The movement in employees' end of service benefits during the year is as follows:		
	2024 AED'000	2023 AED'000
At 1 January	1,413,143	1,542,089
Acquired through business combinations (note 5.1)	95,578	4,095
Charge for the year	227,257	153,168
Actuarial gain recognised in other comprehensive income (i)	(67,368)	(77,220)
Payments	(156,889)	(208,787)
Disposal of subsidiaries (note 5.2)	(5,299)	(202)
At 31 December	1,506,422	1,413,143

(i) The actuarial valuation of the present value of the defined benefit obligations was carried out at 31 December 2024 and 2023 by an actuary registered in the UAE. The present value of defined benefit obligations and the related current and past service cost were measured using the projected unit credit method.

Notes to the Consolidated Financial Statements continued

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21 NET DEFINED BENEFITS LIABILITIES continued

a) Employees' end of service benefits continued

The provision is recognised based on the following significant assumptions:

	2024 AED'000	2023 AED'000
Average period of employment (years)	3.1–9.1	3.4–10.3
Average annual rate of salary increase (percentage)	2%–3%	2.0%
Average annual voluntary termination rate (percentage)	4%–8%	8.0%
Discount rate (percentage)	5.25%	4.8%

Demographic assumptions for mortality, withdrawal and retirement were used in valuing the liabilities and benefits under the plan. Because of the nature of the benefit, which is a lump sum payable on exit due to any cause, a combined single rate has been used.

Charge for the year ended 31 December 2024 includes current service cost of AED 165,086 thousand and net interest cost of AED 62,171 thousand (2023: AED 87,222 thousand and AED 65,946 thousand), respectively.

Actuarial losses recognised in other comprehensive income includes the following:

	2024 AED'000	2023 AED'000
Actuarial gain arising from experience adjustments	(30,583)	(22,174)
Actuarial gain arising from changes in financial assumptions	(36,785)	(55,046)
	(67,368)	(77,220)

The weighted average duration of the defined benefit obligation is 5 years. The mortality rates for ages 18 to 59 range between 0.24 to 3.23 deaths per thousand of population (2023: 0.24 to 3.20).

Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

	2024 Increase AED'000	2024 Decrease AED'000	2023 Increase AED'000	2023 Decrease AED'000
Actuarial assumptions:				
Discount rate (0.5%)	(34,899)	36,649	(33,423)	35,266
Annual rate of salary increment (0.5%)	37,827	(36,165)	36,042	(34,440)
Voluntary termination rate (2%)	22,949	(27,622)	18,596	(22,387)

This end of service benefit schemes are governed by the employment laws of United Arab Emirates. The management ensure compliance with the requirements of the employment law on an on-going basis.

b) Defined benefit plan, net of assets

Defined contribution scheme

The Group operates defined contribution retirement benefit schemes for all its qualifying employees.

	2024 AED'000	2023 AED'000
Total contribution costs charged to the income statement	279,748	204,600

Defined benefit schemes

The Group sponsors a funded defined benefit pension plan for qualifying UK employees, the General Healthcare Group Limited Pension and Life Assurance Plan. The Plan is administered by GHG (DB) Pension Trustees Limited, an independent trustee. The Trustee is required by law to act in the interest of all relevant beneficiaries and are responsible for the investment policy for the assets and the day-to-day administration of the benefits.

Under the Plan, employees are entitled to annual pensions on retirement at age 65 for each year of service. The Plan is closed to future accrual. The level of benefits accrued by members is based on the length of their pensionable service and their pensionable salaries at the earlier of the date on which they left the Plan or the date at which the Plan closed to the future accrual of benefits.

Notes to the Consolidated Financial Statements continued

31 December 2024

21 NET DEFINED BENEFITS LIABILITIES continued

b) Defined benefit plan, net of assets continued

Profile of the plan

The Defined Benefit Obligation (DBO) includes benefits for former employees and current pensioners. The benefits under the Plan were secured by way of an insurance contract with Aviva in 2020, at which point about 63% of the liabilities were attributable to deferred pensioners and 37% to current pensioners. The membership data used for this project are projected from those as at the latest funding valuation of 30 September 2021, at which point 50% of the liabilities were attributable to each of the deferred pensioners and the in-payment pensioners.

The Plan duration is an indicator of the weighted-average time until benefit payments are made. For the Plan as a whole, the duration is approximately 12 years.

Risks associated with the plan

The Plan has now sold most of its assets and entered into an annuity contract with Aviva. As such, many of the risks it was previously exposed to have been removed. Investment, inflation and longevity risk are removed as Aviva are contractually obliged to fund members' benefits in the future. However, the Trustee still retains the legal responsibility to pay members' benefits to each individual member.

Funding requirements

UK legislation requires that pension Plans are funded prudently. The last funding valuation of the Plan was carried out by a qualified actuary as at 30 September 2021 and showed a surplus of AED 17,291 thousand. Now that the buy-in is complete, the Group is no longer paying deficit contributions. The Plan is expected to transition to buy-out in the near future and there will be no need for actuarial valuations in the future.

Reporting at 31 December 2024

The liabilities of the Scheme were valued as at 30 September 2021, using a data extract provided by the administrators for the purposes of valuing the benefits secured under the insurance contract. These results were projected to the valuation date of 31 December 2024 allowing for changes in market conditions, and differences in the financial and demographic assumptions. The present value of the Defined Benefit Obligation was measured using the projected unit credit method. The directors consider they have a right to any surplus asset on the final settlement of all scheme liabilities but have not recognised an asset for this surplus as this is not considered material to the consolidated financial statements.

The principal assumptions used to calculate the liabilities under IAS 19 are as follows:

Mortality rate

Pensioner life expectancy assumed as at 31 December is based on the S2P tables with scaling factors of 103% for male deferred pensions, 100% for male current pensioners, 91% for female deferred pensioners and for 89% for female current pensioners. Future improvements in longevity are assumed in line with the CMI 2023 projection model with a smoothing factor of 7 and a long-term rate of improvement of 1.25% pa. Samples of the ages to which pensioners are assumed to live are as follows:

	2024	2023
Life expectancy for male currently aged 65	86.1	–
Life expectancy for female currently aged 65	89.1	–
Life expectancy at 65 for male currently aged 45	87.1	–
Life expectancy at 65 for female currently aged 45	90.4	–

Sensitivity to key assumptions

The key assumptions used for IAS 19 are: discount rate, inflation and mortality. If different assumptions were used, this could have a material effect on the identical values placed on the liabilities and the insured asset. The sensitivity of the results to these assumptions is set out below.

	Change AED'000	New value AED'000
Following a 0.25% decrease in the discount rate:		
DBO at 31 December 2024	9,695	324,617
Surplus at 31 December 2024	–	29,364
Following a 0.25% increase in the inflation assumption:		
DBO at 31 December 2024	6,110	320,798
Surplus at 31 December 2024	–	29,364
Following a one year increase in life expectancy:		
DBO at 31 December 2024	11,816	326,738
Surplus at 31 December 2024	–	29,364

Notes to the Consolidated Financial Statements continued

31 December 2024

21 NET DEFINED BENEFITS LIABILITIES continued

b) Defined benefit plan, net of assets continued

	2024 AED'000	2023 AED'000
Present value of obligation		
At beginning of the period	–	–
Acquired through business combinations	368,460	–
Interest cost	16,104	–
Actuarial gain	(42,084)	–
Benefit payments	(21,225)	–
Foreign exchange movement	(6,337)	–
At end of the year	314,918	–
Fair value of scheme assets		
At beginning of the period	–	–
Acquired through business combinations	400,682	–
Interest income	17,554	–
Actuarial loss	(43,877)	–
Benefit payments	(21,225)	–
Administration expenses	(1,924)	–
Foreign exchange movement	(6,928)	–
At end of the year	344,282	–

Asset classes of scheme assets

The Plan assets are invested in the following asset classes. All invested assets have a quoted market value in an active market. None of the assets are invested in the Group’s financial instruments or in property occupied by, or other assets used by, the Group.

	2024 AED'000	2023 AED'000
Asset classes of scheme assets		
Cash instruments and sterling deposits	27,735	–
Cash at bank	1,629	–
Annuity contract	314,918	–
At end of the year	344,282	–
The reconciliation to the amount shown on the consolidated statement of financial position is as follows:		
	2024 AED'000	2023 AED'000
Present value of obligation	(314,918)	–
Fair value of scheme assets	344,282	–
Unrecognised portion of scheme assets	(29,364)	–
Net surplus recognised	–	–

Notes to the Consolidated Financial Statements continued

31 December 2024

21 NET DEFINED BENEFITS LIABILITIES continued

b) Defined benefit plan, net of assets continued

The net amount recognised in reserves is as follows:

No amounts have been recognised in the consolidated statement of profit or loss for the current or prior year. The administration expenses for the plan are settled by the scheme and are therefore not recognised within the consolidated statement of profit or loss.

	31 December 2024 AED'000	31 December 2023 AED'000
Actuarial gain on scheme obligations	42,084	–
Actuarial loss on scheme assets	(43,877)	–
Movement in unrecognised pension surplus	3,717	–
Actuarial gain on defined benefit pension schemes	1,924	–
Net effect in reserves arising from movements on future scheme commitment	(1,924)	–
	–	–

Analysis of gains/losses

Overall, there was a total actuarial loss of AED 1,793 thousand during the year, which is broken down as follows.

Financial assumptions resulted in a gain of AED 37,798 thousand, mainly due to the increase in the discount rate assumption. This gain was partially offset by the increase in the RPI inflation assumption and related inflation-linked increases. Demographic assumptions resulted in a gain of AED 2,897 thousand, mainly due to changes in the mortality assumption, in particular updating the CMI 2023 projection model. DBO experience resulted in a gain of AED 1,389 thousand, mainly due to higher than expected deferred revaluation and pension increases over the year. During the year, asset returns underperformed against the discount rate with a loss of AED 43,877 thousand. This was entirely due to the value of the primary asset, the insurance contract, being set to equal the value of the liabilities.

22 OTHER LIABILITIES

	2024 AED'000	2023 AED'000
Liabilities relating to hospitals under management *	82,541	61,110
Deferred government grants	180,596	93,478
Others	11,483	–
	274,620	154,588

* This item represents end of service benefits of hospitals' employees payable in accordance with the hospitals' management agreement entered into by the Group.

Other liabilities are presented in the consolidated statement of financial position as follows:

	2024 AED'000	2023 AED'000
Non-current	186,640	154,588
Current	87,980	–
	274,620	154,588

Notes to the Consolidated Financial Statements continued

31 December 2024

23 TRADE AND OTHER PAYABLES

	2024 AED'000	2023 AED'000
Trade payables	1,651,143	1,369,289
Unearned income	167,152	284,706
Advances from customers (note 23.1)	685,918	392,441
Accrued expenses (note 23.2)	3,274,971	2,086,845
Government funded programs payables	1,574,209	794,423
Other payables	218,093	29,653
Fines collected on behalf of Department of Health –Abu Dhabi (note 23.3)	4,962	6,759
	7,576,448	4,964,116

- 23.1** Advances from customers includes an amount of AED 565,994 thousand (2023: AED 322,243 thousand) received from a customer in relation to the purchase and supply of medical supplies.
- 23.2** Included in accrued expenses is a net amount of AED 540,906 thousand (2023: AED 252,215 thousand) against management of hospitals in the Northern Emirates. In addition, an amount of AED 2,202,849 thousand (2023: AED 1,157,023 thousand) relates to accruals against inventories and services received but not invoiced by the suppliers.
- 23.3** In accordance with Circular no. (35) issued by Department of Health –Abu Dhabi (DOH) in 2010, all insurance companies licensed in health insurance field in the Emirate of Abu Dhabi, should collect fines from the violators of health insurance system on behalf of DOH, upon issuance and renewal of their insurance policies.

Notes to the Consolidated Financial Statements continued

31 December 2024

24 REINSURANCE CONTRACT ASSETS AND INSURANCE CONTRACT LIABILITIES

a) Reinsurance contract assets

		Amounts recoverable on incurred claims		
	Assets for remaining coverage AED'000	Estimates of the present value of future cash flows AED'000	Risk adjustment (RA) AED'000	Total AED'000
Reinsurance contract assets as at 1 January 2024	(212,877)	1,503,141	40,634	1,330,898
Allocation of reinsurance premiums (i)	(2,366,085)	–	–	(2,366,085)
Amounts recoverable from reinsurers for incurred claims (i) and (ii)	–	3,376,706	12,587	3,389,293
Net (expense) / income from reinsurance contracts held	(2,366,085)	3,376,706	12,587	1,023,208
Reinsurance commission expense (i)	229	–	–	229
Total changes in the consolidated statement of profit or loss	(2,365,856)	3,376,706	12,587	1,023,437
Cash flows:				
Premiums paid	2,142,687	–	–	2,142,687
Amounts received (iii)	–	(2,970,171)		(2,970,171)
Total cash flows	2,142,687	(2,970,171)	–	(827,484)
Reinsurance contract assets as at 31 December 2024	(436,046)	1,909,676	53,221	1,526,851

		Amounts recoverable on incurred claims		
	Assets for remaining coverage AED'000	Estimates of the present value of future cash flows AED'000	Risk adjustment (RA) AED'000	Total AED'000
Reinsurance contract assets as at 1 January 2023 (restated)	(76,612)	1,326,207	24,019	1,273,614
Allocation of reinsurance premiums (i)	(1,987,981)	–	–	(1,987,981)
Amounts recoverable from reinsurers for incurred claims (i) and (ii)	–	2,999,413	16,615	3,016,028
Net (expense) / income from reinsurance contracts held	(1,987,981)	2,999,413	16,615	1,028,047
Reinsurance commission expense (i)	5,098	–	–	5,098
Total changes in the consolidated statement of profit or loss	(1,982,883)	2,999,413	16,615	1,033,145
Cash flows:				
Premiums paid	1,846,618	–	–	1,846,618
Amounts received (iii)	–	(2,822,479)	–	(2,822,479)
Total cash flows	1,846,618	(2,822,479)	–	(975,861)
Reinsurance contract assets as at 31 December 2024	(212,877)	1,503,141	40,634	1,330,898

(i) Allocation of reinsurance premiums, amounts recoverable from reinsurers for incurred claims and reinsurance commission expense have been presented under cost of sales in the consolidated statement of profit or loss.
(ii) This includes receivables from the Government of Abu Dhabi in respect of insurance policies issued under the Basic product, amounting to AED 212,491 thousand (2023: 241,024 thousand) paid by the Group to health care providers.

Notes to the Consolidated Financial Statements continued

31 December 2024

24 REINSURANCE CONTRACT ASSETS AND INSURANCE CONTRACT LIABILITIES

continued

b) Insurance contract liabilities

		Liabilities for incurred claims		
	Liabilities for remaining coverage AED'000	Estimates of the present value of future cash flows AED'000	Risk adjustment (RA) AED'000	Total AED'000
Insurance contract liabilities as at 1 January 2024	764,337	1,725,216	74,346	2,563,899
Insurance revenue*	(6,112,400)	–	–	(6,112,400)
Insurance service expenses**	159,173	5,699,907	40,807	5,899,887
Insurance service result	(5,953,227)	5,699,907	40,807	(212,513)
Total changes in the consolidated statement of profit or loss	(5,953,227)	5,699,907	40,807	(212,513)
Cash flows:				
Premiums paid	6,250,436	–	–	6,250,436
Claims and other expenses paid	–	(5,207,708)	–	(5,207,708)
Insurance acquisition cash flows	(161,475)	–	–	(161,475)
Total cash flows	6,088,961	(5,207,708)	–	881,253
Insurance contract liabilities as at 31 December 2024	900,071	2,217,415	115,153	3,232,639

		Liabilities for incurred claims		
	Liabilities for remaining coverage AED'000	Estimates of the present value of future cash flows AED'000	Risk adjustment (RA) AED'000	Total AED'000
Insurance contract liabilities as at 1 January 2023	672,672	1,602,379	43,965	2,319,016
Insurance revenue*	(5,248,338)	–	–	(5,248,338)
Insurance service expenses**	147,465	5,565,652	30,381	5,743,498
Insurance service result	(5,100,873)	5,565,652	30,381	495,160
Total changes in the consolidated statement of profit or loss	(5,100,873)	5,565,652	30,381	495,160
Cash flows:				
Premiums paid	5,339,294	–	–	5,339,294
Claims and other expenses paid	–	(5,442,815)	–	(5,442,815)
Insurance acquisition cash flows	(146,756)	–	–	(146,756)
Total cash flows	5,192,538	(5,442,815)	–	(250,277)
Insurance contract liabilities as at 31 December 2023	764,337	1,725,216	74,346	2,563,899

* Insurance revenue has been presented under health insurance revenue in the consolidated statement of profit or loss.

** Insurance service expenses have been presented under cost of sales in the consolidated statement of profit or loss.

Notes to the Consolidated Financial Statements continued

31 December 2024

25 RELATED PARTIES

The Group, in the ordinary course of business, entered into a variety of transactions at agreed terms and conditions, with companies, entities or individuals that fall within the definition of “related parties” as defined in IAS 24 – Related Party Disclosures. Related parties comprise the shareholders, key management staff and business entities related to them, companies under common ownership and/or common management and control, their partners and key management personnel. Pricing policies and terms of these transactions are approved by the Group’s management and the transactions with the related parties are based on agreements.

For the year ended 31 December 2024, the Group has not recorded any impairment of receivables relating to amounts due from related parties.

The following are the balances arising on transactions with related parties:

	2024 AED’000	2023 AED’000
Due from related parties:		
Other related parties*	1,178,168	262,219
Due to related parties:		
Other related parties	78,142	72,303
Key management personnel (note 25.1)	533,317	535,672
	611,459	607,975
Balances with financial institutions	8,982,591	5,473,330
Loan from a financial institution	1,851,741	–
Right of use assets	1,729,528	739,893
Lease liabilities	2,251,181	972,445

* This includes an amount of AED 40,190 thousand receivable on disposal of subsidiaries (note 5.2). The consideration receivable represents the amount that was agreed between the parties.

Balances related to deferred government mandates, government funded programs receivables, government funded programs payables, and fines collected on behalf of Department of Health – Abu Dhabi, are disclosed in note 13, note 22 and note 23, respectively.

Transactions with related parties during the year are as follows:

	2024 AED’000	2023 AED’000
Other related parties:		
Expenses incurred by the Group on behalf of related parties	400,969	7,613
Expenses incurred by related parties on behalf of the Group	(193)	(10,425)
Goods sold and services rendered to related parties	840,732	490,196
Goods purchased and services received from related parties	(137,660)	(245,458)
Bank charges	17,069	14,243
Interest expense	113,247	–
Interest income	183,107	75,104
Borrowings (net)	1,830,340	–
Sale of subsidiaries (note 5.2)	40,190	–
Finance cost – Leases	(100,334)	(70,956)
Depreciation – Leases	(163,575)	(146,167)
Loan repaid	–	(110,358)
Dividend paid	–	(300,000)
Compensation of key management personnel salaries and other benefits:		
Short-term benefits (note 25.1)	25,691	61,260
End of service benefits	2,354	831
	28,045	62,091

25.1 This item represents the outstanding short-term benefits relating to incentive of 5% of the net profit of certain subsidiaries which their respective Managing Director / Group Chief Executive Officer and Chief Executive Officer were entitled to in previous years. No incentive was recorded during the year ended 31 December 2024 (2023: AED 39,391 thousand).

Notes to the Consolidated Financial Statements continued

31 December 2024

26 REVENUE

	2024 AED'000	2023 AED'000
Type of goods or service:		
Hospital and other healthcare related services (i)	17,971,453	9,369,847
Diagnostic services	325,331	401,520
Health insurance services (iii)	6,528,210	5,619,572
Procurement and supply of medical related products	868,251	960,457
Technology services and others	154,997	47,524
	25,848,242	16,398,920
Timing of revenue recognition:		
Revenue at a point in time	7,068,374	2,548,624
Revenue over time	18,779,868	13,850,296
	25,848,242	16,398,920

The geographical information of revenues generated is as follows:

	2024 AED'000	2023 AED'000
Within UAE	19,842,372	16,398,920
Outside UAE	6,005,870	–
	25,848,242	16,398,920

- (i) This includes a contract that the Group has, to operate and manage hospitals and healthcare facilities on behalf of “The Committee for Follow-Up on Implementing Initiatives for H.H. The President of UAE”.
- (ii) This includes management and administration fees, to operate Government funded programs amounting to AED 415,810 thousand for year ended 31 December 2024 (2023: AED 359,810 thousand).

Contract assets balance is as follows:

	2024 AED'000	2023 AED'000
Contract assets	1,815,381	688,934
Provision for expected credit losses on contract asset	(64,734)	(55,472)
Net contract assets	1,750,647	633,462

Movement in the allowance for expected credit losses of contract assets is as follows:

	2024 AED'000	2023 AED'000
At 1 January	55,472	–
Charge for the year (note 28)	9,262	55,472
At 31 December	64,734	55,472

Contract assets are presented in the consolidated statement of financial position as follows:

	2024 AED'000	2023 AED'000
Current	1,750,647	633,462

Notes to the Consolidated Financial Statements continued

31 December 2024

27 COST OF SALES

	2024 AED'000	(Reclassified note 2.3) 2023 AED'000
Inventory consumed	4,247,312	3,407,136
Salaries, allowances and benefits	5,459,145	2,671,773
Hospitals management services	2,006,118	1,305,134
Insurance claims expenses	4,924,196	4,816,833
Outsourcing and purchased services	1,230,394	157,673
Depreciation of property and equipment (note 6)	339,850	263,462
Amortisation of intangible assets (note 9)	178,848	105,789
Depreciation of right-of-use assets (note 8)	628,448	195,601
Depreciation of investment property (note 7)	587	586
Other direct cost of goods sold	197,544	52,020
	19,212,442	12,976,007

28 GENERAL AND ADMINISTRATIVE EXPENSES

	2024 AED'000	(Reclassified note 2.3) 2023 AED'000
Salaries, allowances and benefits	2,667,950	1,601,651
Depreciation of property and equipment (note 6)	284,669	300,599
Depreciation of investment property (note 7)	12	12
Depreciation of right-to-use assets (note 8)	150	494
Amortisation of intangible assets (note 9)	127,828	98,042
Impairment of property and equipment (note 6)	10,748	–
Impairment of intangible assets (note 9)	22	–
Impairment of right-of-use assets (note 8)	55,069	–
Allowance for slow moving inventories (note 12)	3,039	4,968
Allowance for expected credit losses for trade receivable (note 13)	68,794	99,559
Allowance / (reversal) for expected credit losses of other receivables (note 13)	205,049	(91,384)
Allowance for expected credit loss of government funded programs receivables (note 13)	1,637	14,306
Allowance for expected credit loss of contract asset (note 26)	9,262	55,472
(Reversal) / allowance for expected credit loss for cash and banks (note 15)	(7,284)	5,762
Utilities and communication	198,533	138,054
Outsourcing and purchased services	292,346	211,346
Business travel	52,788	5,996
Office expenses	112,496	44,012
IT expenses	57,120	39,211
Insurance expenses	49,413	–
Consulting and professional services expenses	278,583	78,537
Management incentive (note 25.1)	–	39,391
Other expenses	197,501	72,227
	4,665,725	2,718,255

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31 December 2024

29 FINANCE COSTS

	2024 AED'000	2023 AED'000
Interest expense on leases (note 19)	712,032	78,216
Interest expense on borrowings (note 18)	113,247	–
Others	22,355	39,256
	847,634	117,472

30 OTHER INCOME, NET

	2024 AED'000	(Reclassified note 2.3) 2023 AED'000
Gain / (loss) on disposals of property and equipment (note 6)	444	(1,569)
Interest income	285,492	130,155
Dividend income	18,554	19,372
Net gain on loss of significant influence of an associate (note 10)	56,332	–
Rental income	8,570	36,021
Gain on disposal of a subsidiary (note 5.2)	–	955
Change in fair value of investment in financial assets carried at fair value through profit or loss (note 11)	11,843	(8,713)
Grant income related to covid	87,434	461,595
Grant income related to capital expenditures	15,265	4,147
Miscellaneous income	124,068	173,291
	608,002	815,254

31 BASIC EARNINGS PER SHARE

Basic earnings per share are calculated by dividing the profit for the year attributed to the Shareholders of the Group by the weighted average number of shares outstanding during the year, as follows:

	2024	2023
Profit attributed to owners of the Company (AED '000')	1,711,640	964,657
Weighted average number of shares (shares in thousands)	11,111,111	10,036,530
Basic and diluted earnings per share for the year (AED)	0.15	0.10

The Group does not have any instruments which could have a dilutive impact on earnings per share when these would have been converted or exercised.

32 CONTINGENT LIABILITIES AND COMMITMENTS

	2024 AED'000	2023 AED'000
Letters of guarantee	147,128	210,851
Capital and purchase commitments (note 14)	1,589,577	3,934,489

The Group is defendant on certain legal cases. The outcome of these cases is dependent on occurrence / non-occurrence of uncertain future events. The Group has taken a provision of AED 63,979 thousand against those legal cases, which in the view of the Group's management is adequate to cover any future liabilities that may arise.

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31 December 2024

33 FAIR VALUE MEASUREMENT

While the Group prepares its financial information under the historical cost convention modified for measurement to fair value of investments carried at fair value and derivative financial instruments. In the opinion of management, the estimated fair values of financial assets and liabilities that are not carried at fair value in the consolidated financial statements are not materially different from their carrying values.

Fair value hierarchy

When measuring the fair value of an asset or liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

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.

The table below analyses financial instruments measured at fair value at the end of the reporting year, by the level in the fair value hierarchy into which the fair value measurement is categorised. Fair value measurements are categorised in its entirety in the same fair value level and that such level is determined based on the lowest level of input used in the measurement.

	Level 1 AED'000	Level 2 AED'000	Level 3 AED'000	Total AED'000
At 31 December 2024				
Investments				
Investments at fair value through profit or loss (note 11)	269,088	–	1,496	270,584
Investment at fair value through comprehensive income (note 11)	2,008,390	–	1,301	2,009,691
	2,277,478	–	2,797	2,280,275
Derivative financial instrument	–	–	–	–
At 31 December 2023				
Investments				
Investments at fair value through profit or loss (note 11)	348,432	–	2,937	351,369
Investment at fair value through comprehensive income (note 11)	253,995	–	12,310	266,305
	602,427	–	15,247	617,674
Derivative financial instrument (note 14)	–	24,511	–	24,511

Movement in level 3 for investments at fair value through profit or loss is as follows:

	2024 AED'000	2023 AED'000
At 1 January	2,937	2,134
(Loss) / gain from change of fair value of investments	(1,305)	641
Foreign exchange movement	(136)	162
At 31 December	1,496	2,937

Movement in level 3 for investments at fair value through other comprehensive income is as follows:

	2024 AED'000	2023 AED'000
At 1 January	12,310	9,433
Additions	4,182	6,914
Disposal	(16,184)	[5,227]
Gain from change of fair value of investments	993	1,190
At 31 December	1,301	12,310

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31 December 2024

34 FINANCIAL ASSETS AND FINANCIAL LIABILITIES

	At fair value through profit or loss AED'000	At fair value through OCI AED'000	Amortised cost AED'000	Total AED'000
At 31 December 2024				
Financial assets:				
Investments (note 11)	270,584	2,009,691	568,001	2,848,276
Reinsurance contract assets (note 24)	–	–	1,526,851	1,526,851
Indemnification asset (note 13)	–	–	113,647	113,647
Cash and bank balances (note 15)	–	–	11,951,518	11,951,518
Margin deposits (note 13)	–	–	43,292	43,292
Trade receivables (note 13)	–	–	1,844,101	1,844,101
Other receivables (note 13)	–	–	1,688,208	1,688,208
Government funded programs receivables (note 13)	–	–	941,746	941,746
Due from related parties (note 25)	–	–	1,178,168	1,178,168
Contract assets (note 26)	–	–	1,750,647	1,750,647
Sublease receivable (note 13)	–	–	7,210	7,210
	270,584	2,009,691	21,613,389	23,893,664
Financial liabilities:				
Insurance contract liabilities (note 24)	–	–	3,232,639	3,232,639
Trade payables (note 23)	–	–	1,651,143	1,651,143
Fines collected on behalf of Department of Health – Abu Dhabi (note 23)	–	–	4,962	4,962
Other payables (note 23)	–	–	218,093	218,093
Borrowings (note 18)	–	–	1,860,243	1,860,243
Due to related parties (note 25)	–	–	611,459	611,459
Lease liabilities (note 19)	–	–	12,512,093	12,512,093
Government funded programs payables (note 23)	–	–	1,574,209	1,574,209
	–	–	21,664,841	21,664,841

	At fair value through profit or loss AED'000	At fair value through OCI AED'000	Amortised cost AED'000	Total AED'000
At 31 December 2023				
Financial assets:				
Investments (note 11)	351,369	266,305	–	617,674
Reinsurance contract assets (note 24)	–	–	1,330,898	1,330,898
Cash and bank balances (note 15)	–	–	10,559,509	10,559,509
Margin deposits (note 13)	–	–	43,572	43,572
Trade receivables (note 13)	–	–	2,067,847	2,067,847
Other receivables (note 13)	–	–	1,768,196	1,768,196
Government funded programs receivables (note 13)	–	–	485,493	485,493
Due from related parties (note 25)	–	–	262,219	262,219
Derivative financial instruments (note 14)	–	24,511	–	24,511
Contract assets (note 26)	–	–	633,462	633,462
Sublease receivable (note 13)	–	–	1,260	1,260
	351,369	290,816	17,152,456	17,794,641
Financial liabilities:				
Insurance contract liabilities (note 24)	–	–	2,563,899	2,563,899
Trade payables (note 23)	–	–	1,369,289	1,369,289
Fines collected on behalf of Department of Health – Abu Dhabi (note 23)	–	–	6,759	6,759
Other payables (note 23)	–	–	29,653	29,653
Borrowings (note 18)	–	–	289,590	289,590
Due to related parties (note 25)	–	–	607,975	607,975
Lease liabilities (note 19)	–	–	1,666,289	1,666,289
Government funded programs payables (note 23)	–	–	794,423	794,423
	–	–	7,327,877	7,327,877

For the purpose of the above disclosure, non-financial assets amounting to AED 313,371 thousand as at 31 December 2024 (2023: AED 315,867 thousand) were excluded from trade and other receivables and non-financial liabilities amounting to AED 4,128,041 thousand as at 31 December 2024 (2023: AED 2,763,992 thousand) were excluded from trade and other payables. The Group considers that the carrying amounts of financial assets and financial liabilities recorded in the consolidated financial statements approximate their fair values.

Notes to the Consolidated Financial Statements continued

31 December 2024

35 FINANCIAL RISK MANAGEMENT

35.1 FINANCIAL RISK MANAGEMENT OBJECTIVES

The Group has overall responsibility for the establishment and oversight of the Group's risk management framework. The Group is also responsible for developing and monitoring the Group's risk management policies. The Group's risk management policies are meant to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. The Group, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Group is exposed to the following risks related to financial instruments – credit risk, liquidity risk, market risk (including foreign exchange risk, interest rate risk and equity price risk) and insurance risk.

35.2 CAPITAL RISK MANAGEMENT

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debts, as considered appropriate.

The Group's policy is to maintain a strong capital base so as to maintain investor, creditor, and market confidence and to sustain future development of the business. The Group monitors the return on capital, which the Group defines as net profit divided by total shareholders' equity.

The Group finances its operations through equity, borrowings, and management of working capital with view of maintaining an appropriate mix between various source of finance to minimize risk. Capital comprises of share capital, share premium, statutory reserve, fair value reserve, currency translation reserve, merger and other reserves, and retained earnings and is measured at AED 19,714,189 thousand as at 31 December 2024 (2023: AED 16,052,795 thousand).

Notes to the Consolidated Financial Statements continued

31 December 2024

35 FINANCIAL RISK MANAGEMENT continued

35.3 CREDIT RISK MANAGEMENT

Credit risk is managed on Group basis, except for credit risk relating to trade receivables, policy holders receivables and related party balances. Each local entity is responsible for managing and analysing the credit risk for each of their new clients before standard payment and delivery terms and conditions are offered. Credit risk arises from cash and cash equivalents with banks and financial institutions, as well as credit exposures to customers, including outstanding receivables and committed transactions. Individual risk limits are based on management’s assessment on a case-by-case basis. The utilisation of credit limits is regularly monitored. The Group’s policy is to place cash and cash equivalents with reputable banks and financial institutions.

As of 31 December 2024, the credit exposure against five customers accounted for 62% of the total credit risk exposure and the expected credit losses of those five customers, were AED 75,772 thousand (2023: AED 29,740 thousand)

The tables below detail the credit quality of the Group’s financial assets, contract assets, as well as the Group’s maximum exposure to credit risk.

	Notes	12 month or lifetime ECL	Gross carrying amount AED '000	Allowance / impairment amount AED '000	Net carrying amount AED '000
At 31 December 2024					
Trade receivables	13	Lifetime ECL	1,984,564	(140,463)	1,844,101
Other receivables	13	Lifetime ECL	2,049,854	(361,646)	1,688,208
Contract assets	26	Lifetime ECL	1,815,381	(64,734)	1,750,647
Reinsurance contract assets	24	12-month ECL	1,526,851	–	1,526,851
Due from related parties	25	Lifetime ECL	1,178,168	–	1,178,168
Debt Instruments	11.3	Lifetime ECL	568,189	(188)	568,001
Cash and bank balances	15	12-month ECL	11,954,578	(3,060)	11,951,518
At 31 December 2023					
Trade receivables	13	Lifetime ECL	2,151,412	(83,565)	2,067,847
Other receivables	13	Lifetime ECL	1,920,470	(152,274)	1,768,196
Contract assets	26	Lifetime ECL	688,934	(55,472)	633,462
Reinsurance contract assets	24	12-month ECL	1,330,899	–	1,330,899
Due from related parties	25	Lifetime ECL	262,219	–	262,219
Cash and bank balances	15	12-month ECL	10,569,901	(10,392)	10,559,509

Notes to the Consolidated Financial Statements continued

31 December 2024

35 FINANCIAL RISK MANAGEMENT continued

35.4 LIQUIDITY RISK MANAGEMENT

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. 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. The management uses different methods, which assists it in monitoring cash flow requirements and optimising the return on investments. Typically, the Group ensures that it has sufficient cash on demand to meet expected operational expenses for a reasonable period, including the servicing of financial obligation; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters. The ultimate responsibility for liquidity risk management rests with the Directors of the Company, who have built an appropriate liquidity risk management framework for the management of the Group’s short, medium, and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

The maturity profile of the financial liabilities at the end of the reporting period based on existing contractual repayment arrangements was as follows:

	On demand AED'000	Less than 3 months AED'000	3 to 12 months AED'000	1 to 5 years AED'000	More than 5 years AED'000	Total AED'000
At 31 December 2024						
Insurance contract liabilities (note 24)	–	3,232,639	–	–	–	3,232,639
Trade payables (note 23)	302,558	1,092,617	255,968	–	–	1,651,143
Fines collected on behalf of Department of Health – Abu Dhabi (note 23)	–	4,962	–	–	–	4,962
Other payables (note 23)	–	218,093	–	–	–	218,093
Bank borrowings	–	–	103,960	1,931,895	–	2,035,855
Due to related parties (note 25)	–	611,459	–	–	–	611,459
Lease liabilities	3,375	176,034	699,848	3,814,020	17,441,480	22,134,757
Government funded programs payables (note 23)	–	1,574,209	–	–	–	1,574,209
Total	305,933	6,910,013	1,059,776	5,745,915	17,441,480	31,463,117
At 31 December 2023						
Insurance contract liabilities (note 24)	–	2,563,899	–	–	–	2,563,899
Trade payables (note 23)	17,491	389,557	962,241	–	–	1,369,289
Fines collected on behalf of Department of Health – Abu Dhabi (note 23)	–	6,759	–	–	–	6,759
Other payables (note 23)	–	29,653	–	–	–	29,653
Bank borrowings	–	4,153	12,369	107,389	275,859	399,770
Due to related parties (note 25)	–	607,975	–	–	–	607,975
Lease liabilities	1,704	9,039	63,115	1,469,683	726,567	2,270,108
Government funded programs payables (note 23)	–	794,423	–	–	–	794,423
Total	19,195	4,405,458	1,037,725	1,577,072	1,002,426	8,041,876

Notes to the Consolidated Financial Statements continued

31 December 2024

35 FINANCIAL RISK MANAGEMENT continued

35.5 MARKET RISK

(a) Foreign currency risk

Assets are typically funded in the same currency as that of the business being transacted to eliminate exchange exposures. The Group is exposed to currencies not denominated in USD or AED, as the latter is pegged to the UAE Dirham. Further, management believes that there is a minimal risk of significant losses due to exchange rate fluctuations in its UAE operations as most of its monetary assets and liabilities are denominated in UAE Dirhams. The Group exposure with respect to its subsidiary in the UK is as follows:

	2024 AED'000	2023 AED'000
Impact of 5% increase/ decrease in the exchange rate on the Group's OCI for the year (increase/decrease)	225,006	–

(b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's borrowings with floating interest rates. Policies for managing interest rate risk relating to its variable interest borrowings are established and followed by the Group.

For the purpose of sensitivity analysis, a change of 100 basis points in interest rates would have increased/ (decreased) the profit by the amounts shown below. This analysis assumes that all other variables remain constant.

	2024 AED'000	2023 AED'000
100 basis points increased	(18,602)	(2,896)
100 basis points decreased	18,602	2,896

(c) Equity price risk

Equity price risk is the risk that the fair values of equities change as the result of changes in the levels of equity indices and the value of individual stocks. The equity price risk exposure arises from the Group's investment portfolio.

The following table estimates the sensitivity to a possible change in equity markets on the Group's total comprehensive income, with all other variables held constant. The effect of changes in equity prices is expected to be equal and opposite to the effect of the increases shown.

	Changes in variables	31 December 2024 impact on profit AED'000	31 December 2023 impact on profit AED'000
Market index			
Abu Dhabi Securities Exchange	5%	8,199	8,686
Dubai Financial Market	5%	5,256	4,333
Germany Stock Market Index	5%	–	1,083
London Stock Exchange	5%	–	899
Paris Stock Market	5%	–	846
Swiss Exchange	5%	–	484
Others	5%	75	1,138

	Changes in variables	31 December 2024 impact on other comprehensive income AED'000	31 December 2023 impact on other comprehensive income AED'000
Market index			
New York Securities Exchange	5%	100,333	–
Swiss Exchange	5%	87	–
Others	5%	–	12,700

The limitations in the above sensitivity analyses include the use of hypothetical market movements to demonstrate potential risk that only represent the Group's view of possible near-term market changes that cannot be predicted with any certainty, and the assumption that all indices move in an identical fashion.

Notes to the Consolidated Financial Statements continued

31 December 2024

35 FINANCIAL RISK MANAGEMENT continued

35.6 INSURANCE RISK

The Group's underwriting business is based entirely within the UAE. The principal risk the Group faces under insurance contracts is that the actual claims and benefit payments or the timing thereof differ from expectations. This is influenced by the frequency of claims, severity of claims, actual benefits paid and subsequent development of long-term claims. Therefore, the objective of the Group is to ensure that sufficient reserves are available to cover these liabilities.

The above risk exposure is mitigated by diversification across a portfolio of insurance contracts. The variability of risks is also improved by careful selection and implementation of underwriting strategy guidelines, as well as through the use of reinsurance arrangements.

Reinsurance ceded contracts do not relieve the Group from its obligations to policyholders. The Group remains liable to its policyholders for the portion reinsured to the extent that any reinsurer does not meet the obligations assumed under the reinsurance agreements. The reinsurance strategy of the Group is designed to protect exposures to individual risks and events based in current risk exposures through cost effective insurance agreements.

Frequency and amounts of claims

The frequency and amounts of claims can be affected by several factors. The Group underwrites health insurance business, based on different health insurance products. Some products are subsidised product by the Government of Abu Dhabi. In the case of loss ratio being more than a 100% on the net risk premiums, the Group requests the government of Abu Dhabi to provide a subsidy to cover the losses. In the case of the loss ratio being less than 100% on the net risk premium, the Group is liable to transfer the excess to a specific account (Government Claim Cap).

These are regarded as short-term insurance contracts as claims are normally advised and settled within one year of the insured event taking place. This helps to mitigate insurance risk.

Managing reinsurance risk

In common with other insurance companies, in order to minimise financial exposure arising from large insurance claims, the Group, in the normal course of business, enters into arrangements with other parties for reinsurance purposes. Such reinsurance arrangements provide for greater diversification of business, allow management to control exposure to potential losses arising from large risks, and provide additional capacity for growth.

To minimise its exposure to significant losses from reinsurer insolvencies, the Group evaluates the financial condition of its reinsurer and monitors concentrations of credit risk arising from similar geographic regions, activities or economic characteristics of the reinsurers.

Sources of uncertainty in the estimation of future claim payments

Claims on insurance contracts are payable on a claims-occurrence basis. The Group is liable for all insured events that occurred during the term of the contract, even if the loss is discovered after the end of the contract term. As a result, certain claims are settled over a long period of time and element of the claims provision includes incurred but not reported claims (IBNR).

In estimating the liability for the cost of reported claims not yet paid, the Group considers information on the cost of settling claims with similar characteristics in previous periods.

The Group takes all reasonable steps to ensure that it has appropriate information regarding its claims' exposures. However, given the uncertainty in establishing claims provisions, it is possible that the final outcome will prove to be different from the original liability established.

Where possible, the Group adopts multiple techniques to estimate the required level of provisions. This provides a greater understanding of the trends inherent in the experience being projected. The projections given by the various methodologies also assist in estimating the range of possible outcomes. The most appropriate estimation technique is selected taking into account the characteristics of the business class and the extent of the development of each accident year.

In calculating the estimated cost of unpaid claims (both reported and not), the Group's estimation techniques are a combination of loss-ratio-based estimates and an estimate based upon actual claims experience using predetermined formulae where greater weight is given to actual claims experience as time passes.

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31 December 2024

35 FINANCIAL RISK MANAGEMENT continued

35.6 INSURANCE RISK continued

Claims development table

The following tables show the estimates of cumulative incurred claims, including both claims notified and IBNR for each successive year at each reporting date, together with cumulative payments to date.

	Before 2014 AED'000	2014 AED'000	2015 AED'000	2016 AED'000	2017 AED'000	2018 AED'000	2019 AED'000	2020 AED'000	2021 AED'000	2022 AED'000	2023 AED'000	2024 AED'000	Total AED'000
At end of the reporting year	10,658,461	3,788,412	4,742,502	5,600,325	5,225,182	4,973,060	4,409,653	3,875,896	4,126,833	4,806,964	5,962,403	6,487,421	64,657,112
One year later	(115,922)	(17,968)	(20,603)	(27,178)	(108,333)	63,907	36,713	30,218	(38,413)	10,468	(62,541)	–	(249,652)
Two years later	(23,539)	10,592	(2,018)	(49,348)	62,689	79,463	33,417	(19,784)	(31,481)	453	–	–	60,444
Three years later	(18,910)	(21,118)	(16,174)	26,033	20,078	5,077	(8,326)	(9,076)	(11,201)	–	–	–	(33,617)
Four years later	(2,411)	(6,310)	1,645	21,153	(5,083)	(584)	(5,886)	(12,948)	–	–	–	–	(10,424)
Five years later	(101,957)	6,172	2,300	(4,545)	(330)	(11,187)	(16,350)	–	–	–	–	–	(125,897)
Six years later	(3,760)	1,037	1,578	(5,049)	(4,464)	(22,214)	–	–	–	–	–	–	(32,872)
Seven years later	(1,569)	598	(4,392)	(5,936)	(24,888)	–	–	–	–	–	–	–	(36,187)
Eight years later	(651)	(276)	(431)	(11,356)	–	–	–	–	–	–	–	–	(12,714)
Nine years later	(245)	–	(6,459)	–	–	–	–	–	–	–	–	–	(6,704)
Ten years later	(149)	(453)	–	–	–	–	–	–	–	–	–	–	(602)
Eleven years later	(93)	–	–	–	–	–	–	–	–	–	–	–	(93)
Current estimate of cumulative claims incurred	10,389,255	3,760,686	4,697,948	5,544,099	5,164,851	5,087,522	4,449,221	3,864,306	4,045,738	4,817,885	5,899,862	6,487,421	64,208,794
Cumulative claims payment to date – gross	10,389,255	3,760,686	4,697,948	5,544,099	5,164,851	5,055,980	4,401,604	3,792,196	3,957,329	4,670,356	5,711,765	5,314,106	62,460,175
Gross liabilities for incurred claims	–	–	–	–	–	31,542	47,617	72,110	88,409	147,529	188,097	1,173,315	1,748,619
Others*													583,949
Total gross liabilities for incurred claims (note 24)													2,332,568

* Others include gross Unallocated Loss Adjustment Expenses and insurance related payables.

Notes to the Consolidated Financial Statements continued

31 December 2024

36 SEGMENT ANALYSIS

Information regarding the Group's operating segments is set out below in accordance with IFRS 8 Operating Segments. IFRS 8 requires operating segments to be identified based on internal reports about components of the Group that are regularly reviewed by the management of the Group, to allocate resources to the segment and to assess its performance. Operating segments are identified based on streams of revenue.

For the year ended 31 December 2024, the Group's reportable segments under IFRS 8 are therefore as follows:

- **Hospital and other healthcare related services:** The Group provides general healthcare related operations, including hospitalisation, clinical, isolation / quarantine, pharmacies, vaccinations and other healthcare related services by operating and managing various hospitals and healthcare centers in the UAE, and UK, providing a host of general as well as multi-specialty healthcare services.
- **Diagnostic services:** The Group operates laboratories in the UAE, providing laboratory management, diagnostic, visa testing and screening services.
- **Health insurance services:** The Group provides health insurance solutions in the UAE.
- **Procurement and supply of medical related products:** The Group supplies a wide range of medical equipment, reagents, and consumables to various customers including hospitals, clinics, and laboratories in the UAE.
- **Technology services and others:** The Group provides information technology related services and healthcare solutions in the UAE.

Notes to the Consolidated Financial Statements continued

31 December 2024

36 SEGMENT ANALYSIS continued

The revenue split between the above-mentioned segments and their operating profits are set out below:

	Hospital and other healthcare related services AED '000	Diagnostic services AED '000	Health insurance services AED '000	Procurement and supply of medical related products AED '000	Technology services and others AED '000	Adjustments, eliminations and others AED '000	Total AED '000
For the year ended 31 December 2024							
Revenues	19,653,470	1,056,466	6,837,661	5,204,263	468,570	(7,372,188)	25,848,242
Cost of sales	(13,917,919)	(542,596)	(6,094,317)	(4,650,040)	(364,427)	6,356,857	(19,212,442)
General administration and selling & distribution expenses	(4,474,208)	(228,119)	(385,694)	(196,942)	(60,524)	620,500	(4,724,987)
Finance costs	(1,082,093)	(10,737)	(5,322)	(3,467)	(103)	254,088	(847,634)
Share of profit from associates and joint ventures	81,655	–	–	–	–	–	81,655
Gain on bargain purchase on acquisition of a subsidiary	24,925	–	–	–	–	–	24,925
Other income, net	685,550	4,695	227,090	12,451	639	(322,423)	608,002
Income tax	(2,709)	(25,984)	(53,559)	(34,320)	(5,818)	60,354	(62,036)
Net profit for the year	968,671	253,725	525,859	331,945	38,337	(402,812)	1,715,725
Depreciation and amortisation	1,253,391	36,748	59,858	14,855	9,289	252,090	1,626,231
Interest income	(351,189)	–	–	(5,176)	–	223,408	(132,957)
Finance costs	1,082,093	10,737	5,322	3,467	103	(254,088)	847,634
Income tax	2,709	25,984	53,559	34,320	5,818	(60,354)	62,036
EBITDA for the year	2,955,675	327,194	644,598	379,411	53,547	(241,756)	4,118,669
As at 31 December 2024							
Segment assets and liabilities:							
Segment assets	43,171,211	2,791,256	8,803,534	3,549,603	474,970	(10,215,749)	48,574,825
Segment liabilities	32,354,273	1,156,936	6,008,138	2,996,097	409,669	(14,086,538)	28,838,575

Notes to the Consolidated Financial Statements continued

31 December 2024

36 SEGMENT ANALYSIS continued

	Hospital and other healthcare related services AED '000	Diagnostic services AED '000	Health insurance services AED '000	Procurement and supply of medical related products AED '000	Technology services and others AED '000	Adjustments, eliminations and others AED '000	Total AED '000
For the year ended 31 December 2023							
Revenues	10,528,021	1,043,100	5,852,996	4,099,120	76,288	(5,200,605)	16,398,920
Cost of sales	(7,179,429)	(572,031)	(5,339,945)	(3,720,501)	(39,294)	3,875,193	(12,976,007)
General administration and selling & distribution expenses	(3,049,308)	(99,383)	(300,742)	(167,248)	(31,058)	885,540	(2,762,199)
Finance costs	(111,016)	(2,289)	(7,057)	(415)	(1,040)	4,345	(117,472)
Share of profit from associates and joint ventures	24,060	–	1,093	–	–	–	25,153
Other income, net	876,319	1,872	112,948	851	(21)	(176,715)	815,254
Income tax	(12,401)	–	–	–	–	(406,297)	(418,698)
Net profit for the year	1,076,246	371,269	319,293	211,807	4,875	(1,018,539)	964,951
Depreciation and amortisation	522,792	25,358	71,917	5,558	1,912	337,048	964,585
Interest income	(32,027)	–	–	–	–	–	(32,027)
Finance costs	111,016	2,289	7,057	415	1,040	(4,345)	117,472
Income tax	12,401	–	–	–	–	406,297	418,698
EBITDA for the year	1,690,428	398,916	398,267	217,780	7,827	(279,539)	2,433,679
As at 31 December 2023							
Segment assets and liabilities:							
Segment assets	12,909,213	2,416,603	6,299,510	2,319,730	272,414	3,957,039	28,174,509
Segment liabilities	10,451,046	1,045,444	4,080,047	2,115,749	257,493	(5,832,237)	12,117,542

37 SUBSEQUENT EVENT

Subsequent to the year end, the Group has entered into an Agreement to acquire 60% equity interest in Hellenic Healthcare S.a.R.L, registered in Luxembourg. The transaction is subject to legal and regulatory approvals.



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