
ALPHA DHABI HOLDING PJSC

**Management Discussion &
Analysis**

For the Period Ended 30 September 2022

DATE: October 28, 2022

Alpha Dhabi Holding PJSC (“ADH”) reports a Group net profit of **AED 9.0Bn** for the YTD September 2022, showing continued momentum in the execution of its strategy across key verticals and commitment to generate higher shareholder value.

Investor Metrics:

Revenue
AED 26.6Bn
2.3x Increase (YOY)



Gross Profit
AED 7.1Bn
1.9x Increase (YOY)



Net Profit
AED 9.0Bn
2.5x Increase (YOY)

0.68
Earnings Per Share (AED)

109.1Bn
Total Assets (AED)

5.8Bn
Cash Flow from Operations (AED)

Key Highlights during the period

- Group net profit at AED 9.0Bn, up 2.5x YoY with a net margin of 34% while net profit for Q3 2022 was AED 1.1Bn.
- Group revenue was AED 26.6Bn, with a 2.3x YoY increase for the first nine months, while the Q3 2022 revenue was AED 9.5Bn, up 1.6x compared to Q3 2021.
- Gross margin of the Group for the period ended September 2022 was 27% and for the quarter was 22%.
- Earnings per share (EPS) jumped 94% YoY in the reporting period to AED 0.68.
- Total assets were AED 109.1Bn, an increase of AED 61.7Bn from December 31, 2021.



Management Discussion & Analysis

ADH is pleased to present its report on the performance of the Group for the period ended 30 September 2022. This report should be read in conjunction with the interim condensed consolidated financial statements for the same period.

Summary of Financial Results

<i>Income Statement Summary (AED'Bn)</i>	YTD Q3 22	YTD Q3 21	YOY %
Revenue	26.6	11.4	133%
Gross profit	7.1	3.8	87%
Gross Margin	27%	33%	
Net Profit	9.0	3.6	150%
Net Margin	34%	32%	

<i>Balance Sheet Summary (AED'Bn)</i>	YTD Q3 22	FY 21	YOY %
Current Assets	58.1	25.8	125%
Total Assets	109.1	47.3	131%
Equity	59.2	26.0	128%
Current Liabilities	30.2	15.8	91%
Total Liabilities	49.9	21.4	133%

The Company has reported a strong performance primarily led by its operating structure. The Company operates via five segments focused on Strategic Investments and Financial Investments.

Market Capitalization & Listed Strategic Investments

As at 30 September 2022, Alpha Dhabi Holding had a market cap of AED 245.0 Bn

Summary of Listed Strategic Investments	Type	ADH %	Market Cap AEDBn	ADH's Share AEDBn
National Marine Dredging Co.	Subsidiary	68%	20.3	13.9
Aldar Properties PJSC	Subsidiary	32%	33.1	10.5
Q Holding PSC	Associate	21%	28.9	5.9
Response Plus Holding	Associate	36%	1.3	0.5

Investment Highlights

Ardent Health Services (Ardent)

During the period, the Company entered into a definitive purchase agreement to acquire a minority equity investment in Ardent Health Services (Ardent), a leading U.S. healthcare provider based in Nashville, Tennessee, for a total investment of AED 1.8 Bn. The investment is subject to customary closing conditions and will be finalized after receipt of all necessary U.S. regulatory approvals.

Kalyon Enerji Yatirimlari A.Ş

During the current period, the Group has agreed to invest AED 370Mn along with Multiply Utilities Holding LLC, in Kalyon Enerji Yatirimlari A.Ş. The investment represents 20% of a 50% interest in the share capital of Kalyon Enerji Yatirimlari A.Ş. This transaction is the Group's first investment in Turkey and is part of its geographic diversification strategy.



Profit & loss analysis for the period ending September 2022

Revenue: The Group generated revenue of AED 26.6Bn during for the period ended September 2022, equivalent to 133% YOY growth, driven by the following:

- Increased revenue across all business segments and the impact of strategic acquisitions and investments made in 2021 and 2022.
- Continued expansion outside UAE, with overseas revenue of AED 3.4Bn, 2.6X increase compared to same period last year.

Revenue for the quarter was AED 9.5Bn compared to revenue of AED 5.9Bn for the comparable period in previous year, witnessing a YoY growth of 61%.

Gross Profit: The Group reported a gross profit of AED 7.0Bn, which improved by 1.9 times versus the first nine months of 2021, reflecting the impact of both organic growth and acquisitions.

Gross Profit for the quarter was AED 2.1Bn compared to Gross Profit of AED 2.0Bn for the comparable period in previous year with a 5% YoY increase.

Expense Analysis: General and administrative expenses for the period were AED 2.1Bn versus AED 0.6Bn during the same period in 2021, with the increase arising from the transformation of the Group. General and administrative expenses for Q3 2022 was AED 0.6Bn.

Other Income:

- Investment and other income for the period was approximately AED 1.0 Bn, up 90% YoY compared to same period in the previous year.

Net Profit: First nine months of 2022 reported a net profit of AED 9.0Bn against AED 3.6Bn during the comparable period in 2021, with a year-on-year growth of 2.5 times while Q3 net profit was AED 1.1Bn.

Earnings per share: Earnings per share for the period was AED 0.68 per share, as compared to AED 0.35 during the same period last year.



Segment Performance

The Group is organised into 5 segments segregated based on the operating activities. All the segments during the period delivered a notable performance and each of the segments was profitable.

<i>Segment Information (AED'Bn)</i>	1	2	3	4	5	
Segments	Industrial	Construction	Real Estate	Healthcare	Services & Others	Total
Revenue	6.2	5.0	4.4	8.3	2.7	26.6
Proportion to total	23%	19%	17%	31%	10%	100%
Net Profit	0.9	0.3	1.1	3.1	3.6	9.0
Proportion to total	10%	3%	12%	35%	40%	100%
Total Assets	15.4	6.0	52.5	12.1	23.1	109.1

Balance Sheet Analysis for first nine months of 2022

Total assets grew to AED 109.1Bn as at 30 September 2022 against AED 47.3Bn as at the end of 2021 driven by the acquisitions and consolidation of Aldar Properties.

Non-current assets of AED 50.9Bn compared to AED 21.5Bn as at the end of 2021. The 2.4X increase is mainly arising from the consolidation of new entities.

- Increase in total property, plant and equipment by AED 6.0Bn as a result of consolidation due to business combinations of 4.1Bn.
- Increase in investment properties by AED 22.9Bn mainly due to consolidation of Aldar Properties

Current assets of AED 58.1Bn compared to AED 25.8Bn as at end of 2021, being an increase of 2.2x mainly due to the consolidation of new entities.

Non-current liabilities at the period end were AED 19.7Bn compared to AED 5.5Bn at the end of 2021, again due to consolidation of 8 new entities.

Current liabilities have reached AED 30.2Bn as at 30 September 2022 compared to AED 15.8Bn at the end of 2021.

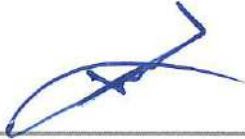
Equity increased to AED 59.2Bn from AED 26.0Bn at the end of 2021 due to increase in retained earnings of AED 6.7Bn and non-controlling interests of AED 23.9Bn.



Future Plans

Management confirms its commitment to support and enhance the core investment activities of the company to drive continuous growth via:

- The addition of exciting new operating assets through acquisitions and geographic diversification
- Implementing robust and exemplary corporate governance across the ADH portfolio of businesses to ensure strong growth is supported by an effective framework of controls.

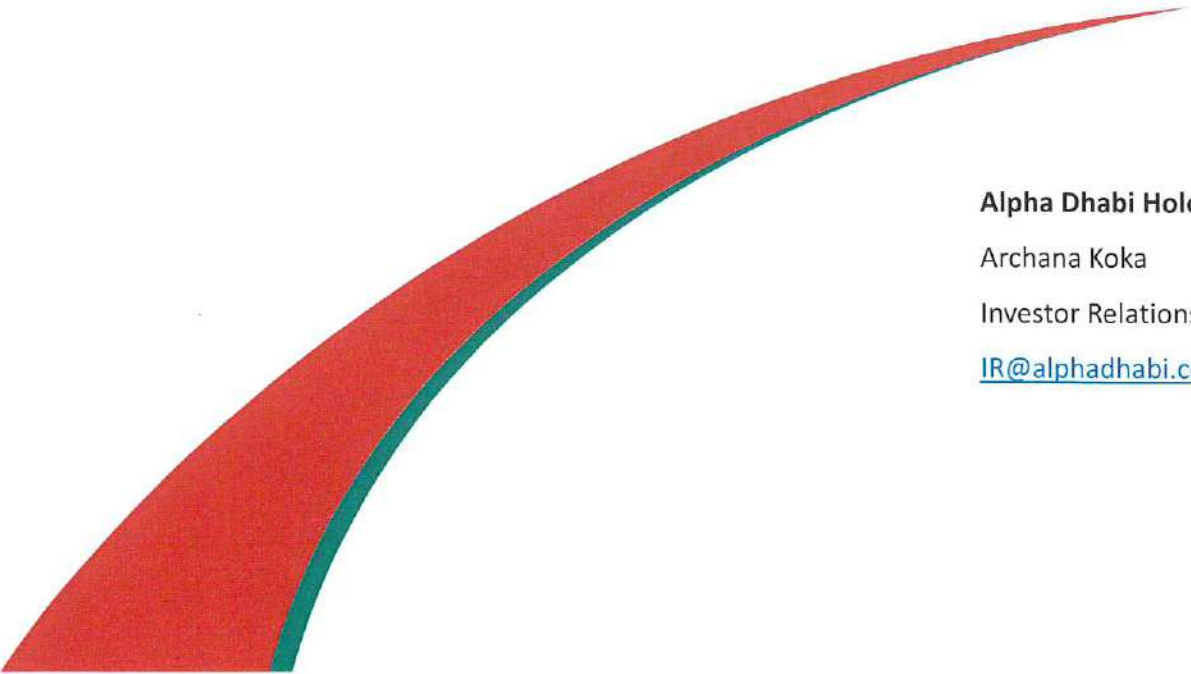


Hamad Salem Al Ameri
Managing Director



About Alpha Dhabi Holding

Alpha Dhabi Holding (ADH), the UAE listed conglomerate, was established in 2013 and is one of the fastest growing Abu Dhabi based investment holding companies, with more than 100 businesses spread across healthcare, renewable energy, petrochemical and other industries as well as real estate, construction and hospitality. With over 72,000 employees, ADH is a strategic contributor to the UAE economy and is committed to drive continuous growth for its stakeholders through investments in emerging businesses, supporting innovation and diversity



Alpha Dhabi Holding

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