

**BUPA INVESTMENTS OVERSEAS LIMITED**

**(Registered number 2993390)**

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED**

**31 DECEMBER 2019**

**Registered office:**

1 Angel Court  
London  
EC2R 7HJ



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## **Strategic report**

### **for the year ended 31 December 2019**

The Directors present their Strategic Report for Bupa Investments Overseas Limited ("the Company") for the year ended 31 December 2019.

#### **Business Review**

The Directors consider the performance of the Company during the year to be satisfactory with an increase in profit for the period.

The results for the Company show a profit before taxation of £150m (2018: £109m). The Company has net assets of £4,749m (2018: £4,590m).

Profit before taxation increased by £41m. This is driven by a £33m decrease in provisions and reversals for impairments in subsidiaries, intercompany dividends received increased by £46m, a £19m unfavourable movement in foreign exchange gains and losses and a £17m decrease in interest receivable from Group undertakings. Total net assets have increased by £159m as a result of profit generated. This increase is reflected in increased investment in Bupa Singapore Pte Ltd, increased intercompany balances and additional investment in subsidiaries.

#### **Principal risks and uncertainties**

The Company is subject to a number of uncertainties and risks. These risks and uncertainties include interest rate and foreign exchange rate fluctuations driven by external market influences and the uncertainty of timing of cash generation within the other Group companies. The Company's management determines that these risks and uncertainties are managed effectively where possible and are reviewed on a regular basis in line with Bupa Group policies.

Details of the Bupa Group's business risks and risk management processes are set out in the Annual Report of the ultimate parent company, The British United Provident Association Limited ("Bupa"). The Bupa Group consists of Bupa and its direct and indirect subsidiary entities. No formal key performance indicators are used or monitored, however the Directors recognise the role of the Company and thus monitor performance with respect to the solvency of the Company, the underlying performance of the investments and therefore the valuation of the investments in the balance sheet.

These financial statements were approved by the Board of Directors on 2 March 2020 and were signed on its behalf by:



**J Linton**  
**Director**

Registered office:  
1 Angel Court  
London  
EC2R 7HJ

The notes on pages 10 to 30 form part of these financial statements

## **Directors' report**

### **for the year ended 31 December 2019**

The Directors present their annual report and the financial statements of the Company for the year ended 31 December 2019.

#### **Principal activities**

The principal activity of the Company for the year was that of an investment holding and intercompany funding company.

#### **Dividends**

The Directors do not recommend the payment of a dividend in respect of the year ended 31 December 2019 (2018: £nil).

#### **Going concern**

After making enquiries, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

#### **International Financial Reporting Standards and Financial Reporting Requirements**

The ultimate parent undertaking, Bupa, has prepared group accounts in accordance with *International Financial Reporting Standards as adopted by the European Union* ("IFRS"). The Company is not required to report under IFRS and therefore these accounts are prepared in accordance with applicable UK accounting standards. As the Company is a wholly owned subsidiary undertaking of Bupa, the Company qualifies for application of Financial Reporting Standard 101 *Reduced Disclosure Framework* ("FRS 101"), which has been adopted for these financial statements. FRS 101 uses the recognition and measurement bases of IFRS, while allowing exemptions from a number of disclosures required by full IFRS.

#### **Directors**

Details of the present Directors and any other persons who served as a Director during the year are set out below:

G M Evans  
S M Fielding  
J Linton  
G H Roberts (appointed 1 February 2019)  
M Potkins (resigned 1 February 2019)

#### **Companies (Audit, Investigations and Community Enterprise) Act 2004**

As at the date of this report, indemnities are in force under which the Company has agreed to indemnify the Directors, to the extent permitted by law and the Company's Articles of Association, in respect of all losses arising out of, or in connection with, the execution of their powers, duties and responsibilities, as Directors of the Company.

## **Directors' report (continued)**

**for the year ended 31 December 2019**

### **Disclosure of information to auditor**

The Directors who held office at the date of approval of this Directors' report confirm that:

- so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and
- each Director has taken all the steps that they ought to have taken as a Director to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of Section 418 of the Companies Act 2006.

### **Auditor**

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

These financial statements were approved by the Board of Directors on 2 March 2020 and were signed on its behalf by:



**J Linton**  
**Director**

Registered office:  
1 Angel Court  
London  
EC2R 7HJ

## **Statement of Directors' responsibilities in respect of the Strategic report, Directors' report and the financial statements**

The directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 101 *Reduced Disclosure Framework*.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

# **Independent Auditor's Report to the Members of Bupa Investments Overseas Limited**

## **Opinion**

We have audited the financial statements of Bupa Investments Overseas Limited ("the company") for the year ended 31 December 2019 which comprise the Profit and Loss Account, Statement of Other Comprehensive Income, Balance Sheet, Statement of Changes in Equity and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 101 *Reduced Disclosure Framework*; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

## **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

## **Going concern**

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the company or to cease its operations, and as they have concluded that the company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least a year from the date of approval of the financial statements. In our evaluation of the directors' conclusions, we considered the inherent risks to the company's business model, including the impact of Brexit, and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period. We have nothing to report in these respects.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the company will continue in operation.

## **Strategic report and directors' report**

The directors are responsible for the strategic report and directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the strategic report and the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the strategic report and the directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

## **Independent Auditor's Report to the Members of Bupa Investments Overseas Limited (continued)**

### **Matters on which we are required to report by exception**

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in these respects.

### **Directors' responsibilities**

As explained more fully in their statement set out on page 4, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the company'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 they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities**

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

A fuller description of our responsibilities is provided on the FRC's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities).

### **The purpose of our audit work and to whom we owe our responsibilities**

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



**Shaun Gealy (Senior Statutory Auditor)**  
**for and on behalf of KPMG LLP, Statutory Auditor**  
*Chartered Accountants*  
3 Assembly Square,  
Britannia Quay,  
Cardiff, CF10 4AX  
4 March 2020



## Profit and loss account for the year ended 31 December 2019

	Note	2019 £	2018 £
Income from investment activities	3	412,393,660	402,822,059
Other income		563,844	2,514,411
Interest payable and similar expenses	4	(1,334,351)	(2,708,053)
Administrative expenses	5	(17,440,518)	(17,048,293)
Operating expenses		(1,236,885)	(344,290)
<b>Operating profit</b>		<b>392,945,750</b>	<b>385,235,834</b>
Provision for impairments and reversals against investments in subsidiaries	8	(243,079,564)	(276,002,765)
<b>Profit before taxation</b>		<b>149,866,186</b>	<b>109,233,069</b>
Tax on profit	9	(13,561,838)	7,439,212
<b>Profit for the financial year</b>		<b>136,304,348</b>	<b>116,672,281</b>

Operating profit is derived from continuing operations.

There were no material differences between reported profits and losses and historical profits and losses before and after taxation.

## Other comprehensive income for the year ended 31 December 2019

	Note	2019 £	2018 £
<b>Profit for the year</b>		<b>136,304,348</b>	<b>116,672,281</b>
<i>Items that are reclassified subsequently to profit or loss</i>			
Foreign exchange translation differences	20	22,267,999	15,212,930
<b>Total comprehensive income for the year</b>		<b>158,572,347</b>	<b>131,885,211</b>

The notes on pages 10 to 30 form part of these financial statements

## Balance sheet

as at 31 December 2019

	Note	2019 £	2018 £
<b>Fixed assets</b>			
Investments	13	6,909,620,701	7,148,620,773
Deferred tax asset	10	721,562	554,919
Property, plant and equipment	11	4,057,751	2,963,410
Intangibles	12	9,915,110	2,940,122
		<b>6,924,315,124</b>	<b>7,155,079,224</b>
<b>Current assets</b>			
Debtors	14	806,535,181	545,929,822
Derivative financial assets	18	-	49,396
Cash at bank and in hand		2,569,160	3,424,570
		<b>809,104,341</b>	<b>549,403,788</b>
<b>Creditors: amounts falling due within one year</b>	15	<b>(89,251,241)</b>	<b>(74,572,568)</b>
Derivative financial liabilities	18	-	(42,725)
Lease liabilities	17	(133,948)	-
<b>Net current assets</b>		<b>719,719,152</b>	<b>474,788,495</b>
<b>Total assets less current liabilities</b>		<b>7,644,034,276</b>	<b>7,629,867,719</b>
<b>Creditors: amounts falling due after more than one year</b>	16	<b>(2,895,179,187)</b>	<b>(3,039,707,893)</b>
Lease liabilities	17	(122,916)	-
<b>Net assets</b>		<b>4,748,732,173</b>	<b>4,590,159,826</b>
<b>Shareholder's funds</b>			
Called up share capital	19	50,000,000	50,000,000
Foreign currency translation reserve	20	219,328,570	197,060,571
Profit and loss account	20	4,479,403,603	4,343,099,255
<b>Shareholder's funds</b>		<b>4,748,732,173</b>	<b>4,590,159,826</b>

These financial statements were approved by the Board of Directors on 2 March 2020 and were signed on its behalf by:

  
**G.M. Evans**  
Director

The notes on pages 10 to 30 form part of these financial statements

## Statement of changes in equity for the year ended 31 December 2019

	Called up Share capital	Foreign currency translation reserve	Profit and loss account	Total equity
	£	£	£	£
Balance at 1 January 2019	50,000,000	197,060,571	4,343,099,255	4,590,159,826
<b>Total comprehensive income for the year</b>				
Profit for the year	-	-	136,304,348	136,304,348
Other comprehensive income	-	21,966,040	-	21,966,040
Translation of foreign currency reserve	-	301,959	-	301,959
<b>Total comprehensive income for the year</b>	-	<b>22,267,999</b>	<b>136,304,348</b>	<b>158,572,347</b>
<b>Balance at 31 December 2019</b>	<b>50,000,000</b>	<b>219,328,570</b>	<b>4,479,403,603</b>	<b>4,748,732,173</b>

	Called up Share capital	Foreign currency translation reserve	Profit and loss account	Total equity
	£	£	£	£
Balance at 1 January 2018	50,000,000	181,847,641	4,226,426,974	4,458,274,615
<b>Total comprehensive income for the year</b>				
Profit for the year	-	-	116,672,281	116,672,281
Other comprehensive income	-	15,267,570	-	15,267,570
Translation of foreign currency reserve	-	(54,640)	-	(54,640)
<b>Total comprehensive income for the year</b>	-	<b>15,212,930</b>	<b>116,672,281</b>	<b>131,885,211</b>
<b>Balance at 31 December 2018</b>	<b>50,000,000</b>	<b>197,060,571</b>	<b>4,343,099,255</b>	<b>4,590,159,826</b>

The notes on pages 10 to 30 form part of these financial statements

## Notes to the financial statements for the year ended 31 December 2019

### 1. Accounting policies

The principal accounting policies are summarised below. They have been applied consistently throughout the year.

#### (a) Change in accounting policy

The Company has adopted International Financial Reporting Standard (IFRS) 16 Leases with a date of initial application of 1 January 2019. IFRS 16 sets out the principles for the recognition, measurement, presentation and disclosure of leases and supersedes International Accounting Standard (IAS) 17 Leases, IFRIC 4 Determining Whether an Arrangement Contains a Lease, SIC 15 Operating Leases – Incentives, and SIC 27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease.

The IAS 17 distinction between operating and finance leases is removed for lessee contracts under IFRS 16, with all lease rights and obligations now being recognised in the balance sheet on a similar basis to finance leases under IAS 17. A lease liability is recognised for all leases, reflecting the present value of the lease payments discounted using the company's incremental borrowing rate. The lease liability is measured at amortised cost and settled over the life of the lease. A corresponding right-of-use asset is also recognised and depreciated over the life of the lease.

The Company has applied IFRS 16 using the modified retrospective approach, where the right-of-use assets equal the lease liabilities on transition, adjusted by the amount of any prepayments and lease incentives received. There is no restatement of comparative information.

In applying IFRS 16 on transition, the Company has used the following practical expedients permitted by the standard:

- The Company has elected not to reassess whether a contract is or contains a lease as defined in IFRS 16 at the date of initial application. For contracts entered into before the transition date, the Company relied on its assessment made when applying IAS 17 and IFRIC 4. Accounting for operating leases with a remaining lease term of less than 12 months as at 1 January 2019 as short-term leases.
- The exclusion of initial direct costs for the measurement of the right-of-use asset at transition date.

The impact of adoption of IFRS 16 is set out below:

	Measurement adjustments £	Total £
Lease right-of-use assets	414,251	414,251
Lease liabilities	(414,251)	414,251
<b>Total impact on net assets</b>	-	-

## Notes to the financial statements (continued)

for the year ended 31 December 2019

### 1. Accounting policies (continued)

#### (a) Change in accounting policy (continued)

The following reconciliation to the opening balance for the lease liabilities as at 1 January 2019 is based upon the operating lease obligation as at 31 December 2018.

	2019 £
Operating lease commitments at 31 December 2018 under IAS 17 as disclosed in the financial statements	508,204
Adjustments as a result of the different treatments of expected lease payments	(92,539)
Total undiscounted operating lease commitments	415,665
Effect of discounting using the incremental borrowing rate at 1 January 2019	(1,414)
<b>Lease liabilities recognised under IFRS 16 at 1 January 2019</b>	<b>414,251</b>

The weighted average incremental borrowing rate applicable to the lease liabilities on 1 January 2019 was 0.12%.

#### (b) Basis of preparation

The financial statements have been prepared on a going concern basis and under the historical cost convention, in accordance with applicable UK accounting standards.

After making enquiries, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

The financial statements have been prepared in accordance with Financial Reporting Standard 101 *Reduced Disclosure Framework* (FRS 101).

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of IFRS, but makes amendments where necessary in order to comply with the Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions have been taken.

The financial statements are presented in sterling, which is also the Company's functional currency.

In these financial statements, the Company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- A Cash Flow Statement and related notes;
- Comparative period reconciliations for investments;
- Disclosures in respect of transactions with wholly owned subsidiaries within the consolidated group;
- Disclosures in respect of capital management;
- An additional balance sheet for the beginning of the earliest comparative period following the transition to FRS 101; and
- The effects of new but not yet effective IFRSs.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

## **Notes to the financial statements (continued)**

**for the year ended 31 December 2019**

### **1. Accounting policies (continued)**

#### **(b) Basis of preparation (continued)**

As the consolidated financial statements of Bupa include the equivalent disclosures, the Company has also taken the exemptions under FRS 101 available in respect of the following disclosures:

- The disclosures required by IFRS 7 and IFRS 13 regarding financial instrument disclosures have not been provided apart from those which are relevant for the financial instruments which are held at fair value and are not either held as part of trading portfolio or derivatives.

#### **(c) Exemption from consolidation**

The Company is exempt by virtue of Section 400 of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the Company as an individual undertaking and not about its Group.

#### **(d) Foreign currencies**

Transactions in foreign currencies are translated to the Company's functional currency using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are recorded at the exchange rate on transaction date.

Exchange differences are recognised in profit or loss in the period in which they arise except for exchange differences for the translation of foreign operations, which are recognised in equity.

#### **(e) Investment income**

Dividends on equity investments are included, gross of any related tax, in the profit and loss account on a cash basis which is not materially different from an ex-dividend basis; other investment income is recognised on an accruals basis.

#### **(f) Financial instruments**

In compliance with FRS 101, IAS 32 (Financial instruments: presentation) and IFRS 9 (Financial instruments: recognition and measurement) have been applied.

IFRS 9 Financial Instruments addresses the classification, measurement, recognition and de-recognition of financial assets and financial liabilities, introduces new rules for hedge accounting and a new impairment model for financial assets.

As the Company is a wholly owned subsidiary undertaking of Bupa, a company that prepares consolidated accounts that apply IFRS 7 (Financial Instruments: Disclosures), the Company is exempt from producing the disclosures in accordance with FRS 101.

#### **Non-derivative financial instruments**

##### *Cash at bank and in hand*

Cash comprises of cash in hand and deposits repayable on demand, less overdrafts payable on demand.

##### *Interest bearing loans and borrowings*

Interest-bearing loans and borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method, less any impairment losses.

## **Notes to the financial statements (continued)**

**for the year ended 31 December 2019**

### **1. Accounting policies (continued)**

#### **(f) Financial instruments (continued)**

##### *Investments*

Investments in subsidiary undertakings are stated at cost less any provision for impairment.

Intercompany loan investments are initially recognised at fair value and are subsequently recognised at amortised cost using the effective interest rate method less any provision for impairment.

A provision for impairment is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's net realisable value and value in use. Impairment losses are recognised in the profit and loss account.

For the purpose of assessing impairment, assets are grouped at the lowest level for which there are separately identifiable cash flows (cash-generating units).

The carrying amounts of assets are reviewed at least annually. Where there is an indication that an impairment loss has decreased, any accumulated provision for impairment is reversed to reflect the carrying amount at the recoverable amount limited to the cost of the investment.

##### **Derivative financial instruments**

Derivatives are recognised initially at fair value; attributable transaction costs are recognised in the profit or loss account when incurred. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are recognised immediately in the profit and loss account.

##### *Preference shares*

Preference shares are recognised and subsequently measured at their fair value. The preference shares are redeemable and are thus recognised as a liability.

#### **(g) Taxation and deferred taxation**

The taxation expense on the profit for the year comprises current and deferred taxation. Income taxation is recognised in the income statement except to the extent that it relates to items recognised directly in other comprehensive income, in which case it is recognised directly in the statement of comprehensive income.

Current taxation is the expected taxation payable on the taxable profit for the year, using taxation rates enacted or substantively enacted at the balance sheet date, and any adjustments to taxation payable in respect of previous years.

Deferred taxation is recognised in full using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

The amount of deferred taxation recognised is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using taxation rates enacted or substantively enacted at the balance sheet date.

Deferred taxation is recognised on temporary differences arising on investments in subsidiary companies, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

## **Notes to the financial statements (continued)**

**for the year ended 31 December 2019**

### **1. Accounting policies (continued)**

#### **(g) Taxation and deferred taxation (continued)**

A deferred taxation asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised.

Trading losses surrendered to other Bupa Group subsidiary undertakings are made on a full payment basis.

#### **(h) Intangibles**

Intangibles are stated at cost less accumulated amortisation and impairment losses. Amortisation is charged to the income statement on a straight line basis over the estimated useful lives of intangible assets. Intangibles are reviewed for indicators of impairment annually.

#### **(i) Leases of property, plant and equipment**

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the company's incremental borrowing rate taking into account the duration of the lease.

The lease liability is subsequently measured at amortised cost using the effective interest method, with the finance cost charged to profit or loss over the lease period to produce a constant periodic rate of interest on the remaining balance of the liability. It is remeasured when there is a change in future lease payments arising from a change in index or rate, or if the Company changes its assessment of whether it will exercise an extension or termination option. The lease liability is recalculated using a revised discount rate if the lease term changes as a result of a modification or re-assessment of an extension or termination option. The leases currently held by the Company do not contain any terminations and have extension options to 2021.

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to restore properties to their original condition, less any lease incentives received. The right-of-use asset, excluding restorations costs, is typically depreciated on a straight-line basis over the lease terms. In addition, the right-of-use asset may be adjusted for certain remeasurements of the lease liability, such as indexation and market rent review uplifts.

The Company has elected not to recognise the right-of-use assets and lease liabilities for short-term leases that have a term of 12 months or less or leases that are of low value (£4,000). Lease payments associated with these leases are expensed on a straight-line basis over the lease term.

### **2. Immediate and ultimate parent company**

The immediate parent undertaking of the Company and the smallest group into which these financial statements are consolidated is that headed by Bupa Finance plc, with its registered office at 1 Angel Court, London, EC2R 7HJ.

The ultimate parent undertaking of the Company, and the largest group into which these financial statements are consolidated, is The British United Provident Association Limited, with its registered office at 1 Angel Court, London, EC2R 7HJ. Copies of the accounts of both companies can be obtained from The Registrar of Companies, Cardiff, CF14 3UZ.



**Notes to the financial statements (continued)**  
for the year ended 31 December 2019

**3. Income from investment activities**

	2019	2018
	£	£
Dividend receivable from Group undertakings	334,925,986	288,856,487
Interest receivable from loans to Group undertakings	102,013,520	119,473,313
Other interest receivable	140,185	30,410
Net realised gain	58,663	-
Net foreign exchange loss	(24,744,694)	(5,538,151)
	<b>412,393,660</b>	<b>402,822,059</b>

**4. Interest payable and similar expenses**

	2019	2018
	£	£
Interest payable on loans to Group undertakings	1,148,025	1,003,667
Interest payable on lease liabilities	362	-
Other interest payable	185,964	1,704,386
	<b>1,334,351</b>	<b>2,708,053</b>

**5. Administration expenses**

	2019	2018
	£	£
Wages and salaries	7,738,765	6,005,666
Social security costs	678,689	587,518
Pension and other staff costs	338,243	305,954
Other administration costs	8,684,821	10,149,155
	<b>17,440,518</b>	<b>17,048,293</b>

**6. Auditor's remuneration**

	2019	2018
	£	£
Audit fees	62,000	31,885

Fees for the audit of the Company represent the amount receivable by the Company's auditors. The amount may not be borne by the Company.

Fees paid to the Company's auditors, KPMG LLP, and its associates for services other than the statutory audit of the Company are not disclosed in these accounts since the consolidated accounts of Bupa, the ultimate parent undertaking, disclose non-audit fees on a consolidated basis.

**7. Directors' remuneration**

	2019	2018
	£	£
Emoluments	104,307	111,686
Company contributions to defined contribution pension scheme	1,458	1,000
Amounts receivable under long-term incentive schemes	105,061	8,772
	<b>210,826</b>	<b>121,458</b>

During the year there were three (2018: two) Directors who were members of a defined contribution scheme. There were no (2018: none) Directors who were members of a defined benefit pension scheme.

## Notes to the financial statements (continued)

for the year ended 31 December 2019

### 8. Provisions / (reversals) of impairments against investments in subsidiaries

	2019	2018
	£	£
ANS 2003 Limited	-	3
Health Dialog UK Limited	-	(626,628)
Bupa Holdings Overseas Cooperatief B.A.	-	(24,252)
LUX MED Sp. z.o.o.	32,771,213	263,867,373
Bupa Guernsey No. 2 Ltd	1,792,333	-
Bupa Guatemala, Compania de Seguros, S.A.	1,025,959	418,118
Bupa Panama S.A.	-	(319,977)
Bupa Do Brasil Saude Ltda	-	1,054,838
Bupa Holdings (Guernsey) Limited	-	4,749,202
Bupa Singapore Holdings Pte Ltd	22,983,047	-
Bupa Middle East Holdings Two W.L.L.	(207,003)	6,212,765
Bupa Global DAC	7,405,274	671,323
Grupo Bupa Sanitas S.L.	177,308,741	-
	<b>243,079,564</b>	<b>276,002,765</b>

### 9. Taxation

#### Recognised in the profit and loss account

	2019	2018
	£	£
<b>Current taxation expense/(income)</b>		
UK taxation on profits for the period	18,055,114	21,938,748
Adjustment in respect of prior periods	(1,368,138)	(2,345,239)
Double taxation relief	(6,247,483)	(8,241,771)
Foreign tax on income for the year	2,934,643	5,298,380
Foreign tax adjustments in respect of prior years	386,168	(24,792,072)
<b>Total current taxation</b>	<b>13,760,304</b>	<b>(8,141,954)</b>
<b>Deferred taxation expense</b>		
Origination and reversal of timing differences	(205,254)	(121,349)
Adjustments in respect of prior periods	6,788	824,091
<b>Total deferred taxation</b>	<b>(198,466)</b>	<b>702,742</b>
<b>Total tax charge/(credit) for year</b>	<b>13,561,838</b>	<b>(7,439,212)</b>

#### Reconciliation of effective taxation rate

	2019	2018
	£	£
<b>Profit before taxation expense</b>	<b>149,866,186</b>	<b>109,233,069</b>
Taxation expense at the domestic UK corporation tax rate of 19% (2018: 19%)	28,474,575	20,754,283
Effects of:		
Different taxation rates in foreign jurisdictions	12,270,244	5,620,780
Non-deductible expenses	50,550,518	3,164,308
Non-assessable income	(76,758,317)	(10,665,363)
Current income taxation adjustments in respect of prior periods	(981,970)	(27,137,311)
Current deferred taxation adjustments in respect of prior periods	6,788	824,091
<b>Total tax charge/(credit) for year</b>	<b>13,561,838</b>	<b>(7,439,212)</b>

## Notes to the financial statements (continued)

for the year ended 31 December 2019

### 10. Deferred tax assets

(i) Deferred tax assets are attributable to the following:

	Assets 2019 £	2018 £
Accelerated capital allowances	1,878	-
Other employee benefits (other than post employment)	606,961	354,301
Taxation value of losses carried forward	112,564	119,352
Other	159	81,266
<b>Net deferred tax assets</b>	<b>721,562</b>	<b>554,919</b>

As at 31 December 2019, the Company had deductible temporary differences relating to capital losses of £21,843,076 (2018: £21,843,076) for which no deferred taxation asset was recognised due to uncertainty of utilisation of those temporary differences.

(ii) Movement in deferred tax during the year

	1 January 2019 £	Recognised in income £	Foreign Exchange £	31 December 2019 £
Accelerated capital allowances		1,945	(67)	1,878
Other employee benefits (other than post employment)	354,301	284,411	(31,751)	606,961
Taxation value of losses carried forward	119,352	(6,788)	-	112,564
Other	81,266	(81,102)	(5)	159
<b>Net deferred tax assets</b>	<b>554,919</b>	<b>198,466</b>	<b>(31,823)</b>	<b>721,562</b>

(iii) Movement in deferred tax during the prior year

	1 January 2018 £	Recognised in income £	Foreign Exchange £	31 December 2018 £
Other employee benefits (other than post employment)	223,241	121,349	9,711	354,301
Taxation value of losses carried forward	938,882	(819,530)	-	119,352
Other	85,827	(4,561)	-	81,266
<b>Net deferred tax assets</b>	<b>1,247,950</b>	<b>(702,742)</b>	<b>9,711</b>	<b>554,919</b>

## Notes to the financial statements (continued)

for the year ended 31 December 2019

### 11. Property, plant and equipment

	Equipment £	Total £
<b>Cost at 1 January 2019</b>	2,998,860	2,998,860
Adoption of IFRS16	414,251	414,251
Additions	1,478,675	1,478,675
Foreign exchange (loss)	(286,447)	(286,447)
<b>Cost at 31 December 2019</b>	<b>4,605,339</b>	<b>4,605,339</b>
<b>Depreciation at 1 January 2019</b>	<b>(35,450)</b>	<b>(35,450)</b>
Depreciation charge for year	(532,379)	(532,379)
Foreign exchange (loss)	20,241	20,241
<b>Provisions at 31 December 2019</b>	<b>(547,588)</b>	<b>(547,588)</b>
<b>Net book value</b>		
<b>At 1 January 2019</b>	2,963,410	2,963,410
<b>At 31 December 2019</b>	<b>4,057,751</b>	<b>4,057,751</b>

### 12. Intangibles

	Computer Software £	Total £
<b>Cost at 1 January 2019</b>	3,248,962	3,248,962
Additions	8,057,045	8,057,045
Foreign exchange (loss)	(419,248)	(419,248)
<b>Cost at 31 December 2019</b>	<b>10,886,759</b>	<b>10,886,759</b>
<b>Amortisation at 1 January 2019</b>	<b>(308,840)</b>	<b>(308,840)</b>
Amortisation for year	(704,506)	(704,506)
Foreign exchange (loss)	41,697	41,697
<b>Provisions at 31 December 2019</b>	<b>(971,649)</b>	<b>(971,649)</b>
<b>Net book value</b>		
<b>At 1 January 2019</b>	2,940,122	2,940,122
<b>At 31 December 2019</b>	<b>9,915,110</b>	<b>9,915,110</b>

## Notes to the financial statements (continued)

for the year ended 31 December 2019

### 13. Investments

	Associated undertakings £	Subsidiary undertakings £	Loans to Group undertakings £	Total £
<b>Cost at 1 January 2019</b>	463,298,884	4,794,162,707	3,509,197,341	8,766,658,932
Additions	-	8,757,248	153,240,615	161,997,863
Repayments	-	(3,515,962)	-	(3,515,962)
Foreign exchange (loss)	-	(76,241,204)	(78,161,205)	(154,402,409)
<b>Cost at 31 December 2019</b>	<b>463,298,884</b>	<b>4,723,162,789</b>	<b>3,584,276,751</b>	<b>8,770,738,424</b>
<b>Provisions at 1 January 2019</b>	-	(1,618,038,159)	-	(1,618,038,159)
Net provisions and reversal of impairments	-	(243,079,564)	-	(243,079,564)
<b>Provisions at 31 December 2019</b>	-	<b>(1,861,117,723)</b>	-	<b>(1,861,117,723)</b>
<b>Net book value</b>				
<b>At 1 January 2019</b>	463,298,884	3,176,124,548	3,509,197,341	7,148,620,773
<b>At 31 December 2019</b>	<b>463,298,884</b>	<b>2,862,045,066</b>	<b>3,584,276,751</b>	<b>6,909,620,701</b>

During 2019 the Company increased its investment in Bupa Holdings Singapore Pte Ltd by £6.3m.

In April 2019, LUX MED Sp. z.o.o. made a capital repayment of £3.5m

In September 2019, the Company made an investment of £1.7m in Bupa Middle East Holdings Two W.L.L..

Loans to group undertakings increased by £153m, this was mainly due to an additional £114m loan to Bupa Finance Plc and £20m to Bupa Chile S.A..

### 14. Debtors – amounts falling due within one year

	2019 £	2018 £
Amounts owed by Group undertakings	795,035,714	516,163,443
Other debtors including taxation	11,499,467	29,766,379
	<b>806,535,181</b>	<b>545,929,822</b>

### 15. Creditors – amounts falling due within one year

	2019 £	2018 £
Amounts owed to Group undertakings	75,166,690	65,881,713
Other creditors including taxation and social security	14,084,551	8,690,855
	<b>89,251,241</b>	<b>74,572,568</b>

## Notes to the financial statements (continued)

for the year ended 31 December 2019

### 16. Creditors – amounts falling due after more than one year

	2019	2018
	£	£
Amounts owed to Group undertakings	54,577,628	60,292,789
Shares classified as liabilities (note 19)	2,840,601,559	2,977,188,196
Other employee related accruals	-	2,226,908
	<b>2,895,179,187</b>	<b>3,039,707,893</b>

### 17. Lease liabilities

	2019
	£
Adoption of IFRS 16	414,251
Repayments	(138,906)
Interest on lease liabilities	362
Foreign exchange	(18,843)
Total lease liabilities	<b>256,864</b>
Non-current	<b>122,916</b>
Current	<b>133,948</b>

### 18. Derivative financial instruments

All derivative financial instruments are held at fair value through profit or loss, and therefore the carrying value is equal to the fair value.

	2019	2018
	£	£
Derivative financial liabilities	-	(42,725)
Derivative financial assets	-	49,396
Total derivative financial instruments	-	6,671

#### Changes in value of derivative financial instruments at fair value

Profit for the year has been arrived at after charging / (crediting):

	2019	2018
	£	£
Derivative financial liabilities	42,725	(42,725)
Derivative financial assets	(49,396)	49,396

#### Valuation techniques and assumptions applied for the purposes of measuring fair value

Fair value is a market-based measurement for assets for observable market transactions where market information might be available. The objective of a fair value measurement is to estimate the price at which an orderly transaction to sell the asset or to transfer the asset would take place between market participants at the measurement date under current market conditions (i.e. an exit price at the measurement date from the perspective of a market participant that holds the asset).

Fair values disclosed in the table above have been calculated as follows:

All derivative financial instruments are initially recognised and subsequently measured at fair value.

Fair values are obtained from market observable pricing information including interest rate yield curves. The value of foreign exchange forward contracts and swaps is established using listed market prices.

## Notes to the financial statements (continued)

for the year ended 31 December 2019

### 19. Called up share capital

Allotted, called up and fully paid	2019 £	2018 £
50,000,000 ordinary shares of £1 each	50,000,000	50,000,000
600,000,000 redeemable preference shares of USD1 each	453,189,320	470,735,917
146,000,000,000 redeemable preference shares of CLP1 each	146,653,458	165,091,568
1,402,952,487 redeemable preference shares of PLN1 each	279,357,228	293,855,117
3,400,000,000 redeemable preference shares of AUD1 each	1,802,273,500	1,878,764,437
187,819,903 redeemable preference shares of EUR1 each	159,128,053	168,741,157
	<b>2,890,601,559</b>	<b>3,027,188,196</b>
Shares classified as liabilities	<b>2,840,601,559</b>	<b>2,977,188,196</b>
Shares classified in shareholder's funds	<b>50,000,000</b>	<b>50,000,000</b>
	<b>2,890,601,559</b>	<b>3,027,188,196</b>

All ordinary shares rank *pari passu* in relation to their rights to income and return of capital on winding up.

The redeemable preference shares rank *pari passu* with all ordinary shares in relation to their rights to income. On winding up of the Company, the redeemable preference shareholder has the right to receive, in preference to payment to ordinary shareholders, the repayment of the aggregate of a sum equal to the nominal capital paid up on the preference shares of that class held by them. The redeemable preference shareholder has the right to require the Company to redeem all or some of these shares which are outstanding at any time for an amount equal to the nominal amount of the redeemable preference shares and any declared but unpaid dividend.

### 20. Reserves

	Foreign currency translation reserve 2019 £	Profit and loss account 2019 £	Total 2019 £
At beginning of year	197,060,571	4,343,099,255	<b>4,540,159,826</b>
Movement for the year	22,267,999	136,304,348	<b>158,572,347</b>
<b>At end of year</b>	<b>219,328,570</b>	<b>4,479,403,603</b>	<b>4,698,732,173</b>

The foreign currency translation reserve represents currency translation difference on foreign currency investments and quasi equity loans.

The £22m movement in the foreign currency translation reserve is comprised of £25m that relates to exchange gain on retranslation of a loan between the Company and the foreign owned Spanish Branch. Foreign exchange on retranslation of a dividend from the Branch to the Group of £3m loss is recognised in the foreign exchange translation reserve.

## **Notes to the financial statements (continued)**

**for the year ended 31 December 2019**

### **21. Contingent liabilities, guarantees and other financial commitments**

The Company has a contingent liability arising due to uncertainty associated with the European Commission's state aid investigation into the Group Financing Exemption in the UK's controlled foreign company tax legislation. The Commission's decision was published in April 2019 and the UK government has launched an appeal against it to the European Union's General Court. Between 2013 and 2016 the Company had arrangements that may be impacted by this decision, like many other multinational groups who acted in accordance with the UK law in force at the time. The final outcome remains uncertain and the Company has assessed that no provision is required. The maximum potential tax liability is £17m.

Under a Group registration the Company is jointly and severally liable for Value Added Tax due by certain other Bupa Group companies.

### **22. Subsequent events**

There were no subsequent adjusting or non-adjusting post balance sheet events.



## Notes to the financial statements (continued)

### for the year ended 31 December 2019

#### 23. Related Undertakings

In compliance with Section 409 of the Companies Act, disclosed below is a list of related undertakings of the Company as at 31 December 2019, comprising subsidiaries, joint ventures, associated undertakings and other significant holdings, together with the country of incorporation, registered office address, each share class held directly or indirectly by the Company and the proportion of the nominal value of the shares of that class represented by those shares.

##### (i) Wholly owned related undertakings

Unless otherwise stated, the related undertakings listed below are wholly owned by the Company with 100% of the nominal value of each share class held indirectly by the Company.

Name	Share Class
<b>Australia</b>	
<b>Level 16, 33 Exhibition Street, Melbourne VIC 3000, Australia</b>	
Australia Fair Dental Care Pty Ltd	AUD Ordinary
Bupa Aged Care Australasia Pty Limited	AUD Ordinary, AUD Preference
Bupa Aged Care Australia Holdings Pty Ltd	AUD Ordinary
Bupa Aged Care Australia Pty Ltd	AUD Ordinary
Bupa Aged Care Holdings Pty Ltd	AUD Ordinary
Bupa Aged Care Property No.2 Trust	Trust Interest
Bupa Aged Care Property No.3 Trust	Trust Interest
Bupa Aged Care Property No.3A Trust	Trust Interest
Bupa Aged Care Property Trust	Trust Interest
Bupa ANZ Finance Pty Ltd <sup>1</sup>	AUD Ordinary
Bupa ANZ Group Pty Ltd <sup>1</sup>	AUD Ordinary
Bupa ANZ Healthcare Holdings Pty Ltd <sup>2</sup>	AUD Ordinary
Bupa ANZ Insurance Pty Ltd <sup>3</sup>	AUD A Preference, AUD Ordinary
Bupa ANZ Property 1 and 2 Limited	AUD Ordinary
Bupa ANZ Property 3 and 3A Pty Ltd	AUD Ordinary
Bupa Care Villages Australia Pty Ltd	AUD Ordinary
Bupa Dental Corporation Limited	AUD Ordinary
Bupa Disability Services Pty Ltd	AUD Ordinary
Bupa Foundation (Australia) Limited	Guarantee Membership Interest
Bupa Health Services Pty Ltd	AUD Ordinary
Bupa HI Holdings Pty Ltd	AUD Ordinary
Bupa HI Pty Ltd	AUD Ordinary
Bupa Innovations (ANZ) Pty Ltd	AUD Ordinary
Bupa Medical (GP) Pty Ltd	AUD Ordinary
Bupa Medical Services Pty Limited	AUD Ordinary
Bupa Optical Pty Ltd	AUD Ordinary
Bupa Telehealth Pty Ltd	AUD Ordinary
Bupa Wellness Pty Limited	AUD Ordinary
DC Holdings WA Pty Ltd	AUD Ordinary
Dental Care Network Pty Ltd	AUD Ordinary
Dental Corporation Australia Fair Pty Ltd	AUD Ordinary
Dental Corporation Cox Pty Ltd	AUD Ordinary
Dental Corporation Gerber Pty Ltd	AUD Ordinary
Dental Corporation Holdings Limited	AUD Ordinary
Dental Corporation Levas Pty.Ltd.	AUD Ordinary
Dental Corporation Petrie Pty.Ltd.	AUD Ordinary
Dental Corporation Pty Ltd	AUD Ordinary
Dr Chris Hardwicke Pty.Ltd.	AUD Ordinary

<sup>1</sup> Held directly by the Company

<sup>2</sup> 68.13% held directly by the Company

<sup>3</sup> 100% of the Ordinary shares held directly by the Company

## Notes to the financial statements (continued)

for the year ended 31 December 2019

### 23. Related undertakings (continued)

#### (i) Wholly owned related undertakings (continued)

Name	Share Class
<b>Australia (continued)</b>	
Gerber Dental Group Pty Ltd	AUD Ordinary
Larry Bengé Pty Limited	AUD Ordinary
Scott Petrie (Dental) Pty Ltd	AUD Class E, AUD Class F, AUD Ordinary
<b>Brazil</b>	
Av. das Nações Unidas, 12,901, Unidade 901, Torre Oeste, Bloco C, Centro Empresarial Nações Unidas, Brooklin Paulista, São Paulo, SP, Brazil	
Personal System Serviços Médicos e Odontológicos Ltda <sup>4</sup>	BRL1.00 Quotas
Av. Sagitário, 138, 19º andar -, (conjuntos 1905, 1906, 1907, 1908, 1913, 1914) e 20º andar, Condomínio Alpha Square Torre 2, The City, Alphaville, Barueri, SP, Brazil	
Care Plus Medicina Assistencial Ltda <sup>4</sup>	BRL1.00 Quotas
Care Plus Negócios Em Saúde Ltda.	BRL1.00 Quotas
<b>Chile</b>	
Av. Departamental N° 01455, Comuna La Florida, Region Metropolitana, Chile	
Inmobiliaria Y Constructora CBS S.A.	CLP Ordinary
Avenida Departamental 1455, comuna La Florida, Chile	
Bupa Servicios Clínicos S.A.	CLP Ordinary
Servicios De Personal Clínico CBS Dos S.A.	CLP Ordinary
Cerro Colorado 5240, torre II Piso 11, Las Condes, Chile	
Bupa Inversiones Latam S.A.	CLP Ordinary
Cerro Colorado N° 5420, Piso 11, Comuna Las Condes, Region Metropolitana, Chile	
Bupa Chile S.A.	CLP Ordinary
Grupo Bupa Sanitas Chile Uno, SpA	CLP1,000.00 Ordinary
Inversiones Clinicas CBS S.A.	CLP Ordinary
<b>Dominican Republic</b>	
Av. Gustavo Mella Ricart, No. 81, Terre Profesional Biltmore II, Suite 1007, Plantini, Santo Domingo, Dominican Republic	
Amedex Medical Group, S.R.L. (In Liquidation) <sup>5</sup>	DOP1,000.00 Quota
Av. Winston Churchill, corner with Rafael Augusto Sanchez, Plaza Acropolis, Apt. P2-D, Santo Domingo, Dominican Republic	
Bupa Dominicana, S.A. <sup>6</sup>	DOP1,000.00 Ordinary
<b>Ecuador</b>	
Av. Republica de El Salvador N34-229, 4th Floor, Quito, Ecuador	
Bupa Ecuador S.A. Compania de Seguros <sup>7</sup>	USD1.00 Capital Stock
<b>Guernsey</b>	
PO Box 34, St Martin's House, Le Bodge, St Peter Port, Guernsey, GY1 4AU, Channel Islands	
Bupa Holdings (Guernsey) Limited <sup>8</sup>	£1.00 Ordinary
Bupa LeaseCo Holdings Limited	£1.00 Ordinary
Bupa LeaseCo. (Guernsey) Limited	£1.00 Ordinary
UK Care No. 1 Limited <sup>8</sup>	£1.00 Ordinary

<sup>4</sup> 1% held directly by the Company

<sup>5</sup> 99.969697% held directly by the Company

<sup>6</sup> 0.999697% held directly by the Company

<sup>7</sup> 0.000025% held by nominee

<sup>8</sup> Held directly by the Company

## Notes to the financial statements (continued)

for the year ended 31 December 2019

### 23. Related undertakings (continued)

#### (i) Wholly owned related undertakings (continued)

Name	Share Class
<b>Ireland</b>	
<b>Second Floor, 10 Pembroke Place, Ballsbridge, Dublin, 4, Ireland</b>	
Bupa Global Designated Activity Company	€1.00 Ordinary
<b>Mexico</b>	
<b>Montes Urales, No. 745, Piso 1, Colonia Lomas de Chapultepec I Seccion, C.P. 11000, Mexico City</b>	
Bupa Mexico, Compania de Seguros, S.A. de C.V.	MXN1,000.00 Capital Stock Series E (fixed), MXN1,000.00 Capital Stock Series M (variable)
<b>New Zealand</b>	
<b>Bupa House, Level 2, 109 Carlton Gore Road, Newmarket, Auckland, 1023, New Zealand</b>	
Bupa Care Services NZ Limited	NZD Ordinary
Bupa Retirement Villages Limited	NZD Ordinary
<b>Level 4, 1 Walton Leigh Avenue, Porirua, 5022, New Zealand</b>	
Dental Corporation (NZ) Limited	NZD1.00 Ordinary, NZD1.65 Ordinary
<b>Panama</b>	
<b>Prime Time Tower, Floor 25, Office 25 b La Rotonda Ave, Costa del Este, Panama</b>	
Bupa Panama S.A. <sup>9</sup>	US\$1,000.00 Ordinary
<b>Peru</b>	
<b>Av. Guardia Civil N° 664, Comuna San Isidro, Region Lima, Peru</b>	
Integramedica Peru S.A.C.	PEN Ordinary
<b>Poland</b>	
<b>28 Czerwca 1956 R, 135/147 Street, 61-545, Poznan, Poland</b>	
Diagnostic - Med. Centrum Diagnostyki Radiologicznej Sp. z o.o.	PLN500.00 Ordinary
<b>Brzeska 12 Street, 03-737, Warsaw, Poland</b>	
Centrum Edukacji Medycznej Sp. z o.o.	PLN100.00 Ordinary
<b>Czapliniecka 93/95, 97-400, Belchatow, Poland</b>	
Megamed Sp. z o.o.	PLN1,000.00 Ordinary
<b>Kuznicka 1 Street, 72-010, Police, Poland</b>	
Medika Usługi Medyczne Sp. z o.o.	PLN50.00 Ordinary
<b>Partyzantow 76, 80-254, Gdansk, Poland</b>	
Projekt Uśmiech Bis Sp. z o.o.	PLN500.00 Ordinary
<b>Podleśna 61, 01-673, Warszawa, Poland</b>	
Centrum Medyczne Mavit Sp. z o.o.	PLN100.00 Ordinary
<b>Pory 78 Street, 02-757 Warsaw, Poland</b>	
Pory 78 Sp. z o.o.	PLN100.00 Ordinary
Sport Medica S.A.	PLN1.00 Ordinary-A, PLN1.00 Ordinary-B, PLN1.00 Ordinary-C, PLN1.00 Ordinary-D, PLN1.00 Ordinary-E, PLN1.00 Ordinary-F, PLN1.00 Ordinary-G, PLN1.00 Ordinary-I, PLN1.00 Ordinary-J

<sup>9</sup> Held directly by the Company

## Notes to the financial statements (continued)

for the year ended 31 December 2019

### 23. Related undertakings (continued)

#### (i) Wholly owned related undertakings (continued)

Name	Share Class
<b>Poland</b>	
<b>Pulawska 48, 05-500 Piaseczno, Poland</b>	
Silver Dental Clinic Sp. z o.o.	PLN100.00 Ordinary
<b>ul. Elblaska 135, 80-718, Gdansk, Poland</b>	
Centrum Opieki Medycznej Comed Sp. z o.o.	PLN500.00 Ordinary
<b>ul. Gen. Augusta Emila Fieldorfa "Nila" 40, Warszawa, 04-125, Poland</b>	
Magodent Sp. z o.o.	PLN50.00 Ordinary
<b>ul. Postepu 21 C Street, 02-676, Warsaw, Poland</b>	
Elba 1 Sp. z o.o. (In Liquidation)	PLN50.00 Ordinary
Elblaska Sp. z o.o.	PLN50.00 Ordinary
Lux Med Lodz Sp. z o.o. (In Liquidation)	PLN50.00 Ordinary
LUX-MED Investment S.A.	PLN50.00 Series A, PLN50.00 Series B, PLN50.00 Series C
LUX MED Sp. z o.o. <sup>10</sup>	PLN500.00 Ordinary
<b>ul. Stefana Batorego 17/19, 87-100 Torun, Poland</b>	
Tomograf Sp. z o.o.	PLN500.00 Ordinary
<b>Wladyslawa Broniewskiego 48, 43-300, Bielsko - Biala, Poland</b>	
Nzoz Ultramedic Centrum Medyczne Sp. z o.o.	PLN1,000.00 Ordinary
<b>Wladyslawa Broniewskiego 3, 01-785, Warszawa, Poland</b>	
Klinika Optimum Sp. z o.o.	PLN Ordinary
<b>Saint Kitts and Nevis</b>	
<b>Amory Building, Victoria Road, Basseterre, St. Kitts, Saint Kitts and Nevis</b>	
Amedex Services Ltd. <sup>10</sup>	US\$1.00 Capital Stock
<b>Singapore</b>	
<b>600, North Bridge Road, #05-01 Parkview Square, 188778, Singapore</b>	
Bupa Singapore Holdings Pte Ltd <sup>10</sup>	SGD Ordinary
<b>Spain</b>	
<b>Avda Marcelo Celayeta, 144 - Pamplona (31014), Spain</b>	
Sanitas Mayores Navarra S.L.	€60.10 Ordinary
<b>Avenida Generalitat Valenciana no 50, Valencia, Spain</b>	
Especializada y Primaria L'Horta-Manises, S.A.U.	€1.00 Ordinary
<b>c/ Eguskiaguirre no.8, 48902, Baracaldo, Bilbao, Spain</b>	
Sanitas Mayores Pais Vasco S.A.	€120.00 Ordinary
<b>Calle Ribera Del Loira, 52, 28042, Madrid, Spain</b>	
Clinica Londres, S.L.	€10.00 Ordinary
Elegimosalud S.L.U.	€1.00 Ordinary
Grupo Bupa Sanitas S.L.U. <sup>10</sup>	€100.00 Ordinary
Sanitas Emision S.L.U.	€1.00 Ordinary
Sanitas Holding, S.L.U. <sup>10</sup>	€1.00 Ordinary
Sanitas Mayores S.L.	€651.28 Ordinary
Sanitas Nuevos Negocios S.L.U.	€1.00 Ordinary

<sup>10</sup> Held directly by the Company

## Notes to the financial statements (continued)

for the year ended 31 December 2019

### 23. Related undertakings (continued)

#### (i) Wholly owned related undertakings (continued)

Name	Share Class
<b>Spain</b>	
Sanitas S.L. de Diversificacion S.U.	€6.02 Ordinary
Sanitas, S.A. de Hospitales S.U.	€6.01 Ordinary
<b>Sweden</b>	
<b>Box 27093, 102 51, Stockholm, Sweden</b>	
LMG Forsakrings AB	€1,000.00 Ordinary
<b>United Arab Emirates</b>	
<b>Unit C1204, Level 12, Burj Daman, DIFC, PO Box 507019, Dubai, United Arab Emirates</b>	
Bupa Global Middle East (DIFC) Limited	US\$1.00 Ordinary
<b>United Kingdom</b>	
<b>1 Angel Court, London, EC2R 7HJ, United Kingdom</b>	
Bupa Global Holdings Limited <sup>11</sup>	€1.00 Ordinary, €0.01 Ordinary, £1.00 Ordinary
Health Dialog UK Limited <sup>11</sup>	£1.00 Ordinary
<b>United States</b>	
<b>17901 Old Cutler Road, Suite 400, Palmetto Bay FL 33157, United States</b>	
Bupa Insurance Company	US\$1.25 Capital Stock
Bupa Investment Corporation, Inc.	US\$1.00 Capital Stock
Bupa U.S. Holdings, Inc.	US\$0.01 Common Stock
Bupa Worldwide Corporation	US\$5.00 Capital Stock
U.S.A. Medical Services Corporation	US\$5.00 Capital Stock

#### (ii) Other related undertakings

The related undertakings listed below are not wholly owned by the Company. The proportion of the nominal value of each share class held indirectly by the Company is shown below, unless otherwise stated.

Name	Share Classes	Actual % held
<b>Australia</b>		
<b>Level 16, 33 Exhibition Street, Melbourne VIC 3000, Australia</b>		
Mobile Dental Pty Ltd	AUD Ordinary	100.00
<b>Level 3, 60-62 Clarence Street, Sydney NSW 2000, Australia</b>		
Whitecoat Holdings Pty Ltd	AUD Ordinary	23.48
Whitecoat Operating Pty Ltd	AUD Ordinary	100.00
<b>Bahrain</b>		
<b>Flat 207, Building 743, Road 831, Block 408, Sanabis, Bahrain</b>		
Bupa Middle East Holdings Two W.L.L. <sup>11</sup>	BHD50.00 Ordinary	75.00
<b>Bermuda</b>		
<b>Crawford House, 4th Floor, 50 Cedar Avenue, Hamilton, HM11, Bermuda</b>		
Amedex Insurance Company (Bermuda) Limited	BMD1.00 Ordinary	30.00
<b>Bolivia</b>		
<b>Guapomo Street 2005, Spazio Building, 1st Floor, Offices 201-202-2013, Santa Cruz de la Sierra, Bolivia</b>		
Bupa Insurance (Bolivia) S.A. <sup>12</sup>	BOB100.00 Ordinary	99.99

<sup>11</sup> Held directly by the Company

<sup>12</sup> 0.000459% held directly by the Company

## Notes to the financial statements (continued)

for the year ended 31 December 2019

### 23. Related undertakings (continued)

#### (ii) Other related undertakings (continued)

Name	Share Classes	Actual % held
<b>Chile</b>		
<b>Anabaena N° 336, Comuna Viña del Mar, Region Valparaiso, Chile</b>		
Clinica Renaca S.A.	CLP Ordinary	100.00
Desarrollo E Inversiones Medicas S.A.	CLP Ordinary	96.97
Promotora De Salud S.A.	CLP Ordinary	67.03
Sociedad Medica Imogeneologia Clinica Renaca Limitada	CLP Social Rights	80.00
<b>Augusto D'halmar N° 1369, Comuna Arica, Region Arica y Parinacota, Chile</b>		
Centro De Diagnostico Avanzado San Jose S.A.	CLP Ordinary	100.00
<b>Av Libertador Bernardo O'Higgins N° 654, Comuna Santiago, Region Metropolitana, Chile</b>		
Exámenes De Laboratorio S.A.	CLP Ordinary	100.00
Integramedica S.A.	CLP Ordinary	99.99
<b>Av. Vicuña Mackenna N° 7255, Comuna La Florida, Region Metropolitana, Chile</b>		
Sonorad II S.A.	CLP Ordinary	100.00
<b>Baquedano N° 298, Comuna Antofagasta, Region Antofagasta, Chile</b>		
Sociedad Medico Quirurgica De Antofagasta S.A.	CLP Ordinary	100.00
<b>Bernarda Morin N° 495, Comuna Providencia, Region Metropolitana, Chile</b>		
Recaumed S.A.	CLP Ordinary	58.40
<b>Cerro Colorado N° 5420, Piso 12, Comuna Las Condes, Region Metropolitana, Chile</b>		
Bupa Compania de Seguros de Vida S.A.	CLP Ordinary	76.14
<b>Cerro Colorado N° 5420, Piso 4,5,7, Comuna Las Condes, Region Metropolitana, Chile</b>		
Isapre Cruz Blanca S.A.	CLP Ordinary	99.73
<b>Coyancura N° 2270, Oficina 910, Comuna Providencia, Region Metropolitana, Chile</b>		
Bupa Servicios de Salud SpA	CLP Ordinary	100.00
<b>Dr. Juan Noe N° 1370, Comuna Arica, Region Arica y Parinacota, Chile</b>		
Corporacion Medica de Arica S.A.	CLP Ordinary	68.97
Sociedad De Inversiones Pacasbra S.A.	CLP Ordinary	100.00
<b>Las Bellotas N° 200, Comuna Providencia, Region Metropolitana, Chile</b>		
Sonorad I S.A.	CLP Ordinary	100.00
<b>Manuel Antonio Matta N° 1868, Comuna Antofagasta, Region Antofagasta, Chile</b>		
Inmobiliaria Centro Medico Antofagasta S.A.	CLP Ordinary	99.99
Inmobiliaria Somequi S.A.	CLP Ordinary	100.00
<b>Manuel Antonio Matta N° 1945, Comuna Antofagasta, Region Antofagasta, Chile</b>		
Centro Medico Antofagasta S.A.	CLP Ordinary	100.00
Inversiones Clinicas Pukara S.A.	CLP Ordinary	85.88
Servicios Y Abastecimiento A Clinicas S.A.	CLP Ordinary	100.00
Sociedad De Resonancia Magnetica Del Norte S.A.	CLP Ordinary	100.00
Sociedad Instituto De Cardiologia Del Norte Limitada	CLP Social Rights	50.00
<b>Pedro Aguirre Cerda N° 843, Comuna Arica, Region Arica y Parinacota, Chile</b>		
Centro De Imagenes Medicas Avanzadas San Jose S.A.	CLP Ordinary	70.00

## Notes to the financial statements (continued)

for the year ended 31 December 2019

### 23. Related undertakings (continued)

#### (ii) Other related undertakings (continued)

Name	Share Classes	Actual % held
<b>Egypt</b>		
<b>Building 55, Street 18, Maadi, Cairo, Egypt</b>		
Bupa Egypt Insurance S.A.E. <sup>13</sup>	EGP10.00 Ordinary	99.95
Bupa Egypt Services LLC <sup>13</sup>	EGP100.00 Ordinary	99.00
<b>Guatemala</b>		
<b>Quinta avenida número cinco guión cincuenta y cinco, Zona catorce de esta ciudad, Edificio Europlaza World Business Center, Torre III, undécimo nivel, área corporativa número un mil, Guatemala</b>		
Bupa Guatemala, Compania de Seguros, S.A. <sup>13</sup>	GTQ1.00 Ordinary	99.00
<b>India</b>		
<b>Max House, 1, Dr Jha Marg, Okhla, New Delhi, 110020, India</b>		
Max Bupa Health Insurance Company Limited <sup>14</sup>	INR10.00 Ordinary	44.42
<b>Mexico</b>		
<b>Montes Urales, No. 745, Piso 1, Colonia Lomas de Chapultepec I Seccion, C.P. 11000, Mexico City</b>		
Bupa Servicios Administrativos de Salud, S. de R.L. de C.V. (In Liquidation) <sup>13</sup>	US\$1.00 Ordinary	99.97
Bupa Servicios de Evaluacion Medica, S. de R.L. de C.V. <sup>13</sup>	US\$1.00 Ordinary	99.97
Bupa Servicios Ejecutivos de Salud, S. de R.L. de C.V. (In Liquidation) <sup>13</sup>	US\$1.00 Ordinary	99.97
<b>Peru</b>		
<b>Av. Guardia Civil N° 664, Comuna San Isidro, Region Lima, Peru</b>		
Anglolib S.A	PEN Ordinary-A	85.00
	PEN Ordinary-B	50.00
MediPeru S.A.C	PEN Ordinary	99.97
<b>Poland</b>		
<b>Al. Niepodleglosci 18, 02-653, Warsaw, Poland</b>		
Endoterapia PFG Sp. z.o.o.	PLN50.00 Ordinary	40.00
<b>Marszalkowska 99 A lok. 5B Street, 00-693, Warsaw, Poland</b>		
Centrum Edukacyjne Medycyny Sportowej Sp. z.o.o.	PLN50.00 Ordinary	50.00
<b>Porebskiego 9 Street, 81-185, Gdynia, Poland</b>		
Niepubliczny Zaklad Opieki Zdrowotnej Przychodnia Lekarska "POGORZE" Sp. z.o.o.	PLN200.00 Ordinary	88.15
<b>ul. Długa 43, 05-510 Konstancin Jeziorna, Poland</b>		
Lux Med Tabita Sp. z.o.o.	PLN100.00 Ordinary	88.00
<b>Saudi Arabia</b>		
<b>Al-Khalidiyah-Nour Al Ehsan 3538, Unit 1 Jeddah 7505-23423, P.O. Box 23807, Jeddah, 21436, Saudi Arabia</b>		
Bupa Arabia For Cooperative Insurance Company <sup>14</sup>	SAR10.00 Ordinary	39.25
<b>Spain</b>		
<b>Avenida República Argentina, Número 6, Entreplanta, Seville, Spain</b>		
Clinicas Ginemed S.L.	€6.02 Ordinary	70.00
<b>Calle Arenal Numero 22, 3 Derecha, Madrid, Spain</b>		
Foren Project S.L.	€1.00 Ordinary	20.00

<sup>13</sup> Held directly by the Company

<sup>14</sup> Part held by nominees

**Notes to the financial statements (continued)**  
for the year ended 31 December 2019

**23. Related undertakings (continued)**  
(ii) Other related undertakings (continued)

Name	Share Classes	Actual % held
<b>Spain</b>		
<b>Calle Ribera Del Loira, 52, 28042, Madrid, Spain</b>		
Fundacion Sanitas <sup>15</sup>	Contribution	100.00
Sanitas S.A. de Seguros	€0.68 Ordinary	99.91
<b>United States</b>		
<b>933 First Avenue, King of Prussia PA 19406, United States</b>		
Highway to Health, Inc <sup>16</sup>	US\$0.01 Ordinary	49.00
HTH Re, Ltd	US\$1.00 Ordinary	100.00
HTH Worldwide, LLC	US\$1.00 Ordinary	100.00
Worldwide Insurance Services, LLC	US\$1.00 Ordinary	100.00

<sup>15</sup> The Sanitas Foundation

<sup>16</sup> Held directly by the Company