

# **Amanat Holdings PJSC**

**Condensed interim financial statements**

*For the period from 17 November 2014 to 31 December 2014*

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## **Independent auditor's report on review of condensed interim financial information**

The Shareholders  
Amanat Holdings PJSC

### *Introduction*

We have reviewed the accompanying condensed interim financial information of Amanat Holdings PJSC (“the Company”), consisting of the condensed interim statement of financial position as at 31 December 2014, the condensed interim statement of profit or loss for the period 17 November 2014 to 31 December 2014, the condensed interim statement of comprehensive income for the period 17 November 2014 to 31 December 2014, the condensed interim statements of changes in equity and cash flows for the period 17 November 2014 to 31 December 2014, and notes to the condensed interim financial information.

Management is responsible for the preparation and presentation of this condensed interim financial information in accordance with IAS 34, ‘Interim Financial Reporting’. Our responsibility is to express a conclusion on this condensed interim financial information based on our review.

### *Scope of Review*

We conducted our review in accordance with the International Standard on Review Engagements 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity”. A review of condensed interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### *Conclusion*

Based on our review, nothing has come to our attention that causes us to believe that the accompanying 31 December 2014 condensed interim financial information is not prepared, in all material respects, in accordance with IAS 34, ‘Interim Financial Reporting’.

*KPMG Lower Gulf Limited*

**11 FEB 2015**

## Amanat Holdings PJSC

Condensed interim statement of financial position  
At 31 December 2014

		31 December 2014 AED'000
	<i>Note</i>	
<b>ASSETS</b>		
<b>Current assets</b>		
Cash and bank balances	3	2,511,203
Deposits and prepayments		2,206
Other receivables	4	1,515
<b>Total assets</b>		<b>2,514,924</b>
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>		
Share capital	5	2,500,000
Reserve	6	2,996
Accumulated losses		(14,499)
<b>Total equity</b>		<b>2,488,497</b>
<b>LIABILITIES</b>		
<b>Current liabilities</b>		
Payables to a related party	13	133
Trade and other payables	7	26,294
<b>Total liabilities</b>		<b>26,427</b>
<b>Total equity and liabilities</b>		<b>2,514,924</b>

The notes set out on pages 6 to 12 form an integral part of these condensed interim financial statements.

These condensed interim financial statements were approved by the Board of Directors on 11/2/2015 and signed on its behalf by:

Director  
Name:

Faisal Bin Juma Belhail

Director  
Name:

Abdulmonem Al Rashed

The Independent auditor's report on review of condensed interim financial information is set out on page 1.

## Amanat Holdings PJSC

Condensed interim statement of profit or loss and other comprehensive income

For the period from 17 November 2014 to 31 December 2014

		<b>For the period from 17 November 2014 to 31 December 2014</b>
	<i>Note</i>	<b>AED'000</b>
<b>Income</b>		
Interest income		1,525
		<u>1,525</u>
<b>Expenses</b>		
Pre-incorporation expenses	8	(12,515)
Employee related expenses	9	(1,044)
General and administrative expenses	10	(2,465)
<b>Total operating expenses</b>		<u>(16,024)</u>
<b>Net loss for the period</b>		<u>(14,499)</u>
<b>Other comprehensive income</b>		-
<b>Total comprehensive loss for the period</b>		<u>(14,499)</u>
<b>Basic and diluted loss per share (AED per share)</b>	11	<u>(0.0058)</u>

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## Amanat Holdings PJSC

Condensed interim statement of changes in equity

For the period from 17 November 2014 to 31 December 2014

	Share subscription proceeds AED'000	Reserve AED'000	Accumulated Losses AED'000	Total AED'000
Proceeds from share subscription	2,500,000	-	-	2,500,000
Proceeds received for share issuance and IPO expenses	-	50,000	-	50,000
Less: Share issuance and IPO expenses incurred	-	(47,004)	-	(47,004)
Total comprehensive loss for the period	-	-	(14,499)	(14,499)
<b>As at 31 December 2014</b>	<b>2,500,000</b>	<b>2,996</b>	<b>(14,499)</b>	<b>2,488,497</b>

The notes set out on pages 6 to 12 form an integral part of these condensed interim financial statements.

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## Amanat Holdings PJSC

Condensed interim statement of cash flows

For the period ended from 17 November 2014 to 31 December 2014

	<i>Note</i>	<b>For the period from 17 November 2014 to 31 December 2014 AED'000</b>
<b>Operating activities</b>		
Loss for the period		(14,499)
Less: Interest Income		<u>(1,525)</u>
		<u>(16,024)</u>
<b>Adjustment for changes in:</b>		
Trade and other payables		26,427
Deposits and prepayments		(2,206)
Other receivables	4	<u>(2)</u>
<b>Net cash generated from operating activities</b>		<u><b>8,195</b></u>
<b>Investing activities</b>		
Interest received		12
Placement of term deposits	3	<u>(2,472,500)</u>
<b>Net cash used in investing activities</b>		<u><b>(2,472,488)</b></u>
<b>Financing activities</b>		
Issue of share capital		2,500,000
Proceeds received for shares issuance and IPO expenses		50,000
Share issuance and IPO expenses incurred		<u>(47,004)</u>
<b>Net cash generated from financing activities</b>		<u><b>2,502,996</b></u>
	3	
<b>Net balance of cash and cash equivalents at the end of the period</b>		<u><b>38,703</b></u>

The notes set out on pages 6 to 12 form an integral part of these condensed interim financial statements.

The Independent auditor's report on review of condensed interim financial information is set out on page 1.

## **Amanat Holdings PJSC**

Notes to the condensed interim financial statements

*For the period from 17 November 2014 to 31 December 2014*

### **1 BACKGROUND AND PRINCIPAL ACTIVITY**

Amanat Holdings PJSC ("the Company") was incorporated on 17 November 2014 and is registered as a Public Joint Stock Company under the UAE Federal Law No. 8 of 1984, (as amended). Following the Initial Public Offering ("IPO") which commenced on 20 October 2014 and closed on 4 November 2014, the Company listed on the Dubai Financial Market.

The principal activities of the Company are to invest in companies and enterprises in the fields of education and healthcare and managing, developing and operating such companies and enterprises. The Company may participate or have an interest in any manner in other companies, entities or institutions outside United Arab Emirates. As at 31 December 2014, the Company had not completed any investments in the fields of education and healthcare and is currently evaluating various opportunities.

### **2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The principal accounting policies applied in the preparation of these interim financial statements are set out below. These policies have been consistently applied during the period presented, unless otherwise stated.

#### **a) Basis of preparation**

The interim financial statements are prepared in accordance with IAS 34 Interim Financial Reporting. They do not include all the information required for a complete set of IFRS financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the Company's financial position and performance.

#### **b) Use of judgments and estimates**

In preparing these interim financial statements, management has made judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

#### **c) Foreign currency translation**

##### *Functional and presentation currency*

Items included in the interim financial statements of the Company are measured using the currency of primary economic environment in which the Company operates ("The functional currency"). The interim financial statements are presented in United Arab Emirates Dirham ("AED"), which is the Company's functional currency.

##### *Transactions and balances*

Transactions denominated in foreign currencies are translated into AED at exchange rates prevailing at the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated into AED at exchange rates prevailing at the balance sheet date. All gains and losses from settlement and translation of foreign currency transactions are recognised in the statement of profit or loss and other comprehensive income.



## Amanat Holdings PJSC

Notes to the condensed interim financial statements

For the period from 17 November 2014 to 31 December 2014 (Continued)

### 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### d) Financial assets

##### *Classification of financial assets*

The Company classifies its financial assets as loans and receivables. The classification depends on the purpose for which the financial assets were acquired. The Directors determine the classification of its financial assets at initial recognition.

Financial assets are derecognised only when the contractual rights to the cash flows from the financial asset expire or the Company transfers substantially all risks and rewards of ownership.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the end of the reporting period. These are classified as non-current assets.

##### *Recognition and measurement*

Loans and receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method. The Company assesses, at each reporting date, whether there is objective evidence that financial assets are impaired.

##### *Offsetting financial instruments*

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

##### *Impairment of financial assets*

A financial asset is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount, and the present value of the estimated future cash flows discounted at the original effective interest rate.

Individually significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in groups that share similar credit risk characteristics.

All impairment losses are recognised in the statement of profit or loss and other comprehensive income. An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognised except for available for sale equity instruments, which is recognised in other comprehensive income. For financial assets measured at amortised cost, the reversal is recognised in statement of profit or loss and other comprehensive income.

## Amanat Holdings PJSC

Notes to the condensed interim financial statements

For the period from 17 November 2014 to 31 December 2014 (Continued)

### 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### e) Cash and cash equivalents

For the purpose of the statement of cash flows, cash and cash equivalents comprise cash on hand and bank balances with an original maturity of less than three months.

#### f) Employee benefits

##### *Short term employee benefits*

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

##### *Pension Obligations*

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 (7), 1999 for Pension and Social Security.

##### *Termination gratuity benefit schemes*

In compliance with UAE Labour Law, the Company has a termination gratuity benefit scheme covering all of its expatriate salaried employees. The provision for gratuity is recognized through income statement.

#### g) Operating Lease

Payments made under operating leases are recognized in profit or loss on a straight line basis over the term of the lease. Lease incentives received are recognized as an integral part of the total lease expense, over the term of the lease.

#### h) Standards issued but not yet adopted

A number of new standards and amendments to standards are effective for annual periods beginning after 1 January 2014; however, the Company has not applied the following new or amended standards in preparing these financial statements, as they have chosen not to early adopt these standards.

##### *IFRS 9 Financial Instruments*

IFRS 9, published in July 2014, replaces the existing guidance in IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 includes revised guidance on the classification and measurement of financial instruments, including a new expected credit loss model for calculating impairment on financial assets, and the new general hedge accounting model. It also carries forward the guidance on recognition and derecognition of financial instruments from IAS 39. IFRS 9 is effective for annual periods beginning on or after 1 January 2018, with early adoption permitted. The Company is assessing the potential impact on its financial statements resulting from the application of IFRS 9.

## Amanat Holdings PJSC

Notes to the condensed interim financial statements

For the period from 17 November 2014 to 31 December 2014 (Continued)

### 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### i) Standards issued but not yet adopted (continued)

##### *IFRS 15 Revenue from Contracts with customers*

IFRS 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognized. It replaces existing revenue recognition guidance, including IAS 18 *Revenue*, IAS 11 *Construction Contracts* and IFRIC 13 *Customer Loyalty Programmes*. IFRS 15 is effective for annual reporting periods beginning on or after 1 January 2017, with early adoption permitted. The Company is assessing the potential impact on its financial statements resulting from the application of IFRS 15.

### 3 CASH AND BANK BALANCES

	31 December 2014
	AED' 000
Current account	38,703
Term deposits	2,472,500
<b>Total Cash and Bank balances</b>	<b>2,511,203</b>

### 4 OTHER RECEIVABLES

	31 December 2014
	AED' 000
Accrued interest	1,513
Other receivables	2
<b>Total Other receivables</b>	<b>1,515</b>

### 5 SHARE CAPITAL

As at 31 December 2014, 2,500,000,000 authorised ordinary shares of AED 1 each were fully issued and paid up. Holders of these ordinary shares are entitled to dividends as declared from time to time and are entitled to one vote per share at general meetings of the Company.

### 6 RESERVE

	31 December 2014
	AED' 000
Amounts raised in initial public offering for related costs (AED 0.02 per share)	50,000
Less: Share issuance and IPO expenses incurred	(47,004)
<b>Total Reserve</b>	<b>2,996</b>

## Amanat Holdings PJSC

Notes to the condensed interim financial statements

For the period from 17 November 2014 to 31 December 2014 (Continued)

### 7 TRADE AND OTHER PAYABLES

	<b>31 December 2014</b>
	<b>AED' 000</b>
Sundry payables	25,362
Staff related provisions	90
Accrued expenses	842
<b>Total Trade and Other Payables</b>	<b>26,294</b>

### 8 PRE-INCORPORATION EXPENSES

Pre-incorporation expenses represents expenses approved by the Company's Founders' Committee which have been incurred between 1 September 2013 till the date of incorporation for the benefit of the Company and which relates to the investment activities proposed to be undertaken by the Company, though not related to its Initial public Offering ("IPO") of its shares.

### 9 EMPLOYEE RELATED EXPENSES

	<b>For the period</b>
	<b>from 17 November</b>
	<b>2014 to 31</b>
	<b>December 2014</b>
	<b>AED' 000</b>
Salaries, wages and other benefits	841
Provision for gratuity and leave encashment	90
Other staff costs	113
<b>Total Employee Related Expenses</b>	<b>1,044</b>

### 10 GENERAL AND ADMINISTRATIVE EXPENSES

	<b>31 December 2014</b>
	<b>AED' 000</b>
General and administrative expenses	1,062
Transaction related costs	1,403
<b>Total General and Administrative Expenses</b>	<b>2,465</b>

## Amanat Holdings PJSC

Notes to the condensed interim financial statements

For the period from 17 November 2014 to 31 December 2014 (Continued)

### 11 BASIC AND DILUTED LOSS PER SHARE

The calculation of basic and diluted loss per share has been based on the total comprehensive loss for the period and number of ordinary shares issued by the Company.

	<b>31 December 2014</b>
	<b>AED' 000</b>
Total Comprehensive loss for the period	(14,999)
Number of ordinary shares	2,500,000,000
<b>Loss per share</b>	<b>(0.0058)</b>

### 12 OPERATING LEASES

At 31 December 2014, the future minimum lease payments for operating leases payable were as follows

	<b>31 December 2014</b>
	<b>AED' 000</b>
Due in less than one year	2,118
Due between one and five years	8,121
<b>Total minimum lease payments</b>	<b>10,239</b>

### 13 RELATED PARTY TRANSACTIONS

The Company, in its normal course of business, enters into transaction with business enterprises that fall within the definition of a 'related party' as contained in International Accounting Standard 24 (Revised). The following is the list of all transactions and balances with related parties.

<b>Entity</b>	<b>Nature of relationship</b>
Ithmar Capital	Common directorship and shareholder in the Company

	<b>31 December 2014</b>
	<b>AED' 000</b>
<b>Transactions with Ithmar Capital</b>	
Pre-incorporating expenses (refer 13.1)	12,515
Share issuance and IPO expenses (refer 13.1)	12,060
General and administrative expenses (13.1)	3,768
Payments made to reimburse for expenses settled by Ithmar Capital on behalf of the Company	(28,210)

13.1 The transactions represents, payments made by Ithmar Capital on behalf of the Company.

## **Amanat Holdings PJSC**

Notes to the condensed interim financial statements

*For the period from 17 November 2014 to 31 December 2014 (Continued)*

### **13 RELATED PARTY TRANSACTIONS (continued)**

#### **Key Managerial Persons' remuneration**

Key Managerial persons' compensation comprised the following:

	<b>31 December 2014</b>
	<b>AED' 000</b>
Short-term employee benefits	398
Post-employment benefits	9

There are no other transactions with key managerial personnel during the period.

### **14 FINANCIAL RISK MANAGEMENT**

The Company is in the process of formulating and developing its risk management policies and procedures. The term deposits disclosed in note 3 are placed with financial institutions of high repute and which attract interest.

### **15 OPERATING SEGMENTS**

The principal activities of the Company are to invest in companies and enterprises in the fields of education and healthcare and managing, developing and operating such companies and enterprises. As the Company is yet to make any investments as at 31 December 2014, no segment information has been included.