

Amanat Holdings PJSC

Condensed consolidated interim financial statements
For the quarter ended 31 March 2015

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KPMG Lower Gulf Limited
Level 13, Boulevard Plaza Tower One
Mohammed Bin Rashid Boulevard
P.O.Box 3800
Downtown Dubai
United Arab Emirates

Telephone +971 (4) 403 0300
Fax +971 (4) 330 1515
Website: www.ae-kpmg.com

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

The Shareholders
Amanat Holdings PJSC

Introduction

We have reviewed the accompanying 31 March 2015 condensed consolidated interim financial information of Amanat Holdings PJSC ("the Company") and its subsidiaries (collectively referred to as "the Group"), which comprise:

- the condensed consolidated statement of financial position as at 31 March 2015;
- the condensed consolidated statements of profit or loss and other comprehensive income for the three-month period ended 31 March 2015 and the period from 17 November 2014 to 31 March 2015;
- the condensed consolidated statement of changes in equity for the three-month period ended 31 March 2015;
- the condensed consolidated statement of cash flows for the three-month period ended 31 March 2015; and
- notes to the interim financial information.

Management is responsible for the preparation and presentation of this condensed consolidated interim financial information in accordance with IAS 34, 'Interim Financial Reporting'. Our responsibility is to express a conclusion on this condensed consolidated 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 consolidated 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 March 2015 condensed consolidated interim financial information is not prepared, in all material respects, in accordance with IAS 34, 'Interim Financial Reporting'.

 06 MAY 2015

KPMG Lower Gulf Limited
Muhammad Tariq
Registration No.: 793

Amanat Holdings PJSC

Condensed consolidated interim statement of financial position
At 31 March 2015

		31 March 2015 AED'000	31 December 2014 AED'000
	<i>Note</i>		
ASSETS			
Non-current assets			
Property and equipment		280	-
Current assets			
Other receivables	3	10,004	1,515
Deposits and prepayments	4	3,496	2,206
Cash and bank balances	5	2,483,429	2,511,203
Total assets		<u>2,497,209</u>	<u>2,514,924</u>
EQUITY AND LIABILITIES			
EQUITY			
Share capital	6	2,500,000	2,500,000
Reserve	7	5,718	2,996
Accumulated losses		(13,026)	(14,499)
Total equity attributable to the owners of the Company		<u>2,492,692</u>	<u>2,488,497</u>
LIABILITIES			
Current liabilities			
Payables to a related party	14	196	133
Trade and other payables	8	4,321	26,294
Total liabilities		<u>4,517</u>	<u>26,427</u>
Total equity and liabilities		<u>2,497,209</u>	<u>2,514,924</u>

The notes set out on pages 6 to 14 form an integral part of these condensed consolidated interim financial statements.

These condensed consolidated interim financial statements were approved by the Board of Directors on 06 MAY 2015 and signed on its behalf by:

Chairman

Name:

FAISAL BELHON

Director

Name:

Abdullah Al-Khalil

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

Amanat Holdings PJSC

Condensed consolidated interim statement of profit or loss and other comprehensive income

For the quarter ended 31 March 2015

	<i>Note</i>	For the 3 month period ended 31 March 2015 AED'000	For the period from 17 November 2014 to 31 March 2015 AED'000
Income			
Interest income		<u>8,189</u>	<u>9,714</u>
		8,189	9,714
Expenses			
Pre-incorporation expenses	<i>9</i>	-	(12,515)
Employee related expenses	<i>10</i>	(4,177)	(5,221)
General and administrative expenses	<i>11</i>	<u>(2,539)</u>	<u>(5,004)</u>
Total operating expenses		(6,716)	(22,740)
Net profit / (loss) for the period		<u><u>1,473</u></u>	<u><u>(13,026)</u></u>
Other comprehensive income		-	-
Total comprehensive income / (loss) for the period (Attributable to owners of the Company)		<u><u>1,473</u></u>	<u><u>(13,026)</u></u>
Basic and diluted profit / (loss) per share (AED per share)	<i>12</i>	0.0006	(0.0052)

The notes set out on pages 6 to 14 form an integral part of these condensed consolidated interim financial statements.

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

Amanat Holdings PJSC

Condensed consolidated interim statement of changes in equity

For the quarter ended 31 March 2015

	<i>Note</i>	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		-	(47,004)	-	(47,004)
Total comprehensive loss for the period		-	-	(14,499)	(14,499)
As at 31 December 2014		2,500,000	2,996	(14,499)	2,488,497
As at 1 January 2015		2,500,000	2,996	(14,499)	2,488,497
Less: Reversal of share issuance and IPO expenses	<i>15</i>	-	2,722	-	2,722
Total comprehensive income for the period		-	-	1,473	1,473
As at 31 March 2015		2,500,000	5,718	(13,026)	2,492,692

The notes set out on pages 6 to 14 form an integral part of these condensed consolidated interim financial statements.

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Amanat Holdings PJSC

Condensed consolidated interim statement of cash flows
For the quarter ended 31 March 2015

	For the 3 month period ended 31 March 2015 AED'000	For the period from 17 November 2014 to 31 March 2015 AED'000
Operating activities		
Profit / (loss) for the period	1,473	(13,026)
Adjustments :		
Less: Interest Income	(8,189)	(9,714)
Less: Depreciation	8	8
	<u>(6,708)</u>	<u>(22,732)</u>
Adjustment for changes in:		
Trade and other payables	1476	4,517
Deposits and prepayments	4 (1,290)	(3,496)
Other receivables	3 (300)	(302)
Net cash used in operating activities	<u>(6,822)</u>	<u>(22,013)</u>
Investing activities		
Acquisition of property and equipment	(288)	(288)
Interest received	-	12
Placement of term deposits	5 -	(2,472,500)
Net cash used in investing activities	<u>(288)</u>	<u>(2,472,776)</u>
Financing activities		
Issue of share capital	-	2,500,000
Proceeds received for shares issuance and IPO expenses	-	50,000
Share issuance and IPO expenses paid	15 (20,664)	(44,282)
Net cash (used in) / generated from financing activities	<u>(20,664)</u>	<u>2,505,718</u>
Net (decrease) / increase in cash and cash equivalents	<u>(27,774)</u>	10,929
Cash and cash equivalents at the beginning of the period	<u>38,703</u>	-
Net balance of cash and cash equivalents at the end of the period	5 <u>10,929</u>	<u>10,929</u>

The notes set out on pages 6 to 14 form an integral part of these condensed consolidated interim financial statements.

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

Amanat Holdings PJSC

Notes to the condensed consolidated interim financial statements

For the quarter ended 31 March 2015

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. These consolidated financial statements comprise the Company and its subsidiaries (collectively the "Group" and individually "Group companies").

The principal activities of the Group are to invest in companies and enterprises in the fields of education and healthcare and managing, developing and operating such companies and enterprises. The Group may participate or have an interest in any manner in other companies, entities or institutions outside United Arab Emirates. As at 31 March 2015, the Group had not completed any investments in the fields of education and healthcare and is currently evaluating various opportunities.

During the current period, the Company incorporated three Limited Liability Companies (the "Group companies"). The extent of the Company's ownership in these subsidiaries and their principal activities are as follows:

<u>Name</u>	<u>Legal ownership interest</u>	<u>Country of incorporation</u>	<u>Principal Activities</u>
Amanat Investments L.L.C.	99%	United Arab Emirates	Investment in commercial enterprises and management.
Amanat Education Investments L.L.C.	99%	United Arab Emirates	Investment in education and commercial enterprises, development and management.
Amanat Healthcare Investments L.L.C.	99%	United Arab Emirates	Investment in healthcare and commercial enterprises, development and management.

The remaining 1% ownership in each of the above Group companies is held by the Chairman of the Company in the beneficial interest of the Company. The above Group companies had not started any operations up until 31 March 2015.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these condensed consolidated 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 condensed consolidated 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 Group's financial position and performance.

Amanat Holdings PJSC

Notes to the condensed consolidated interim financial statements
For the quarter ended 31 March 2015 (Continued)

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

a) Basis of preparation (continued)

Standards issued but not yet effective

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

New Standard or amendments	Effective date
IFRS 15 <i>Revenue from Contracts with Customers</i>	1 January 2017
IFRS 9 <i>Financial Instruments</i>	1 January 2018

Details of each of the above standards and amendments are given below.

IFRS 15 Revenue from Contracts with customers

IFRS 15, published in May 2014, 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 Group is assessing the potential impact on its financial statements resulting from the application of IFRS 15.

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 Group is assessing the potential impact on its financial statements resulting from the application of IFRS 9.

b) Use of judgments and estimates

In preparing these condensed consolidated 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 condensed consolidated interim financial statements of the Group are measured using the currency of primary economic environment in which the Group operates ("The functional currency"). The condensed consolidated interim financial statements are presented in United Arab Emirates Dirham ("AED"), which is the Group's functional currency.

Amanat Holdings PJSC

Notes to the condensed consolidated interim financial statements
For the quarter ended 31 March 2015 (Continued)

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

c) Foreign currency translation (continued)

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.

d) Financial assets

Classification of financial assets

The Group 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 Group 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 Group 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.

Amanat Holdings PJSC

Notes to the condensed consolidated interim financial statements

For the quarter ended 31 March 2015 (Continued)

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

d) Financial assets (continued)

Impairment of financial assets (continued)

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.

e) Interest income

Interest income represents profit earned on Wakala and Mudaraba deposits placed with Islamic banks in UAE. Interest income is recognised in profit or loss using the effective interest method. The 'effective interest rate' is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset (or, where appropriate, a shorter period) to the carrying amount of the financial asset. When calculating the effective interest rate, the Group estimates future cash flows considering all contractual terms of the financial instrument, but not future credit losses.

f) 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.

g) 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 Group 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 Group has a termination gratuity benefit scheme covering all of its expatriate salaried employees. The provision for gratuity is recognized through income statement.

h) 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.

Amanat Holdings PJSC

Notes to the condensed consolidated interim financial statements
For the quarter ended 31 March 2015 (Continued)

3 OTHER RECEIVABLES

	31 March 2015 AED' 000	31 December 2014 AED' 000
Accrued interest	9,702	1,513
Other receivables	302	2
	<u>10,004</u>	<u>1,515</u>

During the quarter ended 31 March 2015, the Company has earned interest at an average rate of **1.20%** per annum (Period from 17 November 2014 to 31 December 2014: 0.81% per annum).

4 DEPOSITS AND PREPAYMENTS

	31 March 2015 AED' 000	31 December 2014 AED' 000
Prepayments	2,357	1,224
Deposits	1,139	982
	<u>3,496</u>	<u>2,206</u>

5 CASH AND BANK BALANCES

	31 March 2015 AED' 000	31 December 2014 AED' 000
Current account	10,904	38,703
Cash on hand	25	-
Cash and cash equivalents	<u>10,929</u>	<u>38,703</u>
Wakala deposits	1,325,000	1,325,000
Mudaraba deposits	1,147,500	1,147,500
	<u>2,483,429</u>	<u>2,511,203</u>

6 SHARE CAPITAL

As at 31 March 2015, 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 Group.

Amanat Holdings PJSC

Notes to the condensed consolidated interim financial statements
For the quarter ended 31 March 2015 (Continued)

7 RESERVE

	31 March 2015 AED' 000	31 December 2014 AED' 000
Amounts raised in initial public offering for related costs (AED 0.02 per share)	50,000	50,000
Less: Share issuance and IPO expenses incurred	(47,004)	(47,004)
Add: Reversal or share issuance and IPO expenses	2,722	-
	<u>5,718</u>	<u>2,996</u>

8 TRADE AND OTHER PAYABLES

	31 March 2015 AED' 000	31 December 2014 AED' 000
Sundry payables	3,365	25,362
Staff related provisions	340	90
Accrued expenses	616	842
	<u>4,321</u>	<u>26,294</u>

9 PRE-INCORPORATION EXPENSES

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

10 EMPLOYEE RELATED EXPENSES

	For the 3 month period ended 31 March 2015 AED' 000	For the period from 17 November 2014 to 31 March 2015 AED' 000
Salaries, wages and other benefits	3,082	3,923
Provision for gratuity and leave encashment	250	340
Other staff costs	845	958
	<u>4,177</u>	<u>5,221</u>

Amanat Holdings PJSC

Notes to the condensed consolidated interim financial statements
For the quarter ended 31 March 2015 (Continued)

11 GENERAL AND ADMINISTRATIVE EXPENSES

	For the 3 month period ended 31 March 2015 AED' 000	For the period from 17 November 2014 to 31 March 2015 AED' 000
General and administrative expenses	1,754	2,816
Transaction related costs	785	2,188
	<u>2,539</u>	<u>5,004</u>

12 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 Group.

	For the 3 month period ended 31 March 2015 AED' 000	For the period from 17 November 2014 to 31 March 2015 AED' 000
Total Comprehensive income / (loss) for the period	1,473	(13,026)
Number of ordinary shares	2,500,000,000	2,500,000,000
Earnings / (loss) per share	<u>0.0006</u>	<u>(0.0052)</u>

13 OPERATING LEASES

At 31 March 2015, the future minimum lease payments for operating leases payable were as follows

	31 March 2015 AED' 000	31 December 2014 AED' 000
Due in less than one year	3,812	2,118
Due between one and five years	6,280	8,121
Total minimum lease payments	<u>10,092</u>	<u>10,239</u>

Amanat Holdings PJSC

Notes to the condensed consolidated interim financial statements
For the quarter ended 31 March 2015 (Continued)

14 RELATED PARTY TRANSACTIONS

The Group, 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.

Entity	Nature of relationship	
Ithmar Capital	Common directorship and shareholder in the Group	
	For the 3 month period ended 31 March 2015 AED'000	For the period from 17 November 2014 to 31 March 2015 AED' 000
Transactions with Ithmar Capital		
Payments made to reimburse for expenses settled by Ithmar Capital on behalf of the Group	-	28,210

14.1 These payments to Ithmar Capital are for costs it had incurred on behalf of the Group, comprising AED 12.5 million of pre-incorporation expenses, AED 12.1 million of share issuance and IPO expenses and AED 3.6 million of general and administrative expenses.

Balances outstanding with a related party

	31 March 2015 AED' 000	31 December 2014 AED' 000
Due to Ithmar Capital	<u>196</u>	<u>133</u>

Key Managerial Persons' remunerations

Key Managerial persons' compensation comprised the following:

	For the 3 month period ended 31 March 2015 AED'000	For the period from 17 November 2014 to 31 March 2015 AED' 000
Short-term employee benefits	1,195	1,593
Post-employment benefits	<u>25</u>	<u>34</u>

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

Amanat Holdings PJSC

Notes to the condensed consolidated interim financial statements

For the quarter ended 31 March 2015 (Continued)

15 SHARE ISSUANCE AND IPO RELATED EXPENSES

During the three month period ended 31 March 2015, share issuance and IPO related accrued expenses of AED 2,722,000 were no longer required to be paid and accordingly have been reversed.

16 FINANCIAL RISK MANAGEMENT

The Group is in the process of formulating and developing its risk management policies and procedures. The term deposits disclosed in note 4 are placed with financial institutions of high repute and which attract interest.

17 OPERATING SEGMENTS

The principal activities of the Group 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 Group is yet to make any investments as at 31 March 2015, no segment information has been included.

18 COMPARATIVE FIGURES

Certain comparative figures have been re-classified as necessary to conform to the current year's presentation.

19 SUBSEQUENT EVENT

On 30 April 2015 the Group signed a sale and purchase agreement ("SPA") for the acquisition of a significant equity interest in a healthcare company in the Kingdom of Saudi Arabia. In accordance with the SPA this acquisition is subject to certain conditions precedent, including approval by the Company's Board of directors and the regulators.