Amanat Holdings PJSC (under incorporation)

SPECIAL PURPOSE FINANCIAL STATEMENTS AS AT 16 NOVEMBER 2014

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SPECIAL PURPOSE FINANCIAL STATEMENTS

As at 16 November 2014

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Independent auditor's report

The Board of Directors ("the Directors")
Amanat Holdings PJSC (under incorporation)

Report on the special purpose financial statements

We have audited the accompanying financial statements of Amanat Holdings PJSC (under incorporation) ("the Company") which comprise the opening balance sheet as at 16 November 2014 and the statements of profit or loss and other comprehensive income, changes in equity and cash flows for the period since inception to 16 November 2014, and a summary of significant accounting policies and other explanatory notes. The special purpose financial statements have been prepared by the Directors of the Company in accordance with the accounting policies described in note 2 to the special purpose financial statements, as required by the regulatory requirements of United Arab Emirates Securities and Commodities Authority ("SCA").

Directors' responsibility for the special purpose financial statements

The Directors are responsible for the preparation of these special purpose financial statements in accordance with the accounting policies given in note 2 to the special purpose financial statements, and for such internal control as the Directors determines is necessary to enable the preparation of these special financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

Our responsibility is to express an opinion on these special purpose financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the special purpose financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the special purpose financial statements. The procedures selected depend on our judgement, including the assessment of the risks of material misstatement of the special purpose financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation of the special purpose financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the special purpose financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the accompanying special purpose financial statements as at 16 November 2014 and for the period since inception to 16 November 2014 are prepared, in all material respects, in accordance with the accounting policies described in note 2 to these special purpose financial statements.

Independent auditor's report *(continued)*

Basis of accounting and restriction on distribution and use

Without modifying our opinion, we draw attention to note 2 to the special purpose financial statements, which describes the basis of accounting. The special purpose financial statements are prepared to assist the Company to comply with the regulatory requirements of the SCA. As a result, these special purpose financial statements may not be suitable for another purpose. Our report is intended solely for the Company, its Directors and the SCA and should not be used by other parties.

KPMG

KPMG Lower Gulf Limited

Austin Alan Henry Rudman
Registration No: 844

18 NOV 2014

Amanat Holdings PJSC (under incorporation)

Opening Balance sheet

	Note	As at 16 November 2014 AED'000
Current assets		
Interest receivable		1,026
Cash and bank balances – held in an Escrow account	3	2,550,012
Total assets		2,551,038
EQUITY AND LIABILITIES		
EQUITY		
Share subscription proceeds	4	2,500,000
Reserve	6	5,718
Accumulated losses		(11,477)
Total equity		2,494,241
LIABILITIES		
Current liabilities		
Due to a related party	5	24,575
Other payable		32,222
Total liabilities		56,797
Total equity and liabilities		2,551,038

The notes set out on pages 7 to 10 form an integral part of these special purpose financial statements.

These special purpose financial statements were approved by the Board of Directors on 18 November 2014 and were signed on its behalf by:

Faisal Bin Juma Belhoul
Chairman

The Independent auditors' report is set out on pages 1 to 2.

Amanat Holdings PJSC (under incorporation)

Statement of profit or loss and other comprehensive income

	Note	**For the period since inception to 16 November 2014 AED'000**
Pre-incorporating expenses	*7*	**(12,515)**
Interest income		**1,038**
Loss for the period		**(11,477)**
Other comprehensive income		**-**
Total comprehensive loss for the period		**(11,477)**

The notes set out on pages 7 to 10 form an integral part of these special purpose financial statements.

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Amanat Holdings PJSC (under incorporation)

Statement of changes in equity
for the period since inception to 16 November 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	-	(44,282)	-	(44,282)
Total comprehensive loss for the period	-	-	(11,477)	(11,477)
As at 16 November 2014	**2,500,000**	**5,718**	**(11,477)**	**2,494,241**

The notes set out on pages 7 to 10 form an integral part of these special purpose financial statements.

The Independent auditors' report is set out on pages 1 to 2.

Amanat Holdings PJSC (under incorporation)

Statement of cash flows

	Note	For the period since inception to 16 November 2014 AED'000
Operating activities		
Loss for the period		**(11,477)**
Changes in due to a related party	*5*	**12,515**
Interest income		**(1,038)**
Net cash generated from operating activities		**-**
Investing activities		
Interest received		**12**
Cash and bank balance – held in an Escrow account		**(2,550,012)**
Net cash generated from investing activities		**(2,550,000)**
Financing activities		
Issue of share capital		**2,500,000**
Proceeds received for shares issuance and IPO expenses		**50,000**
Net cash generated from financing activities		**2,550,000**
Net balance of cash and cash equivalents at the end of the period		**-**

The notes set out on pages 7 to 10 form an integral part of these special purpose financial statements.

The Independent auditors' report is set out on pages 1 to 2.

1 LEGAL STATUS AND PRINCIPAL ACTIVITY

Amanat Holdings PJSC (under incorporation) ("the Company") is in the process of incorporation and awaiting approval from the Ministry of Economy to register as a Public Joint Stock Company under the UAE Federal Law No. 8 of 1984, (as amended). The Company is in the process of getting listing approval on the Dubai Financial Market, post Initial Public Offering ("IPO") commenced on 20 October 2014 and closed on 4 November 2014.

As at the opening balance sheet date the Company has not commenced its commercial operations but its principal activities will be to invest in companies and enterprises working 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.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

a) Basis of preparation

The special purpose financial statements are prepared in accordance with the accounting policies set forth below, in order to meet regulatory requirements of Securities and Commodities Authority ("SCA"). The special purpose financial statements have been prepared under the historical cost convention. The principal accounting policies applied in the preparation of these special purpose financial statements are set out below and are primarily drawn from International Financial Reporting Standards.

b) Foreign currency translation

Functional and presentation currency

Items included in the special purpose financial statements of the Company are measured using the currency of primary economic environment in which the Company operates (“The functional currency”). The special purpose 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.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

c) 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.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

d) 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.

3 CASH AND BANK BALANCES

	2014 AED'000
Cash and bank balances – held in an Escrow account	**2,550,012**
	=======

Bank balances are held in an Escrow account with the branch of a reputable bank operating in the United Arab Emirates. The Directors are of the opinion that this concentration of credit risk will not result in a loss to the Company, in view of the fact that the bank has a sound performance history and satisfactory credit rating. Furthermore, this balance is not currently available for day-to-day operations of the Company and hence not qualified as cash and cash equivalents.

4 SHARE SUBSCRIPTION PROCEEDS

The Company raised AED 2,500,000,000 towards issue of shares of AED 1 each.

5 RELATED PARTY TRANSACTIONS

The Company in 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).

During the year, no remuneration has been paid to any key management personnel.

The following are details of significant transactions with related parties apart from those disclosed elsewhere in these financial statements:

	2014 AED'000
Pre-incorporating expenses (refer 5.1)	**12,515**
Share issuance and IPO expenses (refer 5.1)	**12,060**

	24,575
	=====

5.1 The balance represents, payment made by a related party on behalf of the Company for its pre-incorporating expenses, share issuance and IPO expenses.

6 RESERVE

	2014 AED'000
Amounts raised in initial public offering for costs (AED 0.02 per share)	**50,000**
Less: Shares issuance and IPO expenses incurred	**(44,282)**

	5,718
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7 PRE-INCORPORATING 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 trade activity proposed to be undertaken by the Company, though not related to its Initial public Offering ("IPO") of its shares.