Amanat's Healthcare Portfolio Witnesses a Marked Recovery in Q3-2020

8 November 2020 | Dubai | Amanat Holdings PJSC ("**Amanat**" or the "**Company**"), the GCC's largest healthcare and education investment company, announces its consolidated financial results for the nine-month period ended 30 September 2020. Amanat recorded adjusted total income of AED 44.0 million down 32.1% y-o-y and AED 33.7 million in income from investments adjusted for non-recurring items in 9M-2020, down 30.4% y-o-y and adjusted net profit of AED 4.9 million, down 78.8% y-o-y.

Excluding adjustments, the Company recorded total income of AED 27.2 million in 9M-2020, down by 63.8% y-o-y and income from investments of AED 16.9 million, down 67.6% y-o-y. Amanat recorded a net loss of AED 11.9 million in the nine-month period, compared to a profit of AED 33.4 million in the same period last year.

On a quarterly basis, excluding one-off items, Amanat's performance improved as losses from investments narrowed by 41.9% and net losses were flat y-o-y, with clear signs of recovery across both healthcare and education platforms.

Commenting on the period's results, Amanat's Chairman H.E. Hamad Alshamsi said: "We are witnessing strong recovery beginning in the third quarter with the easing of restrictions. Our healthcare assets are ramping up operations and returning to full capacity, while our education platform kicked-off the academic year better prepared to offer a safe and enhanced learning environment.

We are aware of the challenges that lie ahead, however, we remain confident in Amanat's resilience, agility and defensive portfolio that will allow it to continue delivering sustainable value over the long term. Meanwhile, our priority remains in protecting the health and safety of our staff and communities, while keeping a lookout for potential opportunities that may arise from the prevailing market conditions."

Chief Executive Officer of Amanat, Dr. Mohamad Hamade said: "Over the course of the third quarter we worked tirelessly with management across our portfolio companies to manage the challenges posed by the pandemic and ensure our assets are well-prepared for the post-COVID recovery."

"Our healthcare platform has been witnessing a marked recovery beginning in the third quarter of the year as COVID-19 measures were eased. International Medical Center ("IMC") returned to profitability and income from investment recorded AED 4.2 million in Q3-2020, reversing the loss of AED 4.5 million posted in the first half of the year. Similarly, Sukoon recorded a net loss of AED 0.8 million in Q3-2020 compared to a net loss of AED 6.2 million during the six-month period excluding non-recurring items. Factoring out these one-off charges, the healthcare platform recorded a loss from investment of AED 25.4 million for 9M-2020, primarily driven by ramp up costs at RHWC. We expect a continued turnaround at our healthcare platform through to year-end, particularly as IMC returns to optimal operational levels, Sukoon completes its restructuring program and RHWC's reached full operational capacity."

"The impact of COVID-19 was less profound across our education platform thanks to our subsidiaries ability to shift swiftly to online and distance learning. Overall, our education platform proved resilient with stable adjusted income from investments during the nine-month period of AED 59.1 million, up 6.1% y-o-y and better than expected enrolments for the new academic year across our secondary and higher education assets. This comes despite lower ancillary revenue from Middlesex University Dubai ("MDX") and discounts offered by Taaleem."

"At the corporate level, total staff and G&A expenses declined by 15.4% y-o-y to AED 31.4 million in 9M-2020 versus the AED 37.2 million recorded in 9M-2019. Our financial position remains strong with ample liquidity in excess of AED 470 million, placing us in a unique position to seize opportunities that may arise from prevailing market conditions. At Amanat, we believe that the best approach to investing in the regional healthcare and education sectors is to target companies which can be leveraged as platforms and extract synergies with our current portfolio. Recognizing the importance and relevance of digital transformation in today's markets, we are particularly focused on capturing opportunities that deepen our presence in the digital space and strengthen our nascent EdTech and HealthTech offerings."

Amanat has deployed a total of AED 2.1 billion since inception, utilizing over 80% of its AED 2.5 billion paid up capital. With 91.6% of its revenues following DFM recognized set of rules and requirements guided by the sharia'a principles, Amanat is considered a sharia'a compliant entity.

- Ends -

About Amanat Holdings PJSC

Amanat Holdings PJSC is the region's largest integrated healthcare and education investment company with paid-up capital of AED 2.5 billion. Listed on the Dubai Financial Market (DFM) since 2014, Amanat has a mandate to establish, acquire and incorporate companies working in the healthcare and education sectors, and develop, manage and operate these companies within the GCC and beyond. Amanat's healthcare platform includes International Medical Center (IMC), a 300-bed multi-disciplinary hospital based in Jeddah, Saudi Arabia; Sukoon, a provider of acute extended care, critical care and home care medical services in Jeddah, Saudi Arabia; and the Royal Hospital for Women and Children (RHWC), a world-class hospital for women and children located in the Kingdom of Bahrain. Amanat's education platform includes Taaleem, a leading provider of K12 and early education in the UAE; Abu Dhabi University Holding Company, a leading provider of higher education; and Middlesex University Dubai, the first overseas campus of the internationally renowned Middlesex University in London and BEGiN, a US-based award-winning education technology company. Amanat also owns the real estate assets of the North London Collegiate School in Dubai, UAE.

Investor Relations Contact
Sara Shadid
Head of Investor Relations
☎ +971 (0) 4 330 9999
✉ investor.relations@amanat.com

For further information visit: **www.amanat.com**