



Highlights

Last year was a transformative year for Amanat, which saw us deliver strong growth, record profitability, and solid progress on our long-term value creation strategy. I am pleased to share the details of these achievements and how we plan to execute our strategy moving forward in this month's letter covering our:

- ▬ **Record FY-2021 net profit of AED 281 million, a twenty-eight-fold increase year-on-year.**
- ▬ **Rebrand and renewed identity**
- ▬ **Strategic outlook and the journey ahead**

Friends,

We ended FY-2021 and managed to record a net profit of 281 million dirhams, a **twenty-eight-fold increase** year-on-year, our **highest net profit** figure to date. The growth in income was supported by solid progress on all our long-term strategic objectives and **strong performances** from both our platforms. Our healthcare platform managed to reverse the 50 million in losses recorded last year to record 44 million dirhams in FY-2021. Our education platform grew 4% year-on-year having recorded an income of 106 million dirhams supported by **strong enrolments** and **increased market share**.

The **underlying growth** of our portfolio was strengthened by the **execution of 4 transactions** in FY-2021 amounting to 1.7 billion dirhams aimed at **optimizing our portfolio**, including **two successful exits** from Taaleem and IMC completed in April and September, generating over 200 million dirhams in gains from sale, and nearly 800 million dirhams in cash proceeds. Amanat also acquired a 100% stake in Cambridge Medical and Rehabilitation Centre (CMRC) for 873 million dirhams at the end of February which subsequently contributed 61 million dirhams to our bottom line. Finally, in September we built on our **Social Infrastructure Platform** and invested 53 million dirhams to acquire the real estate of CMRC's Abu Dhabi facility to sit alongside the real estate assets of NLCS in Dubai which we acquired in 2018. In the coming years, the platform will serve as an **enabler of growth** for our other investments while providing sustainable long-term lease relationships for our portfolio companies.

Our efforts resulted in us concluding the year with a **strong portfolio of assets**, with Amanat either fully owning or controlling **majority stakes** in five of our eight assets and holding **influential stakes** of more than 30 percent in two others. As a reflection of the record performance, Amanat marked FY-2021 with a significant increase in **total shareholder returns** ("TSR") of nearly 1 billion dirhams. The growth was derived from **share price appreciation** with an increase of 40% in our market cap year-on-year and the recommendation of the **highest dividend payout** to date of AED 150 million, equating to **53% of net profit** (6 percent yield on book value), subject to shareholders' approval in our upcoming General Assembly Meeting.



Amanat has not only grown in numbers but has also grown in people and by the people. With this growth and transformation, it was time for a change

For 7 years in Amanat, we witnessed the company grow into what it is today, a company with a **solid track record** in investing in the healthcare and education sectors while **creating value** for shareholders. The company has not only grown in numbers but has also grown in people and by the people. With this **growth and transformation**, it was time for a change, it was time to **rebrand** ourselves into something that represents Amanat today and something that we can connect and feel a sense of belonging to. To celebrate a marked success and an **ambitious future** ahead, we moved from the classic, old, rigid, dry into the more **young, fresh, and progressive**.

Our renewed identity with Amanat's Rebrand

The new identity reflects our **vision** to build successful, scalable, and sustainable healthcare and education investment platforms in the MENA region and beyond. It also aligns with our **mission** to invest towards generating an impact on society and creating **sustainable value** for our shareholders. Each element of our logo and brand is carefully curated to create a cohesive aesthetic that best fits Amanat today and in years to come. Our **logo** resonates with the colors of healthcare and education but more importantly, it speaks to what we do every day, which is to **invest, grow, and make an impact** on society. Guided by our values; Commitment – Integrity – Empowerment – Ambition – Partnership, we have set ourselves on a new path to **grow our footprint and our portfolio**. Over the course of the next few months, we look forward to launching a series of other **communication tools**. For now, I invite you to take a closer look (Video Link) and I thank each of our **stakeholders** for being a part of our journey.

Our strategic outlook and the journey ahead

We enter 2022 with renewed confidence derived from the results we delivered over the course of the last year. We have already begun working on a new list of targets to achieve and a clear **action plan** to deliver on them. This year we will continue to work to **deliver sustainable growth** in returns for our shareholders through enhancing our current **portfolio's performance**, optimizing our **capital structure**, and accelerating investments in **yielding assets**. 2022 will be characterized as a year of preparation to grow, integrate, and scale our investments into **IPO-ready platforms**. We are well-positioned and have the financial bandwidth to build out our investments into **market leaders** prepped for attractive liquidity events in the years to come.

In healthcare, we will look to invest in **specialized healthcare** providers and **innovative HealthTech** players which can complement our existing offering. An example of this was our acquisition of CMRC, which enabled us to add a profitable and scalable business to our portfolio while creating the **region's largest private PAC provider** when combined with our investment in Sukoon, helping to bridge the growing supply gap for long-term care beds in the region. For our education platform, we are aiming to grow our footprint with a focus on developing our **K-12 and higher education** offerings in **KSA, UAE, and Egypt** while increasing our exposure to **EdTech** both through our **existing portfolio** and **new investments**.

At the head office, we have now relocated to our new offices and have begun growing the **Amanat team** to accommodate our **growing portfolio of assets** while also sourcing and executing on **value-accretive transactions**. We remain cognizant of maintaining a **lean and optimized structure**.

All in all, 2021 was a **remarkable year**, which marked a **new beginning** for Amanat. As always, all that Amanat achieved last year would have not been possible without the incredible work of our **results-driven team**, who are eager to deliver and achieve success. I am extremely grateful to be a part of such a dynamic team and I look forward to the journey ahead.



Authored by **Dr. Mohamad Hamade**
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