

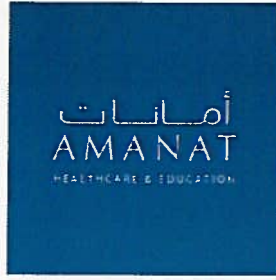
Amanat Holdings PJSC

Consolidated financial statements
For the period ended 31 December 2015

Amanat Holdings PJSC

Consolidated financial statements *For the period ended 31 December 2015*

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Directors' Report

The Board of Directors of Amanat Holdings PJSC (the "Company") and its subsidiaries (the "Group") has the pleasure in submitting the consolidated statement of financial position of the Group as at 31 December 2015 and the related consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the period ended 31 December 2015.

Principal activities

The principal activities of the Group during the period ended 31 December 2015 were to invest in companies and enterprises in the fields of education and healthcare and managing, developing and operating such companies and enterprises.

Financial Results

The Group has recorded a net profit attributable to the shareholders of AED 51 million for the period ended 31 December 2015.

In accordance with the Articles of Association of the Company and UAE Federal Commercial Companies Law, 10% of the net profit for the period is transferred to the statutory reserve. The Company may resolve to discontinue such annual transfers when the reserve equals 50% of the nominal value of the paid up share capital. Accordingly an amount of AED 5.1 million has been transferred to statutory reserve during the year. The statutory reserve is not available for distribution.

In accordance with the Articles of Association of the Company, a further 10% of net profit for the period is transferred to the Legal reserve. The Company may resolve to discontinue such annual transfers when the reserve equals 50% of the nominal value of the paid up share capital. Accordingly an amount of AED 5.1 million has been transferred to legal reserve during the year. The legal reserve is not available for distribution.

The Board of Directors of the Company has proposed a cash dividend of AED 0.015 per share which is subject to the approval of the shareholders at the forthcoming Annual General Meeting of the Company.

The remaining of the distributable profit after considering appropriation to reserves and proposed dividend (subject to approval of the shareholders at the Annual General Meeting) will be transferred to retained earnings.

Total shareholders' funds as at 31 December 2015 amount to AED 2,558 million prior to proposed dividend.



Directors' report (continued)

Outlook for 2016

Amanat is firmly positioned to benefit from the key factors today that are shaping the GCC macro environment and growth driven by the low oil prices which has an evident impact on the region's budgets and banking sector liquidity. Accordingly the GCC Governments need to go through fiscal consolidation, which implies the increased participation of the private sector.

Healthcare sector is one of the defensive sectors in the region with positive and meaningful demand to meet quality and supply gaps. The fundamentals remain strong; the anticipated growth in population, shortage of supply, high disease prevalence, larger spending appetite and the regulatory changes including mandatory insurance are the key drivers for expected growth.

Education sector is another defensive sector, similar to the healthcare. The anticipated growth in student-age population, strong GDP/Capita, the focus on higher quality of education and the structural reforms that governments need to take including the incentive for nationals to work in the private sector all focus on the quality of education are the catalysts for growth in education especially private education.

Directors

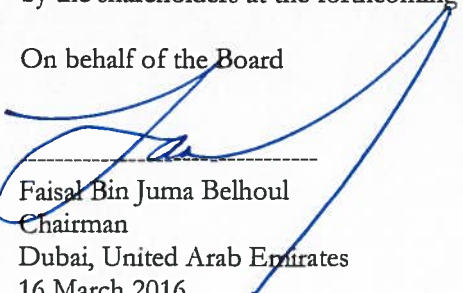
Mr. Faisal Bin Juma Belhoul
Sheikh Abdulla Khalifa Al Khalifa
Sheikh Zayed Bin Mohamed Bin Buti Al Hamed
Mr. Abdulmonem Rashed A. AlRashed
Mr. Kamal Bahamdan
Dr. Abdul Majeed Saif Mohamed Ameen Alkhajeh
Mr. Khalfan Bin Juma Belhoul

Chairman
Board Director
Board Director
Board Director
Board Director
Board Director
Board Director

Auditors

KPMG were appointed as external auditors for the Group for the period ended 31 December 2015. The Board of Directors has recommended KPMG as the auditors for 2016 for approval by the shareholders at the forthcoming Annual General Meeting

On behalf of the Board


Faisal Bin Juma Belhoul
Chairman
Dubai, United Arab Emirates
16 March 2016



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Independent Auditors' Report

The Shareholders

Amanat Holdings PJSC

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Amanat Holdings PJSC and its subsidiaries ("the Group"), which comprise the consolidated statement of financial position as at 31 December 2015, the consolidated statements of profit or loss and other comprehensive income, changes in equity and cash flows for the period from 17 November 2014 to 31 December 2015, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's responsibility for the consolidated financial statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards and their preparation in compliance with the applicable provisions of the UAE Federal Law No. 2 of 2015, and for such internal control as management determines is necessary to enable the preparation of consolidated 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 consolidated 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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the consolidated 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 management, as well as evaluating the overall presentation of the consolidated 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 consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2015, and its consolidated financial performance and its consolidated cash flows for the period from 17 November 2014 to 31 December 2015 in accordance with International Financial Reporting Standards.

Report on other legal and regulatory requirements

Further, as required by the UAE Federal Law No. (2) of 2015, we report that:

- i) we have obtained all the information and explanations we considered necessary for the purposes of our audit;
- ii) the consolidated financial statements have been prepared and comply, in all material respects, with the applicable provisions of the UAE Federal Law No. (2) of 2015;
- iii) the Group has maintained proper books of account;
- iv) the financial information included in the Directors' report, in so far as it relates to these consolidated financial statements, is consistent with the books of account of the Group;
- v) as disclosed in note 5 to the consolidated financial statements, the Group has purchased shares during the period ended 31 December 2015;
- vi) note 18 to the consolidated financial statements discloses material related party transactions and the terms under which they were conducted; and
- vii) based on the information that has been made available to us nothing has come to our attention which causes us to believe that the Group has contravened during the financial period ended 31 December 2015 any of the applicable provisions of the UAE Federal Law No. (2) of 2015 or in respect of the Company its Articles of Association, which would materially affect its activities or its consolidated financial position as at 31 December 2015.



KPMG Lower Gulf Limited
Muhammad Tariq
Registration No.: 793

Date: 16 March 2016

Amanat Holdings PJSC

Consolidated statement of financial position

As at 31 December 2015
AED'000

	Note	
ASSETS		
Non-current assets		
Property and equipment		1,085
Investment in an associate	4	206,184
Current assets		
Available-for-sale investment	5	10,018
Deposits and prepayments	6	2,128
Other assets	7	8,378
Due from a related party	18	222
Cash and bank balances	8	2,337,585
Total assets		2,565,600

EQUITY AND LIABILITIES

EQUITY

Share capital	9	2,500,000
Reserve	10	5,718
Unrealised gain from available-for-sale investment	5	1,416
Accumulated profits		40,467
Statutory reserve	20	5,058
Legal reserve	21	5,058
Total equity attributable to the owners of the Company		2,557,717

LIABILITIES

Current liabilities

Trade and other payables	11	7,883
Total liabilities		7,883
Total equity and liabilities		2,565,600

The notes set out on pages 10 to 34 form an integral part of these consolidated financial statements.

These consolidated financial statements were approved by the Board of Directors on 16 MAR 2016 and signed on its behalf by:

Chairman

Name: Faisal Bin Juma Belhoul

Director

Name: Sheikh Abdulla Bin Khalifa Al Khalifa

The Independent auditors' report is set out on pages 3 - 4.

Amanat Holdings PJSC

Consolidated statement of profit or loss

For the period from 17 November 2014 to 31 December 2015

		For the period from 17 November 2014 to 31 December 2015 AED'000
	Note	
Income		
Interest income	12	32,264
Realised gain on sale of available-for-sale investment	5	56,201
Dividend income	5	1,090
		<hr/> 89,555
Expenses		
Pre-incorporation expenses	13	(12,515)
Employee related expenses	14	(18,658)
General and administrative expenses	15	(16,717)
Total operating expenses		<hr/> (47,890)
Share of profit of equity-accounted investee	4	<hr/> 8,918
Net profit for the period (Attributable to shareholders of the Company)		<hr/> <hr/> 50,583
Basic and diluted earnings per share (AED)	16	<hr/> <hr/> 0.0202

The notes set out on pages 10 to 34 form an integral part of these consolidated financial statements.

The Independent auditors' report is set out on pages 3 - 4.

Amanat Holdings PJSC

Consolidated statement of profit or loss and other comprehensive income

For the period from 17 November 2014 to 31 December 2015

		For the period from 17 November 2014 to 31 December 2015 AED'000
	Note	
Net profit for the period (Attributable to shareholders of the Company)		50,583
Other comprehensive income		
Available-for-sale investment – net change in fair value	5	57,617
Available-for-sale investment – reclassified to profit or loss		(56,201)
Total comprehensive profit for the period (Attributable to shareholders of the Company)		51,999

The notes set out on pages 10 to 34 form an integral part of these consolidated financial statements.

The Independent auditors' report is set out on pages 3 - 4.

Amanat Holdings PJSC

Consolidated statement of changes in equity

For the period from 17 November 2014 to 31 December 2015

	Note	Share capital AED'000	Reserve AED'000	Unrealised gain from available-for-sale investment AED'000	Accumulated profits AED'000	Statutory reserve AED'000	Legal reserve AED'000	Total AED'000
Proceeds from share subscription	9	2,500,000	-	-	-	-	-	2,500,000
Proceeds received for share issuance and IPO expenses	10	-	50,000	-	-	-	-	50,000
Less: Share issuance and IPO expenses	10	-	(44,282)	-	-	-	-	(44,282)
Profit for the period		-	-	-	50,583	-	-	50,583
Transfer to statutory reserve	20	-	-	-	(5,058)	5,058	-	-
Transfer to legal reserve	21	-	-	-	(5,058)	-	5,058	-
Available-for-sale investment – net change in fair value	5	-	-	57,617	-	-	-	57,617
Available-for-sale investment – reclassified to profit or loss	5	-	-	(56,201)	-	-	-	(56,201)
As at 31 December 2015		2,500,000	5,718	1,416	40,467	5,058	5,058	2,557,717

The notes set out on pages 10 to 34 form an integral part of these consolidated financial statements.

Amanat Holdings PJSC

Consolidated statement of cash flows

For the period from 17 November 2014 to 31 December 2015

		For the period from 17 November 2014 to 31 December 2015 AED'000
	Note	
Operating activities		
Profit for the period		50,583
Adjustments:		
Less: Interest income	12	(32,264)
Less: Dividend income	5	(1,090)
Less: Share of profits from associate	4	(8,918)
Less: Gain on sale of available-for-sale investment		(56,201)
Add: Depreciation		93
		<u>(47,797)</u>
Adjustment for changes in:		
Prepayments and deposits	6	(2,128)
Other assets	7	(1,354)
Due from a related party	18	(222)
Trade and other payables	11	7,883
Net cash used in operating activities		<u>(43,618)</u>
Investing activities		
Acquisition of property and equipment		(1,178)
Interest received		25,240
Dividend received	5	1,090
Consideration paid for available-for-sale investment	5	(249,998)
Consideration paid for investment in Associate	4	(197,266)
Net movement in Wakala, Mudaraba and Term deposits	8	(1,715,000)
Proceeds from sale of available-for-sale investment		297,597
Net cash used in investing activities		<u>(1,839,515)</u>
Financing activities		
Issue of share capital	9	2,500,000
Proceeds received for shares issuance and IPO expenses	10	50,000
Share issuance and IPO expenses paid	20	(44,282)
Net cash generated from financing activities		<u>2,505,718</u>
Net increase in cash and cash equivalents		<u>622,585</u>
Cash and cash equivalents at the beginning of the period		<u>-</u>
Net balance of cash and cash equivalents at the end of the period	8	<u>622,585</u>

The notes set out on pages 10 to 34 form an integral part of these consolidated financial statements.

The Independent auditors' report is set out on pages 3 - 4.

Amanat Holdings PJSC

Notes to the consolidated financial statements

For the period ended 31 December 2015

1 BACKGROUND AND PRINCIPAL ACTIVITIES

Amanat Holdings PJSC ("the Company") was incorporated on 17 November 2014 and is registered as a Public Joint Stock Company. 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 include the financial performance and position of 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.

During the current period, the Group incorporated five Limited Liability Companies and four offshore Jebel Ali Free Zone Authority companies (the "Group companies"). The Group also made an investment in an associate in the current year (refer note 4). The extent of the Company's ownership in these subsidiaries and the associate with their principal activities are as follows:

<u>Name</u>	<u>Legal ownership interest</u>	<u>Country of incorporation</u>	<u>Principal Activities</u>
Subsidiaries			
Amanat Investments L.L.C.	100%	United Arab Emirates	Investment in commercial enterprises and management.
Amanat Education Investments L.L.C.	100%	United Arab Emirates	Investment in education and commercial enterprises, development and management.
Amanat Healthcare Investments L.L.C.	100%	United Arab Emirates	Investment in healthcare and commercial enterprises, development and management.
Amanat H.H. Alpha Investments L.L.C.	100%	United Arab Emirates	Investment in healthcare and commercial enterprises, development and management.
Amanat H.E. Investments L.L.C.	100%	United Arab Emirates	Investment in education and commercial enterprises, development and management.
A.H.H. Investments Limited	100%	United Arab Emirates	Investment in healthcare and commercial enterprises, development and management.
A.H.E. Investments Limited	100%	United Arab Emirates	Investment in education and commercial enterprises, development and management.
AHE Alpha Limited	100%	United Arab Emirates	Investment in education and commercial enterprises, development and management.
AHH Alpha Limited	100%	United Arab Emirates	Investment in healthcare and commercial enterprises, development and management.
Associate			
Sukoon International Holding Company	35%	Kingdom of Saudi Arabia	Long-term and critical healthcare

The subsidiaries mentioned above, except for Amanat Healthcare Investments L.L.C. and Amanat Education Investments L.L.C., have not started any operations up until 31 December 2015.

Amanat Holdings PJSC

Notes to the consolidated financial statements
For the period ended 31 December 2015 (Continued)

2 BASIS OF PREPARATION

a. Statement of compliance

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) as issued by International Accounting Standard Board (IASB) and applicable requirements of the laws of the U.A.E.

The Group has determined that the first accounting period starts from 17 November 2014. Accordingly, these are the first annual financial statements of the Group, prepared for the period from 17 November 2014 to 31 December 2015 ("the Period"), and there are no prior period comparative figures.

UAE Federal Law No. 2 of 2015 being the Commercial Companies Law ("UAE Companies Law of 2015") was issued on 01 April 2015 and has come into force on 01 July 2015. Companies are allowed to ensure compliance with the new UAE Companies Law of 2015 by 30 Jun 2016 as per the transitional provisions contained therein.

b. Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis except for available-for-sale investments that are measured at fair values and the liability for defined benefit obligations which is recognised at the present value of the defined benefit obligation.

c. Functional and reporting currency

The consolidated financial statements are presented in Arab Emirates Dirham (AED) and all values are rounded to the nearest thousands dirham, except when otherwise indicated.

d. Use of judgments and estimates

The preparation of Consolidated Financial Statements in conformity with IFRSs requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in future periods affected, if the revision affects both current and future periods.

Amanat Holdings PJSC

Notes to the consolidated financial statements
For the period ended 31 December 2015 (Continued)

2 BASIS OF PREPARATION (continued)

e. New and amended standards in issue but not yet effective

A number of new standards and amendments to standards are effective for annual periods beginning after 1 January 2015 and earlier application is permitted; however, the Group has not early applied the following new or amended standards in preparing these consolidated financial statements.

New or amended Standards	Summary of the requirements	Possible impact on consolidated financial statements
IFRS 9 Financial Instruments	<p>IFRS 9, published in July 2014, replaces the existing guidance in IAS 39 <i>Financial Instruments: Recognition and Measurement</i>. IFRS 9 includes revised guidance on the classification and measurement of financial instruments, a new expected credit loss model for calculating impairment on financial assets, and new general hedge accounting requirements. It also carries forward the guidance on recognition and derecognition of financial instruments from IAS 39.</p> <p>IFRS 9 is effective for annual reporting periods beginning on or after 1 January 2018, with early adoption permitted.</p>	The Group is assessing the potential impact on its consolidated financial statements resulting from the application of IFRS9.
IFRS 15 Revenue from Contracts with Customers	<p>IFRS 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognised. It replaces existing revenue recognition guidance, including IAS 18 <i>Revenue</i>, IAS 11 <i>Construction Contracts</i> and IFRIC 13 <i>Customer Loyalty Programmes</i>.</p> <p>IFRS 15 is effective for annual reporting periods beginning on or after 1 January 2018, with early adoption permitted.</p>	The Group is assessing the potential impact on its consolidated financial statements resulting from the application of IFRS 15.
IFRS 16 Leases	<p>IFRS 16 replaces accounting requirements as per IAS 17 <i>Leases</i>, introduced more than 30 years ago that are no longer considered fit for purpose and is a major revision of the way in which companies account for leases.</p> <p>The objective of this Standard is to prescribe the accounting treatment for property, plant and equipment so that users of the financial statements can discern information about an entity's investment in its property, plant and equipment and the changes in such investment.</p> <p>IFRS 16 is effective for annual reporting periods beginning on or after 1 January 2019, with early adoption permitted.</p>	The Group is assessing the potential impact on its consolidated financial statements resulting from the application of IFRS 16.

Amanat Holdings PJSC

Notes to the consolidated financial statements
For the period ended 31 December 2015 (Continued)

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

a. Basis of consolidation

(i) Business combinations

Business combinations are accounted for using the acquisition method as at the acquisition date i.e., when control is transferred to the Group. The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in profit or loss immediately. Transaction costs are expensed as incurred, except if they are related to the issue of equity instruments.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss.

Any contingent consideration payable is measured at fair value at the acquisition date. If the contingent consideration is classified as equity, then it is not remeasured and settlement is accounted for within equity. Otherwise, subsequent changes in the fair value of the contingent consideration are recognised in profit or loss.

(ii) Subsidiary

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

(iii) Non-controlling interests ("NCI")

NCI are measured at their proportionate share of the acquiree's identifiable net assets at the date of acquisition.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

(iv) Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

Amanat Holdings PJSC

Notes to the consolidated financial statements
For the period ended 31 December 2015 (Continued)

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

a. Basis of consolidation (continued)

(v) Investment in an associate

An associate is an entity in which the Group has significant influence, but not control or joint control, over the financial and operating policies.

Interest in an associate is accounted for using the equity method. It is initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit or loss and OCI of the associate, until the date on which significant influence ceases.

b. Foreign currency translation

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. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into AED at the exchange rate when the fair value was determined. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. All gains and losses from settlement and translation of foreign currency transactions are generally recognised in the statement of profit or loss.

Foreign currency differences arising from the translation of the following items are recognised in OCI:

- available-for-sale equity investments (except on impairment, in which case foreign currency differences that have been recognised in OCI are reclassified to profit or loss);
- a financial liability designated as a hedge of the net investment in a foreign operation to the extent that the hedge is effective; and
- qualifying cash flow hedges to the extent that the hedges are effective.

Amanat Holdings PJSC

Notes to the consolidated financial statements
For the period ended 31 December 2015 (Continued)

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

c. Financial instruments

The Group classifies non-derivative financial assets into the following categories: financial assets at fair value through profit or loss, held-to-maturity financial assets, loans and receivables and available-for-sale financial assets.

The Group classifies non-derivative financial liabilities into the following categories: financial liabilities at fair value through profit or loss and other financial liabilities category.

(i) Non-derivative financial assets and financial liabilities – Recognition and derecognition

The Group initially recognises loans and receivables and debt securities issued on the date when they are originated. All other financial assets and financial liabilities are initially recognised on the trade date when the entity becomes a party to the contractual provisions of the instrument.

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred, or it neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control over the transferred asset. Any interest in such derecognised financial assets that is created or retained by the Group is recognised as a separate asset or liability.

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group currently has a legally enforceable right to offset the amounts and intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(ii) Non-derivative financial assets – Measurement

Financial assets at fair value through profit and loss

A financial asset is classified as at fair value through profit or loss if it is classified as held for-trading or is designated as such on initial recognition. Directly attributable transaction costs are recognised in profit or loss as incurred. Financial assets at fair value through profit or loss are measured at fair value and changes therein, including any interest or dividend income, are recognised in profit or loss.

Held-to-maturity financial assets

These assets are initially measured at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, they are measured at amortised cost using the effective interest method.

Amanat Holdings PJSC

Notes to the consolidated financial statements
For the period ended 31 December 2015 (Continued)

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

c. Financial instruments (continued)

(ii) Non-derivative financial assets – Measurement (continued)

Loans and receivables

These assets are initially measured at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, they are measured at amortised cost using the effective interest method.

Available-for-sale financial assets

These assets are initially measured at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, they are measured at fair value and changes therein, other than impairment losses and foreign currency differences on debt instruments, are recognised in OCI and accumulated in the fair value reserve. When these assets are derecognised, the gain or loss accumulated in equity is reclassified to profit or loss.

(iii) Non-derivative financial liabilities – Measurement

A financial liability is classified as at fair value through profit or loss if it is classified as held-for-trading or is designated as such on initial recognition. Directly attributable transaction costs are recognized in profit or loss as incurred. Financial liabilities at fair value through profit or loss are measured at fair value and changes therein, including any interest expense, are recognised in profit or loss.

Other non-derivative financial liabilities are initially measured at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these liabilities are measured at amortised cost using the effective interest method.

(iv) Impairment

Impairment of financial assets

A financial asset not classified at FVTPL is assessed at each reporting date to determine whether there is objective evidence of impairment. A financial asset or a group of financial assets is 'impaired' if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset(s) and that loss event(s) had an impact on the estimated future cash flows of that asset(s) that can be estimated reliably.

Amanat Holdings PJSC

Notes to the consolidated financial statements
For the period ended 31 December 2015 (Continued)

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

c. Financial instruments (continued)

(iv) Impairment (continued)

Impairment of financial assets (continued)

Objective evidence that financial assets are impaired includes significant financial difficulty of the borrower or issuer, default or delinquency by a borrower, restructuring of the amount due on terms that the Group would not otherwise consider, indications that a borrower or issuer will enter bankruptcy, or adverse changes in the payment status of the borrowers.

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 asset's 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.

In assessing collective impairment, the Group uses historical information as the timing of recoveries and the amount of loss incurred, and makes an adjustment if current economic and credit conditions are such that the actual losses are likely to be great or lesser suggested by the historical trends.

Impairment of equity accounted investee

Any impairment is measured by comparing the recoverable amount of investment by its carrying amount. An impairment loss is recognised in profit or loss, and is reversed if there has been a favorable change in the estimates used to determine the recoverable amount.

Amanat Holdings PJSC

Notes to the consolidated financial statements
For the period ended 31 December 2015 (Continued)

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

c. Financial instruments (continued)

(v) Fair value measurement

'Fair value' is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Group has access at that date. The fair value of a liability reflects its non-performance risk.

When available, the Group measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as 'active' if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. The Group measures instruments quoted in an active market at a closing-price, because this price provides a reasonable approximation of the exit price.

If there is no quoted price in an active market then the Group uses valuation techniques that maximize the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

The best evidence of the fair value of a financial instrument at initial recognition is normally the transaction price – i.e. the fair value of the consideration given or received. If the Group determines that the fair value at initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique that uses only data from observable markets, then the financial instrument is initially measured at fair value, adjusted to reflect the difference between the fair value at initial recognition and the transaction price. Subsequently, that difference is recognized in profit or loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out.

If an asset or liability is measured at fair value that has a bid price and a ask price, then the Group measure assets and long positions at a bid price and liabilities and short positions at an ask price.

Fair values reflect the credit risk of the instrument and include adjustments to take account of the credit risk of the Group and the counterparty, where appropriate. Fair value estimates obtained from models are adjusted for any other factors, such as liquidity risk or model uncertainties; to the extent that the Group believes a third-party market participant would take them into account in pricing a transaction.

The fair value of derivatives that are not exchange traded is estimated at the present value of the amount that the Group would receive or pay to terminate the contract at the reporting date taking into account current market conditions and the current creditworthiness of the counterparty.

Amanat Holdings PJSC

Notes to the consolidated financial statements
For the period ended 31 December 2015 (Continued)

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

c. Financial instruments (continued)

(v) Fair value measurement (continued)

Fair value hierarchy

The Group measures the fair value using the following fair value hierarchy that reflects the significance of input used in making these measurements.

Level 1: Quoted market price (unadjusted) in an active market for an identical instrument.

Level 2: Inputs other than quoted prices included within Level 1 that are observable either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques in which all significant inputs are directly or indirectly observable from market data.

Level 3: Inputs that are unobservable. This category includes all instruments for which the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments for which significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

d. Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits and balances due from banks, items in the course of collection from or in transmission to other banks and highly liquid assets and wakala agreements with original maturities of less than three months from the date of acquisition, which are subject to insignificant risk of changes in their fair value, and are used by the Group in the management of its short-term commitments. Cash and cash equivalents are carried at amortised cost in the consolidated statement of financial position.

Amanat Holdings PJSC

Notes to the consolidated financial statements
For the period ended 31 December 2015 (Continued)

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

e. Property and equipment

Property and equipment are stated at historical cost less accumulated depreciation and impairment loss, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the asset.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repair and maintenance expenses are charged to the consolidated statement of profit or loss in the period in which they are incurred.

Depreciation is charged so as to write off the cost or valuation of assets, over their estimated useful lives using the straight-line method as follows:

	Useful Life
▪ Furniture & Fixtures	5 years
▪ Office equipment	5 years
▪ Motor vehicles	5 years.

The estimated useful lives, residual values and depreciation method are reviewed at each year end and adjusted if appropriate.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the consolidated statement of profit or loss.

f. Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is reasonably certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Amanat Holdings PJSC

Notes to the consolidated financial statements
For the period ended 31 December 2015 (Continued)

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

f. Provisions (continued)

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Group has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

g. Employee benefits

Short term employee benefits

Short term employee benefits are expensed as the related services are provided. A liability is recognised 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

UAE national employees are covered under the Pensions and Social Law in the UAE such that contributions from the Company and the employees are made to the General Pension and Social Security Authority on a monthly basis. This plan is considered as a defined contribution pension plan as the Company's obligation is limited to monthly contributions.

Obligations for contributions to defined contribution pension plans are recognised as an expense in the profit or loss when they are due.

End of service benefits

The Group provides end of service benefits to its expatriate employees in accordance with U.A.E. Labour Law. The entitlement to these benefits is based upon the employees' final salary and length of service, subject to the completion of a minimum service period. The expected costs of these benefits are accrued over the period of employment.

h. Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable.

(i) Interest income

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.

Amanat Holdings PJSC

Notes to the consolidated financial statements

For the period ended 31 December 2015 (Continued)

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

h. Revenue recognition (continued)

(ii) Dividend income

Dividend income is recognised when the right to receive dividend is established. Usually, this is the ex-dividend date for quoted equity securities and for unquoted equity securities, this is usually the date on which shareholders approve the payment of dividends.

i. Operating lease

Leases of assets under which the lessor effectively retains all the risks and rewards of ownership are classified as operating leases. Payments made under operating leases are recognised in profit or loss on a straight-line basis over the term of the lease.

j. Share Capital

Ordinary shares of the Group are classified as equity. Incremental costs that are directly attributable to the issue of an equity instrument are deducted from the initial measurement of the equity instrument

4 INVESTMENT IN AN ASSOCIATE

On 10 August 2015, the Group acquired a 35% equity interest in Sukoon International Holding Company (the "Associate") and accounted for it in accordance with the equity accounting methodology as per IAS 28 – Investments in associates and joint ventures.

Amanat Holdings PJSC

Notes to the consolidated financial statements

For the period ended 31 December 2015 (Continued)

4 INVESTMENT IN AN ASSOCIATE (continued)

The following summarises the financial information of the Associate and reconciles the summarised financial information to the carrying amount of the Group's interest in the Associate for the period from 10 August 2015 to 31 December 2015.

	31 December 2015
	AED'000
* Initial cost of investment	175,885
Transaction related costs capitalised	5,064
Group's share of net profits for the period from 10 August 2015 to 31 December 2015	8,918
Subscription for the proposed rights issue	16,317
Investment in associate	<u>206,184</u>

* The initial cost of investment includes a contingent consideration of AED 16.1 million paid into an escrow account held with a bank in its capacity as an escrow agent. The AED 16.1 million of contingent consideration is subject to recovery of certain receivables by the Associate from its customers.

	Investment in Associate 35%
	As at 31 December 2015 AED '000
Assets	565,607
Liabilities	(196,064)
Net assets	<u>369,542</u>
Group's share in net assets at 35%	129,340
Revenue for the period from 10 August 2015 to 31 December 2015	107,820
Profit for the period from 10 August 2015 to 31 December 2015	25,479
Group's share of profit for the period from 10 August 2015 to 31 December 2015 at 35%	8,918

The Group is in the process of evaluating the fair value of the identifiable net assets acquired as part of the acquisition. This will be completed within 12 months from the acquisition date, in accordance with IFRS 3 - Business combinations.

The Group has undertaken a preliminary assessment of the fair values of the net assets of Sukoon at the date of acquisition and concluded that they accord to book values.

Amanat Holdings PJSC

Notes to the consolidated financial statements
For the period ended 31 December 2015 (Continued)

5 AVAILABLE-FOR-SALE INVESTMENT

	31 December 2015
	AED'000
Opening balance	-
Purchased during the period	249,998
Net change in fair value	57,617
Disposal during the period	(297,597)
Available-for-sale investment	<u>10,018</u>

Available-for-sale investment represents the investment made by the Group in Al Noor Hospitals Group Plc on 19 May 2015. The Group has received AED 1.09 million of dividend income from Al Noor Hospitals Group Plc during the period ended 31 December 2015. Subsequent to year end, the Group has sold its remaining investment in Al Noor Hospital. Share price on closing as on 31 December 2015 was GBP 11.80 (AED 64.12).

6 DEPOSITS AND PREPAYMENTS

	31 December 2015
	AED'000
Deposits	1,019
Prepayments	1,109
	<u>2,128</u>

Amanat Holdings PJSC

Notes to the consolidated financial statements

For the period ended 31 December 2015 (Continued)

7 OTHER ASSETS

	31 December 2015
	AED'000
Accrued interest	7,024
Transaction related costs	1,257
Others	97
	<hr/> 8,378 <hr/>

8 CASH AND BANK BALANCES

	31 December 2015
	AED'000
Call deposits	17,408
Current account	605,152
Cash on hand	25
Cash and cash equivalents	<hr/> 622,585
Wakala deposits	885,000
Mudaraba deposits	-
Term deposits	830,000
	<hr/> 2,337,585 <hr/>

During the period ended 31 December 2015, the Company has earned interest at an average rate of 1% per annum on its call deposits and 2.61% per annum on its Wakala, Mudaraba and Term deposits combined together. The current account balance includes amount of AED 550 million from Wakala deposit which matured on 23 December 2015. Subsequent to the year end, this amount has been placed in a Wakala deposit.

9 SHARE CAPITAL

As at 31 December 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 Company.

Amanat Holdings PJSC

Notes to the consolidated financial statements

For the period ended 31 December 2015 (Continued)

10 RESERVE

31 December
2015

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

(44,282)

5,718

11 TRADE AND OTHER PAYABLES

31 December
2015

AED'000

Directors' remuneration payable *

4,400

Sundry payables

1,995

Staff related provisions

1,147

Accrued expenses

341

7,883

* Directors' remuneration payable is subject to approval by the shareholders.

Amanat Holdings PJSC

Notes to the consolidated financial statements

For the period ended 31 December 2015 (Continued)

12 INTEREST INCOME

**For the period from
17 November 2014 to
31 December 2015**

AED'000

Profit on Wakala deposits	25,077
Interest on call and term deposits	7,187
	<hr/>
	32,264
	<hr/>

13 PRE-INCORPORATION EXPENSES

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

14 EMPLOYEE RELATED EXPENSES

**For the period from
17 November 2014 to
31 December 2015**

AED'000

Salaries, wages and other benefits	16,430
Provision for gratuity and leave encashment	1,651
Other staff costs	577
	<hr/>
	18,658
	<hr/>

Amanat Holdings PJSC

Notes to the consolidated financial statements

For the period ended 31 December 2015 (Continued)

15 GENERAL AND ADMINISTRATIVE EXPENSES

**For the period from
17 November 2014 to
31 December 2015**

	AED'000
Rent expense	4,308
Other administrative expenses	3,714
Transaction related costs	3,322
Professional and legal expenses	973
Directors' remuneration	4,400
	<hr/>
	16,717
	<hr/>

16 BASIC AND DILUTED EARNINGS PER SHARE

The calculation of basic and diluted earnings per share is based on the profit for the period and the average number of ordinary shares outstanding during the year.

**For the period from
17 November 2014 to
31 December 2015**

Profit for the period (AED'000)	50,583
	<hr/>
Number of ordinary shares ('000)	2,500,000
	<hr/>
Earnings per share (AED)	0.0202
	<hr/>

17 OPERATING LEASES

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

	31 December 2015 AED'000
Due in less than one year	4,061
Due between one and five years	2,422
	<hr/>
Total minimum lease payments	6,483
	<hr/>

Amanat Holdings PJSC

Notes to the consolidated financial statements

For the period ended 31 December 2015 (Continued)

18 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 terms and conditions of these transactions are agreed between the Company and related party. The following is the list of significant transactions and balances with related parties.

Entity	Nature of relationship
Ithmar Capital	Common directorship and shareholder in the Group
Sukoon International Holding Company	Associate to the Group

Balances outstanding with a related party

31 December 2015

AED'000

Due from Sukoon International Holding Company	222
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Transactions with related parties

For the period from
17 November 2014 to
31 December 2015

AED'000

Payments made to reimburse for expenses settled by Ithmar Capital on behalf of the Group before incorporation and approved by the Constitutional General assembly Meeting (CGM)	28,210
Expenses incurred on behalf of Sukoon International Holding Company	222

Director and key managerial persons' remuneration

Director and key managerial persons' compensation comprised the following:

For the period from
17 November 2014 to
31 December 2015
AED'000

Short-term employee benefits	4,778
Post-employment benefits	510
Directors' remuneration	4,400

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

Amanat Holdings PJSC

Notes to the consolidated financial statements

For the period ended 31 December 2015 (Continued)

19 Financial Risk Management

The Group has exposure to the following primary risks from its use of financial instruments:

- Credit risk;
- Liquidity risk;
- Market risk; and
- Operational risk.

This note presents information relating to the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk, and the Group's management of capital.

The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. Group's senior management are responsible for developing and monitoring the Group's risk management policies and report regularly to the Board of Directors on their activities.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities.

a. Credit risk

Credit risk is the risk that a customer or counterparty to a financial asset fails to meet its contractual obligations and cause the Group to incur a financial loss. It arises principally from the Group's balances with banks and financial institutions, wakalah deposits with financial institutions, investments, other assets and in debt securities.

The Group manages its credit risk exposure through diversification of its investments and deposits to avoid concentration of risk with institutions or group of institutions in specific location or business.

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

	31 December 2015 AED '000
Deposits	1,019
Other assets	7,121
Due from a related party	222
Cash at banks	2,337,560
	<hr/> 2,345,922 <hr/>

Exposure to the credit risk is monitored on an ongoing basis. Cash is placed with good credit rating banks. The entire credit exposure of the Group is in Middle East (99.30% in UAE and 0.70 % in Saudi Arabia), based on the country of operation of counter parties. None of the above mentioned receivables were past due or impaired at the reporting date.

Amanat Holdings PJSC

Notes to the consolidated financial statements

For the period ended 31 December 2015 (Continued)

19 Financial Risk Management (continued)

b. Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or other financial assets. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The contracted maturity of all the financial liabilities is less than 6 months and management believes that contractual cash flows of the financial liabilities are not materially different from their carrying amounts.

c. Market risks

The Group is exposed to market risk, which is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market variables. Market risk arises from foreign currency products and interest bearing products, all of which are exposed to general and specific market movements and changes in the level of volatility of market rates or prices such as currency rates, interest rates and credit spreads

Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will change because of changes in foreign exchange rates. The Group has foreign exchange exposure on a transaction that is denominated in GBP. As at 31 December 2015, the Group had assets of AED 47.4 million denominated in GBP.

A change of 10% in foreign exchange rates of GBP at the reporting date would have following impact. This analysis assumes that all other variables, in particular interest rates, remain constant.

	Profit or loss		Equity
	+/- 10%		+/- 10%
		AED '000	
<i>Foreign currency instrument</i>			
At 31 December 2015			
Financial assets	-	-	1,002 (1,002)

Amanat Holdings PJSC

Notes to the consolidated financial statements

For the period ended 31 December 2015 (Continued)

19 Financial Risk Management (continued)

c. Market risks (continued)

Interest rate risk

Interest rate risk is the risk that the value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's interest rate risk arises principally from its deposits held with banks. Since the Group's deposits earn interest at fixed rates, any changes in interest / profit rate will not have an impact on the consolidated profit or loss of the Group.

Equity price risk

Equity price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. Equity price risk arises from the change in fair value of equity instruments.

The Group's listed equity investments are listed on the London Stock Exchange. For such investments classified as available-for-sale, a 10% increase in the price at the reporting date would have increased equity by AED 1.0 million; an equal change in the opposite direction would have decreased equity by AED 1.0 million.

d. Operational risk

Operational risk is the risk of a direct or indirect loss arising from a wide variety of causes associated with the Group's processes, personnel, technology and infrastructure, and from external factors other than credit, market and liquidity risks such as those arising from legal and regulatory requirements and generally accepted standards of corporate behavior. Operational risks arise from all of the Group's operations and are faced by all business entities.

The Group's objective is to manage operational risk so as to balance the avoidance of financial losses and damage, to the Group's reputation with overall cost effectiveness and to avoid control procedures that restrict initiative and creativity.

The Group has established a framework of policies and procedures to identify, assess, control, manage and report risks. The Group's senior management identify and manage operational risk to reduce the likelihood of any operational losses. Compliance with policies and procedures is supported by periodic reviews undertaken by the management of the business unit to which they relate, with summaries submitted to the Audit Committee and Board of Directors of the Group.

Amanat Holdings PJSC

Notes to the consolidated financial statements

For the period ended 31 December 2015 (Continued)

19 Financial Risk Management (continued)

Capital management

The Group's capital management policy is governed by the Board of Directors of the Company. The Company's objectives of managing capital are to ensure the Company's ability to continue as a going concern and increase the net worth of the Company and shareholders' interests so as to maintain the confidence of its investors, creditors and the market and to sustain future development of the business.

Fair value

All financial assets and liabilities are stated at amortised cost or historical cost except for available for sale investments, which are measured at fair value. The fair values of the financial assets and liabilities are not materially different from their carrying values at the reporting date. The majority of them qualify for Level 2 within the fair value hierarchy. The available for sale investments qualify for Level 1 within the fair value hierarchy.

	Level 1	Level 2	Level 3	Total
At 31 December 2015	AED'000	AED'000	AED'000	AED'000
Financial assets measured at fair value				
Available-for-sale investment	10,018	-	-	10,018
	<u>10,018</u>	<u>-</u>	<u>-</u>	<u>10,018</u>
Financial assets not measured at fair value				
Cash and Bank balances	-	2,337,585	-	2,337,585
Deposits and Prepayments	-	-	2,128	2,128
Due from a related party	-	-	222	222
Other assets	-	-	8,378	8,378
	<u>-</u>	<u>2,337,585</u>	<u>10,728</u>	<u>2,348,313</u>
Financial liabilities not measured at fair value				
Trade and other payables	-	-	7,883	7,883
	<u>-</u>	<u>-</u>	<u>7,883</u>	<u>7,883</u>

Amanat Holdings PJSC

Notes to the consolidated financial statements

For the period ended 31 December 2015 (Continued)

20 STATUTORY RESERVE

In accordance with the Articles of Association of the Company, 10% of the net profit for the year is transferred to the Statutory reserve. The Company may resolve to discontinue such annual transfers when the reserve equals 50% of the nominal value of the paid up share capital. Accordingly an amount of AED 5,058 thousand has been transferred to Statutory reserve during the year. The Statutory reserve is not available for distribution

21 LEGAL RESERVE

As required by Article 239 of the U.A.E. Federal Law No. (2) of 2015, 10% of the profit for the year is transferred to the Legal reserve. The Company may resolve to discontinue such annual transfers when the reserve equals 50% of the nominal value of the paid up share capital. Accordingly an amount of AED 5,058 thousand has been transferred to Legal reserve during the year. The Legal reserve is not available for distribution.

22 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 has only made investments in healthcare as at 31 December 2015, no segment information has been included. The Group has made one investment in Saudi Arabia which is treated as investment in an associate and the other investment is in UAE which is treated as available-for-sale investment.

23 PROPOSED DIVIDEND

On 16 March 2016, a cash dividend of AED 0.015 per ordinary share was proposed by the Board of Directors in respect of 2015 which is subject to the approval of the shareholders at the Annual General Meeting.

24 SUBSEQUENT EVENTS

Subsequent to period end, the Associate is in the process of a rights issue in which Amanat Holdings PJSC will be participating.