Building on Strength, Fueling Growth

Amanat

INTEGRATED
ANNUAL REPORT
2024

2024

Integrated Annual Report

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About Amanat

Amanat Holdings PJSC (**"Amanat"** or the **"Company"**) is the MENA region's largest integrated investment company specialising in healthcare and education, providing investors with access to two of the region's most resilient and rapidly growing sectors. Amanat is dedicated to creating lasting positive impacts in the communities it serves while consistently generating value for its shareholders. Established and listed on the Dubai Financial Market (DFM) in November 2014 with a paid-up capital of AED 2.5 billion, Amanat has built two distinct businesses capable of delivering sustainable growth and creating value for shareholders.

The Company draws on its extensive expertise and a proven hands-on approach to maximize value and deliver reliable returns for shareholders. By investing strategically in two sectors: healthcare and education, comprising healthcare facilities, clinics, universities, schools, day-care centres, and specialised service providers across the UAE and Saudi Arabia (KSA), Amanat has developed synergistic businesses offering comprehensive services to diverse and underserved market segments.

In healthcare, Amanat holds a majority stake in Cambridge Medical and Rehabilitation Center (CMRC), the GCC's largest and leading provider of post-acute care (PAC), offering short-term and long-term care and rehabilitation services for patients recovering from surgery or with injuries and with long-term chronic conditions.

In the education sector, Amanat holds significant stakes in three key entities. Its portfolio includes a majority share in Human Development Company (HDC), the foremost provider of special education and care services in KSA and Amanat is a key contributor to higher education in the UAE through its holdings in Middlesex University Dubai (MDX) and NEMA Holding (NEMA). The Company's diversified education portfolio spans graduate and postgraduate programmes, special education and care services, and vocational and corporate training. As Amanat continues to grow and explore new opportunities, it remains steadfast in its mission to drive sustainable, positive growth across its healthcare and education businesses.

660

Beds across five hospitals in KSA and the UAE

c. 23K

Students and beneficiaries across three universities, 10 schools, and 35 day-care and rehabilitation centres

2.9 AED BN

Assets under management as at 31 December 2024

796 AED MN

Total Revenue in FY 2024[1]

296 AED MN

Total EBITDA in FY 2024[2]

[1] Group revenue from continuing operations.

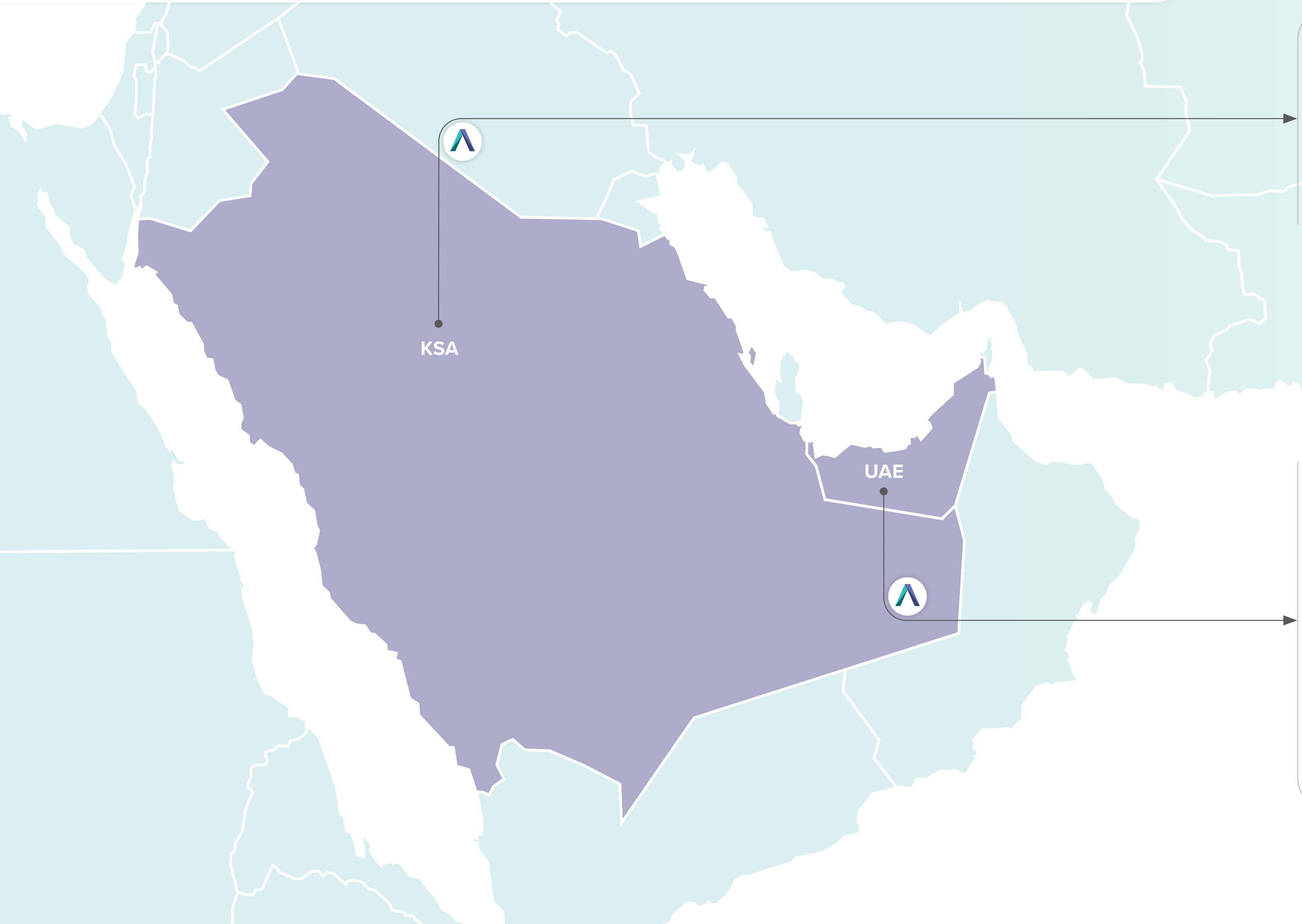
[2] Group EBITDA from continuing operations.

About Amanat

Investing and Growing Market-Leading **Healthcare and Education Businesses**

A Unique and Diversified Portfolio

Since its inception, Amanat has adopted a distinct approach to investing in the healthcare and education sectors within the region. By concentrating on developing synergistic businesses within each sector, the Company achieves stable shareholder returns while promoting sustainable and enduring positive impacts on the broader community. Over the years, Amanat has strategically expanded and enhanced its portfolio through a clearly defined approach that emphasizes identifying high-quality, innovative, and competitively sustainable companies with strong growth potential. Amanat holds influential and controlling stakes in leading companies, from industry pioneers in their respective markets to emerging firms set to shape the region's healthcare and education landscape in the coming years.



KSA

Cambridge Medical and Rehabilitation Center ("CMRC")

Human Development Company ("HDC")

UAE

Middlesex University Dubai ("MDX")

Cambridge Medical and Rehabilitation Center ("CMRC")

NEMA Holding ("NEMA")

Real Estate Property of North London Collegiate School ("NLCS-RE")

Real Estate Property of Cambridge Medical and Rehabilitation Center ("CMRC-RE")

About Amanat

Healthcare (Long-Term Care)

Amanat holds two strategic investments within the healthcare sector, which include post-acute and long-term care facilities and a real estate investment. Currently, the Company's healthcare assets comprise a total of 660 beds across five specialised hospitals. Amanat's healthcare investment portfolio encompasses:

Cambridge Medical and Rehabilitation Center (CMRC)

After merging with Sukoon, CMRC became the largest specialised post-acute care (PAC) provider in the GCC. It currently has 660 beds across five facilities in the UAE and KSA, offering inpatient and outpatient rehabilitation, long-term care, extended critical care, specialist in-patient pediatric care and home care services to thousands of patients annually.

5
Hospitals

660
Beds

45
Additional beds under development

Cambridge Medical and Rehabilitation Center – Real Estate – Abu Dhabi, UAE (CMRC-RE)

Amanat acquired CMRC's Abu Dhabi facility spanning 5,500 sqm of land and 6,600 sqm of built-up area, comprising of two three-story buildings.

Education

Amanat's investments in education cover a broad range of specialisms, including graduate and post-graduate programs, corporate and vocational training, education technology, special education and care needs services, as well as a real-estate investment in one of the leading K-12 schools in Dubai. The Company's education business includes:

Middlesex University Dubai (MDX)

MDX is the first overseas campus of Middlesex University in London and the largest private university in Dubai. Operating from two campuses in Dubai, MDX offers exceptional educational opportunities to students from more than 120 countries. In 2024, MDX further expanded its offering by introducing a new daytime MBA programme and the launch of programmes, such as Artificial Intelligence, geared towards the emerging needs of the regional job market.

1
University
(2 campuses)

c. 5.7K
Graduate and post-graduate students

Real Estate Property of North London Collegiate School – Dubai (NLCS)

Amanat owns the real estate assets of NLCS, a prestigious K-12 school that delivers the International Baccalaureate (IB) curriculum. This investment diversifies Amanat's portfolio into a stable asset category, generating attractive returns and creating a source of sustainable, long-term income.

NEMA Holding (NEMA)

NEMA is Abu Dhabi's largest private higher education group, internationally ranked with two decades of experience in the UAE market.

2
Universities
(5 campuses)
Higher Education, Vocational and Corporate Training

c. 11.0K
Students

Human Development Company (HDC)

HDC is the leading provider of special education and care services in KSA. The company's offerings include specialised high-quality educational, medical, and rehabilitation services tailored to a diverse range of beneficiaries. With operations spanning eight provinces, HDC oversees a network comprising 10 schools, 35 day-care centres, and three rehabilitation medical clinics. Looking forward, HDC will continue to be a pioneer in the field of special education and care needs, building on its expertise to expand its services into new segments such as residential care.

10
Schools

35
Day-care and Rehabilitation Centres

c. 6.5K
Beneficiaries

Amanat **in Figures**

Amanat has built a legacy marked by resilience, stability, and exceptional strength.

2014–2017:

IPO

- Amanat's IPO on the DFM in November 2014
- Acquisition of a 4.1% stake in Al Noor Hospital
- Acquisition of a 35% stake in Sukoon International Holding Company (CJSC)
- Amanat sold its stake in Al Noor Hospital
- Acquisition of a 16.3% stake in Taaleem Holdings PSC for AED 146 MN
- Acquisition of a 13.2% stake in International Medical Center for AED 360 MN
- Increase of stake in Taaleem Holdings PSC to 21.7% for AED 52 MN

2018–2020:

Deploying

- Acquisition of a stake in BEGiN for AED 18.4 MN
- Acquisition of a 69.3% stake in Al Malaki Specialist Hospital in Bahrain for AED 142 MN
- Acquisition of a 100% stake in Middlesex University Dubai for AED 419 MN
- Acquisition of the real estate assets of North London Collegiate School (NLCS) Dubai for AED 408 MN
- Acquisition of a 35% stake in NEMA Holding for AED 330 MN

2021–2023:

Rebalancing

- Acquisition of 100% of Cambridge Medical and Rehabilitation Center (CMRC) for AED 887 MN.
- Amanat divested its 21.7% stake in Taaleem Holdings for AED for 350 MN
- Acquisition of CMRC's real estate assets in Abu Dhabi for AED 53 MN
- Amanat divested its 13.1% stake in IMC for AED 433 MN
- Acquisition of a 60% stake in Human Development Company in KSA for c. AED 262 MN
- Amanat merged CMRC and Sukoon, resulting in the largest pan-GCC PAC business

Current:

Growing to Monetise

- Amanat Education rebranded as Almasar Alshamil Education and head office established in Riyadh under a management team led by the newly appointed CEO, Majed Al-Mutairi
- Exploring monetisation opportunities to unlock value for shareholders

Chairman's Message

Chairman's **Message**

It is my privilege to present Amanat's 2024 annual report, marking another year of progress, resilience, and value creation. Over the past year, Amanat has remained steadfast in executing its strategic vision, strengthening its market-leading businesses, and driving sustainable growth in the GCC healthcare and education sectors. As we reflect on our achievements, we remain committed to our core mission of delivering superior returns to our shareholders while making a meaningful impact on the communities we serve.

Amanat is well-positioned to build on its strong momentum in 2025 and beyond, guided be a clear strategy and a commitment to excellence.

Strengthening Our Legacy

Amanat's journey has been defined by disciplined execution and a clear growth strategy, underpinned by our commitment to innovation and operational excellence. In 2024, we continued to enhance our businesses, building on the strong foundations built in previous years. Our investments in healthcare and education have matured into scalable, synergistic businesses, reinforcing Amanat's position as a leading investor in two critical sectors.

Over the past year, we have taken decisive steps to optimise our portfolio, ensuring that each asset contributes to our long-term value creation strategy. We remain focused on expanding our reach, growing our cash flow-generating assets, and executing strategic monetisation opportunities to unlock value for our shareholders. These initiatives position Amanat for sustainable growth while maintaining financial discipline and capital efficiency.

Navigating Change, Seizing Opportunity

The macroeconomic landscape of the GCC continues to evolve, presenting attractive opportunities. Structural shifts, including demographic trends, increased healthcare demands, and a growing focus on high-quality education, create a favourable environment for Amanat's continued expansion. Our ability to navigate this dynamic landscape through proactive strategy execution has been integral to our success.

Amanat's financial performance reflects the strength of our strategy. The fiscal year 2024 closed with group revenue from continuing operations of AED 796 million, a significant 17% increase over the previous year, driven by a robust performance across both our healthcare and education businesses. EBITDA from continuing operations rose to AED 296 million, increasing 10% when compared with the previous year on an adjusted basis, while group profit before tax from continuing operations reached AED 196 million, rising 10% on an adjusted basis. In light of this impressive performance and a positive business outlook, the Board of Directors has proposed a final dividend of AED 40 million, amounting to 1.6 fils per share, subject to shareholder approval at the AGM. This brings the total dividend payout for FY 2024 to AED 115 million, amounting to 4.6 fils per share.

Unlocking Value Through Strategic Growth

As we move forward, Amanat remains committed to expanding its businesses and driving growth. We will continue to leverage our deep industry expertise, strong partnerships, and hands-on approach to enhance operational efficiencies across our healthcare and education businesses and unlock new avenues for value creation.

A key milestone in our journey is our recent decision to consolidate our education business under 'Almasar Alshamil Education', in a move that aligns with our strategy to unlock value by exploring strategic monetisation and to enhance shareholder returns. In pursuing this step, we aim to strengthen our position as a leading education investor while capitalising on the region's robust demand for high-quality learning institutions.

Building on Momentum and Delivering Impact

Our focus remains on strengthening our market-leading businesses across healthcare and education by driving both organic and inorganic growth. We continue to enhance operational efficiencies, optimise performance, and seek avenues for strategic monetisation that will deliver sustainable returns to our shareholders. Through these efforts, we remain committed to making a lasting impact on the communities we serve.

Amanat is well-positioned to build on its strong momentum in 2025 and beyond, guided by a clear strategy and a commitment to excellence. I am confident that with the unwavering dedication of our Board, management team, and stakeholders, we will continue to achieve new milestones in our journey of growth and success.

I extend my sincere gratitude to our Board, executive team, employees, and partners for their invaluable contributions to Amanat's success. I also thank our shareholders for their continued trust and confidence in our vision. As we embark on the next phase of our journey, we remain focused on delivering sustainable value and driving positive change across the healthcare and education sectors. Together, we look forward to another year of growth, innovation, and impact.

Dr. Shamsheer Vayalil
Chairman

2024 Highlights

2024 was a year of accelerated growth and value creation. The Company adapted to changing market conditions while maintaining its strategic goals, achieving important milestones and strengthening its role in the region's healthcare and education sectors. The year included capacity expansions and impactful investing, reflecting Amanat's commitment to generating value for shareholders and supporting community development.

660
Beds in the UAE & KSA (CMRC & Sukoon)

Portfolio Optimisation

Over the course of the year, Amanat and its portfolio companies have broadened their reach, reinforcing their leading positions in the GCC market. By executing strategic initiatives, our companies have augmented their capacities and capabilities to address the anticipated increase in demand for high-quality healthcare and education services in the coming years.

Cambridge Medical and Rehabilitation Center and Sukoon International Holding – Post-Merger Expansion

- In April 2024, commenced operations of ZHO PPP to operate 80 beds for severely disabled pediatrics.
- Khobar began operations in November, with 30 new beds at launch with a phased launch in progress up to 150 beds at full capacity.
- Continued expansion at Sukoon, with capacity on track to increase to 200 beds in the second half of 2025, from the current 155 already operational.

Human Development Company – Capacity Expansion

- HDC provides leading special education and care services in KSA, with schools, day-care centres, and rehabilitation medical clinics operating across eight provinces.
- Significant 29% year-on-year growth in beneficiaries in 2024, further solidifying HDC's market-leading position.
- In 2024, eight new day-care centres were added to the company's network, bringing the total number of day-care and rehab centres to 35, with an additional 8 day-care centres under development and scheduled for opening in 2025, two of which will have residential capabilities.

c. 6.5K
Annual beneficiaries

Middlesex University Dubai – New Programmes and Capacity Expansion

- Introduced a new daytime MBA programme, primarily offered at the DIAC campus.
- Expanded footprint in the Dubai Knowledge Park campus to accommodate enrolment growth and improve availability of study and social spaces.
- Launched new programmes such as Artificial Intelligence, geared towards the emerging needs of the regional workforce.
- MDX cemented its position as the number one university by enrolments in Dubai, with c.40% of students now enrolled from overseas.

c. 5.7K
Enrolled students

c. 11K
Enrolled students

NEMA Holding – New Programmes and Enrolment Growth

- In 2024, NEMA introduced new programmes and courses in line with market needs.
- Higher education enrolments increased by 14% year-on-year, on the back of strong student intake at Abu Dhabi University and Liwa College.
- Abu Dhabi University ranked among the top 200 universities globally.

2024 Highlights

796 AED MN
Group Revenue from Continuing Operations in FY 2024
(up 17% y-o-y)

296 AED MN
Group EBITDA from Continuing Operations in FY 2024
(up 10% y-o-y adjusted)

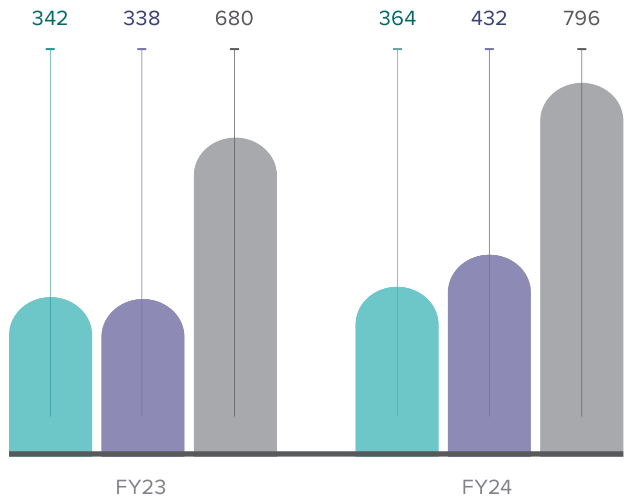
Impact Investing

Amanat remains committed to providing exceptional returns to its shareholders while equally prioritising the creation of significant long-term benefits within communities. With an expanding portfolio of investments in healthcare and education, Amanat positively affects the lives of thousands of patients and students annually, fostering a lasting impact on their well-being and educational journeys.

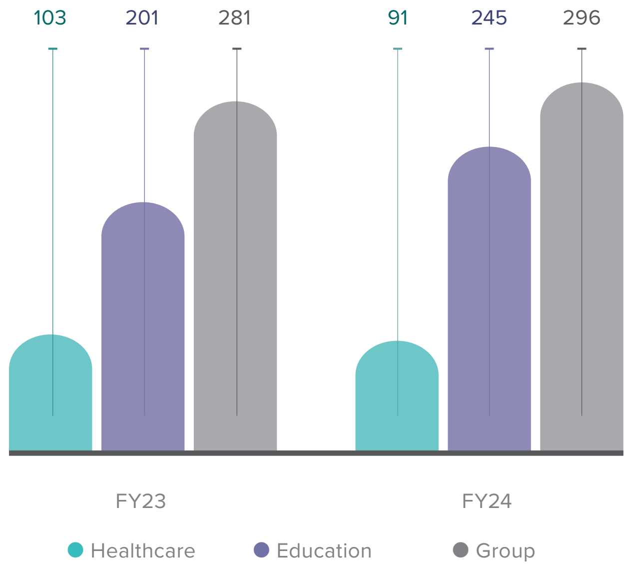
Solid Growth and Profitability

Amanat's education and healthcare businesses maintained robust growth and profitability in 2024.

Group Revenue from Continuing Operations (AED MN)[1]



Group EBITDA from Continuing Operations (AED MN)[1]



[1] *For FY 2023 and FY 2024, the figures represent the Group's results from continuing operations, excluding discontinued operations.*

Strategic Report

Amanat's investment strategy focuses on seizing market opportunities and driving long-term, sustainable value for shareholders in the GCC's healthcare and education sectors.

Our Business Model: **Building Scalable Businesses**

Amanat's investment strategy focuses on capturing market opportunities and creating sustainable shareholder value in the education and healthcare sectors within the GCC. To achieve this, Amanat employs a synergistic approach whilst providing various organic and inorganic growth opportunities. The Company's business model involves acquiring businesses with a demonstrable track record in their respective markets. These businesses, when combined with Amanat's existing investments and expertise, contribute to establishing larger industry specific players. Amanat's investment management approach aims to systematically transform these businesses into significant market operations. This strategy enables Amanat to leverage the region's growth potential while positively impacting the communities it serves.

Resilient Sectors

Investments focus on resilient sectors with appealing opportunities, underpinned by favourable demographic trends

Growth Prospects

Pursuit and implementation of strategic growth initiatives across a portfolio of market-leading assets

Visibility Advantage

Capitalising on unparalleled insight into the deal-sourcing pipeline and available exit opportunities

An Attractive Investment Proposition

Amanat is well-placed to capitalise on opportunities in the MENA region's healthcare and education sectors, providing long-term sustainable value for shareholders.

Financial Strength

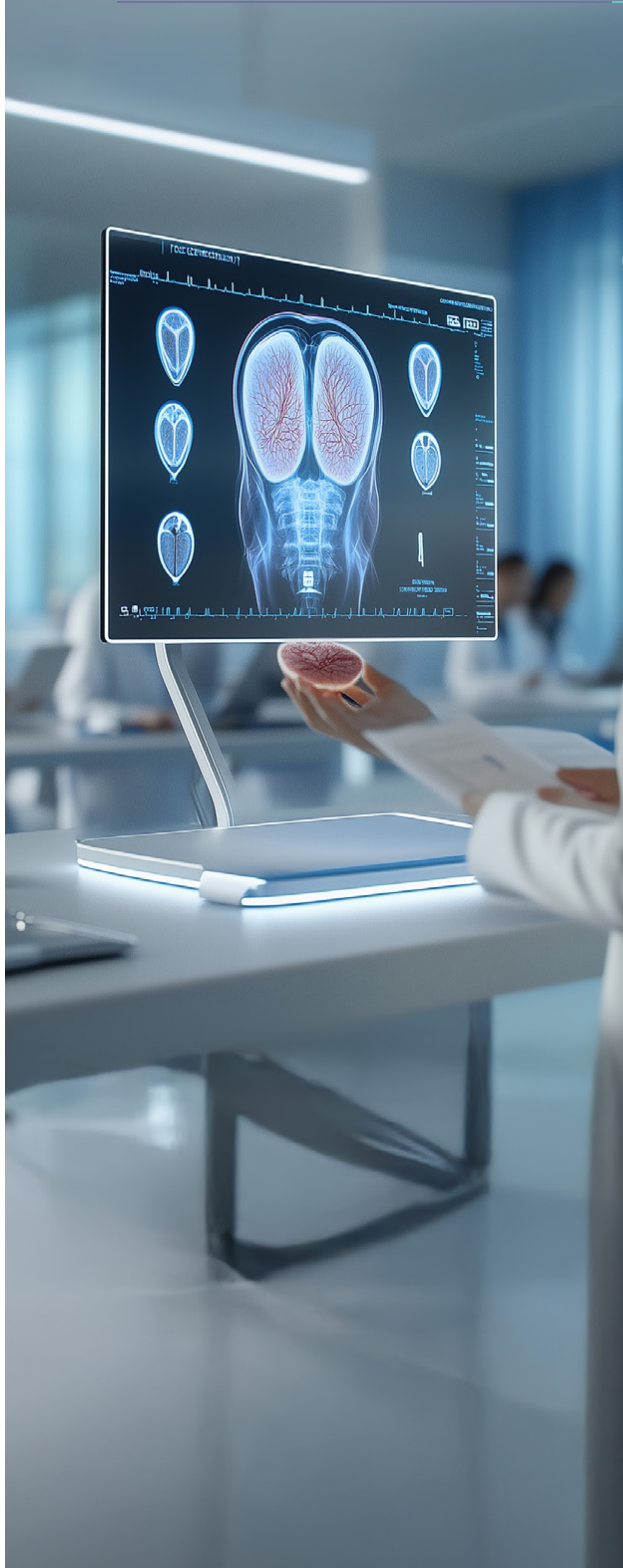
Leveraging a robust balance sheet and access to competitive debt financing for effective capital utilization

Shareholder Returns

Commitment to delivering compelling shareholder returns through dividends and capital gains

Exceptional Team

A prominent Board of Directors and management team equipped with extensive regional and international expertise



Target Operating Model

Amanat's strategic model focuses on building synergistic businesses to capitalise on both organic and inorganic growth opportunities in existing and emerging markets. The emphasis on creating comprehensive, synergistic businesses serves as a robust foundation for new acquisitions and facilitates the development of larger and more attractive companies. This approach enables Amanat to effectively monetise investments while generating additional value through economies of scale and synergy extraction.

The Company's approach to growth aims at achieving long-term impacts on the broader community beyond short-term growth and shareholder value. As a strategic investor in healthcare and education providers in the region, Amanat positively impacts thousands of lives annually. Its strategy gives the Company the scale and influence necessary to advance the development of targeted sectors, particularly higher education, PAC, and special education and care.

To achieve sustainable value creation and align with its investment vision, Amanat seeks majority or influential stakes in its investments, enabling it to drive turnaround strategies and growth initiatives effectively. As of 2024, Amanat holds an 86% stake in Cambridge Medical & Rehabilitation Center ("CMRC"), a 60% stake in Human Development Company ("HDC") and a 100% stake in Middlesex University Dubai ("MDX") as well as a significant minority stake (35%) in NEMA Holding.

Our Business Model: Scalable Businesses

A Portfolio of Market Leading Companies

The portfolio consists of prominent investments in the healthcare and education sectors, strategically positioned in the UAE and KSA. These investments are distinguished by their ability to generate stable cash flows while offering significant growth potential.

Strategy development
Capital structure optimisation
Governance enhancement

Amanat

Deal sourcing
Capital growth / realisation
Shareholder returns

Own majority or significant minority stakes with the ability to define strategy

Healthcare
AUM AED 1.4 BN

5 Hospitals	2 Investments	660 Beds

Post-Acute and Long-Term Care

Cambridge Medical and Rehabilitation Center

86% Holding

Real Estate

Cambridge Medical and Rehabilitation Center – Abu Dhabi

100% Holding

Education
AUM AED 1.5 BN

c. 17.9K Students	c. 5.3K Beneficiaries	5 Investments
3 Universities	10 Schools	35 Day-care & Rehab Centres

Higher Education and Vocational

Middlesex University Dubai

100% Holding

NEMA Holding

35% Holding

Special Education & Care

Human Development Company

60% Holding

Real Estate

North London Collegiate School – Dubai

100% Holding

Value Creation Levers

- Optimisation and Synergies
- Consolidation
- M&A and Bolt-on Acquisitions
- Asset Contribution Transactions
- Enhanced Exit Opportunities
- Flexible Exit Options

Strategic Benefits to Building Businesses

Business building has been a crucial component of Amanat's success. The synergistic businesses developed by the Company create multi-investment ecosystems that leverage capital injections, shared operational partners, and potential future acquisitions. This strategy provides significant operational flexibility to each business, enabling multiple avenues to enhance yields, improve margins, and achieve long-term returns on investment. Additionally, the creation of scalable businesses provides smaller entities, which may typically face challenges in adverse macroeconomic conditions, with the resilience and resources needed to overcome short-term obstacles and realise their long-term potential.

Diversification

Ensures greater exposure to different business models, beneficiary bases, and regulatory environments, as well as varying stages of maturity and growth profiles.

Control and Optimisation

Allows companies to drive strategy and operations through strong, specialised management teams, while optimising operations and facilitating cross-asset partnerships.

Synergy Extraction

Leverages high-potential businesses with successful track records in their markets to create larger-scale businesses.

Multiple Arbitrage

Higher valuations than standalone assets.

Opportunistic Restructuring

Provides Amanat with flexible solutions for capital raising, while allowing it to effectively partner with minority investors in its assets and expand AUMs.

M&A Firepower

Larger scale provides ample financing capacity to capture M&A opportunities.

Monetisation Options

Larger scale, improved business profiles, strong management teams, and leading market positions enable assets to generate additional traction at liquidity events, such as IPOs, and attract additional investments from premier institutional players.

Evaluation Criteria

Amanat's ability to consistently generate and enhance value for its shareholders depends on its effective identification of suitable investment opportunities. Amanat targets companies with a solid track record, a strong market presence, and significant future growth potential. These acquisitions are selected based on their robust fundamentals and promising prospects, positioning them to quickly gain market share and become key operations within Amanat's portfolio. In identifying potential investments, the Company uses specific criteria to assess the strengths of target businesses and evaluate potential synergies with existing portfolio assets.

Core Markets

Amanat focuses exclusively on investments in healthcare and education; sectors that are vital to societal well-being and exhibit non-cyclical, resilient characteristics. While the Company's current portfolio is concentrated in the GCC, Amanat actively evaluates opportunities to expand into the broader MENA region, targeting markets with similar growth trajectories and underlying trends as its existing core geographies.

Business Fundamentals

Amanat prioritizes investments with strong and sustainable strategic and commercial foundations, solid financial health, and clear potential for tangible returns. A key consideration is the presence of a seasoned and competent management team, ensuring effective leadership to drive long-term growth and value creation aligned with Amanat's overarching strategy.

Value-Creation Profile

Amanat's value-creation approach emphasizes identifying investments with strong growth potential, whether through organic expansion or strategic acquisitions. To influence the strategic direction and vision of its investments, the Company seeks majority or influential stakes, along with Board representation and sufficient voting rights. Furthermore, Amanat is committed to implementing best-in-class governance frameworks across its portfolio, fostering responsible business practices and ensuring the sustainable creation of long-term value for shareholders.

Creating Value

Amanat takes an active role as an investor, working in close partnership with the management teams of its companies to drive their growth and value creation strategies. Amanat's primary goal is to develop its assets into market-leading enterprises. To achieve this, Amanat employs a holistic, three-tiered value creation approach, focusing on corporate strategy, corporate finance, and corporate governance, to transform and optimise its investments.

Amanat's Value Added

Corporate Strategy

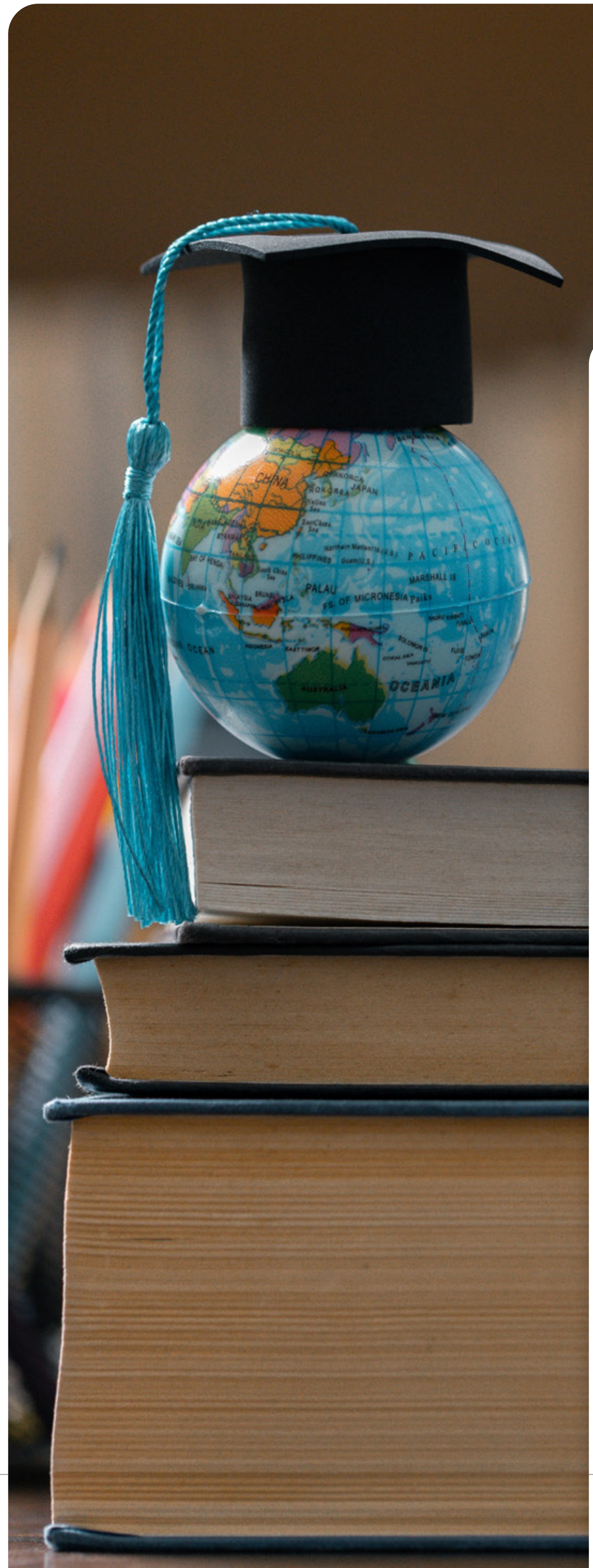
Amanat partners closely with the management teams of its companies to develop and execute comprehensive growth strategies, encompassing both organic and inorganic opportunities. Simultaneously, the Company emphasizes operational optimisation, efficiency enhancement, and leveraging synergies across its assets. A prime example of this strategic, hands-on approach is CMRC's merger with Sukoon in 2023. This integration created the largest pan-GCC PAC business.

Corporate Finance

On the corporate finance front, Amanat prioritizes developing effective financial strategies to optimise capital structures and support funding needs. In 2024, the Company provided targeted financial support to its companies with the aim of driving growth. This included evaluating capital structures and funding growth plans at CMRC, optimising capital structures at MDX, and securing growth financing at HDC to drive future growth.

Corporate Governance

Amanat places a strong emphasis on establishing robust corporate governance frameworks to support sustainable, long-term growth. The Company collaborates with its companies to implement best-in-class governance processes, decision-making frameworks, and policies.



Sustainable Growth

Amanat stands as the only MENA-listed company exclusively dedicated to healthcare and education investments. This unique focus allows the Company to create long-term value without the constraints of predetermined timelines or exit strategies. By building companies that prioritize sustainable growth, Amanat delivers significant benefits to stakeholders. For communities, this translates into enhanced access to high-quality education and healthcare services, which improve quality of life in both the immediate and long-term. For Amanat, this generates capital that fuels its growth cycle, providing the flexibility to implement effective turnaround and expansion strategies across its portfolio.

While balancing its focus on healthcare and education, Amanat actively explores innovative growth opportunities within these sectors. In healthcare, the Company evaluates patient-centric models encompassing the entire care journey, including primary and secondary care, home diagnostics, pharmaceutical solutions, and disease monitoring.

In education, Amanat embraces forward-looking models that tailor learning experiences to individual abilities rather than age. Its portfolio includes a leading educational group spanning higher education, vocational and corporate training, and a provider of prestigious UK degrees in Dubai as well as the leading provider of special education and care needs in KSA. With the rapid adoption of online learning, Amanat increasingly targets digital solutions to enhance accessibility and customize the learning journey.

While focusing on building long-term sustainable value, Amanat remains committed to delivering robust, above-market returns to shareholders in the near term. Building on the significant milestones achieved in 2024, the Company aims to optimise its portfolio, drive growth across existing assets, and invest in high-yielding opportunities with both short- and long-term value-generating potential.

Our **Strategy**

Amanat follows a clear and focused strategy aimed at acquiring and scaling high-potential businesses with strong management teams and robust income-generation capabilities. Leveraging its deep strategic and operational expertise, the Company takes an active, hands-on approach to managing its portfolio, transforming investments into market leaders and building monetisable businesses. By targeting attractive sectors with strong structural growth trends, Amanat seeks to create long-term value, develop market-leading companies, and identify opportunities for sustainable growth and monetisation.

Established Strategy Delivering Results

1

Identify & Invest

Identify cash flow generating assets in healthcare and education that have significant growth opportunities and high-quality management teams

2

Grow

Establish businesses by developing and executing strategic growth opportunities, to scale business, enhance income generation and maximize value creation

3

Monetise

Actively explore monetisation opportunities to unlock value for shareholders

Identify & Invest

When assessing potential investments in the healthcare and education sectors, Amanat applies a rigorous set of criteria to identify strong businesses with established market positions and significant growth potential. The Company's evaluation process is guided by five key criteria:

1. Clear value proposition
2. Established capabilities
3. Unified management team
4. Visible market opportunity
5. Income generation

In addition to these criteria, Amanat's investment team actively identifies businesses that complement its existing portfolio. This strategy enables the Company to strengthen its businesses, unlock synergies, and create sustainable value for shareholders. Amanat typically pursues majority or controlling stakes in its investments, granting the influence necessary to effectively execute turnaround initiatives and drive growth strategies.

Grow

Amanat adopts a hands-on approach, actively partnering with the management teams of its companies to drive growth through business expansion and enhanced service offerings. The Company's value-add strategy focuses on three core areas: corporate strategy, corporate governance, and corporate finance. This proven methodology has enabled the transformation of several investments into market-leading operations, delivering long-term positive impacts to communities and generating attractive returns for Amanat upon divestment.

In 2024, Amanat achieved several key milestones. The capacity at Cambridge Medical and Rehabilitation Center, the largest PAC business in the GCC, was significantly expanded. Operations for ZHO PPP, focused on providing care for severely disabled pediatric patients, were successfully launched. Additionally, Human Development Company extended its network of day-care centres, strengthening its presence. In the education sector, Amanat expanded its footprint at Middlesex University Dubai's Dubai Knowledge Park campus to accommodate growing enrolment and introduced a daytime MBA programme, broadening access to high-quality education in the region.

A cornerstone of Amanat's growth strategy is fostering synergies. By integrating assets strategically, the Company captures economies of scale, enhances cross-selling opportunities, and introduces shared service models across multiple investments. These synergies improve the scope and quality of services offered, driving greater value for the broader community and contributing to Amanat's mission of sustainable, impactful growth.

Monetise

Monetisation is a key component of Amanat's strategy to maximize shareholder value. Since 2015, the Company has successfully completed three exits at attractive multiples, showcasing its expertise in partnering with its companies to drive revenue growth, enhance profitability, and unlock their full potential. Amanat's management and investment teams actively evaluate potential exit opportunities to realise value.

Amanat in 2025

Building on the strong momentum from 2024, Amanat remains steadfast in its mission to fulfill its commitments to portfolio companies, investors, and the communities it serves. The Company's strategic priorities for 2025 are focused on the following areas:

Strengthen Portfolio's Performance

Collaborate closely with company management teams to expand service offerings and enhance value propositions

Evaluate acquisition opportunities for companies to drive growth and increase capacities

Provide strategic support in executing long-term growth and value creation plans

Establish Synergies

Identify and implement additional opportunities to unlock synergies across the portfolio

Invest in High-Yielding Assets

Allocate capital to assets with high, stable, and sustainable returns on equity (ROE) and dividend yields

Explore expansion and M&A opportunities within the GCC, with a particular focus on expanding the higher education footprint and assessing the potential entry into the K-12 education market

Pursue investments that leverage prevailing market trends and address demand dynamics

Asset Monetisation

Prepare assets for potential monetisation events

Assess and execute possible monetisation opportunities as they arise

Chief Executive Officer's **Report**

> *Our two market-leading businesses continue to offer strong fundamentals and present potential monetisation opportunities.*

Robust Financial and Operational Performance

2024 was another year of significant milestones for Amanat, reinforcing our unwavering commitment to excellence, sustainable growth, and value creation. Building on the strong foundation we have established, we continue to drive success across our portfolio, delivering a robust financial performance and further strengthening our position in the healthcare and education sectors. Our achievements highlight the effectiveness of our strategy, ensuring we continue to generate strong returns for our shareholders, enhance the value of our portfolio companies, and create a lasting positive impact within our communities.

FY2024 saw Group revenue from continuing operations increase 17% to reach AED 796 million driven by the stellar performance of our education business, which continues to demonstrate resilience and expansion, in addition to the strong revenue-generating capabilities of our healthcare business.

The growth in revenue translated into a 5% year-on-year increase in EBITDA from continuing operations to AED 296 million and a 2% year-on-year rise in profit before tax from continuing operations to AED 196 million. These results underscore the strength of our value creation strategy, our ability

to drive operational efficiency, and our deep understanding of the evolving needs in the healthcare and education sectors.

Positive Momentum and Significant Opportunities

Our two market-leading businesses continue to offer strong fundamentals and present potential monetisation opportunities.

Our education business sustained its growth momentum in 2024, delivering AED 432 million in revenue, reflecting a 28% year-on-year increase. This growth was underpinned by strong enrolment expansion at MDX and beneficiary growth at HDC, driven by the addition of new day-care centres and schools.

Our continued focus on growth at MDX has reinforced its position as the leading university by enrolments in Dubai, while capacity expansions at HDC aligns with our mission to provide critical special education and care services across the region. NEMA Holding's focus on academic excellence has also resulted in Abu Dhabi University ranking among the top 200 universities globally. Aligning our strategic objectives with societal well-being creates meaningful value that extends beyond financial performance.

In line with our commitment to unlocking value and expanding our market presence, we have taken steps towards monetising our education business, which aims to capitalise on the robust growth of our education assets and aligns with our broader objectives of enhancing shareholder value and contributing to the development of the regional education sector.

Our healthcare business recorded AED 364 million in revenue in 2024, marking a 6% increase from 2023. In the UAE, we remain focused on revenue diversification to unlock new growth avenues and looking ahead, we expect further performance enhancements as we bring additional capacity online in KSA and expand our operations. We take great pride in our proactive management approach, ensuring that we unlock the full potential of our businesses while making a positive impact on the communities we serve. The successful merger of CMRC and Sukoon in 2023 has created the GCC's largest PAC business, positioning Amanat as a key player in addressing the region's growing need for specialised care services.

Outlook

As we look ahead to 2025, Amanat is well-positioned for sustained success, underpinned by a clear strategic direction that enables us to navigate challenges and capitalise on growth opportunities. Our key focus remains on expanding the monetisation potential of our market-leading businesses while identifying areas where our expertise can drive long-term value creation.

In healthcare, our priority for 2025 is to continue executing our post-merger growth plans for our PAC businesses. With demand for PAC services continuing to rise, we remain committed to expanding capacity and bridging the region's supply gap, particularly in KSA, where the shortfall is expected to reach 17,000 beds. Additionally, we are actively diversifying our revenue streams by introducing complementary services, further solidifying our market position.

In education, the GCC market remains poised for significant growth, with projections indicating an additional 1.1 million enrolments by 2027. Our strategy will see us continue to expand our footprint, enhance our service offering, and pursue entry into new markets within the GCC.

At a corporate level, we remain steadfast in our commitment to operational efficiency. We continue to implement cost control measures, internalizing transactional requirements, and streamlining our internal processes to ensure agility and responsiveness.

As always, our dedicated team is focused on supporting our businesses, enabling long-term growth through expansion and monetisation.

2024 reaffirmed Amanat's strategic vision, strong foundations, and growth potential. As we move into a new phase of our journey, we are confident in our ability to navigate an evolving landscape with resilience and purpose, driving positive change in the sectors we operate in and the communities we serve.

John Ireland
Chief Executive Officer

Financial **Highlights**

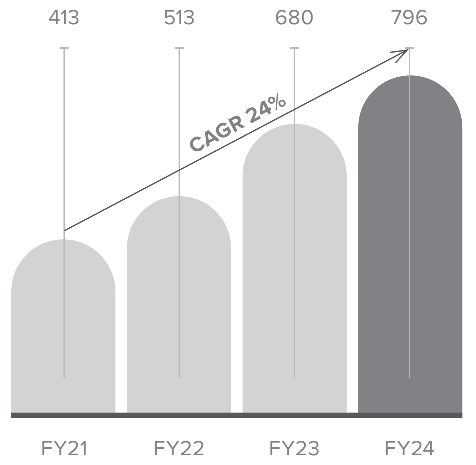
2024 was another year of strong performance for Amanat, as the Company continued to deliver strong financial results underpinned by robust operational performance and the execution of its growth strategy. The results delivered reinforce Amanat's strategic focus on growth and value creation, as the Company capitalised on expansion opportunities and operational efficiencies.

Consolidated Performance

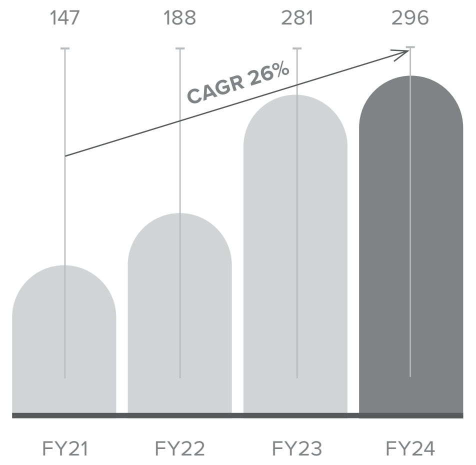
In 2024, group revenue from continuing operations reached AED 796 million, a 17% year-on-year increase from the AED 680 million recorded in the previous year. Growth was primarily driven by a 28% year-on-year increase in revenue from the education business, fuelled by record enrolments at Middlesex University Dubai ("MDX") and the launch of new daycare centres at Human Development Company ("HDC").

The long-term care business delivered revenue growth of 6% year-on-year to AED 364 million in FY 2024, supported by growth in KSA and the UAE PPP project, which more than offset near-term pressure on UAE revenues following the cessation of COVID-related programmes in July 2023. Robust growth is anticipated over future periods from capacity expansions and ramp-up of KSA operations, which will be supplemented by UAE patient growth.

Group Revenue from Continuing Operations (AED MN)



Group EBITDA from Continuing Operations (AED MN)[1]



[1] *FY21 group EBITDA excludes the impact of gain on disposal of divested investees.*

Amanat Integrated Annual Report **2024**

Group EBITDA from continuing operations: Increased 5% year-on-year to AED 296 million in FY 2024 or 10% on an adjusted basis driven by Education which delivered EBITDA growth of 22% year-on-year to AED 245 million due to strong top-line growth which was partially impacted by pre-opening costs associated with HDC's new centres. At the long-term-care business EBITDA declined 12% year-on-year to AED 91 million, impacted by the cessation of the COVID programme in the UAE and pre-opening costs for the new long-term care facility in Khobar.

Group profit before tax and zakat from continuing operations increased by 2% to AED 196 million in FY 2024 or 10% on an adjusted basis and group profit increased to AED 134 million in FY 2024 compared to a loss of AED 44 million in FY 2023, impacted in the prior year by the one-time non-cash deferred taxation adjustment following the introduction of UAE corporation tax and a non-cash impairment recorded in respect of Malaki Specialist Hospital ("MSH"). In the current year MSH has been classified as an asset-held-for-sale with a further AED 16 million impairment recorded. Excluding these items, profit for the year was 1% higher when compared to the prior year or 11% higher when adjusted for the impact of UAE corporation tax in the current year.

Education Performance

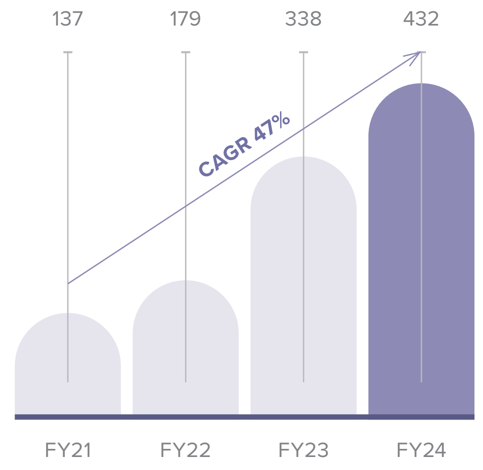
The education business, including finance lease income from North London Collegiate School, delivered exceptional financial performance in 2024, marked by a 28% year-on-year increase in revenue, reaching AED 432 million. This substantial growth was driven by 29% beneficiary growth at HDC from the addition of new daycare centres and schools, as well as a 16% enrolment expansion at MDX. Revenue growth supported profitability, with EBITDA increasing 22% year-on-year to AED 245 million and profit before tax growing 21% year-on-year to AED 203 million.

In 2024, MDX revenue grew to AED 219 million, a substantial 25% increase compared to the AED 176 million reported in the prior year. This growth was propelled by a 16% rise in student enrolments, which reached approximately 5,700 students, of which 43% were international students. Furthermore, MDX introduced new programs in line with market needs and enhanced the scope and effectiveness of its international recruitment campaigns, leading to higher student intake. Revenue growth at MDX, combined with stringent cost management practices and favourable operating leverage, played a pivotal role in bolstering the university's financial results delivering EBITDA of AED 86 million and profit before tax of AED 68 million, up 31% and 40%, respectively.

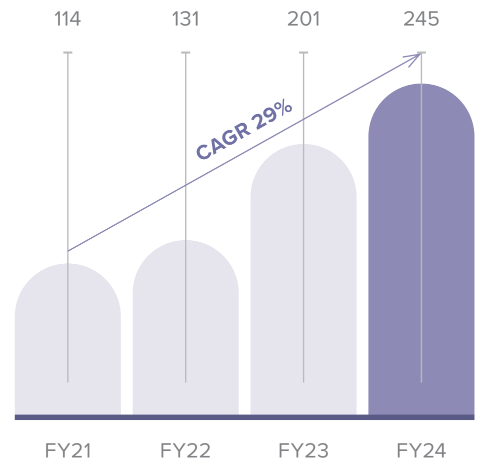
HDC delivered robust financial performance during the year recording AED 213 million in revenue, up 31% year-on-year, AED 99 million in EBITDA, up 23% year-on-year and AED 75 million in profit before tax excluding finance cost associated with debt, an increase of 18% when compared to 2023. The impressive growth was underpinned by HDC's strategic expansion initiatives, such as the successful launch of eight new day-care centres, bringing the total number of day-care centres to 35, with a further eight launching in 2025. Furthermore, heightened enrolment at both day-care centres and schools led to a 29% year-on-year growth in beneficiaries to approximately 6,500 individuals.

Share of profit from associate at NEMA Holding increased from AED 22 million to AED 33 million, growth of 50% supported by 12% revenue growth driven by 14% year-on-year growth in enrolments at Abu Dhabi University and Liwa College. Throughout the year, NEMA introduced new programs and courses tailored to market needs, strengthened its student acquisition function, and continued to focus on academic excellence and international recognition. Abu Dhabi University now ranks among the top 200 universities globally. Furthermore, NEMA's prudent cost management practices supported profitability, with profit before tax excluding third party finance cost and one-off adjustments increasing 36%.

Education Revenue
(AED MN)

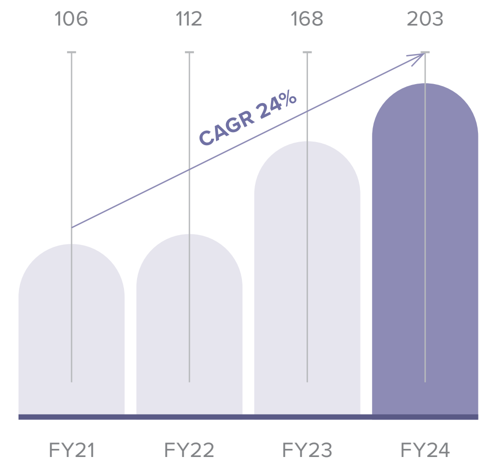


Education EBITDA
(AED MN)

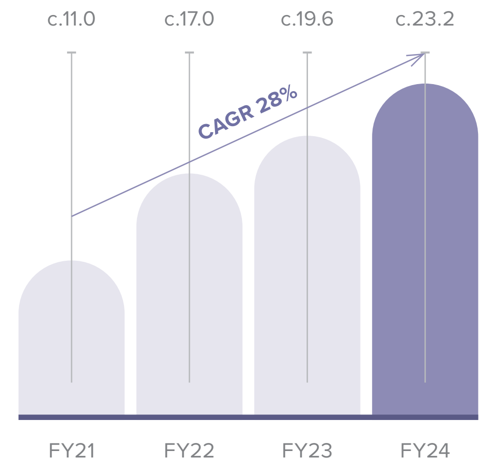


Looking ahead, Amanat's education business is well-positioned to deliver sustained growth, driven by a clear strategy underpinned by tangible expansion initiatives. The Company will focus on accelerating the ramp-up of newly launched daycare centres, leveraging operational expertise and a scalable model to optimise performance. Expansion efforts will continue with the development of additional daycare centres, supported by a fully funded capital expenditure plan. Higher education remains a key pillar, with targeted international outreach initiatives, strategic partnerships, and programme diversification aligned with evolving job market demands, which will deliver continued growth in enrolments. Management is also actively pursuing new growth avenues, including the introduction of 24/7 residential SEN services, expansion into adjacent education segments and broader geographical expansion across the GCC.

Education Profit Before Tax[1]
(AED MN)



Beneficiaries & Students
(000s)



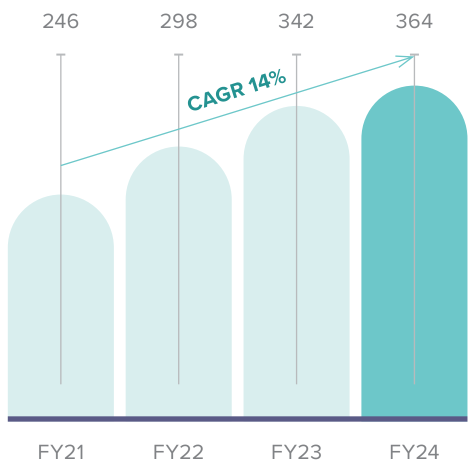
[1] *Excluding third party finance cost associated with debt.*

Healthcare Performance

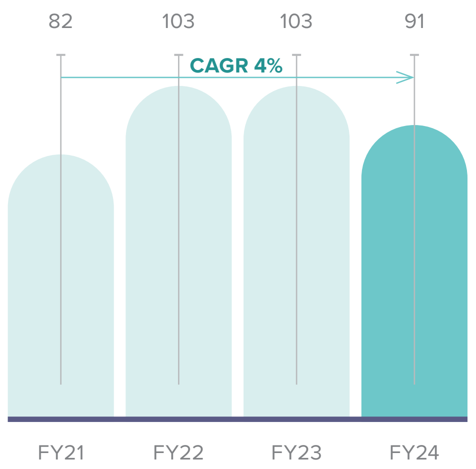
Long-term care recorded a 6% year-on-year increase in revenue to AED 364 million, supported by growth in KSA and the UAE ZHO PPP project. EBITDA declined 12% year-on-year to AED 91 million due to the near-term impact of the discontinuation of COVID-related treatment programs in the UAE and pre-opening costs at Khobar. Net profit before tax excluding third party finance cost associated with acquisition finance and transaction cost recorded AED 55 million compared to AED 71 million in the previous year as it was impacted by pre-opening expenses and IFRS-16 related costs.

As part of its expansion strategy, the Company continued to scale its PAC services in the GCC, particularly in KSA. In November, the Khobar facility began operations, with 30 new beds at launch and it will continue to grow in a phased manner to reach a total capacity of 150 beds. A further expansion to 200-beds in progress in Jeddah and is expected to be completed by year-end 2025. Looking ahead, the long-term care business will deliver growth through the ramp up of its KSA operations through expansion in bed capacity and patient acquisition in the UAE as COVID era-related patients are replaced.

Healthcare Revenue
(AED MN)

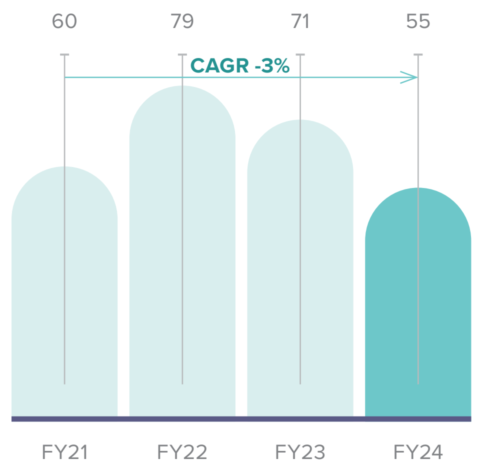


Healthcare EBITDA[1]
(AED MN)

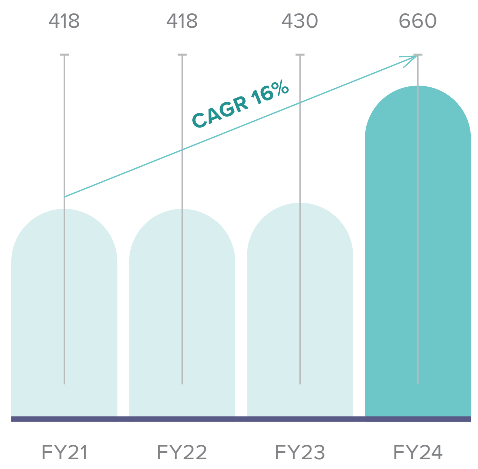


[1] *Excluding third party finance cost associated with acquisition costs and deal-related expenses.*

Healthcare Profit Before Tax[2]
(AED MN)



Bed Capacity



[2] *Excluding third party finance cost associated with debt.*

Balance Sheet

Consolidated equity stood at AED 2.8 billion as at 31 December 2024 with AUMs of AED 2.9 billion split 53% and 47% between education and healthcare, respectively. The group cash balance at year-end was AED 503 million with additional leverage potential with debt of AED 338 million and IFRS-16 lease liabilities of AED 193 million, resulting in a net debt position of AED 29 million. Minority interest stood at AED 236 million as at the year-end.

A dividend of AED 75 million was paid during the year with a final dividend of AED 40 million proposed, subject to shareholder approval, taking the final full year dividend to AED 115 million or 4.6 fils per share.

Our
Businesses

Amanat's portfolio covers the region's healthcare and education sectors, providing unique and diversified access to these fast-growing and resilient industries.

Our Businesses

Our Businesses

Amanat's portfolio spans the healthcare and education sectors, offering unique and diversified exposure to two of the region's fastest growing and most resilient industries. With market-leading positions, Amanat's investments are strategically positioned for significant organic and inorganic growth, enabling them to address the increasing demand for high-quality healthcare and education services across the GCC. Additionally, Amanat's investments actively contribute to the long-term well-being and value of the communities they serve, reflecting the Company's commitment to its overarching mission of creating lasting positive impact.

Healthcare Investments

Cambridge Medical and Rehabilitation Center

The largest post-acute care (PAC) business in the region operating in the UAE and KSA

Specialisation:

Post-Acute Care, Long-Term Care, Inpatient & Outpatient Rehabilitation

Real Estate of Cambridge Medical and Rehabilitation Center's Abu Dhabi Facility

Two three-level building blocks housing 106 inpatient beds and world-class rehabilitation facilities, including 14 outpatient rooms, three gyms, a hydrotherapy pool, and a series of other amenities.

Specialisation:

Post-Acute Care, Long-Term Care, Rehabilitation (Real Estate)

Education Investments

Human Development Company

A leading provider of special care and education services with a network of 35 day-care centres, ten schools, and specialised rehabilitation medical clinics

Specialisation:

Special Care and Education Services

Middlesex University Dubai

The largest private university in Dubai and the first overseas campus of Middlesex University in London, a provider of top-quality UK degrees.

Specialisation:

Undergraduate and Postgraduate

NEMA Holding

The largest private higher educational group in Abu Dhabi, spanning the higher education, vocational, and corporate training sectors.

Specialisation:

Undergraduate, Postgraduate, Corporate Training, and Vocational Training

Real Estate of North London Collegiate School Dubai

Real estate assets of the Dubai campus of a premium K-12 school built and managed in partnership with NLCS London, one of the top schools in the UK.

Specialisation:

K-12 (Real Estate)

Chief Investment Officer's Report

Amanat remains steadfast in its commitment to driving sustainable growth and operational excellence across our two core sectors: healthcare and education.

As we reflect on the achievements of 2024 and set our course for the future, I am pleased to present an overview of Amanat's performance and strategic progress. This year has been marked by significant milestones, particularly within our education business, as we took decisive steps towards unlocking further value while also looking to expand our presence in key markets.

Amanat remains steadfast in its commitment to driving sustainable growth and operational excellence across our two core sectors: healthcare and education. Both businesses are well-positioned to capitalise on structural growth opportunities within the UAE, KSA and across the GCC, reinforcing our role as a leading investor in these essential sectors.

Education: Strong Growth; Potential for Monetisation

2024 was a transformative year for our education business, highlighted by the creation of a new brand, Almasar Alshamil Education, and the establishment of a new office in Riyadh led by a recently appointed, highly experienced senior management team.

Throughout the year, our education business continued to deliver strong operational performance, underpinned by record

student and beneficiary numbers, reaching approximately 23,000, a CAGR of 28% between 2021 and 2024, and year-on-year growth of 18%.

Our businesses, HDC, MDX Dubai, and NEMA Holding have played a crucial role in strengthening our regional footprint and addressing key market needs in private higher education and special education services. At HDC, we expanded our special education needs offering, launching eight new daycare centres in 2024, bringing the total number to 35, and as part of an approved SAR 100 million+ expansion plan to fund further centres including eight more currently under development, two of which will include residential capabilities.

At MDX Dubai, we introduced new programmes in line with market demands and enhanced the scope and effectiveness of international recruitment campaigns, while Abu Dhabi University was ranked among the top 200 universities globally, further cementing our reputation for academic excellence.

Healthcare: Driving Scale and Excellence

Our healthcare business continued to gain momentum in 2024, with a strong focus on expanding our long-term care offering by increasing our bed capacity in KSA. Additionally, CMRC is now the largest long-term care provider in the region, strategically positioned to address the growing demand for specialised care in KSA and the UAE.

2024 also marked several key operational milestones. In November, we commenced operations at our new Khobar facility in KSA, launched with an initial capacity of 30 beds and with a phased ramp up to a total capacity of 150 beds. In Jeddah, we expect to increase capacity to 200 beds by the end of 2025, from the 155 beds already operational. Additionally, CMRC began operations of the Zayed Higher Organisation PPP in the UAE in April, operating 80 beds dedicated to the care of severely disabled pediatric patients. Overall, we have made significant progress towards our target of reaching 700 beds.

These developments further strengthen our position as a leader in long-term care services and reinforce our commitment to expanding access to high-quality healthcare solutions in the region.

Looking Ahead: Sustained Growth and Value Creation

Amanat remains committed to its mission of delivering strong financial performance and shareholder value while making meaningful impact on society, and our businesses are guided by a long-term vision that balances growth, profitability, and sustainability. As we enter 2025, our focus will be on positioning our education business for a potential monetisation, and further expanding our healthcare footprint, all while identifying new investment opportunities that align with our strategic objectives.

We are confident that Amanat's integrated investment strategy, combined with our disciplined approach to value creation, will continue to position us at the forefront of the healthcare and education sectors, while we remain committed to driving long-term shareholder value and contributing to the positive transformation of the communities we serve.

Fadi Habib
Chief Investment Officer

Healthcare

Cambridge Medical & Rehabilitation Center

86%
Amanat's Stake

Cambridge Medical & Rehabilitation Center **("CMRC")**

Date of Acquisition

February 2021 – Merged with Sukoon in April 2023

Specialisation

Post-Acute Care, Long-Term Care, Inpatient and Outpatient Rehabilitation

5
Hospitals

660
Beds

AED 1 BN[1]
Amanat's Investment

[1] *Combined Investment in CMRC (AED 873 MN) and Sukoon (AED 161MN).*

CMRC is a leading provider of specialised inpatient and outpatient rehabilitation and long-term care, operating facilities in Abu Dhabi and Al Ain in the UAE, as well as Dhahran, Jeddah, and Khobar in KSA, with a total capacity of 660 beds. The centre offers multidisciplinary and intensive rehabilitation services for individuals with a wide range of medical conditions, including strokes, brain and spinal cord injuries, and congenital conditions, such as cerebral palsy. At the heart of CMRC's mission is a steadfast commitment to operational and medical excellence, underscored by its accreditation from the Joint Commission International (JCI), a global benchmark for healthcare quality and safety, and the Commission on Accreditation of Rehabilitation Facilities (CARF), the gold standard for rehabilitation services. In April 2023, CMRC merged with Sukoon, another Amanat portfolio company, to form the largest pan-GCC, PAC provider, further strengthening its leadership position and capacity to deliver exceptional care across the region.

Investment Thesis

CMRC operates in a rapidly growing healthcare sub-sector fuelled by key demographic and health trends, including rising life expectancy, an aging population, and the increasing prevalence of lifestyle-related and chronic diseases. Anticipated demand for post-acute services in the UAE is projected to reach 2,000 beds by 2025. In KSA, the need for PAC beds is particularly acute, with a projected shortfall of 17,000 beds by 2025. This creates substantial growth opportunities for CMRC, which is uniquely positioned to address this demand with its state-of-the-art facilities, proven clinical excellence, and an experienced management team. Additionally, CMRC's internationally accredited facilities enhance its ability to attract both local and international patients, aligning with the Company's strategic priorities and supporting the UAE's broader medical tourism initiatives. These factors collectively underscore CMRC's strong potential for sustained growth and value creation in the years ahead.

Financial Review

In 2024, CMRC achieved year-on-year revenue growth of 6%, reaching AED 364 million, primarily driven by strong performance in KSA and the UAE PPP project. However, EBITDA declined to AED 91 million, with a margin of 25% compared to 30% in 2023. Profitability was impacted by several factors, including higher depreciation associated with expansion efforts and IFRS-16 related costs in the UAE and KSA.

Operational Review

In 2024, CMRC made significant strides in expanding its operational capacity to meet the growing demand for PAC services. In Jeddah, the facility's bed capacity reached 155, with plans to reach 200 beds in Q2 2025, further strengthening its regional footprint and ability to serve more patients. Operations in Khobar also commenced successfully, with an initial launch of 30 beds. The facility is set to expand in phases, with plans to increase total capacity to 150 beds, ensuring that CMRC continues to provide high-quality care to a larger patient base across the region.

Outlook

Amanat is implementing a comprehensive strategy aimed at enhancing its focus on corporate strategy, corporate finance, and corporate governance. As part of this initiative, the Group is undergoing a rebranding process to establish a unified identity that reflects the evolving vision and strategic direction of the organisation. In parallel, CMRC is making significant progress in diversifying its revenue streams in the UAE, actively exploring synergistic acquisitions in complementary service lines to improve operational efficiency and strengthen its market position. These initiatives are integral to CMRC's broader strategy of driving growth, operational excellence, and the continued delivery of high-quality care across the region.

Healthcare (Cont'd)

100%
Amanat's Stake

Cambridge Medical and Rehabilitation Center Real Estate – Abu Dhabi **("CMRC-RE")**

AED **53** MN

Amanat's Investment

Date of Acquisition

September 2021

Specialisation

Post-Acute Care, Long-Term Care, Inpatient and Outpatient Rehabilitation

In September 2021, Amanat acquired the real estate assets of CMRC's Abu Dhabi facility. The property spans 5,500 sqm of land with a built-up area of approximately 6,600 sqm, consisting of two three-story building blocks. It is equipped with 106 licensed inpatient beds, along with rehabilitation facilities that include 14 outpatient rooms, three gyms, and various other amenities.

Investment Thesis

This acquisition marked Amanat's first venture into healthcare real estate, expanding the Company's presence within the sector. It plays a critical role in strengthening Amanat's PAC business and enhances the overall growth of its diverse portfolio. Furthermore, the acquisition is supported by a sustainable long-term lease agreement, ensuring stable income and providing resilient returns.

Education

Middlesex University Dubai

100%
Amanat's Stake

Middlesex University Dubai **("MDX")**

Date of Acquisition
August 2018

Specialisation
Undergraduate and Postgraduate

c. 5.7K
Students

1
University (2 Campuses)

AED 419 MN
Amanat's Investment

Established in 2005, MDX is the first international campus of the globally renowned Middlesex University London. Serving a diverse student body of approximately 5,700, the institution operates across two campuses in Dubai, offering students from the GCC region and beyond access to a world-class UK degree. The degrees are validated and monitored under the same rigorous standards as those of its London counterpart, ensuring students receive high-quality education while benefiting from an exceptional student experience in Dubai.

Investment Thesis

MDX has firmly established itself as a leader in Dubai's private higher education sector, driven by its unique value proposition of delivering high-quality education paired with prestigious UK degrees. This has been instrumental in consistently growing its market share. MDX's competitive edge is further enhanced by its vibrant campus environment, robust student recruitment strategies, and an expanded course portfolio offering highly sought-after programmes. Despite operating in a competitive market, MDX has consistently surpassed its peers and the broader market in enrolment growth. The university's financial resilience is anchored by a strong cash-generating business model, enabling regular dividend distributions and self-funded growth initiatives. Additionally, MDX's institutionalisation of its corporate structure, internal controls, and governance highlights its commitment to building a solid organisational foundation. This strategic approach not only strengthens MDX's position as a market leader but also underscores its adaptability and resilience in navigating the evolving higher education landscape.

Financial Review

In 2024, MDX delivered AED 219 million in revenue, 25% year-on-year growth, primarily fuelled by increased student enrolments. The university's EBITDA also saw a robust 31% rise, reaching AED 86 million, with an EBITDA margin of 39%. This strong performance reflects the combination of solid revenue growth and the successful management of the universities cost base.

Operational Review

MDX achieved significant milestones during the 2023/2024 academic year, delivering a robust 16% year-on-year growth in student enrolments, with international students making up 43% of the total student body. A record intake of approximately 2,300 students in September 2024, accounting for over 40% of the total student population, underscored this achievement, with half of the new cohort recruited from international markets. This success reflects the university's enhanced international recruitment campaigns, which continue to expand in scope and effectiveness. To support the growing enrolment, MDX expanded its footprint within Dubai Knowledge Park, increasing campus capacity and improving the availability of student and social spaces, fostering a more dynamic and engaging campus environment. Additionally, the university introduced a new daytime MBA programme at its DIAC campus, aligning with evolving market demands and further diversifying its academic offerings to cater to a broader range of students. These initiatives highlight MDX's commitment to providing high-quality education while adapting to the needs of an increasingly global and diverse student community.

Outlook

In the year ahead, MDX is well-positioned to expand its programme portfolio, strengthen its market share, and deepen the integration of technology across its operations. The university plans to launch new, market-aligned programmes while further amplifying its international recruitment campaigns in both established and emerging markets. Alongside these efforts, MDX is actively exploring opportunities for international expansion and domestic business development to enhance its market presence. A key focus for the upcoming year is to prioritise technological advancements by automating internal systems, driving greater operational efficiency and precision across its processes. These initiatives collectively reinforce the university's commitment to delivering a high-caliber educational experience while achieving sustainable growth.

Education (Cont'd)

شركة تنمية الإنسان
HUMAN DEVELOPMENT CO.

60%
Amanat's Stake

Human Development Company **("HDC")**

Date of Acquisition
October 2022

Specialisation
Special Education and Care Needs Services

c. 6.5K
Beneficiaries

35
Daycare Centres

AED **261** MN
Amanat's Investment

Human Development Company ("HDC") is the leading provider of special care and education services in KSA, offering a comprehensive range of educational, medical, and rehabilitation solutions. Since its inception in 2007, HDC has pursued a strategic expansion built on a robust scientific and technical foundation. To date, the company has served over 20,000 beneficiaries while continually growing its network of facilities. HDC's current footprint spans eight provinces in KSA—Riyadh, the Eastern Province, Mecca, Aseer, Jazan, Jawf, Madinah, and Qassim—and includes 10 schools, 35 day-care centres, and three specialised medical rehabilitation clinics..

HDC is highly regarded for its dedication to delivering exceptional quality services, supported by innovative digital solutions powered by internally developed software, particularly in its day-care centres. This commitment to excellence has earned HDC's day-care centres consistent A+ ratings from the Ministry of Human Resources and Social Development (MHRSD), reflecting the organisation's focus on providing outstanding care and education in the field of special needs services.

Investment Thesis

Amanat's investment in HDC aligns seamlessly with its strategic focus on companies operating at the intersection of specialised healthcare and education. As the market leader in an underserved sector with strong growth drivers, HDC represents a compelling addition to Amanat's portfolio. Its asset-light operating model, combined with a technology-driven, standardised approach, underscores its scalability and operational efficiency. HDC is well-positioned to execute a clear growth strategy that includes expanding its footprint across KSA, introducing new service lines and exploring opportunities for regional expansion into the broader GCC market. This investment provides Amanat with a unique opportunity to drive meaningful improvements in sector quality while increasing access to healthcare and education for underserved communities.

Financial Review

In 2024, HDC achieved strong revenue growth of 31% year-on-year, primarily driven by the expansion of its day-care centre network and an increase in the number of beneficiaries served. EBITDA for the year reached AED 99 million, with an associated margin of 46%. While top-line growth contributed positively to profitability, margins were partially impacted by pre-opening costs associated with the launch of new centres, reflecting the Company's ongoing commitment to broadening its footprint and enhancing service accessibility.

Operational Review

In 2024, HDC expanded its footprint by adding eight new day-care centres, increasing the total number of centres to 35 across eight provinces in KSA and adding one more centre to date in 2025. This strategic growth enabled the Company to serve a broader segment of the population, with the number of beneficiaries rising by 29% year-on-year to approximately 6,500. This growth underscores HDC's commitment to meeting the rising demand for specialised care and education services while maintaining its leadership position in the sector.

Outlook

HDC is poised for significant growth in the coming years as it explores diverse opportunities across KSA and the broader GCC market while enhancing its existing service portfolio. With over SAR 100 million approved for expansion plans, the Company is on track to significantly increase its total capacity over the next three years, supported by the development of eight additional centres currently underway and further centres in the pipeline. The company remains focused on assessing and implementing both organic and inorganic growth strategies to expand its network of centres and schools. Additionally, HDC is exploring opportunities to diversify its offerings, including potential expansion into private clinics and residential developments across KSA and the wider GCC, further cementing its leadership position in the special care and education sectors.

Education (Cont'd)

35%
Amanat's Stake

NEMA Holding ("NEMA")

Date of Acquisition
March 2018

Specialisation
Undergraduate, Postgraduate, and Corporate Training

c. 11K
Students

2
Universities (5 Campuses)

AED 330 MN
Amanat's Investment

As the largest private higher education institution in Abu Dhabi, NEMA operates strategically located campuses in Abu Dhabi, Al Ain, and Dubai. With a student enrolment of approximately 11,000 and two decades of expertise across the higher education, vocational, and corporate training sectors, NEMA is committed to fulfilling its mission of becoming the premier platform for higher education and comprehensive learning solutions in the Arab world.

Investment Thesis

As the leading provider of higher education in both Abu Dhabi and Al Ain, NEMA commands the largest market share among private institutions. NEMA sets itself apart by offering a comprehensive portfolio of high-quality, job-relevant programmes. The group serves diverse market segments through its ownership of Abu Dhabi University and Liwa College, formed by the merger of Liwa College of Technology (LCT) and Khawarizmi International College (KIC). By integrating higher education, vocational training, and corporate programmes, NEMA not only benefits from diversified revenue streams but also boasts significant infrastructure and land assets, positioning the group for continued growth and expansion.

Financial Review

In 2024, NEMA achieved revenue of AED 570 million, reflecting a robust year-on-year increase of 12%. This growth was primarily driven by a healthy 14% rise in enrolments at both Abu Dhabi University and Liwa College. EBITDA for the year also saw a significant increase, reaching AED 180 million, supported by strong top-line growth. Additionally, margin expansion was driven by disciplined cost management, which helped improve operational efficiency and contributed to the overall financial performance.

Operational Review

NEMA continued to adapt to evolving market needs by introducing new programmes and courses, ensuring the institution remains at the forefront of higher education. The focus on student acquisition was further strengthened through targeted initiatives to attract a diverse and talented student body. NEMA also maintained its commitment to academic excellence, with significant efforts towards gaining international recognition. A notable achievement for the year was Abu Dhabi University's inclusion in The Times Higher Education World University Rankings 2025, where it was ranked among the top 200 universities globally. This distinction places Abu Dhabi University in an elite category, with only two universities in the Arab World receiving this honour, underscoring the institution's growing reputation and academic standing.

Outlook

Looking ahead, NEMA is actively assessing opportunities to optimise value from its real estate assets, with a focus on leveraging these resources to support its long-term growth strategy. Additionally, the group is expanding its tech-based offerings at the Knowledge Group to meet the increasing demand for digital learning solutions, ensuring its continued relevance in a rapidly evolving educational landscape. NEMA is also exploring both organic and inorganic growth opportunities, including expanding its training offerings in KSA, to further strengthen its market presence and diversify its service portfolio.

Education (Cont'd)

North London Collegiate School Dubai

100%
Amanat's Stake

North London Collegiate School Dubai Real Estate – Dubai **("NLCS-RE")**

AED **408** MN	Date of Acquisition	Specialisation
Amanat's Investment	June 2018	K-12 (Real Estate)

In June 2018, Amanat acquired the real estate assets of North London Collegiate School, a prestigious K-12 institution offering a premium International Baccalaureate (IB) curriculum. Established in the same year, NLCS is recognised for its academic excellence, ranking among the top schools in the UK for IB results. The school operates on a campus with a total land area of 38,217 sqm and a built-up area of 41,143 sqm. Amanat leases these assets to the operator under a finance lease arrangement, benefiting from a stable and attractive investment.

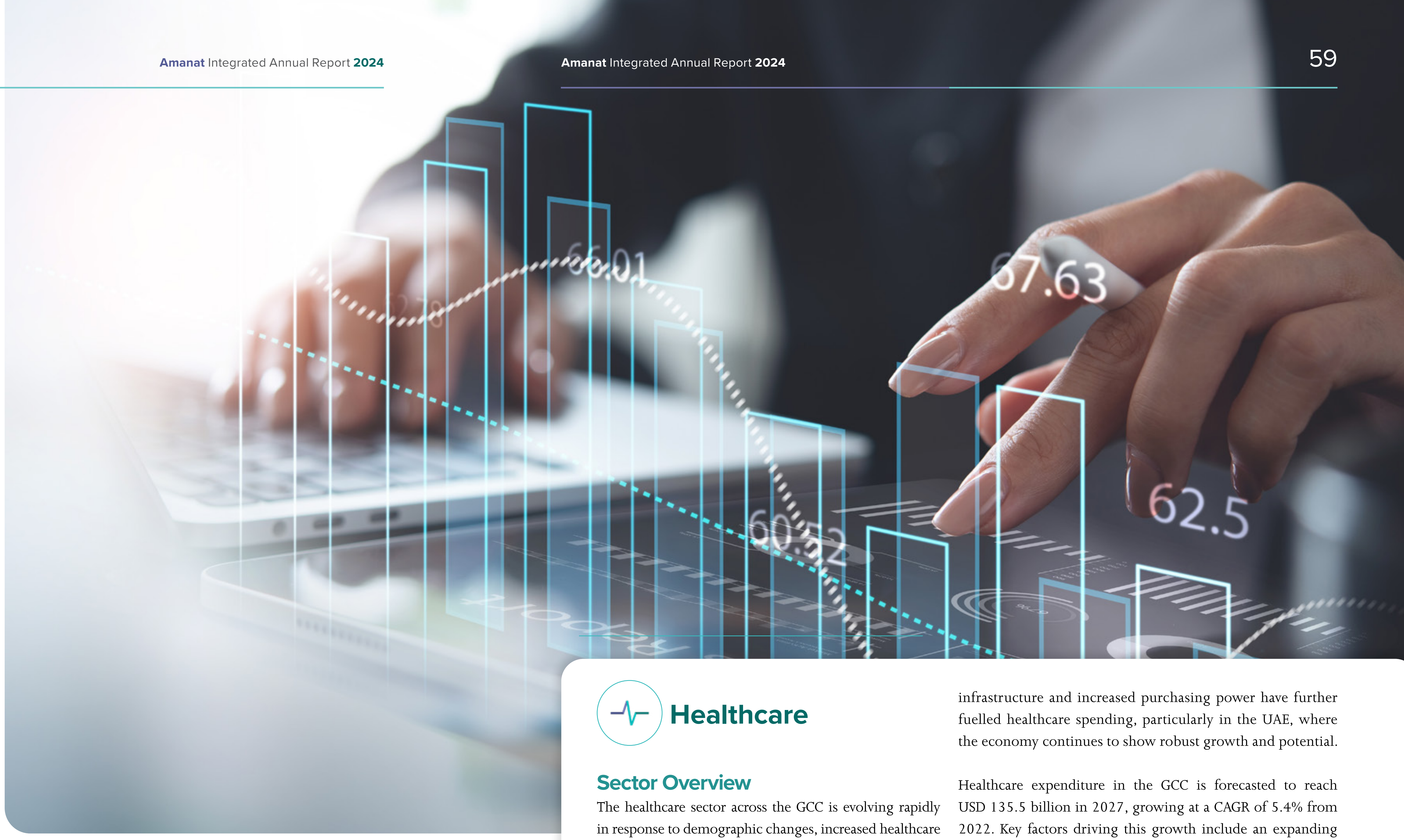
Investment Thesis

NLCS represented Amanat's first venture into real estate investment, diversifying its portfolio within the education sector. This strategic acquisition provides a stable asset that generates strong yields and offers long-term recurring income for the Company. Partnering with NLCS, a leading UK-based K-12 education provider specialising in the IB curriculum, aligns Amanat with a reputable educational institution. The school's location in a fast-growing neighbourhood with a favourable demographic profile ensures it is well-positioned to meet the rising demand for high-quality education in the region.

Our Markets

Amanat operates in markets with a resilient business environment and strong demographic fundamentals, creating a solid foundation for future growth.

Our Markets



Fueling Sustainable Growth and Innovation

The GCC continues to exhibit strong economic resilience and growth, signaling a shift away from traditional oil-dependent models. The region's economies are underpinned by ambitious national strategies aimed at diversifying sources of revenue, developing infrastructure, and enhancing the overall quality of life for citizens and residents. While 2024 experienced moderate growth of about 1.6%, forecasts predict a rebound to an average of 4.2% in 2025-2026.[1] Growth continues to be driven by the non-oil sector which has shown robust growth of 3.7%, mainly driven by the ongoing diversification efforts and ambitious reforms throughout the region.[2] Diversification efforts are supported by steady private consumption, strategic investments, government initiatives, and a supportive fiscal policy. GCC nations are focused on sound macroeconomic management, implementing structural reforms, and prioritizing the growth of non-oil sectors. This diversification aims to reduce vulnerability to oil price fluctuations and ensure long-term economic stability.

KSA, with a GDP of USD 1.1 trillion in 2024, ranks among the world's top twenty economies, cementing its status as a high-income nation with a sophisticated consumer market.[3] The country's Vision 2030 strategy is driving major greenfield projects and significant capital expenditures across the GCC. The shift from oil reliance is evident in KSA's economic transformation, including the removal of regulatory barriers, the development of an inclusive labor force, and the embrace of digitalisation. Despite a slower economy in 2024, the non-oil private sector grew by approximately 4.6%, bolstered by strong domestic demand. This ongoing transformation positions KSA for a diverse, dynamic economy, paving the way for long-term prosperity.

The UAE continues to be the fastest growing economy in the GCC due to its ability to increase oil production earlier than other OPEC+ nations. With a strong focus on diversification and solid trade ties with neighbouring countries, the UAE's economy is expected to grow by 6.7% in 2025, up from 3.8% in 2024[4]. This positive outlook is fuelled by a thriving tourism sector and ongoing economic expansion. The non-oil sector, which grew by 4.1% in 2024, will continue to drive growth, particularly in tourism, real estate, construction, transportation, manufacturing, and capital investment.

1 World Bank, Gulf Economic Update, December 1, 2024

2 World Bank, Gulf Economic Update, December 1, 2024

3 IMF, DataMapper

4 KPMG, UAE CEO Outlook 2024

Healthcare

Sector Overview

The healthcare sector across the GCC is evolving rapidly in response to demographic changes, increased healthcare awareness, and the push for higher-quality services. Governments are investing significantly in the sector as part of their broader healthcare reforms, targeting improved accessibility, quality, and affordability. This transformation aligns with the region's favourable demographics, higher life expectancy, and the increasing prevalence of lifestyle-related and non-communicable diseases (NCDs).

Governmental reforms, including public-private partnerships and mandatory health insurance, have played a crucial role in driving sector growth. Collaborative ventures have helped bridge demand-supply gaps, creating a more positive and sustainable healthcare landscape. Substantial investments in infrastructure and increased purchasing power have further fuelled healthcare spending, particularly in the UAE, where the economy continues to show robust growth and potential.

Healthcare expenditure in the GCC is forecasted to reach USD 135.5 billion in 2027, growing at a CAGR of 5.4% from 2022. Key factors driving this growth include an expanding population base[5], the rising prevalence of NCDs[6], increasing treatment costs, medical inflation, and greater health insurance coverage. As a result, healthcare expenditure as a percentage of GDP in the GCC is projected to reach 5.8% in 2027.

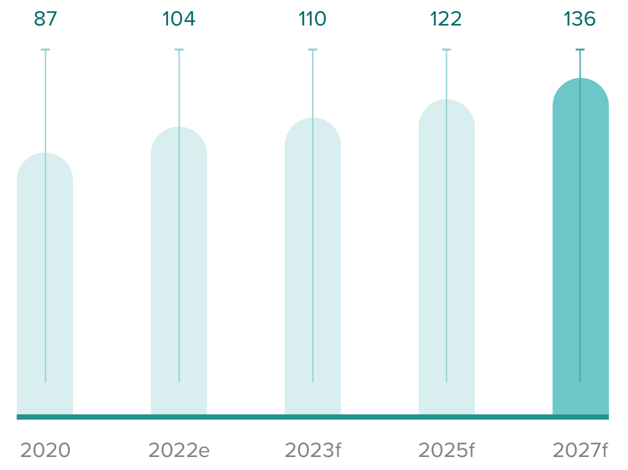
With the expected population growth, the GCC will need an additional 12,207 new hospital beds by 2027, reflecting an annual average growth of 1.9%. This demand is driven by a population growth rate of 1.9% annually from 2022 and 2027, with the elderly population (aged 50+) projected to make up 20.8% of the total by 2027. As GCC countries heavily invest in technology for healthcare developments, the sector is on track for inclusive, accessible, affordable, and sustainable growth.

5 World Economic Outlook Database, IMF, October 2022

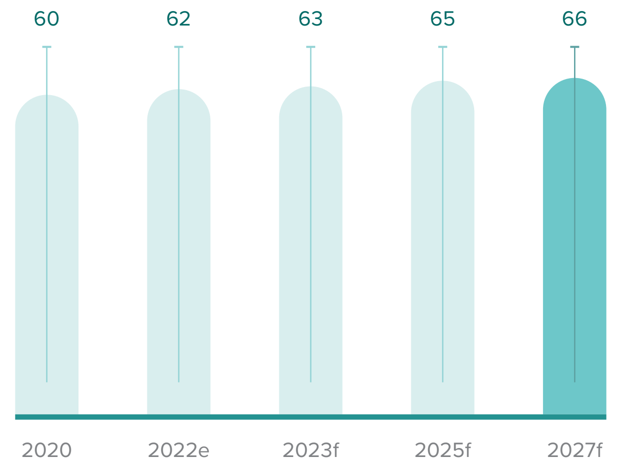
6 Global Health Observatory data repository, World Health Organization (WHO) 2020

Our Markets

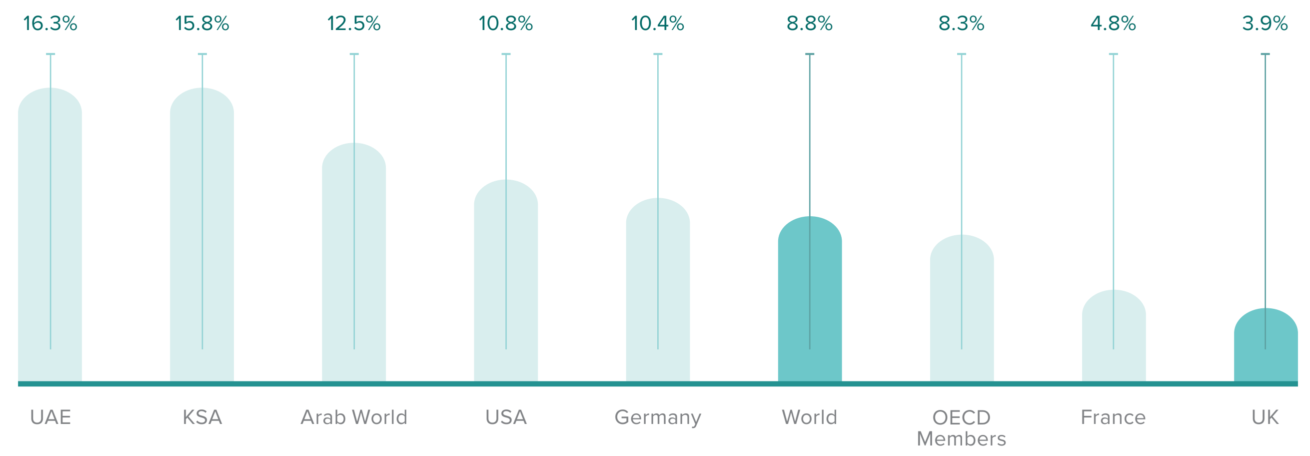
GCC Healthcare-related Expenditure | USD BN[1]



GCC Population Forecast | MN[3]



Diabetes (% of total population)[2]



Post-Acute Care

Post-acute care (PAC) encompasses the recovery and rehabilitation period patients require following surgery, injury, chronic or mental illnesses, or disability. The PAC market is emerging as an increasingly vital component of the healthcare system in the GCC. With an aging population and growing incidences of chronic diseases, there is an increased demand for specialised care services following hospital discharge. Facilities that provide long-term care, rehabilitation, and support for patients recovering from serious medical conditions are seeing steady growth. The development of these facilities presents a promising opportunity for healthcare providers and investors, particularly in countries with rapidly aging populations, such as the UAE and KSA.

To address the rising prevalence of chronic conditions, GCC governments are prioritizing preventive care to ease the burden on healthcare systems. Early diagnostics, predictive models, and technological innovations are becoming essential components of this strategy. Long-term and post-acute care (LTPAC) services, such as home healthcare and rehabilitation, are also gaining traction due to the aging population.

1 Alpen Capital, WHO, IMF, WTW, MOH and Statistical organizations in the GCC

2 PwC

3 Alpen Capital, WHO, IMF, WTW, MOH and Statistical organizations in the GCC

The UAE and KSA are leading the charge in developing a PAC infrastructure in the region. The UAE anticipates a need for an additional 2,000 post-acute beds over the next three years, with a projected growth rate of 4%[4]. Similarly, KSA plans to introduce over 17,000 new PAC beds by 2025[5].

A particular area of focus is the increasing demand for long-term care, rehabilitation, and home care for individuals with disabilities. Both government and private sector entities across the GCC are responding to this need. One notable initiative is the construction of the USD 346.6 million Medical City for Rehabilitation and Treatment in Riyadh, which will add approximately 1,100 beds and serve over 170,000 patients annually, providing comprehensive care for those with physical disabilities and rehabilitation needs[6].

4 The Pulse Series- Healthcare Market Report, 2023

5 The Pulse Series- Healthcare Market Report, 2023

6 Ardent Advisory – GCC Healthcare and Pharmaceutical Sector, June 2021

UAE

The UAE's healthcare market is growing rapidly, driven by increasing demand for high-quality services, technological innovations, and an expanding population. The government continues to push forward with healthcare development initiatives, focusing on enhancing health infrastructure, improving care quality, and expanding medical tourism. The UAE strategically aligns its healthcare strategy with demographic shifts, anticipating a significant rise in the 64 and over population from 1.6% in 2021 to 14.2% in 2030. Responding to the prevalence of cardiovascular diseases and the projected increase in diabetes to 18.1% by 2045, the UAE prioritizes a responsive healthcare system[1].

The UAE has firmly established itself as a leading global medical tourism destination, with Dubai and Abu Dhabi consistently ranking among the top 10 cities for medical tourism. In 2024, the market size reached a valuation of USD 1.1 billion and is expected to grow at a CAGR of 8.7% from 2024 to 2033, reaching an estimated USD 2.3 billion[2]. Under the Centennial 2071 Plan, the UAE government continues to enhance care standards, expand healthcare infrastructure, and encourage active private sector participation. The healthcare industry has seen a wave of consolidations, including acquisitions, mergers, and partnerships between public and private sector entities, aimed at driving efficiency and innovation

By investing in infrastructure, technology, and regulatory frameworks, the UAE is solidifying its status as a premier healthcare destination in the GCC. This strategic approach reflects the nation's adaptability to changing demographics, technological advancements, and the evolving global healthcare landscape, ensuring sustainable and forward-thinking development.

KSA

KSA is one of the largest and fastest-growing healthcare markets in the GCC, fuelled by rapid urbanization, an increasing population, and rising chronic disease prevalence. The Saudi Vision 2030 programme is driving investments in both public and private healthcare sectors, aiming to improve service quality, increase private sector participation, and enhance efficiency. The healthcare market in Saudi Arabia is projected to grow at a CAGR of 11.5% from 2023 to 2027, with particular emphasis on expanding the private healthcare network and the development of specialised services.

In KSA, the allocation of LTPAC beds currently stands at one bed per 10,800 individuals, with nearly 45% concentrated in Riyadh, highlighting regional disparities[3]. The rising demand for LTPAC, rehabilitation, and home care services stems from shifting demographics, including declining fertility rates and increased life expectancy, as well as the reliance on acute care beds for rehabilitative needs. To address these challenges, the Kingdom is strategically expanding rehabilitative services, with the population aged 60 and above projected to grow from 4.5% in 2020 to 10.4% by 2030[4]. This shift is closely aligned with the Ministry of Health's initiatives to strengthen private sector involvement through targeted PPPs, particularly in the extended care sector.

1 IDF Diabetes Atlas 2021

2 Custom Market Insights: UAE Medical Tourism Market

3 Healthcare Market Report 2023 I The Pulse Series (19) I Growth Opportunities in Specialised Sectors in KSA

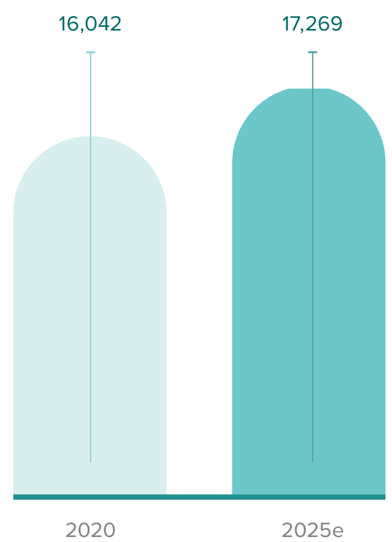
4 World Economic Outlook Database, IMF, October 2022

KSA is expected to drive healthcare capacity expansion within the GCC, accounting for 67.2% of the region's total additional bed requirements between 2022 and 2027[5]. To meet the projected population growth of 2.0% CAGR during this period, the Kingdom plans to increase its overall bed capacity to 86,965 by 2027. This includes the construction of 20,000 new hospital beds and 224 healthcare centres at an estimated cost of USD 12.8 billion[6].

To address healthcare challenges posed by an aging population and the prevalence of conditions such as cardiovascular diseases, diabetes, and obesity, the government is increasingly relying on private sector contributions. The private sector is expected to grow at a faster pace than the public sector, with a projected CAGR of 5.6% between 2020 and 2025, compared to 4.6% for public sector spending during the same period. This shift underscores the Kingdom's commitment to leveraging private investment to meet evolving healthcare demands[7].

In 2024, KSA allocated approximately USD 23.0 billion to healthcare and social development, representing 7% of its total annual budget[8]. This consistent investment reflects the Kingdom's commitment to enhancing its healthcare system. Looking ahead, total healthcare spending in Saudi Arabia is projected to grow at a CAGR of 4.9% between 2022 and 2027, reaching an estimated USD 77.1 billion[9].

KSA Bed Gap[10]



5 World Economic Outlook Database", IMF, October 2022

6 Saudi Arabia Annual Budget Publications – KPMG; SAMA

7 Fitch Solutions, July 2021

8 Ministry of Health: Budget and Expenditure

9 World Economic Outlook Database, IMF, October 2022

10 PwC

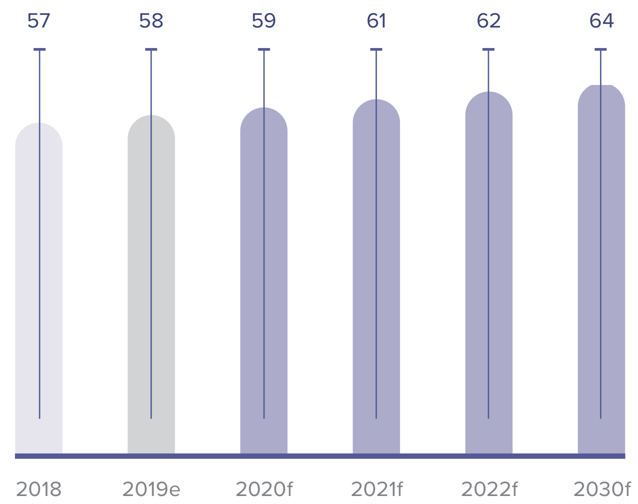
Education

Sector Overview

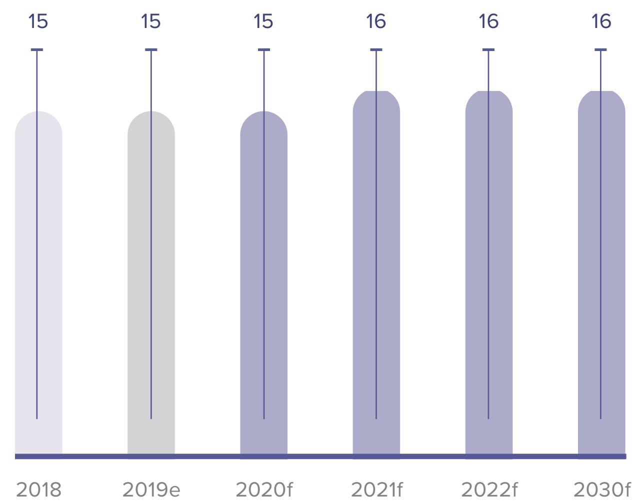
The education sector in the GCC is undergoing significant transformation, driven by both public and private investments in educational infrastructure, technology, and specialised training programs. Governments across the region are increasingly focused on creating a knowledge-based economy by enhancing educational outcomes, diversifying curriculums, and fostering innovation. Demand for higher education, vocational training, and specialised educational services is growing as a result of increasing youth populations and the shift towards a more diversified labor market. The education market in the GCC region is projected to grow at a 5% CAGR from 2016 to 2026, reflecting steady expansion. The e-learning segment is particularly poised for significant growth, with an expected increase of approximately USD 569 million between 2021 and 2025, translating to a robust CAGR of nearly 11%. This growth is driven by factors such as a rising school-age population, high per capita income, and an expanding expatriate community, supported by government policies offering long-term residency visas. These elements create a lucrative landscape for investors and education providers.

While challenges such as growing competition and high operational costs persist, the GCC education sector remains on an upward trajectory. The student population is forecasted to rise by 1.1 million, reaching 14.2 million by 2027, with the pre-primary segment expected to grow at a CAGR of 2.2%. Saudi Arabia continues to dominate as the region's largest education market, while Kuwait and the UAE demonstrate faster growth rates. Private schools are anticipated to expand at a higher pace than public schools, driven by economic resilience, population growth, increased disposable incomes, and a favourable low-tax environment.

Growing Population Across the GCC (MN)[1]



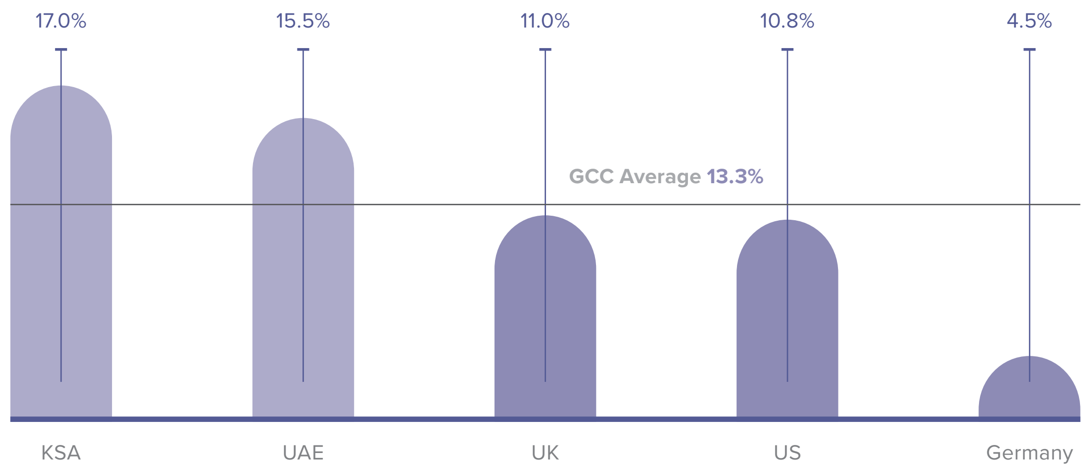
Growing Student-Age Population | Under 15 GCC Population (MN)[2]



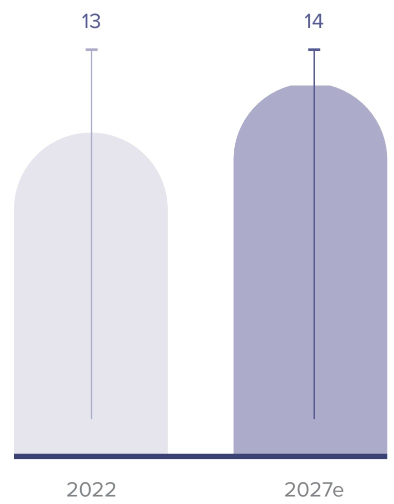
1 IMF, World Bank

2 IMF, World Bank

Education Expenditure as a % of GDP (2023)[3]

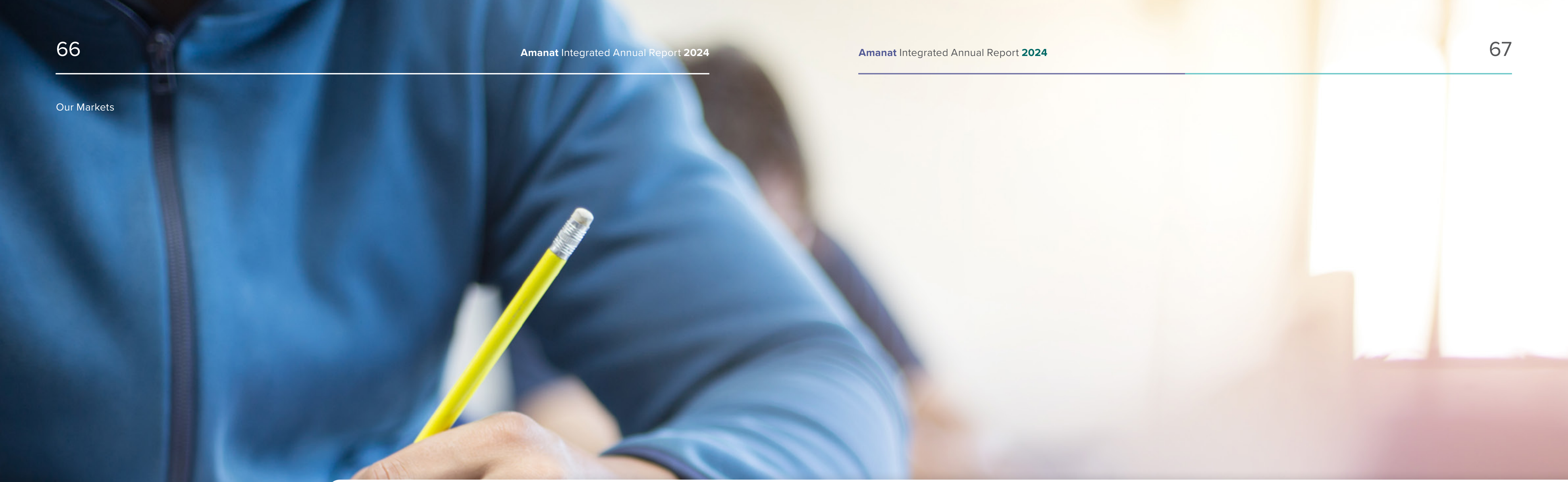


GCC Enrolment Trends (MN)[4]



3 Alpen Capital 2023

4 UNESCO, Statistics authorities of respective countries, GFH Analysis



Special Care and Education Services

Special care and education in the GCC saw significant progress, driven by a growing commitment from governments and educational institutions to foster inclusive learning environments for individuals with special needs. Key initiatives included the development of specialised educational programmes, the adoption of assistive technologies, and the training of educators to support diverse learning requirements effectively. Additionally, awareness campaigns and community outreach initiatives were launched to enhance understanding and acceptance of individuals with disabilities, promoting a culture of inclusion across the region. These efforts have improved access to quality special care and education services, enabling individuals with disabilities to thrive and make meaningful contributions to their communities.

Higher Education Services

The higher education sector in the GCC is experiencing rapid growth, with a focus on improving the quality and accessibility of university-level education. Universities in the region are attracting increasing numbers of international students, with world-class academic institutions emerging in countries like the UAE and KSA. There is also a growing emphasis on specialised higher education programmes, such as STEM (Science, Technology, Engineering, and Mathematics) fields, business administration, and healthcare-related courses, aligning with regional labour market needs. Furthermore, initiatives fostering collaboration between academia and industry gained momentum, resulting in the creation of specialised programs designed to align with the evolving needs of the job market. This synergy has positioned the GCC as a prominent hub for higher education, attracting both local and international students drawn to its commitment to academic excellence, promising career opportunities, and a vibrant, culturally diverse environment.

UAE

The UAE education market is expanding rapidly, driven by the country's diverse population, strong government focus on educational quality, and its vision to become a global hub for knowledge. With expatriates comprising approximately 88.5% of its population, the UAE stands out as the GCC's most developed education market. The government's strong emphasis on privatization aligns with its long-term education objectives, including the Strategic Education Plan 2017-2021, Vision 2021, and the National Strategy for Higher Education 2030. Additionally, the higher education sector is growing with increasing demand for specialised degrees and vocational training and the Ministerial Development Council is actively reviewing proposals for a federal law on higher education, reflecting a sustained commitment to advancing the sector.

Investor interest in the UAE's education market is further reinforced by favourable regulations, such as 100% foreign ownership and 10-year residency visa options. The education sector is forecasted to grow at a CAGR of 9% between 2024 and 2029, maintaining its strong appeal[1].

In 2024, the government allocated approximately USD 2.8 billion towards public and university education programs alone[2]. The education sector is projected to grow at a CAGR of 7.4% and by 2027, the number of schools in the UAE is projected to reach 1,308, solidifying the nation's leadership in enrolment growth within the GCC. The UAE has also made notable strides in special education, equipping government schools with specialised teachers and programs to support individuals with disabilities.

1 Education Market in UAE, 2025-2029

2 UAE Federal Budget 2024

KSA

Saudi Arabia's education market is undergoing significant transformation, with large-scale investments aimed at improving education quality and providing a broad range of educational options to meet the needs of its growing population. Vision 2030 emphasizes the importance of a modern education system that supports the country's development goals, with particular focus on higher education, vocational training, and STEM programs. The market is expected to grow by 6.2% annually, driven by rising demand for quality education and increasing private sector involvement. KSA, with approximately 60% of the total GCC population, boasts the largest addressable market for the education sector in the region. To meet growing demand, the Saudi government has intensified efforts to expand infrastructure, primarily through increased private sector participation.

In 2024, the Kingdom allocated USD 50.4 billion, or 17.0% of its total budget, to education[1]. The country is home to over 50 public and private universities, and as of 2024, more than 37,697 schools, with plans to add over 30,000 more schools, colleges, and institutions. In January 2020, the government unveiled investment deals totaling USD 773 million, fostering foreign participation drawn by attractive demographics, local interest in private education, and receptiveness to foreign curricula[2]. With an aim to double private education enrolment from 12% to 25% by 2030, the Human Capability Development Program, initiated in 2021, represents the latest in a series of reforms, offering updated action plans and targets for the education sector.

Despite notable advancements, private and foreign participation remains essential to the sector's continued growth. Reforms such as the 100% foreign ownership allowance, regulations encouraging public-private partnerships, and the lifting of the ban on Saudi parents enrolling children in private international schools reflect the government's strong commitment to developing the education sector. These initiatives have driven the Kingdom's private and international education segment to approximately USD 12 billion in 2023[3].

1 Saudi Arabia Budget: Budget Statement FY 2024

2 Oxford Business Group

3 UCapital – GCC Education Sector, 26 June 2022

ESG REPORT

DFM Disclosures

Sustainability and social impact are core priorities in Amanat's business strategy, with ESG principles embedded in every decision it makes.

Environmental, Social, and Governance Report

Environmental

Amanat recognises the importance of transparency in its environmental impact. As such, we are disclosing our greenhouse gas (GHG) emissions, including Scope 1 and Scope 2. For its calculation we applied the methodology published by the internationally recognised GHG Protocol. This report provides data on our emissions, energy usage, and related intensity metrics, offering stakeholders insights of our current environmental footprint.

E1. GHG Emissions				
Indicator		2022	2023	2024
E1.1	Total amount of Scope 1 emissions (kg Co_2e)[1]	NA	70,076	15,534
E1.2	Total amount of Scope 2 emissions (kg Co_2e)[2]	NA	NA	32,941
E1.3	Total amount of Scope 3 emissions (kg Co_2e)	NA	NA	NA
E1.4	Please describe investments, initiatives and projects to reduce CO_2 emissions	NA	NA	NA

[1] *Scope 1: GHG emissions for Scope 1 have been calculated using the carbon conversion factors published in June 2023 by the Department of Environment, Food and Rural Affairs (DEFRA).*

[2] *Scope 2: GHG emissions for Scope 2 have been calculated using the country grid electricity emission factors published in 2023 by the Carbon Database Initiative (DaDI).*

<table>
<tr><th colspan="5">E2. Emission Intensity</th></tr>
<tr><td colspan="2">Indicator</td><td>2022</td><td>2023</td><td>2024</td></tr>
<tr><td>E2.1</td><td>GHG emissions intensity (kg CO_2e / per employee)</td><td>NA</td><td>2,803</td><td>1,864</td></tr>
<tr><td>E2.2</td><td>Non-GHG-emissions intensity</td><td>NA</td><td>NA</td><td>NA</td></tr>
<tr><th colspan="5">E3. Energy Usage</th></tr>
<tr><td>E3.1</td><td>Total amount of direct energy consumed (liters of petrol)</td><td colspan="2">28,600</td><td>6,600</td></tr>
<tr><td>E3.2</td><td>Total amount of indirect energy consumed (kilowatt/hour of electricity)</td><td>NA</td><td>NA</td><td>63,720</td></tr>
<tr><th colspan="5">E4. Energy Intensity</th></tr>
<tr><td>E4.1</td><td>Direct energy use intensity (liters of petrol / employee)</td><td colspan="2">1,144</td><td>253</td></tr>
<tr><td>E4.2</td><td>Total indirect energy usage per output scaling factor (kw/h per employee)</td><td>NA</td><td>NA</td><td>2,450</td></tr>
<tr><td>E4.3</td><td>Please describe investments, initiatives and projects to reduce energy consumption and to increase energy efficiency</td><td colspan="3">No initiatives or projects have been conducted or invested in.</td></tr>
<tr><th colspan="5">E5. Energy Mix</th></tr>
<tr><td>E5.1</td><td>Renewable energy used</td><td>NA</td><td>NA</td><td rowspan="2">Amanat sources its electricity from DEWA, Dubai's primary utility provider. As of December 2024, DEWA reported that clean energy accounts for approximately 17% of its total installed power generation capacity.</td></tr>
<tr><td>E5.2</td><td>Non-renewable energy used</td><td>NA</td><td>NA</td></tr>
</table>

E6. Water and Effluents				
Indicator		2022	2023	2024
E6.1	Total amount of water withdrawn	NA	NA	NA
E6.2	Total amount of water discharged	NA	NA	NA
E6.3	Total amount of water consumed – liters of utility water	NA	NA	NA
E6.4	Water recycled	NA	NA	NA
E6.5	Please describe investments, initiatives and projects to reduce water consumption and to increase water recycling	NA	NA	NA

E7. Waste				
Indicator		2022	2023	2024
E7.1	Total amount of waste generated (if possible, broken down by Hazardous and Non-hazardous)	NA	NA	NA
E7.2	Total amount of waste diverted from disposal (if possible, broken down by Hazardous and Non-hazardous)	NA	NA	NA
E7.3	Total amount of waste directed to disposal (if possible, broken down by Hazardous and Non-hazardous)	NA	NA	NA
E7.4	Total number and volume of oil spills (if applicable)	NA	NA	NA
E7.5	Please describe investments, initiatives and projects to reduce waste generation consumption and to increase waste recycling	NA	NA	NA

E8. Environmental Management				
Indicator		2022	2023	2024
E8.1	Does your company follow a formal Environmental Policy?	No	Yes	
E8.2	Does your company follow specific waste, water, energy, and/or recycling polices?	No	No	No
E8.3	Does your company adopt a recognized environment and energy management systems such as ISO14001 and ISO50001?	No	No	No
E8.4	Does your company have targets in place with regards to environment, energy, water and waste?	No	No	No
E8.5	Please indicate if any fines received (> USD 10000) for non-compliance with laws and regulations regarding environmental management during the last reporting period	No fines were received		

Risk Management

We integrate ESG risks into our Enterprise Risk Management (ERM) framework, ensuring a structured approach to identifying, assessing, and mitigating climate-related and broader sustainability risks. Our ESG risk policy covers workplace safety, HSE performance monitoring, net-zero commitments, environmental impact assessments, and supplier sustainability standards.

Climate risk, a key component of our ERM, is regularly monitored through Risk Councils and senior leadership reviews, considering physical, transitional, and reputational impacts. We also embed ESG considerations across our investments, including WELL and LEED-certified real estate developments, and engage key stakeholders through sustainability training and targeted risk assessments.

E9. Climate Risk Management and Oversight				
Indicator		2022	2023	2024
E9.1	Does your Board/Management Team oversee and/or manage climate-related risks and opportunities? If yes, describe	The Board/Management team oversees waste and energy reduction issues.		
E9.2	Please describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term.	NA	NA	1. Corporate sustainability obligations (local, regional and network) and their implications. 2. The impact of physical risks and related disruption due to climate. 3. The impact of transitional risks on certain clients, sectors, economies and on our services. 4. Implications on our brand/reputation in the market.
E9.3	Please describe the organisation´s processes for identifying and assessing climate-related risks	NA	NA	Climate risk is integrated into our ERM framework. Risk Owners provide periodic updates, and senior leadership reviews top risks and mitigation strategies through two Risk Councils.
E9.4	Please describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning	NA	NA	NA
E9.5	Total amount invested, periodically, in climate-related infrastructure, resilience and product development	NA	NA	NA
E9.6	Please describe the greenhouse gas emission targets (Scope1, Scope 2 and Scope3) and the related risks	NA	NA	NA
E9.7	Please share your actions to align with UAE's Net Zero Commitment by 2050. Do you have a net zero emissions target in place?	No	No	No

E10. Biodiversity				
Indicator		2022	2023	2024
E10.1	Please share number of operational sites owned, managed and/or leased in or adjacent to protected areas and areas of high biodiversity value.	NA	NA	NA
E10.2	Please describe significant impacts of activities, products and services on biodiversity	NA	NA	NA

Environmental, Social, and Governance Report

Social

Amanat is committed to being a responsible corporate citizen. We have a number of initiatives in place to promote social responsibility, such as our programs to support education and healthcare. We also have a strong commitment to human rights and employee health and safety.

S1. CEO Pay Ratio				
Indicator		2022	2023	2024
S1.1	CEO total compensation to median full-time employee (FTE) total compensation[2]	3.70	4.76	5.22 *(CEO's compensation = 5.22 x Median compensation)*
S1.2	Does your company report this metric (above) in any regulatory filings?	We report on this metric under our ESG reporting practices.		

Employee Demographic

Amanat's commitment to its employees is reflected in our comprehensive approach to human capital management. We strive to create a workplace that is inclusive, equitable, and supportive of our employees' professional growth and well-being. This section provides insights into the composition of our workforce, highlighting key demographic factors and our dedication to fostering a diverse and high-performing team.

S3. Breakdown with Staff				
Indicator		2022	2023	2024
S3.1	Total number of full-time employees	29	26	19
	Total number of full-time female employees	7	10	5
	% of full-time female employees	24%	38%	26%
	Total number of full-time male employees	22	16	14
	% of full-time male employees	76%	62%	74%
	Total number of full-time employees aged above 50 years old	0	0	1
	% of full-time employees aged above 50 years old	0%	0%	5%
	Total number of full-time employees aged 30–50 years old	23	23	15
	% of full-time employees aged 30–50 years old	79%	88%	79%
	Total number of full-time employees aged under 30 years old	6	3	3
	% of full-time employees aged under 30 years old	21%	12%	16%
	Total number of full-time entry and mid-level positions employees	25	22	14
	% of full-time entry and mid-level positions employees	86%	85%	73%
	Total number of full-time senior and executive-level positions employees	4	4	5
	% of full-time senior and executive-level positions employees	14%	15%	27%
S3.2	Total number of part-time employees	0	3	0
	Total number of part-time female employees	0	3	0
	Total number of part-time male employees	0	0	0
	Total number of part-time employees aged above 50 years old	0	0	0
	Total number of part-time employees aged 30–50 years old	0	1	0
	Total number of part-time employees aged under 30 years old	0	2	0
	Total number of part-time entry and mid-level positions employees	0	3	0
	Total number of part-time senior and executive-level positions employees	0	0	0
S3.3	The total enterprise headcount held by contractors and/or consultants	3	7*	3
S3.4	Total number of national employees	2	3	2
	% of national employees[2]	7%	10%	11%
	The total of national female employees	1	2	2
	% of national female employees	3%	7%	11%
	The total of national male employees	1	1	0
	% of national male employees	3%	3%	0%
	National employees aged 30–50 years old	2	3	1
	National employees in entry position	1	2	2
	National employees in mid-level position	1	1	0

[1] Four out of the seven contractors are full-time, and three are part-time.

[2] Percentage of national employees is calculated based on the total number of employees (29); i.e. full-time employees and contractors/consultants

S4. Employee Turnover and New Hires				
Indicator		2022	2023	2024
S4.1	% year-over-year change for full-time employees	0%	0%	-27%
	% year-over-year change for full-time female employees	0%	0%	-50%
	% year-over-year change for full-time male employees	0%	0%	-12.5%
	% year-over-year change for senior and executive level employees	0%	-25%	0%
	% year-over-year change for employees older than 50 years old	0%	0%	0%
	% year-over-year change for employees aged 30–50 years old	0%	28%	-35%
	% year-over-year change for employees under 30 years old	0%	-29%	0%
S4.2	% year-over-year change for part-time employees	0%	NA	NA
S4.3	% year-over-year change for contractor employees	NA	250%	NA
	% year-over-year change for consultant employees	NA	NA	NA
S4.4	Total new hires for the year[1]	9	7	6
	Female new hires for the year	0	5	5
	Male new hires for the year	9	2	1

[1] *Calculations include contractors and consultants*

S5. Gender Diversity and Equality				
Indicator		2022	2023	2024
--	Total number of employees (full, part-time, consultants, and contractors)	29	29	22
S5.1	Number of male employees	22	19	15
	% of male employees out of the total workforce	76%	66%	74%
	Number of female employees	7	10[2]	7
	% of female employees out of the total workforce	24%	34%	26%
S5.2	Total entry and mid-level positions held by men	18	16	8
	% of entry and mid-level positions held by men	62%	55%	42%
	Total entry and mid-level positions held by women	7	9	4
	% of entry and mid-level positions held by women	24%	31%	21%
S5.3	Total senior and executive-level positions held by men	4	3	6
	% of senior and executive-level positions held by men	14%	10%	32%
	Total senior and executive-level positions held by women	0	1	1
	% of senior and executive-level positions held by women	0%	3%	5%
S5.4	The ratio of median male employee compensation to median female employee compensation	2.35	1.99	1.8
S5.5	Please describe your company's initiatives or programs to support the recruitment and retention of female employees, and to support female employees to advance to management positions.	Amanat provides additional benefits to the women in its workplace: Increased maternity to 4 months, flexibility for the mothers.		

[2] *Includes full and part-time employees*
[3] *Gender diversity calculations include contractors and consultant employees*

Human Rights and Employee Health and Safety

Amanat maintains various policies and procedures that protect the well-being, safety, and rights of its employees. These include the Employee Handbook, which outlines our commitment to human rights, non-discrimination, and health and safety. We also have a whistleblowing policy and multiple channels for reporting any concerns, including directly to HR, the General Counsel, or the Chairman of the Audit, Risk, and Compliance Committee. We provide training on these policies and procedures to all new employees, and we regularly review and update them to ensure they remain relevant and effective.

S6. Human Rights	
Indicator	2024Performance
Does your company follow a harassment and/or non-discrimination policy?	Yes, harassment and non-discrimination are managed through the Employee Handbook guidelines.
Does your company have a formal grievance mechanism in place?	Yes, grievance mechanisms are tackled in the Employee Handbook, Employees Code of Conduct, and the Whistleblowing Policy.
Does your company follow a child and/or forced labor policy?	Amanat strictly adheres to the UAE labor law.
Does your company follow a human rights policy?	Amanat addresses human rights-related concerns within its Employee Handbook.
Does your company provide training on human rights and related internal policies for your employees?	No

S7. Health and Safety			
Indicator	2022	2023	2024
Does your company follow an occupational health and safety policy?	Yes, Amanat's Employee Handbook addresses health and safety concerns.		
Does your company adopt a recognized health and safety management systems, such as ISO45001?	No, Amanat does not adopt a recognised health and safety management systems such as ISO45001. However, it abides by the UAE health and safety laws.		
Please share the total employee and total contractors (if available) in manhours*	NA	187.5 hours per day	0
Please share the total employee fatalities	0	0	0
Please share the employee lost time injury (LTI)	0	0	0
Please share the lost time injury frequency (LTIF)	0	0	0
Please share the total health and safety training provided to employees	0	0	0

Amanat is dedicated to contributing to the communities in which we operate. We actively support educational, healthcare, and other vital community initiatives. We also encourage our employees to engage in volunteer activities with local organisations.

S8. Community Engagement			
Indicator	2022	2023	2024
Please share the total amount invested in the community, including philanthropy, donations, and sponsorships.	0	0	0
The total employee volunteering completed during the reporting period.	0	0	0

Environmental, Social, and Governance Report

Governance

Upholding strong corporate governance is fundamental to Amanat's operations. We have implemented robust policies and procedures to ensure ethical and transparent practices. Our board of directors provides independent oversight, reinforcing our commitment to sound governance.

Board of Directors

Amanat's Board of Directors is responsible for the overall governance of the company. The Board is composed of experienced and independent members. The Board has a number of committees, including the Audit Committee and the Nomination and Remuneration Committee.

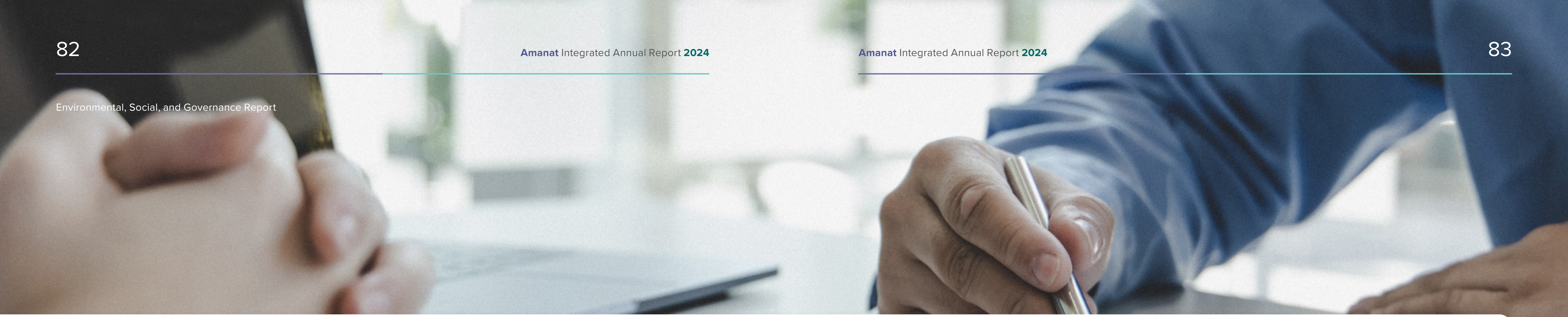
As mandated by the UAE Commercial Companies Law and the Securities and Commodities Authority (SCA) Governance Code, we have established the required board committees: the Audit Committee and the Nomination and Remuneration Committee (NRC). The Audit Committee consists of five (5) members, while the NRC consists of three (3) members.

G1. Board Diversity				
Indicator		2022	2023	2024
--	Total number of Board members	7	7	7
G1.1	Total Board seats occupied by men	5	6	6
	% of Board seats occupied by men	71%	86%	86%
	Total Board seats occupied by women	2	1	1
	% of Board seats occupied by women	29%	14%	14%
--	Total committee chairs	4	2	2
G1.2	Total committee chairs occupied by men	3	2	2
	% of committee chairs occupied by men	75%	100%	100%
	Total committee chairs occupied by women	1	0	0
	% of committee chairs occupied by women	25%	0%	0%
G2. Board Independence				
G2.1	Does the company prohibit CEO from serving as board chair?	Yes	Yes	Yes
G2.2	Please share the total board seats occupied by independents	7	6	6
	% of board seats occupied by independents	100%	86%	86%
G3. Collective Bargaining				
G3.1	Please share the total enterprise headcount covered by collective bargaining agreement(s)	Collective bargaining is prohibited under the Federal Decree-Law No. 33 of 2021 on the Regulation of Labour Relations (UAE Labour Law).		

Supply Chain Management

Amanat does not have a dedicated Vendor Code of Conduct; however, all parties are required to adhere to the Amanat Procurement Policy, which serves a similar purpose. This policy aligns with key ESG principles, setting guidelines for responsible procurement, ethical business conduct, and environmental and social responsibility. It ensures that our suppliers operate in a manner consistent with these principles.

G4. Supply Chain Management				
Indicator		2022	2023	2024
G4.1	Are your vendors or suppliers required to follow a Code of Conduct?	Yes	Yes	Yes
G4.2	Percentage of suppliers formally certified and compliant with the Code?	100% adherence with Amanat's Procurement Policy		
G4.3	Please share the suppliers that underwent a supplier's environmental audit during the reporting period	NA	NA	NA
G4.4	Please share the suppliers that underwent a supplier's social audit during the reporting period	NA	NA	NA
G4.5	Please share the new suppliers receiving warning due to the environmental/social screening	NA	NA	NA



Ethics and Anti-Corruption

To address and avoid corruption-related risks, we have implemented a stringent gift-giving policy with a low-value threshold. Additionally, our procurement policy and expense approvals undergo multiple layers of review to prevent potential risks. To ensure all employees are aware of and up to date on these policies, we provide annual training on this and other compliance policies. In 2024, 100% of our members of staff have received training on anti-corruption.

If wrongdoing or unethical behaviour is observed, employees can report the incident—either anonymously or by name—to HR, the General Counsel, the Board Secretary, or the Chairman of the Audit, Risk, and Compliance Committee via email or an in-person meeting. Upon receiving a report, a fair, independent, and professional investigation will be initiated in compliance with the applicable UAE laws and regulations. This process includes gathering relevant facts to ensure a credible assessment of the allegations or suspected violations.

G5. Ethics and Anti-Corruption

Indicator		2022	2023	2024
G5.1	Does your company follow an Ethics and/or Anti-Corruption policy?	Yes	Yes	Yes
G5.2	Please share the workforce formally compliant with the Anti-Corruption Policy	100%	100%	100%
G5.3	Please share the confirmed incidents of corruption during the reporting period	0	0	0
G5.4	Please share the corrective measures taken corresponding to the confirmed incidents of corruption	NA	NA	NA

To ensure good business conduct at Amanat, we have seven (7) internal company policies, in place which are governed by the Legal Department:

Policy Name			
Anti-Bribery and Corruption Policy	Anti-Money Laundering Policy	Code of Ethics	Conflicts of Interest Policy
Data Privacy Policy	Insider Trading Policy	Whistleblowing Policy	

Data Security

Amanat upholds a stringent Data Privacy Policy to safeguard the confidentiality, integrity, and security of personal and business data. The company adheres to relevant data protection regulations and employs robust security measures, including data encryption, access controls, and regular audits, ensuring compliance with industry standards. Secure storage practices are maintained to prevent unauthorised access or breaches. In 2024, Amanat reported no data breaches, reflecting the effectiveness of its privacy safeguards and commitment to maintaining the highest level of data security.

G6. Data Security

Indicator		2022	2023	2024
G6.1	Does your company follow a Data Privacy policy?	Yes	Yes	Yes
G6.2	Has your company taken steps to comply with GDPR rules or similar standards?	No	Yes	Yes
G6.3	Data security breaches during the reporting period (if any)	0	0	0

Sustainability Practices

Amanat is committed to sustainability. We have a number of initiatives in place to reduce our environmental impact, promote social responsibility, and ensure good corporate governance. We also publish a sustainability report each year as part of the integrated annual report.

G7. Sustainability Practices

Indicator		2022	2023	2024
G7.1	Does your company publish a sustainability report?	Yes	Yes	Yes, part of the integrated annual report
G7.2	Does your company publish a GRI, WEF SCM, SASB, IIRC, UNGC, or CDP based reporting?	Yes	Yes	Yes, part of the integrated annual report
G7.3	Does your company provide training to its employees regarding topics related to sustainability (environment, human rights, ethics, etc.)?	NA	Yes	Yes
G7.4	Please share the total sustainability-related training hours provided to all employees.	NA	2 hours	NA

G9. External Assurance

Indicator		2022	2023	2024
G9.1	Are your sustainability disclosures assured or validated by a third party?	No	No	No

Corporate Governance

Amanat's corporate governance frameworks are based on best-in-class standards and internal controls that protect the interests of all stakeholders.

Corporate Governance

Introduction

At Amanat, corporate governance forms the foundation of our business. Our corporate governance framework allows our business to generate long-term sustainable value for our shareholders and wider stakeholder network, an objective rooted in the Company's strategy and guiding principles. While adhering to all required laws and regulatory obligations, we integrate best-practice international methodologies and have structured our corporate governance framework to best suit our business model and the high-quality outcomes that we aim to deliver to our stakeholders. The framework provides standards and internal controls that protect the interests of all stakeholders.

Amanat's Corporate Governance Framework

Amanat continuously develops and adapts its corporate governance framework and reports it in accordance with the applicable laws and regulations prescribed by the Securities and Commodities Authority (SCA) of the UAE. These include the Chairman of SCA's Board of Directors' Decision No. (3RM/2020) and the Chairman of SCA's Board of Directors' Decision No. (6RM/2022) concerning joint-stock companies' governance guide (SCA Corporate Governance Rules), as well as the rules and regulations set by the Dubai Financial Market. Several committees were formed, which report directly to Amanat's Board (the Audit, Risk, and Compliance Committee; and the Nomination and Remuneration Committee

Amanat's robust corporate governance framework is realized through its Board of Directors, multiple Committees, Management, and Internal Audit and Compliance functions. The framework identifies accountabilities that have been created and translated into practices, responsibilities, and procedures, each of which have been clearly outlined in the Company's Corporate Governance Report.

Corporate Governance Highlights from 2024

In 2024, Amanat continued to proactively engage with its shareholders, dedicating resources to governance issues, stakeholder outreach, and the development of applicable policies, including operational frameworks for Amanat's portfolio companies. In tandem, Amanat's Board and Executive Management continued to uphold high levels of transparency through the disclosure of major events, substantial decisions, and clarifications on all matters relating to the Company's operational, and financial and strategic plans and outcomes.

Amanat has continuously strengthened its governance practices, and 2024 was no exception. The Board of Directors proactively and continuously worked with Management to:

- Ensure business continuity through extensive preparation and capabilities across health and safety, digitization of workstreams, and flexibility for working mothers.
- Appoint qualified non-executive members to its committees to add supplementary value and convey the strategy and the future of the business.
- Engage with shareholders and all stakeholders to facilitate high levels of transparency, while maintaining regular updates on the business, both mandatory and voluntary.
- Recognize the transformational impact across the business of the value-driven approach through a carefully curated strategy that is clearly reflected in Amanat's performance and achievements in 2024.
- Approve and implement updated compliance policies and frameworks

Share Dealings

Ser.	Investor Name (Arabic)	Investor Name (English)	Position/ Kinship	Owned Shares as at 31/12/2024	Total Sale	Total Buy/ Transfer
1	الدكتور شمشير فاياليل	Dr. Shamsheer Vayalil	Chairman	236,000	0	0
2	سوليدس انفستمنت هولدينجز ال تى دبى	Solidus Investment Holdings Ltd	Owned by Dr. Shamsheer Vayalil	426,076,923	0	0
3	السيد حمد عبدالله الشامسي	Mr. Hamad Abdulla Alshamsi	Board Member	1,000,000	0	0
4	الدكتور علي سعيد بن حرمل الظاهري	Dr. Ali Saeed Bin Harmal Aldhaheri	Board Member	25,907,697	0	0
5	سعادة ظافر سحمي الأحبابي	H.E. Dhafer Sahmi Al Ahbabi	Board Member	20,323,864	0	0

Board of Directors

Amanat's Board of Directors comprises seven members, a majority of whom are UAE nationals. The Board comprises Non-Executive Directors and Independent Directors, in accordance with the rules and regulations relating to the formation of Boards as laid out by SCA. Female representation on Amanat's Board is currently one out of seven members.

The Board is responsible for overseeing, counseling, and directing senior management and the multiple Committees, while ensuring the effective leadership of the Company to deliver sustainable value to stakeholders through the implementation of Amanat's principal business activities and strategies. Among its key duties and responsibilities, the Board adopts Amanat's strategic approaches and objectives, including the rules for insider information and conflicts of interest; establishes and reviews mechanisms to ensure internal compliance and adherence to regulatory frameworks for risk management; ensures the soundness of administrative, financial, and accounting systems; sets the responsibilities, training, and conduct of Board Members; sets a mechanism for receiving shareholders' complaints and proposals; and sets policies that regulate the Company's relationship with its stakeholders, as well as disclosure and transparency policies, in addition to policies related to the distribution of Amanat's profits in a manner that serves the best interests of the shareholders and Company alike.

Composition of the Board of Directors

Dr. Shamsheer Vayalil

Position:
Chairman of the Board of Directors

Category:
Non-Executive

Experience	Dr. Shamsheer is a seasoned strategic investor with a comprehensive background in the healthcare sector. He has played a pivotal role in guiding two of his founded companies to public markets in Abu Dhabi in his entrepreneurial journey spanning over one-and-a-half decades. His expertise lies in recognizing market gaps and orchestrating the expansion of healthcare services to address them, solidifying his position as a leading investor in the largest healthcare companies in the MENA region and India. Dr. Shamsheer works closely with UAE authorities to spearhead transformative initiatives with more significant national and global implications. His visionary concepts, energized by the dynamic milieu of the UAE, prove his appreciation for the nation that has served as the cradle for his innovative ideas. Driven by a deep-seated commitment to cultivating the next generation of leaders in the UAE, he actively engages in various programs to nurture their growth and development. Dr. Shamsheer is the Founder and Chairman of Burjeel Holdings PJSC and a Member of the Board of Directors at Response Plus Holding PJSC (RPM). In addition to his corporate responsibilities, he is dedicated to enhancing healthcare capabilities in the UAE and serves on several prestigious committees, including the UAE Medical Council, and the International Health Advisory Committee of the Ministry of Foreign Affairs (MOFA).
Qualifications	Dr. Shamsheer completed his medical training at Kasturba Medical College, India, after which he received additional specialty training in radiology.
Period served as a Board Member of the Company	Following his election at the Board of Directors meeting held on 20 November 2023.
Period served as Chairman of the Company	Following his election at the Board of Directors meeting held on 28 December 2023.

Mr. Abdulla Mohammed Alhosani

Position:
Vice Chairman of the Board of Directors

Category:
Non-Executive

Experience	Mr. Abdulla is a highly seasoned banking professional from the United Arab Emirates, boasting an impressive 30 years of experience in the industry. Throughout his journey, Mr. Abdulla has consistently demonstrated exceptional expertise and leadership within the development of the banking industry, including retail banking, commercial banking, business research, and quality assurance, contributing to the growth and advancement of the UAE's banking sector. Mr. Abdulla has held key leadership positions in renowned banking institutions across the UAE, including National Bank of Abu Dhabi, First Gulf Bank, Commercial Bank of Dubai, Bank of Oman / Mashreq Bank. In addition to his achievements in the banking sector, Mr. Abdulla has played a notable part in growing Al Salem Company Ltd as an investment firm in the UAE market. Mr. Abdulla currently sits on several boards, including Ajman Bank, Union Insurance Company, and Gulf Cement Company
Qualifications	Mr. Abdullah holds a bachelor's degree in accounting and economics from the United Arab Emirates University.
Period served as a Board Member of the Company	Following his election at the General Assembly held on 20 November 2023.
Period served as Vice Chairman of the Company	Following his election at the Board of Directors meeting held on 28 December 2023.

Mr. Hamad Abdulla Alshamsi

Position:
Board Director

Category:
Non-Executive

Experience	Mr. Hamad is a UAE national businessman with a wealth of experience that spans more than two decades, overseeing several businesses across multiple disciplines. With particular expertise in financial services and investments. Mr. Hamad was previously the CEO of a Private Investment Company specialized in investments and real estate development projects. Mr. Hamad currently serves on the Board of Dubai Islamic Bank and has previously served on the Board of Directors of several leading private and governmental institutions engaged in commercial, financial and service-based activities in the UAE, including Etihad Airways, Abu Dhabi Securities Exchange, Media Zone Authority, Abu Dhabi Council for Economic Development, Al Qudra Holding, Finance House, Al Hilal Bank, Abu Dhabi Aviation, Etihad Airways and Abu Dhabi Airports Company.
Qualifications	Mr. Hamad holds a Bachelor's degree in Business Administration from UAE University and a MBA majoring in Finance and Banking from the United States.
Period served as a Board Member of the Company	Following his election at the General Assembly held on 16 November 2017.

Corporate Governance

Dr. Ali Saeed Bin Harmal Aldhaheri

Position:
Board Director

Category:
Non-Executive

Experience	Dr. Ali Saeed Bin Harmal Aldhaheri has a proven track record spanning over three decades in both education and business. He has founded, launched, and managed several thriving ventures across diverse sectors, including IT, education, tourism, and real estate. Moreover, he has been actively engaged in shaping high-level government strategies in tourism, development, MICE, sports, and education management. Currently, Dr. Aldhaheri holds several prominent positions, including Founder and Chairman of Abu Dhabi University, Chairman of NEMA Holding, Managing Director of Bin Harmal Group, Chairman of Liwa Education, and Chairman of Magna Investments. He also serves as Chairman of Watania International Holding. Beyond business and education, Dr. Aldhaheri is actively involved in economic and public policy development. He serves as First Vice Chairman of the Abu Dhabi Chamber of Commerce and Industry, he is also a member of the Economic Cooperation Committee for Government and Private Sectors in Abu Dhabi, and Chairman of the Abu Dhabi International Arbitration Center. He is also a board member of Sandooq Al Watan.
Qualifications	Dr. Aldhaheri holds an MBA from the American University in Washington, D.C., USA, and a PhD in Management from Durham University, UK.
Period served as a Board Member of the Company	Following his election at the General Assembly held on 15 November 2020.

Mrs. Sara Khalil Nooruddin

Position:
Board Director

Category:
Non-Executive

Experience	Mrs. Sara is the Deputy Chief Investment Officer at Osool, where she leads the Investment and Asset Allocation functions. Throughout her career, Mrs. Sara has demonstrated expertise in private investing, sourcing, evaluating, and monitoring fund managers and investment opportunities on a global scale. She has been at Osool Asset Management since 2013. Prior to joining Osool Asset Management, Mrs. Sara was a Private Equity Manager at Gulf International bank (GIB). Mrs. Sara serves on the board of a London-based Real Estate Company, Ageila Capital Management, Seef Properties, Amlak Real Estate Company, and Al Malaki Specialist Hospital.
Qualifications	Mrs. Sara holds a BBA with a concentration in finance from George Washington University, United States of America, and she is a certified Chartered Financial Analyst (CFA).
Period served as a Board Member of the Company	Following her election at the General Assembly held on 8 August 2019.

H.E. Dhafer Sahmi Al Ahbabi

Position:
Board Director

Category:
Non-Executive

Experience	H.E. Dhafer Al Ahbabi is an accomplished executive, investor, and entrepreneur with over two decades of experience in investment management. He has been instrumental in driving market penetration and achieving unprecedented growth for the companies he has founded and managed. Currently, he serves as the Chairman of Al Ramz Corporation PJSC. His previous appointments have been as a Board Member at First Abu Dhabi Bank, Abu Dhabi Islamic Bank, Invest Bank, and Abu Dhabi University Holding Group.
Qualifications	H.E. Dhafer holds a bachelor's degree in Economics from United Arab Emirates University.
Period served as a Board Member of the Company	Following his election at the General Assembly held on 15 November 2020.

Mr. Omran Mohammed Saleh Alkhoori

Position:
Board Director

Category:
Non-Executive

Experience	Mr. Omran is the leading face of innovation and change in the UAE's private sector. With over two decades of experience spanning the healthcare and oil and gas industries, Mr. Omran's strategic insights and decision-making prowess have been instrumental in steering organizations towards growth and innovation. Mr. Omran's robust educational and social foundation has equipped him with the knowledge and skills to drive impactful change. His career journey has not only been marked by personal success but also by a commitment to revitalizing the allure of the private sector for Emirati professionals, inspiring many with the opportunities and growth prospects within the healthcare industry. Currently, Mr. Omran serves as the Chairman of Response Plus Holding PJSC (RPM), the largest pre-hospital medical services provider in the UAE and KSA. Additionally, he is a Member of the Board of Directors at Burjeel Holdings, Al Maryah Community Bank, and Aman Insurance Company. Beyond his corporate engagements, Mr. Omran is deeply committed to societal advancement, serving as the Secretary General of the Union for Human Rights Association.
Qualifications	Mr. Omran holds a bachelor's degree in Business Administration and a Diploma in Science from Suffolk University in Boston, United States of America.
Period served as a Board Member of the Company	Following his election at the General Assembly held on 20 November 2023.

Board Remuneration and Allowances for 2024

Statement of the following:

1- Total remuneration to be paid to Board Members for 2024.

FY 2023: For the financial year ended 31 December 2023, the remuneration paid to the Board of Directors in relation to their Board duties was AED 1.4 million, with AED 0.6 million fees paid for committee remuneration.

FY 2024: Subject to approval at the forthcoming AGM the Board of Directors have proposed board remuneration of AED 4.0 million and committee remuneration of AED 0.5 million for the year ended 31 December 2024 (excluding VAT). No other additional allowances are being paid to Directors for their attendance at such meetings.

2- Details of the allowances for attending sessions of the committees emanating from the Board, and/or making special efforts or performing additional work, for the Board Members for the 2024 fiscal year.

Committee fees are paid to members to recognise their contribution to the overall governance and strategic management of Amanat and therefore accordingly the committee fee is not calculated based on attendance at meetings but in recognition of the contribution made by members, in line with the objectives set by the Board.

Annual committee fees (excluding VAT) are paid as follows
- Committee Chairperson fee: AED 81k
- Committee Member fee: AED 57k

In 2024 the total committee fees proposed are AED 502k.

Number of Board meetings held during the year 2024 with relevant details:

Ser.	Date	Attendees	Proxy	Names of Absent Members
1	20 March 2024	7	0	0
2	15 May 2024	6	1	0
3	17 July 2024	7	0	0
4	14 August 2024	6	1	0
5	13 November 2024	7	0	0

Number of the Board resolutions passed by circulation during the 2024 fiscal year, along with meeting dates.

4

Duties and powers exercised by Board Members or Executive Management members during 2024 based on authorisation from the Board:

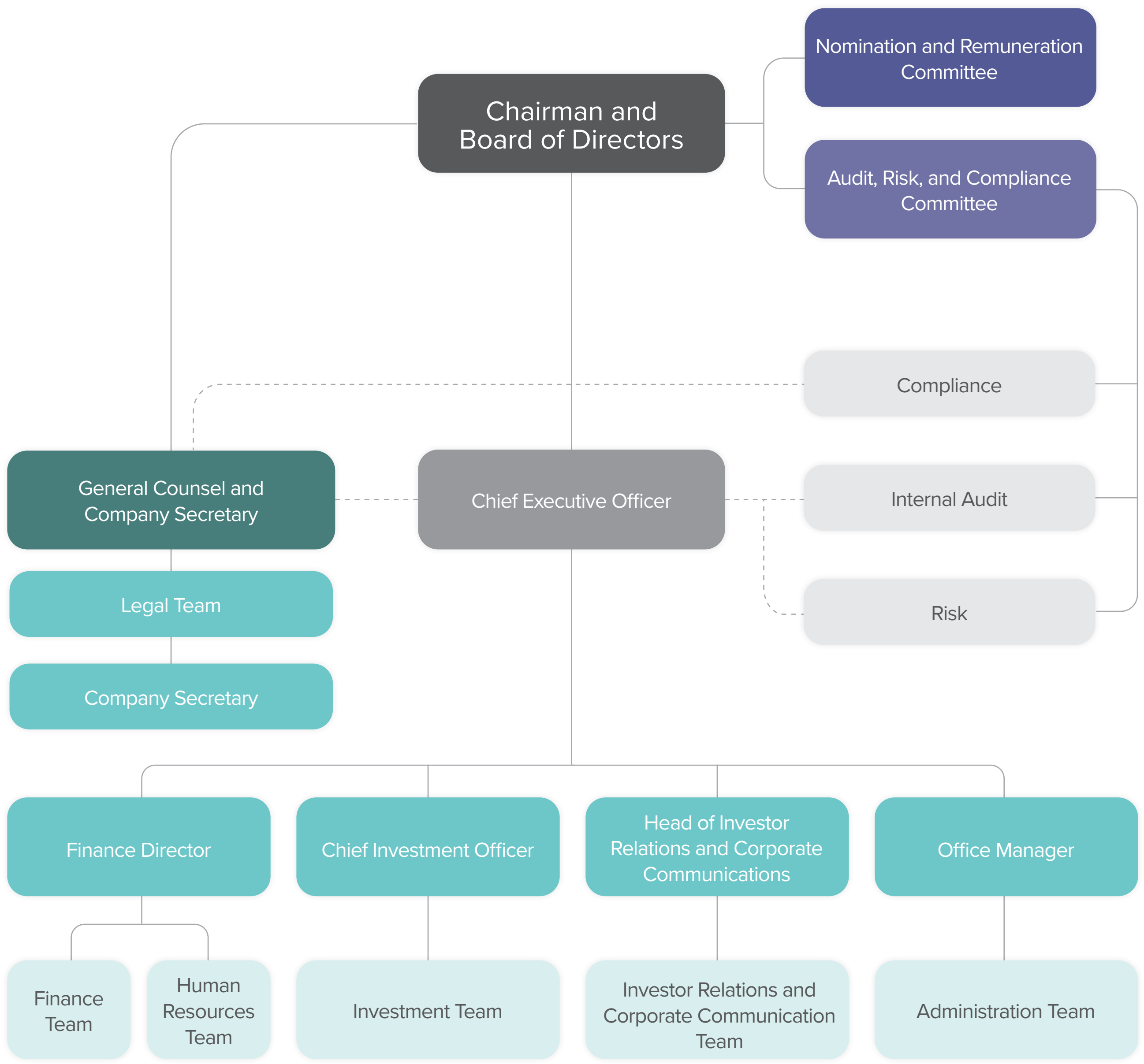
Ser.	Name of the Authorised Person	Power of Authorisation	Duration of Authorisation
1	Dr. Shamsheer Vayalil	Chairman	28 December 2023 until present
2	Mr. John Ireland	CEO	3 April 2024 until present

Statement of the details of transactions made with the related parties (stakeholders) during 2024:

One related party transaction with Al Ramz Capital LLC ("Al Ramz"), a company chaired by H.E. Dhafer Al Ahbabi, a board member at Amanat, was entered to appoint Al Ramz to provide liquidity services.

Amanat Holdings Organisation Structure

Amanat's Board, Sub-Committees, and Executive Management continue to carry out their responsibilities on a day-to-day basis in line with governing charters and the internal authority matrix. Below is the current organization structure of Amanat.



Note: The solid line in the diagram above indicates the functional aspect within the organizational structure, while the dashed line represents the administrative aspect.

Executive Management Remuneration

The Amanat Executive Management team consists of senior employees who report to the Chief Executive Officer. The following table lists their titles, appointment dates and total amounts they received as salaries and bonuses.

The Amanat Executive Management team who served the Company until 31 December 2024:

Name	Designation	Date of Appointment	Date of Exit	Total salary and allowances for 2024 (AED)	Total paid Bonuses for 2024 (AED)	Total of other cash / noncash benefits for 2024 (AED)
John Ireland[1]	CEO	15 March 2024	NA	1,965,871	1,162,000	377,968
Fadi Habib[2]	CIO	13 November 2024	NA	1,417,500	1,102,500	408,279

[1] *John Ireland previously served as Chief Financial and Acting Chief Executive Officer, joining the Company on 19 September 2021. Remuneration presented therefore represents the entirety of FY 2024.*

[2] *Fadi Habib previously served as Head of Investments, joining the Company on 06 April 2015. Remuneration presented therefore represents the entirety of FY 2024.*

Emiratisation Percentage:

Year	No. of Emiratis	Total Staff	% of Emiratis
2021	1	25	4%
2022	2	25	8%
2023	3	21	14%
2024	2	19	10%

Sub-Committees of the Board of Directors

The Board of Directors established the Board Committees to assist it in achieving its duties and responsibilities. The Committees report directly to the Board and comprise the Audit, Risk and Compliance Committees and Nomination and Remuneration Committee.

Audit, Risk, and Compliance Committee ("ARCO") Report

In 2024, the ARCO demonstrated its unwavering commitment to bolstering the company's governance, enhancing transparency, and fortifying risk management and internal control systems. Through the strategic implementation of a comprehensive internal audit plan, diligent oversight of financial reporting, and ensuring the independence of external audit processes, ARCO has significantly strengthened the organization's governance framework.

The ARCO comprises the following members:

1. **Dr. Ali Saeed Sultan Bin Harmal Aldhaheri, Chairman**
2. **Mr. Hamad Alshamsi, Member**
3. **Mr. Abdulla Alhosani, Member**
4. **Mr. Omran Mohammed Saleh Alkhoori, Member**
5. **Mr. Laith Alfraih, Member**

*Mr. Omran Alkhoori and Mr. Laith Alfraih were elected on 28 March 2024.

Amanat's ARCO supports the Board of Directors in overseeing, reviewing, and assessing the effectiveness of the Company's corporate governance, disclosure, internal control, and risk management systems, as well as reviewing the Company's financial and accounting policies and procedures.

The ARCO submits its recommendations to the Board in regard to the selection, resignation, or discharge of the external auditor. The Committee also ensures the availability of the resources required for the internal control department and reviews and monitors its effectiveness.

The ARCO works with the external auditor and regulates the responsibilities, work plan, comments, proposals, concerns, and any substantial inquiries made by the external auditor to management concerning accounting books, financial accounts, control systems, and the scope of the auditing process and its effectiveness according to the approved auditing standards.

The ARCO leads on implementing the policy of engagement with the external auditor and submitting a report to the Board along with the ARCO's recommendations specifying the procedures they deem necessary to be taken in this regard.

The committee's Chairman, acknowledges his responsibility for the committee system in the Company, the review of its work mechanism, and ensuring its overall effectiveness.

The Audit, Risk, and Compliance Committee met seven times during 2024 as outlined below:

Committee member	Position	22 January 2024	18 March 2024	25 March 2024	18 April 2024	8 May 2024	9 August 2024	6 November 2024
Dr. Ali Saeed Sultan Bin Harmal Aldhaheri	Chairman	Attended	Attended	Attended	Attended	Attended	Attended	Attended
Mr. Hamad Alshamsi	Member	Attended	Attended	Attended	Attended	Attended	Attended	Attended
Mr. Abdullah Alhosani	Member	Attended	Attended	Attended	-	Attended	Attended	Attended
Mr. Omran Mohammed Saleh Alkhoori	Member	NA	NA	NA	-	-	Attended	-
Mr. Laith Alfraih	Member	NA	NA	NA	Attended	Attended	Attended	Attended

External Auditor

Deloitte & Touche (**"Deloitte"**) is a multinational professional services firm and one of the largest accounting companies in the world.

Deloitte operates as a network of member firms that are separate legal entities in individual countries. It has over 400,000 employees in more than 150 countries and territories, with global revenue reaching USD 64.9 billion. Deloitte provides a wide range of services, including audit and assurance, consulting, financial advisory, risk advisory, tax, and legal services to companies across various industries.

Deloitte has been present in the MENA region for decades and has a significant presence in the UAE, with its Dubai office serving as a key hub for the region. The Dubai office employs a large number of professionals and serves a diverse portfolio of governmental, private, and multinational clients.

The ARCO's recommendation to reappoint Deloitte Middle East for the financial year 2025 was based on their consistent performance, expertise, and adherence to auditing standards. There was no board divergence from the committee's recommendation, reflecting unanimous consent for the reappointment.

Details of the fees paid to Deloitte for the financial year 2024 auditing services:

Name of the audit office and partner auditor	Deloitte & Touche (M.E) Partner Name: Manish Gourisaria
Number of years served as the company external auditor	1
The number of years that the partner auditor spent auditing the company's accounts	1
Total audit fees for 2024 in (AED) including quarterly reviews	AED 710,000
Fees and costs of private services other than auditing the financial statements for 2024, if any. In case of absence of any other fees, this must be expressly stated.	AED 4,892,500
Details and nature of the other services, if any. If there are no other services, this matter shall be stated expressly.	Audits of subsidiaries, assurance engagements, and tax reviews
Statement of other services that an external auditor other than the company accounts' auditor provided during 2024, if any. In the absence of another external auditor, this matter must be explicitly stated.	NA

Significant Matters Concerning Financial Statements

The ARCO as part of its responsibilities undertakes a rigorous review of the significant matters concerning the financial statements as part of its quarterly review and annual audit for the fiscal year.

For the year ended 31 December 2024, ARCO reviewed the following significant matters which were also reviewed by the external auditors of the Group:

- Al Malaki Specialist Hospital
- Accounting for Deferred Transaction Costs
- Internal Controls over Financial Reporting
- Corporation Tax Update
- Revenue Recognition

The ARCO has reviewed the above to ensure the matters were sufficiently addressed by the external auditor by having completed the following:

- Checked the mathematical accuracy of the impairment model and the extraction of inputs from source documents;
- Challenged the key assumptions used in the impairment model for goodwill, including specifically the operating cash flow projections, discount rate, and terminal growth rate etc.;
- Engaged internal specialists to assist the external auditor in reviewing the methodologies applied including estimates and judgments made by management;
- Considered the sensitivity of the impairment testing model to changes in key assumptions; and
- Assessed the adequacy of the related disclosures in the consolidated financial statements.

Independence and Effectiveness of External Audit Process

ARCO has evaluated the independence and effectiveness of the external audit process through a structured approach. This included a review of Deloitte's adherence to International Standards on Auditing to prevent conflicts of interest and ensure ethical conduct.

Specifically, ARCO selects the auditor after completing a tendering process to further ensure an independent and effective audit process.

To safeguard the independence of the external auditor in non-audit services, ARCO has ensured a clear separation of duties and services. Deloitte is required to obtain approval from ARCO for any non-audit service provided, ensuring these services do not impinge on their audit independence.

Annual Internal Audit Plan

The ARCO has endorsed and reviewed the development of a risk-based annual internal audit plan, to be undertaken by PwC. This comprehensive plan encompasses Amanat Holdings PJSC and its operational subsidiaries covering critical business areas including procurement, human resources, finance, project management, information technology, and a control maturity assessment for the Human Development Company. The aim was to ensure a thorough evaluation of operational efficiencies and the identification of potential risks across these key functions.

This collaborative approach facilitated a comprehensive review of the audit strategy, culminating in the ARCO's approval of the plan prior to its implementation. This step was crucial in aligning the audit objectives with the company's risk management framework and ensuring oversight by the governance body.

Accordingly, 14 internal audits were performed and completed by PwC during 2023 & 2024 across various functions and the related findings were presented to the ARCO.

Improving Oversight

ARCO has established and is executing a comprehensive corrective action plan addressing any deficiencies discovered in internal controls or risk management. This includes delineating responsibilities, setting timelines for remediation, and monitoring the implementation of these actions.

All medium and high-risk internal audit reports have been reviewed by ARCO, ensuring that any remediation areas in internal controls are identified and addressed. This has been a part of ARCO's commitment to uphold a robust internal control environment.

A detailed action plan has been developed to address any deficiencies in risk management and internal control systems. This plan was comprehensive, with clear metrics for success and was subject to regular review by ARCO.

Statement of the details of transactions made with the related parties (stakeholders) during 2024:

One transaction was made with the related parties (stakeholders) by Amanat Holdings PJSC during 2024.

The transaction was with Al Ramz Capital LLC ("Al Ramz"), a company chaired by H.E. Dhafer Al Ahbabi, a board member at Amanat, was entered to appoint Al Ramz to provide liquidity services.

A statement explaining the reservations that the company auditor included in their interim and annual financial statements for 2024.

None.

Nomination and Remuneration Committee ("NRC")

The Nomination and Remuneration Committee establishes the policies for bonuses, privileges, incentives and salaries for Company personnel, including Board Members. It determines the Company's executive and staff qualification requirements and sets human resources and training policies. The Committee establishes and updates the policy for nominations to the Board and Executive Management, which includes seeking to achieve greater gender balance. It continually assesses and verifies the independence of independent Board Members. The Committee is required to meet at least once during the year.

The Committee currently comprises the following members:

1. H.E. Dhafer Sahmi Jaber Mufreh Al Ahbabi, Chairman
2. Mr. Omran Mohammed Saleh Alkhoori, Member
3. Mrs. Sara Khalil Ebrahim Nooruddin, Member

The Committee Chairman acknowledges his responsibility for the committee system in the Company, his review of its work mechanism and ensuring its overall effectiveness.

The Committee met 3 times during 2024 as outlined below:

Committee member	Position	6 March 2024	4 July 2024	13 November 2024
H.E. Dhafer Sahmi Jaber Mufreh Al Ahbabi	Chairman	Attended	Attended	Attended
Mr. Omran Mohammed Saleh Alkhoori	Member	Attended	Attended	Attended
Mrs. Sara Khalil Nooruddin	Member	Attended	Attended	Attended

Insiders' Transactions

Amanat adopts a robust measure to monitor insiders' transactions and periodically updates the market and the Securities and Commodities Authority of the Insider List. The Legal department and the Investor Relations Director have maintained the Insider List and continue to notify its members of prohibition in dealings periods. They are responsible for:

- Establishing and updating the Insiders' Register.
- Notifying individuals on the list of any blackout periods and set awareness for Company employees of any trading restrictions.
- Updating and maintaining an Investor Relations Communication and Trading Policy.

In 2024, the Insider List was maintained and is updated on a quarterly basis and reported to the Dubai Financial Market. Finally, they ensured continued compliance with all applicable laws and regulations.

Internal Control and Compliance

The Internal Control function is responsible for providing reasonable assurance to the Board through the Audit, Risk, and Compliance Committee on the adequacy and effectiveness of internal controls in place and ongoing monitoring of risks. Key responsibilities include reporting on significant risk exposure and control weaknesses, as part of its broader monitoring and evaluation of the Company governance and risk management processes towards achieving the organization's strategic objectives.

In 2023, PricewaterhouseCoopers ("PwC") were appointed as Amanat's internal auditors and risk officer, assuming their roles and responsibilities from Grant Thornton ("GT"), the Group's previous internal auditors. Following the appointment of PwC, a comprehensive internal audit plan for the Company and its subsidiaries was presented to and approved by the Audit, Risk and Compliance committee ("ARCO"). Accordingly, 14 internal audit assignments were performed and completed during 2023 & 2024 across various functions and the related findings were presented to the ARCO. In addition, PwC also conducted a follow-up on the outstanding points related to the internal audit assignments, the results of which were presented to the ARCO, noting 95% of the outstanding observations were remedied by Management.

Compliance

The Compliance Function is responsible for the ongoing monitoring and reporting to the Audit, Risk, and Compliance Committee on all aspects and status of Amanat's compliance with its internal policies, as set out and approved by the Board of Directors and Board Committees, and the applicable laws and regulations.

In this respect, Amanat has appointed Gunjan Gangwani as the Compliance Officer in October 2023. Gunjan is experienced in compliance, corporate governance, anti-money laundering and KYC rules and regulations. She is a qualified company secretary and certified Anti Money Laundering Specialist (ACAMS).

The Board of Directors hereby declares its responsibility for the Internal Control and Compliance function, revisions to its mechanism, and guarantees its effectiveness by safeguarding assets, ensuring integrity and reliability of the financial reporting and systems, disclosing non-compliance instances, and reviewing the ARCO report with respect to the internal audit activities and its reports..

Details of any violations committed during 2024, explaining their causes, how to address them, and how to avoid their recurrence in the future:

None.

Statement of the cash and in-kind contributions made by the company during 2024 in developing the local community and preserving the environment. (In case of the absence of contributions, it must be mentioned that the company has not made any.)

None.

General Information

Statement of the company's share price in the market (closing price, highest price, and lowest price) at the end of each month during fiscal year 2024 is listed below:

Month	Highest Price	Lowest Price	Closing Price
January	1.32	1.16	1.18
February	1.18	1.02	1.02
March	1.10	1.01	1.08
April	1.08	1.01	1.04
May	1.10	1.02	1.03
June	1.10	1.03	1.10
July	1.16	1.09	1.11
August	1.22	1.05	1.15
September	1.19	1.12	1.19
October	1.17	1.05	1.11
November	1.11	1.03	1.07
December	1.12	1.04	1.12

Statement of ownership distribution of shareholders as at 31 December 2024 (individuals, companies, governments) classified as follows: UAE, GCC, Arab, and foreign.

Shareholders' classification

Shareholder's classification (number of shares)						
Ser.	Geography	Individuals	Banks	Companies	Government	Total
1	UAE	962,357,881	73,882,163	524,602,527	15,000	1,560,857,571
2	GCC	3,367,263	445,379	327,279,305	0	331,091,947
3	Arab	15,045,113	0	997,822	0	16,042,935
4	Others	20,555,113	200	571,142,023	0	591,697,336
Total						**2,500,000,000**

Statement of shareholders owning 5% or more of the Company's capital as at 31 December 2024 according to the following schedule:

Ser.	Investor Name	Investor Name (English)	Type	Quantity	%
1	سوليدس انفستمنت هولدينجز ال تي دي	Solidus Investment Holdings Ltd	Company	426,076,923	17.04%
2	سالم عبدالله سالم الحوسني والمجموعات المرتبطة	Salem Abdulla Salem Al Hosani and Associated Groups	Individual and Company	294,723,115	11.79%
3	شركه اداره الاصول ش.م.ب. مقفله	Osool Asset Management Company	Company	250,000,000	10.00%
4	سمو الشيخ ذياب بن زايد بن سلطان ال نهيان	H.H. Sheikh Diab bin Zayed bin Sultan Al Nahyan	Individual	285,503,132	9.89%
5	شيميرا للاستثمار	Chimera Investment LLC	Company	151,689,836	6.06%
6	سمو الشيخ نهيان بن زايد ال نهيان	H.H. Sheikh Nehayan Bin Zayed Alnehayan	Individual	159,950,000	5.27%

Statement of how shareholders are distributed according to the size of the equity as at 31December 2024 based on the following schedule:

Ser.	Share (s) ownership	Number of shareholders	Number of owned shares	Percentage of owned shares of the capital
1	Less Than 50,000	1,711	8,481,940	0.39%
2	Between 50,000 and 500,000	277	45,450,203	1.82%
3	Between 500,000 and 5,000,000	78	117,898,707	4.72%
4	Greater than 5,000,000	42	2,328,169,150	93.13%

Statement of measures taken regarding the controls of investor relationships and an indication of the following:
Amanat's Investor Relations function integrates finance, communication, marketing, and securities law compliance to enable the most effective two-way communication between the financial community and other constituencies.

Statement of the special decisions presented in the General Assembly held during 2024 and the procedures taken in their regard:

Approval by the General Assembly to amend the Articles of Association of Amanat Holdings PJSC to permit the Board of Directors to distribute interim dividends and to amend the maximum number of circular resolutions.

Statement of fundamental events and important disclosures during 2024:

- Appointment of John Ireland as Chief Executive Officer.
- Q1 2024 Financial Results – Amanat Delivers Revenue Growth of 21% to AED 224 MN and EBITDA of AED 80 MN, up 13%.
- Q2 2024 Financial Results – Amanat Delivers Revenue Growth of 17% and Interim cash dividend for Q2 2024 of AED75 million (3 fils per share)
- Q3 2024 Financial Results – Amanat Delivers Revenue Growth of 14% with Record Student and Beneficiary Enrollments
- The evaluation of monetization options regarding the Education Business, including a potential regional listing.
- To proceed with an initial public offering of the Amanat Education Business, subject to obtaining the relevant regulatory approvals, and market conditions.
- Re-confirmation that the Amanat board have approved proceeding with an IPO of its Education Business, and to engage related IPO advisors, including SNBC. Confirmation that the IPO remains subject to prevailing market conditions and that further details with regard to the offering percentage and final advisor consortium shall be confirmed once available.

Signature of the **Board Chairman**	Signature of the **Audit, Risk, and Compliance Committee Chairman**	Signature of the **Nomination and Remuneration Committee Chairman**	Signature of the **Internal Audit and Risk, being PriceWaterhouseCoopers**

Executive Management

Management Team

John Ireland
Chief Executive Officer

John Ireland is the Chief Executive Officer at Amanat.

John has a wealth of experience in the Healthcare and Education sectors. He initially joined Amanat in 2021 as its Chief Financial Officer.

John has over 20 years of experience in finance, strategy, and investment roles across a variety of industries including real estate, media, and entertainment.

Prior to joining Amanat, John served as the Chief Financial and Strategy Officer (CF&SO) of Qiddiya, Saudi Arabia's capital for entertainment, sports and the arts. Before that, he was the (CF&SO) at DXB Entertainments from 2017 to 2020 and the CFO of Rotana Media Group from 2011 to 2017.

Earlier in his career, John worked across various investment, strategy and finance roles for News Corporation, based in London and covering Europe and Asia. He also worked as a Manager at Deloitte UK between 2005 and 2007.

John holds a Bachelor of Arts in business management from the University of Exeter and is a Qualified Chartered Accountant.

Fadi Habib
Chief Investment Officer

Fadi currently holds the position of Chief Investment Officer at Amanat.

Since joining Amanat in April 2015, Fadi has been instrumental in executing the Company's mandate through evaluating investment opportunities and leading strategic initiatives at portfolio companies. He joined Amanat from Scotiabank Global Banking & Markets in Toronto, where he served as Senior Associate in Equity Research, covering publicly listed Canadian banks and insurance companies, the largest sector on the Toronto Stock Exchange with well over USD 300 billion in market cap.

In the role, Fadi was a key member of one of Canada's top-rated research teams renowned for the publication of actionable and market-moving investment recommendations. Prior to that, Fadi held roles in Corporate Banking and Asset Management at some of Canada's top financial institutions.

He is a CFA charter holder and holds a BSc in Engineering with Honours from Queen's University in Canada and an MBA from McMaster University in Canada.

Tessa Lee
General Counsel and Board Secretary

Tessa is the General Counsel and Company Secretary at Amanat.

Tessa Lee brings over 18 years of legal expertise (with 16 years in the UAE) and a rich background in governance, risk and compliance, corporate M&A, investments, real estate and capital markets specifically. She has previously held key in-house positions as General Counsel and Vice President of Legal, Risk & Compliance at Dubai World Trade Centre, Senior Vice President of Meraas Holding, and Board Company Secretary for Dubai Parks & Resorts PJSC; as well as private practice expertise from the Corporate & Financial Services sector within Clyde & Co Middle East.

Tessa has played a pivotal role in developing effective legal structures in multiple jurisdictions, leading complex legal negotiations and building effective compliance strategies. Her work has not only supported the strategic objectives of the organisations she has been part of but also fostered robust legal compliance practices whilst building strong relationships with key stakeholders in the region. Additionally, she is a Hawkamah-certified Board Secretary, further evidencing her commitment to excellence in corporate governance.

Anas Al Masri
Finance Director

Anas is the Finance Director at Amanat.

Anas works closely with the senior management at Amanat and across the portfolio and is responsible for all aspects of the Group's strategic financial direction, ensuring financial discipline is embedded across all strategic decision making.

Anas brings more than 21 years of professional experience in Finance across critical areas such as, financial reporting, treasury and cash management, consolidation, financial analysis and budgeting and planning.

Prior to joining Amanat, Anas served as a Regional Finance Director at a prominent international corporation, where he focused on enhancing and overseeing a high-performing finance department across 6 countries worldwide.

Anas holds a bachelor's degree in Accounting, he is a certified Financial Controller and is an expert in International Financial Reporting Standards.

Investment Team

Nadim Salha
Director - Investments

Nadim is an Investment Director at Amanat. He has 18 years of professional experience in investments across the MENA & GCC regions. Before joining Amanat, Nadim was Head of Investment at TAMM Investments, a privately owned investment group with a well-diversified portfolio of holdings across the GCC. Prior to that, Nadim was a Principal at B&Y Venture Partners, a Venture Capital firm investing in technology start-ups on a global level. Nadim has also worked in the Investment Banking department of Audi Capital – Bank Audi Group, where he was involved in the execution of numerous mergers and acquisitions as well as fund-raising transactions in the MENA region. In his early professional years, Nadim worked for PwC and Deloitte. Nadim holds an MBA from INSEAD Business School, France, and a bachelor's degree in Business Administration from the St. Joseph University of Beirut, Lebanon.

Simone Rocco
Vice President - Investments

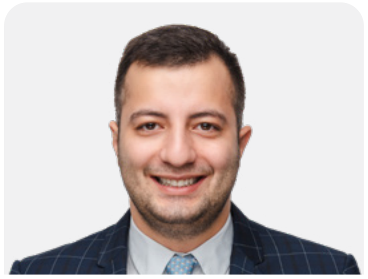
Simone is a Vice President in the Investment Team, focusing on both new acquisitions as well as management of portfolio companies. Prior to joining Amanat in June 2019, Simone was part of the MENA investment banking team of Barclays in Dubai, working on multiple transactions across M&A, ECM, DCM and Leveraged Finance. Prior to that, he worked for UBS Investment Bank in London and for Vitale&Co., an independent financial advisory boutique firm based in Milan. He holds a MSc in International Finance from HEC Paris and a BSc in Economics and Finance from Bocconi University.

Matthew Siddle
Vice President - Investments

Matthew is a Vice President in the Investment Team. Before joining Amanat, he worked with Mizuho Gulf Capital Partners in private equity in the consumer goods, retail, and logistics sectors and was actively involved in portfolio management. Prior to that, he worked at Citigroup in London as an investment banking associate, where he was involved in deals across the TMT sectors. Matthew started his career working in assurance at EY in London. Matthew is a qualified Chartered Accountant and holds a Bachelor of Science in Accounting and Finance from the University of Bath in the United Kingdom.

Jad El Hajj
Associate - Investments

Jad is an Associate in the Investment Team, focusing on both new acquisitions as well as management of the current portfolio companies. Prior to joining Amanat in October 2021, Jad was part of the Investment Banking team at Bemo Securitization SAL (the investment banking arm of Banque BEMO), working on multiple transactions across M&A, Private Corporate Debt, Fiduciary Lending and Asset-backed Securitization Funds. He holds a BSc in Physics from the American University of Beirut.



Grigor Papazyan
Associate - Investments

Grigor is an Associate in the Investment Team. Before joining Amanat, he worked at VTB Capital, a leading investment banking group in Eastern Europe, where he worked on valuations, commercial due diligences, and investment strategies on multiple transactions across M&A, ECM, and leveraged finance. Prior to that, he worked for EAC Partners, an independent financial advisory boutique firm based in Sydney, Australia. Grigor holds an MSc in Finance from the University of New South Wales in Sydney, Australia, and a BSc in Business Administration from MGIMO University in Moscow, Russia.

Consolidated Financial Statements

Directors' Report

The Board of Directors of Amanat Holdings PJSC (the "Company") is pleased to submit the audited consolidated financial statements of the Company and its subsidiaries (collectively the "Group") for the year ended 31 December 2024. These statements comprise the consolidated statement of financial position as at 31 December 2024, and the consolidated statement of profit or loss, consolidated statement of comprehensive income, consolidated statement of changes in equity, and consolidated statement of cash flows for the year then ended, along with the related notes.

Principal Activities

The principal activities of the Company are to invest in companies and enterprises in the sectors of Education and Healthcare and to manage, develop, and operate such companies and enterprises.

Strategy Update

The Group made significant progress with the implementation of its strategy in 2024, as it focused on scaling both its Education and Healthcare businesses.

In Education, the Group achieved record enrolments, with its student and beneficiary base increasing to circa. 23 thousand in 2024, up 18% year-on-year. This was enabled by the continued focus on international student recruitment at Middlesex University Dubai ("MDX") and the expansion of Human Development Company's ("HDC") network of daycare centers. The Group launched Al Masar Education Company ("Masar") to hold ownership in MDX, HDC and NEMA, as it progresses towards a potential Initial Public Offering ("IPO") of the Education business, realizing the significant value created in Education. Masar has an independent Board of Directors and management team led by Majed Al-Mutairi as Chief Executive Officer.

In Healthcare, the Group made steady progress with the expansion of its Long-Term Care ("LTC") business in Saudi Arabia, with the opening of a new facility in Khobar in November 2024, with 30 beds at launch growing to a total capacity of 150 beds in a phased manner. Capacity expansion in Jeddah is currently underway, with the facility expected to reach a capacity of 200 beds in H2 2025. In the UAE, the Group was awarded an 80-bed Public Private Partnership ("PPP") contract in 2023. These developments place the Group well on its way to achieving its target of 700 LTC beds by 2025, as it capitalizes on the growing demand for quality specialist care in the region.

MSH Strategic Review

Following the completion of the strategic review of Al Malaki Specialist Hospital ("MSH"), the Group is considering divestment options for the business and has classified MSH as an asset-held-for-sale, reflecting its strategic focus on its core assets in the UAE and Saudi Arabia. In line with International Financial Reporting Standards ("IFRS"), an annual impairment analysis was performed on the asset, resulting in an impairment charge of AED 15.8 million.

Financial Results

The Group recorded revenue from continuing operations of AED 796.1 million in FY 2024, increasing by 17% year on year, driven by growth in both Education and Healthcare. The Group achieved record enrolments in Education and in Healthcare the Group expanded bed capacity and was awarded a PPP contract in the UAE.

Amanat Holdings PJSC - One Central, The Offices 5, Level 1, Office 108, PO Box 121012, Dubai, UAE | T + 971 4 330 9999 | F +971 4 330 9000 | amanat.com | Paid Up Capital AED 2,500,000,000 | Commercial License 721697

The Group's EBITDA increased by 5% year on year to AED 296.3 million in FY 2024 driven by the robust performance in Education which was partially offset by a decline in Healthcare due to the cessation of the COVID program in the UAE and pre-opening costs for the new Long-Term Care facility in Khobar. On an adjusted basis, EBITDA was 10% higher than the prior year.

The Group recorded profit before tax and zakat from continuing operations of AED 196.2 million for the financial year 2024, up 2% year on year, or 10% on an adjusted basis. Profit for the year from continuing operations increased by 126% to AED 174.2 million, or 1% on an adjusted basis.

Profit for the year increased to AED 133.8 million in FY 2024 compared to a loss of AED 43.8 million in FY 2023, impacted in the prior year by the one-time non-cash deferred taxation adjustment following the introduction of UAE corporation tax and a non-cash impairment recorded in respect of MSH. On an adjusted basis, profit for the year was 1% higher than the prior year.

In Education, performance was primarily driven by the record enrolments in 2024, with a total student and beneficiary base of circa. 23 thousand, up 18% year-on-year. MDX enrolments increased 16% year-on-year with NEMA up 14% whilst beneficiaries at HDC increased by 29%. Beneficiary enrolment growth was supported by the expansion of HDC's daycare center network, with the addition of 8 new centers in 2024, bringing the total number of centers to 35 at the year end. An additional 8 centers are under development which are scheduled for opening in H2 2025.

Healthcare performance was impacted by the discontinuation of the COVID program in the UAE and pre-opening costs for the new LTC facility in Khobar. This was partially offset by robust growth in Saudi Arabia and a new PPP contract in the UAE. Favourable momentum is anticipated over future periods from capacity expansions and ramp-up of KSA operations, which will be supplemented by UAE patient growth.

Holding-level costs declined 3% to AED 36.6 million, mainly driven by lower communication and branding.

Finance income in FY 2024 was AED 21.8 million relatively stable compared to the AED 21.3 million in the previous year. Similarly, finance costs in FY 2024 were AED 36.0 million compared to AED 36.6 million in the previous year.

Total cash and bank balances stood at AED 503.0 million as of 31 December 2024 with AED 40 million allocated for the proposed dividend distribution, subject to shareholders' approval.

Total equity attributable to the owners of the Company on 31 December 2024 amounted to AED 2.6 billion prior to the proposed dividend.

As of 31 December 2024, Amanat's Assets Under Management (AUM) were AED 2.9 billion across 8 investments, 7 of which are classified as either majority or influential stakes.

In accordance with Article 241 of the UAE Federal Decree-Law No. 32 of 2021, 10% of profit for the year is required to be 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 11.6 million has been transferred to the statutory reserve during the year. The statutory reserve is not available for distribution.

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Amanat

The Board of Directors of the Company, by written resolution of the Board of Directors meeting held on 13 February 2025 endorsed the audited consolidated financial statements of the Group for the year ended 31 December 2024 and recommended them for approval at the forthcoming General Assembly.

Dividends

The Board of Directors recommends a final dividend of AED 40 million, amounting to 1.6 fils per share, subject to shareholder approval at the AGM. This brings the total dividend payout for FY 2024 to AED 115 million, amounting to 4.6 fils per share.

Outlook

Amanat is a market leader in the GCC healthcare and education sectors, placing the Group in a strong position to capitalize on the growing demand for high-quality education and healthcare in the region, which is supported by population growth and a favourable macroeconomic outlook. In Education, the Group's main priority is growing enrolments in higher education and expanding its network of daycare centers in special education needs ("SEN"). The Group is also progressing towards a potential IPO of the Education business to realize and redistribute the considerable value created in the business.

In Healthcare, the Group is focused on expanding and ramping up its LTC business in Saudi Arabia and is on target to reach its target of 700 LTC beds by 2025, addressing the significant LTC bed gap in Saudi Arabia.

Auditors

Deloitte & Touche (M.E.) were appointed as external auditor for the Company for the year ended 31 December 2024.

On behalf of the Board of Directors

Dr Shamsheer Vayalil – Chairman
Dubai, United Arab Emirates
13 February 2025

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Deloitte.

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INDEPENDENT AUDITOR'S REPORT

To the Shareholders
Amanat Holdings PJSC
Dubai
United Arab Emirates

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of **Amanat Holdings PJSC** (the "Company") **and its subsidiaries** (together the "Group"), which comprise the consolidated statement of financial position as at 31 December 2024, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects the consolidated financial position of the Group as at 31 December 2024, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB").

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants ("IESBA Code") together with the other ethical requirements that are relevant to our audit of the consolidated financial statements in the United Arab Emirates, and we have fulfilled our other ethical responsibilities requirements in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Cont'd…

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INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Amanat Holdings PJSC (continued)

Key Audit Matters (continued)

Key audit matter	How our audit addressed the key audit matter
Impairment of goodwill and other intangible assets with indefinite useful lives	
The carrying value of goodwill and other intangible assets as at 31 December 2024 was AED 1.24 billion (2023 - restated: AED 1.24 billion). This represented 32% (2023 - restated: 32%) of the Group's total assets at the reporting date. IFRS Accounting Standards requires that management compare the recoverable amount of goodwill and intangible assets with indefinite useful lives to their carrying amounts on an annual basis, regardless of whether or not impairment indicators have been identified. Management is also required to perform this comparison when impairment indicators are identified. This comparison requires management to allocate these assets to cash generating units. The recoverable amount is defined as the higher of value in use ("VIU") and fair value. An impairment charge is recognized in profit or loss if the recoverable amount is less than the carrying amount. Management has determined the recoverable amount as the VIU. This requires management to apply significant judgements and make significant estimates such as: • allocation of these assets to CGU's • cash flow projections, including the growth rates used in these projections and future business prospects; and • discount rates Management have determined that no impairment charge (2023: AED 62 million) was required to be recorded in the consolidated financial statements. The determination of the recoverable amount of goodwill and other intangible assets is considered a key audit matter due to the quantitative significance of the amount to the consolidated financial statements as a whole and the level of judgements applied and estimates made by management in determining their recoverable amount. Refer to note 10 to the consolidated financial statements for more information related to this matter and note 2.3 for the accounting policy.	We performed the following procedures, inter alia, in relation to this matter: • Obtained an understanding of management's process, including the key controls in this process, and the methodology used to determine the recoverable amount of goodwill and other intangible assets. • Assessed the abovementioned controls to determine if they had been appropriately designed and implemented. • Assessed the allocation of goodwill and intangible assets with indefinite useful lives to CGUs. • Determined, with the assistance of our internal specialists, if the methodology and model used to determine the recoverable amount was in compliance with the requirements of IFRS Accounting Standards. • Reperformed the mathematical accuracy of the abovementioned model. • Agreed inputs, including the growth rates and discount rates, into the model to supporting documents, where applicable. • Reconciled the financial information used in the model to the accounting records of the related cash generating unit. • Assessed, with the assistance of our internal specialists, if the judgements applied and estimates made by management, for example discount and growth rates, were appropriate in the circumstances. • Agreed the outputs of the recoverable amount calculation to the disclosure relating to this matter in the consolidated financial statements. • Performed sensitivity analysis over the key estimates applied by management to ascertain the extent of change in those assumptions that either individually or collectively would be required for an additional impairment charge. • Assessed the disclosures in the consolidated financial statements relating to this matter against the requirements of IFRS Accounting Standards.

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INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Amanat Holdings PJSC (continued)

Other Matter

The consolidated financial statements for the year ended 31 December 2023, were audited by another auditor who expressed an unmodified opinion on those statements on 28 March 2024.

Other Information

Management is responsible for the other information. The other information comprises Directors' Report (but does not include the consolidated financial statements and our auditor's report thereon) which we obtained prior to the date of this auditor's report, and Annual Report which is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the Group's Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards as issued by the IASB and their preparation in compliance with the applicable provisions of the UAE Federal Decree Law No. 32 of 2021 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.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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INDEPENDENT AUDITOR'S REPORT
To the Shareholders of Amanat Holdings PJSC (continued)

Auditor's responsibilities for the audit of the consolidated financial statements (continued)

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit 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 Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Plan and perform the Group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the Group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the Group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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INDEPENDENT AUDITOR'S REPORT
To the Shareholders of Amanat Holdings PJSC (continued)

Report on Other Legal and Regulatory Requirements

Further, as required by the UAE Federal Decree Law No. 32 of 2021, we report that for the year ended 31 December 2024:

- we have obtained all the information we considered necessary for the purposes of our audit;

- the consolidated financial statements have been prepared and comply, in all material respects, with the applicable provisions of the UAE Federal Decree Law No. 32 of 2021;

- the Group has maintained proper books of account;

- as disclosed in note 10 to the consolidated financial statements the Group has purchased or invested in shares during the year ended 31 December 2024;

- note 14 to the consolidated financial statements discloses material related party transactions, and the terms under which they were conducted;

- based on the information that has been made available to us, nothing has come to our attention that causes us to believe that the Company has contravened during the year ended 31 December 2024, any of the applicable provisions of the UAE Federal Decree Law No. 32 of 2021, or in respect of the Company, its Articles of Association which would materially affect its activities or its financial position as at 31 December 2024; and

- the Group has not made any material monetary social contributions during the year ended 31 December 2024.

Deloitte & Touche (M.E.)

Akbar Ahmad
Registration No.: 1141
13 February 2025
Dubai
United Arab Emirates

Amanat Holdings PJSC

CONSOLIDATED STATEMENT OF PROFIT OR LOSS
For the year ended 31 December 2024

	Notes	2024 AED'000	2023 AED'000
Continuing operations			
Revenue	4	**796,096**	679,754
Direct costs	4	**(441,918)**	(360,583)
GROSS PROFIT		**354,178**	319,171
General, selling and administrative expenses	5	**(240,201)**	(198,576)
Share of results of associates	11	**29,557**	18,208
Gain on disposal of an associate under step acquisition	11	**-**	9,629
Income from finance lease	9	**32,062**	33,271
Other operating income	6	**34,796**	25,563
OPERATING PROFIT		**210,392**	207,266
Finance income	7	**21,845**	21,266
Finance costs	7	**(36,025)**	(36,620)
PROFIT BEFORE TAX AND ZAKAT FROM CONTINUING OPERATIONS		**196,212**	191,912
Zakat and income taxes	28	**(22,027)**	(5,420)
Deferred taxes	28	**-**	(109,405)
PROFIT FOR THE YEAR FROM CONTINUING OPERATIONS		**174,185**	77,087
Discontinued operation			
Loss from discontinued operation	30	**(40,402)**	(120,918)
PROFIT/(LOSS) FOR THE YEAR		**133,783**	(43,831)
Attributable to:			
Equity holders of the Company			
Profit from continuing operations		**143,310**	49,186
Loss from discontinued operation		**(27,467)**	(102,386)
		115,843	(53,200)
Non-controlling interests			
Profit from continuing operations		**30,875**	27,901
Loss from discontinued operation		**(12,935)**	(18,532)
		17,940	9,369
		133,783	(43,831)
Basic and diluted earnings per share (AED) from continuing operations	22	**0.0578**	0.0198
Basic and diluted earnings per share (AED)	22	**0.0467**	(0.0214)

The attached notes 1 to 31 form part of these consolidated financial statements.

Amanat Holdings PJSC

CONSOLIDATED STATEMENT OF PROFIT OR LOSS (continued)
For the year ended 31 December 2024

Alternative Performance Measures (Note 29)

	2024 AED'000	2023 AED'000
Continuing operations		
Earnings before interest, tax, depreciation and amortisation (EBITDA)	**296,310**	280,888
Adjusted earnings before interest, tax, depreciation and amortisation (EBITDA)	**302,835**	274,097
Adjusted profit before tax and zakat (Adjusted PBT)	**202,737**	185,121
Adjusted profit for the year	**180,710**	179,701
Attributable to the equity holders of the Company		
Adjusted profit for the year	**149,428**	151,566
Continuing and discontinued operations		
Adjusted profit for the year	**156,125**	153,874

The attached notes 1 to 31 form part of these consolidated financial statements.

Amanat Holdings PJSC

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2024

	Notes	***2024 AED'000***	*2023 AED'000*
PROFIT / (LOSS) FOR THE YEAR		**133,783**	(43,831)
Other comprehensive (loss) / income			
Other comprehensive (loss)/income that will not be reclassified to profit or loss in subsequent periods:			
Change in fair value of financial assets at FVOCI	12	**(662)**	(662)
Remeasurement gain on employees' benefit obligations		**962**	1,959
Total other comprehensive income		**300**	1,297
TOTAL COMPREHENSIVE INCOME / (LOSS) FOR THE YEAR		**134,083**	(42,534)
Attributable to:			
Equity holders of the Company		**115,821**	(52,623)
Non-controlling interests	27	**18,262**	10,089
		134,083	(42,534)

The attached notes 1 to 31 form part of these consolidated financial statements.

Amanat Holdings PJSC

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2024

	Notes	***2024 AED'000***	*2023 AED'000 (Restated*)*
ASSETS			
Non-current assets			
Property and equipment	8	**625,678**	570,429
Right-of-use assets	9	**172,492**	183,223
Goodwill and intangible assets	10	**1,394,836**	1,407,203
Investments in associates	11	**397,472**	385,415
Finance lease receivables	9	**353,593**	358,665
Financial assets at FVOCI	12	**34,453**	35,115
Other financial assets	25	**1,961**	1,488
Total non-current assets		**2,980,485**	2,941,538
Current assets			
Inventories		**6,153**	7,763
Finance lease receivables	9	**35,037**	52,691
Trade and other receivables	13	**307,556**	251,394
Due from related parties	14	**8,750**	8,863
Cash and bank balances	15	**502,960**	582,250
		860,456	902,961
Assets held for sale	30	**68,497**	-
Total current assets		**928,953**	902,961
TOTAL ASSETS		**3,909,438**	3,844,499
EQUITY AND LIABILITIES			
EQUITY			
Share capital	16	**2,500,000**	2,500,000
Share premium	16	**(1,908)**	216
Treasury shares	16	**(28,023)**	(7,162)
Statutory reserve	17	**81,240**	69,656
Fair value reserve of financial assets at FVOCI		**(25,161)**	(24,499)
Other reserves		**14,830**	14,190
Retained earnings		**42,079**	62,820
Total equity attributable to the equity holders of the Company		**2,583,057**	2,615,221
Non-controlling interests	27	**236,170**	233,732
Total equity		**2,819,227**	2,848,953
LIABILITIES			
Non-current liabilities			
Financing from banks	18	**246,922**	308,882
Lease liabilities	9	**158,108**	164,241
Other long-term payable	19	**-**	3,439
Due to a related party	14	**-**	6,384
Deferred tax liability	28	**114,195**	114,195
Provision for employees' end of service benefits	20	**51,049**	44,756
Total non-current liabilities		**570,274**	641,897
Current liabilities			
Bank overdraft	15	**-**	17,145
Financing from banks	18	**91,475**	60,768
Lease liabilities	9	**35,007**	32,275
Provisions, accounts and other payables	21	**201,132**	196,461
Contract liabilities	4	**62,828**	47,000
		390,442	353,649
Liabilities directly associated with assets held for sale	30	**129,495**	-
Total current liabilities		**519,937**	353,649
Total liabilities		**1,090,211**	995,546
TOTAL EQUITY AND LIABILITIES		**3,909,438**	3,844,499

These consolidated financial statements were approved by the Board of Directors on 13 February 2025 and signed on its behalf by:

Dr. Shamsheer Vayalil Parambath
Chairman

Mr. John Ireland
Chief Executive Officer

** Restated following the completion of purchase price allocation exercise in relation to the acquisition of Sukoon International Holding Company LLC as permitted by IFRS Accounting Standards. Refer to Note 10 for further details.*

The attached notes 1 to 31 form part of these consolidated financial statements.

Amanat Holdings PJSC

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the year ended 31 December 2024

	Attributable to the equity holders of the Company									
	Share capital AED'000	***Share premium AED'000***	***Treasury shares AED'000***	***Statutory reserve AED'000***	***Fair value reserve of financial assets at FVOCI AED'000***	***Other reserves AED'000***	***Retained earnings AED'000***	***Total AED'000***	***Non-controlling interests AED'000***	***Total AED'000***
As at 1 January 2024 - (as previously reported)	2,500,000	216	(7,162)	69,656	(24,499)	14,190	62,820	2,615,221	203,967	2,819,188
Retrospective adjustment (Note 10)	-	-	-	-	-	-	-	-	29,765	29,765
As at 1 January 2024 - (restated)	2,500,000	216	(7,162)	69,656	(24,499)	14,190	62,820	2,615,221	233,732	2,848,953
Profit for the year	-	-	-	-	-	-	115,843	115,843	17,940	133,783
Other comprehensive (loss)/income	-	-	-	-	(662)	640	-	(22)	322	300
Total comprehensive (loss)/income	-	-	-	-	(662)	640	115,843	115,821	18,262	134,083
Treasury shares (Note 16)	-	(2,124)	(20,861)	-	-	-	-	(22,985)	-	(22,985)
Dividends (Note 23)	-	-	-	-	-	-	(125,000)	(125,000)	-	(125,000)
Dividends to non-controlling interests (Note 27)	-	-	-	-	-	-	-	-	(15,824)	(15,824)
Transfer to statutory reserve (Note 17)	-	-	-	11,584	-	-	(11,584)	-	-	-
As at 31 December 2024	**2,500,000**	**(1,908)**	**(28,023)**	**81,240**	**(25,161)**	**14,830**	**42,079**	**2,583,057**	**236,170**	**2,819,227**

The attached notes 1 to 31 form part of these consolidated financial statements.

Amanat Holdings PJSC

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (continued)
For the year ended 31 December 2023

	Attributable to the equity holders of the Company									
	Share capital AED'000	*Share premium AED'000*	*Treasury shares AED'000*	*Statutory reserve AED'000*	*Fair value reserve of financial assets at FVOCI AED'000*	*Other reserves AED'000*	*Retained earnings AED'000*	*Total AED'000*	*Non-controlling interests AED'000*	*Total AED'000*
As at 1 January 2023	2,500,000	2,073	(33,605)	69,656	(23,837)	(18,081)	216,020	2,712,226	28,000	2,740,226
(Loss)/profit for the year	-	-	-	-	-	-	(53,200)	(53,200)	9,369	(43,831)
Other comprehensive (loss)/income	-	-	-	-	(662)	1,239	-	577	720	1,297
Total comprehensive (loss)/income	-	-	-	-	(662)	1,239	(53,200)	(52,623)	10,089	(42,534)
Treasury shares (Note 16)	-	(1,857)	26,443	-	-	-	-	24,586	-	24,586
Dividends (Note 23)	-	-	-	-	-	-	(100,000)	(100,000)	-	(100,000)
Acquisition of a subsidiary (Note 10) - (restated)	-	-	-	-	-	-	-	-	104,952	104,952
Partial disposal of a subsidiary (Note 10)	-	-	-	-	-	31,032	-	31,032	87,161	118,193
Contribution by non-controlling interests*	-	-	-	-	-	-	-	-	3,530	3,530
As at 31 December 2023 – (restated)	2,500,000	216	(7,162)	69,656	(24,499)	14,190	62,820	2,615,221	233,732	2,848,953

* During the year ended 31 December 2023, non-controlling interests in subsidiaries of the Group with direct ownership in Al Malaki Specialist Hospital made an additional capital contribution of AED 3,530 thousand.

The attached notes 1 to 31 form part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS
For the year ended 31 December 2024

	Notes	2024 AED'000	2023 AED'000
OPERATING ACTIVITIES			
Profit before tax and zakat from continuing operations		**196,212**	191,912
Loss before tax and zakat from discontinued operations		**(40,402)**	(120,918)
Adjustments:			
Share of results of associates	11	**(29,557)**	(18,208)
Gain on disposal of an associate under step acquisition	11	**-**	(9,629)
Dividend income from financial asset at FVOCI	6	**(530)**	(1,059)
Depreciation of property and equipment	8	**44,755**	39,981
Depreciation of right-of-use assets	9	**33,640**	28,393
Amortisation of intangible assets	10	**10,909**	11,388
Loss on disposal and write-off of property and equipment		**211**	44
Gain on derivative instrument	6	**(473)**	(1,373)
Allowance for expected credit losses, net of reversal	13	**8,062**	3,815
Provision for employees' end of service benefits	20	**14,004**	11,922
Hedge ineffectiveness and others	7	**(1,769)**	(1,129)
Income from finance lease	9	**(32,062)**	(33,271)
Finance income	7	**(20,076)**	(20,137)
Finance costs	7, 30	**46,005**	46,731
Impairment of goodwill and property and equipment	8, 10	**13,741**	95,091
		242,670	223,553
Working capital changes:			
Inventories		**(1,360)**	2,124
Trade and other receivables		**(68,020)**	(13,016)
Due from related parties		**(209)**	2,659
Provisions, accounts and other payables and contract liabilities		**51,291**	445
Due to a related party		**3,216**	604
Cash from operations		**227,588**	216,369
Employees' end of service benefits paid	20	**(5,800)**	(7,994)
Lease payments received	9	**54,788**	36,802
Payment of lease liabilities	9	**(40,087)**	(39,697)
Net cash flows from operating activities		**236,489**	205,480
INVESTING ACTIVITIES			
Acquisition of property and equipment	8	**(157,205)**	(91,396)
Acquisition of a subsidiary, net of cash acquired	10	**-**	44,232
Settlement of deferred and contingent considerations		**(31,861)**	(14,920)
Changes in Sharia compliant term deposits		**46,500**	(105,692)
Changes in bank term deposits		**-**	40,000
Interest received on Sharia compliant term deposits		**20,845**	14,121
Interest received on bank term deposits and others		**2,996**	2,074
Dividend received from an associate		**17,500**	8,750
Dividend received from a financial asset at FVOCI		**530**	1,059
Net cash flows used in investing activities		**(100,695)**	(101,772)
FINANCING ACTIVITIES			
Proceeds from bank financing		**100,132**	15,964
Repayment of bank financing		**(73,723)**	(72,503)
Movement in bank financing service reserve account		**3,896**	-
(Acquisition)/disposal of treasury shares, net		**(22,985)**	24,586
Net change in cash balances held with a third party and others		**23,327**	(24,443)
Capital contribution by non-controlling interests	27	**-**	3,530
Dividend paid to equity holders of the Company	23	**(125,000)**	(100,000)
Dividend paid to non-controlling interests	27	**(15,824)**	-
Finance costs paid		**(33,773)**	(31,084)
Dividend paid to previous shareholder of a subsidiary	10	**-**	(16,813)
Net cash flows used in financing activities		**(143,950)**	(200,763)
NET DECREASE IN CASH AND CASH EQUIVALENTS		**(8,156)**	(97,055)
Cash and cash equivalents at 1 January		**249,260**	346,315
CASH AND CASH EQUIVALENTS AT 31 DECEMBER	15	**241,104**	249,260
Non-cash transactions			
Disposal of an associate under a step acquisition	10	**-**	140,648
Additions to right-of-use assets	9	**43,189**	40,346
Additions to lease liabilities	9	**43,189**	40,406
Transfer from right of use assets to property and equipment	9	**3,636**	-

The attached notes 1 to 31 form part of these consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
31 December 2024

1 CORPORATE INFORMATION

Amanat Holdings PJSC (the "Company") was incorporated on 17 November 2014 and is registered as a Public Joint Stock Company listed on the Dubai Financial Market under the UAE Federal Decree-Law No. 32 of 2021. The registered office of the Company is One Central, The Offices 5, Level 1 Unit 107 and 108, Dubai, United Arab Emirates.

The principal activities of the Company are to invest in companies and enterprises in the fields of education and healthcare as well as 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 the United Arab Emirates.

These consolidated financial statements include the financial performance and position of the Company and its operating subsidiaries as listed below (collectively the "Group").

Name	*Equity interest* 2024	2023	*Country of incorporation*	*Principal activities*
HC Investments 1 Holdings Limited ("HC 1")	**85.74%**	85.11%	United Arab Emirates	Holding company
CMRC Limited ("CMRC") (1)	**85.74%**	85.11%	Cyprus	Holding company
Cambridge Medical & Rehabilitation Centre LLC (1) ("CMRC UAE")	**85.74%**	85.11%	United Arab Emirates	Healthcare services
CMRC Saudi Arabia LLC (1) ("CMRC KSA")	**85.74%**	85.11%	Kingdom of Saudi Arabia	Healthcare services
Sukoon International Holding Company (1) (2) ("Sukoon")	**70.14%**	69.63%	Kingdom of Saudi Arabia	Long-term and critical healthcare
Almasar Alshamil Education Company JSC (3) ("Al Masar")	**100%**	100%	Kingdom of Saudi Arabia	Investment in companies in the field of education as well as managing, developing and operating such companies
Middlesex Associates FZ-LLC ("Middlesex University") (3)	**100%**	100%	United Arab Emirates	Leading university providing tertiary education in the United Arab Emirates
Human Development Company LLC ("HDC") (4)	**60%**	60%	Kingdom of Saudi Arabia	Special education and care needs
Human Rehabilitation Company LLC ("HRC") (4)	**60%**	60%	Kingdom of Saudi Arabia	Special education and care needs and rehabilitation services
WMCE Company W.L.L. ("WMCE")	**50.32%**	50.32%	Kingdom of Bahrain	Investment in companies in the field of healthcare.
Maternity Holding Company Ltd. ("MHC")	**74.23%**	74.23%	Cayman Islands	Investment in companies in the field of healthcare.
Al Malaki Specialist Hospital W.L.L ("MSH") (5)	**69.45%**	69.45%	Kingdom of Bahrain	Hospital and healthcare facilities in the Kingdom of Bahrain

1 CORPORATE INFORMATION (continued)

(1) Investments are held via HC 1.

(2) During the year ended 31 December 2023, the Group increased its effective economic stake in Sukoon to 69.63% from 33.25% previously following the completion of a step acquisition (Note 10) and further increased its stake to 70.14% following additional capital injections made by the Company (Note 10).

(3) Following the completion of a Group restructuring on 30 June 2024, the ownership of Middlesex University and NEMA Holding Company LLC was transferred to Amanat Special Education and Care Investments LLC, which was subsequently renamed to Almasar Alshamil Education Company JSC and converted to a Joint Stock Company.

(4) HDC is held via Al Masar and HRC is held via HDC.

(5) Investment in MSH is held via MHC and WMCE. At 31 December 2024, MSH has been classified as a disposal group (Refer Note 30 for further details).

The Group holds numerous other subsidiaries that are mainly investment vehicles and are non-operational.

The Group has interest in the following associate via Al Masar at the reporting date as disclosed further in Note 11:

Name	***Equity interest***		***Country of incorporation***	***Principal Activities***
	2024	*2023*		
NEMA Holding Company LLC (“NEMA”)	**35%**	35%	United Arab Emirates	Leading tertiary education provider in the United Arab Emirates

2 MATERIAL ACCOUNTING POLICY INFORMATION

2.1 BASIS OF PREPARATION

The consolidated financial statements of the Group have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB) and in compliance with the applicable provisions of the Company’s Articles of Association and the UAE Federal Decree-Law No. 32 of 2021.

The consolidated financial statements have been prepared on a historical cost basis, except for financial assets at FVOCI, contingent consideration and other financial assets that have been measured at fair value. The consolidated financial statements are presented in Arab Emirates Dirhams (AED) and all values are rounded to the nearest thousand (AED’000), except where otherwise indicated.

At 31 December 2024, MSH has been classified as a disposal group (Note 30). Accordingly, adjustments to the comparative information in the consolidated statement of profit or loss and related notes have been made to exclude the results of the discontinued operation from continuing operations to be presented as a single amount as required by IFRS 5.

2.2 BASIS OF CONSOLIDATION

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at 31 December 2024. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Specifically, the Group controls an investee if, and only if, the Group has:

- Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee
- The ability to use its power over the investee to affect its returns

2 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.2 BASIS OF CONSOLIDATION (continued)

Generally, there is a presumption that a majority of voting rights results in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement(s) with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group’s voting rights and potential voting rights

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

The consolidated statement of profit or loss and each component of OCI are attributed to the equity holders of the Company and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group’s accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interest and other components of equity, while any resultant gain or loss is recognised in consolidated statement of profit or loss. Any investment retained is recognised at fair value.

2.3 SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION

a) Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, which is measured at acquisition date fair value, and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree’s identifiable net assets. Acquisition-related costs are expensed as incurred and included in administrative expenses.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of IFRS 9 Financial Instruments, is measured at fair value with the changes in fair value recognised in the consolidated statement of profit or loss in accordance with IFRS 9. Other contingent consideration that is not within the scope of IFRS 9 is measured at fair value at each reporting date with changes in fair value recognised in consolidated statement of profit or loss.

Goodwill is initially measured at cost (being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests and any previous interest held over the net identifiable assets acquired and liabilities assumed). If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in consolidated statement of profit or loss.

2 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.3 SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (continued)

a) Business combinations and goodwill (continued)

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill has been allocated to a cash-generating unit (CGU) and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

b) Investments in associates

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

The considerations made in determining significant influence are similar to those necessary to determine control over subsidiaries. The Group's investment in its associates are accounted for using the equity method.

Under the equity method, the investment in an associate is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associate since the acquisition date. Goodwill relating to the associate is included in the carrying amount of the investment and is not tested for impairment separately.

The consolidated statement of profit or loss reflects the Group's share of the results of operations of the associates. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the associate, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the associate are eliminated to the extent of the interest in the associate.

The aggregate of the Group's share of profit or loss of an associate is shown on the face of the consolidated statement of profit or loss within operating profit and represents profit or loss after tax and non-controlling interests in the subsidiaries of the associate.

The financial statements of the associates are generally prepared for the same reporting period as the Group, when necessary, adjustments are made to bring the accounting period and policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its associate. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value, and then recognises the loss within 'Share of results of associates' in the consolidated statement of profit or loss.

Upon loss of significant influence over the associate, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate upon loss of significant influence and the fair value of the retained investment and proceeds from disposal is recognised in consolidated statement of profit or loss.

2 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.3 SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (continued)

c) Current versus non-current classification

The Group presents assets and liabilities in the consolidated statement of financial position based on current/non-current classification. An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period
  Or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period
  Or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

d) Fair value measurement

The Group measures financial instruments such as financial assets at FVOCI, derivative financial instruments and contingent consideration at fair value at each reporting date.

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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability
  Or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

2 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.3 SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (continued)

d) Fair value measurement (continued)

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the consolidated financial statements at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above.

e) Revenue

The Group provides healthcare and education services. Revenue is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group has generally concluded that it is the principal in its revenue arrangements, because it typically controls the goods or services before transferring them to the customer.

Tuition fees
Revenue from tuition fees is recognised over the period of each academic term and is reduced by scholarships awarded to students during that period.

Healthcare services
Revenue from healthcare services related to in-patient care and rehabilitation is recognised over time on a straight-line basis, reflective of the fact that the customer simultaneously receives and consumes the benefits from such services provided to them. All other healthcare services are recognised at the point in time when the services are rendered.

Joint services agreements (Schools)
Share of revenue from joint services agreements, net of associated costs, is recognized on a straight-line basis over the period of each academic term.

Contract balances
Contract assets
A contract asset is initially recognised for revenue earned from services because the receipt of consideration is conditional on successful completion of the service. Upon completion of the service and acceptance by the customer, the amount recognised as contract assets is reclassified to trade receivables.

Contract assets are subject to impairment assessment. Refer to the accounting policies on impairment of financial assets in section (m) Financial instruments – initial recognition and subsequent measurement.

Trade receivables
A receivable is recognised if an amount of consideration that is unconditional is due from the customer (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section (m) Financial instruments – initial recognition and subsequent measurement.

Contract liabilities
A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from a customer before the Group transfers the related goods or services. Contract liabilities are recognised as revenue when the Group performs under the contract (i.e., transfers control of the related goods or services to the customer).

2 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.3 SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (continued)

f) Government grants

Grants are recognised at their fair value where there is reasonable assurance that the grant will be received, and the Group will comply with all related conditions. Grants are recognised in the consolidated statement of profit or loss over the period necessary to match them with the expense that they are intended to compensate.

g) Value added tax

Expenses and assets are recognised net of the amount of value added tax, except:

- When the value added tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the value added tax is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable
- When receivables and payables are stated with the amount of value added tax included

The net amount of value added tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the consolidated financial statements.

h) Foreign currencies

The Group's consolidated financial statements are presented in AED, which is also the Company's functional currency. For each entity, the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency. The Group uses the direct method of consolidation and on disposal of a foreign operation, the gain or loss that is reclassified to consolidated statement of profit or loss reflects the amount that arises from using this method.

Transactions and balances
Transactions in foreign currencies are initially recorded by the Group's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Differences arising on settlement or translation of monetary items are recognised in the consolidated statement of profit or loss with the exception of monetary items that are designated as part of the hedge of the Group's net investment in a foreign operation. These are recognised in OCI until the net investment is disposed of, at which time, the cumulative amount is reclassified to consolidated statement of profit or loss. Tax charges and credits attributable to exchange differences on those monetary items are also recognised in OCI.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

In determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which the Group initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Group determines the transaction date for each payment or receipt of advance consideration.

2 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.3 SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (continued)

h) Foreign currencies (continued)

Group companies
On consolidation, the assets and liabilities of foreign operations are translated into AED at the rate of exchange prevailing at the reporting date and their consolidated statement of profit or loss are translated at exchange rates prevailing at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is reclassified to consolidated statement of profit or loss.

Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition are treated as assets and liabilities of the foreign operation and translated at the spot rate of exchange at the reporting date.

i) Cash dividend

The Company recognises a liability to pay a dividend when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws of United Arab Emirates, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

j) Property and equipment

Construction in progress is stated at cost, net of accumulated impairment losses, if any. Property and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the property and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of property and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the property and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in consolidated statement of profit or loss as incurred.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets, as follows:

➢ Leasehold improvements	Shorter of asset life and lease term
➢ Buildings	10 to 40 years
➢ Medical equipment	5 to 15 years
➢ Academic equipment	3 years
➢ Furniture and fixtures	5 to 10 years
➢ Other assets	3 to 7 years

No depreciation is charged on land and capital work in progress.

An item of property and equipment and any significant part initially recognised is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the consolidated statement of profit or loss when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate (Note 2.5).

2 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.3 SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (continued)

k) Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee
The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets
The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

➢ Buildings and offices	3 to 10 years
➢ Leasehold land	45 years
➢ Vehicles	3 years

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in section (m) Impairment of non-financial assets.

Lease liabilities
At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets
The Group applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

2 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.3 SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (continued)

k) Leases (continued)

Group as a lessor
A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the lessee is classified as a finance lease.

At the commencement of a finance lease term, the Group records a finance lease receivable in the consolidated statement of financial position at an amount equal to the net investment in the lease. The recognition of finance income is based on a pattern reflecting the constant periodic rate of return on the lessor's net investment in the finance lease.

An operating lease is a lease other than a finance lease. Rental income arising is accounted for on a straight-line basis over the lease term and is included in other income in the consolidated statement of profit or loss due to its non-operating nature.

l) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

m) Financial instruments – initial recognition and subsequent measurement

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

i) Financial assets

Initial recognition and measurement
Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price as disclosed in section (e) Revenue.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

2 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.3 SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (continued)

m) Financial instruments – initial recognition and subsequent measurement (continued)

i) Financial assets (continued)

Subsequent measurement
Financial assets at amortised cost (debt instruments)
Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Group's financial assets at amortised cost includes trade and other receivables, finance lease receivables and due from related parties.

Financial assets designated at fair value through OCI (equity instruments)
Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under IAS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to the consolidated statement of profit or loss. Dividends are recognised as other income in the consolidated statement of profit or loss when the right of payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

The Group elected to irrevocably classify its listed and unquoted equity investments under this category.

Financial assets designated at fair value through profit or loss (equity instruments)
The Group, upon vesting of allotted equity warrants, recognizes a derivative asset at fair value through profit or loss in the consolidated statement of financial position with the corresponding impact in the consolidated statement of profit or loss including any subsequent changes in fair value. Upon exercise, the derivative asset is subsequently reclassified to equity instruments at FVOCI.

Derecognition
A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's consolidated statement of financial position) when:

- The rights to receive cash flows from the asset have expired
  Or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

2 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.3 SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (continued)

m) Financial instruments – initial recognition and subsequent measurement (continued)

i) Financial assets (continued)

Impairment
The Group recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables and contract assets, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The Group considers a financial asset in default when contractual payments are past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

ii) Financial liabilities

Initial recognition and measurement
Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include accounts and other payables, lease liabilities, due to related parties, loans and borrowings and other long-term liabilities.

Subsequent measurement
Financial liabilities at fair value through profit or loss
Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Gains or losses on liabilities held for trading are recognised in the consolidated statement of profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in IFRS 9 are satisfied. The Group has designated a contingent consideration for the acquisition of a subsidiary as a financial liability as at fair value through profit or loss.

2 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.3 SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (continued)

m) Financial instruments – initial recognition and subsequent measurement (continued)

ii) Financial liabilities (continued)

Subsequent measurement (continued)
Financial liabilities at amortised cost (loans and borrowings)
After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in consolidated statement of profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the consolidated statement of profit or loss.

This category generally applies to interest-bearing loans and borrowings.

Derecognition
A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the consolidated statement of profit or loss.

iii) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

n) Impairment of non-financial assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Group bases its impairment calculation on most recent budgets and forecast calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. A long-term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses of continuing operations are recognised in the consolidated statement of profit or loss in expense categories consistent with the function of the impaired asset, except for properties previously revalued with the revaluation taken to OCI. For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation.

2 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.3 SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (continued)

n) Impairment of non-financial assets (continued)

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the consolidated statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

Goodwill is tested for impairment annually as at 31 December and when circumstances indicate that the carrying value may be impaired. Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

o) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost of inventories are determined on a weighted average basis. Net realisable value is the estimated selling price for inventories less estimated costs of completion and cost necessary to make the sale. Write-down of inventories to net realisable value is recognised in the consolidated statement of profit or loss and other comprehensive income.

p) Cash and bank balances

Cash and bank balances in the consolidated statement of financial position comprise cash at banks and on hand and term deposits.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits with a maturity of three months or less, net of outstanding bank overdrafts and excludes cash balances held with third party and bank financing service reserve account.

q) Provisions, contingent assets and liabilities

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 an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the consolidated statement of profit or loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent assets and liabilities
Contingent liabilities are not recognized in the consolidated financial statements but are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote. A contingent asset is not recognized in the consolidated financial statements but disclosed when an inflow of economic benefits is probable.

r) Employees' end of service benefits

The Group provides end of service benefits to its employees. The entitlement to these benefits is based upon the employees' 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.

2 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.3 SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (continued)

s) Intangible assets

The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the consolidated statement of profit or loss in the expense category that is consistent with the function of the intangible assets.

The Group's intangible assets are amortised on a straight-line basis over useful economic lives of the assets (refer to Note 10 for further details).

➢ Agreements with joint ventures	4 years
➢ Expat student relationships	14 years
➢ Other agreement	30 years
➢ Brand names	10 - 25 years

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the consolidated statement of profit or loss.

t) Derivative financial instruments and hedge accounting

Initial recognition and subsequent measurement
The Group uses derivative financial instruments, such as interest rate swaps, to hedge its interest rate risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

For the purpose of hedge accounting, hedges are classified as Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment.

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which it wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge.

The documentation includes identification of the hedging instrument, the hedged item, the nature of the risk being hedged and how the Group will assess whether the hedging relationship meets the hedge effectiveness requirements (including the analysis of sources of hedge ineffectiveness and how the hedge ratio is determined). A hedging relationship qualifies for hedge accounting if it meets all of the following effectiveness requirements:

- There is 'an economic relationship' between the hedged item and the hedging instrument.
- The effect of credit risk does not 'dominate the value changes' that result from that economic relationship.
- The hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Group actually hedges and the quantity of the hedging instrument that the Group actually uses to hedge that quantity of hedged item.

Hedges that meet all the qualifying criteria for hedge accounting are accounted for, as described below:

2 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.3 SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (continued)

t) Derivative financial instruments and hedge accounting (continued)

Cash flow hedges
The effective portion of the gain or loss on the hedging instrument is recognised in OCI in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the consolidated statement of profit or loss. The cash flow hedge reserve is adjusted to the lower of the cumulative gain or loss on the hedging instrument and the cumulative change in fair value of the hedged item.

The Group uses interest rate swap contracts as hedges of its exposure to interest rate risk in relation to its variable interest-bearing financing from banks. The ineffective portion, if any, relating to interest rate swap contracts is recognised as expense.

The amounts accumulated in OCI are accounted for, depending on the nature of the underlying hedged transaction. If the hedged transaction subsequently results in the recognition of a non-financial item, the amount accumulated in equity is removed from the separate component of equity and included in the initial cost or other carrying amount of the hedged asset or liability. This is not a reclassification adjustment and will not be recognised in OCI for the period. This also applies where the hedged forecast transaction of a non-financial asset or non-financial liability subsequently becomes a firm commitment for which fair value hedge accounting is applied.

For any other cash flow hedges, the amount accumulated in OCI is reclassified to consolidated statement of profit or loss as a reclassification adjustment in the same period or periods during which the hedged cash flows affect consolidated statement of profit or loss.

If cash flow hedge accounting is discontinued, the amount that has been accumulated in OCI must remain in accumulated OCI if the hedged future cash flows are still expected to occur. Otherwise, the amount will be immediately reclassified to consolidated statement of profit or loss as a reclassification adjustment. After discontinuation, once the hedged cash flow occurs, any amount remaining in accumulated OCI must be accounted for depending on the nature of the underlying transaction as described above.

u) Income tax and Zakat

Zakat
The Group is subject to Zakat on the computed Zakat base in accordance with the regulations of Zakat, Tax and Customs Authority (Formerly known as "the General Authority of Zakat and Income Tax") ("Authority" or "ZATCA") in the Kingdom of Saudi Arabia which is subject to interpretations. Group’s Zakat is charged to the consolidated statement of profit or loss and other comprehensive income.

The Group’s management establishes provisions where appropriate on the basis of amounts expected to be paid to the ZATCA and periodically evaluates positions taken in the Tax and Zakat returns with respect to applicable pronouncements and interpretation in subsequent periods.

Current income tax
Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date in the countries where the Group operates and generates taxable income.

Current income tax relating to items recognised directly in equity is recognised in equity and not in the consolidated statement of profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

2 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.3 SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (continued)

u) Income tax and Zakat (continued)

Deferred taxes
Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

In assessing the recoverability of deferred tax assets, the Group relies on the same forecast assumptions used elsewhere in the financial statements and in other management reports, which, among other things, reflect the potential impact of climate-related development on the business, such as increased cost of production as a result of measures to reduce carbon emission.

Where the manner in which the Group recovers (settles) the carrying amount of an asset (liability) affects the tax rate applicable on such recovery (settlement) and/or the tax base of the asset (liability), the Group measures deferred tax liabilities and deferred tax assets using the tax rate and the tax base that are consistent with the expected manner of recovery or settlement i.e via sale or use. In addition, deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognised subsequently if new information about facts and circumstances change. The adjustment is either treated as a reduction in goodwill (as long as it does not exceed goodwill) if it was incurred during the measurement period or recognised in profit or loss.

The Group offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

2 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.3 SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (continued)

v) Disposal groups and discontinued operations

The Group classifies disposal groups as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. Disposal groups classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the disposal, excluding finance costs and income tax expense.

The criteria for held for sale classification is regarded as met only when the sale is highly probable, and the disposal group is available for immediate sale in its present condition. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the plan to sell the asset and the sale expected to be completed within one year from the date of the classification.

Property and equipment and intangible assets are not depreciated or amortised once they are part of a disposal group classified as held for sale.

The assets and liabilities of a disposal group are presented separately as current items in the consolidated statement of financial position.

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the statement of profit or loss.

Additional disclosures are provided in Note 30. All other notes to the consolidated financial statements include amounts for continuing operations, unless indicated otherwise.

2.4 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

New and amended standards and interpretations
The Group applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 January 2024. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

Amendments to IFRS 16 - Lease Liability in a Sale and Leaseback
The amendments in IFRS 16 specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains.

The amendments had no impact on the Group's consolidated financial statements.

Amendments to IAS 1 - Classification of Liabilities as Current or Non-current
The amendments to IAS 1 specify the requirements for classifying liabilities as current or non-current. The amendments clarify:

- What is meant by a right to defer settlement
- That a right to defer must exist at the end of the reporting period
- That classification is unaffected by the likelihood that an entity will exercise its deferral right
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification

In addition, an entity is required to disclose when a liability arising from a loan agreement is classified as non-current and the entity's right to defer settlement is contingent on compliance with future covenants within twelve months.

The amendments did not have any impact on the classification of the Group's liabilities.

2 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.4 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (continued)

Supplier Finance Arrangements - Amendments to IAS 7 and IFRS 7
The amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk.

The amendments did not have any impact on the disclosures in the Group's consolidated financial statements.

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

Amendment to IFRS 21 – Lack of exchangeability
IASB amended IAS 21 to add requirements to help in determining whether a currency is exchangeable into another currency, and the spot exchange rate to use when it is not exchangeable. Amendment set out a framework under which the spot exchange rate at the measurement date could be determined using an observable exchange rate without adjustment or another estimation technique. The effective date is 1 January 2025.

Amendments to IFRS 10 and IAS 28 - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
Partial gain or loss recognition for transactions between an investor and its associate or joint venture only apply to the gain or loss resulting from the sale or contribution of assets that do not constitute a business as defined in IFRS 3 Business Combinations, and the gain or loss resulting from the sale or contribution to an associate or a joint venture of assets that constitute a business as defined in IFRS 3 is recognized in full. The effective date deferred indefinitely.

IFRS 18, Presentation and Disclosure in Financial Statements
IFRS 18 provides guidance on items in statement of profit or loss classified into five categories: operating; investing; financing; income taxes and discontinued operations It defines a subset of measures related to an entity's financial performance as management-defined performance measures (MPMs). The totals, subtotals and line items presented in the primary financial statements and items disclosed in the notes need to be described in a way that represents the characteristics of the item. It requires foreign exchange differences to be classified in the same category as the income and expenses from the items that resulted in the foreign exchange differences. The effective date is 1 January 2027.

IFRS 19 - Reducing subsidiaries disclosures
IFRS 19 allows eligible subsidiaries to apply IFRS Accounting Standards with the reduced disclosure requirements of IFRS 19. A subsidiary may choose to apply the new standard in its consolidated, separate or individual financial statements provided that, at the reporting date it does not have public accountability and its parent produces consolidated financial statements under IFRS Accounting Standards. The effective date is 1 January 2027.

2.5 CLIMATE-RELATED MATTERS

The Group considers climate-related matters in estimates and assumptions, where appropriate. This assessment includes a wide range of possible impacts on the Group due to both physical and transition risks. Even though the Group believes its business model and products will still be viable after the transition to a low-carbon economy, climate-related matters increase the uncertainty in estimates and assumptions underpinning several items in the financial statements. Even though climate-related risks might not currently have a significant impact on measurement, the Group is closely monitoring relevant changes and developments, such as new climate-related legislation. The items and considerations that are most directly impacted by climate-related matters are as follows:

2 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.5 CLIMATE-RELATED MATTERS (continued)

Useful life of property and equipment
When reviewing the residual values and expected useful lives of assets, the Group considers climate-related matters, such as climate-related legislation and regulations that may restrict the use of assets, require significant capital expenditures, or impose additional energy efficiency requirements. The Group also considers the physical risks and the potential obsolescence of assets due to changes in consumer demand. The Group assessed and concluded that climate-related matters do not have any significant impact on the useful lives of its property and equipment.

Impairment of non-financial assets
The Group constantly monitors climate-related risks, including physical risks and transition risks, when measuring the recoverable amount. While the Group does not believe its operations are currently significantly exposed to physical risk, the value-in-use may be impacted in several different ways by transition risk, such as climate-related legislation, climate-related regulations and changes in demand for the Group's services. Even though the Group has concluded that no single climate-related assumption is a key assumption for the 2024 test of goodwill and intangible assets with indefinite useful lives, the Group considered expectations for increased costs of emissions and cost increases due to stricter recycling requirements in the cash-flow forecasts in assessing value-in-use amounts.

3 SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgements
In the process of applying the Group's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the consolidated financial statements:

Property lease classification – Group as lessor
The Group has entered into a finance lease of a school building complex. The Group has determined, based on an evaluation of the terms and conditions of the arrangements, such as the lease term constituting a major part of the economic life of the commercial property and the present value of the minimum lease payments amounting to substantially all of the fair value of the commercial property, that it does not retain substantially all the risks and rewards incidental to ownership of these properties and accounts for the contract as finance lease.

Determining the lease term of contracts with renewal and termination options – Group as lessee
The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group's lease contracts include extension and termination options. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

The Group included the renewal periods as part of the lease term for leases of campus building and offices with shorter remaining non-cancellable period (i.e., one year). The Group typically exercises its option to renew these leases because there will be a significant negative effect on the business if a replacement asset is not readily available and with significant costs to be incurred. The renewal periods for leases of land, buildings with longer remaining non-cancellable periods (i.e., 6 to 39 years from the reporting date) are not included part of the lease terms as they are not reasonably certain to be exercised.

3 SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS (continued)

Judgements (continued)

Tax positions
The income tax positions taken are considered by the Group to be supportable and are intended to withstand challenge from tax authorities. However, it is acknowledged that these positions are uncertain and include interpretations of complex tax laws which could be disputed by tax authorities. Evolving insights, for example following final tax assessments for prior years, can result in additional tax burdens or benefits, and new tax risks may arise.

The Group judges these positions on their technical merits on a regular basis using all the information available (legislation, case law, regulations, established practice, authoritative doctrine as well as the current state of discussions with tax authorities, where appropriate). A liability is recorded for each item that is not probable of being sustained on examination by the tax authorities, based on all relevant information. The liability is calculated taking into account the most likely outcome or the expected value, depending on which is thought to give a better prediction of the resolution of each uncertain tax position in view of reflecting the likelihood of an adjustment being recognised upon examination. These estimates are based on facts and circumstances existing at the end of the reporting period. The tax liability and income tax expense include expected penalties and late payment interests arising from tax disputes.

Estimates and assumptions
The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described on the next page. The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

Impairment of non-financial assets (including goodwill and intangible asset with indefinite useful life)
Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs of disposing of the asset. The value in use calculation is based on a discounted cash flow ("DCF") model. The cash flows are derived from the most recent projections for the next five years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the performance of the assets of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to goodwill and intangible asset with indefinite useful life recognised by the Group. The key assumptions used to determine the recoverable amount for the different CGUs, including a sensitivity analysis, are disclosed and further explained in Note 10.

Fair value measurement of other long-term liabilities
Contingent consideration, resulting from business combinations, is valued at fair value at the acquisition date as part of the business combination. When the contingent consideration meets the definition of a financial liability, it is subsequently remeasured to fair value at each reporting date. The determination of the fair value is based on discounted cash flows. The key assumptions take into consideration the probability of meeting each performance target and the discount factor (refer to Note 10 for details).

Leases - Estimating the incremental borrowing rate
The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group 'would have to pay', which requires estimation when no observable rates are available (such as for subsidiaries that do not enter into financing transactions) or when they need to be adjusted to reflect the terms and conditions of the lease (for example, when leases are not in the subsidiary's functional currency). The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates (such as the subsidiary's stand-alone credit rating).

3 SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS (continued)

Estimates and assumptions (continued)

Allowance for expected credit losses of fee receivables
The Group uses a provision matrix to calculate ECLs for fee receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns.

The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions are expected to deteriorate over the next year which can lead to an increased number of defaults, the historical default rates are adjusted. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. The information about the ECLs on the Group's trade receivables is disclosed in Note 25.5.

4 REVENUE & DIRECT COSTS

4.1 Disaggregated revenue and cost information

Education revenue is related to services rendered in the United Arab Emirates and the Kingdom of Saudi Arabia. Healthcare revenue is related to services rendered in the United Arab Emirates and the Kingdom of Saudi Arabia. Healthcare revenue services rendered in the Kingdom of Bahrain are included under discontinued operation (Note 30).

	For the year ended 31 December 2024		
Segments	***Education AED'000***	***Healthcare AED'000***	***Total AED'000***
Type of goods or service			
Healthcare and medical services	**-**	**363,838**	**363,838**
Tuition fees, net of scholarship awarded	**224,157**	**-**	**224,157**
Special education and care needs services	**166,418**	**-**	**166,418**
Administrative and other service fees from students	**26,574**	**-**	**26,574**
Share of revenue from joint services agreements	**15,109**	**-**	**15,109**
Total revenue	**432,258**	**363,838**	**796,096**

	For the year ended 31 December 2024		
Segments	***Education AED'000***	***Healthcare AED'000***	***Total AED'000***
Timing of revenue recognition			
Services transferred over time	**426,814**	**338,104**	**764,918**
Services transferred at a point in time	**5,444**	**25,734**	**31,178**
Total revenue	**432,258**	**363,838**	**796,096**
Direct costs	**(231,428)**	**(210,490)**	**(441,918)**

	For the year ended 31 December 2023		
Segments	*Education AED'000*	*Healthcare AED'000*	*Total AED'000*
Type of goods or service			
Healthcare and medical services	-	341,934	341,934
Tuition fees, net of scholarship awarded	182,572	-	182,572
Special education and care needs services	124,743	-	124,743
Administrative and other service fees from students	18,728	-	18,728
Share of revenue from joint services agreements	11,777	-	11,777
Total revenue	337,820	341,934	679,754

	For the year ended 31 December 2023		
Segments	*Education AED'000*	*Healthcare AED'000*	*Total AED'000*
Timing of revenue recognition			
Services transferred over time	331,726	316,150	647,876
Services transferred at a point in time	6,094	25,784	31,878
Total revenue	337,820	341,934	679,754
Direct costs	(161,023)	(199,560)	(360,583)

4 REVENUE & DIRECT COSTS (continued)

4.2 Contract balances

	2024 *AED'000*	*2023* *AED'000*
Trade receivables, net (Note 13)	**232,172**	204,100
Contract liabilities (see below)	**62,828**	47,000
Accrued share of revenue from joint services agreements (Note 13)	**15,001**	7,723
Amounts due under joint services agreements (Note 13)	**6,395**	2,311

Trade receivables
Trade receivables are non-interest bearing and are generally on terms of 0 to 180 days from the date of service. In 2024, AED 8,062 thousand was recognised as allowance for expected credit losses on trade receivables in the consolidated statement of profit or loss (2023: AED 6,155 thousand) (Note 5 and Note 13).

Contract liabilities
Contract liabilities comprise of fees collected in advance from students, deferred revenue in relation to educational services and advances received from patients that are short-term in nature.

4.3 Performance obligations

Information about the Group's performance obligations are summarised below:

Education services
The performance obligation is satisfied over time on a straight-line basis over the academic period of the course that students are enrolled in and payment is generally due between 30 and 180 days of the invoice or based on an agreed payment plan.

Healthcare services
The performance obligation for in-patient services is satisfied over time on a straight-line basis because the customer simultaneously receives and consumes the benefits provided to them and payment is generally due between 0 and 90 days from invoice date.

The performance obligation of other healthcare services, including out-patient services, is satisfied at a point in time when the service is rendered and payment is generally due between 0 and 90 days from invoice date.

4.4 Direct costs

	2024 *AED'000*	*2023* *AED'000*
Salaries and employee related costs	**256,241**	208,320
Medical consumables, equipment and other related costs	**42,741**	41,984
Depreciation of property and equipment (Note 8)	**30,682**	25,321
Royalty and profit-sharing arrangements for academic services	**29,041**	23,994
Share of cost from joint services agreements	**6,079**	6,147
Depreciation of right-of-use assets (Note 9)	**32,448**	27,177
Student related expenses	**18,968**	13,170
Cleaning, repair and maintenance	**9,758**	6,395
Utilities	**3,976**	2,184
Short-term leases (Note 9)	**1,134**	260
Other direct costs	**10,850**	5,631
	441,918	360,583

5 GENERAL, SELLING AND ADMINISTRATIVE EXPENSES

General, selling and administrative expenses mainly include the following:

	2024 *AED'000*	*2023* *AED'000*
Employee related expenses	**130,922**	104,482
Legal and professional fees	**21,348**	20,139
Depreciation of property and equipment (Note 8)	**8,117**	5,950
Marketing and communications	**12,453**	11,827
Amortisation of intangible assets (Note 10)	**10,909**	11,388
Depreciation of right-of-use assets (Note 9)	**762**	786
IT expenses	**8,125**	7,042
Expected credit losses on trade receivables (Note 4.2 & 13)	**8,062**	5,829
Board and committee remuneration (Note 14)	**2,412**	1,954
Portfolio management expenses	**1,756**	2,380
Short-term leases (Note 9)	**3,240**	2,017
Transaction related costs	**5,650**	1,547
Other expenses	**26,445**	23,235
	240,201	198,576

General, selling and administrative expenses are incurred as follows:

	2024 *AED'000*	*2023* *AED'000*
Holding Company expenses		
Head office expenses	**36,594**	37,921
Portfolio management expenses	**1,427**	2,380
Transaction related costs	**2,796**	-
Subsidiaries' expenses	**199,384**	158,275
	240,201	198,576

6 OTHER OPERATING INCOME

	2024 *AED'000*	*2023* *AED'000*
Grant income*	**27,914**	15,473
Dividend income from financial asset at FVOCI	**530**	1,059
Gain on derivative instrument	**473**	1,373
Other income	**5,879**	7,658
	34,796	25,563

* Represents contribution provided to the Group's subsidiaries, Human Development Company LLC and Human Rehabilitation Company, from the Ministry of Human Resources and Social Development of the Kingdom of Saudi Arabia in relation to Saudization initiatives.

7 FINANCE INCOME AND FINANCE COSTS

7.1 Finance income

	2024 AED'000	*2023 AED'000*
Income on term deposits*	**20,076**	20,137
Others	**1,769**	1,129
	21,845	21,266

* Includes income on Sharia compliant deposits of AED 18,728 thousand and income on non-Sharia compliant deposits of AED 1,348 thousand (2023: AED 18,245 thousand and AED 1,892 thousand, respectively).

7.2 Finance costs

	2024 AED'000	*2023 AED'000*
Finance costs on financing from banks	**23,829**	24,057
Finance costs on lease liabilities (Note 9)	**10,965**	10,122
Amortisation of loan arrangement fees	**579**	550
Others	**652**	1,891
	36,025	36,620

8 PROPERTY AND EQUIPMENT

	Land and buildings (2) AED'000	*Leasehold improvements AED'000*	*Medical equipment AED'000*	*Academic equipment AED'000*	*Furniture and fixtures AED'000*	*Other assets AED'000*	*Capital work in progress (3) AED'000*	*Total AED'000*
Cost:								
At 1 January 2023	174,766	104,560	54,967	9,291	22,739	38,365	22,987	427,675
Additions	18	2,840	4,363	694	1,172	5,436	76,873	91,396
Acquisition of a subsidiary (Note 10) (restated)	306,294	750	51,980	-	14,637	24,429	5,465	403,555
Write-offs	-	-	-	(18)	-	-	-	(18)
Disposals	-	-	(5,510)	-	(204)	(3,284)	-	(8,998)
Transfers	-	15,746	1,281	-	3,728	276	(21,031)	-
At 31 December 2023 (restated)	481,078	123,896	107,081	9,967	42,072	65,222	84,294	913,610
Additions	36	16,364	7,038	4,283	5,026	2,960	121,498	157,205
Disposals	-	(1,010)	(3,574)	-	(3,334)	(367)	-	(8,285)
Transfers	21,041	67,309	64	-	1,598	2,838	(92,850)	-
Transfer from right-of-use assets (Note 9)	3,636	-	-	-	-	-	-	3,636
Assets held for sale (Note 30)	(121,784)	-	(13,065)	-	(979)	(3,657)	-	(139,485)
At 31 December 2024	**384,007**	**206,559**	**97,544**	**14,250**	**44,383**	**66,996**	**112,942**	**926,681**
Depreciation and impairment:								
At 1 January 2023	25,439	44,270	32,354	6,917	15,043	27,079	-	151,102
Acquisition of a subsidiary (Note 10)	49,985	750	46,078	-	14,170	17,047	-	128,030
Charge for the year (4)	11,894	9,422	8,829	927	3,520	5,389	-	39,981
Impairment (1) (Note 10)	30,274	-	2,096	-	138	532	-	33,040
Write-offs	-	-	-	(7)	-	-	-	(7)
Disposals	-	-	(5,503)	-	(157)	(3,305)	-	(8,965)
At 31 December 2023	117,592	54,442	83,854	7,837	32,714	46,742	-	343,181
Charge for the year (4)	13,888	12,474	7,475	1,370	6,619	2,929	-	44,755
Impairment (1) (Note 10)	14,493	-	1,003	-	66	255	-	15,817
Reversal of impairment	-	-	-	-	(2,076)	-	-	(2,076)
Disposals	-	(878)	(3,555)	-	(3,274)	(367)	-	(8,074)
Assets held for sale (Note 30)	(77,555)	-	(11,031)	-	(851)	(3,163)	-	(92,600)
At 31 December 2024	**68,418**	**66,038**	**77,746**	**9,207**	**33,198**	**46,396**	**-**	**301,003**
Net carrying amounts:								
At 31 December 2024	**315,589**	**140,521**	**19,798**	**5,043**	**11,185**	**20,600**	**112,942**	**625,678**
At 31 December 2023 (restated)	363,486	69,454	23,227	2,130	9,358	18,480	84,294	570,429

8 PROPERTY AND EQUIPMENT (continued)

(1) During the year ended 31 December 2024, an impairment charge of AED 15,817 thousand (2023: AED 33,040 thousand) was allocated against property and equipment balances at Al Malaki Specialist Hospital. Refer to Note 10 for further details.

(2) Land and buildings included a building constructed on a long-term leasehold land in the Kingdom of Bahrain, with a carrying amount of AED 44,229 thousand (2023: AED 62,900 thousand), which has been classified under assets held for sale (Note 30).

(3) Capital work in progress includes on-going Group's expansion projects in the Kingdom of Saudi Arabia.

(4) Depreciation charge for the year has been allocated to the consolidated statement of profit or loss as follows:

	2024 ***AED'000***	*2023* *AED'000*
Direct costs (Note 4.4)	**30,682**	25,321
General, selling and administrative expenses (Note 5)	**8,117**	5,950
Discontinued operation (Note 30)	**5,956**	8,710
	44,755	39,981

The cost of fully depreciated assets still in use as at 31 December 2024 is AED 124,706 thousand (2023: AED 106,359 thousand).

9 LEASES

9.1 Group as lessee

The Group has lease contracts for land, buildings, offices and vehicles. The Group's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the Group is restricted from assigning and subleasing the leased assets.

The Group also has certain leases of residential units and offices with lease terms of 12 months or less and leases of office equipment with low value. The Group applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the year:

	Leasehold land AED'000	*Buildings and offices AED'000*	*Vehicles AED'000*	*Total AED'000*
As at 1 January 2023	16,648	158,903	335	175,886
Additions	-	39,913	433	40,346
Termination	-	(4,616)	-	(4,616)
Depreciation	(430)	(27,779)	(184)	(28,393)
As at 31 December 2023	16,218	166,421	584	183,223
Additions	-	42,557	632	43,189
Modification	-	(734)	-	(734)
Termination	-	-	(121)	(121)
Depreciation	(429)	(32,890)	(321)	(33,640)
Transfer to property and equipment (Note 8)	-	(3,636)	-	(3,636)
Assets held for sale (Note 30)	(15,789)	-	-	(15,789)
As at 31 December 2024	**-**	**171,718**	**774**	**172,492**

9 LEASES (continued)

9.1 Group as lessee (continued)

Set out below are the carrying amounts of lease liabilities and the movements during the year:

	2024 ***AED'000***	*2023* *AED'000*
As at 1 January	**196,516**	189,002
Additions	**43,189**	40,406
Accretion of interest (Notes 7.2 and 30)	**12,232**	11,396
Termination	**(121)**	(4,591)
Modification	**(734)**	-
Payments	**(40,087)**	(39,697)
Liabilities directly associated with assets held for sale (Note 30)	**(17,880)**	-
As at 31 December	**193,115**	196,516
Current	**35,007**	32,275
Non-current	**158,108**	164,241

The maturity analysis of lease liabilities is disclosed in Note 25.5.

The following are the amounts recognised in the consolidated statement of profit or loss with respect to leases:

	2024 ***AED'000***	*2023* *AED'000*
Depreciation expense of right-of-use assets – direct (Note 4.4)	**32,448**	27,177
Depreciation expense of right-of-use assets – indirect (Note 5)	**762**	786
Depreciation expense related to a discontinued operation (Note 30)	**430**	430
Interest expense on lease liabilities (Note 7.2)	**10,965**	10,122
Interest related to a discontinued operation (Note 30)	**1,267**	1,274
Expense relating to short-term leases – direct (Note 4.4)	**1,134**	260
Expense relating to short-term leases – indirect (Note 5)	**3,240**	2,017
Total amount recognised in the consolidated statement of profit or loss	**50,246**	42,066

The Group had total cash outflows for leases of AED 40,087 thousand during 2024 (2023: AED 39,697 thousand). The Group had non-cash additions to right-of-use assets and lease liabilities of AED 43,189 thousand (2023: AED 40,346 thousand and AED 40,406 thousand, respectively). There are no leases that have not yet commenced at the reporting date.

The Group does not have lease contracts that contain variable payments.

The Group's lease contracts contain extension and termination options, which are further discussed in Note 3.

9.2 Group as lessor

In 2018, the Group entered into a sale purchase agreement to acquire a school building complex from a third party for a total consideration of AED 360 million. Subsequently, the Group (acting as the lessor), entered into another agreement with the same third party to lease the school building for a period of 25 years, renewable for a period of 5 years based on mutual consent of both parties.

Transaction costs amounting to AED 15 million are capitalised as part of the net investment in the lease. The net investment in the lease represents the present value of minimum lease payments discounted at the implicit lease rate and is recorded net of any advance lease instalments received by the Group.

9 LEASES (continued)

9.2 Group as lessor (continued)

The lease agreement contains put and call options for the lessor and lessee, respectively, giving the lessor the option to sell (put option) and the lessee the option to buy (call option) the underlying property at a pre-determined exercise price. The contractually agreed exercise timeframe for the call option expired on 26 March 2024 whereas the put option exercise time frame extends until 26 March 2026. As of 31 December 2024, no notification has been issued by the Group in relation to the put option.

At 31 December 2024 and 2023, the Group performed an ECL assessment of its lease receivables and concluded that no allowance for expected credit losses is required to be recognised.

The following table provides the movement in finance lease receivables:

	2024 AED'000	*2023 AED'000*
At 1 January	**411,356**	414,887
Lease payments received	**(54,788)**	(36,802)
Finance lease income	**32,062**	33,271
At 31 December	**388,630**	411,356

The maturity profile of the gross and net finance lease receivables is as follows:

Gross investment in finance lease receivables

	2024 AED'000	*2023 AED'000*
Less than one year	**37,169**	54,799
Between one and five years	**154,340**	152,059
More than five years	**594,116**	633,643
	785,625	840,501
Unearned finance income	**(396,995)**	(429,145)
Net investment in finance lease receivables	**388,630**	411,356

Net investment in finance lease receivables

	2024 AED'000	*2023 AED'000*
Less than one year	**35,037**	52,691
Between one and five years	**119,298**	117,515
More than five years	**234,295**	241,150
	388,630	411,356
Current	**35,037**	52,691
Non-current	**353,593**	358,665

10 BUSINESS COMBINATIONS

Intangible assets acquired through business combinations are as follows:

	Goodwill AED'000	*Agreements and student relationship with definite useful lives AED'000*	*Agreement with indefinite useful life AED'000*	*Brand names with definite useful lives AED'000*	*Total AED'000*
Cost:					
At 1 January 2023 (restated)	731,115	141,014	560,867	43,466	1,476,462
Acquisition of a subsidiary (3.2) (restated)	22,126	-	11,868	15,824	49,818
At 31 December 2023 (restated)	753,241	141,014	572,735	59,290	1,526,280
Assets held for sale (Note 30)	(82,012)	-	-	-	(82,012)
At 31 December 2024	**671,229**	**141,014**	**572,735**	**59,290**	**1,444,268**
Amortisation and impairment:					
At 1 January 2023	19,961	19,733	-	7,407	47,101
Amortisation (Note 5)	-	5,667	-	4,258	9,925
Impairment (5)	62,051	-	-	-	62,051
At 31 December 2023	82,012	25,400	-	11,665	119,077
Reclassification (3.2)	-	-	-	1,458	1,458
Amortisation (Note 5)	-	5,463	-	5,446	10,909
Assets held for sale (Note 30)	(82,012)	-	-	-	(82,012)
At 31 December 2024	**-**	**30,863**	**-**	**18,569**	**49,432**
Carrying amounts					
At 31 December 2024	**671,229**	**110,151**	**572,735**	**40,721**	**1,394,836**
At 31 December 2023 (restated)	671,229	115,614	572,735	47,625	1,407,203

Goodwill arising on business combinations is related to the following cash generating units:

	2024 AED'000	*2023 AED'000 Restated*
Almasar Alshamil Education Company JSC (1)	**492,607**	492,607
Al Malaki Specialist Hospital (2)	**-**	-
HC Investments 1 Holdings Limited (3)	**178,622**	178,622
	671,229	671,229

10 BUSINESS COMBINATIONS (continued)

(1) Almasar Alshamil Education Company JSC

Goodwill arising on business combinations in Almasar Alshamil Education Company JSC is related to the following sub-cash generating units:

	2024 AED'000	*2023 AED'000 Restated*
Middlesex University (1.1)	**276,770**	276,770
Human Development Company (1.2)	**215,837**	215,837
	492,607	492,607

(1.1) Middlesex Associates FZ-LLC

On 2 August 2018, the Group acquired 100% of the shares and voting interests in Middlesex Associates FZ-LLC ("Middlesex University") for a total consideration of AED 418,902 thousand.

Fair value measurement
Management had engaged an independent expert to provide valuation support with respect to the determination of the fair values of the assets acquired and liabilities assumed under IFRS 3 whereby a separately identifiable intangible asset was identified in relation to an agreement the subsidiary has entered into with Middlesex University Higher Education Corporation, London, which was estimated to have a fair value of AED 133,300 thousand at the acquisition date and a useful life of 30 years from the date of acquisition. Accordingly, AED 133,300 thousand was reduced from the initially recognised amount of goodwill resulting in adjusted goodwill of AED 276,770 thousand at acquisition.

(1.2) Human Development Company LLC

On 27 October 2022, the Group acquired 60% of the voting shares of Human Development Company LLC ("HDC"), an unlisted holding company based in the Kingdom of Saudi Arabia and its 100% subsidiary, Human Rehabilitation Company LLC, both of which are engaged in the provision of special education and care needs services, for a total cash consideration of AED 215,723 thousand in addition to contingent consideration of up to AED 46,602 thousand payable in two tranches of AED 14,499 thousand and AED 32,103 thousand in 2023 and 2024, respectively, and dependent on financial performance.

As at the acquisition date, the fair value of the contingent consideration was estimated to be AED 46,002 thousand on an undiscounted basis or AED 44,165 thousand on a discounted basis and was calculated based on a probability assessment utilizing multiple performance scenarios over the performance period.

Subsequently, amounts of AED 14,089 thousand and AED 31,861 thousand, accumulating to AED 45,940 thousand were settled based on the financial performance of 2022 and 2023, respectively, as per contractually agreed terms.

The acquisition was accounted for using the acquisition method under IFRS 3 Business Combinations.

Fair value measurement
Management had engaged an independent expert to provide valuation support with respect to the determination of the fair values of the assets acquired and liabilities assumed under IFRS 3 whereby separately identifiable intangible assets have been identified in relation to agreements with joint ventures, expat student relationships and brand name with acquisition-date estimated fair values of AED 2,492 thousand, AED 5,222 thousand and AED 3,798 thousand, respectively, and estimated useful lives of 4 years, 14 years and 25 years, respectively. In addition, the acquisition-date fair values of the identifiable assets acquired, liabilities assumed and non-controlling interests in the acquiree have been adjusted based on information obtained by the Group about facts and circumstances that existed as of the acquisition date, which also includes dividends due to the previous shareholder of HDC of AED 16,813 thousand as per the shareholders' agreement in relation to the pre-acquisition period, which was fully settled during 2023.

As a result of the above, the initially recognized provisional amount of goodwill at acquisition of AED 218,203 thousand was remeasured to AED 215,837 thousand.

10 BUSINESS COMBINATIONS (continued)

(2) Al Malaki Specialist Hospital W.L.L

On 16 August 2018, the Group acquired 69.24% of the shares and voting interests in Al Malaki Specialist Hospital W.L.L ("MSH") for a total cash consideration of AED 142,107 thousand. During 2022, the Group had acquired additional shares through a cash contribution of AED 23.9 million, increasing its effective shareholding to 69.45% from 69.24% held previously and the related legal formalities were completed during the year ended 31 December 2023. At 31 December 2024, MSH has been classified as a disposal group, and accordingly, the gross goodwill and the related accumulated impairment have been classified as assets held for sale (Note 30).

Fair value measurement
Management had engaged an independent expert to provide valuation support with respect to the determination of the fair values of the assets acquired and liabilities assumed under IFRS 3 whereby no separately identifiable assets had been identified and the entire difference between the total consideration and identified net assets at the date of acquisition of AED 82,012 thousand was accounted for as goodwill. In 2021, the Group has recognized an impairment against goodwill of AED 19,961 thousand and a further impairment of AED 62,051 thousand against the remaining balance has been recorded during the year ended 31 December 2023. Refer to Note 10 (5) for further details.

(3) HC Investments 1 Holdings Limited

Goodwill arising on business combinations in HC Investments 1 Holdings Limited is related to the following sub-cash generating units:

	2024 AED'000	*2023 AED'000 Restated*
CMRC Group (3.1)	**156,496**	156,496
Sukoon International Holding Company (3.2)	**22,126**	22,126
	178,622	178,622

(3.1) CMRC Group

On 28 February 2021, the Group, through its intermediary holding company, HC Investments 1 Holdings Limited ("HC 1"), acquired 100% of the voting shares in CMRC Limited ("CMRC"), an unlisted holding company based in Cyprus with a 100% effective shareholding in two operating subsidiaries: Cambridge Medical & Rehabilitation Centre LLC that provides healthcare services in the United Arab Emirates and CMRC Saudi Arabia LLC that provides healthcare services in the Kingdom of Saudi Arabia for a total cash consideration of AED 863,953 thousand in addition to a deferred consideration of AED 7,350 thousand which has been fully settled as at 31 December 2023. Effective 26 November 2024, as a result of a group structuring, the ownership of the subsidiaries under CMRC Limited were transferred to investment vehicles held directly by HC 1.

During the year ended 31 December 2023, the Company transferred 15.31% of its interests in HC 1 to certain shareholders of Sukoon, reducing its effective ownership in HC 1 from 100% previously to 84.69% (Refer to Note 3.2 below).

Fair value measurement
Management had engaged an independent expert to provide valuation support with respect to the determination of the fair values of the assets acquired and liabilities assumed under IFRS 3 whereby separately identifiable intangible assets have been identified in relation to an indefinite agreement with an insurance provider with an acquisition-date estimated fair value of AED 560,867 thousand as well as brand name with an acquisition-date estimated fair value of AED 39,668 thousand and an expected useful life of 10 years. Accordingly, AED 600,535 thousand was reduced from the initially recognised amount of goodwill resulting in adjusted goodwill of AED 156,496 thousand at acquisition. including additional consideration.

10 BUSINESS COMBINATIONS (continued)

(3) HC Investments 1 Holdings Limited (continued)

(3.2) Sukoon International Holding Company

On 14 April 2023, upon satisfaction of all conditions precedent stipulated in the sale and purchase agreement, the Company increased its effective interest in Sukoon International Holding Company and its subsidiary (collectively "Sukoon"), previously accounted for as an associate, from 33.25% to 69.28%. Sukoon is a closed joint stock company based in the Kingdom of Saudi Arabia that provides long-term medical and nursing care.

The increase in the effective interest in Sukoon was transacted via a non-cash share swap agreement between the Company and certain shareholders of Sukoon resulting in the Company effectively transferring 15.31% of its interest held in HC 1 to certain shareholders of Sukoon. Following the additional cash contribution of AED 65 million made by the Company post-acquisition through 31 December 2024 (2023: AED 25 million), which was utilized for on-going expansion projects in the Kingdom of Saudi Arabia, the Company's effective ownership in HC1 increased to 85.74% as at 31 December 2024 (2023: 85.11%). This also resulted in the Company's effective ownership in Sukoon increasing to 70.14% as at 31 December 2024 (2023: 69.63%).

Consideration transferred and resulting equity adjustment
The acquisition has been accounted for using the acquisition method under IFRS 3 *Business Combinations* with a deemed acquisition date of 30 April 2023, assessed as the practicable effective date of acquisition. The purchase consideration has been determined as the aggregate of the fair value of the previously held 33.25% interest in Sukoon (Note 11) and the fair value of the 15.31% shareholding in HC 1 disposed of. The difference between the carrying amount and the fair value of the previously held 15.31% interest in HC 1 measured at AED 31,032 thousand at the transaction date has been recognized directly in equity representing a transaction between equity owners.

Fair value measurement
The Group had measured the fair values of identifiable assets and liabilities of Sukoon acquired on 14 April 2023 on a provisional basis as permitted under IFRS 3 and had engaged an independent expert to perform a purchase price allocation exercise and the determination of the fair values of identifiable assets acquired and liabilities assumed under IFRS 3.

During the year ended 31 December 2024, the purchase price allocation exercise was completed. This exercise identified separately identifiable intangible assets related to contracts with the Ministry of Health in KSA (with an indefinite useful life) and the brand name (with a useful life of 10 years), with acquisition-date estimated fair values of AED 11,868 thousand and AED 15,824 thousand, respectively. Additionally, a fair value uplift on property and equipment of AED 73,977 thousand was identified. This also resulted in an amount of AED 1,458 thousand, recorded previously in relation to provisional amortisation of potential intangible assets, being reclassified to accumulated amortisation of intangible assets. The total fair value adjustments, including the identified intangible assets and the fair value uplift, resulted in a corresponding deferred tax liability of AED 4,790 thousand. Since the Group recorded the goodwill using the partial goodwill method, the recognition of the fair value uplift and newly identified intangible assets resulted in an increase in non-controlling interests by AED 29,765 thousand. The acquisition-date fair values of the identifiable assets acquired, liabilities assumed, and non-controlling interests in the acquiree were adjusted based on information obtained by the Group about facts and circumstances that existed as of the acquisition date.

Consequently, an amount of AED 67,114 thousand has been retrospectively reduced from the initially recognized provisional amount of goodwill of AED 89,240 thousand resulting in a remeasured goodwill of AED 22,126 thousand at acquisition, comprising the value of expected synergies arising from the acquisition.

The following table summarizes the retrospective adjustments made to the provisional amounts of assets, liabilities and non-controlling interests at the acquisition date and their impact on the Group's previously reported line items in the consolidated statement of financial position at 31 December 2023.

10 BUSINESS COMBINATIONS (continued)

(3) HC Investments 1 Holdings Limited (continued)

(3.2) Sukoon International Holding Company (continued)

Fair value measurement (continued)

Consolidated statement of financial position at 31 December 2023	***As previously reported AED'000***	***Retrospective adjustments AED'000***	***As currently reported AED'000***
Assets			
Property and equipment	496,452	73,977	**570,429**
Goodwill and intangible assets	1,446,625	(39,422)	**1,407,203**
Total non-current assets	2,906,983	34,555	**2,941,538**
Total current assets	902,961	-	**902,961**
Total assets	3,809,944	34,555	**3,844,499**
Liabilities			
Deferred tax liability	109,405	4,790	**114,195**
Total non-current liabilities	637,107	4,790	**641,897**
Total current liabilities	353,649	-	**353,649**
Total liabilities	990,756	4,790	**995,546**
Equity			
Non-controlling interests	203,967	29,765	**233,732**
Total equity	2,819,188	29,765	**2,848,953**

The above adjustments did not have any impact on the previously reported profit or loss, cash flows, and equity attributable to the equity holders of the Company.

The adjusted fair values of the identifiable assets and liabilities as at the deemed date of acquisition are as follows:

	30 April 2023 AED'000 Restated
Assets	
Property and equipment	275,525
Intangible assets	27,692
Inventories	2,884
Trade and other receivables, net	41,937
Due from related parties	45
Cash and bank balances	44,232
	392,315
Liabilities	
Trade and other payables	(36,208)
Deferred tax liability	(4,790)
Provision for employees' end of service benefits	(9,650)
	(50,648)

10 BUSINESS COMBINATIONS (continued)

(3) HC Investments 1 Holdings Limited (continued)

(3.2) Sukoon International Holding Company (continued)

Fair value measurement (continued)

	30 April 2023 *AED'000* *Restated*
Total identifiable net assets at fair values	341,667
Non-controlling interests at the proportionate share of the identifiable net assets	(104,952)
Goodwill arising on acquisition	22,126
Purchase consideration	258,841
The purchase consideration comprises of the following:	
Fair value of previously held interest in Sukoon (Note 11)	140,648
Fair value of HC 1 shares transferred	118,193
Purchase consideration	258,841

Analysis of cash flows on acquisition
The acquisition of Sukoon represents a non-cash transaction, and accordingly, the cash and bank balances of AED 44,232 thousand acquired with the subsidiary have been reflected under investing activities in the consolidated statement of cash flows for the year ended 31 December 2023.

Impact of the acquisition on the Group's results
The consolidated financial statements for the year ended 31 December 2023 include the results of Sukoon from 1 May 2023 to 31 December 2023, the deemed date of acquisition being 30 April 2023. Transactions related to the subsidiary between 14 April 2023, date of acquisition, and 30 April 2023 are not material to the Group.

During 2023, Sukoon contributed AED 60,692 thousand of revenue, AED 7,638 thousand of profit and AED 5,300 thousand of profit attributable to equity holders of the Company from the date of acquisition. If the acquisition had taken place at 1 January 2023, the revenue contribution would have been AED 87,516 thousand, the profit contribution would have been AED 8,618 thousand and the profit contribution attributable to equity holders of the Company would have been AED 5,979 thousand (excluding transaction related costs) for year ended 31 December 2023.

Cumulative transaction costs of AED 3,728 thousand have been recognized in profit or loss in relation to the acquisition, with AED 1,542 thousand recognized during the year ended 31 December 2023.

(4) Goodwill impairment assessments

Almasar Alshamil Education Company JSC

Management has performed an impairment test on goodwill balances related to the following CGUs as at 31 December 2024 as follows:

Middlesex Associates FZ-LLC
Management has performed an impairment test on goodwill as at 31 December 2024. The recoverable amount of the CGU has been determined at 31 December 2024 based on a value in use calculation using cash flow projections. The cash flows are derived from the most recent projections for the next five years. Cash flows beyond the 5-year period are extrapolated using a growth rate, which management believes approximates the long-term average growth rate for the industry in which the cash-generating unit operates.

The pre-tax discount rate applied to the cash flow projections is 10.8% (2023: 10.9%). Based on the analysis performed, no impairment to goodwill has been identified.

10 BUSINESS COMBINATIONS (continued)

(4) Goodwill impairment assessments (continued)

Almasar Alshamil Education Company JSC (continued)

Human Development Company LLC
Management has performed an impairment test on goodwill as at 31 December 2024. The recoverable amount of the CGU has been determined at 31 December 2024 based on a value in use calculation using cash flow projections. The cash flows are derived from the most recent projections for the next five years. Cash flows beyond the 5-year period are extrapolated using a growth rate, which management believes approximates the long-term average growth rate for the industry in which the cash-generating unit operates.

The pre-tax discount rate applied to the cash flow projections is 10.8% (2023: 12.2%). Based on the analysis performed, no impairment to goodwill has been identified.

Al Malaki Specialist Hospital W.L.L
Management has performed an impairment test on goodwill as at 31 December 2023. The recoverable amount of the CGU has been determined at 31 December 2023 based on a value in use calculation using cash flow projections. The cash flows are derived from the most recent projections for the next five years. Cash flows beyond the 5-year period are extrapolated using a growth rate, which management believes approximates the long-term average growth rate for the industry in which the cash-generating unit operates.

The pre-tax discount rate applied to the cash flow projections is 12.3%. Based on the analysis performed, an impairment of AED 95,091 thousand was identified of which an amount of AED 62,051 thousand was allocated against the carrying amount of the related goodwill balance, which was fully impaired, and the remaining amount of AED 33,040 thousand was allocated against the property and equipment balances of Al Malaki Specialist Hospital. Total impairment charge attributable to equity holders amounted to AED 84,997 thousand.

At 31 December 2024, Al Malaki Specialist Hospital W.L.L has been classified as a disposal group measured at the lower of its carrying amount and fair value less costs to sell (Note 30).

HC Investments 1 Holdings Limited

Management has performed an impairment test on goodwill balances related to the following CGUs as at 31 December 2024 as follows:

CMRC Group
The recoverable amount of the CGU has been determined at 31 December 2024 based on a value in use calculation using cash flow projections. The cash flows are derived from the most recent projections for the next five years. Cash flows beyond the 5-year period are extrapolated using a growth rate, which management believes approximates the long-term average growth rate for the industry in which the cash-generating unit operates.

The pre-tax discount rate applied to the cash flow projections ranges from 9.4% - 10.5% (2023: 10.8% - 11.9%). Based on the analysis performed, no impairment to goodwill has been identified.

Sukoon International Holding Company
The recoverable amount of the CGU has been determined at 31 December 2024 based on a value in use calculation using cash flow projections. The cash flows are derived from the most recent projections for the next five years. Cash flows beyond the 5-year period are extrapolated using a growth rate, which management believes approximates the long-term average growth rate for the industry in which the cash-generating unit operates.

The pre-tax discount rate applied to the cash flow projections is 10.5% (2023: 11.9%). Based on the analysis performed, no impairment to goodwill has been identified.

10 BUSINESS COMBINATIONS (continued)

(5) Goodwill impairment assessments (continued)

The calculation of value in use is most sensitive to the following assumptions**:**

Revenue
Middlesex Associates FZ-LLC
Revenue is mainly determined based on the number of students enrolled at the university. Management took into consideration the growth in the student numbers in the past 3 years and applied estimates for future enrolments based on expected demand for the university's offerings and programs, both locally and internationally. A reasonable decrease of 5% in the expected number of students is not expected to result in any impairment to goodwill.

Human Development Company LLC
Revenue is mainly determined based on the number of students enrolled at the rehabilitation centers. Management took into consideration the historical growth in student numbers and applied estimates for future growth in the number of rehabilitation centers and underlying student enrolments. A reasonable decrease of 5% in the expected number of students is not expected to result in any impairment to goodwill.

CMRC Group
Revenue is mainly determined based on the number of in-patients and out-patients at the various hospitals. Management took into consideration estimates for future expected patients and the future outlook of the industry and applied estimates based on expected demand for the hospitals' services, both in the UAE and KSA. A reasonable decrease of 5% in the expected number of patients is not expected to result in any impairment to goodwill.

Sukoon International Holding Company
Revenue is mainly determined based on the number of in-patients and out-patients. Management took into consideration estimates for future expected patients and the future outlook of the industry and applied estimates based on expected demand for the hospitals' services in KSA. A reasonable decrease of 5% in the expected number of patients will result in an impairment of AED 41 million to goodwill.

Discount rate
The discount rate represents the current market assessment of the risks specific to the CGU, taking into consideration the time value of money and risks of the underlying assets that have not been incorporated in the cash flow estimates. The discount rate calculation is based on the specific circumstances of the Group and its operating segments and is derived from the weighted average cost of capital (WACC) of each individual CGU. The WACC takes into account both debt and equity. The cost of equity is derived from the expected return on investment from a willing market participant and the cost of debt is based on an estimate of debt available to willing market participants. Segment-specific risk is incorporated by applying individual beta factors.

Any reasonable rise of 0.25% in the discount rate is not expected to result in any impairment to goodwill related to Middlesex Associates FZ-LLC, Human Development Company LLC, CMRC Limited or Sukoon International Holding Company.

Growth rate
The growth rate represents management's best estimate of the applicable market growth rate for the industry segments in which it operates. In 2024 and 2023, management utilized growth rates ranging between 2% and 3%.

Any reasonable decrease in the growth rate by 0.5% is not expected to result in any impairment to goodwill related to Middlesex Associates FZ-LLC, Human Development Company LLC, CMRC Limited or Sukoon International Holding Company.

11 INVESTMENTS IN ASSOCIATES

The Group's carrying value of investment in associate at 31 December are as follows:

	2024 AED'000	*2023 AED'000*
NEMA Holding Company LLC ("NEMA") (1)	**397,472**	385,415

The movement in the investments in associates during the year is as follows:

	2024	*2023*		
	NEMA AED'000	*Sukoon AED'000*	*NEMA AED'000*	*Total AED'000*
At 1 January	**385,415**	130,692	385,034	515,726
Share of results	**32,557**	327	20,881	21,208
Amortisation of PPA assets	**(3,000)**	-	(3,000)	(3,000)
Share of results in profit or loss	**29,557**	327	17,881	18,208
Dividends (Note 14)	**(17,500)**	-	(17,500)	(17,500)
Disposal of an associate under a step acquisition (2)	**-**	(131,019)	-	(131,019)
At 31 December	**397,472**	-	385,415	385,415

(1) NEMA Holding Company LLC ("NEMA")

The Group has a 35% interest in NEMA Holding Company LLC, acquired on 6 March 2018. NEMA is involved in the provision of tertiary education and vocational services in Abu Dhabi, United Arab Emirates. NEMA is a private entity that is not listed on any public exchange. The Group's interest in NEMA is accounted for using the equity method in the consolidated financial statements.

The following table illustrates the summarised financial information of the Group's investment in NEMA:

	2024 AED'000	*2023 AED'000*
Current assets	**218,569**	203,104
Non-current assets	**1,142,027**	1,149,038
Current liabilities	**(222,746)**	(184,806)
Non-current liabilities	**(346,623)**	(419,127)
Equity attributable to the equity holders of NEMA	**791,227**	748,209
Group's share in net assets at 35% (2023: 35%)	**276,930**	261,873
Goodwill and intangibles at acquisition	**131,194**	131,194
Costs of acquisition capitalised	**9,380**	9,380
Amortisation of PPA assets	**(20,032)**	(17,032)
Group's carrying amount of the investment	**397,472**	385,415

11 INVESTMENTS IN ASSOCIATES (continued)

(1) NEMA Holding Company LLC ("NEMA") (continued)

	2024 AED'000	*2023 AED'000*
Revenue	**563,311**	509,263
Profit	**93,019**	59,661
Group's share of profit at 35% (2023: 35%)	**32,557**	20,881

(2) Sukoon International Holding Company ("Sukoon")

On 14 April 2023, the Company completed the non-cash share swap agreement with certain shareholders of Sukoon to obtain control over the investee (Note 10). The transaction has been accounted for as a 'Step Acquisition' under IFRS 3 *Business Combinations*, and accordingly, the Group remeasured the previously held investment in Sukoon at its acquisition-date fair value and recognised the resulting gain in profit or loss as follows:

	2023 AED'000
Acquisition-date fair value	140,648
Net carrying value of the investment at the date of disposal	(131,019)
Gain on disposal recognized in profit or loss	9,629

Prior to disposal, the Group had a 33.25% interest in Sukoon International Holding Company, which provides medical and healthcare services in Jeddah, KSA. Sukoon is a private entity that is not listed on any public exchange. The Group's interest in Sukoon was accounted for using the equity method in the consolidated financial statements up to the date of disposal.

The following table illustrates the summarised financial information of the Group's investment in Sukoon as an associate for the period from 1 January 2023 to 30 April 2023, being the deemed disposal date:

	2023 AED'000
Revenue	26,823
Profit	980
Group's share of profit at 33.25%	327

12 FINANCIAL ASSETS AT FAIR VALUE THROUGH OCI

	2024 AED'000	*2023 AED'000*
Emirates NBD REIT Limited – quoted (1)	**11,588**	12,250
BEGiN – unquoted (2)	**22,865**	22,865
At 31 December	**34,453**	35,115

12 FINANCIAL ASSETS AT FAIR VALUE THROUGH OCI (continued)

The movement in the financial assets at FVOCI during the year was as follows:

	2024 AED'000	*2023 AED'000*
At 1 January	**35,115**	31,521
Net change in fair value	**(662)**	(662)
BEGiN vested warrants exercised (2)	**-**	4,256
At 31 December	**34,453**	35,115

(1) The investment consists of a 3.60% shareholding in a quoted equity investment made by the Group in Emirates NBD REIT Limited, which is listed on the NASDAQ Dubai exchange.

(2) The investment consists of a shareholding of approximately 1% in a US-based leading education technology company. During 2023, the Group exercised 344,958 of the total vested warrants of 400,596, and accordingly, an amount of AED 4,256 thousand was reclassified from derivative instruments to financial assets at FVOCI. At 31 December 2024, the Group has 77,898 vested warrants in relation to the minority investment held in BEGiN, which have not been exercised (2023: 55,638 vested warrants). The remaining vested warrants are classified as derivative instruments at fair value and will be reclassified as equity instruments at FVOCI once exercised.

13 TRADE AND OTHER RECEIVABLES

	2024 AED'000	*2023 AED'000*
Trade receivables	**270,410**	247,422
Less: allowance for expected credit losses	**(38,238)**	(43,322)
	232,172	204,100
Prepayments	**10,990**	12,492
Refundable deposits	**8,489**	8,235
Accrued share of revenue from joint services agreements	**15,001**	7,723
Deferred transaction costs	**18,196**	-
Accrued income on term deposits	**5,336**	7,332
Advances to suppliers	**4,280**	3,867
Amounts due under joint services agreements	**6,395**	2,311
Other receivables	**6,697**	5,334
	307,556	251,394

The movement in the allowance for expected credit losses is as follows:

	2024 AED'000	*2023 AED'000*
At 1 January	**43,322**	29,879
Acquired through business combination (Note 10)	**-**	11,688
Charge for the year (Note 5)	**8,062**	6,155
Reversal	**-**	(2,340)
Write-offs	**(12,025)**	(2,060)
Assets held for sale (Note 30)	**(1,121)**	-
At 31 December	**38,238**	43,322

Information regarding the Group's credit exposures is disclosed in Note 25.

14 RELATED PARTY TRANSACTIONS

Related parties represent the major shareholders, directors and key management personnel of the Group, and entities controlled, jointly controlled or significantly influenced by the Group and such parties. Pricing policies and terms of these transactions are approved by the Group's management.

Balances with related parties

	2024 AED'000	*2023 AED'000*
Due from related parties		
Associate		
NEMA* (Note 11)	**8,750**	8,750
Other related parties	**-**	113
	8,750	8,863
Due to a related party		
Other related party – non-current	-	6,384

* At 31 December 2024, the amount is due from NEMA to Al Masar, the holding company of NEMA.

	2024 AED'000	*2023 AED'000*
Transactions with related parties		
Key management personnel		
Management fee	**2,911**	2,262

Management fee expense is included under share of results of an associate for services provided by a key management member of the Company to the associate. The above management fee represents the Group's share of the expense.

There were no other material transactions with related parties during the years ended 31 December 2024 and 2023. Dividends received from an associate are disclosed in Note 11.

Key management personnel remuneration
Group key management personnel remuneration including board remuneration disclosed in Note 5, comprise the following:

	2024 AED'000	*2023 AED'000*
Short-term benefits	**30,387**	24,424
Post-employment benefits	**1,165**	1,245
Board and committee remuneration (Note 5)	**2,412**	1,954
	33,964	27,623

The amounts disclosed above are the amounts recognised as expense during the year related to key management personnel and include AED 2,050 thousand (2023: AED 2,553 thousand) expenses related to a discontinued operation (Note 30).

15 CASH AND BANK BALANCES

Cash and bank balances in the consolidated statement of financial position comprise the following:

	2024 AED'000	*2023 AED'000*
Cash on hand	**668**	5,232
Current accounts with banks	**138,117**	128,975
Cash balance held with a third party (Note 16.2)	**3,622**	26,949
Bank financing service reserve account	**-**	3,896
Shariah compliant term deposits	**330,553**	337,198
Non-Sharia compliant term deposits	**30,000**	80,000
Cash and bank balances	**502,960**	582,250

Cash and cash equivalents in the consolidated statement of cash flows comprise the following:

	2024 AED'000	*2023 AED'000*
Cash and bank balances	**502,960**	582,250
Less:		
Cash balance held with a third party (Note 16.2)	**(3,622)**	(26,949)
Bank financing service reserve account	**-**	(3,896)
Shariah compliant term deposits (with initial maturity of more than 3 months)	**(238,500)**	(285,000)
Bank overdraft (Note 25.2)	**-**	(17,145)
Bank overdraft attributable to discontinued operation (Note 30)	**(20,465)**	-
Add:		
Cash and bank balances attributable to discontinued operation (Note 30)	**731**	-
Cash and cash equivalents	**241,104**	249,260

During the year ended 31 December 2024, the Group earned an aggregate profit/interest of AED 20,076 thousand on its term deposits (2023: AED 20,137 thousand) (Note 7.1).

16 SHARE CAPITAL AND TREASURY SHARES

16.1 Share capital

The share capital of the Company is AED 2.5 billion (2023: AED 2.5 billion).

As at 31 December 2024 and 2023, the Company had 2,500,000,000 ordinary shares in issuance of AED 1 each which were fully paid up. Holders of these ordinary shares are entitled to dividends as declared from time to time and are entitled to one vote per share at general meetings of the Group.

16.2 Treasury shares

In 2020, the Company engaged a third-party licensed Market Maker on the Dubai Financial Market that offers liquidity provision services, to place buy and sell orders of the Company's shares with the objective of reducing bid/ask spreads as well as reducing price and volume volatility. At 31 December 2024, the Market Maker held 28,022,818 (2023: 7,162,079) of Amanat's shares on behalf of the Company, which are classified under equity as treasury shares at par value at 31 December 2024. A cumulative loss of AED 1,908 thousand has been recognised at 31 December 2024 (2023: cumulative gain of AED 216 thousand) as Share Premium under equity out of which a net loss of AED 2,214 thousand (2023: AED 1,857 thousand) is from the net disposal of shares during the current year. At the end of the contract term with the Market Maker, the Company will have the option to either transfer the outstanding shares under its name or dispose of the shares in the market.

17 STATUTORY RESERVE

As required by Article 241 of the UAE Federal Decree-Law No. 32 of 2021, 10% of the profit for the year is required to be 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. An amount of AED 11,584 thousand was transferred to the statutory reserve during 2024 (2023: no transfer was made as the Group reported losses). The statutory reserve is not available for distribution.

18 FINANCING FROM BANKS

	2024 AED'000	*2023 AED'000*
Musharaka financing facility, net of loan arrangement fees (1)	**250,516**	292,047
Revolving bank facilities (2)	**45,247**	11,897
Murabaha bank facility (3)	**25,905**	-
Tawarroq financing facility (4)	**16,729**	-
Term loan (Note 30)	-	65,706
	338,397	369,650
Current	**91,475**	60,768
Non-current	**246,922**	308,882

(1) In 2021, the Group obtained a Musharaka term facility of AED 405,000 thousand to finance the acquisition of CMRC. The facility is repayable in quarterly principal instalments of AED 10,125 thousand each plus profit, with profit accruing at market rates, over a period of 7 years with a 30% balloon payment to be made along with the last instalment. The facility is secured against corporate guarantees from the Company and certain subsidiaries of the Group, 100% pledge over the shares of subsidiaries of the Group and an assignment of dividends of CMRC Saudi Arabia LLC.

Arrangement fees of AED 2,746 thousand were paid by the Group, which are being amortised over the facility term of 7 years.

The Group is required to maintain certain financial covenants at the level of CMRC UAE, which are all met at the reporting date.

(2) As at the reporting date, the carrying amount represents revolving bank facilities utilized by HDC, a subsidiary of Al Masar, to finance short-term working capital requirements, where required. The loan facilities have a maturity ranging between 6 to 12 months and accrue profit at competitive market rates.

(3) During the year, Sukoon, a subsidiary of HC 1, availed a financing facility of AED 34,615 thousand (SAR 35,000 thousand) to support its expansion project in the Kingdom of Saudi Arabia. The financing facility is repayable in semi-annual instalments over four years with the final repayment due on 31 August 2028 and carries a profit rate in line with market rates. As of 31 December 2024, AED 24,725 thousand (SAR 25,000 thousand) under this facility has been drawn down. The facility is secured against certain property and trade receivables. An arrangement fee of AED 173 thousand (SAR 175 thousand) has been capitalized in the carrying value of the facility and will be amortized over the life of the facility.

(4) During the year, HDC, a subsidiary of Al Masar, availed a new financing facility amounting to AED 28,483 thousand (SAR 28,800 thousand), to acquire land and building in relation to its on-going expansion projects in the Kingdom of Saudi Arabia. The facility carries a profit rate in line with market rates and is repayable in quarterly installments over three years. As of 31 December 2024, AED 16,615 thousand (SAR 16,800 thousand) under these facilities has been drawn down. The facilities are secured by a corporate guarantee from the shareholders of HDC, in addition to a personal guarantee from the minority shareholders of HDC.

19 OTHER LONG-TERM PAYABLE

	2024 AED'000	*2023 AED'000*
Unamortised rent incentive – non-current portion (Note 30)	-	3,439

20 PROVISION FOR EMPLOYEES' END OF SERVICE BENEFITS

	2024 AED'000	*2023 AED'000*
Balance as at 1 January	**44,756**	33,137
Acquisition of a subsidiary (Note 10)	**-**	9,650
Charge for the year	**14,004**	11,922
Remeasurements	**(962)**	(1,959)
Payments made during the year	**(5,800)**	(7,994)
Liabilities directly associated with assets held for sale (Note 30)	**(949)**	-
Balance as at 31 December	**51,049**	44,756

21 PROVISIONS, ACCOUNTS AND OTHER PAYABLES

	2024 AED'000	*2023 AED'000*
Accounts payable	**48,203**	41,636
Contingent consideration (Note 10)	**-**	31,861
Staff related accruals	**28,097**	21,460
Accrued profit share and royalty	**27,358**	22,005
Income tax and Zakat provision	**19,975**	17,634
VAT payables	**4,240**	14,212
Customer deposits	**5,386**	4,183
Dividend payable to non-controlling interests	**3,956**	-
Directors' and committee remuneration payable	**3,884**	1,854
Provisions, other accruals and payables	**60,033**	41,616
	201,132	196,461

22 BASIC AND DILUTED EARNINGS PER SHARE

The calculation of basic and diluted earnings per share is based on the profit/(loss) attributable to the equity holders of the Company for the year and the weighted average number of ordinary shares outstanding during the year.

	2024	*2023*
Profit/(loss) for the year attributable to equity holders of the Company (AED'000)		
Continuing operations	**143,310**	49,186
Discontinued operation	**(27,467)**	(102,386)
	115,843	(53,200)
Weighted average number of ordinary shares ('000)*	**2,480,184**	2,488,103

22 BASIC AND DILUTED EARNINGS PER SHARE (continued)

	2024	*2023*
Basic and diluted earnings per share (AED)		
Continuing operations	**0.0578**	0.0198
Discontinued operation	**(0.0111)**	(0.0412)
	0.0467	(0.0214)

* The weighted average number of ordinary shares takes into account the weighted average effect of changes in treasury shares during the year.

23 DIVIDENDS

At the Annual General Assembly held on 25 April 2024, a cash dividend of AED 50,000 thousand equivalent to AED 0.02 per ordinary share (2023: AED 100,000 thousand equivalent to AED 0.04 per ordinary share) was approved by the shareholders and fully settled in May 2024.

In addition, at the General Assembly held on 18 September 2024, an interim cash dividend of AED 75,000 thousand equivalent to AED 0.03 per ordinary share was approved by the shareholders and fully settled in October 2024.

Subsequent to the year ended 31 December 2024, the Board of Directors during its meeting held on 13 February 2025, proposed a cash dividend of AED 40,000 thousand equivalent to AED 0.016 per ordinary share, which is subject to the approval of the shareholders at the forthcoming Annual General Meeting of the Company.

24 COMMITMENTS AND CONTINGENCIES

Below are details of the Group's contingent liabilities and capital commitments at the reporting date.

	2024 ***AED'000***	*2023* *AED'000*
Bank guarantees	**6,379**	6,907
Capital commitments *	**22,658**	65,498

* Include commitments related to the on-going expansion projects of HC 1 and HDC in the Kingdom of Saudi Arabia

Below are details of the Group's share of an associate's contingent liabilities at the reporting date.

	2024 ***AED'000***	*2023* *AED'000*
Bank guarantees	**30,636**	36,855

25 FINANCIAL ASSETS AND FINANCIAL LIABILITIES

25.1 Financial assets

	2024 ***AED'000***	*2023* *AED'000* *(Restated)*
Equity instruments designated at FVOCI		
Listed equity investment	**11,588**	12,250
Non-listed equity investment	**22,865**	22,865
	34,453	35,115
Derivatives not designated as hedging instruments at fair value		
Interest rate swap	**1,002**	804
Warrants	**959**	684
	1,961	1,488
Debt instruments at amortised cost		
Trade and other receivables (excluding prepayments & advances)	**291,699**	235,035
Finance lease receivables	**388,630**	411,356
Due from related parties	**8,750**	8,863
	689,079	655,254
Total financial assets*	**725,493**	691,857
Total current	**335,486**	296,589
Total non-current	**390,007**	395,268

* Financial assets, other than cash and bank balances

25.2 Financial liabilities

	2024 ***AED'000***	*2023* *AED'000*
Interest-bearing loans and borrowings		
Lease liabilities	**193,115**	196,516
Bank overdraft	**-**	17,145
Financing from banks (net of arrangement fees)	**338,397**	369,650
	531,512	583,311
Financial liabilities at amortised cost		
Accounts and other payables (excluding contingent consideration and staff related accruals)	**148,820**	115,724
Due to related parties	**-**	6,384
	148,820	122,108

25 FINANCIAL ASSETS AND FINANCIAL LIABILITIES (continued)

25.2 Financial liabilities (continued)

	2024 AED'000	*2023 AED'000*
Financial liabilities at fair value through profit or loss		
Contingent consideration	-	31,861
Total financial liabilities	**680,332**	737,280
Total current	**275,302**	254,334
Total non-current	**405,030**	482,946

25.3 Hedging activities and derivatives

The Group is exposed to certain risks relating to its ongoing business operations. The primary risk managed using derivative instruments is interest rate risk.

The Group's risk management strategy and how it is applied to manage risk are explained in Note 25.5.

Derivative designated as hedging instrument

Cash flow hedge – Interest rate swap
At 31 December 2024, the Group has an interest rate swap agreement in place with a notional amount of USD 50,997,141 (equivalent to AED 187,312,500) (2023: AED 187,312,500) whereby the Group pays an agreed rate of interest fixed on a quarterly basis and receives a capped interest at a variable rate equal to 3-month USD LIBOR on the notional amount. The swap is being used to hedge the exposure to changes in variable interest rates of the bank financing obtained for the acquisition of CMRC (Note 18).

There is an economic relationship between the hedged item and the hedging instrument as the terms of the interest rate swap closely match the terms of the hedged item (i.e., maturity, payment and reset dates). The Group has established a hedge ratio of 1:1 for the hedging relationships as the underlying risk of the interest rate swap is identical to the hedged risk component. To test the hedge effectiveness, the Group uses the hypothetical derivative method and compares the changes in the fair value of the hedging instrument against the changes in fair value of the hedged item attributable to the hedged risk.

The hedge ineffectiveness can arise from:

- Differences in timing of cash flows of the hedged item and hedging instrument
- The counterparties' credit risk differently impacting the fair value movements of the hedging instrument and hedged item

Management assessed the effectiveness of the hedge instrument based on the above criteria and concluded that the hedge is ineffective as at 31 December 2024 and 2023. Accordingly, the Group continues to account for the change in fair value in the hedging instrument in profit or loss during the years ended 31 December 2024 and 2023.

25 FINANCIAL ASSETS AND FINANCIAL LIABILITIES (continued)

25.4 Fair values

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The fair value of the Group's financial assets and liabilities approximate their book values as at 31 December 2024 and 2023 based on management's assessment and as follows:

- Management assessed that the fair values of cash and bank balances, trade and other receivables, provisions, accounts and other payables, due from and to related parties approximate their carrying amounts largely due to the short-term maturities of these instruments.
- The quoted financial asset at FVOCI is carried at fair value using quoted price and there is an active market for it.
- The unquoted financial asset at FVOCI is carried at fair value using the latest transaction price.
- Management assessed that the book value of long-term borrowings as at 31 December 2024 approximates their fair values due to the fact that they bear variable interest rates that reflect current market interest rates for similar borrowings. As a result, the values of the future discounted cash flows on those borrowings are not significantly different from their current book values.
- Management assessed that the book value of the finance lease receivables approximates its fair value as the balance has been discounted using an appropriate discount factor.

The Group's quoted financial asset at FVOCI is carried at fair value using level 1 valuation method. The Group's unquoted financial asset at FVOCI is carried at fair value using level 2 valuation method. There have been no reclassifications made between the valuation levels during the current or previous years.

25.5 Financial instruments risk management objectives and policies

The Group's principal financial liabilities comprise provisions, accounts and other payables, financing from banks, due to related parties, and lease liabilities. The main purpose of these financial liabilities is to finance the Group's operations. The Group's principal financial assets include trade and other receivables, finance lease receivables, due from related parties and bank balances that derive directly from its operations. The Group also holds investments in financial assets.

The Group is exposed to credit risk, liquidity risk, market risk and operational risk.

The Board of Directors has the overall responsibility for the establishment and oversight of the Group's risk management framework. The 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.

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.

Credit risk
Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its investing activities, including deposits with banks and financial institutions, finance lease receivables and other financial instruments.

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.

The Group's maximum exposure to credit risk for the components of the consolidated statement of financial position at 31 December 2024 and 2023 is the carrying amounts of the financial assets disclosed in Note 25.1.

25 FINANCIAL ASSETS AND FINANCIAL LIABILITIES (continued)

25.5 Financial instruments risk management objectives and policies (continued)

Credit risk (continued)

Financial instruments and cash deposits
Credit risk from balances with banks and financial institutions is managed by the treasury department of each business unit in accordance with set policies.

Exposure to credit risk is monitored on an ongoing basis. Cash balances are held with the banks and financial institutions which are rated A+ to BBB- based on Standard and Poor's credit ratings. The significant portion of the credit exposure of the Group is in the UAE.

Trade receivables
Customer credit risk is managed by each business unit subject to the Group's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on a credit rating scorecard and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored.

Education sector
Trade receivables of the education sector relate to amounts receivable by Middlesex University and HDC from students and government ministries for providing academic and special education services, accordingly.

Middlesex extends a credit period of 30 days to its debtors and no interest is charged on overdue receivables. Outstanding receivables are regularly monitored. At 31 December 2024 and 2023, there was no concentration risk related to the trade receivables of the education sector.

HDC extends a credit period of 45 to 180 days to its debtors and no interest is charged on overdue receivables. Outstanding receivables are regularly monitored. At 31 December 2024, HDC had 1 customer (2023: 1 customer) that accounted for approximately 95% (2023: 87%) of the total HDC trade receivables outstanding and 40% (2023: 33%) of the Group's gross trade receivables outstanding.

Healthcare sector
Trade receivables of the healthcare sector relate to amounts receivable by the subsidiaries HC 1 (CMRC UAE, CMRC KSA and Sukoon) and MSH mainly from governmental authorities and reputable insurance companies operating in the respective countries. At 31 December 2024, the Group had 3 customers (2023: 10 customers) that accounted for approximately 87% (2023: 96%) of the total healthcare trade receivables outstanding and 42% (2023: 47%) of the Group's gross trade receivables outstanding.

Impairment
An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Generally, trade receivables are written-off when considered unrecoverable. The Group does not hold collateral as security.

Set out below is the information about the credit risk exposure on the Group's trade receivables using a provision matrix:

31 December 2024			***Days past due***			
	Total AED'000	***Not past due AED'000***	***0-60 days AED'000***	***61-120 days AED'000***	***121-365 days AED'000***	***>365 days AED'000***
Expected credit loss rate		**-**	**4%**	**4%**	**20%**	**73%**
Estimated total gross carrying amount at default	**270,410**	**105,120**	**59,286**	**27,485**	**42,810**	**35,709**
Expected credit loss	**38,238**	**-**	**2,305**	**1,016**	**8,760**	**26,157**

25 FINANCIAL ASSETS AND FINANCIAL LIABILITIES (continued)

25.5 Financial instruments risk management objectives and policies (continued)

Credit risk (continued)

Trade receivables (continued)

Impairment (continued)

31 December 2023			*Days past due*			
	Total AED'000	*Not past due AED'000*	*0-60 days AED'000*	*61-120 days AED'000*	*121-365 days AED'000*	*>365 days AED'000*
Expected credit loss rate		-	6%	4%	16%	89%
Estimated total gross carrying amount at default	247,422	81,107	53,853	25,873	51,476	35,113
Expected credit loss	43,322	-	2,976	1,154	7,982	31,210

Finance lease receivables
As described in Note 9, the Group entered into a finance lease arrangement as a lessor. The Group's maximum exposure to credit risk on its finance lease receivable is best represented by its carrying value at the reporting date. Prior to entering into this contract, the Group performed the necessary diligence on the credit worthiness of the counter party (lessee) and the quality and performance of the underlying asset. The Group constantly monitors the credit risk on its finance lease receivable.

The agreement grants protective rights to the Group in an event of default allowing it to terminate the contract and physically repossess the property. Such protective rights, in addition to other guarantees as mentioned in Note 9, limit the amount of credit risk on the exposure since it is covered by the fair value of the underlying property.

Due from related parties
Balances due from related parties are settled on an timely and as requested basis, and accordingly, the Group considers these balances to be fully recoverable.

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 table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments:

31 December 2024	***Less than 3 months AED'000***	***3 to 12 months AED'000***	***1 to 5 years AED'000***	***After 5 years AED'000***	***Total AED'000***
Accounts and other payables	**105,067**	**43,753**	**-**	**-**	**148,820**
Lease liabilities	**13,085**	**30,089**	**99,878**	**120,912**	**263,964**
Financing from banks	**39,199**	**72,489**	**276,953**	**-**	**388,641**
	157,351	**146,331**	**376,831**	**120,912**	**801,425**

25 FINANCIAL ASSETS AND FINANCIAL LIABILITIES (continued)

25.5 Financial instruments risk management objectives and policies (continued)

Liquidity risk (continued)

31 December 2023

	On demand AED'000	*Less than 3 months AED'000*	*3 to 12 months AED'000*	*1 to 5 years AED'000*	*After 5 years AED'000*	*Total AED'000*
Accounts and other payables	-	103,317	12,407	-	-	115,724
Contingent consideration	-	-	31,861	-	-	31,861
Lease liabilities	-	12,762	19,703	85,358	139,353	257,176
Financing from banks	1,461	19,400	79,919	355,526	-	456,306
Bank overdraft	17,145	-	-	-	-	17,145
Due to a related party	-	-	-	6,384	-	6,384
	18,606	135,479	143,890	447,268	139,353	884,596

Market risk
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, interest bearing products and equity investments, 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, equity prices 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's foreign currency exposure arises principally from transactions denominated in Saudi Arabian Riyal ("SAR'') and Bahraini Dinar ("BHD"). Since the SAR, BHD and AED are pegged to the United State Dollar ("USD"), the Group has no significant exposure to currency risk.

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 deposits earn interest/profit at fixed rates, hence any changes in interest/profit rate will not have an impact on the consolidated statement of profit or loss of the Group. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with floating interest rates.

The interest rate profile of the Group's financial assets and liabilities are shown in the table below:

	2024 AED'000	*2023 AED'000*
Fixed rate instruments – assets		
Shariah compliant and non-shariah compliant term deposits with banks	**360,553**	417,198
Variable rate instruments – liabilities		
Term loan	**-**	(65,706)
Murabaha bank facility	**(25,905)**	-
Tawarroq financing facility	**(16,729)**	-
Revolving bank facilities	**(45,247)**	(11,897)
Musharaka financing facility	**(251,944)**	(293,623)
Bank overdraft	**-**	(17,145)
	(339,825)	(388,371)

The Group manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings. To manage this, the Group enters into interest rate swaps, in which it agrees to exchange, at specified intervals, the difference between fixed and variable rate interest amounts calculated by reference to an agreed-upon notional principal amount.

25 FINANCIAL ASSETS AND FINANCIAL LIABILITIES (continued)

25.5 Financial instruments risk management objectives and policies (continued)

Market risk (continued)

Interest rate risk (continued)
Interest rate sensitivity
An increase of 0.5% in interest rates with all other variables held constant would decrease the Group's profit and equity by AED 1,473 thousand (2023: AED 1,797 thousand).

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 is exposed to equity price risk, which arises from fair value through other comprehensive income securities.

The Group's equity investment in Emirates NBD REIT is listed on the Nasdaq Dubai. A 5% increase in equity indices of the security at the reporting date would have increased other comprehensive income and equity attributable to the equity holders of the Company by AED 579 thousand (2023: AED 613 thousand) and an equal change in the opposite direction would have decreased other comprehensive income and equity by the same amount.

At the reporting date, the exposure to non-listed equity investments at fair value through OCI was AED 22,865 thousand (2023: AED 22,865 thousand).

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 identifies and manages 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 Risk and Compliance Committee and Board of Directors of the Group.

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. For the purpose of the Group's capital management, capital includes share capital, share premium, treasury shares and all other equity reserves attributable to the equity holders of the Company.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group monitors capital using a gearing ratio, which is 'debt' divided by total capital plus debt.

The Group includes within net (cash) / debt, interest bearing loans and borrowings excluding lease liabilities, less cash and bank balances.

25 FINANCIAL ASSETS AND FINANCIAL LIABILITIES (continued)

25.5 Financial instruments risk management objectives and policies (continued)

Capital management (continued)

	2024 *AED'000*	*2023* *AED'000*
Interest-bearing loans and borrowings (exc. lease liabilities) (Note 25.2)	**338,397**	386,795
Less: cash and bank balances	**(502,960)**	(582,250)
Net cash	**(164,563)**	(195,455)
Equity	**2,819,227**	2,819,188
Equity and debt	**3,159,052**	3,205,983
Gearing ratio	**11%**	12%

In order to achieve this overall objective, the Group's capital management, among other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches of the financial covenants of any interest-bearing loans and borrowings in the current year.

No changes were made in the objectives, policies or processes during the years ended 31 December 2024 and 31 December 2023.

26 SEGMENT INFORMATION

The principal activities of the Group are to invest in the fields of education and healthcare and managing, developing and operating such companies and enterprises.

The details of segment revenue and segment results, segment assets and segment liabilities are as follows:

26 SEGMENT INFORMATION (continued)

	Investments *AED'000*	*Education* *AED'000*	*Healthcare* *AED'000*	*Total* *AED'000*	*Eliminations* *AED'000*	*Consolidated* *AED'000*
2024 - excluding discontinued operation (Note 30)						
Revenue	**-**	**432,258**	**363,838**	**796,096**	**-**	**796,096**
Direct costs	**(2,295)**	**(231,428)**	**(211,385)**	**(445,108)**	**3,190**	**(441,918)**
General, selling and administrative expenses	**(40,675)**	**(100,988)**	**(103,312)**	**(244,975)**	**4,774**	**(240,201)**
Share of result of an associate	**-**	**29,557**	**-**	**29,557**	**-**	**29,557**
Income from finance lease	**-**	**32,062**	**-**	**32,062**	**-**	**32,062**
Other operating income	**9,719**	**35,291**	**974**	**45,984**	**(11,188)**	**34,796**
Finance income	**15,710**	**3,624**	**2,511**	**21,845**	**-**	**21,845**
Finance costs	**(139)**	**(8,850)**	**(29,765)**	**(39,249)**	**3,224**	**(36,025)**
Zakat and income taxes	**886**	**(16,783)**	**(6,130)**	**(22,027)**	**-**	**(22,027)**
Segment results	**(16,794)**	**174,743**	**16,236**	**174,185**	**-**	**174,185**
Segment profit attributable to:						
Equity holders of the Company	**(16,794)**	**147,015**	**13,089**	**143,310**	**-**	**143,310**
Non-controlling interests	**-**	**27,728**	**3,147**	**30,875**	**-**	**30,875**
Total assets	**400,594**	**1,943,932**	**1,598,218**	**3,942,744**	**(101,803)**	**3,840,941**
Total liabilities	**155,125**	**341,565**	**563,993**	**1,060,683**	**(99,967)**	**960,716**
Capital expenditure	**288**	**60,987**	**99,566**	**160,841**	**-**	**160,841**
Depreciation and amortisation	**4,070**	**44,338**	**37,700**	**86,108**	**(3,190)**	**82,918**

26 SEGMENT INFORMATION (continued)

	Investments AED'000	*Education AED'000*	*Healthcare AED'000*	*Total AED'000*	*Eliminations AED'000*	*Consolidated AED'000*
2023						
Revenue	-	337,820	341,934	679,754	-	679,754
Direct costs	(2,295)	(161,023)	(200,455)	(363,773)	3,190	(360,583)
General, selling and administrative expenses	(39,544)	(85,219)	(79,010)	(203,773)	5,197	(198,576)
Share of results of associates	-	17,881	327	18,208	-	18,208
Gain on disposal of an associate under step-acquisition	-	-	9,629	9,629	-	9,629
Income from finance lease	-	33,271	-	33,271	-	33,271
Other operating income	17,047	18,513	1,668	37,228	(11,665)	25,563
Finance income	19,041	2,159	1,814	23,014	(1,748)	21,266
Finance costs	(1,527)	(6,503)	(33,616)	(41,646)	5,026	(36,620)
Zakat and Income taxes	-	(2,698)	(2,722)	(5,420)	-	(5,420)
Deferred taxes	(109,405)	-	-	(109,405)	-	(109,405)
Segment results*	(116,683)	154,201	39,569	77,087	-	77,087
Segment profit/(loss) attributable to:						
Equity holders of the Company*	(116,683)	130,244	35,625	49,186	-	49,186
Non-controlling interests*	-	23,957	3,944	27,901	-	27,901
Total assets – restated	503,809	1,804,655	1,629,425	3,937,889	(93,390)	3,844,499
Total liabilities – restated	174,788	211,768	702,440	1,088,996	(93,450)	995,546
Capital expenditure	97	24,909	66,390	91,396	-	91,396
Depreciation and amortisation*	4,068	29,896	39,848	73,812	(3,190)	70,622

* excluding discontinued operation (Note 30)

27 MATERIAL PARTLY-OWNED SUBSIDIARIES

Financial information of the subsidiaries that have material non-controlling interests are provided below:

(1) Proportion of equity interest held by non-controlling interests:

Subsidiaries	***Non-controlling interests*** ***2024***	*2023*
Al Malaki Specialist Hospital W.L.L	**30.55%**	30.55%
Human Development Company LLC	**40.00%**	40.00%
HC Investments 1 Holdings Limited	**14.26%**	14.89%
- CMRC Limited	**14.26%**	14.89%
- Sukoon International Holding Company	**29.86%**	30.37%

Accumulated balances of non-controlling interests:

	2024 AED'000	*2023 AED'000 Restated*
Al Malaki Specialist Hospital W.L.L	**(26,474)**	(13,539)
Human Development Company LLC	**63,462**	51,014
HC Investments 1 Holdings Limited		
(i) CMRC Limited	**108,896**	88,767
(ii) Sukoon International Holding Company	**90,286**	107,490
Total equity	**236,170**	233,732

(2) Summarised financial information of the subsidiaries before inter-company eliminations

(a) Al Malaki Specialist Hospital W.L.L (disposal group)

Summarised statement of profit or loss for the year ended 31 December:

	2024 AED'000	*2023 AED'000*
Revenue	**24,568**	38,347
Costs and expenses	**(55,550)**	(87,803)
Other income	**560**	700
Finance costs	**(11,918)**	(11,859)
Loss for the year	**(42,340)**	(60,615)
Attributable to non-controlling interests	**(12,935)**	(18,532)

Summarised statement of financial position as at 31 December:

	2024 AED'000	*2023 AED'000*
Non-current assets	**62,675**	84,865
Current assets	**5,823**	12,856
Non-current liabilities	**(39,457)**	(89,848)
Current liabilities	**(115,699)**	(52,189)
Total deficit	**(86,658)**	(44,316)
Attributable to non-controlling interests	**(26,474)**	(13,539)

27 MATERIAL PARTLY-OWNED SUBSIDIARIES (continued)

(2) Summarised financial information of the subsidiaries before inter-company eliminations (continued)

(a) Al Malaki Specialist Hospital W.L.L (disposal group) (continued)

Summarised cash flow information for the year ended 31 December:

	2024 AED'000	*2023 AED'000*
Operating	**(2,694)**	(4,321)
Investing	**(13)**	(1,279)
Financing	**(4,296)**	341
Net decrease in cash and cash equivalents	**(7,003)**	(5,259)

(b) Human Development Company LLC

Summarised consolidated statement of profit or loss for the year ended 31 December:

	2024 AED'000	*2023 AED'000*
Revenue	**212,928**	162,238
Costs and expenses	**(165,123)**	(110,519)
Other income	**32,407**	15,473
Finance costs	**(7,296)**	(4,601)
Zakat	**(3,656)**	(2,698)
Profit for the year	**69,260**	59,893
Total comprehensive income	**70,620**	61,194
Attributable to non-controlling interests	**28,272**	24,477

Summarised consolidated statement of financial position as at 31 December:

	2024 AED'000	*2023 AED'000*
Non-current assets	**163,176**	96,968
Current assets	**181,734**	118,318
Non-current liabilities	**(87,744)**	(41,930)
Current liabilities	**(98,511)**	(45,815)
Total equity	**158,655**	127,541
Attributable to non-controlling interests	**63,462**	51,014

27 MATERIAL PARTLY-OWNED SUBSIDIARIES (continued)

(2) Summarised financial information of the subsidiaries before inter-company eliminations (continued)

(b) Human Development Company LLC (continued)

Summarised consolidated statement of cash flow information for the year ended 31 December:

	2024 AED'000	*2023 AED'000*
Operating	**54,810**	60,246
Investing	**(51,310)**	(35,835)
Financing	**26,959**	(24,583)
Net increase/(decrease) in cash and cash equivalents	**30,459**	(172)

(c) HC Investments 1 Holdings Limited

Summarised consolidated statement of profit or loss for the year/period:

	Year ended 31 December 2024			*Year ended 31 December 2023*		
	CMRC AED'000	***Sukoon AED'000***	***Total AED'000***	*CMRC AED'000*	*Sukoon* AED'000*	*Total AED'000*
Revenue	**270,904**	**92,934**	**363,838**	181,942	60,027	241,969
Costs and expenses	**(230,002)**	**(84,695)**	**(314,697)**	(151,157)	(51,384)	(202,541)
Other income	**974**	**-**	**974**	1,671	-	1,671
Finance income	**2,310**	**201**	**2,511**	719	736	1,455
Finance costs	**(29,601)**	**(659)**	**(30,260)**	(21,763)	(343)	(22,106)
Tax and zakat	**(4,794)**	**(1,336)**	**(6,130)**	(834)	(1,398)	(2,232)
Profit for the period	**9,791**	**6,445**	**16,236**	10,578	7,638	18,216
Total comprehensive income	**10,449**	**5,389**	**15,838**	10,578	8,297	18,875
Attributable to non-controlling interests	**1,519**	**1,406**	**2,925**	1,606	2,538	4,144

* For the period from 1 May 2023 to 31 December 2023 post completion of step acquisition

Summarised consolidated statement of financial position as at 31 December:

	2024			*2023 - Restated*		
	CMRC AED'000	***Sukoon AED'000***	***Total AED'000***	*CMRC AED'000*	*Sukoon AED'000*	*Total AED'000*
Non-current assets	**1,003,661**	**351,753**	**1,355,414**	975,524	323,715	1,299,239
Current assets	**136,077**	**79,867**	**215,944**	133,514	76,409	209,923
Non-current liabilities	**(373,190)**	**(29,564)**	**(402,754)**	(409,593)	(14,101)	(423,694)
Current liabilities	**(114,902)**	**(46,703)**	**(161,605)**	(98,044)	(36,060)	(134,104)
Total equity	**651,646**	**355,353**	**1,006,999**	601,401	349,963	951,364
Attributable to non-controlling interests	**90,286**	**108,896**	**199,182**	88,767	107,490	196,257

27 MATERIAL PARTLY-OWNED SUBSIDIARIES (continued)

(2) Summarised financial information of the subsidiaries before inter-company eliminations (continued)

(c) HC Investments 1 Holdings Limited (continued)

Summarised consolidated statement of cash flow information for the year/period:

	Year ended 31 December 2024			*Year ended 31 December 2023*		
	CMRC AED'000	***Sukoon AED'000***	***Total AED'000***	*CMRC AED'000*	*Sukoon* AED'000*	*Total AED'000*
Operating	**73,327**	**9,929**	**83,256**	95,152	2,123	97,275
Investing	**(91,921)**	**(5,937)**	**(97,858)**	(28,827)	(27,808)	(56,635)
Financing	**3,094**	**(83)**	**3,011**	(21,607)	(14)	(21,621)
Net increase / (decrease) in cash and cash equivalents	**(15,500)**	**3,909**	**(11,591)**	44,718	(25,699)	19,019

* For the period from 1 May 2023 to 31 December 2023 post completion of step acquisition

(3) Movements in non-controlling interests

The following table summarises the information about movements in non-controlling interest for the year:

	Non-controlling interests	
	2024 AED'000	*2023 AED'000 Restated*
Balance as at 1 January	**233,732**	28,000
Acquisition of a subsidiary (Note 10)	**-**	192,113
Shareholder contribution in subsidiary	**-**	3,530
Total comprehensive income for the year	**18,262**	10,089
Dividends	**(15,824)**	-
Balance as at 31 December	**236,170**	233,732

28 TAXES AND ZAKAT

On 9 December 2022, the UAE Ministry of Finance released Federal Decree-Law No. 47 of 2022 on the Taxation of Corporations and Businesses (Corporate Tax Law or the Law) to enact a Federal corporate tax (CT) regime in the UAE. The CT regime is effective from 1 June 2023 and accordingly, it has an income tax related impact on the financial statements for accounting periods beginning on or after 1 June 2023.

Decision No. 116 of 2022 (published in December 2022 and considered to be effective from 16 January 2023) specifies that taxable income not exceeding AED 375,000 would be subject to the 0% UAE CT rate, and taxable income exceeding AED 375,000 would be subject to the 9% UAE CT rate. With the publication of this Decision, the UAE CT Law is considered to be substantively enacted for the purposes of accounting for Income Taxes.

The UAE CT Law applied to the Group with effect from 1 January 2024. The MoF continues to issue supplemental Decisions of the Cabinet of Ministers of the UAE (Decisions) to further clarify certain aspects of the UAE CT Law. Such Decisions, and other interpretive guidance of the UAE Federal Tax Authority, are required to fully evaluate the impact of the UAE CT Law on the Group.

28 TAXES AND ZAKAT (continued)

Accordingly, the current taxes are accounted for in the financial statements from the period beginning 1 January 2024. However, the related deferred tax accounting impact has been considered for the financial year ended 31 December 2023. Consequently, the Group has recorded a deferred tax liability of AED 109,405 thousand as at 31 December 2023. This relates to the initial recognition of a deferred tax liability in respect of Purchase Price Allocation (PPA) adjustments carried on the Group's consolidated statement of financial position and attributable to certain UAE-based Group entities. While the PPA adjustments relate to corporate transactions completed in prior accounting periods, the deferred tax liability arises due to the introduction of the UAE CT Law in the UAE, and on the basis that the UAE-based entities to which those PPA adjustments are attributed should be subject to UAE CT in the future. There were no deferred tax expenses during the current year.

In addition to UAE CT, the Group's subsidiaries in Kingdom of Saudi Arabia and Cyprus are subject to taxation. Income tax for the current year is provided on the basis of estimated taxable income computed by the Group using tax rates, enacted or substantially enacted at the reporting date, applicable in the respective countries in which the subsidiaries operate and any adjustment to tax in respect of previous periods.

Tax rates differ between jurisdictions in which the Group operates. The tax rate applicable in the UAE is 9% (2023: 0%) for taxable profits exceeding AED 375,000. The overall effective tax rate for the Group, including all applicable jurisdictions, is 11.2% (2023: 2.8%).

The difference between the applicable tax rate and the Group's effective tax rate arises due various adjustments being made in accordance with the corporate tax law which are stated below:

	2024 AED'000	*2023 AED'000*
Profit before tax from continuing operations	**196,212**	191,912
At UAE's statutory income tax rate of 9% (2023: 0%)	**17,659**	-
Non-deductible expenses	**54**	-
Effect of different tax rates in foreign jurisdictions	**4,314**	5,420
	22,027	5,420

29 ALTERNATIVE PERFORMANCE MEASURES

Management considers the use of non-IFRS Alternative Performance Measures (APMs) to be key in understanding the Group's financial performance as well as assisting in forecasting the performance of future periods.

The presentation of APMs has limitations as analytical tools and should not be considered in isolation or as a substitute for related financial measures prepared in accordance with IFRS.

In presenting the APMs management adjusts for certain items that vary between periods and for which the adjustment facilitates comparability between periods.

A reconciliation of the APMs utilised to the most directly reconcilable line items in the consolidated statement of profit or loss is provided below and may differ from similarly titled measures used by other entities.

(a) Adjusted profit before Tax and Zakat

This APM represents the reported profit before Tax and Zakat from continuing operations adjusted for income/expense related to:

- Gain on disposal of an associate under step-acquisition;
- transaction related costs;
- other one-off non-recurring items

29 ALTERNATIVE PERFORMANCE MEASURES (continued)

(b) Adjusted profit

This APM represents adjusted profit before Tax and Zakat from continuing operations adjusted for Zakat and Income taxes.

(c) Adjusted profit attributable to equity holders

This APM represents adjusted profit from continuing operations adjusted for non-controlling interest's share of for income/expenses.

(d) Earnings before interest, tax, depreciation and amortisation (EBITDA)

This APM represents the reported profit before Tax and Zakat from continuing operations adjusted for income/expense related to:

- gain on disposal of an associate under step-acquisition;
- depreciation and amortisation;
- purchase price amortisation of associates
- transaction related costs;
- finance costs and income;
- non-controlling interests;
- other one-off non-recurring items

(e) Adjusted earnings before interest, tax, depreciation and amortisation (EBITDA)

This APM represents the reported EBITDA adjusted for income/expenses related to:

- gain on disposal of an associate under step-acquisition;
- transaction related costs;
- other one-off non-recurring items

(f) Adjusted profit from continuing and discontinued operations

This APM represents profit from continuing and discontinued operations adjusted for the following:

- Gain on disposal of an associate under step-acquisition;
- Deferred taxes;
- Impairment charges;
- transaction related costs;
- other one-off non-recurring items

(g) Reconciliation

The APMs and their reconciliations to the measures reported in the consolidated statement of profit or loss (continuing operations) are as follows:

	2024 AED'000	*2023 AED'000*
CONTINUING OPERATIONS		
PROFIT BEFORE TAX AND ZAKAT	**196,212**	191,912
Add/(deduct):		
Transaction related costs (Note 5 & 11)	**5,650**	1,547
Gain on disposal of an associate under step-acquisition	**-**	(9,629)
One-off non-recurring items	**875**	1,291
Adjusted Profit before Tax and Zakat	**202,737**	185,121

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29 ALTERNATIVE PERFORMANCE MEASURES (continued)

(g) Reconciliation (continued)

	2024 AED'000	*2023 AED'000*
CONTINUING OPERATIONS (continued)		
Adjusted Profit before Tax and Zakat	**202,737**	185,121
Add/(deduct):		
Zakat and Income Taxes	**(22,027)**	(5,420)
Adjusted Profit	**180,710**	179,701
Add/(deduct):		
Transaction related costs related to NCI (Note 5 & 11)	**(407)**	(234)
Non-controlling interests (Note 26)	**(30,875)**	(27,901)
Adjusted Profit attributable to Equity holders	**149,428**	151,566
Add/(deduct):		
Depreciation and amortisation	**82,918**	70,622
Purchase price amortisation of associate	**3,000**	3,000
Zakat and Income Taxes	**22,027**	5,420
Finance income	**(21,845)**	(21,266)
Finance costs	**36,025**	36,620
Transaction related costs related to NCI (Note 5 & 11)	**470**	234
Non-controlling interest (Note 26)	**30,875**	27,901
Transaction related costs (Note 5 & 11)	**(5,650)**	(1,547)
Gain on disposal of an associate under step-acquisition	**-**	9,629
One-off non-recurring items	**(875)**	(1,291)
Earning before interest, tax, depreciation and amortisation	**296,310**	280,888
Add/(deduct):		
Transaction related costs (Note 5 & 11)	**5,650**	1,547
Gain on disposal of an associate under step-acquisition	**-**	(9,629)
One-off non-recurring items	**875**	1,291
Adjusted earning before interest, tax, depreciation and amortisation	**302,835**	274,097

	2024 AED'000	*2023 AED'000*
CONTINUING AND DISCONTINUED OPERATIONS		
Profit/(loss) for the year	**133,783**	(43,831)
Add/(deduct):		
Deferred taxes	**-**	109,405
Impairment losses	**15,817**	95,091
Transaction related costs (Note 5 & 11)	**5,650**	1,547
Gain on disposal of an associate under step-acquisition	**-**	(9,629)
One-off non-recurring items	**875**	1,291
Adjusted profit from continuing and discontinued operations	**156,125**	153,874

30 DISPOSAL GROUP

As at 31 December 2024, the Group classified Al Malaki Specialist Hospital as a disposal group held for sale based on the Board's decision to recover the investment through a sale transaction within twelve months from the reporting date rather than through continuing use. The subsidiary represents the entirety of the Group's healthcare services in the Kingdom of Bahrain. The results of the subsidiary for the year are presented below:

	2024 AED'000	*2023 AED'000*
Revenue	**24,568**	38,347
Direct costs*	**(24,454)**	(36,816)
GROSS PROFIT	**114**	1,531
General selling and administrative expenses*	**(15,279)**	(17,947)
Impairment of property and equipment	**(15,817)**	(95,091)
Other operating income	**560**	700
OPERATING LOSS	**(30,422)**	(110,807)
Finance costs**	**(9,980)**	(10,111)
LOSS FOR THE YEAR	**(40,402)**	(120,918)

* Include depreciation of property and equipment of AED 5,956 thousand (2023: AED 8,710 thousand) (Note 8) and depreciation on right-of-assets of AED 430 thousand (2023: AED 430 thousand) (Note 9)

** Includes AED 1,267 thousand (2023: AED 1,274 thousand) finance cost on lease liabilities (Note 9.1)

	2024 AED'000
Assets	
Property and equipment (Note 8)	**46,885**
Right-of-use assets (Note 9)	**15,789**
Inventories	**2,970**
Trade and other receivables, net	**1,800**
Due from related parties	**322**
Cash and banks (Note 15)	**731**
	68,497
Liabilities	
Accounts and other payables	**(19,346)**
Bank financing (1)	**(57,662)**
Lease liabilities (Note 9)	**(17,880)**
Bank overdraft (1)	**(20,465)**
Due to related parties	**(9,600)**
Contract liabilities	**(154)**
Other long-term payable (Note 19)	**(3,439)**
Provision for employees' end of service benefits (Note 20)	**(949)**
	(129,495)
Net assets directly associated with a discontinued operation	**(60,998)**

The net cash flows incurred by MSH are disclosed in Note 27.

30 DISPOSAL GROUP (continued)

Write-down of property and equipment
Immediately before the classification of MSH as a disposal group, the recoverable amount was estimated for certain items of property and equipment and an additional impairment loss of AED 15,817 thousand was identified. No further write-down was recognised to reduce the carrying amount of the assets held for sale to their fair value less costs to sell based on management's assessment.

Bank financing and overdraft
Following the classification of MSH as a disposal group, the provider of the financing facility, where Amanat is a Corporate Guarantor, initiated its internal procedures via an official notification in relation to the immediate recovery of any amounts due under the facility agreement including any outstanding overdraft facility. Management continues to explore viable options with the financing provider as part of the ongoing wider strategic discussions.

MSH is non-compliant with the covenants defined in the financing agreement as of 31 December 2024.

31 COMPARATIVE INFORMATION

The comparative information in the consolidated statement of profit or loss and the related notes have been adjusted to reflect the impact of classifying Al Malaki Specialist Hospital as a disposal group (Note 30). In addition, the Group reclassified an amount of AED 7,483 thousand from general, selling and administrative expenses to direct costs with relation to depreciation of right-of-use assets to conform to the current year's presentation. These reclassifications did not have any impact on the previously reported results and net assets of the Group.

Furthermore, Note 10 discloses the impact of restatement following the completion of purchase price allocation exercise in relation to the acquisition of Sukoon International Holding Company LLC as permitted by IFRS Accounting Standards.

Amanat

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