First Look Note | 2Q26

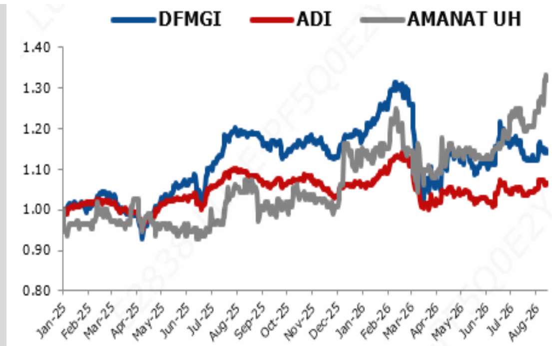
UAE Equity Research   Sector: Financials   Market: DFM

Amanat Holdings PJSC

Continued operational momentum across segments boosted top line

Current Price	Target Price	Upside/Downside (%)	Rating
AED 1.47	AED 1.50	+2.0%	HOLD

- The Company completed the acquisition of the outstanding c.13% stake in Cambridge Health Group in June 2026, further consolidating its healthcare platform and supporting greater integration across the business.
- CHG's total bed capacity reached 715 beds in 1H26, with licensed capacity increasing 18% YOY to 666 beds, while Khobar's licensed capacity increased to 150 beds post-period and Jeddah's 70-bed expansion is expected to be completed in Q1 2028.
- Amanat continued to execute its capital deployment strategy, targeting c. AED 1.5 Bn over next three years across organic growth, greenfield developments and selective acquisitions.
- Reflecting its focus on sustainable shareholder returns, Amanat announced a three-year dividend policy targeting minimum annual distributions of 7 fils per share, payable semi-annually, and declared an interim dividend of AED 75 Mn (3 fils per share) for 1H26.



Stock Information	
Market Cap (AED, mm)	3,675.00
Paid Up Capital (mm)	2,500.00
52 Week High	1.49
52 Week Low	1.07
3M Avg. daily value (AED)	4,350,663

2Q26 Result Review (AED, mm)	
Total Assets	4,336
Total Liabilities	1,089
Total Equity	3,247
EBITDA	120
Net Profit	55

Financial Ratios	
Dividend Yield (12m)	4.73
Dividend Pay-out (%)	18.44
Price-Earnings Ratio(x)	16.30
Price-to-Book Ratio (x)	1.31
Book Value (AED)	1.12
Return-on Equity (%)	7.09

Stock Performance	
5 Days	-0.68%
1 Months	9.70%
3 Months	15.75%
6 Months	13.95%
1 Year	25.64%
Month to Date (MTD%)	5.76%
Quarter to Date (QTD%)	6.52%
Year to Date (YTD%)	13.95%

2Q26 net profit lower than our estimate

Amanat Holding PJSC (Amanat/The Company) reported a net profit attributable to equity shareholders of AED 55 Mn in 2Q26 compared to AED 47 Mn in 2Q25. This is lower than our estimate of AED 61 Mn. The growth in net profit is attributable to the growth in income from both the Healthcare and education segments, a higher share of profit from associates coupled with increase in other operating income and finance income, partially offset by higher direct costs, G&A, D&A and tax expenses coupled with an increase in profit attributable to minority shareholders. Profit from continuing operations rose from AED 54 Mn in 2Q25 to AED 80 Mn in 2Q26.

P&L Highlights

Amanat's revenue grew 24.7% YOY to AED 284 Mn in 2Q26, primarily attributable to the growth in the Healthcare and Education segment. Education segment revenue expanded 21.8% YOY to AED 162 Mn in 2Q26, reflecting sustained enrolment growth across MDX, NEMA and HDC along with continued portfolio expansion. HDC revenue rose 28.3% YOY to AED 59 Mn in 2Q26 owing to addition of beneficiaries and students. Number of beneficiaries and students rose 20.3% YOY to 7.7k in 2Q26. Healthcare segment's revenue grew 28.8% YOY to AED 122 Mn in 2Q26, due to improving utilization as recently added capacity across the portfolio translated into higher patient volumes. The Company's direct costs increased 13.4% YOY to AED 150 Mn in 2Q26. Thus, the gross profit rose 40.4% YOY to AED 134 Mn in 2Q26. Furthermore, gross profit margin increased 527 bps YOY to 47.1% in 2Q26. G&A expenses grew 25.5% YOY to AED 82 Mn in 2Q26, mainly due to increased expected credit loss on trade receivables. Similarly, other operating income increased from AED 8 Mn in 2Q25 to AED 9

Mn in 2Q26. Meanwhile, the share of results from associates increased from AED 18 Mn in 2Q25 to AED 29 Mn in 2Q26. Thus, total operating expenses rose 47.6% YOY to AED 72 Mn in 2Q26. However, the Company recorded a 40.3% YOY increase in total operating profit to AED 90 Mn in 2Q26 driven by stronger operating performance and improved operating leverage. D&A expenses rose 12.6% YOY to AED 29 Mn in 2Q26. Amanat's EBITDA increased 34.0% YOY to AED 120 Mn in 2Q26. Finance income increased from AED 3 Mn in 2Q25 to AED 10 Mn in 2Q26. Meanwhile, finance costs increased from AED 8 Mn in 2Q25 to AED 9 Mn in 2Q26. The Company recorded a zakat expense of AED 11 Mn in 2Q26 compared to AED 6 Mn in 2Q25. Share of profit attributable to non-controlling interest holders rose from AED 1 Mn in 2Q25 to AED 24 Mn in 2Q26.

Balance Sheet Highlights

Amanat's cash and cash equivalents decreased from AED 1,394 Mn in 1Q26 to AED 1,094 Mn in 2Q26, primarily due to dividend distribution and cash deployment during H1 2026, including the acquisition of c. 13% of Cambridge Health Group's minority shareholders completed in June 2026. Total debt decreased from AED 353 Mn in 1Q26 to AED 331 Mn in 2Q26. Capex amounted to AED 22 Mn in 2Q26 compared to AED 20 Mn in 1Q26. Total equity decreased from AED 3,317 Mn in 1Q26 to AED 3,247 Mn in 2Q26, while Amanat maintained a strong liquidity position to fund its future growth initiatives.

Target Price and Rating

We maintain our HOLD rating on Amanat with a revised target price of AED 1.50. Amanat reported a strong increase in the bottom line, primarily driven by growth across its Education and Healthcare platforms, with revenue and EBITDA from continuing operations increasing 24% and 30% YOY in 1H26. In Healthcare, Cambridge Health Group continued its transition from expansion to operational delivery, with 1H26 EBITDA rising 58% YOY to AED 62.4 Mn, reflecting improved execution, utilization and operating leverage. Total bed capacity reached 715 beds, including 666 licensed beds, while average inpatient census increased 32% YOY to 539 in 1H26. Amanat remains on track to exceed 1,000 beds in the medium term, supported by a development pipeline across the UAE and KSA. Khobar's licensed capacity increased by 49 beds to 150 beds post-period end, while Jeddah continued to operate at peak utilization following its expansion to 200 beds, with a further 70-bed expansion progressing. An additional 8-bed expansion at Dhahran is currently under licensing, while a 155-bed integrated post-acute care hospital in Riyadh has been approved. The Company also completed the acquisition of the outstanding c.13% stake in Cambridge Health Group in June 2026, further consolidating its healthcare platform and supporting greater integration across the business. In Education, performance remained robust, supported by continued enrollment growth across Middlesex University Dubai, Human Development Company and NEMA. Total students and beneficiaries increased 21% YOY to c.28.9k in 1H26, driven by continued international student growth and an expanding SEN footprint. International students increased to 54% of the MDX student body from 45% in 1H25, while the SEN network expanded to 56 facilities, with a further 15 facilities under development. NEMA also introduced 19 new high-demand multidisciplinary programs, while Almasar signed a non-binding MoU to explore the acquisition of a 60% stake in Al Qalam Educational Trading Company and NEMA entered into a strategic partnership with Epsom College to establish two K-12 campuses in Dubai and Abu Dhabi with capacity for up to 5,000 students. Alongside operational growth, Amanat continued to execute its capital deployment strategy, targeting c. AED 1.5 Bn over next three years across organic growth, greenfield developments and selective acquisitions. The Company deployed AED 175 Mn during 1H26, with a further AED 325 Mn committed and in progress, including the CHG minority acquisition, Riyadh's 155-bed greenfield hospital and the Jeddah expansion. Thus, the Company maintained a strong cash position of AED 1.1 Bn at the end of 1H26, providing flexibility to fund future strategic initiatives and continued expansion. Reflecting its focus on sustainable shareholder returns, Amanat announced a new three-year dividend policy targeting a minimum annual distribution of 7 fils per share, payable semi-annually, and declared an interim dividend of AED 75 Mn (3 fils per share) for 1H26. Amanat remains well positioned to sustain growth across its Healthcare and Education platforms, supported by rising student and beneficiary numbers, increasing healthcare capacity and improving operating leverage. Its strong balance sheet and targeted capital deployment provide flexibility to pursue selective, value-accretive growth opportunities while maintaining sustainable shareholder returns. Thus, based on these factors, we assigned a HOLD rating on the stock.

Amanat Holdings - Relative valuation

(at CMP)	2021	2022	2023	2024	2025	2026F
PE	13.17	32.29	74.87	25.61	17.29	21.29
PB	1.34	1.36	1.41	1.40	1.29	1.29
EV/EBITDA	21.50	18.66	13.25	12.63	8.33	9.23
BVPS	1.108	1.088	1.051	1.060	1.146	1.145
EPS	0.112	0.046	0.020	0.058	0.086	0.070
DPS (AED)	0.060	0.040	0.020	0.046	0.070	0.070
Dividend yield	4.1%	2.7%	1.4%	3.1%	4.8%	4.8%

FABS Estimates & Co Data

Amanat Holdings – P&L

AED Mn	2Q25	1Q26	2Q26	2Q26F	var.	YOY Ch	QOQ Ch	2025	2026F	Change
Revenue	228	298	284	272	4.4%	24.7%	-4.9%	932	1,087	16.6%
Direct costs	-132	-164	-150	-158	-4.8%	13.4%	-8.6%	-530	-601	13.4%
Gross profit	**95**	**134**	**134**	**114**	**17.1%**	**40.4%**	**-0.2%**	**402**	**486**	**20.9%**
G&A expenses	-65	-81	-82	-57	44.1%	25.5%	0.4%	-305	-346	13.2%
Income from finance lease	8	0	0	0	NA	NM	NM	20	0	NM
Other Operating income	8	10	9	14	-30.4%	15.0%	-3.4%	39	54	40.3%
Share of result of Associates	18	15	29	12	NM	NM	90.7%	52	60	17.3%
Operating Expenses	**-49**	**-72**	**-72**	**-43**	**NM**	**47.6%**	**0.9%**	**-246**	**-291**	**18.3%**
Total Operating Profit	**64**	**77**	**90**	**83**	**9.0%**	**40.3%**	**16.5%**	**275**	**255**	**-7.5%**
D&A expenses	26	28	29	26	11.2%	12.6%	2.4%	104	107	2.7%
EBITDA	**89**	**106**	**120**	**109**	**10.2%**	**34.0%**	**12.6%**	**380**	**362**	**-4.7%**
Finance Income	3	13	10	13	-23.8%	NM	-25.6%	22	40	NM
Finance Cost	-8	-8	-9	-8	15.4%	15.0%	6.4%	-30	-30	0.5%
Profit/Loss of the Company	**60**	**82**	**91**	**88**	**3.7%**	**NM**	**10.8%**	**267**	**264**	**-1.3%**
Zakat and Income tax	-6	-9	-11	-8	31.3%	NM	16.2%	-19	-24	26.0%
Profit/Loss from cont. opt	**54**	**73**	**80**	**80**	**0.8%**	**48.2%**	**10.1%**	**248**	**240**	**-3.4%**
Loss from discontinued opt.	-5	-1	-1	0	NA	NM	-0.1%	-40	-1	NM
Non-Controlling Interest	1	26	24	19	29.3%	NM	-8.1%	31	67	NM
Net Profit attributable to equity shareholders	**47**	**46**	**55**	**61**	**-9.3%**	**17.0%**	**20.6%**	**177**	**172**	**-2.8%**

FABS estimate & Co Data

Amanat Holdings - Margins

	2Q25	1Q26	2Q26	YOY Ch	QOQ Ch	2025	2026F	Change
Gross Profit	41.8%	44.9%	47.1%	527	219	43.1%	44.7%	157
EBITDA	39.3%	35.7%	42.2%	292	655	40.8%	33.3%	-744
Operating Profit	28.2%	26.0%	31.8%	353	582	29.6%	23.5%	-611
Net Profit	20.8%	15.4%	19.5%	-129	412	19.0%	15.8%	-316

FABS estimate & Co Data

Valuation:

We use the Sum of the Total Parts (SOTP) and the Dividend Discount model (DDM) to value Amanat Holdings. We assign 50% weight each to SOTP and DDM to arrive at the total valuation.

Valuation Method	Target	Weight	Weighted Value
SOTP	1.66	50.0%	0.83
DDM	1.33	50.0%	0.66
Weighted Average Valuation (AED)			**1.50**
Current market price (AED)			1.47
Upside/Downside (%)			+2.0%

1) DDM Method:

Amanat Holdings dividend grew in line with profit and pays regular dividends to its shareholders. It expects to pay at least 70% of the dividend of the full-year profit in the forecasted period. Thus, we have valued Amanat using the DDM valuation method. The dividend is discounted at the cost of equity of 8.9%.

Sum of PV (AED, Mn)	843
Terminal value (AED, Mn)	2,470
FV to Common shareholders (AED, Mn)	**3,312**
No. of share (Mn)	2,496
Current Market Price (AED)	1.47
Fair Value per share (AED)	**1.33**

DDM Method

(All Figures in AED Mn)	FY 2026E	FY 2027E	FY 2028E	FY 2029E	FY 2030E
Dividend Paid	174	189	208	227	242
Total Dividend	**174**	**189**	**208**	**227**	**242**
Discounting Factor	*0.97*	*0.89*	*0.82*	*0.75*	*0.69*
Present Value of Dividend	**168**	**168**	**169**	**170**	**167**

Source: FAB Securities

2) SOTP Valuation:

Amanat owns interests in multiple entities across the Healthcare and Education sectors. We have used regional and global peers to value Amanat, which is valued using the EV/EBITDA and PE multiple in line with peers.

Name of Entity	% Owned	Type of Financials (AED, Mn)	Financial (AED, Mn)	Type of Valuation	Valuation Multiple	Valuation (AED, Mn)	% Of Value Attributable
Healthcare							
HC1	100.0%	EBITDA	122.6	EV/EBITDA	11.4x	1,403.2	34.5%
Education							
NEMA Holding	24.5%	PE	57.7	P/E	17.2x	989.8	29.1%
Middlesex University Dubai	70.0%	EBITDA	120.5	EV/EBITDA	11.9x	1,000.0	24.6%
Human Development Co.	42.0%	EBITDA	122.2	EV/EBITDA	11.9x	608.5	15.0%
Enterprise value						**4,065.3**	
Add/(less): Present value of Headquarter expense						-471.5	
Add/(less): Net Cash[1]						559.5	
Equity Value						**4,153.3**	
Equity Value per share (AED)						**1.66**	

Source: FAB Securities

[1]Cash, finance assets at fair value through OCI, lease liabilities and debt

Peers Multiples

Company	Market (USD Mn)	EV/EBITDA (x) 2026F	EV/EBITDA (x) 2027F	P/E (x) 2026F	P/E (x) 2027F
Education					
Taaleem Holdings PSC	869	14.3	12.4	26.8	20.1
Humansoft Holding Co KSCP	1,025	7.4	7.5	9.7	9.7
Lincoln Educational Services Corporation	955	14.5	11.9	38.4	29.2
New Oriental Education & Technology Group Inc	8,770	3.9	3.4	11.9	10.3
Graham holding	3,841	11.9	12.6	17.0	17.5
Average		**10.4x**	**9.6x**	**20.8x**	**17.4x**
Median		**11.9x**	**11.9x**	**17.0x**	**17.5x**
Max		**14.3x**	**12.4x**	**26.8x**	**20.1x**
Min		**7.4x**	**7.5x**	**11.9x**	**10.3x**

Source: FAB Securities

Company	Market (USD Mn)	EV/EBITDA (x) 2026F	EV/EBITDA (x) 2027F	P/E (x) 2026F	P/E (x) 2027F
Healthcare					
Al Hammadi Holding Company,	1,063	12.4	10.9	15.1	13.9
Cleopatra Hospital Company	495	12.0	9.3	34.0	21.1
Middle East Healthcare Co	753	8.7	8.3	19.2	14.3
HCA Healthcare, Inc	89,142	9.3	8.9	13.9	12.8
Mouwasat Medical Services Co	3,260	11.4	10.5	14.6	13.6
Burjeel Holdings	1,063	12.4	10.9	15.1	13.9
Average		**10.8x**	**9.6x**	**19.4x**	**15.1x**
Median		**11.4x**	**9.3x**	**15.1x**	**13.9x**
Max		**12.0x**	**10.5x**	**19.2x**	**14.3x**
Min		**9.3x**	**8.9x**	**14.6x**	**13.6x**

Source: FAB Securities

Research Rating Methodology:

Rating	Upside/Downside potential
BUY	Higher than +15%
ACCUMULATE	Between +10% to +15%
HOLD	Lower than +10% to -5%
REDUCE	Between -5% to -15%
SELL	Lower than -15%

FAB Securities Contacts:

Research Analyst

Ahmad Banihani	+971-2-6161629	Ahmad.Banihani@Bankfab.com
Shahrukh Nawaz	+971-2-6161612	Shahrukh.Nawaz@Bankfab.com

Sales & Execution

Abu Dhabi Head Office		
Trading Desk	+971-2-6161700/1	Online Trading Link
	+971-2-6161777	
Institutional Desk	+971-4-4245765	

DISCLAIMER