First Look Note | 3Q25

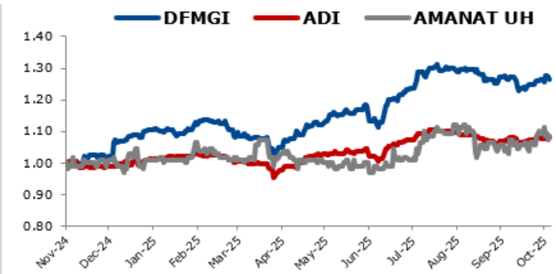
UAE Equity Research | Sector: Financials | Market: DFM

Amanat Holdings PJSC

Improved segment profits, supplemented by a one-off gain, lifted overall profitability

Current Price	Target Price	Upside/Downside (%)	Rating
AED 1.14	AED 1.30	+14%	ACCUMULATE

- Total beneficiaries and student base increased 22% YOY to c. 28.0k in 9M25, driven by strong growth in international students and the expansion of HDC.
- After refurbishment, Jeddah bed capacity expanded to 200; Dhahran capacity increased to 70. Additionally, 40 beds are expected to be operationalized in Khobar in 4Q25.
- Student enrollment at Middlesex University increased 12% YOY to 6.4k, supported by a 39% YOY rise in international students.
- Launched the IPO of Almasar Alshamil Education, which received a healthy response IPO with an oversubscription of 102.9x.
- Rebranded CMRC as Cambridge Health Group, unifying Amanat's post-acute care businesses under a single identity.



Stock Information	
Market Cap (AED, mm)	2,850.00
Paid Up Capital (mm)	2,500.00
52 Week High	1.23
52 Week Low	1.03
3M Avg. daily value (AED)	2,460,735

3Q25 Result Review (AED, mm)	
Total Assets	3,967
Total Liabilities	1,067
Total Equity	2,899
EBITDA	87
Net Profit/Loss	29

Financial Ratios	
Dividend Yield (12m)	1.40
Dividend Pay-out (%)	25.60
Price-Earnings Ratio(x)	11.79
Price-to-Book Ratio (x)	1.07
Book Value (AED)	1.06
Return-on Equity (%)	6.16

Stock Performance	
5 Days	
1 Months	0.00%
3 Months	-1.72%
6 Months	-2.56%
1 Year	8.57%
Month to Date (MTD%)	7.55%
Quarter to Date (QTD%)	-0.87%
Year to Date (YTD%)	0.00%

3Q25 net profit higher than our estimate

Amanat Holding PJSC (Amanat/The Company) reported a net profit from continuing operations of AED 60 million in 3Q25, compared to a loss of AED 4 million in 3Q24. This is lower than our estimate of AED 7 Mn. Profit attributable to equity shareholders also rose from a loss of AED 11 Mn in 3Q24 to a profit of AED 29 Mn in 3Q25. The growth in net profit is driven by a one-time gain from the disposal of the NLCS real estate asset divestment, growth in income from both the Education and Healthcare segments, coupled with lower headquarters and finance costs, partially offset by lower interest & investment income and impairment loss of Malaki Specialist Hospital. The Education Segment also recorded.

P&L Highlights

Amanat's revenue grew 20.3% YOY to AED 154 Mn in 3Q25, primarily attributable to the growth in the Healthcare and Education segment. Education segment revenue expanded 30.6% YOY to AED 47 Mn in 3Q25, due to growth in revenue of HDC and MDX. HDC revenue rose 26.7% YOY to AED 38 Mn in 3Q25 owing to addition of beneficiaries and students. Number of beneficiaries and students rose 25% YOY to 8.0k in 3Q25. Healthcare segment's revenue grew 16.6% YOY to AED 106 Mn in 3Q25, supported by the addition of new beds at Jeddah, Dhahran and Khobar, partially mitigated by decline in average revenue patient per day. The Company's direct costs increased 20.1% YOY to AED 109 Mn in 3Q25. Thus, the gross profit rose 20.6% YOY to AED 45 Mn in 3Q25. Gross profit margin remained flat at 29.0% in 3Q25 compared to 3Q24. G&A expenses grew 26.4% YOY to AED 69 Mn in 3Q25, while the income from the finance lease decreased 44.2% YOY to AED 4 Mn in 3Q25 owing to the completion of sales of NLCS real estate in August 2025. Similarly, other operating income fell 18.8% YOY to AED 10 Mn in 3Q25. Meanwhile, the share of results from associates contributed a profit of AED 2 Mn in 3Q25 compared to a loss of AED 2 Mn in 3Q24. Thus, total operating expenses rose from AED 34 Mn in 3Q24 to AED 55 Mn in 3Q25. As a result, the Company recorded a rise in total operating profit from AED 1 Mn in 3Q24 to AED 61 Mn in 3Q25 due to the one-off gain from the sale of NLCS real estate. D&A expenses rose 22.6% YOY to AED 26 Mn in 3Q25. Amanat's EBITDA rose from AED 20 Mn in 3Q24 to AED 87 Mn in 3Q25. However, adjusted EBITDA excluding one-off gain, increased 17.6% YOY to AED 11 Mn. Adjusted EBITDA margin fell from 15.7% in 3Q24 to 7.4% in 3Q25. Finance income fell 5.8% YOY to AED 5 Mn in 3Q25, owing to reduced market rates on fixed deposits. Furthermore, finance costs declined 7.6% YOY to AED 8 Mn in 3Q25. The Company recorded a zakat benefit of AED 2 Mn in 3Q25 compared to an expense of AED 2 Mn in 3Q24. Share of profit attributable to non-controlling interest holders rose from AED 0.4 Mn in 3Q24 to AED 3.0 Mn in 3Q25.

Balance Sheet Highlights

Amanat's cash and cash equivalents increased substantially from AED 371 Mn in 2Q25 to AED 911 Mn in 3Q25, primarily due to proceeds received from the disposal of NLCS real estate and positive cash generated from operations, partially offset by capex related to expansion projects. Total debt reduced from AED 326 Mn in 2Q25 to AED 299 Mn in 3Q25. Capex amounted to AED 57 Mn in 9M25 compared to AED 128 Mn in 9M24. Trade & other receivable rose from AED 323 Mn in 2024 to AED 355 Mn in 3Q25, attributed to new semester billings at MDX, along with the ramp-up of the new Khobar facility. Similarly, accounts & other payables increased from AED 201 in 4Q24 to AED 226 Mn in 3Q25, reflecting the timing differences related to new academic fee billings in the Education business.

Target Price and Rating

We maintain our ACCUMULATE rating on Amanat with an unchanged target price of AED 1.30. Amanat reported a robust increase in the bottom line, primarily driven by growth in the Education Segment due to a one-off gain from the disposal of the real estate asset of North London Collegiate School. This growth was further complemented by a higher contribution from healthcare segments, coupled with an increase in profit from associates, partially offset by ramp-up costs incurred at Khobar. In October 2025, Amanat's Education business, Almasar Alshamil Education announced its intention to float 30% of its share capital on the Saudi Exchange, which received a healthy response and the IPO was oversubscribed 102.9x at a valuation of SAR 2.0 Bn. The Company plans to distribute the proceeds from this IPO to shareholders or reinvest the proceeds in the chosen sectors. The total beneficiaries and student base grew 22% YOY to c. 28.0k in 9M25, driven by a strong growth in the international students, coupled with HDC expansion. Additionally, students count at Middlesex University rose 12% YOY to 6.4k students, attributed to 39% YOY growth in international students, which now constitutes 51% of the student body. Furthermore, the number of beneficiaries at HDC rose 25% YOY to 8.0k, with day centre beneficiaries of 6.6k and school students of 1.4k in 9M25. The number of students at Abu Dhabi and Liwa University rose 25% YOY to 13.6k students in 9M25. Furthermore, Amanat has signed a non-binding agreement to establish a partnership with Heriot-Watt University to establish Heriot-Watt University Saudi Arabia, expanding higher education presence in KSA. To further strengthen its education segment, the Company launched eight new SEN facilities in 2025 with 15 additional facilities under development. Additionally, it also launched the London Sports Institute, offering cutting-edge education, professional training and applied research in sport science, enhancing the value proposition. Moreover, Amanat's new Al Ain campus of Liwa University started contributing revenue from this year with a capacity of c.2,000 students. The Company is also exploring opportunities for expansion across the GCC, across private clinics and residential developments. The Healthcare segment continued to strengthen its capacity by adding new beds through refurbishment and expansion, increasing overall beds to 715 in 9M25. The Company increased the capacity to 200 beds in Jeddah and 70 in Dhahran, with 40 beds in Khobar expected to be operationalized by 4Q25. Along with this the Company is also in the process of licensing up to 100 beds in Khobar to have 450 licensed beds in the region by 2026. In October 2025, CMRC announced its rebranding to Cambridge Health Group, unifying Amanat's post-acute care businesses under a single identity to scale operations and enhance regional visibility. On the other hand, Malaki Specialist Hospital fully ceased operations with impairment losses of AED 27 Mn, supporting the Company's focus on optimizing its portfolio and enhancing returns. The company's UAE healthcare strategy focuses on expanding outpatient and home care services, diversifying into orthopaedics and mental health, and targeting growth opportunities across Dubai and the Northern Emirates. NEMA Holding expanded its capabilities post-period through the acquisition of Biz Group, strengthening its corporate training and digital learning. Furthermore, the Company continues to evaluate bolt-on acquisitions in the UAE and Saudi Arabia for strategic alignment and better valuation. Thus, based on these factors, we assigned an ACCUMULATE rating on the stock.

Amanat Holdings - Relative valuation

(at CMP)	2020	2021	2022	2023	2024	2025F
PE	NA	10.14	24.87	57.67	19.73	13.21
PB	1.13	1.03	1.05	1.08	1.08	1.05
EV/EBITDA	NA	15.94	14.24	10.23	9.78	6.48
BVPS	1.005	1.108	1.088	1.051	1.060	1.090
EPS	0.004	0.112	0.046	0.020	0.058	0.086
DPS (AED)	NA	0.060	0.040	0.020	0.046	0.060
Dividend yield	NA	5.3%	3.5%	1.8%	4.0%	5.3%

FABS Estimates & Co Data

Amanat Holdings – P&L

AED Mn	3Q24	2Q25	3Q25	3Q25F	var.	YOY Ch	QOQ Ch	2024	2025F	Change
Revenue	128	228	154	147	4.4%	20.3%	-32.5%	796	936	17.6%
Direct costs	-91	-132	-109	-106	2.8%	20.1%	-17.6%	-442	-520	17.6%
Gross profit	**37**	**95**	**45**	**41**	**8.2%**	**20.6%**	**-53.1%**	**354**	**417**	**17.6%**
G&A expenses	-55	-65	-69	-65	5.9%	26.4%	5.9%	-240	-297	23.7%
Income from finance lease	8	8	4	7	-39.6%	-44.2%	-43.3%	32	19	-42.3%
Gain on disposal of property under finance lease	-	-	68	-	NM	NM	NM	-	66	NM
Other Operating income	12	8	10	16	-38.7%	-18.8%	20.7%	35	47	34.5%
Share of result of Associates	-2	18	2	10	-79.1%	NM	-88.0%	30	41	38.1%
Operating Expenses	**-34**	**-49**	**-55**	**-42**	**31.4%**	**59.2%**	**11.4%**	**-173**	**-166**	**-4.5%**
Total Operating Profit	**1**	**64**	**61**	**10**	**500.2%**	**NM**	**-5.9%**	**210**	**292**	**38.8%**
D&A expenses	21	26	26	22	16.4%	22.6%	1.4%	89	94	5.6%
EBITDA	**20**	**89**	**87**	**32**	**169.0%**	**NA**	**-2.4%**	**296**	**386**	**30.4%**
Finance Income	6	3	5	5	12.8%	-5.8%	60.7%	22	19	-13.9%
Finance Cost	-8	-8	-8	-8	-1.1%	-7.6%	0.3%	-36	-31	-13.3%
Gain on disposal of associates	0	0	0	0	NM	NM	NM	0	0	NM
Profit/Loss of the Company	**-1**	**60**	**58**	**7**	**NA**	**NM**	**-3.0%**	**196**	**280**	**42.5%**
Zakat	-2.3	-5.8	1.8	0	NM	NM	NM	22	21	-3.9%
Profit/Loss from cont. opt	**-4**	**54**	**60**	**7**	**NA**	**NM**	**10.7%**	**174**	**258**	**48.3%**
Loss from discontinued opt.	-7	-5	-28	-6	NA	NA	NA	-40	-39	-2.7%
Non-Controlling Interest	0	1	3	1	NA	NA	112.3%	18	43	137.6%
Net Profit attr. to equity	**-11**	**47**	**29**	**6**	**NA**	**NM**	**-38.3%**	**116**	**176**	**52.3%**

FABS estimate & Co Data

Amanat Holdings - Margins

	3Q24	2Q25	3Q25	YOY Ch	QOQ Ch	2024	2025F	Change
Gross Profit	29.0%	41.8%	29.0%	9	-1,281	44.5%	44.5%	1
EBITDA	15.7%	39.3%	56.8%	4,108	1,747	37.2%	41.3%	404
Operating Profit	0.9%	28.2%	39.4%	NM	1,111	26.4%	31.2%	475
Net Profit	-8.7%	20.8%	19.0%	NM	-180	14.6%	18.8%	429

FABS estimate & Co Data

Key Developments:

- **12 November 2025:** In July 2024, the Company announced its plan to list the Amanat Education platform, Almasar, pending regulatory approval and favorable market conditions. Almasar Alshamil Education announced the successful completion of its institutional book-building process for its IPO on the Saudi Exchange. The offering was heavily oversubscribed at 102.9x, with institutional orders reaching SAR 61.6 Bn. The final offer price was set at SAR 19.50 per share, at the top of the announced price range, implying a total offering size of about SAR 599 million and a listing market capitalization of SAR 1,997 Mn.

- **21 August 2025:** Amanat Holdings has completed the sale of its education real estate asset—North London Collegiate School's property—for AED 453 million. The exit delivered a strong 1.7x unlevered cash-on-cash return and an IRR of 10%, generating net cash proceeds of AED 294 million. Amanat had invested a total of AED 393 million in the asset since acquiring it in 2018 and funding subsequent expansions.

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	1.51	50.0%	0.76
DDM	1.08	50.0%	0.54
Weighted Average Valuation (AED)			**1.30**
Current market price (AED)			1.14
Upside/Downside (%)			+14%

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 9.1%.

Sum of PV (AED, Mn)	777
Terminal value (AED, Mn)	1,915
FV to Common shareholders (AED, Mn)	**2,692**
No. of share (Mn)	2,483
Current Market Price (AED)	1.14
Fair Value per share (AED)	**1.08**

DDM Method

(All Figures in AED Mn)	FY 2025E	FY 2026E	FY 2027E	FY 2028E	FY 2029E	FY 2030E
Dividend Paid	151	133	149	161	182	207
Total Dividend	**151**	**133**	**149**	**161**	**182**	**207**
Discounting Factor	*0.99*	*0.91*	*0.83*	*0.76*	*0.70*	*0.64*
Present Value of Dividend	**149**	**121**	**124**	**123**	**127**	**132**

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	86.0%	EBITDA	115.9	EV/EBITDA	9.8x	979.0	25.4%
Education							
NEMA Holding	35.0%	PE	51.2	EV/EBITDA	15.8x	811.2	23.6%
Middlesex University Dubai	100.0%	EBITDA	111.1	EV/EBITDA	10.3x	1,143.5	28.6%
Human Development Co.	60.0%	EBITDA	149.7	EV/EBITDA	10.3x	924.9	18.8%
Enterprise value						**3,858.5**	
Add/(less): Present value of Headquarter expense						-499.5	
Add/(less): Net Cash[1]						395.1	
Equity Value						**3,754.0**	
Equity Value per share (AED)						**1.51**	

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) 2025F	EV/EBITDA (x) 2026F	P/E (x) 2025F	P/E (x) 2026F
Education					
Taaleem Holdings PSC	1,108	15.3	12.5	31.3	26.3
Humansoft Holding Co KSCP	1,054	6.5	6.7	8.9	9.2
Lincoln Educational Services Corporation	658	12.8	11.9	36.3	27.5
New Oriental Education & Technology Group Inc	8,616	6.8	5.7	15.7	13.6
Graham holding	4,652	13.2	10.3	22.8	15.8
Average		**10.9x**	**9.4x**	**23.0x**	**18.5x**
Median		**12.8x**	**10.3x**	**22.8x**	**15.8x**
Max		**13.2x**	**11.9x**	**31.3x**	**26.3x**
Min		**6.8x**	**6.7x**	**15.7x**	**13.6x**

Source: FAB Securities

Company	Market (USD Mn)	EV/EBITDA (x) 2025F	EV/EBITDA (x) 2026F	P/E (x) 2025F	P/E (x) 2026F
Healthcare					
Al Hammadi Holding Company,	1,298	13.8	11.2	19.5	15.4
Cleopatra Hospital Company	347	10.1	9.4	17.6	18.0
Middle East Healthcare Co	1,049	10.2	9.2	12.4	13.7
HCA Healthcare, Inc	1,08,000	10.1	9.8	17.1	15.9
Mouwasat Medical Services Co	3,872	14.0	12.8	19.1	17.7
Burjeel Holdings	1,298	13.8	11.2	19.5	15.4
Average		**11.6x**	**10.5x**	**17.1x**	**16.2x**
Median		**10.2x**	**9.8x**	**17.6x**	**15.9x**
Max		**13.8x**	**11.2x**	**19.1x**	**17.7x**
Min		**10.1x**	**9.4x**	**17.1x**	**15.4x**

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%

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