Earnings Call Insight | 3Q26

UAE Equity Research | Sector: Financials | Market: DFM

Amanat Holdings PJSC

Current Price	Target Price	Upside/Downside (%)	Rating
AED 1.58	AED 1.65	+4%	HOLD

3Q26 Net Profit lower than our estimate

- Revenue increased 20.0% YOY to AED 185 Mn in 3Q26, driven primarily by robust performance in the Education and Healthcare segment
- Education segment revenue grew 12.8% YOY to AED 53 Mn in 3Q26, supported by strong enrolment growth and continued expansion across MDX and HDC.
- Healthcare segment revenue grew 23.1% YOY to AED 131 Mn in 3Q26.
- The total beneficiaries and student base grew 14% YOY to c. 31.8k in 9M26, reflecting continued demand across Almasar's education business and additional SEN facilities.
- Licensed bed capacity increased 14% YOY to 715 beds in 9M26, supporting higher patient volumes and improved utilisation across key facilities, particularly in Saudi Arabia, driving revenue growth and operating leverage.
- Direct cost rose 13.4% YOY to AED 124 Mn in 3Q26.
- Share of results from associates increased from AED 2 Mn in 3Q25 to AED 8 Mn in 3Q26, driven by growth at NEMA.
- The Company's EBITDA declined from AED 87 Mn in 3Q25 to AED 30 Mn in 3Q26, due to higher expenses.
- Finance income increased from AED 5 Mn in 3Q25 to AED 9 Mn in 3Q26, while finance cost remained stable at AED 8 Mn in 3Q25 and 3Q26 respectively.
- Amanat Holdings net profit attributable to equity holders declined from AED 29 Mn in 3Q25 to AED 2 Mn in 3Q26 due to higher direct costs, G&A expenses, absence of income and gain from finance lease and zakat expenses, partially offset by increase in revenue, share of results from associates, higher finance income and lower contribution to NCI.
- The Company paid an interim dividend of AED 75 Mn for the 1H26, representing 3 fils per share.

Earnings Call Summary

- Cambridge ended 9M26 with 715 licensed beds across six facilities in the UAE and Saudi Arabia, of which 666 were operational. Following the acquisition of Cornerstone Healthcare in the UK, the group's total capacity increased to approximately 1,000 beds across three markets, with a medium-term target of over 1,500 beds.
- The 68-bed expansion at Jeddah is progressing and will introduce additional rehabilitation, surgical and outpatient capabilities. Completion is expected in 1Q28.
- Management expects Al Khobar to reach approximately 90% utilisation by the end of 2027, as the additional capacity continues to ramp up.
- In Saudi Arabia, Cambridge is also progressing with the development of a 155-bed integrated specialist hospital in Riyadh, with total funding requirements of approximately AED 170 Mn, including capital and operating expenditure. The facility is expected to open around mid-2029.
- Management highlighted that the moderation in Saudi Arabia's average revenue per patient day reflects a higher proportion of long-term care patients, which carry lower reimbursement rates than rehabilitation patients. The upcoming 68-bed Jeddah expansion is expected to introduce additional rehabilitation capacity and support a higher-value patient mix.
- Management highlighted plans to broaden its service offering through rehabilitation, outpatient, surgical and home healthcare services, while also exploring public-private partnerships and management agreements to support expansion.

- The acquisition of Cornerstone Healthcare provides Cambridge with an established UK platform in specialist long-term care, expanding its geographical presence and strengthening its capabilities in complex dementia, mental health, neurological conditions and acquired brain injuries.
- Cornerstone operates four facilities across southern England, with 283 beds, including 78 recently launched beds at its Bristol facility. Its three mature facilities operate at c. 95% utilisation.
- The acquisition was completed on 27 October 2026 at an enterprise value of GBP 76 Mn (c. AED 380 Mn), including deferred consideration of up to GBP 5 Mn.
- Amanat expects Cornerstone to contribute revenue of c. AED 180 Mn and EBITDA of c. AED 35 Mn in 2027.
- Management highlighted potential synergies through the transfer of clinical and technological expertise between the UK and GCC operations, particularly in dementia, mental health and higher-acuity care.
- The special education needs network expanded to 65 facilities, comprising 50 daycare and rehabilitation centres and 15 schools, compared with 39 centres and a smaller school network previously. A further 15 facilities are under development.
- Almasar signed a non-binding MOU to acquire a 60% stake in Saudi-based Al Qalam Education Trading Company, a K-12 education business. Additionally, NIMR entered into a strategic partnership with UK-based Epson College to establish two K-12 campuses in Dubai and Abu Dhabi.
- Amanat has deployed or committed AED 900 Mn against its three-year capital deployment target of AED 1.5 Bn, with investments directed towards capacity expansion, acquisitions and service diversification across healthcare and education.
- The Company distributed AED 175 Mn dividends for the period 2025 during 1H26 and paid an interim dividend of AED 75 Mn (3 fils per share) in September 2026, taking total shareholder distributions during 2026 to AED 250 Mn.

Amanat Holdings – P&L

AED mn	3Q25	2Q26	3Q26	3Q26F	Var	YOY Ch	QOQ Ch
Revenue	154	284	185	187	-1.2%	20.0%	-35.0%
Direct costs	-109	-150	-124	-131	-5.4%	13.4%	-17.6%
Gross profit	**45**	**134**	**61**	**56**	**8.5%**	**36.2%**	**NM**
G&A expenses	-55	-72	-70	-47	50.1%	28.5%	-3.0%
Operating Profit	**61**	**90**	**-2**	**13**	**NM**	**NM**	**NM**
EBITDA	**87**	**120**	**30**	**38**	**-20.7%**	**NM**	**NM**
Profit Before Tax	**58**	**91**	**-1**	**17**	**NM**	**NM**	**NM**
Tax	2	-11	-3	-2	11.7%	NM	NM
Profit from continuing operations	60	80	-3	14	NM	NM	NM
Non-controlling interest	3	24	-8	6	NM	NM	NM
Net profit attr. to equityholders	**29**	**55**	**2**	**8**	**NM**	**NM**	**NM**

FABS estimate & Co Data

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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