



EARNINGS RELEASE H1 2021

International Holding Company PJSC (IHC) sustains strong growth momentum with four-fold increase in H1 2021 net profit to AED 4.36 billion.

- **Strategic acquisitions and pragmatic business decisions drive revenue to AED 9.93 billion and net profit to AED 4.36 billion in H1 2021**
- **The growth of revenue in H1 2021 stands at 304 percent as against H1 2020, while net profit surges 436 percent in the same period**

ABU DHABI, 09 August 2021: Bucking the global market trends, the Abu Dhabi headquartered International Holding Company PJSC (ADX: IHC) continued to register a strong triple-digit growth percentage in the first six months of this year, according to the financial results of the company in H1 2021 released today.

The multi-sector conglomerate IHC posted revenue growth of 304 percent to AED 9.93 billion in the first six months of 2021, compared to the same period last year, while the net profit grew 436 percent to AED 4.36 billion – mainly driven by strategic acquisition of companies under common control through business combinations.

IHC's tactical acquisitions have resulted in significant strengthening of the conglomerate's balance sheet with total assets increasing from AED 14.01 billion by end of December 31, 2020, to AED 58.32 billion at the end of June 30, 2021 – an immense 316.3 percent growth.

Syed Basar Shueb, IHC's Chief Executive Officer and Managing Director, commented: "IHC has produced exceptional growth over the last year despite the challenging economic environment for many sectors of the global economy. We are pursuing a strategy that combines transformative acquisitions with further organic growth by our major verticals, and have already built a conglomerate with diversified and complementary business activities that extend across the region. IHC maintains a strong appetite for further expansion and will look to harness increased revenue and operational synergies across the group."

The diversified company achieved another milestone in the second quarter of 2021, when IHC became the most valuable listed company on the Abu Dhabi Securities Exchange (ADX), and was also recognised in the Forbes 2020 list of 'The Middle East's Top 100 Companies'

Some of IHC's financial milestones include:

IHC net profit reached AED 2.87 billion in the second quarter 2021, rising 309% year on year, as result of major strategic acquisitions and expansion across its major verticals, while revenue increased 339% to AED 7.65 billion for the three-month period.

- In the first half of 2021, the net margin stood at 43.9 percent, growing by 10.82 percent compared to same period last year.
- Total assets by end of Q2 2021 were AED 58.32 billion - an increase of AED 44.30 billion from December 31, 2020



Strategic Investments Toward a Stellar Performance

Astute business combinations, visionary acquisitions, and strategic investments by IHC's leadership have been at the centre of IHC's strategy of enhancing shareholder value. The growth trend has continued during the first half of 2021 as well owing to the company's appetite for investing in value accretive businesses at an opportune time.

The most pronounced transactions during H1 2021 comprised the following:

- On April 1, 2021, the conglomerate, through its Capital vertical, acquired a 45 percent controlling stake in Alpha Dhabi Holding LLC (formerly Trojan Holding LLC has now become Alpha Dhabi Holding PJSC) to bring the company under common control through business combination. Established in 2013, Alpha Dhabi Holding PJSC is one of the fastest-growing construction group of companies in the Middle East. Recently, it has embarked on building a diversified portfolio that manages, deploys, and organises a variety of entities within its five major verticals namely, Industrial, Healthcare, Capital, Construction, and Hospitality.
- Alpha Dhabi Holding LLC (now Alpha Dhabi Holding PJSC) acquired the following companies under common control during Q2 2021:
 - Hundred percent equity in Murban Energy Limited (MEL), a leading diversified investment company based in Abu Dhabi with substantial assets under management in the hospitality sector. MEL's principal activities also extend to facility management services and oil and gas service sectors
 - 65.1 percent equity in National Marine Dredging Company PJSC (NMDC) by acquiring 100 percent equity in Sogno Commercial Investment Sole Proprietorship LLC and WAS Two Commercial Investment Sole Proprietorship LLC, companies created to hold shares of NMDC. The total equity stake of the Group in NMDC is at 65.74 percent. NMDC provides dredging, reclamation and marine construction services to clients in the energy, environment, maritime, tourism and urban development sectors.
 - Seventy percent equity in Mawarid Holding Investment LLC which is engaged in providing services across different industries including forest management, landscaping, research and development, animal feed production, finance and tourism sectors.
 - Hundred percent equity in Sublime Commercial Investment – Sole Proprietorship LLC which is an investment holding company with 12.2 percent stake in Aldar Properties PJSC.
 - 31.5 percent equity in Pure Health Medical LLC, taking the total ownership to 63 percent at the IHC Group level. Pure Health manages a network of hospitals, medical visa screening services, laboratories and healthcare informatics, making it one of the largest health care organizations in the UAE.
- The conglomerate, through its Industrial vertical, acquired 60 percent stake in Afkar Financial and Property Investments LLC, a company under common control, through business combination effective January 1, 2021. Afkar is engaged in commercial enterprise investment, institution and management, representation of companies, real estate enterprises investment and development.



- Through its Digital vertical, IHC acquired 48 percent shares in Emirates Driving Company PJSC ("DRIVE"), a company under common control, through business combination effective June 30, 2021. This acquisition was made by Multiply Group, which acquired directly 11.25 percent in DRIVE and also bought 100 percent shares in Spranza Commercial Investment – Sole Proprietorship LLC, which in turn holds 36.75 percent in DRIVE. DRIVE is involved in the management and development of motor vehicles driving training and management of investment properties.
- During the first half of 2021, Apex Catering, which was restructured into Apex Holding LLC, made a number of new acquisitions and as a result the following companies came under IHC's umbrella: Apex National Investment – Sole Proprietorship, Central Tents Company LLC, Boudoir Interiors LLC and RR Facility Management LLC
- Through its Food vertical, IHC acquired 60 percent interest in Royal Horizon Holding LLC ("Royal Horizon") and its subsidiaries effective January 1, 2021. The conglomerate is engaged in importing and wholesale of canned and preserved foodstuff trading, general trading, retail and wholesale consumer stores, packaging and wrapping of foodstuff, retail sale of computer system and software, and the retail sale of wood products.

Other Important Investments

- IHC's investment in associate companies during H1 2021 was mainly the 40 percent stake acquired for consideration in Response Plus Medical Services LLC, which is the UAE's largest provider of on-site healthcare management, pre-hospital care (both offshore and onshore) medivac, medical care in events and medical emergency transfers from remote sites. The investment was made by Alpha Dhabi.
- Sinovation Disrupt Fund, LP [Cayman Island (USA)] based fund, investing primarily in equity and equity-linked securities of privately-held companies focused on Artificial Intelligence (AI), other advanced enabling technologies and technology-infusion into non-AI businesses
- The group has increased their stake in Space X through their investment VY GP Limited's fund.

Key Listings

- During the period, the International Holding Company has listed two of its subsidiaries - Alpha Dhabi Holding PJSC and Emirates Stallion Group PJSC – on the Abu Dhabi Securities Exchange (ADX) helping to unlock shareholder value.

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International Holdings Company

IHC was founded in 1998, as part of an initiative to diversify and grow non-oil business sectors in the UAE. Adhering to 'Abu Dhabi's Vision 2030', the ADX listed company endeavours to implement sustainability, innovation, and economic diversification initiatives across what is now one of the region's largest conglomerates.

IHC has a clear objective of enhancing its portfolio through acquisitions, strategic investments, and business combinations. Comprising more than 30 entities, IHC seeks to expand and diversify its holdings across a growing number of sectors, including Real Estate, Agriculture, Healthcare, Food and Beverage, Utilities, Industries, IT and Communications, Retail and Leisure, and Capital.

With a core strategy to enhance shareholder value and achieve growth, IHC drives operational synergies and maximizes cost efficiencies across all verticals – it also continues to evaluate investment opportunities through direct ownership and entering partnerships in the UAE and abroad. As the world changes, and new opportunities arise, IHC remains focused on resilience, innovation and redefining the marketplace for itself, its clients and its partners.

H1 2021 Progress Update



Key Highlights

180

▲ Legal Entities

AED **58.3** bn

▲ Total Assets Value

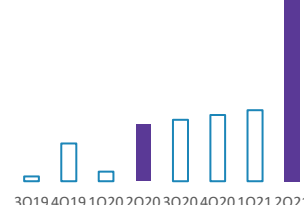
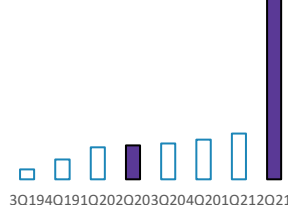
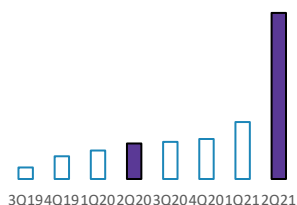
AED **9.9** bn

▲ Revenue

AED **4.4** bn

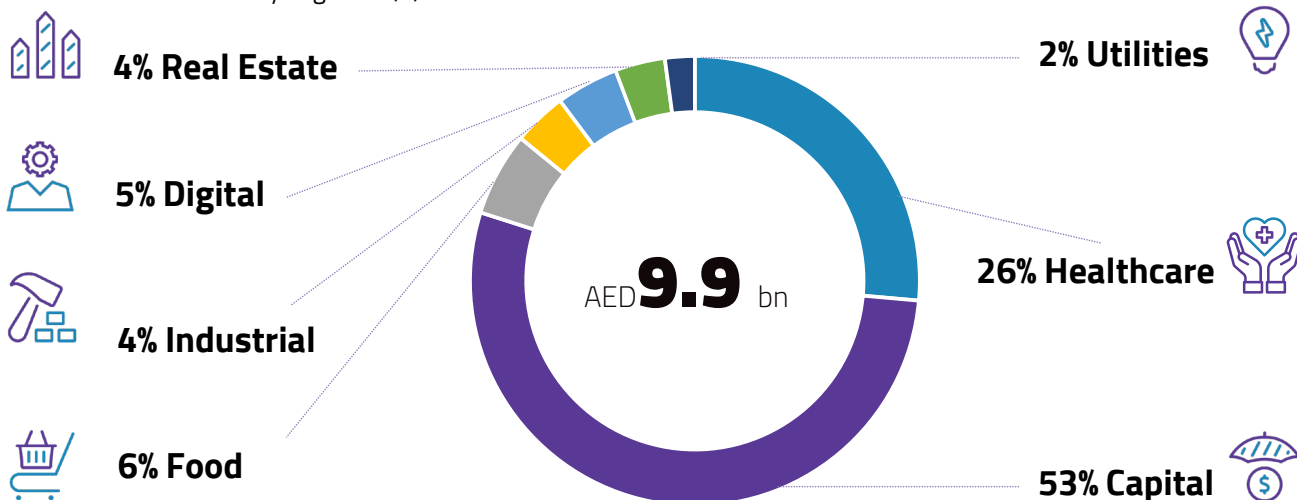
▲ Profit

IHC scaled its business portfolio by 71 operating subsidiaries resulting in asset growth that drove strong revenue expansion and profitability.



IHC has seven industry verticals

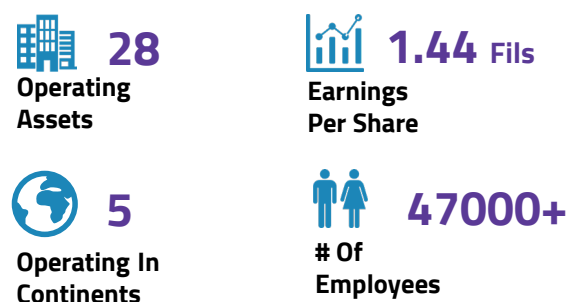
Revenue contribution by segment (%)



IHC Growth

Year	1Q21	1H21
Business Divisions	6	7
Businesses	27	28
Legal Entities	109	180

IHC at Glance



Ratios

by segment (%)

