**EARNINGS RELEASE Q3 2021**

**International Holding Company PJSC (IHC) surpassed expectations with the first nine months net profit reaching AED 7.2 billion**

* **Strategic acquisitions and rapid growth in construction and other verticals drove 297% rise in revenue to AED 18.3 bn and 308% net profit to AED 7.2 bn in the first nine months of 2021.**
* **Q3 2021 revenue increased 290% to AED 8.39 bn and Q3 2021 net profit jumped 200% to AED 2.87 bn**

**ABU DHABI, 04 November 2021:** Abu Dhabi-based International Holding Company PJSC (IHC) reported a 308% surge in net profit to AED 7.2 billion in the first nine months of 2021, driven by a series of acquisitions and strong performance across subsidiaries.

The multi-sector conglomerate posted revenue growth of 297 percent for the nine-month period to AED 18.31 billion.

Third-quarter revenue jumped 290 percent to AED 8.39 billion, and net profit to AED 2.87 billion.

IHC’s strategic acquisitions continued to strengthen the conglomerate’s balance sheet, reaching AED 64.4 billion, an increase of AED 50.3 billion during the nine-month period ending September 2021. Total assets increased by AED 6.1 billion during the third quarter.

**Syed Basar Shueb, IHC’s Chief Executive Officer and Managing Director, commented:** “Our investments in the third quarter, including strategic add-on acquisitions, have driven IHC's growth and enhanced our market position and future growth trajectory. These results reflect the underlying strength of our business verticals, particularly in the construction sector, where we have expanded significantly in recent months. We continue to maintain a strong appetite for further expansion locally and internationally while retaining specific value creation objectives at the core of our acquisition strategy. There’s more to come for IHC growth, and I believe we have the right strategy in place to unlock the company’s full potential and create significant shareholder value.”

**IHC’s financial highlights for the three-month period ending 30 September 2021 include:**

* Net profit for the three month period ending September 30, 2021, was AED 2.87 billion, an increase of 200% when compared to the same period last year.
* Third-quarter revenue reached AED 8.39 billion, a jump of 290% when compared to the same period last year.
* Total assets by end of the third quarter were AED 64.4 billion, up from AED 14.01 billion at the end of Dec 31, 2020.
* Net margin for the nine-month period stood at 39.5%, an increase of 1.04 percentage points year on year.
* Gross profit margin was at 41.2% in the nine-month period, up 6.3 percentage points year on year.

**Strategic Investment**

* IHC and a strategic investor entered into an agreement to exchange 58.29% ownership in Multiply Group LLC for consideration of assets amounting to AED 5.5 billion
* IHC exited a 50% shareholding in Eltizam Assets Management LLC to ADQ for no consideration to the Group. Simultaneously, ADQ invested AED 102 million into Eltizam to finance future expansion. IHC retains a 50% stake in Eltizam.

**Acquisitions under common control include:**

* Sandstrom Motor Vehicles Manufacturing LLC 65% (SMVM is involved in manufacturing of motor vehicles);
* Emirates Gateway Security Services LLC 95% (EGSS is involved in security services).
* Support Services and Catering LLC (SSC) 100%. SSC is involved in building cleaning services.
* The Group acquired investments under common control from Aflaj Investments LLC amounting to AED 4.419 billion.

**External acquisitions under business combination:**

* Connect Outsourcing Temporary Employment Sole Proprietorship LLC 50% (Connect is engaged in the business of ‘upon request employees’ for the provision of services to onshore and offshore oil and gas fields, as well as facility services); and
* Viola Communications LLC 50% (Viola is engaged in the business of advertising, design and production and commercial publication printing).

The company’s subsidiaries increased to 207 at the end of the third quarter from 181 at the end of June 2021, with more than 48,000 employees operating in seven primary business segments: Real Estate, Healthcare, Food, Utilities, Industrials, Digital and Capital.

**Key Listings**

* During the period, the Group listed three of its subsidiaries on the Abu Dhabi Securities Exchange (ADX): Alpha Dhabi Holding PJSC, Emirates Stallion Group PJSC and Al Seer Marine Supplies and Equipment Company PJSC. These listings have contributed to unlocking shareholder value.
* IHC planning to list its subsidiary, Multiply Group, a holding company that invests in tech-focused scalable businesses, on the emirate's main stock market this year.

**ends**

**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.

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