

Emirates Stallions Group AED 597 million H1 Net Profit Registers a Massive YoY Growth of 831%

- ESG has surpassed expectations, achieving an octuple-digit growth figure that significantly exceeds the initial forecast.
- The company's revenue in the first half reached all-time highs, with **81%** growth YoY, supported by solid new projects.

Abu Dhabi, UAE 28th July 2023: Emirates Stallions Group (ADX: ESG), the Global investment, engineering, and construction solutions company and a subsidiary of International Holding Company (ADX: IHC), has announced an extraordinary **831% Year-on-Year (YoY)** surge in net profit for H1 2023.

The company's net profits for first-half profit reached **AED 597 million**, compared to **AED 64 million** during the corresponding period last year. Furthermore, the revenue for H1 2023 experienced a solid **81%** growth, amounting to **AED 266 million**, as opposed to **AED 147 million** in H1 2022.

"We are delighted with our excellent results for H1 2023, as we have managed to sustain growth in line with the industry. Our focused market strategies have paid off, allowing us to achieve remarkable performance while effectively managing costs. It is gratifying to see that our efforts have translated into continuous growth of our market share during this quarter," said **Matar Suhail Ali Al Yabhouni, Chairman of Emirates Stallions Group**.

In the second quarter of this year, Emirates Stallions Group achieved a significant milestone with the unveiling of 'Century Village,' a groundbreaking joint venture poised to develop and manage staff accommodation for a substantial workforce of over **5,000 individuals** on Abu Dhabi's Al Reem Island. Valued at **AED 320 million (\$87.1 million)**, this ambitious project aims to comprehensively address the varied housing requirements of employees in critical sectors, including healthcare, transportation, hospitality and beyond.

"Amidst the ongoing expansion in revenues and meticulous cost management, we are gratified by the substantial enhancement in our bottom line. As we persistently strive to augment our market penetration, with the aid of quality projects management and an expanding network, our unwavering commitment lies in the pursuit of achieving and perpetuating octuple-digit profitability." stated **Kayed Khorma, CEO of Emirates Stallions Group**, in elucidating the primary impetus behind this outcome.

ESG's total assets surged impressively by a staggering **93%** in comparison to December 2022, culminating in a remarkable value of **AED 2.2 billion** by the conclusion of the first half of 2023. Concurrently, the company achieved an extraordinary total revenue of **AED 266 million**, representing a significant **81% Year-on-Year growth**, exemplifying its commitment to sustained excellence and dynamic financial performance.

“The impressive growth we have witnessed can be attributed to several key factors. Our successful entry into new markets, coupled with a strategic focus on higher-value-added projects, that boast improved margins, additionally, we have achieved greater efficiencies within our expanded business, all while remaining steadfast to our sustainability mission.”

Khorma added.

The exceptional performance witnessed by Emirates Stallions Group is seamlessly aligned with the envisioned enhancements the company aimed for, seizing the promising prospects of the UAE Construction Market. Forecasted to reach a substantial **USD 49.40 billion by 2028**, growing at a commendable CAGR of **4.85%** during the forecast period (2023-2028), the market's current estimated value stands at an impressive **USD 38.99 billion in 2023**.

Despite the highly competitive nature of the UAE construction market, characterized by the presence of major international players, Emirates Stallions Group has steadfastly pursued its original net profit target of **AED 140 million for the full of 2023**. Capitalizing on the projected growth opportunities during the forecast period, the market's intensified competition is expected to further invigorate progress. Notably, the market exhibits a noticeable level of consolidation, with a few prominent players commanding significant shares, adding to the dynamic landscape of the industry.

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About Emirates Stallions Group (ESG)

Emirates Stallions Group (ESG) is a subsidiary of the International Holding Company (IHC), a UAE leading conglomerate across several sectors worldwide. With fifteen subsidiaries in five different industries, ESG has a diversified portfolio of projects that cover a wide range of sectors including real estate development, consultancy, design, project management, construction, infrastructure, marine works, landscaping, and hospitality management, all under one roof. With this holistic approach, ESG provides public and private entities as well as investors with comprehensive solutions at every phase of the project. Since it was established in 2008, the Abu Dhabi-based ESG has witnessed remarkable growth and expanded its activities to global markets in more than 20 countries in the Middle East, Asia, Africa, Europe, and the Americas. True to its vision to “Be a leading force in building a resilient future,” ESG has placed itself at the center of the UAE’s economic boom, stressing its core values of “integrating for impact, creativity, adaptability, and driving client success.” With total assets of AED 1,144.461 million as of 2022, the Group is set for phenomenal growth both inside the UAE and abroad.

About International Holding Company

IHC was founded in 1998 as part of an initiative to diversify and develop non-oil business sectors in the UAE and has grown to become the most valuable listed holding company in the Middle East with a market cap of **AED 864 billion** as of **June 30, 2023**. The company endeavors to implement sustainability, innovation, and economic diversification initiatives across what is now one of the region’s largest conglomerates. IHC is included in FTSE ADX 15 Index (FADX 15), representing the top 15 largest and most liquid companies on the ADX.

IHC has a clear objective of enhancing its portfolio through acquisitions, strategic investments, and business combinations. Comprising more than **444** subsidiaries and over **126,000** employees, IHC seeks to expand and diversify its holdings across a growing number of sectors, including Asset management, Healthcare, Real Estate and Construction, Marine and Dredging, IT and Communications, Financial Services, Food Production and Service, Utilities, and Services. 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.

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Media Contacts

Ahmad Ibrahim
Group Head Marketing and Corporate
Communications
International Holding Company
Ahmad.ibrahim@ihcuae.com

Mary Khamasmieh
Head of Government Communications
Weber Shandwick
+971 50 2731 753
mkhamasmieh@webershandwick.com