

e7 Group Reports Solid H1 2025 Operational Performance; Reiterates FY25 Outlook Following Good Progress on Strategic Priorities; Board Approves AED 800 Mn Special Dividend

Abu Dhabi, United Arab Emirates, 12 August 2025: e7 Group PJSC (“e7” or “the Group”), recognized for its excellence in identity solutions and delivering quality solutions for tangible brand presence through its integrated products and solutions, today announces its financial results for the three month and six-month period ended 30 June 2025 (“Q2 2025” and “H1 2025”).

H1 2025 Financial & Operational Highlights

- **Resilient operational performance** in H1 2025, despite the phasing of contracts across segments and a strong H1 2024
- **Revenue of AED 291.6m in H1 2025**, down 3.1% YoY, with Q2 2025 revenue of AED 177.9m, a 1.8% YoY increase
- **EBITDA of AED 52.0m in H1 2025**, down 26.6% YoY, with Q2 2025 EBITDA of AED 38.6m, down 25.8% YoY, due to the phasing of revenue
- **Net profit before tax of AED 33.6m**, down 66.5% YoY, with Q2 2025 reaching AED 12.7m, down 82.1% YoY, mainly due to mark to market pricing of warrants
- **Hiring of key senior executives** to drive growth and efficiencies across the business
- **Key new contracts secured** in East Africa and Central Asia, introducing new end-to-end, digital and innovative solutions
- **Resilient cash position of AED 1,244.4 million**, with no outstanding debt at end of H1 2025
- **FY 2025 guidance unchanged**, as e7 remains focused on innovating and executing its strategic priorities to drive future growth
- In a post-period event, **e7 Board of Director’s approved a one-off special dividend of AED 800 million**, while also committing to a multi-year minimum annual dividend of 10 fils per share for FY25-FY27, with an active pipeline of M&A opportunities in place

Ahmed Al Shamsi, Chairman of e7 Group, said: “We are delighted to report another successful period for e7, having made significant strides across the business as we turbocharge growth via an integrated solutions approach. Although a post-period event, our decision to return AED 800 million of excess cash to shareholders, along with a commitment to a minimum annual dividend of 10 fils per share from FY 2025 to 2027, is a clear reflection of our long-term view on value creation and focus on shareholder returns. With all the progress made so far this year and having ended the half with good momentum, we are pleased to reiterate our guidance for 2025. We remain focused on transforming our organisation, expanding our market share and geographic reach, underpinned by securing new, innovative and digital-led partnerships to further enhance the customer experience and support e7’s short and long-term growth ambitions.”

Esteban Gómez Nadal, Group Chief Executive Officer of e7 Group, said: “e7’s first half performance reflects the resilience and strength of its business model, with steady growth and continued progress against our strategic priorities. While our financial results were slightly impacted by the phasing of revenue across segments and one-off items, e7 made significant progress on strengthening the foundations for 2025 and beyond. Good momentum continues across the business, having secured several key contracts and partnerships, bolstered our leadership team with experienced senior executives and introduced new, innovative initiatives to drive future growth. We remain optimistic about the prospects ahead as we continue to pursue value-accretive bolt-on opportunities in our identity solutions segment to drive growth, where we have an active pipeline in place, whilst also focusing on expanding our presence in the UAE and international markets organically.”

H1 2025 reflects revenue phasing across segments and non-recurring items

Revenue totaled AED 291.6 million in H1 2025, representing a 3.1% decrease year-on-year compared to AED 300.8 million in H1 2024. The slight year-on-year decline in revenue is mainly due to a strong performance in the first half of the prior year, driven by the phasing of revenue across segments.

Gross Profit totaled AED 88.0 million in H1 2025, with a margin of 30.2%, an 80bps improvement from 29.4% in H1 2024. Gross profit reached AED 62.1 million in Q2 2025, with a margin of 34.9%, in line with 34.8% in Q2 2024, supported by e7's continued efforts and improvements in driving operational efficiencies, despite the stable revenue performance.

EBITDA reached AED 52.0 million in H1 2025, down 26.6% year-on-year, with EBITDA margin of 17.8% in H1 2025. The reduction in EBITDA was mainly due to the presence of an AED 8 million one-off cost in the period and the lower, year-on-year revenue performance following the phasing of revenue across segments, particularly within education solutions. EBITDA in Q2 2025 totaled AED 38.6 million, down 25.8% year-on-year compared to AED 51.9 million in Q2 2024, with EBITDA margin reaching 21.7% in Q2 2025.

Net profit before tax amounted to AED 33.6 million in H1 2025, marking a 66.5% decline compared to AED 100.2 million H1 2024. Net profit before tax reached AED 12.7 million in Q2 2025 compared to AED 71.0 million in the prior year, mainly due to mark to market pricing of warrants.

Net profit after tax totaled AED 30.6 million in H1 2025 compared to AED 91.1 million in H1 2024. Net profit after tax reached AED 11.6 million in Q2 2025 compared to AED 64.5 million in the prior year.

Robust cash position of AED 1,244.4 million, and no outstanding debt at the end of H1 2025.

Continued focus on delivering shareholder value and expanding solutions

e7 through its customer-centric approach remains committed to delivering sustained shareholder value over the medium- to long-term by driving profitable growth. e7 will achieve this by expanding its solutions, entering new markets and strengthening its relationships with clients as trusted and reliable partners.

Within Identity Solutions, e7 is a reliable partner for government and private sector clients worldwide for delivering secure identity solutions (National ID, Passport, Banking etc.) serving the UAE federal authorities and countries in the CIS, Africa, Middle East and LATAM. e7 is one of the very few identity solutions players globally to receive industry grade certifications for security printing applications, at its state-of-the-art manufacturing facility in Abu Dhabi, capable of manufacturing 50 Mn national ID cards, 14 Mn passports (including capacity from Q1 2026), 25 Mn banking cards, 6 Bn tax stamps (from the end of 2025) annually.

Revenue within Identity Solutions totaled AED 150.4 million in H1 2025, up 3.8% year-on-year, driven by a particularly strong performance in Q2 2025, with revenue increasing 16.6% year-on-year in the quarter. The solid uptick in Q2 revenue was driven by e7's continued focus on securing new contracts within the segment, including a passport contract in the Middle East and a long-term tax stamps contract in East Africa. The group also secured key banking card contracts in both East Africa and Central Asia, further expanding its client base across the banking sector. This follows the renewal of e7's Visa and MasterCard certifications, ensuring continued compliance in payment card manufacturing and processing.

Going forward within identity solutions, e7 remains committed to expanding into new markets across Africa, Asia-Pacific, the Middle East and CIS countries through strategic Government-to-Government engagements and partnerships.

Within Printing Solutions, revenue reached AED 89.8 million in H1 2025, down 14.0% year-on-year, mainly due to the previously mentioned phasing of revenue within education, having renewed several key client contracts with both private and government entities in 2024.

Going forward, within Printing solutions, e7 is also tapping into opportunities across high-growth segments like events, outdoor and religious books. Within its education division, e7 is expanding beyond UAE schools to support government institutions and private clients with digital learning and training materials. In addition, e7's interactive reading platform, Kutubee, continues to gain good traction, now boasting a library of 400 English-Arabic stories, further empowering students across the UAE.

e7 Packaging Solutions delivered revenue of AED 19.3 million in H1 2025, a strong 23.2% year-on-year improvement, driven by new or expanding contracts with existing customers, as well as new customer wins. The Group was also the proud winner of the Silver Award for 'Carbon Packaging Converter of the year' at the Prime Packaging Awards in the first half, one of the leading industry recognitions in the Middle East and Africa, celebrating innovation, excellence, and leadership in packaging.

Going forward, e7 remains focused on driving growth within the packaging segment, supported by an increase in market share through new client wins in key focus segments including FMCG, Luxury, and Pharma across both the UAE and KSA. This will be further supplemented by expanding our current scope with existing clients, all of which is expected to drive growth and boost the capacity utilization of e7 assets.

Revenue within e7 Logistics reached AED 32.9 million in H1 2025, down 8.5% year-on-year. The revenue decline is mainly due to the knock-on effect of the phasing of revenue within the education segment, with Tawzea being the distributor of e7's education products.

Going forward, e7 remains focused on strengthening its value proposition within logistics through value-added services and initiatives to reduce environmental impact.

Ongoing strategic progress in H1 2025 driven by innovation and digital initiatives

e7 continues to make good headway on its strategic priorities, having initiated several key initiatives to streamline, digitize and enhance its operational capabilities and innovative solutions including:

- **Delivering a new passport contract in the Middle East** with unique security features such as integrated clear window technology with contactless inlay, enhancing document security and functionality
- **Actively exploring diversifying the product portfolio within Identity Solutions** with innovative offerings including LED cards and wood-based cards
- **Renewing its Visa and MasterCard certifications within Identity Solutions** for recycled PVC cards, PCI DSS, Mastercard CQM, and ISO 9001, 14001, and 45001 certifications, ensuring continued compliance in payment card manufacturing and processing
- **Launching 'Track and Trace' technology in Packaging** to provide customers with an innovative anti-counterfeit solution, enhancing overall product security and traceability
- **Launching digital flip books within the education segment**, offering an integrated, hybrid print and digital campaign model
- **Exploring opportunities in providing digital printing and web to print solutions**, tailored for book publishers and supporting efficient, print-on-demand services
- **Revamping the entire technology architecture for Tawzea within Distribution**, further enhancing its technological capabilities, operational efficiencies and speed to serve customers through an AI powered call center and state of the art Internet of Things (IoT) solutions for fleet management, alongside an integrated next-generation AI powered logistics ERP platform

e7 is making great strides in its organizational transformation to drive growth

In addition to the above initiatives launched in the first half of 2025, e7 remains focused on optimising its engagement with clients, moving from a traditional supplier role to delivering integrated, high-impact solutions. Its new approach focuses on elevating e7 clients' brand value through innovative, design-led thinking that enhances the customer experience.

e7 continues to make key leadership appointments to spearhead the Group's future growth, having hired experienced senior executives during H1 2025. In addition to the previously announced appointments of a Chief Technology & Digital Officer to drive e7's focus on becoming a data-driven organisation and a Chief Commercial Officer to accelerate e7's revenue growth, the Group continues to expand its leadership team, having hired a Chief Human Resources Officer, a Chief Industrial Officer and a Head of Internal Audit, all of whom bring over 20 years' experience in their respective field of work.

One-off special dividend of AED 800 million; multi-year commitment for FY25-FY27

In a post period event, e7 announced its one-off special dividend of AED 800 million, representing the Group's proactive and prudent approach to capital allocation, with the Group also committing to paying a dividend of at least 10 fils per share annually over the next three years (FY25-FY27).

The payment of a special dividend is part of e7's strategic capital restructuring plan, aimed at enhancing shareholder returns and optimizing long-term value creation. In conjunction with the special dividend, e7 Group will also extend a voluntary offer to repurchase all outstanding warrants at a price of AED 2.40 per warrant.

The initiative follows a thorough review of the current market landscape in both the packaging and identity segments for inorganic growth opportunities and reflects the Group's disciplined approach to capital allocation. The restructuring plan is designed to strengthen e7's balance sheet and ensure continued financial flexibility, enabling the Group to capitalize on potential strategic bolt-on acquisitions in the future. Looking ahead, e7 remains focused on expanding its identity solutions business through bolt-on acquisitions in areas of digital identity and system integration capabilities.

FY 2025 outlook and financial guidance unchanged

In alignment with the business momentum, progress on strategic initiatives in the first half of the year and its ambitious growth strategy, management reiterates its expectations for FY 2025.

- FY 2025 revenue: Year-on-year revenue growth is expected to increase by 'double-digits'
- FY 2025 EBITDA: Year-on-year EBITDA growth expected to increase by 'single-digits'

Financial Overview

H1 2025 = Six-month period to 30 June 2025

Q2 2025 = Three-month period to 30 June 2025

Description	H1 2025 (AED'000)	H1 2024 (AED'000)	% Change	Q2 2025 (AED'000)	Q2 2024 (AED'000)	% Change
Revenue	291,585	300,797	-3.1%	177,902	174,751	1.8%
Gross Profit	87,974	88,286	-0.4%	62,140	60,830	2.2%
EBITDA	51,994	70,882	-26.6%	38,581	51,985	-25.8%
Net Profit before FV adjustment on warrants	63,338	87,585	-27.7%	43,462	60,236	-27.8%
<i>Fair value adjustments of warrants</i>	<i>(29,727)</i>	<i>12,615</i>	<i>-335.6%</i>	<i>(30,736)</i>	<i>10,781</i>	<i>-385.1%</i>
Reported Net Profit before tax	33,611	100,200	-66.5%	12,726	71,017	-82.1%
Income tax expense	(3,045)	(9,068)	-66.4%	(1,172)	(6,513)	-82.0%
Reported Net Profit after tax	30,565	91,132	-66.5%	11,554	64,504	-82.1%
Earnings Per Share (AED)	0.02	0.05	-66.5%	0.01	0.03	-82.3%

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About e7 Group

e7 Group (ADX: e7) a leading identity solutions player and market leader in educational services delivers quality solutions for tangible brand presence through its integrated products and solutions across several business segments including Identity, Printing, Packaging and Logistics & Distribution. The company's value proposition is anchored in an integrated account management model, focusing on customer centricity and extracting synergies from operations to deliver innovation and excellence across every solution. e7 has a diverse and expanding customer base, including governments, enterprises, and financial institutions, with customers located in the Middle East, Central and South Asia, Europe, and South America. For more information, visit www.E7group.ae.

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