

MULTIPLY GROUP

Multiply Group P.J.S.C Financial results for the year ending December 31, 2021

ADX: MULTIPLY
www.multiply.ae

10 February 2022

Multiply Group reports robust 2021 results following major transactions and pursues further acquisitions focused on the digital economy

Profit and loss statement highlights (Financial year ending December 31, 2021)	AED '000
Revenue	371,912
Cost of sales	(161,294)
Gross profit	210,618
Investment income and other income	103,557
Share of (loss) profit from investment in associate	(903)
General and administrative expenses	(82,374)
Finance cost	(5,702)
Profit for the year	225,196
Earnings per share	0.06

Total Assets

(As at 31 December 2021)

AED **11.60** billion

Cash position

(as at 31 December 2021)

AED **3.54** billion

Gross margin

(Financial year ending December 31, 2021)

57%

Proforma full-year revenue

(assuming full-year revenue contribution from companies acquired in 2021)

AED **1.01** billion



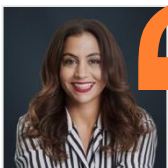
ANDRE SAYEGH
CHAIRMAN

"Multiply Group was established during the second half of 2021 through the combination of a number of strategic assets that provide a strong blend of steady income and growth potential.

In December 2021, in line with its clear mandate for growth, the Group raised AED 3.1 billion through a private placement before listing on the Abu Dhabi Securities Exchange. At present, Multiply Group benefits from a robust, unleveraged balance sheet, with significant cash to be gradually deployed on targeted assets.

The combination of financial strength along with an agile and dynamic investment team will drive significant growth in the coming years. The Group will deepen and synergize the operations of its existing entities as well as invest in technologically advanced companies that have a solid track record.

I would like to state that Multiply Group offers a unique investment opportunity in a sound Group that is investing locally and overseas across companies that offer high long-term growth."



SAMIA BOUAZZA
CHIEF EXECUTIVE OFFICER AND MANAGING DIRECTOR

"Multiply Group has reported a great set of results following a transformational period since its inception in the second half of 2021. With a young team of forward-thinking executives, we have created a technology-focused ecosystem through a number of acquisitions and will continue to pursue further organic and inorganic growth in the coming year.

We are proud that all our subsidiaries have exceeded targets set by the Group despite the uncertainty created by new COVID variants, registering combined revenue of AED 371.9 million and net profit of AED 225.2 million in 2021, with the majority of assets consolidated based on effective control date. On a proforma basis, the Group's revenue would have reached AED 1.01 billion in 2021, assuming full-year revenue contribution.

Our acquisitions since mid-2021 have built a diversified Group with substantial earnings potential. Our UAE-based assets such as PAL Cooling, Emirates Driving Company, Omorfia Group that Includes Tips&Toes and Bedashing Beauty Lounges, and Viola Communications are well established and producing steady income streams. We have also taken stakes in high growth firms Internationally, including U.S. vehicle-focused digital media platform Firefly, global visual content firm Getty

Images, and Rihanna's direct-to-consumer e-commerce fashion firm Savage X Fenty.

With over AED 3 billion in cash to invest and almost no debt obligations, we will focus on acquiring stakes in profitable, fast-growing, scalable businesses operating in the digital economy. We will pursue transactions at a brisk pace, while deploying capital gradually throughout the year to capitalize on a 'buyer's market' for deal-making amidst softening valuations. Our strategy is to keep a balance favoring steady companies that generate substantial cash flow, with recurring income; and high-growth businesses delivering optimal returns for our shareholders.

Meanwhile, Multiply Group will create further value at its fully owned subsidiaries, driving synergies and digital transformation to future-proof its businesses and deliver greater efficiencies. The Group will start reaping the benefits of this strategy in 2022 and beyond.

As we progress through 2022, our financial results will reflect the full income contribution of all our subsidiaries and returns from existing and new investments.

As always, we believe that the best is yet to come and look forward to a year of growth in 2022."

ABU DHABI, 10 February 2022 – Multiply Group (ADX: Multiply or the "Group"), a technology-enabled holding company listed on the Abu Dhabi Securities Exchange (ADX), has reported a net profit of AED 225.2 million for the financial year ending December 31, 2021, derived from income recorded since its inception in July 2021.

The Group, which is reporting its first financial partial results since listing on ADX in December, carried out a series of major acquisitions and business combinations during 2021 – all of which were completed in the second half of the year. These companies have been fully consolidated from the date the Group made its investment, and this is therefore reflected in their revenue contribution. The Group had AED 11.6 billion in assets under management as at December 31, 2021.

Over the past year, Multiply Group has expanded its portfolio through a range of acquisitions, and strategic investments across five vertical segments: media and communications, utilities, ventures, wellness and beauty, and digital economy. The company completed five transactions in 2021, including the full acquisition of Pal Cooling Holding, an increase in ownership of Viola Communication to 100% and the acquisition of significant stakes in Emirates Driving Company and Omorfia Group, and US-based digital marketing firm Firefly.

Multiply Group benefits from a strong leverage-free liquidity position, having raised AED 3.1 billion in a pre-listing private placement that was 16 times oversubscribed. The company's strategy is to pursue profitable growth through a diversified portfolio striking a balance between steady companies that generate recurring income and high-growth businesses. The company will invest in, and operate, disruptive, tech-driven, and scalable businesses that can provide a catalyst for continuous innovation.

Key investments in 2021

- Emirates Driving Company (EDC)** | Established in 2000, EDC is the leading drivers' training and road safety institute in the emirate of Abu Dhabi. The company has operations in the cities of Abu Dhabi, Al Ain and Al Dhafra Region. EDC has digitized its curriculum and is looking to apply augmented and virtual reality to facilitate learning, and exploring a potential move to hybrid and hydrogen-fueled engines. Multiply Group acquired a 48% stake in the company in Q3 2021.
- PAL Cooling Holding** | Founded in 2006, PAL Cooling Holding is one of the top players in the UAE's district cooling industry. By providing an energy-efficient tech solution and working to enhance operational efficiency, PAL contributes to the UAE's strategy to reduce carbon emissions. Multiply Group acquired a 100% stake in PAL in Q3 2021.
- Omorfia Group** | Omorfia is a joint venture that owns and controls 100% of shares in leading consumer brands, including beauty and wellness giants Tips & Toes, Bedashing, Jazz Lounge Spa and Ben Suhail Distribution. Multiply Group owns a 51% stake in Omorfia. It anchors the beauty part of Multiply's wellness and beauty vertical, which focuses on preventative healthcare, beauty, tele-mental health and other consumer and corporate wellness-related services.
- Viola Communications** | Established in 2001, Viola has grown into one of the largest marketing company in Abu Dhabi, with offices in Dubai and Cairo. The company is expanding into digital marketing technology to create value for a diverse range of clients. Viola has exclusive media rights to the majority of outdoor advertising spaces in Abu Dhabi, including lampposts, bridge banners and bus wrapping. Multiply Group increased its stake in Viola to 100% in Q3 2021.
- Firefly** | Firefly is a street-level digital media platform that connects audiences with dynamic media on taxis and rideshare vehicles. The company's proprietary screens deliver dynamic content based on location-based, WiFi-enabled triggers. Multiply Group increased its stake in Firefly to 7.3% in Q3, 2021.

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ABOUT MULTIPLY GROUP

Multiply Group is an Abu Dhabi-based technology-enabled holding company with global presence across five industries, including media and communications, utilities, ventures, wellness and beauty, and digital economy. The Group's diversified portfolio strikes a balance between steady companies that generate recurring income and high-growth businesses.

With a forward-thinking outlook, the Group continues to expand by organically growing existing businesses, empowering them with capital, technology and tools to acquire or create innovative solutions, gain operational excellence, scale up and become leaders in their industries. In terms of inorganic growth, Multiply Group pursues disruptive, tech-driven and scalable acquisitions, with sustainable growth potential, particularly focusing on the digital economy.

Multiply Group's investments span many industries including businesses such as Emirates Driving Company, Omorfia Group, Viola Communications, Firefly and Yieldmo.

Major shareholders of Multiply Group include International Holding Company (IHC), one of the fastest growing and most valuable companies in the UAE.

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