

MULTIPLY GROUP

INVESTORS' UPDATE

FEBRUARY 2025 | ISSUE 38

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OUR UPDATES

Multiply Group signs landmark investment with CVC and PAI Partners to secure a controlling stake (67.91%) in Tendam, with the transaction expected to double Multiply's operational EBITDA post-consolidation

Multiply Group has agreed to invest via a capital increase that will secure a controlling stake of 67.91% in Castellano Investments S.Á R.L. ("Company") (the owner of Tendam Brands S.A.U and other subsidiaries), becoming the majority shareholder in the Company alongside Lilano Holdings S.Á R.L. and Arcadian Investments S.Á R.L., the corporate investment vehicles for CVC Funds and PAI Partners respectively, who will remain minority shareholders in the Company. The deal is subject to successful receipt of all regulatory approvals.

Tendam is Spain's second-largest apparel group by market share and one of Europe's leading omnichannel apparel groups. Multiply Group will lead the next phase of growth for Tendam, geared towards further international expansion and development of the group's omnichannel ecosystem. The transaction is subject to approval by the pertinent regulatory authorities.

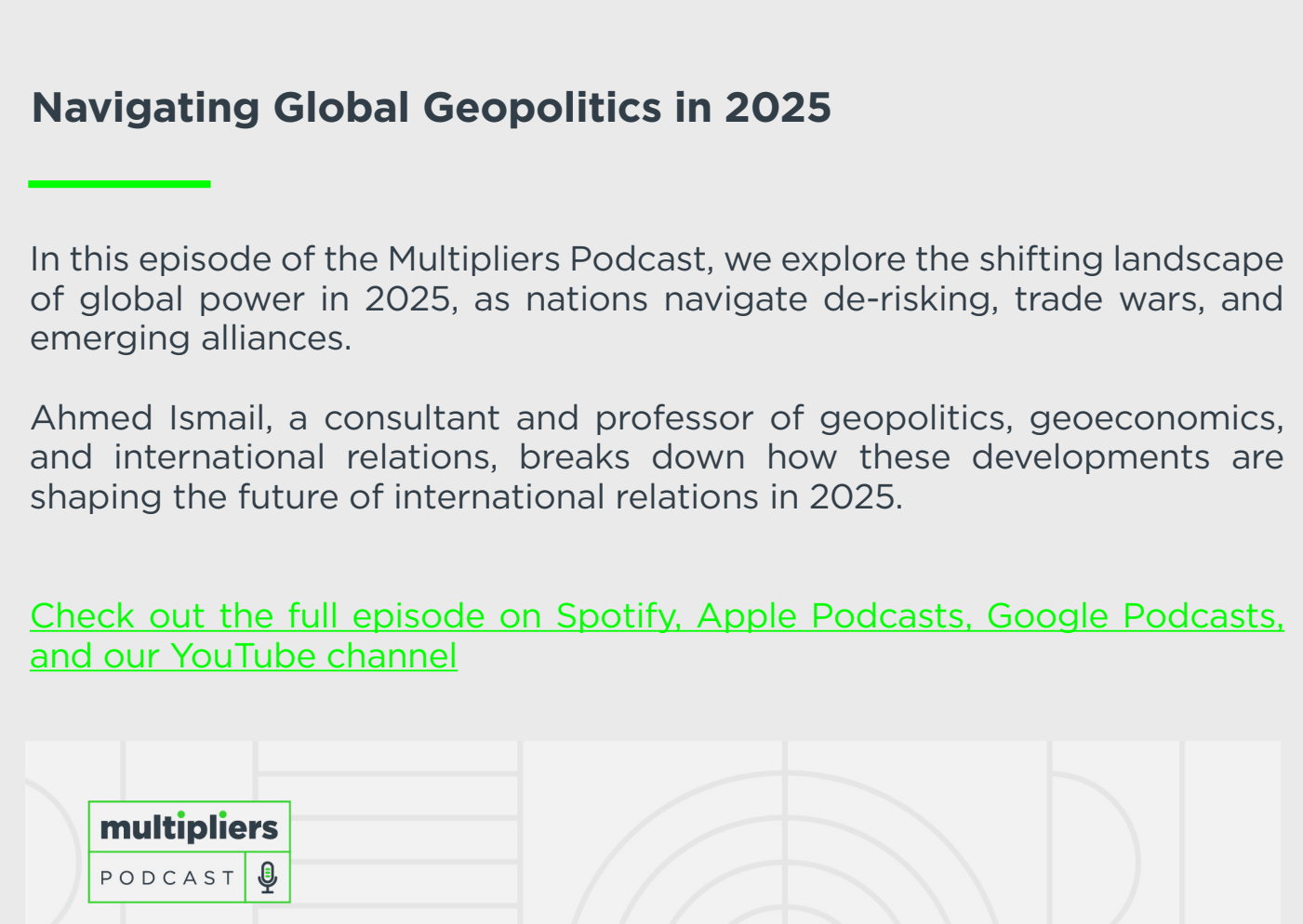
With this investment, Multiply Group has established its presence in the retail and apparel sector, with Tendam serving as the anchor for the new vertical. The deal marks Multiply Group's first major investment into Europe, representing significant geographical growth and further deepening its presence in consumer-focused businesses.

Since 2020, Tendam has delivered consistent growth quarter after quarter, consolidating its business model in key markets and growing its international footprint. At the end of January 2025, Tendam's total sales for the last twelve months (LTM) stood at c. €1.4 billion, with EBITDA post IFRS-16 of €341 million.

Samia Bouazza, Group CEO and Managing Director of Multiply Group, said: "The majority stake in Tendam achieves three strategic goals for Multiply Group: It enables us to push forward with our commitment to create double-digit EBITDA growth. It marks our first entry into the retail and apparel sector we have been targeting and believe has significant growth potential. And finally, the acquisition is a tangible step in our global expansion efforts, which strategically positions the Group to continue building on its international portfolio in years to come."

Tendam has become a pioneer in the omnichannel apparel retail sector, present at over 1,800 points of sale in nearly 80 countries on four continents. It features twelve own brands that are primarily positioned in the premium mass market segment (Women'secret, Springfield, Cortefiel, Pedro del Hierro, Hoss Intropia, Slowlove, High Spirits, Dash and Stars, OOTO, Hi&BYE, Milano, and children's clothing line Springfield Kids), as well as almost 200 third-party brands, well-established loyalty clubs, market-leading technological capabilities, an extensive network of more than 1,800 points of sale (including directly-operated stores, corners and franchises) and online.

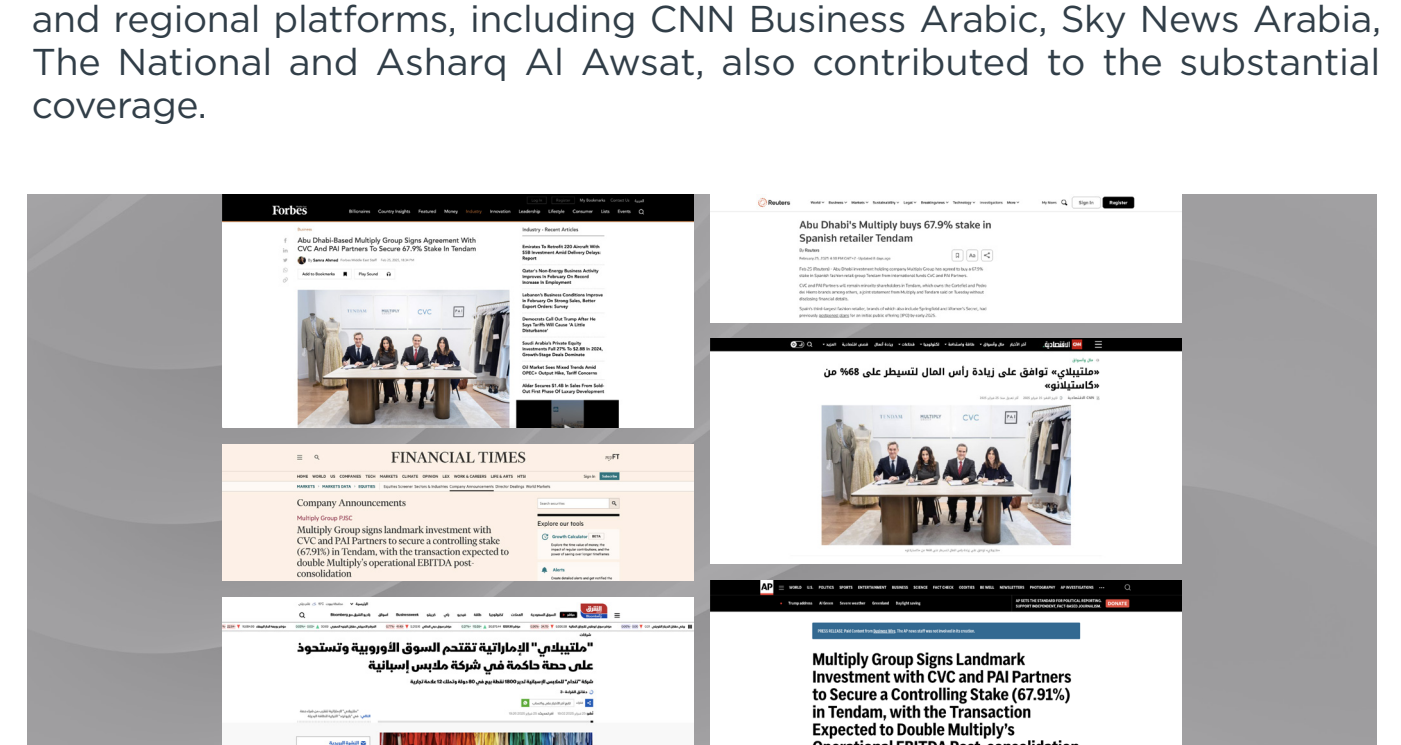
[Read more through this link](#)



UAE-France High-Level Business Council to strengthen economic, investment cooperation

Multiply Group's GCEO and Managing Director, Samia Bouazza, participated in UAE delegation at the third plenary meeting of the UAE-France High-Level Business Council, co-chaired by Dr. Sultan Al Jaber, UAE Minister of Industry and Advanced Technology, Managing Director and Group CEO of ADNOC, and Patrick Pouyanné, Chairman and CEO of TotalEnergies.

During the meeting, she explored new opportunities for collaboration, with a focus on artificial intelligence and sustainable economic growth as key pillars of the UAE-France partnership.

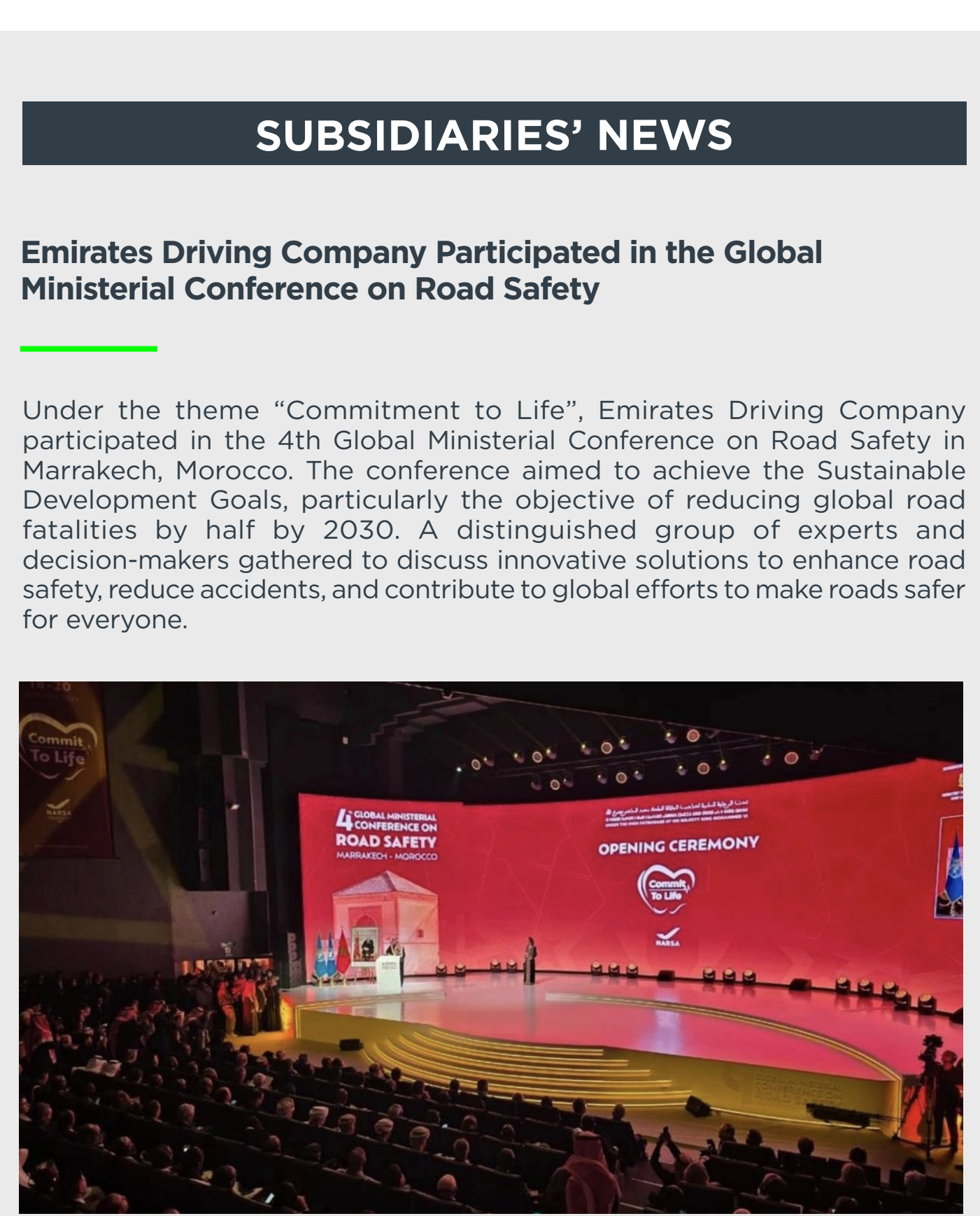


Navigating Global Geopolitics in 2025

In this episode of the Multipliers Podcast, we explore the shifting landscape of global power in 2025, as nations navigate de-risking, trade wars, and emerging alliances.

Ahmed Ismail, a consultant and professor of geopolitics, geoeconomics, and international relations, breaks down how these developments are shaping the future of international relations in 2025.

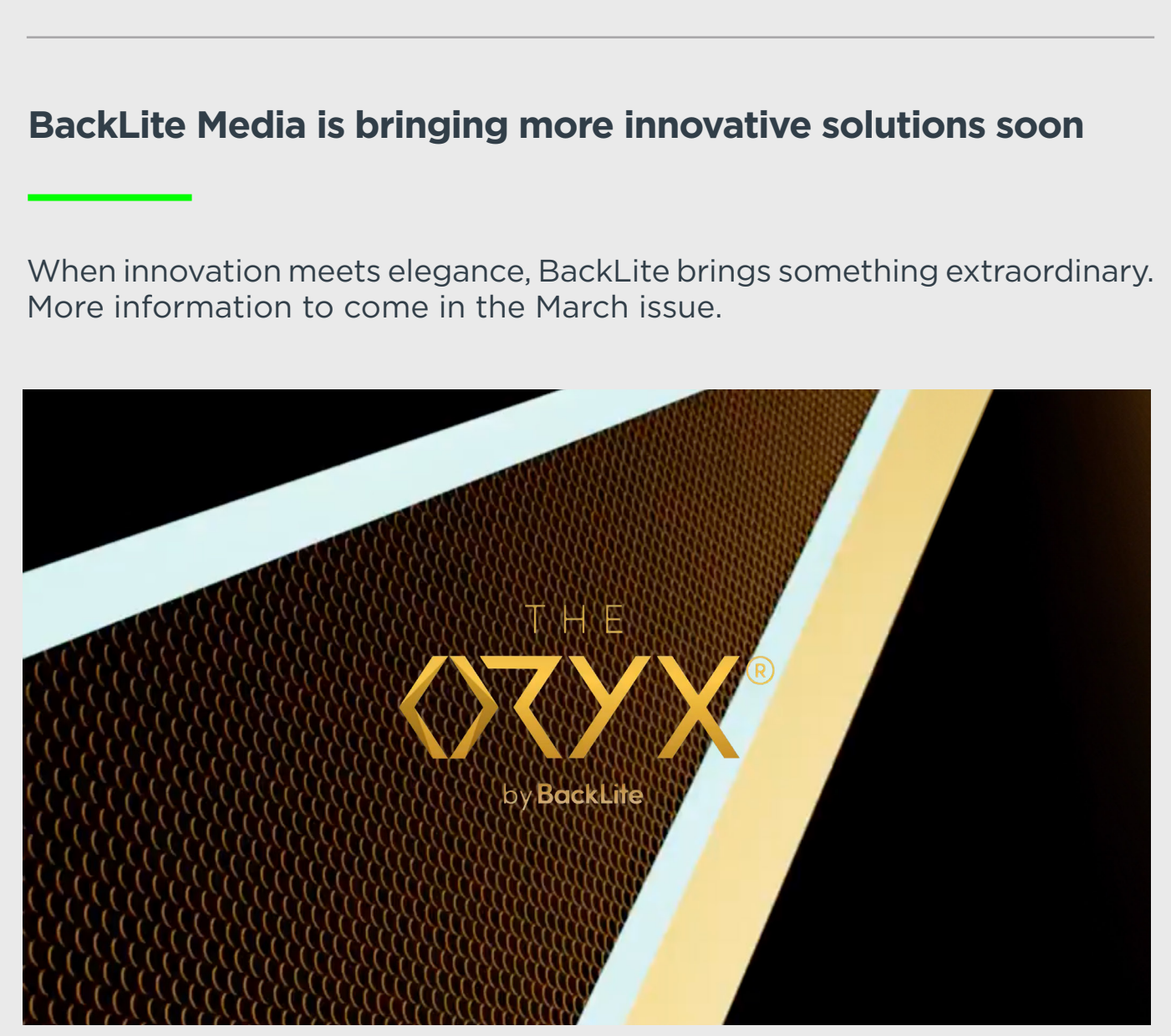
[Check out the full episode on Spotify, Apple Podcasts, Google Podcasts, and our YouTube channel](#)



IN THE MEDIA

Multiply Group's Tendam Investment Captures Extensive Global Media Attention

Multiply Group's majority stake investment in Tendam garnered extensive global, regional, and local media coverage with more than 1700 features. Prominent outlets highlighted this milestone transaction, including tier one global outlets like Reuters, AP and AFP alongside leading financial trade publications such as the Financial Times, PE Insights and PE Hub. Key local and regional platforms, including CNN Business Arabic, Sky News Arabia, The National and Asharq Al Awsat, also contributed to the substantial coverage.



Forbes ME 100 Most Powerful Businesswomen 2025

Multiply Group's GCEO and Managing Director, Samia Bouazza has been named by Forbes Middle East as one of the 100 Most Powerful Businesswomen of 2025.

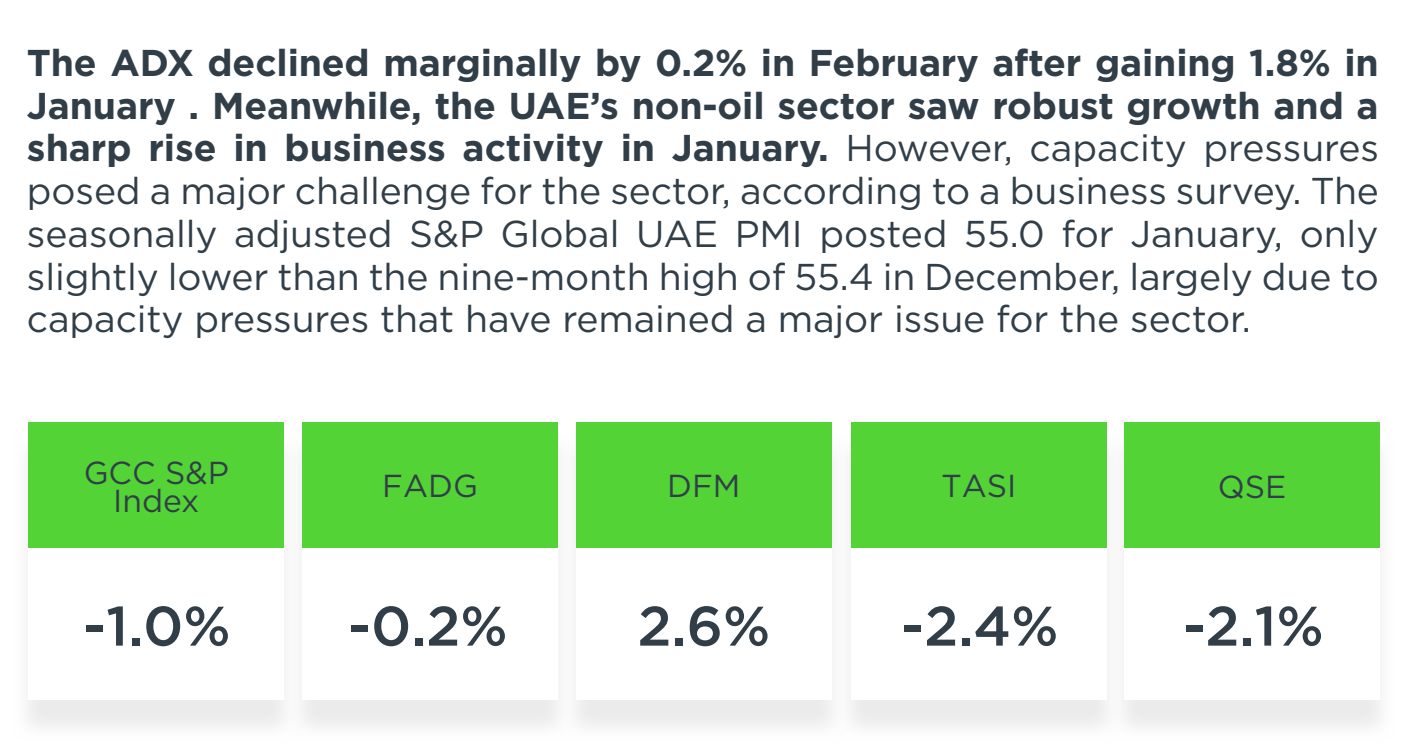
This prestigious list celebrates the most inspiring, impactful, and successful women driving the region forward across 32 different sectors and 29 nationalities.



SUBSIDIARIES' NEWS

Emirates Driving Company Participated in the Global Ministerial Conference on Road Safety

Under the theme "Commitment to Life", Emirates Driving Company participated in the 4th Global Ministerial Conference on Road Safety in Marrakech, Morocco. The conference aimed to achieve the Sustainable Development Goals, particularly the objective of reducing global road fatalities by half by 2030. A distinguished group of experts and decision-makers gathered to discuss innovative solutions to enhance road safety, reduce accidents, and contribute to global efforts to make roads safer for everyone.

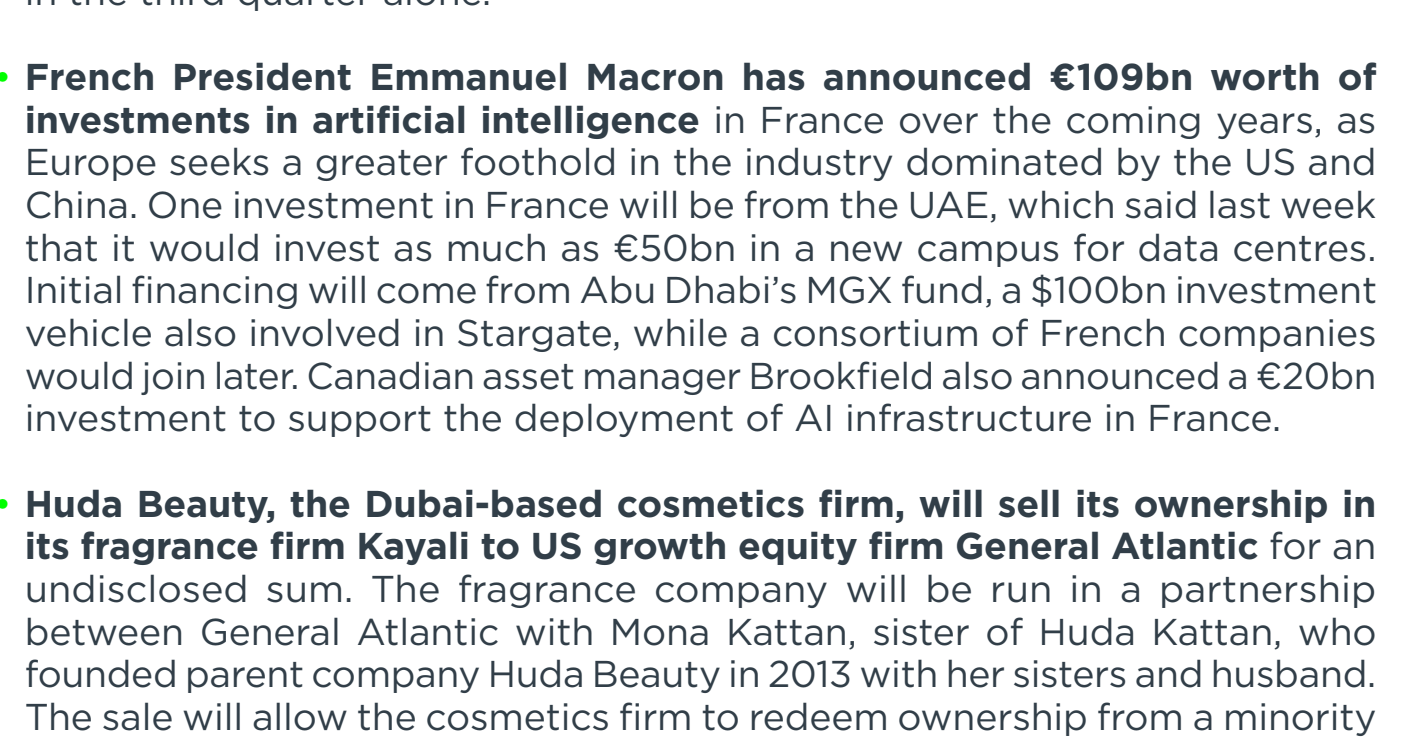


Project Storm: Kalyon Enerji's On-Shore Wind Energy Initiative

Kalyon Enerji is driving environmental change with Project Storm, an ambitious on-shore wind energy project that spans five regions in Turkey: Bilecik, Ankara, Trabzon, Bayburt, and Elazig. With a total capacity of 220 MW, Project Storm is set to make a significant contribution to Turkey's clean energy landscape.

Key Highlights:

- Operational Progress:** To date, 160 MW—representing 73% of the total capacity—is already operational. Full completion of the project is on track for August 2025.
- Environmental Impact:** Project Storm will result in an annual reduction of 560,000 tonnes of carbon emissions, making strides towards a greener future.
- Community Reach:** The project will provide clean energy to over 70,000 households, positively impacting a population of 220,000.
- Economic Boost:** In addition to its environmental benefits, Project Storm is creating 500 local jobs, supporting regional economic growth.



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MARKET MONITOR

Global Markets

The MSCI ACWI declined 0.7% in February compared with a 3.3% increase in January. It was a mixed bag with European and Chinese stocks coming out clear winners while US and Japanese stocks sank. The yield on US 10-year government bonds cooled off considerably by 33.3bps to 4.208% as investors looked for safety. Volatility gauges for both equities and bonds spiked. Gold prices rose while bitcoin/cryptos lost significant value.

The following are some of the overriding themes that drove market sentiment during February:

- Trump Trade War 2.0 took center stage;
- Chinese tech stocks boost from DeepSeek developments and a re-embrace by Beijing;
- Sticky and hotter US inflation report;
- Confirmation of slowdown in US economy with the 2nd estimate of 4Q GDP growth rate;
- Germany election results viewed positively.

Summary of Weekly Global Market Movers:

Week 1: Markets wavered as **Trump's trade war 2.0** took center stage, with **last-minute cuts** on North American tariffs and an **escalation against China**. The BoE cut its benchmark rate by 25bps while Chinese stocks outperformed as they experienced a delayed uplift from AI/DeepSeek developments. The **MSCI ACWI** closed marginally higher (+0.05% last week), with strong gains in **emerging markets** balancing losses in **US and Japan**. The **US 10-year Treasury yield** eased **-4.5bps to 4.496%**.

Week 2: The MSCI ACWI closed 1.7% ahead with near-record highs recorded for the S&P500 and the Nasdaq despite a sticky and hotter US inflation report.

Week 3: Weighed down by US and Japanese equities, global markets struggled as **Trump's looming 25% tariffs** spooked investors, while **worsening consumer sentiment** and **hawkish FOMC minutes** deepened concerns about inflation persistence. The **MSCI ACWI** fell **1.1% last week**, its second-worst weekly performance YTD, while safe-haven demand pushed **gold to record highs**. The **US 10-year Treasury yield** declined **5bps to 4.43%**, as investors sought refuge in bonds. Most gauges for both equities and bonds spiked.

Week 4: Renewed **trade war tensions**, a **slowing US economy**, and **unconvincing Nvidia's earnings** led to **elevated market volatility**. The MSCI ACWI fell 1.3%, dragged down primarily by **US and Japanese markets**, while **Germany election results** were viewed positively by markets. The US 10-year Treasury yield declined further by 22.3bps to 4.208%, as investors sought refuge in bonds, even as bond volatility spiked.

MSCI All Country World Index	S&P 500	Euro Stoxx 600	FTSE 100	MSCI Emerging Markets Index
-0.7%	-1.4%	3.3%	1.6%	0.4%
US Dollar Index	Bitcoin	Crude Oil (Brent)	Gold	
-0.8%	-17.8%	-3.3%	2.2%	

Regional Markets

The S&P GCC regional equity performance indicator declined 1.0% in February (January: +2.9%). **Bar the DFM ended firmly in the black, all sub/country indices that we follow finished negative, led by the TASI.** Brent also fell, by 3.3%, amid:

- Hedge funds **boosted short positions**, anticipating **weaker energy demand amid trade war risks**.
- New US sanctions on more than 30 brokers, tanker operators, and shipping companies for their role in transporting Iranian oil.** President Donald Trump has said he wants to bring Iran's crude exports to zero. While the oil price initially gained on supply concerns, it failed to hold on to the gains for the rest of the week.

The **ADX declined marginally by 0.2% in February after gaining 1.8% in January**. Meanwhile, the **UAE's non-oil sector saw robust growth and a sharp rise in business activity in January**. However, capacity pressures posed a major challenge for the sector, according to a business survey. The seasonally adjusted S&P Global UAE PMI posted 55.0 for January, only slightly lower than the nine-month high of 55.4 in December, largely due to capacity pressures that have remained a major issue for the sector.

GCC S&P Index	FADG	DFM	TASI	QSE
-1.0%	-0.2%	2.6%	-2.4%	-2.1%

Other News

- Trump's Tariff Canada: The White House announced but later postponed a 25% tariff on Canadian & Mexican imports**, granting a 30-day reprieve after urgent negotiations. However, **Trump imposed a 10% tariff on Chinese goods**, prompting measured retaliation from Beijing, which included **export controls on minerals** and **an antitrust probe into Google**, which has little presence in China. Its muted response raised hopes that the two sides will negotiate.

- US January inflation data fuel higher-for-longer rate expectations:** The week's economic calendar was highlighted by Wednesday's inflation data, which came in higher than expected. Headline CPI rose 0.5% month over month and 3.0% year over year in January, accelerating from December's readings of 0.4% and 2.9%, respectively.

- Sobering US Fed comments:** Federal Reserve Chair Jerome Powell noted that the hotter-than-expected inflation data showing that while Fed policymakers have made significant progress on bringing down inflation, they are "not quite there yet" and they "want to keep policy restrictive for now."

- The eurozone economy expanded at a quarterly 0.1% pace in the final three months of last year** instead of stagnating, according to a second estimate (which includes more countries) produced by the European statistics agency. Annual growth was 0.7% for the full year.

- Nvidia Results Disappoint:** Investors are accustomed to blowout results from the chipmaker at the center of the AI spending boom, and these earnings were anything but. While analysts touted demand for Nvidia's Blackwell product, margins were singled out as an area of relative weakness. It forecast first-quarter sales of about \$43bn, slightly beating estimates, but said gross profit margins would be tighter than anticipated. Nvidia's net income rose by 80% year on year, to \$22bn, in the quarter ending in January, beating analysts' expectations.

- US Q4 GDP Growth Slows:** The economy expanded at an annualized rate of 2.3%, down from 3.1% in Q3, confirming a deceleration.

- US Consumer Confidence Drops:** The Conference Board's US consumer confidence index fell to 98.3 in February, weaker than expectations of 102.7, an eight-month low, with inflation and trade uncertainty cited as concerns. It marked the biggest monthly drop since August 2021.

- Saudi Arabia posted a fiscal deficit of 115.625 billion riyal (\$30.83 billion) in 2024**, as total spending increased 6% from the previous year while oil revenue rose to 756.6 billion riyals, according to finance ministry data. The government had increased its total 2024 deficit estimate to 115 billion riyals from 79 billion riyals, around 3% of GDP. It posted a deficit of 58 billion riyals in the nine months to September 30, more than half of which was recorded in the third quarter alone.

- French President Emmanuel Macron has announced €109bn worth of investments in artificial intelligence** in France over the coming years, as Europe seeks a greater foothold in the industry dominated by the US and China. One investment in France will be from the UAE, which said last week that it would invest as much as €50bn in a new campus for data centres. Initial financing will come from Abu Dhabi's MGX fund, a \$100bn investment vehicle also involved in Stargate, while a consortium of French companies would join later. Canadian asset manager Brookfield also announced a €20bn investment to support the deployment of AI infrastructure in France.

- Huda Beauty, the Dubai-based cosmetics firm, will sell its ownership in its fragrance firm Kayali to US growth equity firm General Atlantic** for an undisclosed sum. The fragrance company will be run in a partnership between General Atlantic with Mona Kattan, sister of Huda Kattan, who founded parent company Huda Beauty in 2013 with her sisters and husband. The sale will allow the cosmetics firm to redeem ownership from a minority stake investment by private equity firm TSG Consumer Partners, which valued Huda Beauty at \$1.2 billion in 2017.

- Dubai real estate prices fell by 0.57% in January 2025 - the first decline since summer 2022 - signalling a market shift towards stabilisation**, according to leading real estate intelligence authority Property Monitor.