Our Updates In the Media

Subsidiaries' News Market Monitor

# Multiply Group registered AED 393 million in Group Net Profit excluding fair value changes in Q1 2024, with 45% Revenue Growth across its operating portfolio - Continues

global acquisitions and declares 2024 Year of Efficiency Multiply Group reported its Q1 2024 results with a net profit excluding fair value changes of AED 393 million, representing 48% growth compared to

**OUR UPDATES** 

the same period last year (AED 266 million Q1 2023). Robust underlying profit growth was driven by strong performance across business verticals. Reported loss of AED 4.2 billion includes over AED 4.6 billion paper losses from unrealized changes in fair value driven by periodic market fluctuations with no implications on the operational performance of the business. In year 2022, Multiply Group reported paper gains of AED 18.5bn which gives the Group fair value gains of AED 13bn since then.

Group revenue increased by 45% YoY to AED 391 million, driven by growth across all verticals and the consolidation of Media 247 and BackLite Media under the Media vertical. Blended gross profit margin remained healthy at 51.1%, reflecting continued profitability across core verticals. Investment and other income was +29% YoY at AED 361 million. Group net profit growth excluding unrealised fair value changes was driven by strong vertical performance (48% YoY blended growth) - excluding the Kalyon JV contribution, which was negative AED 13 million on higher deferred tax expense impacted by hyperinflation accounting in Turkey. In

Q1 2024, we reported income tax benefit of AED 46 million on the recognition of fair value losses during the period. Samia Bouazza, Group Chief Executive Officer and Managing Director at Multiply Group, commented: Throughout Q1 2024, we maintained our focus on delivering strong growth across existing subsidiaries and adding new

high-value acquisitions to our portfolio. As a result, net profit and revenue of our operating portfolio grew by 39% and 45% respectively with Q1 net profit standing at AED 393 million excluding fair value changes.

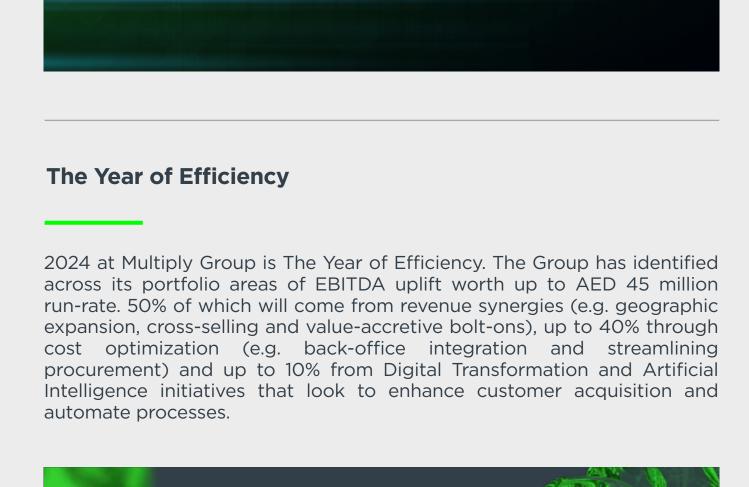
Throughout the quarter, we unlocked value across our businesses by adding new services, introducing efficiencies and reducing operating costs - making us leaner while elevating margins and shareholder returns. Our first acquisition in 2024 was Backlite Media and we will continue to invest in value-accretive targets and acquire profitable companies in emerging markets and across the globe, both in existing and new sectors." She added: "Finally, 2024 is this is the year of Efficiency at Multiply Group, where we have identified areas of EBITDA uplift across our businesses that will come from revenue synergies, (e.g. geographic expansion, value accretive bolt-ons), cost optimization (e.g. back-office integration) and digital transformation and AI initiatives that enhance customer acquisitions and automate processes. Therefore, we are positive about our outlook for 2024,

but more importantly the long-term sustainable growth of Multiply Group." Balance sheet remains robust with cash balance of AED 1.62 billion. The Group again demonstrated the value of its long-term strategy by building a diversified portfolio of strong assets across its four core verticals (Mobility, Energy and Utilities, Media and Communications, and Beauty and Wellness) whilst investing in lucrative assets under Multiply+ for double-digit returns.

Under Multiply+, the public market portfolio closed the quarter with a valuation of AED 28 billion, compared to an initial investment of AED 15 billion. Despite market fluctuations affecting the fair value of some assets,

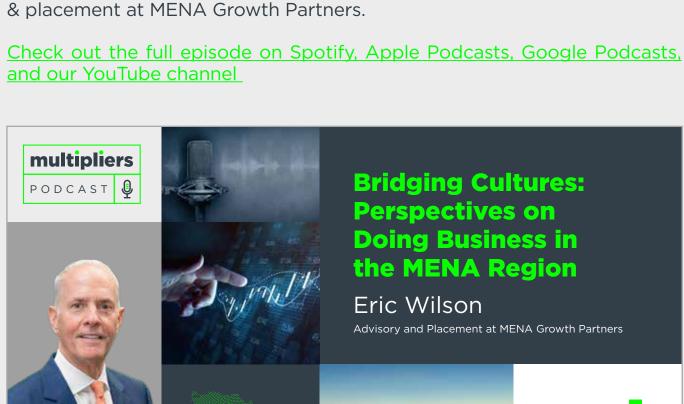
notably from the Q1 decline in the share price of TAQA, performance across the portfolio remains strong as does the underlying long-term potential from targeted investments. In its core operational portfolio, the Group focusses on driving synergies and integration among the businesses under each vertical, with emphasis on accelerating digital transformation and operational efficiencies. This is reflected in continued and strong revenue growth.

Financial Results



**Bridging Cultures: Perspectives on Doing Business in the MENA Region** From his ventures in the Middle East since 1984 to the thriving landscape of today, join us on this episode of the Multipliers podcast as we delve into the region's transformation, bridging east and west with Eric Wilson, Advisory

The Year of Efficiency





IN THE MEDIA Khaleej Time: Abu Dhabi's Multiply Group posts Dh393m Q1 net profit, prepares for IPO of media unit



Hec

Viola

VIIVE

IREFL

Arabian Business - 50 Women Leaders 2024 Multiply Group's CEO & Managing Director, Samia Bouazza has been recognized on Arabian Business 50 Inspiring Women Leaders 2024. Under

her leadership, Multiply Group reported a 2.4x increase in net profit for

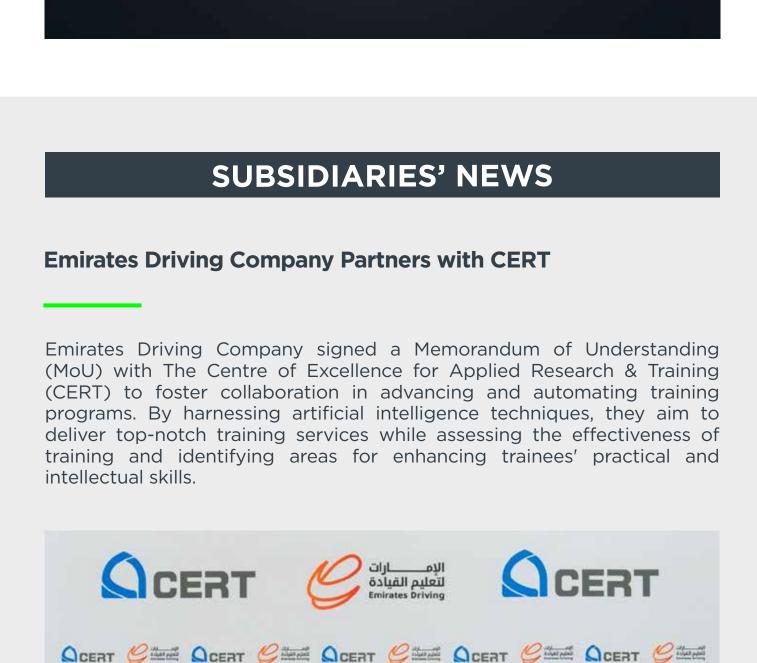
Every year Arabian Business shines a light on how women business leaders in the Middle East are defying stereotypes and making significant strides in various industries, contributing to the region's economic growth and

FY'23, excluding fair value changes, of AED 1.1 billion.

Arabian**Business** 

fostering gender equality. The 2024 list is compiled of trailblazing women who are breaking barriers, inspiring change, and paving the way for future generations of female entrepreneurs.

Vomen .eaders



# **Viola Communications' OOH Network Expands to Dubai**

Viola Communications, the leading OOH media owner with its decades-long exclusivity across the UAE Capital, has announced the first pan-Emirate bridge banner network with the award of a contract from the Dubai Road and Transport Authority (RTA). Each bridge banner is strategically designed and positioned to ensure maximum frequency, reach, and impact at key intersections on and around the heart of Dubai's Sheikh Zayed Road, providing a network that delivers brand superior

ROMI.

**Global Markets** 

⁄iola

**MARKET MONITOR** 

The ACWI lost 3.4% in April, the first decline since October. Most major markets declined with Britain and Chinese/Hong Kong equities as notable exceptions, helped by the commodities rally and investors toning down their bearish bets on Beijing after a constructive 1Q GDP number. While all the three major equity volatility gauges we follow spiked, the interest rate volatility measure saw the biggest jump as Fed rate path apprehensions resurfaced. Yields for most major markets rose, with the US 10-year treasury yield gaining 47.7bps to 4.682%. Across assets, commodities were on a tear: Gold (+2.6%), copper (+13.8%), and iron (+7.2%) all climbed. The dollar (+1.8%) and natural gas (13.8%) rose. Brent declined by 1.1% while Bitcoin tanked by 13.3%. Following are some

(1) Middle East escalations although there are signs of calming heads.

(2) Third consecutive month of stronger-than-expected inflation



 US headline and core consumer price index rose 0.4% in March after advancing by the same margin in February vs 0.3% expected. US

 Fitch Ratings revised China's outlook to negative from stable, saying the government is likely to pile on debt as it seeks to pull the economy out of

Euro Stoxx

600

-0.8%

The GCC equity indicator declined 1.4% in April (March: -2.6%), as most sub-indices closed lower, with the DFM weighing down the most. Brent traded above \$90/barrel for the first time since October at the height of geopolitical escalations but ended the month lower by 1.1% as elevated geopolitical tensions were offset by demand concerns emanating from high-for-longer interest rate concerns. Fitch Solutions has put the chance of a full-scale war between Israel and Iran involving other countries in the region at 10%. Meanwhile, the World Bank said a moderate supply disruption could send Brent prices to \$92 per barrel, while a severe

Business activity remains brisk within the region and better than most

sector on the back of strong demand and new customers, while cos pressures softened further. The Riyad Bank Saudi Arabia PMI stood at

DFM

TASI

QSE

flare-up of tensions could mean oil trading at more than \$100.

57.0 in March, a shade lower than 57.2 in February.

FADG

FTSE 100

2.4%

MSCI

Emerging

Markets Index

0.3%

unemployment rate in March was hotter at 3.8% vs. 3.9% expected.

a real estate-driven slowdown.

S&P 500

-4.2%

MSCI All

Country

World Index

-3.4%

**Regional Markets** 

## economies around the world. While non-oil businesses in the UAE faced delays and increased supply constraints due to the Red Sea shipping crisis, they are seeing increased new order inflows and rising output levels. **S&P** Global's UAE PMI registered 56.9 in March, down marginally from 57.1 in **February.** The PMI survey data signaled the joint-fastest accumulation of backlogs of work, alongside June 2018, in the survey's 15-year history. Meanwhile, business activity expanded in Saudi Arabia's non-oil private

GCC S&P

Index

-0.1% -1.7% -2.1% -1.2% **-1.4**% **Other News** East Asia and Pacific, which includes Japan, is witnessing growth slower than pre-pandemic levels but still surpassing global averages.

- them to 0.8% and 1.5% for 2024 and 2025, respectively, down from the previous projections of 0.9% in 2024 and 1.7% in 2025. shares should the country implement reforms in corporate governance,
- dividend distributions, and institutional ownership. Abu Dhabi is planning to invest more than \$10bn in infrastructure as part of its new major tourism strategy. The emirate also aims to boost the number of hotel rooms to 52,000, from the current 34,000, to boost Abu
- Start-ups in Saudi Arabia topped the fundraising activity in March, with total investments reaching \$198 million, the highest in the Middle East and North Africa region. Saudi Arabia has downwardly revised its mid-term objectives for the **NEOM giga-project.** The Line development is now expected to
- Tech stocks saw inflows of \$18.6bn in the first quarter of the year, the third largest quarterly inflow on record, and also attracted funds in the past week, along with large flows to cash and bonds, Bank of America Global Research said on 5 April. The travel and tourism sector's global economic contribution set to reach an all-time high of \$11.1trn in 2024. The sector is expected to contribute an additional \$770bln over its previous record, The World Travel & Tourism Council (WTTC) said in a research report.
  - Dhabi Tourism Strategy 2030.
  - accommodate less than 300,000 residents by 2030, compared to its earlier projection of 1.5 million.
  - MENA debt issuances totalled \$41.6bn during Q1 2024, marking a 52% yoy jump, according to Refinitiv. This is the highest first quarter total since Refinitiv's records began. Saudi Arabia was the most active issuing bonds and sukuk worth \$22.78 billion.
- IMF revised its economic growth estimates for the euro area, lowering Goldman Sachs projected a potential increase of up to 40% for Chinese
  - The UAE and Oman have set up an investment partnership worth 129bn
  - Capex of national oil companies in GCC countries is expected to rise by \$15-\$25bn per year from 2023 to 2030, driven by investments in sustainability-related projects, S&P Global Ratings said in a new report. • UAE economy grew 3.3% in the first nine months of 2023, preliminary GDP data from the Federal Competitiveness and Statistics Centre showed. Non-oil GDP surged 5.9% in the same period, representing about 74% of the overall GDP contribution.
  - (\$35.12 billion) to deepen cooperation across multiple sectors including railway projects and renewable energy.

State of the CERT STATE OF THE OCERT C DCEAT CHARGE DCEAT CERT OCER! **Tips and Toes' Crescent of Dreams** Embracing the spirit of giving this Ramadan, Tips & Toes collaborated

with the Dubai Center for Special Needs. With each AED 70 purchase, clients were offered a limited-edition hand-painted crescent, delicately crafted by the students of DCSN. Every purchase was a heartfelt

contribution, with all proceeds dedicated to supporting the students.

readings in the US, hawkish Fed, strengthening dollar, resilient consumer economy/labour market. (3) Disinflation momentum and increasingly doveish ECB; BoJ plus weakening yen. (4) Commodities resurgence.

of the overriding themes during April:

- **US** Dollar Crude Oil Bitcoin Gold Index (Brent) 1.8% -13.3% -1.1% 2.6%
- World Bank said in its semi-annual economic outlook that Developing