

MULTIPLY GROUP INVESTORS' UPDATE

MAY 2022 | ISSUE 05

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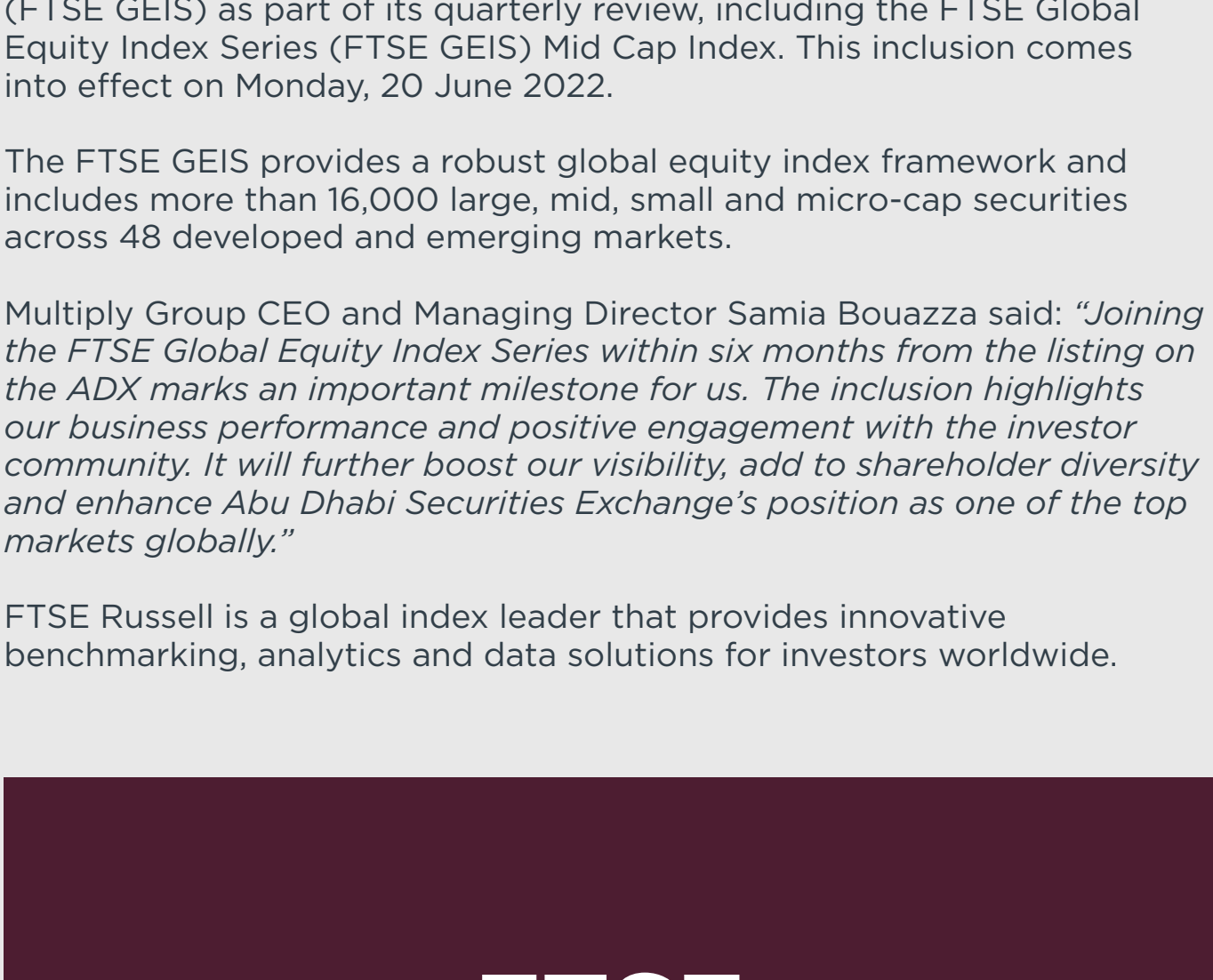
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OUR UPDATES

Borouge soars in debuts on Abu Dhabi Stock Exchange (ADX)

On 3 June, Borouge, a joint venture between ADNOC and Austrian chemicals producer, Borealis, listed on the Abu Dhabi Stock Exchange (ADX). The stock ended the day with a market value of about AED 90.17 billion (USD 24.57 billion), gaining more than 22% from its initial public offering (IPO) price. Borouge shares closed at AED 3 on the same day. The IPO, which was about 42 times oversubscribed, is the largest in Abu Dhabi since ADNOC Drilling's USD 1.1bn offering.

Multiply Group is a cornerstone investor in Borouge and has previously invested USD 50 million in the IPO. The investment underpins the Group's confidence in the Abu Dhabi market, which has maintained strong momentum in its capital market despite global economic uncertainty. The momentum is continuing on the back of solid economic growth in Abu Dhabi and ADX's growing depth, resilience and sophistication.



Multiply Group added to the FTSE Global Equity Index Series

Multiply Group will be included in the FTSE Global Equity Index Series (FTSE GEIS) as part of its quarterly review, including the FTSE Global Equity Index Series (FTSE GEIS) Mid Cap Index. This inclusion comes into effect on Monday, 20 June 2022.

The FTSE GEIS provides a robust global equity index framework and includes more than 16,000 large, mid, small and micro-cap securities across 48 developed and emerging markets.

Multiply Group CEO and Managing Director Samia Bouazza said: *"Joining the FTSE Global Equity Index Series within six months from the listing on the ADX marks an important milestone for us. The inclusion highlights our business performance and positive engagement with the investor community. It will further boost our visibility, add to shareholder diversity and enhance Abu Dhabi Securities Exchange's position as one of the top markets globally."*

FTSE Russell is a global index leader that provides innovative benchmarking, analytics and data solutions for investors worldwide.

FTSE Russell

Multiply Group launches Corporate Wellness Program

As part of its commitment to ESG, Multiply Group has launched a holistic corporate wellness program to promote work-life balance and support the mental and physical wellbeing of its 3,000+ employees.

The program will be administered in partnership with HealthierU and Weill Cornell Medicine-Cardiac Prevention Center (NY). Across the Group, all employees who choose to participate will be offered a health assessment covering nutrition, ergonomics, biometric screenings and blood tests. Where high risk factors are identified, employees will also be offered the option for further consultation with medical professionals to support their mental wellbeing and physical health.

The program also includes an educational series, providing employees with information on managing concerns such as healthy living, nutrition, and workplace stress and burnout.

Lama Al Bachir, Strategy and Growth Director at Multiply Group said: *"The importance of mental and physical wellbeing in the workplace has become incredibly clear over the past two years, and as we enter the post-pandemic period, it is a social and business imperative that organizations invest in long-term programs to support their people. Multiply Group's flagship wellbeing program is a cornerstone of our multi-year ESG commitment."*

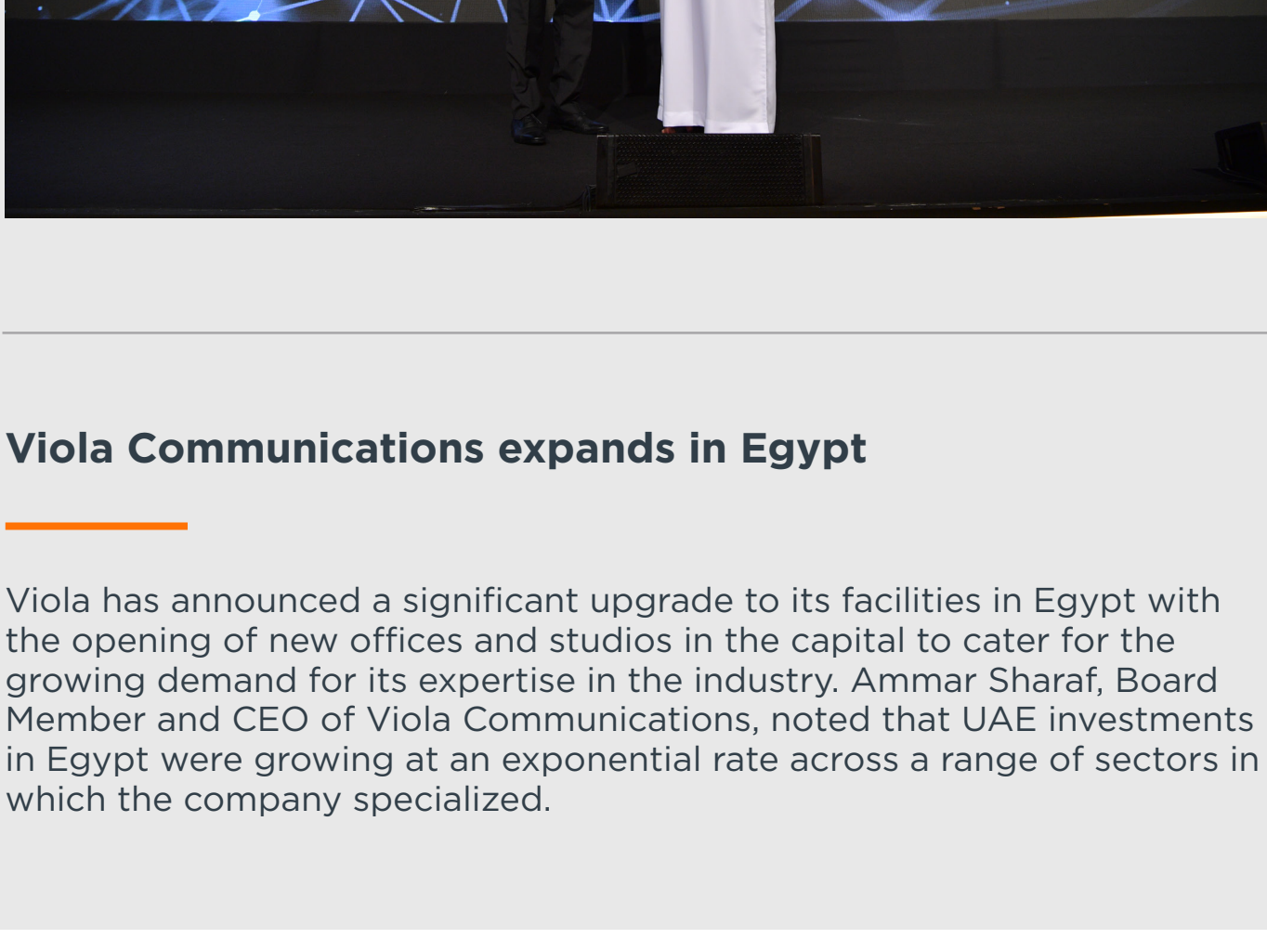
CORPORATE WELLNESS PROGRAM

Media

Multiply Group invests USD 50 million in Abu Dhabi-based Borouge's IPO

Multiply invested USD 50 million into Borouge's initial public offering, underpinning the Group's confidence in the Abu Dhabi market which has maintained strong momentum in its capital market despite the ongoing global economic uncertainty.

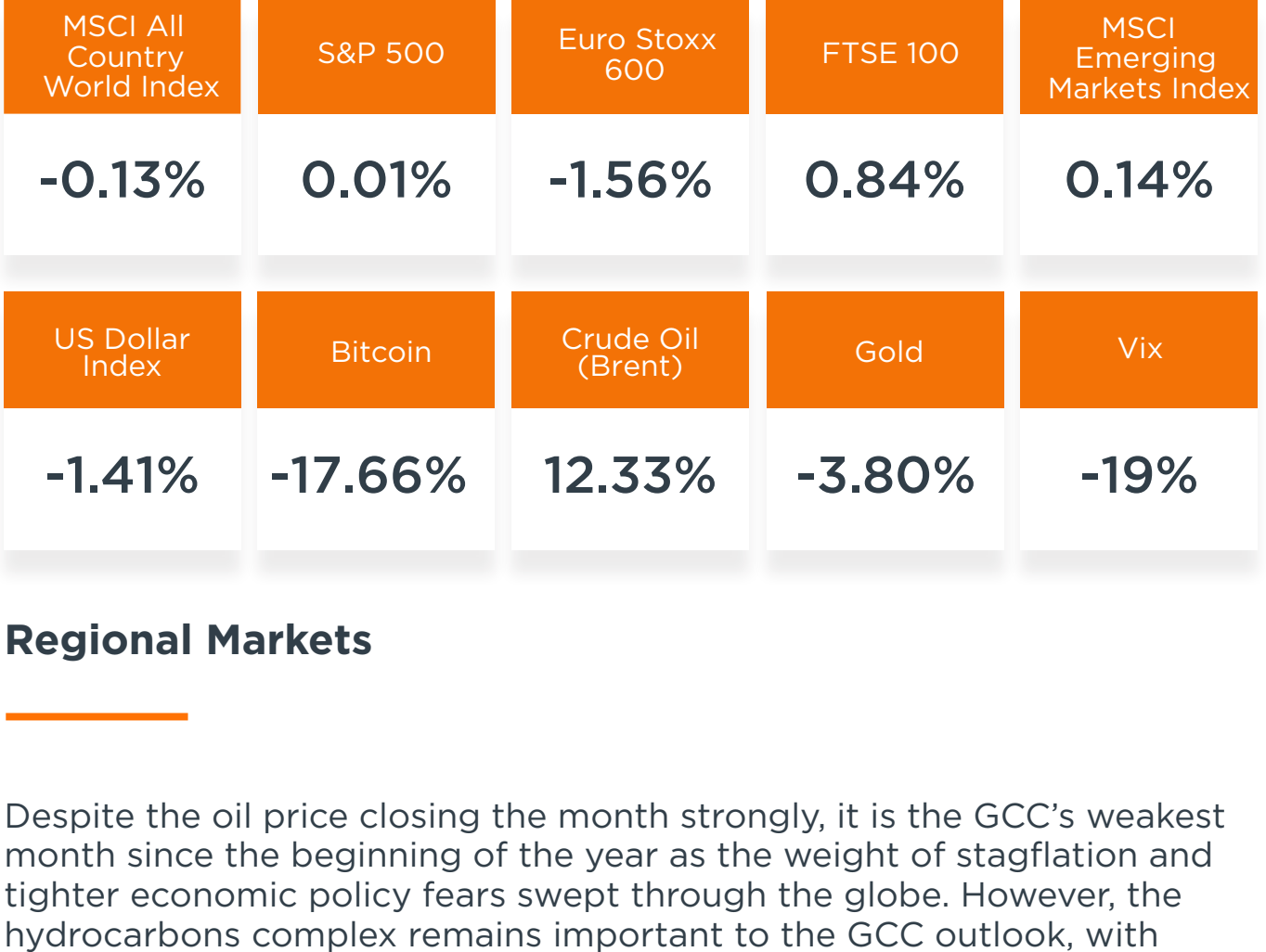
[Read the full story here](#)



Signs of the future, by Viola Outdoor's Ammar Sharaf

As Viola Outdoor upgrades its static properties to state-of-the-art digital, CEO Ammar Sharaf explains what DOOH means for his clients, the public and the UAE's capital.

[Read the full story here](#)



Subsidiaries' News

The Top CEO Award goes to Khaled Al Shemeili

Congratulations to Khaled Al Shemeili, CEO of Emirates Driving Company, for being recognized as Top CEO 2022 in the Retail, FMCG, and Consumer Care category. The 6th edition of the Top CEO Awards took place on May 18, with 100 CEOs awarded out of more than 700 companies listed on stock markets in the GCC.



Viola Communications expands in Egypt

Viola has announced a significant upgrade to its facilities in Egypt with the opening of new offices and studios in the capital to cater for the growing demand for its expertise in the industry. Ammar Sharaf, Board Member and CEO of Viola Communications, noted that UAE investments in Egypt were growing at an exponential rate across a range of sectors in which the company specialized.

Market Monitor

Global Markets

Following one of the worst months in the recent history, May saw some dip-buying globally with some averages recovering. Notably, the crypto asset class lived up to its reputation of arguably being the most volatile, due to dislocations within the stablecoin subcategory. Looking ahead, the main risk factors remain: monetary and quantitative tightening; heightened energy risk in Europe and global food inflation; and China's zero Covid strategy. However, despite the ongoing uncertainty, businesses that are fundamentally strong and resilient to rising prices are expected to do well.

MSCI All Country World Index	S&P 500	Euro Stoxx 600	FTSE 100	MSCI Emerging Markets Index
-0.13%	0.01%	-1.56%	0.84%	0.14%

US Dollar Index	Bitcoin	Crude Oil (Brent)	Gold	Vix
-1.41%	-17.66%	12.33%	-3.80%	-19%

Regional Markets

Despite the oil price closing the month strongly, it is the GCC's weakest month since the beginning of the year as the weight of stagflation and tighter economic policy fears swept through the globe. However, the hydrocarbons complex remains important to the GCC outlook, with stronger oil and gas prices expected to sustain for the foreseeable future despite global growth concerns, with no end in sight for the war. This will support continued elevated business and consumer confidence as stronger terms-of-trade are likely to more than offset rising food prices and, on the other hand, will support the ongoing market momentum through added liquidity.

Furthermore, the 23-nation Opec+ alliance is due to finish restoring production halted during the pandemic by the end of September 2022. The Wall Street Journal reported that Opec+ is contemplating suspending Russia from the coalition's quota system, as sanctions prevent Moscow from increasing output. Saudi Arabia and the UAE might fill the resulting supply gap.

GCC S&P Index	ADX	DFM	TASI	QSE
-6.99%	-0.26%	-10.01%	-5.91%	-4.94%

Other News

- Global debt has increased by \$3.3trn in Q1 2022 to a new record of over \$305trn according to IFC**, largely driven by China and the US. While China's debt rose by \$2.5trn in Q1, the US added \$1.5trn. However, total debt in the Euro Area declined. Debt in Emerging Markets are now approaching a record \$100trn.
- High inflation, volatility in stock and commodity markets and the war in Ukraine have emerged** as the chief risks to the US financial system (Financial Stability Federal Reserve report). However, households and businesses have decreased their borrowing as a percentage of gross domestic product, and appear to have resources to cover debt burdens, which is an important aspect of resilience in an environment of rising interest rates (Fed Chair Jerome Powell).
- The European Commission announced a €210bn (\$220bn) plan to end the EU's reliance on Russian oil and gas by 2027.** The proposal entails importing gas from elsewhere, accelerating the transition towards renewable energy and reducing energy consumption by more than originally planned. Europe currently gets 40% of its gas and 27% of its imported oil from Russia.
- Global wheat reserves are at their lowest since 2008** with only 10 months' worth of reserves available. The war has blocked grain shipments from Ukraine's Odessa through the Black Sea.
- High oil prices are supporting government spending in GCC states and PMIs, which are at their highest in 10 years.** Gulf countries are also less impacted by inflation, as currencies are pegged to the US dollar, which has been appreciating. (Fitch)
- The World Bank projects GCC economies to expand by 5.9% overall in 2022**, with this recovery likely to continue in the medium-term, driven by the hydrocarbon and non-hydrocarbon sectors. And it raised its forecast for the growth of the UAE economy to 4.7%.
- Artificial intelligence is tipped to be the UAE's most important industry over the next 10 years.** AI was ranked ahead of construction, electronics, aerospace, robotics, design engineering & IT, and cybersecurity in a poll of technology and engineering employees in the Emirates. The rank was concluded via a survey conducted by UK-based Institution of Engineering & Technology and YouGov.
- Abu Dhabi's fiscal buffers of more than 250% of GDP** underpin S&P Global Ratings' stable rating of the emirate on expectations that its fiscal and external positions will remain strong over the next two years, supported by oil revenue.
- The UAE, Egypt and Jordan have entered into a \$10bn industrial partnership aimed at boosting sustainable economic growth** and exploring opportunities for joint investments in five priority sectors of mutual and strategic interest: petrochemicals; metals, minerals & downstream products, textiles, pharmaceuticals, agriculture, and food & fertilisers.
- The MENA region saw a 400% y-o-y increase in the number of listings** with 15 IPOs raising proceeds of \$4bn in Q1 2022, an increase of 1,242% in value. (EY MENA IPO Eye Q1 2022 report)