



**MULTIPLY**  
GROUP

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Multiply Group P.J.S.C  
**Financial results**  
**Q2 2024**

ADX: MULTIPLY  
[www.multiply.ae](http://www.multiply.ae)

**29 July 2024**

**Multiply Group registered AED 439 million in EBITDA excluding fair value changes in Q2 2024, a 33% increase YoY, with 60% Revenue Growth across its operating portfolio**

Financial highlights (AED million)	Q2 2024
Revenue	<b>442</b>
Gross profit <i>margin %</i>	<b>192</b> 43.5%
General & Admin Expenses	<b>(94)</b>
Investment and other income	<b>218</b>
Share of profit from investment in a joint venture	<b>78</b>
EBITDA <i>(excluding fair value changes)</i>	<b>439</b>
Net profit <i>(excluding fair value changes)</i>	<b>319</b>
Reported Group Net profit <i>(including fair value changes)</i>	<b>992</b>

## GROUP LEVEL PERFORMANCE (Q2 2024)

### EBITDA

(excluding fair value changes in public investments)

AED **439** million

+33% growth YoY

### Group Net Profit

(excluding fair value changes in public investments)

AED **319** million

+49% growth YoY

### Investment & other income

AED **218** million

### Total Assets

(As at 30 June 2024)

AED **39.8** billion

## OPERATING BUSINESS PERFORMANCE<sup>1</sup> (Q2 2024 vs Q2 2023)

### Revenue

AED **442** million

+60% growth YoY

### EBITDA of Operating Companies

AED **182** million

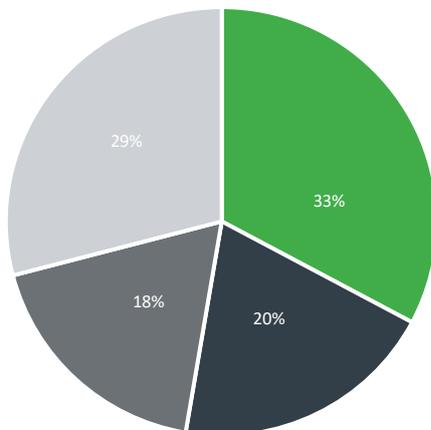
+30% growth YoY

### Cash flow from operations (H1 2024)

AED **464** million

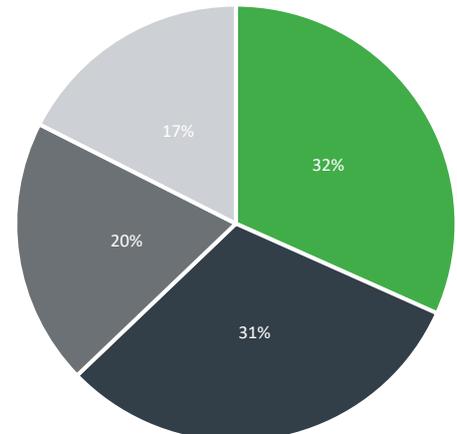
### Revenue and EBITDA Split Per Vertical (Q-2 2024)

Revenue % split



- Media & Communications
- Mobility
- Energy & Utilities
- Wellness & Beauty

EBITDA % split



## MULTIPLY+

### Value of Public Market Portfolio

(As of 30 June 2024)

AED **29** billion

VS

### Invested Amount

AED **15** billion

<sup>1</sup> Operating Business performance includes performance of revenue contributing businesses under each vertical (Viola + Media 247 + BackLite Media under Media & Communications, EDC under Mobility, PAL Cooling Holding under Utilities and Omorfia under Wellness)



## SAMIA BOUAZZA

### GROUP CHIEF EXECUTIVE OFFICER AND MANAGING DIRECTOR

In Q2 2024, Multiply Group has demonstrated significant performance and key milestones across our core verticals, with strategic investments continuing to define our business momentum. Our EBITDA growth of 33% compared to the same period last year represents the pace at which we are able to unlock value and ramp up activities across our existing businesses. In addition, we've consolidated new acquisitions, which have played an integral role in consistently delivering underlying profit growth. In this quarter, we reported net profit of AED 992 million which includes AED 673 million unrealised fair value gains from the public investment portfolio.

2024 continues to be the Year of Efficiency at Multiply Group, where we have diligently created efficiencies and synergies, reduced operating costs and introduced digitalisation and AI initiatives across our portfolio companies.

Finally, we have welcomed IHC's CEO and Managing Director, Syed Basar Shueb, as Chairman of our Group. He brings a wealth of experience having built the largest non-oil company in the region. As always, we believe the best is yet to come."

**ABU DHABI, 29 July 2024** – Multiply Group (ADX: MULTIPLY), the Abu Dhabi-based holding company that invests in and operates businesses globally, today reports its Q2 2024 results with a net profit excluding fair value changes of AED 319 million, representing 49% growth compared to the same period last year (AED 214 million Q2 2023). Robust underlying profit growth was largely led by the consolidation of new acquisitions as we deliver on our vertical building strategy. Reported net profit of AED 992 million includes AED 673 million unrealized fair value gains from the public investment portfolio.

Group revenue in Q2 2024 increased by 60% YoY to AED 442 million, driven by organic growth across all verticals (+8% YoY) and the consolidation of Media 247, BackLite Media, and The Grooming Company Holding. Blended gross profit margin remained healthy at 43.5%, reflecting the change in revenue mix with increased contribution from the Media vertical post new acquisitions (33% of Q2'24 revenue vs 8% in Q2'23). Investment and other income including dividend income was at AED 218 million.

Balance sheet remains robust with cash balance of AED 1.62 billion and up to AED 5 billion in firepower ready to be deployed in new investments towards vertical building.

**2024 at Multiply Group is The Year of Efficiency.** Multiply Group's efficiency programme which launched in Q2 has started yielding results, achieving over AED 5 million of efficiency gains (over 10% of the Group's AED 45 million run-rate target).

The Group's impactful cost-related initiatives include identifying savings in procurement, consolidating duplicated roles as it grows, and restructuring to remove business layers. On the revenue side, Multiply Group started capturing more wallet share in media given its significant presence across three dominant OOH brands in the UAE. It has begun to unlock revenue by increasing capacity across its media assets as well as reducing customer churn across brands such as beauty. Digital transformation has also enabled the Group to be more efficient, here it has automated backend processes, launched new revenue sources with a focus on programmatic within Media, and modernised its technology infrastructure to enable better decision making. The Group has also

launched new online portals & services, reduced cash transactions, and gathered insights into customer spend behaviours.

Under Multiply+, the public market portfolio closed the quarter with a valuation of AED 29 billion, compared to an initial investment of AED 15 billion. Despite market fluctuations affecting the fair value of some assets, 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.

## Group Highlights

### Changes to the Board

Effective 10 July 2024, the board of directors appointed Syed Basar Shueb as the new Chairman while extending their gratitude to the departing Chairman, Andre G. Sayegh who resigned for personal reasons and professional commitments. Syed Basar Shueb currently serves as CEO, Managing Director and Board Member at International Holding Company (IHC) and is an accomplished and respected senior executive, he has substantial and diversified experience across various industries, and was listed in the Top 10 Middle East's CEOs by Forbes in 2023. Basar is known to be a decisive and pragmatic leader, and for his skill in creating and nurturing cohesive and focused business units that grow profitable bottom lines. He has played an integral part in IHC continually being in the top performers of the Abu Dhabi Bourse's listed companies.

### Strategic Investments in Q2'24

In June 2024, Omorfia Group, Multiply Group's 51% owned beauty anchor, acquired 100% of The Grooming Company Holding (TGCH), a premier provider of salon and beauty services in the UAE. This strategic move reinforces Omorfia's commitment to expanding its beauty services portfolio within the UAE and beyond. With the addition of TGCH's 62 salons (47 owned and 15 franchises), Omorfia solidifies its leading position boasting a combined network of 132 owned salons across 5 geographies.

Earlier this year, Multiply Group consolidated 100% of BackLite Media, a premier Digital Out-of-Home (DOOH) advertising company with assets in landmark locations in the UAE in a strategic move to expand its footprint in the burgeoning Out-of-Home (OOH) advertising space.

## Vertical updates

### Media and Communications (Viola Communications + Media 247 + BackLite Media)

Profitability (EBITDA) of the vertical surged 10x YoY with the inclusion of Media 247 from July 2023 and BackLite Media from March 2024. Multiply Media vertical has been active during the quarter, attending the OOH Media Conference hosted by The Out of Home Advertising Association of America (OAAA) in California, and The World Out of Home Organization 2024 Annual Congress in Hong Kong, where it explored opportunities and gained insights around sustainability, retail media, and AI within media. Viola Communications, the leading OOH media owner in Abu Dhabi announced the first pan-Emirate bridge banner network with Dubai Road and Transport Authority (RTA). The bridge banners ensure maximum frequency, reach, and impact at key intersections on and around Dubai's Sheikh Zayed Road.

**Mobility (Emirates Driving Company EDC)**

Emirates Driving Company delivered 8% YoY profitability growth with improved underlying EBITDA<sup>2</sup> margins by 120bps YoY through effective cost management strategies. EDC achieved an ESG score of 9.7 out of 10 from MSCI (AAA), a prominent global agency known for its comprehensive evaluations of Environmental, Social, and Governance (ESG) performance, with the recognition placing EDC in the top 9% for sustainability within its industry. EDC signed a Memorandum of Understanding (MoU) with The Centre of Excellence for Applied Research & Training (CERT) to collaborate to advance and automating training programmes. By harnessing AI, they aim to deliver top-notch training services while building the effectiveness of training, practical and intellectual skills. Alongside this, EDC signed an MoU with The Department of Economic Development - Abu Dhabi (ADDED) to enhance innovation in transportation and progress towards achieving Net Zero emissions in the Emirate.

**Beauty & Wellness (Omorfia)**

The vertical maintains robust profitability (EBITDA<sup>3</sup> +13% YoY) boosted by the consolidation of Juice Salon & Spa in Q4 2023 and The Grooming Company Holding (TGCH) in June 2024. With the acquisition of TGCH, Omorfia Group added 62 locations embracing reputable brands including N.BAR, 1847, and Sisters Beauty Lounge. With 120,000 annual customers, the acquisition solidifies Omorfia Group's leadership in the GCC and MENA beauty sector with 132 combined salons. Tips and Toes, another prominent brand under Omorfia, opened its largest and most luxurious 43<sup>rd</sup> branch in Al Shamkhah, Abu Dhabi. Earlier in May, the salon chain opened a branch in Creek Beach, Dubai.

**Utilities & Energy (PAL Cooling Holding + IEH<sup>4</sup>)**

The vertical's profitability surged, driven by a strong AED 78 million contribution from the Kalyon JV, powered by higher utilization of their Karapinar asset and the inauguration of 130MW out of 390MW Anka power plant in November 2023. PAL Cooling Holding (PCH) completed the Danat Development Cooling Plant project which integrates advanced technology with efficiency and sustainability features. The plant uses analytics, including reports and trend analysis, to achieve higher efficiency and features green refrigerant chillers that use hydrofluoro-olefins (HFOs). These refrigerants have zero ozone depletion potential and ultra-low global warming potential, ensuring minimal environmental impact.

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**ABOUT MULTIPLY GROUP**

With its trademark growth mindset, Multiply Group PJSC is an Abu Dhabi-based holding company that invests in transformative cash-generating businesses it understands.

Multiply Group will continue to deploy capital across its two distinct arms, both of which follow a disciplined approach to investing and ensure consistent, sustainable value creation for our shareholders in the short-, medium- and long-term:

<sup>2</sup> EBITDA of EDC excludes unrealized fair value changes from their public portfolio

<sup>3</sup> EBITDA of Omorfia is adjusted to exclude one-off transaction related costs for acquiring TGCH

<sup>4</sup> IEH (International Energy Holding) does not contribute to top-line but includes share of profit from a 50% JV investment in Kalyon.

Multiply, the investments and operations in long-term strategic verticals, currently investing and operating in Mobility, Energy & Utilities, Media & Communications and Wellness & Beauty. Anchor investments provide long-term recurring income, through which bolt-on acquisitions are made.

Multiply+, a flexible, sector-agnostic, and minority investment arm.

For more information, visit [www.multiply.ae](http://www.multiply.ae)

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