

MULTIPLY GROUP

INVESTORS' UPDATE

SEPTEMBER 2022 | ISSUE 09

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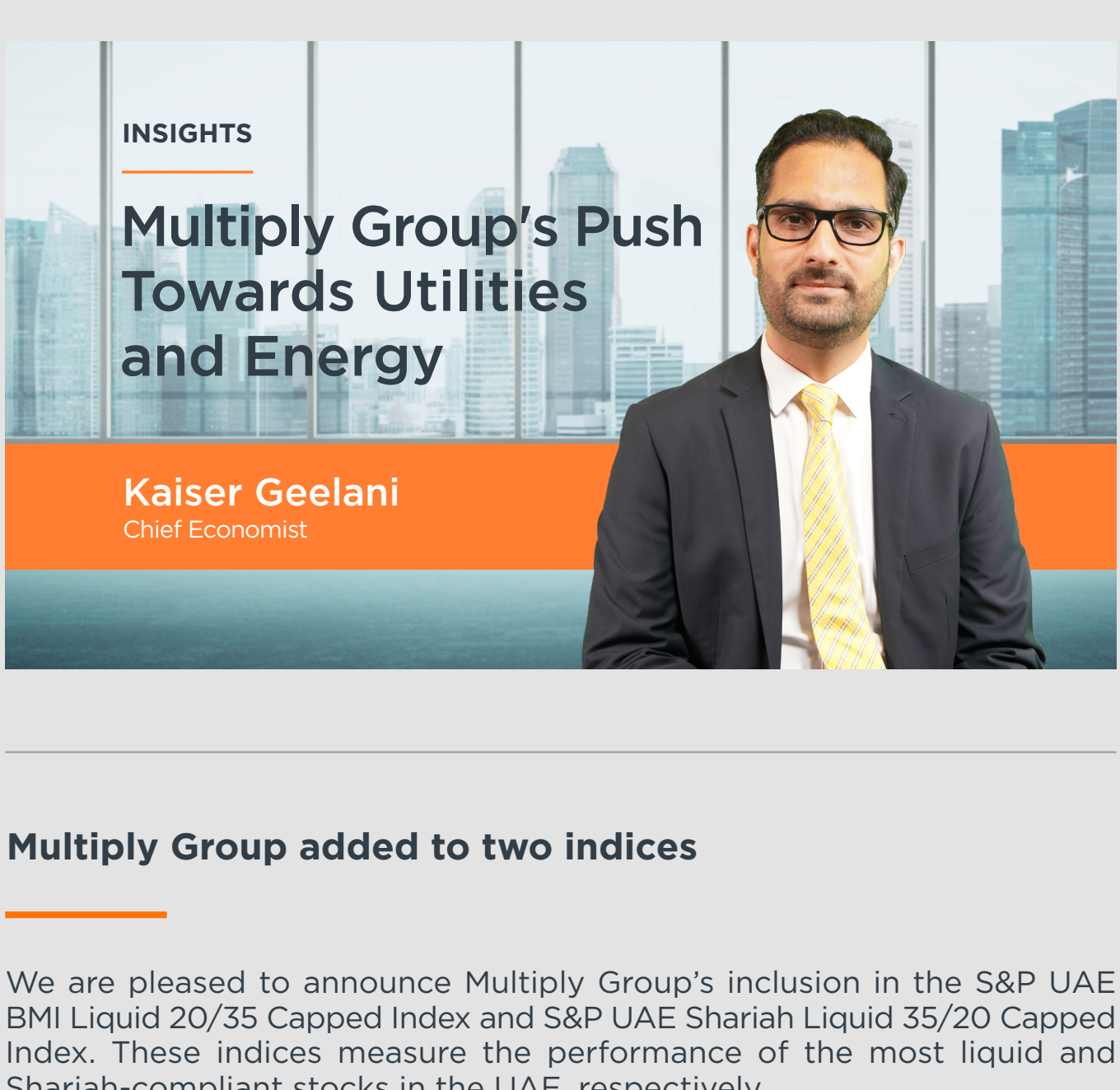
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OUR UPDATES

Multiply Group acquires 80% of International Energy Holding to grow its utilities portfolio

Multiply Group acquired 80% of International Energy Holding LLC (IEH), as the Group continues to expand its utilities and energy investments globally.

Assets under IEH include its recent acquisition of a 50% stake in Kalyon Enerji Yatirimlari A.S., a market leading clean and renewable energy company based in Turkey. Within Kalyon's portfolio is a PV power plant project with an installed capacity of 1,347,734 MWp / 1,000 MWe in the Konya's Karapinar region. When this project is completed in 2023, this facility alone will meet the annual electrical energy needs of approximately 2 million people. Kalyon also has a wind project of 1 GW capacity in Ankara developed by Turkey's Renewable Energy Resources Zone (YEKA), a 100 MW solar project in Niğde, a 50 MW solar project in Gaziantep, and other renewable energy projects in various cities of Turkey.



Insights: Multiply Group's Push Towards Utilities and Energy

In the latest episode of our Insights series, we explore clean energy and the reason behind our growing utilities portfolio, where we focus on companies that share our mindset in terms of harnessing technology to ride the energy transition trend. This approach reflects our commitment to advancing the renewable and clean energy agenda, both in the UAE and globally.

To watch the full video, click here



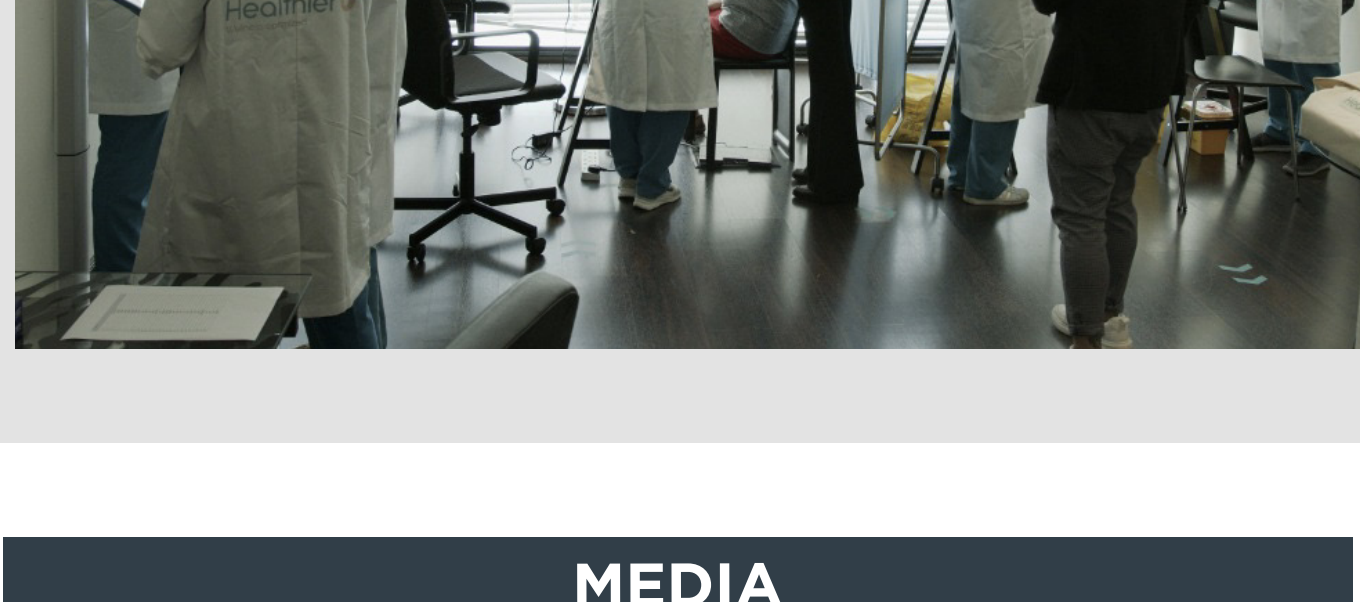
Multiply Group added to two indices

We are pleased to announce Multiply Group's inclusion in the S&P UAE BMI Liquid 20/35 Capped Index and S&P UAE Shariah Liquid 35/20 Capped Index. These indices measure the performance of the most liquid and Shariah-compliant stocks in the UAE, respectively.

This latest addition by these two indices under S&P Dow Jones have also resulted in a further inclusion in the Chimera S&P UAE UCITS ETF and Chimera S&P UAE SHARIAH ETF.

Previously, Multiply Group has already been included in the FTSE Global Equity Index Series (FTSE GEIS) Mid Cap Index and FTSE ADX 15 Index (FADX 15) this year. The FADX15 is a sub-index of the FTSE ADX General Index and represents the top 15 companies on the Main Board of the Abu Dhabi Stock Exchange (ADX), selected by a combination of free float adjusted market capitalisation and median daily trading value.

These inclusion on the various indices highlights our business performance and positive engagement with the investor community.



EFG Hermes 16th Annual One-on-One conference

Attending the four-day conference in Dubai from Multiply Group was, Kevin Mark Raistrick, Chief Operating Officer, Kaiser Geelani, Chief Economist and Mehdi Bizri, Investor Relations Officer alongside 205 companies from 33 countries. The theme of the conference was "Weathering Inflation - Finding Focus in Frontier Emerging Markets (FEM)" aimed to unlock prospects for global institutional investors, and active fund managers; gain insights on key trends influencing FEMs and explore investment opportunities through one-on-one meetings with C-suite executives.

The team from Multiply Group met with several institutional investors at the conference, and had the opportunity to discuss the Group's investment strategy and growth plans, as well as its recent deals.

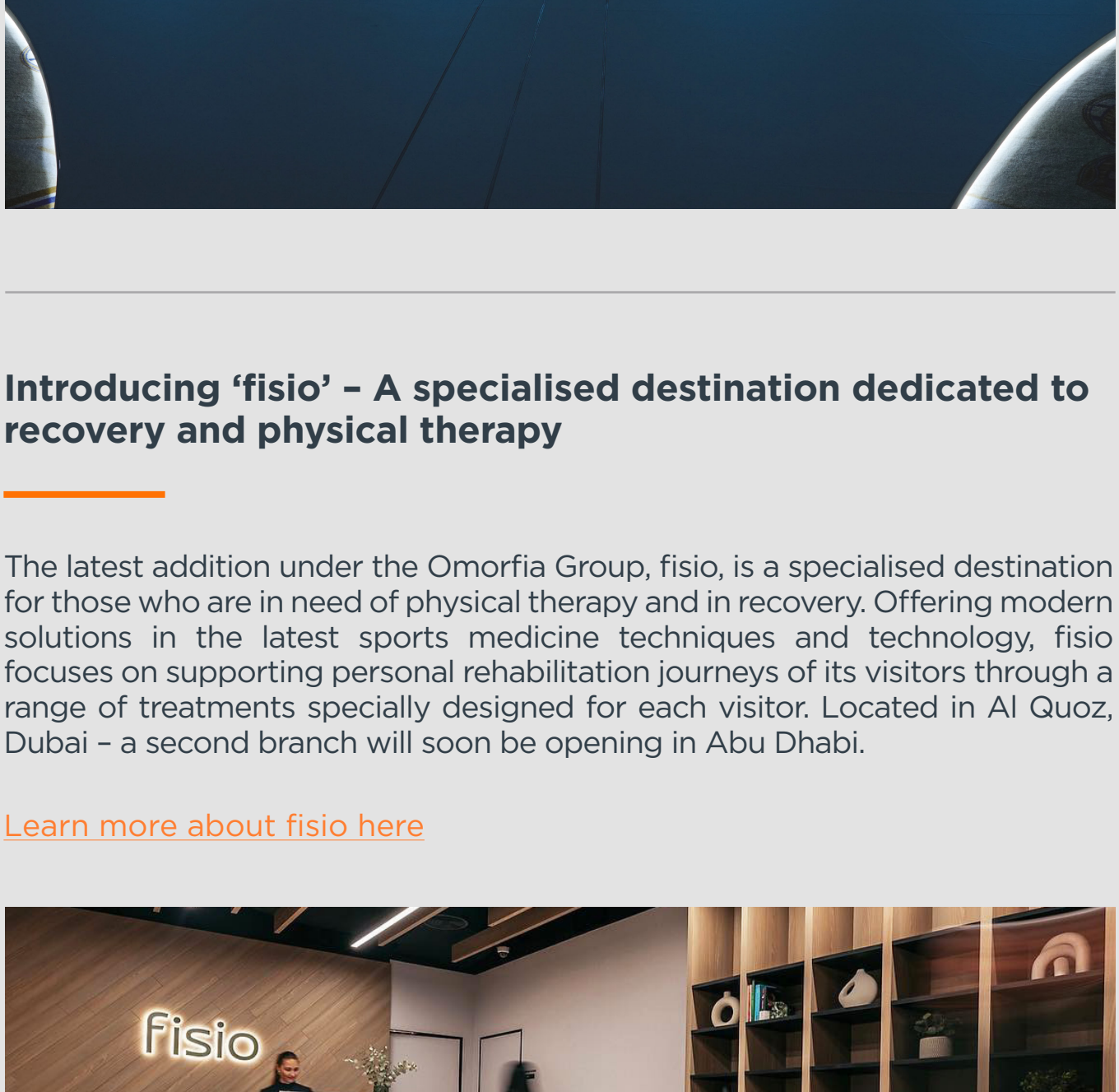


Multiply Group's Corporate Wellness Programme: Assessment Day

Multiply Group completed its first assessment day as part of its holistic corporate wellness programme powered by its subsidiary, HealthierU.

During this assessment day, employees were offered a comprehensive health assessment covering nutrition, fitness, ergonomics, biometric screenings and blood tests. The programme, which is part of the Group's ESG commitment, aims to empower 3,000+ employees to take charge of their health and wellbeing, as well as raise awareness on these areas through wellbeing webinars.

Following the completion of these assessments, employees who require follow-ups will receive further medical consultations to support their health and wellbeing.



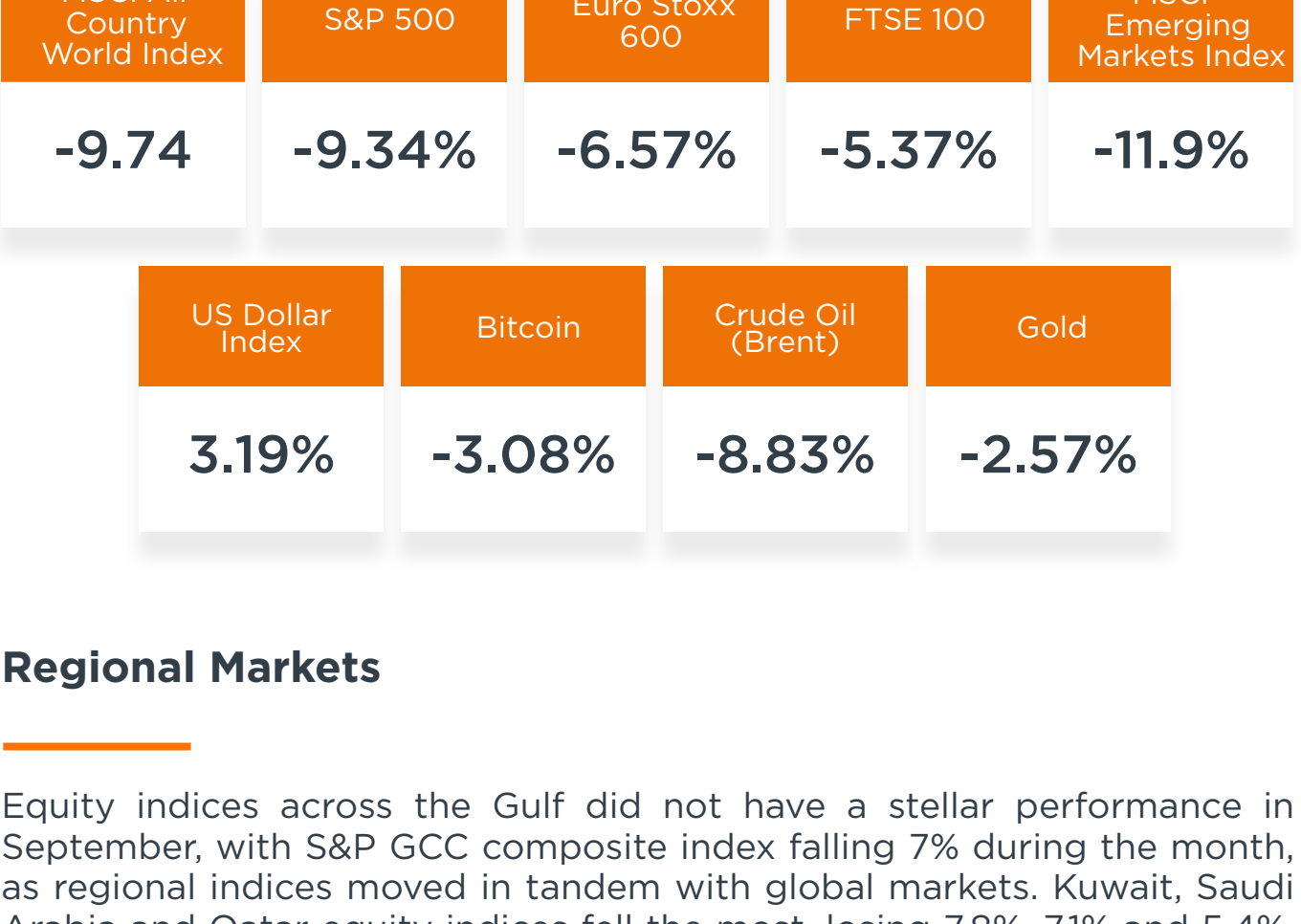
MEDIA

Abu Dhabi's ADQ monetises minority stake in TAQA

Abu Dhabi-based investment and holding company, ADQ has entered into an agreement to monetise a stake of 8.6% in Abu Dhabi National Energy Company (TAQA) to Multiply Group, Abu Dhabi Pension Fund, and other prominent investors. A stake of 7.3% of TAQA at AED 10 billion was invested by Multiply Group. TAQA remains a key asset within ADQ's energy and utilities portfolio supporting its activities in accelerating the UAE's clean energy transition while generating sustainable financial returns.

The transaction underlines ADQ's efforts to attract long-term institutional partners and leverage monetisation opportunities that generate sustainable capital growth and a balanced portfolio of diversified investments. This will also facilitate increased free float in TAQA and Abu Dhabi's capital markets.

Read the full article here.



SUBSIDIARIES' NEWS

Emirates Driving Company partners with UAE University on Research for Driving and Traffic Safety

Emirates Driving Company and the United Arab Emirates University (UAEU) have signed a Memorandum of Understanding (MoU) to launch a strategic research partnership on driving and traffic safety. The joint scientific and research work between UAEU and Emirates Driving Company aims to help UAE decision-makers in drawing future plans that contribute to achieving development and enhancement of the UAE's vision of creating a safe transportation system.

Read the full article here: Link



Viola Communication's Launch of Reem Hills

In a specialised launch of Reem Hills, a luxury gated community on Reem Island, Abu Dhabi, Viola Communications created a unique experience for invitees at the launch event by emulating the unique masterplan design resembling a winding ribbon of hillside homes nestling between the city and the sea. Combining both digital and physical elements at the launch event - video screens surrounding the audience depicted imagery that featured design elements of the development, and was synchronised with choreographed dancers, creating a dynamic piece of entertainment that was constantly interacting with the screens' displays.



Introducing 'fisio' - A specialised destination dedicated to recovery and physical therapy

The latest addition under the Omorfia Group, fisio, is a specialised destination for those who are in need of physical therapy and in recovery. Offering modern solutions in the latest sports medicine techniques and technology, fisio focuses on supporting personal rehabilitation journeys of its visitors through a range of treatments specially designed for each visitor. Located in Al Quoz, Dubai - a second branch will soon be opening in Abu Dhabi.

Learn more about fisio here

MARKET MONITOR

Global Markets

The end of September also marks the end of 3Q. Things have remained gloomy, and the level of risk priced in global risk assets is now almost approaching Covid-19 panic levels. Most major global equity indices including the MSCI AC World are at their lowest weekly point of 2022, while yields have peaked. The S&P500 suffered its worst monthly decline of 9.3% in September 2022 since March 2020, at the height of Covid-19 fear, wiping off all gains made since 4Q 2020. Meanwhile, crude oil remains up 17% YTD, but it gave up more than half of its 2022 gains during 3Q.

On the GCC front, most indices including the ADX remain one of the few bright spots in global equities YTD. The ADX has outperformed the MSCI AC World by 41.6 percentage points YTD, and 3Q accounts for at least a quarter of the outperformance, with 2Q accounting for most.

What has also become apparent is the PE ratio compression as global stock prices plunge faster than the fall in earnings. Consequently, we are likely to see the market pivot fundamentally this October depending on 3Q earnings announcements and guidance's, which start in earnest in the second week of this month. The headline US PMI Composite Output Index registered 49.3 in September, up from 44.6 in August, to signal a softer and only marginal decline in private sector business activity. OPEC+ came to a decision on oil output, deciding to slash 2 mln barrels as a sombre global economic outlook continues to weigh down oil prices.

Furthermore, there are other risk factors ahead including continued monetary and quantitative tightening; global inflation; strong dollar; heightened energy risk, particularly in Europe; synchronised global activity slowdown; and China's zero-Covid strategy.

MSCI All-Country World Index	S&P 500	Euro Stoxx 600	FTSE 100	MSCI-Emerging Markets Index
-9.74	-9.34%	-6.57%	-5.37%	-11.9%
US Dollar Index	Bitcoin	Crude Oil (Brent)	Gold	
3.19%	-3.08%	-8.83%	-2.57%	

Regional Markets

Equity indices across the Gulf did not have a stellar performance in September, with S&P GCC composite index falling 7% during the month, as regional indices moved in tandem with global markets. Kuwait, Saudi Arabia and Qatar equity indices fell the most, losing 7.8%, 71% and 5.4%, respectively, Markaz said in a report. Dubai equity index fell by 3% while Abu Dhabi posted a 1.3% decline over the same period. A primarily driven by a slowdown in oil (falling 8.8% over the month), wider economic slowdown and inflation concerns led to a drop in performance.

GCC S&P Index	FADG	DFM	TASI	QSE
-6.94%	-1.25%	-3.02%	-7.15%	-5.44%

Other News

• Japan government intervened to support the Yen for the first time since 1998, seeking to stem a 20% decline against the US Dollar this year. The intervention came after the Bank of Japan insisted on holding its negative-rate policy even as the US Federal Reserve continues to hike interest rates aggressively.

• The US Securities and Exchange Commission fined Boeing \$200m for making misleading statements following two fatal crashes in 2018 and 2019 involving the manufacturer's 737 MAX airplanes.

• OPEC+ agreed to cut oil production in an effort to boost sagging prices. The reduction of output by 100,000 barrels per day corresponds to just 0.1% of global demand. Meanwhile, gas prices rose dramatically as markets reacted to Russia's indefinite suspension of the Nord Stream 1 pipeline. Consequently, the European Commission plans to recommend options for an "emergency wholesale price cap", to be observed by all member-states, along with ways to reduce demand.

• Goldman Sachs says UK inflation could peak at 22.4% in 2023, far above its 14.8% baseline forecast, after the wholesale price of gas, a key source of power for heating and cooking in UK homes, surged by 145% at the start of July this year.

• Credit Suisse is considering plans to eliminate about 5,000 jobs, about one position in ten, as part of a cost-reduction drive.

• Trade between the UAE and Saudi Arabia totalled AED65.7bn (\$17.88bn) in H1 2022, with the Kingdom ranking as one of the top three trading partners of the Emirates

• TAQA announced the financial close of a \$3.8bn sub-sea offshore project that will help decarbonise the energy producer's offshore operations. The project's commercial operation is expected to start in 2025. It is expected to reduce the carbon footprint of ADNOC's offshore operations by more than 30%, as existing offshore gas turbine generators will be replaced with more sustainable power sources.

• IHC is looking to acquire between 25% to 31.25% stake in Colombian packaged foods giant, Grupo Nutresa with the offer price pegged at \$15 per share.

• Federal Competitiveness and Statistics Centre (FCSC) announced that the UAE's GDP grew at constant prices by 3.9%, and at current prices by 18.8% in 2021. GDP at constant prices increased to AED1.499trn in 2021 from AED1.442trn in 2020 while non-oil GDP at constant prices grew by 5.8% to AED1.087trn in 2021, compared to around AED1.028trn in 2020.

• IHC had acquired a 15% stake in healthcare group Burjeel Holdings for an undisclosed sum. Burjeel Holdings operates nearly 60 assets catering to all socio-economic segments across a range of brands, including Burjeel Hospitals, Medeor Hospital, LLH Hospital, Lifecare Hospital, and Tajmeel.

• Moody's Investors Service forecasts UAE real GDP growth of 6%-7% in 2022, supporting the credit quality of rated UAE real estate companies.

• UAE emissions are to be reduced by 31% by 2030, an increase from the previous target of 23.5%.

• UAE-based Metaverse Holdings has selected Dubai and Abu Dhabi as the first cities to launch the 'world first' virtual world to replicate true real-life experiences and places, with a beta version due to be live by October 2022 and available globally by the end of the year.

• DIFC's number of registered companies rose 22% to 4,031 YoY in Q2. DIFC is now home to 1,252 financial and innovation related companies, an increase of 22% from a year ago.