MULTIPLY
GROUP

# INVESTORS' UPDATE

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## OUR UPDATES

### Multiply's Omorfia Group accelerates its growth by acquiring 100% of The Grooming Company Holding

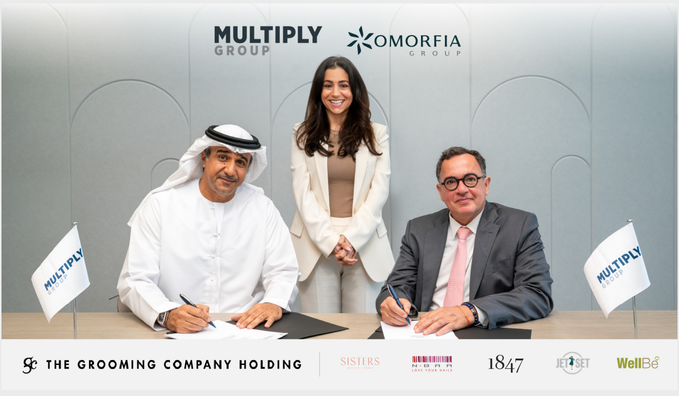
Multiply Group's beauty anchor, Omorfia Group has acquired 100% of The Grooming Company Holding (TGCH), boosting Multiply's beauty vertical with top brands like N.BAR, 1847, and Sisters Beauty Lounge. The move aligns with Omorfia Group's strategy for growth through bolt-on investments.

With an annual customer base exceeding 120,000, this acquisition solidifies Omorfia Group's leadership position in the GCC and MENA beauty sector, boasting a combined network of 132 owned and operated salons across five key geographies.

**Samia Bouazza, Group CEO and Managing Director of Multiply Group,** said: "This transaction under Omorfia's portfolio supports its ambition to establish a dominant beauty services platform, featuring well-run, profitable and cash-generating beauty brands. This cements our position as a leading beauty player, while helping us drive sustainable growth and deliver exceptional value to our shareholders and customers alike."

**Faris Suhail Al Yabhouni Al Dhaheri, Group CEO and Managing Director of Omorfia Group,** added: "This partnership offers a unique opportunity to synergize our operational capabilities, leverage our collective expertise to enhance service quality, and diversify our offerings to resonate with a broader spectrum of customers. By strategically aligning our goals and resources, we are poised to capitalize on market opportunities and drive sustainable growth while upholding our unwavering commitment to delivering unparalleled service excellence. Our dedication to innovation and customer-centricity will remain steadfast as we navigate this exciting chapter of strategic partnership and expansion."

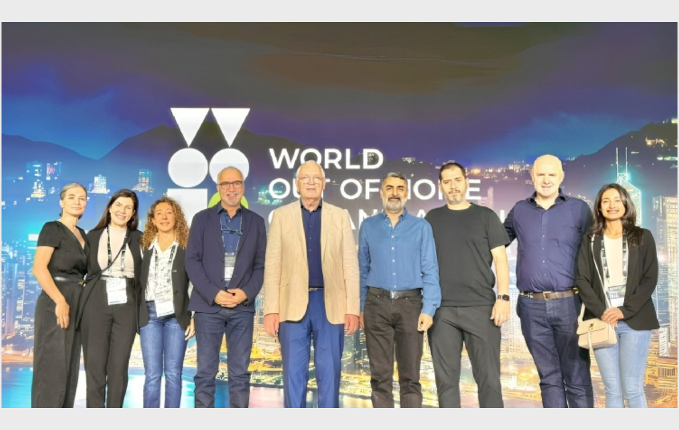
Read the full article here




### Multiply Media team at WOO Congress 2024

Multiply Media team attended The World Out of Home Organization 2024 Annual Congress in Hong Kong, which brings together OOH and digital experts from around the globe to discuss the forces shaping the OOH global media market in 2024 and beyond.

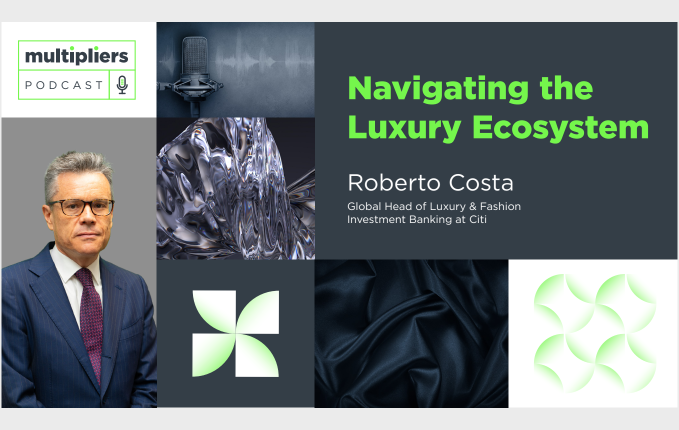
The team explored new opportunities and gained valuable insights into the latest in the OOH world, from sustainability to the importance of retail media and the impact of AI on our media vertical.



### Navigating the Luxury Ecosystem

In this episode of the Multipliers Podcast, we explore the current state of the luxury and fashion industry with Roberto Costa, Citi's Global Head of Luxury and Fashion Investment Banking.

Check out the full episode on Spotify, Apple Podcasts, Google Podcasts, and our YouTube channel




## SUBSIDIARIES' NEWS

### Emirates Driving Company achieves Top (AAA) Score from MSCI

Emirates Driving Company has received 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, placing it in the top 9% of its industry.

The AAA ranking in ESG, assigned by MSCI, is a testimony of EDC's leadership commitment towards sustainability, social responsibility, and governance. It also demonstrates EDC's excellence in managing associated risks and opportunities to create sustainable value for all stakeholders.

الإمارات لتعليم القيادة
Emirates Driving

MSCI ESG RATINGS AAA

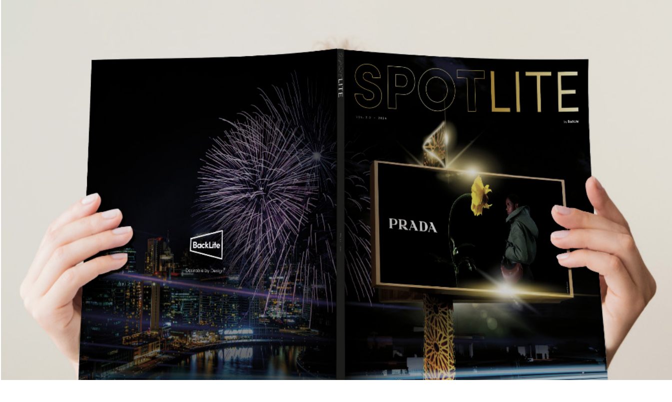
| | | | | | | |
|---|---|---|---|---|---|---|
| CCC | B | BB | BBB | A | AA | AAA |

### BackLite introduces SpotLite 2.0

BackLite launched the second edition of their annual industry publication dedicated to the exciting and ever-evolving world of Out-of-Home (OOH) in collaboration with Campaign Middle East.

This edition of SpotLite focuses on the dynamic and ever-evolving Out-of-Home (OOH) advertising industry, particularly emphasising the transformative potential of Data, Measurement and Programmatic Digital Out-of-Home (PrDOOH). SpotLite 2.0 brings together insights from some of the industry's most influential voices.

Check out the full publication here




### Viola Communications Wins at the Middle East Event Awards

Viola Communications won the 'Best Event on a Budget' category at the prestigious Middle East Event Awards for their work on the Dubai International Financial Centre (DIFC) Sculpture Park.

This recognition highlights their dedication to excellence and innovation in delivering outstanding event experiences.


## MARKET MONITOR

### Global Markets

**The barometer for global equities, MSCI ACWI, rose 2.1% in June (vs. +2.4% in Q2 and +10.3% in 1H), although individual markets exhibited mixed performances. US, Japanese, African and Indian equities finished higher while European, Chinese and Latin American markets finished in the red. All the major equity volatility gauges we follow cooled down, but bond volatility increased. Yields that we follow of 10-year bonds for major economies declined with the US 10-year treasury yield down by 11.0bps to 4.392%. Across assets, performances were mixed: Brent (+4.5%), the dollar (+1.2%) and natural gas (0.8%%) rose; bitcoin (-10.6%) and iron (-9.4%) and copper (-4.6%) declined; and gold was largely flat.**

Following, are the overriding themes that drove market sentiment during June:

(1) A couple of major central banks eased policy rates including the ECB, Canada, Swiss, Sweden
(2) Disinflation in the US and UK, but the Euro Area showing some stickiness
(3) Western politics moving to or expected to move farther to the right
(4) EU imposed tariffs on Chinese EV imports citing state subsidies making competition unfair
(5) While US labour market is cooling it remains surprisingly resilient
(6) AI and big tech remained important investment themes with average global equity performance skewed upwards by a few techs behemoths – Vanilla S&P500 rose 3.5% in June vs. a decline of 0.6% for the S&P500 Equal Weight Index

### Summary of Market Movers by Week:

**Week 1:** The global equity average rose due to a constructive release sequence of mixed US labour market reports and policy easing by two major central banks, the ECB and BoC. Furthermore, manufacturing activity was unexpectedly poor in the US and Europe, while the Chinese trade balance beat expectations although imports were lower than expected.

**Week 2:** The global equity average rose as a softer US CPI reading overshadowed the Fed's hawkish rate pause and consumer confidence that unexpectedly fell. European markets were rocked by political uncertainty, and so were Latin American equities. In the Asia-Pacific, the BoJ was unexpectedly dovish while Chinese EVs were slapped with EU tariffs.

**Week 3:** The global equity composite index was helped by a marathon of central bank rate decisions that mostly held borrowing costs steady – BoE, Australia and India. Meanwhile, China faced increasing pressure as the list of its trade partners imposing tariffs grew with others expected to follow suit.

**Week 4:** The global equity average gained marginally as local politics took centre stage on both sides of the Atlantic. Notable newsmakers include the upward revision of US Q1 GDP, continued disinflation of the Fed's preferred inflating gauge, and the inclusion of Indian government bonds in the JP Morgan EM index.

### Outlook & risks

**Some of the themes driving investment thought include the resumption of disinflation specifically in the US after months of reacceleration/stickiness,** diverging monetary policy paths by major central banks, cooling yet still strong US labour market, China's private sector credit crunch vs. promising measures being implemented by Beijing to resolve it, India as the fastest-growing major economy, increased uncertainty in geopolitics, the shift from private equity to private debt, and the promise of AI.

**The main risk factors to watch include:**

1. The impact of long and variable lags of restrictive monetary policy and an uncertain interest rate path;
2. Major governments' high levels of indebtedness;
3. China's indebted real estate sector;
4. Heightened geopolitics:
   - Risk of a wider Middle East war compounded by ructions along the Red Sea trade route;
   - Russia-Ukraine war;
   - Washington dysfunction plus US election year;
   - Europe and specifically French politics gravitating farther to the right;
   - Deglobalisation and nearshoring.
5. AI-generated misinformation;
6. Extreme weather events;
7. A concentrated rally in a few global tech stocks.

| MSCI All Country World Index | S&P 500 | Euro Stoxx 600 | FTSE 100 | MSCI Emerging Markets Index |
|---|---|---|---|---|
| 2.1% | 3.5% | -1.3% | -1.3% | 3.6% |

| US Dollar Index | Bitcoin | Crude Oil (Brent) | Gold |
|---|---|---|---|
| 1.2% | -10.6% | 4.5% | 0.0% |

### Regional Markets

**The S&P GCC equity indicator recovered by 2.9% in June (May: -6.0%). All major sub-indices that we follow closed higher with the QSE gaining the most. Brent rose by 4.5%. The price of oil has been trending up as geopolitics, expected summer demand, weather conditions, Opec+ actions have all combined to bring the commodity in a better supply-demand balance.** More details from the last OPEC+ meeting clarified that members, including Russia, agreed to phase out voluntary cuts of 2.2mbpd over a year beginning from October. OPEC+ also agreed to maintain other cuts amounting to 3.66mbpd until end-2025.

| GCC S&P Index | FADG | DFM | TASI | QSE |
|---|---|---|---|---|
| 2.9% | 2.2% | 1.3% | 2.0% | 6.9% |

### Other News

- **Nvidia achieved a new milestone only two other companies have reached before. Its market capitalisation rose above $3trn for the first time,** meaning the firm overtook Apple as the world's second-most valuable company behind Microsoft.
- **The ECB went ahead with its first interest rate cut since 2019 to 3.75% from 4.0%,** keeping its word despite an increasingly uncertain inflation outlook.
- **The Federal Reserve held interest rates steady as expected for a seventh straight meeting and pushed out the start of rate cuts to perhaps as late as December,** with officials projecting only a single 25bps reduction for the year amid rising estimates for what it will take to keep inflation in check.
- **Risk sentiment and European asset prices took a hit following the conclusion of the four-day European Parliament vote,** which led to a shift toward the right and the election of more eurosceptic nationalists.
- **The BoE kept its main interest rate unchanged at a 16-year high of 5.25% ahead of a July 4 election, but some policymakers said their decision not to cut rates was now "finely balanced".**
- **Reserve Bank of India kept its benchmark repo policy at 6.5% for the eighth consecutive meeting,** as widely expected amid persistent price pressures and enduring economic resilience. The latest move came after annual inflation stood at 4.85% in April 2024, almost unchanged from March, staying within the RBI's 2-6% medium-term target range.
- **US Department of Commerce's final estimate of Q1 GDP growth was revised upward to +1.4% (q/q annualized) from the second estimate of +1.3%, in line with expectations.** This continued to point to the lowest growth since the contractions in the first half of 2022. Notably, consumer spending slowed more than initially anticipated (1.5% vs 2% in the second estimate), due to consumption of both goods (-2.3% vs -1.9%) and services (3.3% vs 3.9%). The latest Atlanta Fed GDPNow tool projects Q2 GDP growth at 2.2% down from the initial estimate of 3.9% in April.
- **A second Trump term is expected to yield reduced corporate taxes, a prospect viewed as bullish for both stock prices and bond yields.** President Joe Biden and former President Donald Trump squared off in their first 2024 debate, with Trump widely perceived as the victor.
- **The UAE's growth has been projected to jump to 6.7% in 2025,** up from 3.8% this year, thanks to its efforts to diversify the economy and robust trade with neighbours, according to BMI.
- **Saudi Aramco's $12 billion secondary share offering sold out shortly after the deal opened on Sunday, Bloomberg reported.** The books were covered in the price range of 26.7 ($7.12) to 29 riyals within "a few hours after the books opened".
- **Omorfia Group, a beauty and personal care unit of Abu Dhabi investment holding company Multiply, has acquired 100% ownership of The Grooming Company Holding** (TGCH) from the Luxembourg-headquartered CedarBridge Capital Partners, a private equity investor.
- **The UAE led the region with foreign capital net inflows of $680.4 million in May,** rebounding from the previous month that saw the country follow a GCC-wide negative trend, stemming from escalating tensions in the Middle East according to management consultants and financial advisors Iridium. Abu Dhabi took the lead in net foreign capital inflows with $686 million recorded in May, up from -$19 million in April, while Dubai maintained its net outflows of -$30 million from the previous month.
- **The UAE has the eighth-largest pipeline of energy storage projects as the world prepares for the energy transition to renewables.** While the value of projects in the emirates is dwarfed by that of the USA, which has more than $17 billion worth in the pipeline, research by BMI shows that there are large projectsin the pipeline in the emirates as well as in Saudi Arabia.
- **ADNOC Drilling confirms new dividend policy with 10% annual growth.** The new policy will see at least $4.8 billion distributed to shareholders between 2024 to 2028. The expected cumulative minimum yield from the new policy in the period 2024-2028 is more than 27%.
- **Mubadala Investment Co. is set to take a controlling stake in Turkish food delivery company Getir.** Investors in Getir have agreed to a restructuring scheme that will break up the business and bring in fresh capital worth $250 million.
- **Middle East sovereign wealth funds (SWF) accelerated the flow of capital into China in 2023, spending about $2.3 billion last year.** The number represented a significant increase from the $100 million spent in 2022.