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OUR UPDATES

Multiply Group reports AED 462 million in net profit for H1 2022

Multiply Group reported AED 462 million in net profit for the first half of 2022, with its financial results showing revenue of AED 507 million and gross margin of AED 250 million. Net profit equated to 91% of revenue for the period, with investment and other income of AED 300 million helping to drive profitability. There was also strong performance across the Group's subsidiaries, with all operating units being profitable in H1 and exceeding operational targets.

The Group also maintains a strong liquidity position, with AED 3.24 billion in cash and bank balances and negligible debt, allowing it to pursue attractive targets globally and ensure an efficient deployment of capital.

Samia Bouazza, CEO and Managing Director said: "Multiply Group saw strong profitability throughout the first half of 2022 as our subsidiaries continued to register robust growth. Despite the ongoing headwinds, we see a remarkable resilience across our portfolio.

"Our outlook for the rest of the year is very positive, and we expect our profitability to accelerate as we focus on two key areas of growth. Firstly, we will use our strong cash base to seek out further investment opportunities locally and globally as we capitalize on softening market conditions and identify opportunistic deals. Secondly, we will continue to deliver synergies and cost savings across our businesses through our operational excellence and digital transformation programs."

Multiply Group reports AED 462 million in net profit for H1 2022



Media

UAE Firm with \$900 million in cash turns cautious on tech deals

Bloomberg reported that Multiply Group, with its 3.24 billion dirham (\$882 million) war chest, will still look at companies in the wellness and beauty, utilities and media sectors that use technology to run their business.

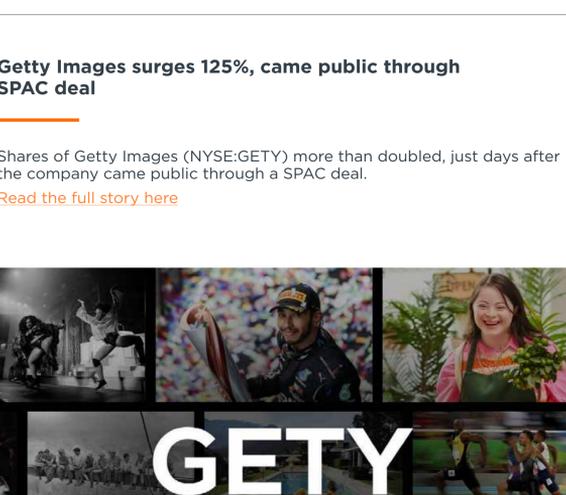
[Read the full story here](#)



Multiply Group second-quarter profit soars on strong performance of key businesses

Despite the continuing global economic headwinds, Samia Bouazza told The National that the performance of all five verticals had been resilient during the first six months of this year.

[Read the full story here](#)



Multiply Group H1 results interview with Dubai Eye 103.8's Business Breakfast show

Our COO, Kevin Mark Raistrick, discussed Multiply Group's H1 2022 financial results and our strategy to seek out further investment opportunities locally and globally on Dubai Eye 103.8's Business Breakfast show.

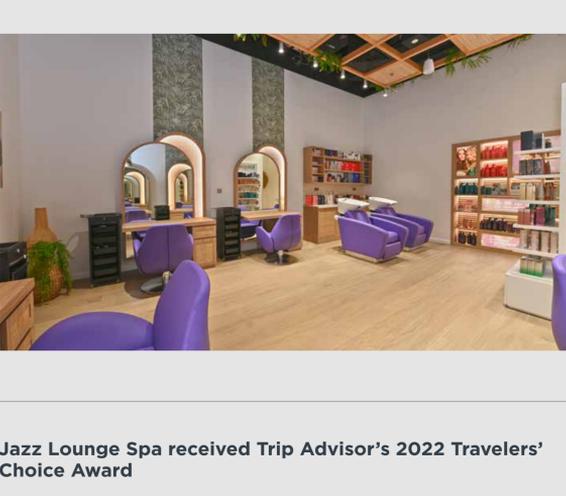
[Listen to the interview here](#)



Getty Images surges 125%, came public through SPAC deal

Shares of Getty Images (NYSE:GETY) more than doubled, just days after the company came public through a SPAC deal.

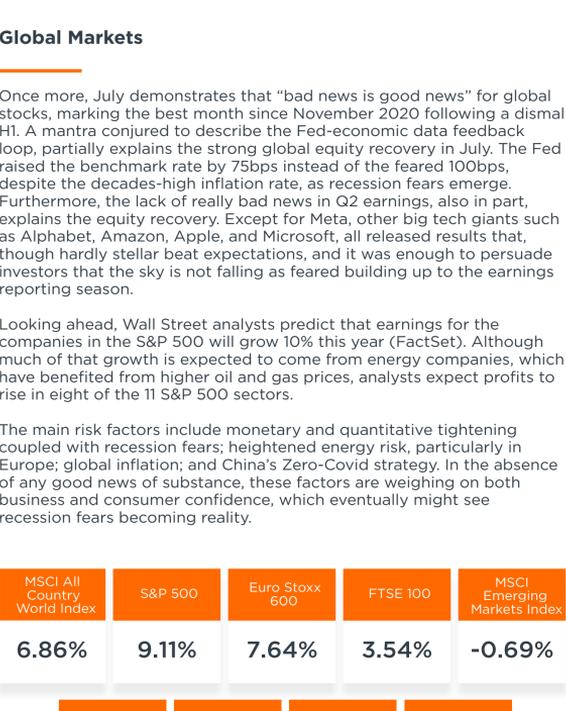
[Read the full story here](#)



Subsidiaries' News

EDC announces net profit increase in H1 2022, up 44% year-on-year

Emirates Driving Company reported its financial results of H1 2022, with a net profit of AED 122.9 million, compared to AED 85.5 million in H1 2021. Total revenue reached AED 156.7 million, compared to AED 123.2 million in the same period last year, increasing by 27% year on year. Earnings Per Share was AED 1.37, compared to AED 0.95 in the same period last year.



Tips & Toes opens two new branches in Park Point, Dubai Hills Estate and Silicon Central, Dubai

In July, Tips & Toes ladies salon continued its success story in beauty and wellness with the opening of two new branches, Park Point Dubai Hills Estate, and Silicon Central Dubai. The newest additions further expand the brand's commitment to delivering five-star service and spa treatments at competitive prices.



Jazz Lounge Spa received Trip Advisor's 2022 Travelers' Choice Award

Omorfia Group's Jazz Lounge Spa has received the Tripadvisor 2022 Travelers' Choice Award. The award recognizes businesses with consistently high ratings on @tripadvisor that are in the top 10% of businesses worldwide.



Market Monitor

Global Markets

Once more, July demonstrates that "bad news is good news" for global stocks, marking the best month since November 2020 following a dismal H1. A mantra conjured to describe the Fed-economic data feedback loop, partially explains the strong global equity recovery in July. The Fed raised the benchmark rate by 75bps instead of the feared 100bps, despite the decades-high inflation rate, as recession fears emerge. Furthermore, the lack of really bad news in Q2 earnings, also in part, explains the equity recovery. Except for Meta, other big tech giants such as Alphabet, Amazon, Apple, and Microsoft, all released results that, though hardly stellar beat expectations, and it was enough to persuade investors that the sky is not falling as feared building up to the earnings reporting season.

Looking ahead, Wall Street analysts predict that earnings for the companies in the S&P 500 will grow 10% this year (FactSet). Although much of that growth is expected to come from energy companies, which have benefited from higher oil and gas prices, analysts expect profits to rise in eight of the 11 S&P 500 sectors.

The main risk factors include monetary and quantitative tightening coupled with recession fears; heightened energy risk, particularly in Europe; global inflation; and China's Zero-Covid strategy. In the absence of any good news of substance, these factors are weighing on both business and consumer confidence, which eventually might see recession fears becoming reality.

MSCI All Country World Index	S&P 500	Euro Stoxx 600	FTSE 100	MSCI Emerging Markets Index
6.86%	9.11%	7.64%	3.54%	-0.69%

US Dollar Index	Bitcoin	Crude Oil (Brent)	Gold
1.09%	20.32%	-4.51%	-3.50%

Regional Markets

Primarily driven by strong hydrocarbon prices, despite global activity slowdown fears, the GCC economies are expected to be relative outperformers this year, with the IMF expecting Saudi Arabia to record the highest GDP growth rate globally of 7.6% in 2022. Consequently, business confidence in the region has stayed relatively high. This is manifesting through strong Q2 and H1 corporate earnings, which is adding fuel to the impressive gulf bourses performances. Reuters recently reported that OPEC+ was considering leaving oil output unchanged in the upcoming meeting of the cartel this week.

GCC S&P Index	FADG	DFM	TASI	GSE
5.29%	3.08%	3.56%	5.86%	9.67%

Other News

- IMF slashed its global growth forecast for 2022 to 3.2%, down 0.4% from its April estimate and nearly half the rate of growth from last year. Thanks in large part to inflation, the IMF projects just 2.9% growth in 2023, with the potential to dip to 2% should covid-19 lockdowns suppress China's economy or political fragmentation hamper global trade.
- Ukraine and Russia signed a deal in Istanbul to resume grain exports from Ukraine's Black Sea ports.
- US annual inflation rate leapt to 9.1% in June from 8.6% in May. The jump was bigger than had been expected by most economists.
- Assets that comply with ESG standards are projected to reach about \$50trn by 2025, but challenges to sustainable investing remain because of a lack of defined standards. The \$50trn figure represents more than a third of the projected \$140.5trn in total global AUM. (Sustainable Future Study report by Bloomberg & Mubadala Investment)
- Facebook, reported its first-ever decline in quarterly revenues, which slipped by 1% year on year, to \$28.8bn. Its user base held steady, but TikTok, an up-and-coming rival, is nibbling away at its ad revenues.
- The effects of supply chain disruption are coming full circle as General Motors income fell 40% year-on-year to \$1.7bn. The firm blamed lockdowns in China and a shortage of semiconductors, but offered a cheerier outlook for the rest of the year.
- Russia defaulted on its foreign debt for the first time since 1918 after Western sanctions blocked it from paying its creditors. Despite having sufficient currency to service its debt, Moscow failed to make interest payments of about \$100m on two bonds, both of which were originally due on May 27th, but carried a 30-day grace period.
- Bahrain has joined UAE, Egypt and Jordan in the Industrial Partnership for Sustainable Economic Development, boosting the industrial manufacturing value add of the alliance to more than \$112.5bn.
- Adnoc made its second natural gas discovery of between 1-1.5 trillion standard cubic feet in the first exploration well in Abu Dhabi's offshore Block 2 exploration concession. The latest discovery builds on the initial finding in February 2022 from a shallower target, taking the total amount of gas from this single well to 2.5-3.5 tscf.
- Saudi Arabia plans to list its flagship mega-project Neom by 2024, as the kingdom seeks to diversify its economy from oil, attract more foreign investment and boost the liquidity of its stock market. The initial public offering could add SAR 1 tn (\$266bn) to the size of the kingdom's capital market.
- Aldar Properties is buying four commercial towers valued at AED 4.3bn (\$1.2bn) from Mubadala, a deal it said was among the biggest real estate transactions in the UAE.
- Tecom raised AED1.7bn (\$463m) after setting the final offer price at the top of the indicated range of AED2.67 (\$0.73) per share. In an IPO oversubscribed 21x, Tecom sold 625 million shares, or 12.5% of issued share capital.