

# MULTIPLY GROUP INVESTORS' UPDATE

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## OUR UPDATES

### Multiply Group added to the FTSE Global Equity Index Series

Multiply Group was added to the FTSE Global Equity Index Series (FTSE GEIS) Mid Cap Index in its June quarterly review. The inclusion came into effect on 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, a global index leader, provides innovative benchmarking, analytics and data solutions for investors worldwide.

## FTSE Russell

### Insights into Multiply Group's Corporate Wellness Program

#### What does wellness mean to Multiply Group?

Wellness has always been a core organisational value for Multiply. We don't just want to unlock the full potential of all our businesses – we want to unlock it for every individual as well. Empowering a healthy and balanced lifestyle is an important part of that ambition.

This is done through holistic initiatives and policies that look at the human experience of our business. We see wellness as not just launching initiatives but also embedding the right values within the organisation.

#### What is the Corporate Wellness Program?

It is a program launched through our subsidiary HealthierU. The program involves those who would like to participate from our 3000 employees and more.

It will give us a snapshot of their overall health status and include ergonomic assessments of the working environment for all participants. This will equip our people with the tools, the resources and, most importantly, the knowledge to make sure they're on top of their mental and physical health. There is also an option in the program of ongoing support through blood tests and access to medical professionals should an employee fall into the high-risk category.

We will measure and monitor the progress and efficiency of the program to ensure the highest possible return on our investment.

#### Why should businesses prioritize wellness?

People are the foundations of any business. Investing in the mental and physical stamina of people means investing in the sustainability of business.

At Multiply, we believe creating accountability and transparency around employees' well-being is crucial and vital for business performance, especially to retain top talent.

It will cost you a lot more not to implement these programs than to implement them.

#### How does this fit into ESG?

When it comes to the Group's social commitment, health and equity is something we take very seriously. This initiative, and others that will follow, will shed light on the importance of providing employees with equal access to well-being benefits. We want to go beyond the basics and really ensure all employees feel supported.

We will continue to grow this initiative as a cornerstone for ESG commitment, as we continue to serve our employees, our businesses, and our community.

**Lama Al-Bachir**

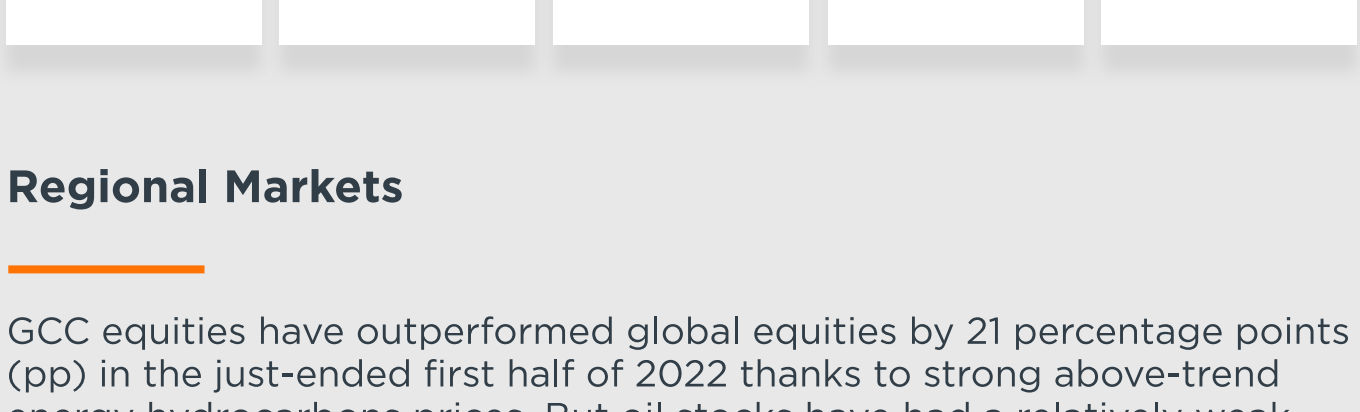
Growth and Strategy Director

## CORPORATE WELLNESS PROGRAM

## Subsidiaries' News

### HealthierU takes part in Department of Culture and Tourism's Wellness Day

HealthierU, the operational provider of Multiply's corporate wellness program, participated in the Wellness Day of Abu Dhabi's Department of Culture and Tourism (DCT). The event, which took place on the 22 June, raised awareness about mental and physical wellness. During the event, participants learned about enjoying a healthier lifestyle. HealthierU will be launched in July 2022, aiming to support individuals seeking a healthier lifestyle.



### EDC participates in the 54<sup>th</sup> CIECA Congress

Emirates Driving Company, a member of the International Commission of Driver Testing (CIECA), attended the 54th General Assembly and Congress in Naples, Italy. EDC's participation promoted the technology used for its training programs and mobility under the title 'Drivers training and testing: finding the balance between mobility and safety by innovative technology'. During the event, EDC shared key components of its approach to smart solutions with 38 international audience of Government Entities.

## Market Monitor

### Global Markets

The first half of 2022 is one for the record books. The most referenced equity index globally, the S&P500 finished the half in a bear market territory and capped its worst first half since 1970, down 21%. It is worse for the tech-heavy Nasdaq, down 30%, and its worst first half performance since 2002. The decline is encapsulated by one of the Faang stocks, Netflix, an investors' darling at the height of the pandemic, which was the worst performer in the S&P500 in H1 2022, down 71%, as it grapples with a new reality of negative subscriber growth. In addition, the traditional 60/40 portfolio (equity/bond) also saw its worst half since records began, an unprecedented scenario where both equities and bonds continued falling for an extended period.

Bitcoin experienced its worst first half in 11 years, shedding 58%. The story is emblematic of the crypto asset class, exacerbated by the collapse of the Terra-luna stablecoin in May 2022. This has seen high-profile crypto hedge fund Three Arrows Capital on the brink of collapse, with fears that it might be the "2008 Bear Stearns moment" for cryptos – the collapse of US's Bear Stearns in 2008 preceded the Global Financial Crisis.

The main risk factors ahead include monetary and quantitative tightening coupled with recession fears; heightened energy risk, particularly in Europe; global inflation; China's zero Covid strategy; and fears of crypto contagion.

Amid the ongoing stagflationary environment and softening valuations, businesses with strong fundamentals and strong pricing power are expected to outperform.

MSCI All Country World Index	S&P 500	Euro Stoxx 600	FTSE 100	MSCI Emerging Markets Index
-8.58%	-8.39%	-8.15%	-5.76%	-7.14%
US Dollar Index	Bitcoin	Crude Oil (Brent)	Gold	Vix
2.89%	-37.77%	-6.37%	-1.18%	11.80%

### Regional Markets

GCC equities have outperformed global equities by 21 percentage points (pp) in the just-ended first half of 2022 thanks to strong above-trend energy hydrocarbons prices. But oil stocks have had a relatively weak June, as the crude price retreated with Brent closing weaker month on month for the first time in 2022. The global oil market is caught between a supply squeeze and the impact of the Russo-Ukraine war on one hand, and the threat of a worldwide recession eating into demand on the other, as the global monetary tightening cycle takes hold.

While energy shares have been the standout sector globally this year, the only one in the MSCI World Index in the green, rising 24% by 28 June 2022, outperforming the global stocks gauge by 43pp. Overall, we expect the regional markets to continue showing better results on the back of rising government revenue and strong investor friendly policies.

GCC S&P Index	ADX	DFM	TASI	QSE
-9.73%	-7.30%	-3.70%	-10.82%	-5.64%

### Other News

• **The Fed met market expectations as it raised interest rates by 0.75 percentage points**, higher than 50pp expected before the shock US CPI reading for May 2022, the largest rate increase since 1994. The monetary tightening race is globally on, with at least 60 central banks having raised interest rates since the beginning of 2022.

• **Runaway food inflation may be tamed soon as the Bloomberg Agriculture Spot Subindex is on track for its biggest monthly drop since 2011.** Australia, one of the biggest wheat exporters, is forecast to produce another huge crop this year, while Brazil's biggest-growing area has so much corn it's piling up outside bins. Nervousness in North America that spring weather woes would significantly cut grain and soybean acreage has abated. *(Bloomberg)*

• **EU members endorsed a push to eliminate carbon emissions from new cars by 2035**, effectively heralding the end of the era of the internal combustion engine.

• **The World Bank reduced its estimate for global growth in 2022 to 2.9%** from a January prediction of 4.1% and April's 3.2% estimate due to a surge in energy and food prices, supply disruptions, and a drive by central banks globally to increase interest rates from rock-bottom levels.

• **Tight market conditions are making banks less willing to lend for big M&As**, casting a shadow over at least \$25bn worth of European transactions, including some high-profile deals in the UK. *(Bloomberg)*

• **ADX launched its first index derivatives, FADX 15 Futures**, a cash-settled contract that will replicate the price performance of the benchmark FADX 15 index. Similarly, Qatar Stock Exchange (QSE) is on track to introduce short selling and securities lending and borrowing next quarter.

• **The GCC triumvirate made up of Saudi, UAE & Qatar, makes up nearly 75%** of the recently published Forbes Middle East Top 100 Listed Companies 2022 rankings.

• **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.

• **IHC Food Holding acquired 25% stake in Invictus Trading:** Invictus specialises in trading agri-food and finished goods across Asia, the Middle East and Africa.

• **Saudi's PIF continues to bet on the gaming space, this time by investing about \$1.05bn** (10.3bn Swedish kronor), purchasing 99.9-million B shares at a subscription price of 103.47 kronor a share, from Swedish videogame holding company Embracer Group.

• **Alpha Dhabi has asserted itself as the biggest shareholder of real estate giant Aldar Properties** by increasing its equity stake to 30%.

• **Dubai-based Invictus Investment, a subsidiary of Invictus Holding and an affiliate of Sudan-based manufacturing conglomerate DAL Group, listed on the ADX Growth Market** on 29 June 2022 with a AED3bn (\$817m) valuation. It offers investors exposure to agro-food and finished goods trading.

• **BPI Partners' BPI Healthcare platform acquired 51% of the Egyptian IVF Centre for \$5.85m.** B Investment Holding established B Healthcare with a licensed capital of \$53m to invest in promising Egyptian companies in the field of specialised healthcare.

• **Al Seer Marine is set to launch high-speed ferries to tap into the growing demand for public marine transport.** The new product range will be developed in collaboration with French design and innovation company SEAir. Short-term plans include acquiring 10 to 15 ships in 2022.