

# MULTIPLY GROUP INVESTORS' UPDATE

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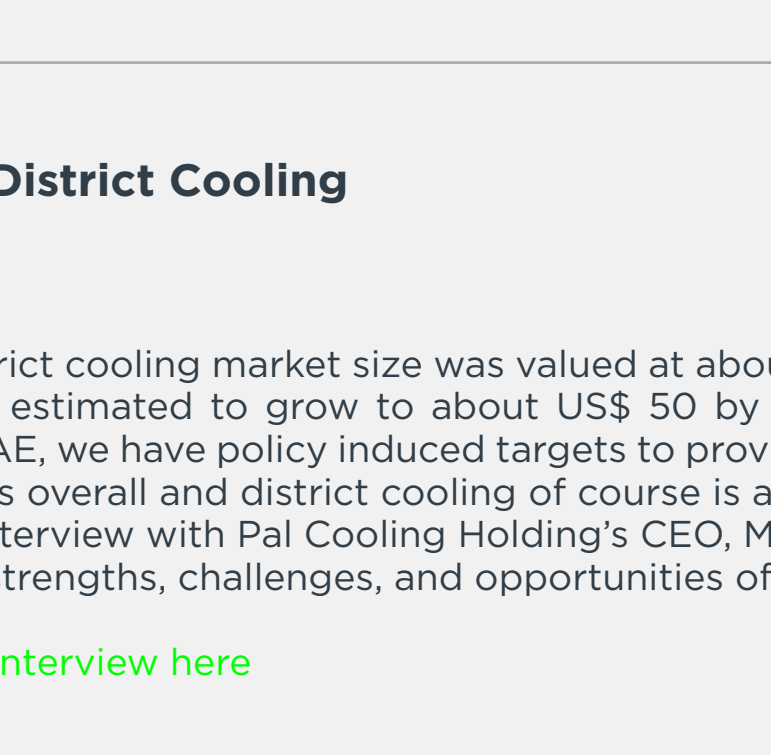
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## OUR UPDATES

### Multiply Group enters Forbes Global 2000 list and the Middle East's Top 100 Listed Companies

Multiply Group earned a spot on Forbes' Global 2000 list in its 20th anniversary edition and was included in Forbes Middle East's Top 100 Listed Companies in 2023, a testament to its financial strength and world-class position. Both lists rank companies based on sales, profits, assets, and market value in the last 12 months.

#### The Global 2000



### Insights on District Cooling

The global district cooling market size was valued at about US\$ 29 billion in 2022 and is estimated to grow to about US\$ 50 by 2029. Closer to home, in the UAE, we have policy induced targets to provide more energy efficient utilities overall and district cooling of course is a key contributor to that. In an interview with Pal Cooling Holding's CEO, Muhammed Zafar discussed the strengths, challenges, and opportunities of district cooling.

[Watch the full interview here](#)



### Multiply Group to help rid the oceans of more than 100,000 pounds of plastic pollutants

As part of its "Cleaning up the Oceans" CSR initiative in the Year of Sustainability, Multiply Group partnered up with US-based 4ocean to offset more than 100,000 pounds of plastic waste and contribute to ocean and coastline clean-up efforts around the world.

This partnership announced on World Ocean Day, underscores a shared commitment to the global environmental agenda, directly aligning with the themes and goals that will be addressed at the 28th session of the Conference of the Parties to the UNFCCC (COP28) being hosted in the UAE in November 2023, further solidifying Multiply Group's dedication to contributing to global endeavours to protect the environment.

Multiply Group recognises that tackling marine pollution requires comprehensive solutions encompassing prevention and clean-up efforts on both the shores and in the oceans. In a demonstration of commitment earlier this year, a dedicated group of employees from Multiply Group and its subsidiaries volunteered to clean up a stretch of Abu Dhabi's coastal shoreline in Al Nouf, successfully collecting 420 pounds of plastic waste.



### Multiply Group introduces the Macroeconomic and Geopolitical Workshop

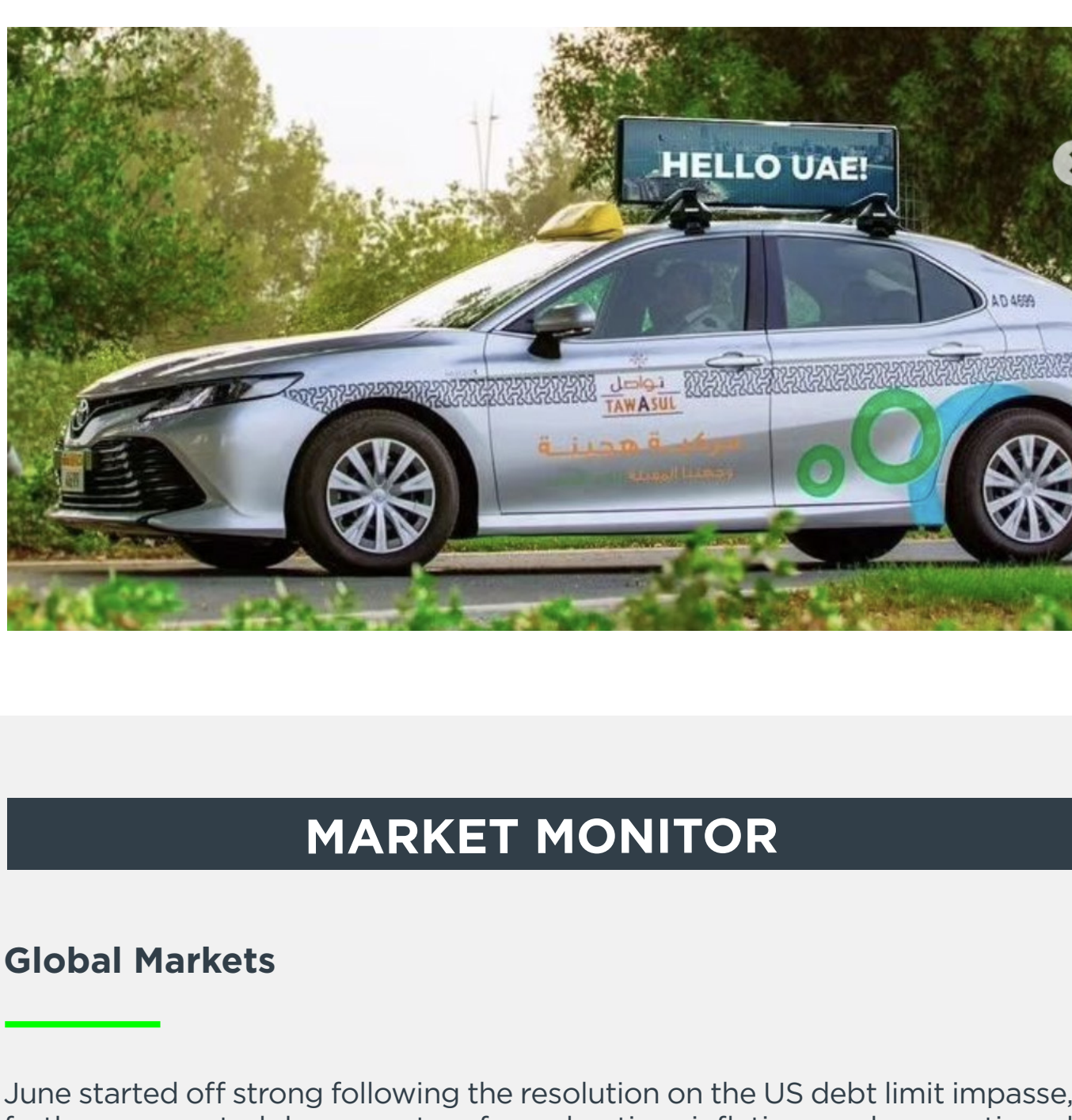
The macroeconomic and geopolitical review by Multiply Group is a quarterly workshop conducted to build a detailed understanding of the global economic and market dynamics that could impact decision-making, future growth, and investment returns. It includes a detailed assessment of economic, financial, and geopolitical risks and drivers.



## SUBSIDIARIES' NEWS

### Emirates Driving introduces a new Risk Management System

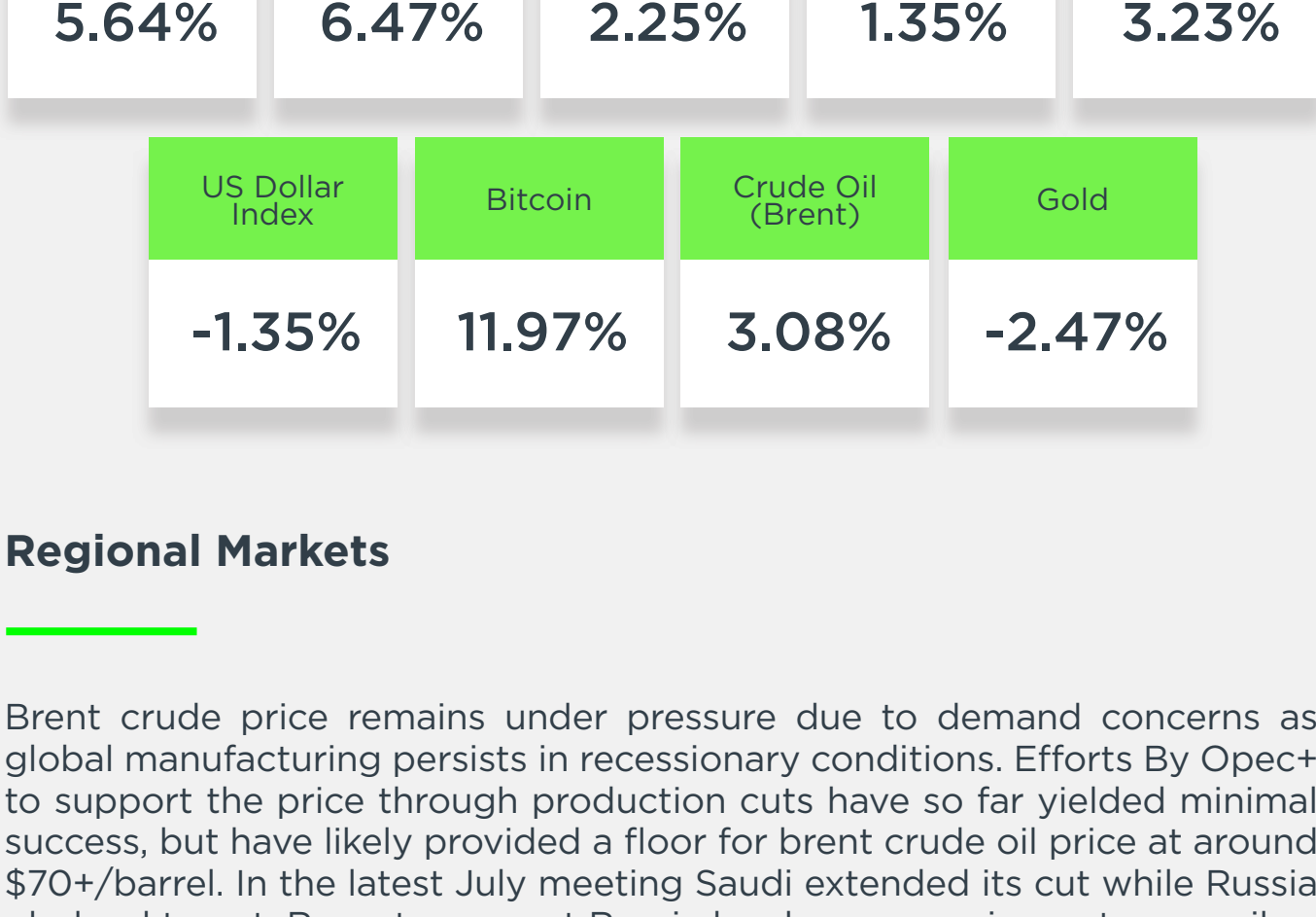
Emirates Driving organised an introductory session presented by a specialised consulting company on the implementation of the Risk Management System, as part of the company's efforts to develop a comprehensive risk management strategy that is effective and compliant with the latest international standards.



### Viola Communications launched Firefly's unique, geo-targeted digital Tawasul taxi-top displays in the UAE

As Multiply Group continues to build a leadership position and create synergies across its portfolio companies, the Group's subsidiary Viola Communications and its San Francisco-based associate Firefly partnered to launch disruptive digital out-of-home platforms in the UAE.

The geo-targeted digital taxi-top screens introduced on Abu Dhabi's Tawasul fleet of taxis deliver dynamic content using location-based, GPS-enabled triggers. This ensures millions of impressions per month, connecting brands with consumers, and providing data-rich campaign reporting to maximise ROI.



## MARKET MONITOR

### Global Markets

June started off strong following the resolution on the US debt limit impasse, further supported by reports of moderating inflation and a continued resilience in labour markets. Various indices (including S&P500, Nasdaq, Nikkei, and Dax) hit multi-period highs but the air of optimism was sapped as central bankers pushed back with decidedly hawkish rhetoric. Still, the market closed the month on a good note owing to the positive momentum in AI/tech stocks as Apple hit the \$3tn market cap right on the final day of the month – the first company to reach this milestone.

#### Outlook & risks

The much-anticipated recession earlier in the year is yet to come. Consequently, the market has realigned its interest rate path outlook as continued resilience in the economy means it can take a few more rate hikes. Currently, the market expects about 1.5 rate hikes by the end of the year, quite a U-turn compared with up to four rate cuts that were expected as late as early May. Recent FOMC minutes show that, while the Fed paused in June, some members felt that a hike was in order given the persistently tight labour market and the still high inflation rate vs. the 2% target.

Overall, the main risk factors to watch include continuation of monetary tightening; the potential economic fallout from the recent banking turmoil; weak manufacturing activity; moderating but still elevated core inflation measures; tight labour markets; deglobalisation or nearshoring; and energy and food risks remaining real with no end in sight for the Russia-Ukraine war.

MSCI All Country World Index	S&P 500	Euro Stoxx 600	FTSE 100	MSCI Emerging Markets Index
5.64%	6.47%	2.25%	1.35%	3.23%

US Dollar Index	Bitcoin	Crude Oil (Brent)	Gold
-1.35%	11.97%	3.08%	-2.47%

### Regional Markets

Brent crude price remains under pressure due to demand concerns as global manufacturing persists in recessionary conditions. Efforts By Opec+ to support the price through production cuts have so far yielded minimal success, but have likely provided a floor for Brent crude oil price at around \$70+/barrel. In the latest July meeting Saudi extended its cut while Russia pledged to cut. Reports suggest Russia has been pumping out more oil as it has been compelled to sell its output below the market price.

GCC S&P Index	FADG	DFM	TASI	QSE
3.06%	1.53%	6.02%	4.04%	-0.79%

### Other News

- President of the Federal Reserve Bank of Cleveland Loretta Mester said she sees no "compelling reason" to pause interest-rate increases.** Her counterpart Richmond President Thomas Barkin said he is looking for signs that demand is cooling to be convinced that US inflation will ease.

- The euro fell to a two-month low against the dollar** after data from France and Germany showed inflation falling more quickly than expected. Traders trimmed bets on the path of future interest-rate increases after the release and are no longer fully pricing another 50 basis-points of hikes this year.

- Federal Reserve officials are signalling they plan to keep interest rates steady in June while retaining the option to hike further in coming months** as more data comes in. Governor Philip Jefferson, a centrist who's nominated to be vice chair and who often echoes Chair Jerome Powell's views, said Wednesday that skipping an increase would give policymakers time to assess data but not preclude future tightening.

- The fed revised up its GDP forecast for this year to 1% from 0.4%**, while unemployment is now projected at 4.1% from 4.5% by year end

- The International Energy Agency said investments in developing and emerging-market economies would have to rise from \$770bn a year to between \$2.2trn and \$2.8trn by the early 2030s** if the Paris agreement's goals on carbon emissions are to be met. China accounts for two-thirds of the current spending on clean energy, with Brazil and India taking a large bite of the rest.

- Germany has signed a 20-year deal to import more US liquefied natural gas**, as Berlin moves to replace Russian energy in its economy amid Moscow's war in Ukraine.

- Inflation in the eurozone fell to 5.5% in June**, down from 6.1% in May, the slowest rate this year. But, core inflation, which strips out volatile food and fuel costs, rose slightly to 5.4%, up 0.1 percentage point compared with a month earlier. That will encourage the ECB to continue to raise interest rates when it meets in July.

- UAE-based energy firm Dana Gas**, the largest private sector natural gas company in the region, has **received regulatory approval to increase foreign ownership in its shares up to 100%**. The move was in line with the UAE's new Commercial Companies Law that abolished a requirement that UAE nationals own 51% of onshore companies.

- Abu Dhabi National Energy Co. (TAQA), alongside France's ENGIE, have announced the financial closing of the 2.3 billion dirhams (\$620 million) low carbon Mirfa 2 Reverse Osmosis desalination project.** The third largest plant in the UAE is set to be operational in Q4 2025, will be 60% owned by TAQA, while the remainder will be held by ENGIE.

- UAE is MENA's top M&A destination in Q1 2023** with deals worth \$2bln as volumes across the MENA region fell by 20% YoY in first quarter. Saudi Arabia, Kuwait, Egypt and Oman followed with deal values of \$1.7 billion, \$1.3 billion, \$600 million, and \$200 million, respectively. Overall, the MENA region saw a 42% increase in the total value of M&A deals in Q1 2023 year-on-year (YoY).

- The UAE is a one of the leading countries when it comes to renewable energy competitive auctions**, along with European countries, India, the USA, Korea and Brazil. The auctions, under which countries, through governments, businesses or power utilities, can procure clean power from providers who make bids, make up the largest source of policy-driven growth of renewables, according to the International Energy Agency (IEA).

- Qatar Investment Authority in talks to acquire the entire stake of Telecom Egypt in Vodafone Egypt.** The Qatari sovereign fund wants to acquire the entire government stake in Vodafone Egypt, amounting to 45%. The market value of Vodafone Egypt currently sits at \$3bn, making Telecom Egypt's stake in Vodafone Egypt worth \$1.2bn.

- The Central Bank of the UAE will maintain its base rate applicable to the Overnight Deposit Facility without change at 5.15%**, in line with the US Fed actions and its exchange rate policy. Other GCC central banks have paused too.

- Almost 4,500 millionaires are expected to relocate to the UAE in 2023**, making it the world's second most popular country for relocation among high-net -worth individuals (HNWIs). Australia is the most preferred destination, with 5,200 millionaires around the globe choosing it as their home, according to Henley Private Wealth Migration Report.

- UAE was named as the most desirable to live in for the 12th consecutive year by the Arab Youth Survey.** The UAE's main attributes were its safety and security, according to 41%, a growing economy (28%), effective leadership (24%), clean environment (22%), and the ease of starting a business (20%).