

# Annual Report 2020



بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ





**H.H. Shaikh Khalifa bin Zayed Al Nahyan**  
President of the United Arab Emirates







**H.H. Shaikh Mohammad bin Rashid Al Maktoum**  
Vice President, Prime Minister of the UAE and Ruler of Dubai

## Chairman's Message

The development of the legislative infrastructure of the financial markets has become a top priority for SCA to raise the efficiency and competitiveness of the domestic financial markets and bring greater resilience to market operations, promote best international practices in regulating and supervising the financial industry, work to upgrade the markets to a 'developed' status, protect investor rights, and create an environment attractive for capital flows from the UAE and elsewhere.



Undoubtedly, in light of the changes and the economic challenges that the whole world encountered last year as a result of the Covid-19 pandemic, achieving these priorities and this transition has become more compelling and urgent.

The regulations and policies that SCA introduced over the past year were primarily aimed at creating new capital market platforms, enhancing the digital transformation, making markets more interconnected and transparent, and utilizing the Fourth Industrial Revolution's technologies to realize these objectives.

This report sheds light on developments in the UAE securities sector in 2020, provides a detailed overview of SCA's initiatives and achievements, and reflects its efforts in developing the infrastructure of the country's financial markets. It also presents a comprehensive picture of the performance of the two financial

markets along with the Dubai Gold and Commodities Exchange during the year and the actions taken to ensure the continuity of operations without delay or interruption—despite the consequences of the Covid-19 pandemic—in addition to demonstrating the long way SCA has come in achieving the objectives outlined under its 2017-2021 strategic plan.

Among the most prominent regulations issued by SCA were the Chairman of Authority's Board of Directors' Decision No. (3/Chairman) of 2020 Approving Joint Stock Companies Governance Guide and the Chairman of the Authority's Board of Directors' Decision No. (23/Chairman) of 2020 Concerning Crypto Assets Activities Regulation.

The contents of this annual report act as a documentary reference for financial information and data about the conditions in the securities sector in the UAE during 2020. It includes a database, information, statistics, indicators and financial ratios on public joint stock companies and investment funds, in addition to overall data and indicators on governance, disclosure, and other topics of interest to the UAE market participants.

Our ongoing commitment to provide sound and fair foundations for transactions conducted in the financial markets, to enhance investor confidence, and to attract investments in a manner that contributes to serving the interest and fostering the development of the national economy is the constant goal that we strive to achieve. We will continue to work to increase our market's competitiveness in the coming period and to switch to an economic model that is more open, resilient, and capable of ushering a new developmental phase that is added to the track record of the distinctive economic advancements that have been made by the UAE over the past decades.

**H.E. Abdulla bin Touq Al Marri**

**Minister of Economy - Chairman of the Board of Directors**



## Message of H.E. Acting CEO

It is my pleasure to present this report to all those interested in the field of investment in securities. It gives a closer look at the performance of SCA and the securities sector in general in the UAE during 2020.

The contents of this report refer to a series of measures taken by SCA over the last year with the aim of improving the level of performance and controlling and organizing transactions within the financial markets in the country. During the last year, SCA worked on supporting the legislative system for financial markets, enhancing its supervisory role, developing its performance at the regulatory and supervisory levels, and improving its organizational structure and technical and administrative staff. SCA has made every effort to lay the foundations of the infrastructure of the financial markets, to extend bridges of cooperation and communication with international institutions, and to raise its position and reputation locally, regionally, and internationally.

The performance of SCA in 2020 was characterized by the accomplishment of many achievements at the legislative, regulatory, supervisory, and institutional levels. On the other hand, it witnessed - at the same time - a number of challenges that SCA dealt with through systematic and thoughtful planning, sincere hard work, determination and intention to excel and advance.

As it has taken upon itself, since its incorporation, the responsibility for developing regulations and legislations in order to keep pace with the current developments in the global markets and to ensure a sound financial market in which the mechanisms of the free market prevail and governed by the law of supply and demand, SCA has continued the process of modernizing its legislations by adding five new regulations and decisions to its legislative system, in a way that contributes to providing more financial services to the UAE's financial markets and establishing transparency and integrity of transactions in the securities sector. As part of its relentless endeavor to support its institutional building and anticipate future prospects, SCA has taken an integrated series of measures that aimed at enhancing effectiveness and efficiency in performance. These measures included amending nine regulations previously issued by SCA, reviewing six pieces of legislation approved by SCA for financial markets, and preparing an integrated concept and action plan to assess the performance of SCA in the field of combating money laundering by licensed companies.



SCA also pursued its efforts to enhance its Arab and international presence and consolidate cooperation ties with various organizations by signing memoranda of understanding and cooperation agreements with local and international bodies and institutions concerned with securities, in addition to participating in number of regional and international conferences and meetings.

SCA's efforts are continuing at all organizational, supervisory and institutional levels, reflecting the indicators of the UAE's national agenda, whether through the creation of new mechanisms (regulating the issuance of crypto assets, offering crowdfunding instruments, supporting the financing of small and medium-sized enterprises and facilitating their listing) and adopting innovative initiatives (such as e-voting) that support the vision of a competitive, knowledge-based economy driven by innovation, or seeking advanced positions in the Ease of Doing Business (Minority Investor Protection Index) and global competitiveness indicators (the Financial Market Development Index), encouraging foreign direct investment flows, as well as developing (smart) e-government services in terms of availability, quality, diversity of channels, and enhancing the investor's use of these services, as well as achieving a vision for a sustainable environment and seeking green development.

In this context, SCA seeks, through the implementation of distinguished initiatives and positive cooperation with the concerned authorities in the UAE and the private sector, to benefit from its role in enhancing the positive economic, social and environmental impacts of investments and stimulating sustainable financing to serve the economy and support the development process. SCA intends to work to raise the level of public awareness and the culture of sustainability among all categories of market participants, including listed companies, investors, investment managers, and others to enhance their role in supporting the sustainability agenda, each according to the nature of participation in the capital markets and the general economy of the UAE.

It is noticeable in this regard that the performance of SCA is carried out in harmony and in accordance with the aspects and initiatives included in its strategic and operational plan and is stemming from its mission, vision and values that seek to encourage innovation, enhance institutional development and strengthen partnership with active institutions in the financial community and strategic partners to ensure the sustainability of the financial market sector for future generations, by including sustainability as a core individual value and consistently integrating it into the business model.

Certainly, sustainability is not a choice but a culture. Therefore, the important milestone that SCA took last year confirms its determination to move forward in the path of excellence and mastery, thanks to the tireless efforts made by the board of directors, chaired by H.E. Abdulla bin Touq Al Marri, Minister of Economy, the senior management and members of SCA's work teams.

We ask Allah to help and guide us,

**Dr. Maryam Butti Al-Suwaidi**  
**Acting CEO**

# Vision, Mission and Values

## Our vision

A sustainable investment environment within an advanced financial market.

## Our mission:

Safeguarding the rights of investors, promoting sound practices, and creating an environment attractive to capital, using innovative systems.

## Our values:

**Integrity and Fairness:** To maintain the rights of all participants in securities and commodities markets and strengthen the soundness and accuracy of the transactions executed.

**Partnership and cooperation:** To establish purposeful qualitative alliances and strategic partnerships that achieve mutual benefit and meet common interests in capital markets.

**Transparency:** To provide all capital market participants with sufficient information and data simultaneously.

**Creativity:** To adopt and implement innovation and excellence standards in designing and executing tasks.

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- The year 2020 was full of remarkable achievements in light of exceptional challenges that have never been experienced by the contemporary world, specifically over the past years of the securities sector in the United Arab Emirates.
  - The following presentation provides a summary of these achievements and the efforts made by SCA to overcome challenges. This year witnessed the issuance of a series of decisions that contributed to supporting the legislative structure of the financial market. The most prominent of these decisions are the Chairman of Authority's Board of Directors Decision No. (3/ Chairman) of 2020 Approving Joint Stock Companies Governance Guide, the Chairman of the Authority's Board of Directors' Decision No. (23/Chairman) of 2020 Concerning Crypto Assets Activities Regulation, and the Chairman of Authority's Board of Directors' decision No. (13/Chairman) of 2020 Concerning Procedures of Dealing with Listed Troubled Public Joint Stock Companies.
- This year also witnessed other important achievements such as:**
- Creating the activities of central depository and central clearing of securities, in line with the requirements of IOSCO and the international best practices, by shifting from the vertical model to the horizontal model in regulating market institutions.
  - SCA was selected as Chairman of the Growth and Emerging Markets Committee (GEMC), the largest and most important Committee of the International Organization of Securities Commissions (IOSCO), and as Vice- Chairman of IOSCO Board, and it won a seat in the IOSCO Board for the second time, respectively.
  - SCA won the award for "Outstanding Contributions in the Field of Inclusive Finance for 2020".
  - SCA was selected as the Chairman of the Union of Arab Securities Authorities, as well as the Committee of Heads of Financial Market Authorities (or their equivalent) in the GCC countries and the Ministerial Committee of the Chairmen of the Securities Authorities boards (or their equivalent) in the GCC states.
  - Handling the negative effects of the Coronavirus pandemic (Covid 19) is the most prominent and difficult challenge that SCA faced during the year. At the same time, SCA's success in dealing with the repercussions of the pandemic is one of its most prominent achievements throughout the year. It succeeded in dealing with the conditions that resulted from the pandemic through a model



## The most important achievements of SCA during the year

plan that achieved the goal set for it, which is to ensure the continuity of the securities sector's business without any interruption or delay. SCA's plan to deal with the pandemic included a package of initiatives, most notably the following:

- Adjusting how much the share price moves down. Pursuant to this decision, the amount of movement in the share price is (5%) from the previous closing price, as a maximum, down on one trading day, and the decision was implemented as of March 18, 2020 trading session.
- Both SCA and the financial markets confirmed in a joint meeting that the short selling mechanism is not activated in the financial markets in the UAE.
- A meeting was held with the Governor of the Central Bank to coordinate measures that contribute to limiting the repercussions of the pandemic on the stock market, and the meeting resulted in important results to address the situation arising from the pandemic.
- Issuing a circular regarding granting some exceptions concerning share buybacks in order to facilitate companies' purchase of its shares.
- The procedures also included the issuance of a decision to exclude joint stock companies to extend the deadline for holding assemblies to June 30, 2020, in order to avoid any risks that may arise from the delay in holding general assembly meetings, which were scheduled to expire on April 30, 2020.
- The procedures also included the mandatory application of electronic voting in general meetings instead of the personal attendance of shareholders, in response to the government's rational directives to prevent gatherings during this period, and electronic voting for general assemblies of public joint-stock companies was activated, which achieved remarkable success.
- In this context, SCA applied a remote inspection policy to companies through visual communication using MS Teams instead of actual visits.
- SCA has issued a circular to the licensed companies regarding the extension of the disclosure period for the annual financial reports for 2019, as well

as a circular to the licensed companies regarding the postponement of the disclosure of the interim data ending on March 31, 2020.

- In addition, SCA has published and sent a circular to all dealers to use the smart and electronic services provided by SCA through its website (www.sca.gov.ae) and through smart devices, instead of personally attending the SCA's customer service centers.
- Organizing meetings with listed and licensed companies through various electronic applications such as Microsoft Team and Zoom.
- Within the framework of other external measures taken by SCA towards the licensed companies, employees of these companies, who are subject to professional licensing examinations, have been granted a period of 3 months starting from the resumption of the training center to receive requests to register the tests.
- SCA sent a circular to the listed companies requesting to provide it with the preventive measures taken by the companies to maintain safety and public health, prevent the novel corona virus (COVID-19) and limit its spread. SCA directed companies to develop a well thought out plan and a written policy that guarantees the continuity of workflow and activation of the recovery plan in the event of an emergency as part of the risk management system.

In general, the achievements of SCA during the year 2020 can be divided according to several aspects as follows:

### First: The Legislative Level:

#### Summary of achievements:

- Issuing (5) new legislative decisions.
- Amendment of (9) legislative decisions.
- Review and approval of (6) pieces of legislation for financial markets.
- Following-up on (4) lawsuits to which SCA was party.
- Completion of (270) legal advice and inquiries.

#### A. New legislative decisions:

- The Chairman of Authority's Board of Directors'

Decision No. (03/ Chairman) of 2020 Approving Joint Stock Companies Governance Guide.

- The Chairman of Authority's Board of Directors' Decision No. (23/Chairman) of 2020 Concerning Crypto Assets Activities Regulation.
- The Chairman of Authority's Board of Directors' Decision No. (13/Chairman) of 2020 Concerning Procedures of Dealing with Listed Troubled Joint Stock Companies.
- The Chairman of Authority's Board of Directors' Decision No. (05/Chairman) of 2020 Concerning Suitability and Appropriateness Standards.
- The Chairman of Authority's Board of Directors' Decision No. (21) of 2020 Concerning Unified Standards for Tax Reporting.

### **B. Legislative decisions that have been amended:**

- The Chairman of Authority's Board of Directors' Decision No. (25/Chairman) of 2020 Amending Some Provisions of the Authority's Chairman of the Board Resolution No. (11/Chairman) of 2016 Concerning Regulations for Issuing and Offering Shares of Public Joint Stock Companies.
- The Chairman of Authority's Board of Directors' Decision No. (29/Chairman) of 2020 Amending the Chairman of Authority's Board of Directors' Decision No. (20/Chairman) of 2018 Concerning the Issuing and Offering of Islamic Securities.
- The Chairman of Authority's Board of Directors' Decision No. (16) of 2020 Amending the Authority's Board of Directors' Decision No. (36/ Chairman) of 2019 Concerning General Clearing Member Activity.
- The Chairman of Authority's Board of Directors' Decision No. (27/Chairman) of 2020 Amending the Authority's Board Decision No. (11) of 2015 Concerning Regulations of Clearing Operations in Commodities Markets.
- The Chairman of Authority's Board of Directors' Decision No. (04/Chairman) of 2020 Amending Decision No. (157/ R) of 2005 Concerning the Regulations as to Listing and Trading of Commodities and Commodities Contracts.
- The Chairman of Authority's Board of Directors' Decision No. (9) of 2020 Amending the Chairman of Authority's Board of Directors' Decision No.

(37/ Chairman) of 2019 concerning the Definition of the Qualified Investor.

- The Chairman of Authority's Board of Directors' Decision No. (8) of 2020 Amending the Amount of Movement of the Share Price Drop.
- The Chairman of Authority's Board of Directors' Decision No. (24/Chairman) of 2020 Amending Some Fees Payable to the SCA.
- The Chairman of Authority's Board of Directors' Decision No. (26/Chairman) of 2020 Amending some provisions of the Chairman of Authority's Board of Directors' Decision No. (32/Chairman) of 2018 Concerning the Technical Service Fees Payable to the SCA.

### **C. Legislations approved by SCA for financial markets:**

- Covered short selling.
- Second issue of securities lending and borrowing (Amendments).
- Amendments to the violations list.
- Short- term trading controls.
- Amendment—second edition— of the derivatives trading controls.
- Dubai financial market sanctions regulations.

## **Second: The Supervisory Level:**

**SCA has performed the supervisory role assigned to it towards licensed and listed companies and the dealings that take place in the financial market with high efficiency, as follows:**

- Conducting periodic and sudden remote inspections in light of the Covid 19 crisis, and implementing the annual inspection plan with 100% efficiency using the electronic systems and applications available at SCA.
- Completing 100% audits of the monthly periodic reports received from the companies licensed by SCA, in accordance with the plan and the followed methodology.
- Creating a new section within SCA's Supervision and Compliance Department that is concerned with countering money laundering and terrorism financing. Methodologies for the new section of

## The most important achievements of SCA during the year



assessing risks related to money laundering and terrorism financing have been developed.

- Monitoring (373) cases of deficiencies in companies falling within the scope of inspection, notifying them of the same, and correcting (302) notes of them.
- Increase in the commitment of the listed companies to correct the deficiencies of the results and risks resulting from the periodic inspection of companies by more than 85%.
- Developing a guide of policies and procedures of the Supervision and Compliance Department in line with the vision and mission of the department to contribute to the protection of customers.
- Monitoring common risks and errors based on periodic inspections of the licensed and listed companies and informing companies of them with the aim of raising the culture of self-censorship in a way that contributes to limiting and reducing these practices.
- Taking penal measures against violators, whether in relation to listed or licensed companies, customers, websites, and mass communication means that have been proven to have committed illegal practices that harm the interest of investors and affect the reputation of the country's national economy, and we can detail this as follows:
  - Revoking the license of (3) licensed companies due to violation of the SCA's law and the regulations issued pursuant thereto.
  - Temporarily suspending (3) financial brokerage companies.
  - Temporarily suspending (1) commodities brokerage company.
  - Imposing (41) various fines on listed companies licensed by SCA and on investors.
  - Sending (76) notices to listed companies licensed by SCA and on investors.
  - Sending (30) warnings to listed companies licensed by SCA and on investors.
  - Referring (20) violations to the competent public prosecution offices in the UAE with the aim of initiating criminal proceedings against the perpetrators of these violations.
  - Referring (2) violations of the provisions of the Commercial Companies Law to the Reconciliation Requests Committee.
  - With respect to deciding on disputes related to trading in securities, the following has been done:

- Receiving (12) formal complaints and resolving them according to the complaints system.
- Receiving and completing (67) applications on various topics related to protecting the rights of investors.
- The Trading Supervision Department had referred 41 cases of fraud to the Enforcement Department, with an increase of 64% compared to the previous year, which are detailed as follows:
  - 29 cases of insider trading compared to 14 cases in 2019, with an increase of 107%.
  - 12 cases of market manipulation compared to 10 cases in 2019, with an increase of 20%.
- SCA's Corporate Governance Section prepared 7 memoranda regarding listed companies for the Enforcement Department to take appropriate action regarding the facts they included.
- investment management.
- Licensing one company for the activity of management company—establishing and managing investment funds.
- Participating in the issuance of appropriate standards to be applied by the licensed companies when providing a recommendation to clients or executing their orders on complex products in order to avoid investing in areas not commensurate with the appropriate level of risk that the client can accept.
- 89 companies issued the Corporate Governance Report for the year 2019, with a disclosure rate of 98.88%.
- The number of general meetings held during the year reached (145) meetings held by local public joint stock companies, of which (135) meetings were held by listed local public joint stock companies, and (10) meetings were held by unlisted local public joint stock companies. Representatives of SCA participated in all meetings held either in person or by remote attendance.

### Third: The Regulatory Level:

- Accomplishing the complete electronic conversion project for licensing services to be a substitute for receiving and processing applications for licensing activities in the traditional way.
- Creating the activities of central depository and central clearing of securities, in line with the requirements of IOSCO and the international best practices, by converting from the vertical model into the horizontal model in organizing market institutions. The central clearing activity of the Dubai Financial Market has been licensed under the Dubai Central Clearing and Depository Holding Company, and the central depository activity is being licensed for the Abu Dhabi Securities Exchange.
- Participating in a project to radically restructure the licenses issued by SCA to convert from a model of individual licenses for activities into licenses in the form of categories. Under each category, specific activities fall in accordance with the best international practices in force. According to the project timeline, it is expected that this structure will be implemented during the first quarter of 2021.
- Licensing two companies for the activity of
- Organizing the attendance of general meetings of shareholders remotely for the first time in the UAE's financial markets by providing many solutions that allowed shareholders to attend online and vote on decisions remotely. Among the most prominent results of this procedure are the following:
  - Enabling companies to hold general meetings in accordance with the requirements of the law in light of preventive and precautionary measures with regard to preventing gatherings.
  - Saving the expenses related to booking halls for public joint-stock companies.
  - Saving time and expenses for shareholders to come to the headquarters of the meeting.
  - Increasing attendance quorum at meetings and enabling small shareholders to attend.
  - SCA has achieved precedence among its counterpart regulatory authorities at the regional level with regard to the implementation of the compulsory attendance and the organization of meetings electronically.



## The most important achievements of SCA during the year

- The total value of cash dividends and bonus shares for public joint-stock companies amounted to about (41.5) billion dirhams. The total value of cash dividends approved by the general meetings held during 2020 amounted to about (41.1) billion dirhams while the total value of bonus shares amounted to about (313) million dirhams.
- Creating a webpage to receive inquiries about the governance guide and answer them on SCA's website.
- SCA's Market Supervision Department has provided a package of services for public joint-stock companies, most importantly:
- Studying 70 applications to amend the articles of association of public joint-stock companies.
- Approving the articles of association - a true copy - of 30 applications received by the SCA from listed companies.
- Adopting unified disclosure forms for companies listed on the UAE's financial markets with the aim of unifying the disclosures issued by companies listed in each of the DFM and ADX and enhancing the competitiveness of the financial markets. These forms were made available on the websites of the two markets. The number of approved forms amounted to 22.
- The percentage of the listed companies' commitment to disclosing the audited financial statements for the year 2019 reached (97%).
- Overseeing the launch of the second trading screen that includes listed companies, which do not meet the conditions for listing companies from the first category, which also includes troubled companies and companies whose shares are suspended from trading for a period of more than 6 months pursuant to the provisions of the Chairman of Authority's Board of Directors' Decision No. (13/Chairman) of 2020 Concerning Procedures for Dealing with Troubled Listed Public Joint-Stock Companies.
- Forming a committee to follow up on the procedures for dealing with troubled listed public joint-stock companies. The committee is concerned with monitoring the extent of compliance of troubled companies with fulfilling the listing and disclosure requirements and with following up on the corrective measures required from these companies to correct, amend or remedy their situations.
- Following up with companies regarding the implementation of the decision issued by the Ministerial Development Council No. (8/16 T) of 2020 - Session No. 8, regarding cash dividends not received by shareholders of local public joint-stock companies listed on the UAE capital markets, and held by companies before 01 March 2015.
- SCA has licensed the Dubai Commodities Clearing Corporation, a wholly owned subsidiary of the Dubai Gold and Commodities Exchange, as an accredited central clearing company in the UAE, providing an opportunity to provide clearing and risk management services to exchanges and financial market infrastructure providers.
- (3) brokerage companies were licensed in the commodities market.

### Fourth: Research, Awareness and Training:

- Preparing about 50 studies on international best practices related to issuing or modifying SCA's regulations.
- Preparing economic and financial reports, including, for example: the technical risk report for 2019, the annual report on the performance of financial markets for 2019, a report on the impact of the coronavirus crisis on the economy and

#### Dear Investor,

You have the right to discuss with the board the performance of the public joint stock company and its plans for the coming period at its general meetings, so always make sure to:

- Actively engage in discussions.

and

- Vote on all resolutions in the company's interests and your interest as a shareholder.





financial markets and the measures taken by SCA, in addition to the report of financial analysis of brokerage companies' performance for 2020 with the aim of identifying their financial position.

- Preparing an integrated vision and action plan to evaluate the SCA's performance in the field of combating money laundering by licensed companies.
- Conducting the investor confidence questionnaire, analyzing the data, extracting the results, and setting up a plan to put the outcomes of the study into practice.
- Within the financial awareness and inclusion program, 9 seminars were held for members of the boards of directors of public joint-stock companies listed on the financial markets—4 of them were devoted to explaining the updates that occurred in the governance regulations according to the public joint-stock company governance guide, and the specialists of the employees of the companies licensed by SCA—specialists in financial markets, university students and the general public. The seminars addressed issues of corporate governance, financial technology, financial planning, combating money laundering and terrorism financing crimes.
- Organizing bell ringing event for launching the activities held as part of the Global Investor Week 2020, electronically for the first time, with the participation of SCA, financial markets and regulatory authorities in the UAE. The event was broadcast at the same time on all social media channels.
- Increasing the percentage of users on Twitter by 7.1% more than the target percentage as well as on Instagram and Facebook, with an increase of 11.6% over the target.
- Organizing the first joint event between SCA, financial markets and other regulatory authorities in the country, as part of the activities of the Global Investor Week 2020.
- Issuing SCA's annual report for 2019, in Arabic and English, and publishing it on SCA's website.
- Releasing two issues of Awraq Maliyah magazine, a magazine issued by SCA as a digital copy published on its website and sent by e-mail to its strategic partners.
- Issuing a set of guidebooks, including the licensing handbook project and the accompanying document, SCA's regulatory philosophy, the 2019 good governance report, a guide to developing policies and legislation, government communication strategy guide, financial affairs strategy guide, human resources strategy guide, information technology strategy guide, employee happiness department strategy guide 2020, anti-money laundering strategy guide, volunteering guide, change management methodology guide, and a new governance regulation handbook.
- SCA's Professional Training and Examinations Centre (PTEC) has updated the UAE Financial Laws and Regulations—in English—in collaboration with the Chartered Institute for Securities & Investment (CISI).
- Training of more than 701 participants in 21 training workshops held in cooperation with the Union of Arab Securities Authorities (UASA).
- Administering more than 1500 tests over 2020 despite the suspension of the PTEC's activities for more than three months due to the circumstances of the pandemic.
- Success rates for the Introduction to Securities and Operational Risk exams increased by 80% and 60% respectively in 2020 compared to 73% and 44% in 2019.
- Providing community services to non-working UAE national students in the securities sector and training more than 37 students of the Higher Colleges of Technology.
- The PTEC contributed to the establishment of a committee to interview and test applicants to be registered on the Ministry of Justice's list of securities experts.
- As a result of the policy of the Continues Professional Development (CPD) program adopted by the PTEC's Board of Trustees and the SCA Board, and given the launch of the training workshop program that was implemented by PTEC in collaboration with the UASA, the PTEC

## The most important achievements of SCA during the year

succeeded in achieving a remarkable increase in its revenues.

### Fifth: International Relations:

**SCA has signed memoranda of understanding and agreements with the following bodies:**

- Memorandum of Understanding with the American University of Ras Al Khaimah.
- Memorandum of Understanding with Aurora50 aimed at raising the participation of women in the boards of directors of joint-stock companies in financial markets in order to achieve the goals set for the national indicators of the UAE.
- IOSCO's Administrative Agreement regulating the exchange of data with the European Union.
- Signing a cooperation agreement with the Financial Academy in the Kingdom of Saudi Arabia.

**SCA also participated in a number of activities as follows:**

- IOSCO's board meeting during the period from February 26-29, 2020, Madrid.
- The twentieth meeting of the Committee of Heads of the GCC Financial Market Authorities (or their equivalent) on June 29, 2020, through electronic communication techniques.
- The fourteenth meeting of the UASA held on June 24, 2020, through electronic communication techniques.
- The twenty-first meeting of the Committee of Heads of the GCC Financial Market Authorities (or their equivalent) on September 9, 2020 through electronic communication techniques.
- The ninth meeting of the Ministerial Committee of the Chairmen of the Boards of Directors of Financial Market Regulators in the GCC on September 10, 2020, through electronic communication techniques.
- Meeting of IOSCO's Africa/Middle East Regional Committee on September 30, 2020, through electronic communication technologies.
- The meeting of the Organization for Economic

Cooperation and Development (OECD) on October 7, 2020.

- SCA has also participated in numerous external committees and working groups, including the Financial Market Integration Strategy Working Group at the authorities regulating the financial markets in the GCC states, the GCC Working Group for Communication and Investor Awareness, the Dubai 10X Initiative team to launch the financial free zone market, and capital risk committee, the committee to transfer operational and executive powers from SCA to the financial markets, the project for transferring the listing regulation to the markets, the committee for determining eligible financial contracts, and other meetings and committees.

### Sixth: Institutional and Supporting Services:

**SCA succeeded in being the first federal entity in the UAE to obtain two ISO standards from Lloyd's Register:**

1. ISO 30401: 2018-Knowledge Management.
2. ISO 20400: 2017-Sustainable Procurement.

**SCA was also the first federal entity in the UAE to obtain two ISO standards:**

1. ISO 56002: 2019-Innovation Management.
  2. ISO 31000: 2018-Risk Management.
- SCA has also obtained the ISO 45001: 2018-Occupational Health and Safety Management System.
  - Completing the procedures of full electronic connection with the financial markets, which will facilitate the procedures for matching the revenues received from the financial markets.
  - SCA was honored for its efforts in the field of Emiratization. His Highness Sheikh Mohammed bin Rashid, Vice President, Prime Minister of the UAE, and Ruler of Dubai (may Allah protect him) honored SCA during the ceremony of the winners in the second session of the Emiratization Award (which is considered a competitive national platform that motivates the UAE people and those in various economic sectors

and encourages them to make more efforts and interact with Emiratization plans and programs) in the presence of His Highness Sheikh Saif bin Zayed Al Nahyan, Deputy Prime Minister and Minister of Interior; His Highness Sheikh Mansour bin Zayed Al Nahyan, Deputy Prime Minister, Minister of Presidential Affairs; and His Excellency Nasser bin Thani Al Hamli, Minister of Human Resources and Emiratization.

- Implementing staff presentations on new methodologies in terms of developments in the Sheikh Khalifa Government Excellence Program, sustainable procurement, health and safety, change methodology and business continuity, and institutional risk management.
- Success in maintaining team spirit and job happiness among SCA's staff members by creating contact channels for staff in MS Teams and holding events using these channels.
- Creatively exceeding the training targets for 2021 as SCA implemented electronic trainings for employees during the pandemic period and achieved 99% of the target rate.
- Training of employees using the remote training mechanism during the pandemic period.
- Achieving a remarkable increase in the rate of training hours for employees using non-traditional methods and achieving an average of 48 training hours for each employee compared to the target (42 training hours).
- Issuing SCA's rulebook, which includes its regulations and decisions in one file in accordance with international best practices and capital market developments.
- Adopting a set of operational rules for the markets, most notably the consolidated listing rules, to help develop the investment system in the country.
- Coordinating with the concerned authorities such as the Ministry of Economy and the Departments of Economic Development to facilitate and automate the procedures for offering and issuing securities for SMEs.
- Completing the legislative system by issuing new regulations such as the new Islamic sukuk regulations introduced in line with the development of Islamic financing to accommodate the industry's demands to boost the sukuk market.
- Making amendments to investment fund regulations in response to industry demands and in application of international best practices.
- Implementing the sustainable financial markets initiative in coordination with the markets, stakeholders and strategic partners.
- Developing the final draft of SCA's 50-year plan following the submission of the presentation to the Prime Minister's Office in the presence of representatives from the federal and local authorities in the UAE back in 2020. SCA had studied the current changes and developments in the financial markets and set expectations for the changes that would occur in the future in the securities sector in light of the rapid technological advancements and digital transformation, in collaboration with strategic partners and financial market experts in the country. Early 2021, SCA will draft a set of initiatives and projects that will be implemented under its operational plan in the coming years with the aim of developing the securities sector and keeping it abreast of the latest developments.

### SCA's future plans for 2021:

- Completing the self-regulatory organization (SRO) model adopted by SCA since 2016 under which all operational and executive competencies are transferred to the markets so that SCA becomes responsible for the regulation, supervision, and oversight of the markets and industry.
- Adoption of the new licensing system in the form of an array of activities in groups. This enables the practice of several activities related to one license and helps in creating fully-fledged licensed institutions.

## Disclosure and governance

### Corporate governance

As part of SCA's efforts to develop the supervisory system to match the best international standards and practices aimed at improving and regulating the securities sector in the country, the Chairman of the Authority's Board of Directors' Decision No. (03/Chairman) of 2020 Approving the Public Joint-Stock Company Governance Guide was issued to replace Decision No. (7/Chairman) of 2016 Concerning Institutional Discipline Standards and Governance of Public Joint-Stock Companies. The new decision—which deals with standards of institutional discipline and corporate governance—is an integrated system under which the responsibilities of the board of directors of public joint-stock companies and their executive management are more clearly defined while ensuring adequate transparency and neutrality in the capital market.

The decision represents a quantum leap in developing the governance system for public joint-stock companies. It sets out a legal and regulatory framework to regulate the affairs of these companies in a way that safeguards the rights of all stakeholders therein as well as contributes to strengthening the supervisory role of SCA.

The decision concerning the corporate governance guide provides the necessary framework to regulate corporate affairs, and its articles are based on the provisions of Federal Law No. (2) of 2015 Concerning Commercial Companies.

The regulation includes basic standards and focuses on environmental, social, and corporate governance (ESG) and on defining and assessing the responsibilities of the board of directors, as well as the tools to be made available to them, in addition to focusing on internal control and highlighting the role of the internal auditor. The regulation also includes a system of mechanisms to protect shareholders, especially minorities, including the appointment of a representative of minority shareholders to attend general meetings, and establishes electronic voting mechanisms in general meetings.

The governance guide for public joint-stock companies focuses on implementing the articles contained therein. All public joint-stock companies are expected to comply with the regulation. SCA shall oversee the implementation of the guide being the regulator of financial markets and the companies listed there. The main pillars of corporate governance consist of accountability, fairness, disclosure, transparency, and responsibility.

The first chapter of the regulation is dedicated to preliminary provisions while the second chapter is dedicated to boards of directors. The third chapter deals with conflict-of-interest management, the fourth chapter is dedicated to general meetings, the fifth chapter is focused on the rights of investors and stakeholders, the sixth chapter is focused on board committees, the seventh chapter deals with risk management, compliance and auditing, the eighth chapter is dedicated to governance disclosures and the ninth and final chapter deals with general provisions.

## Number of local public joint-stock companies subject to governance controls and institutional discipline standards by economic sector:

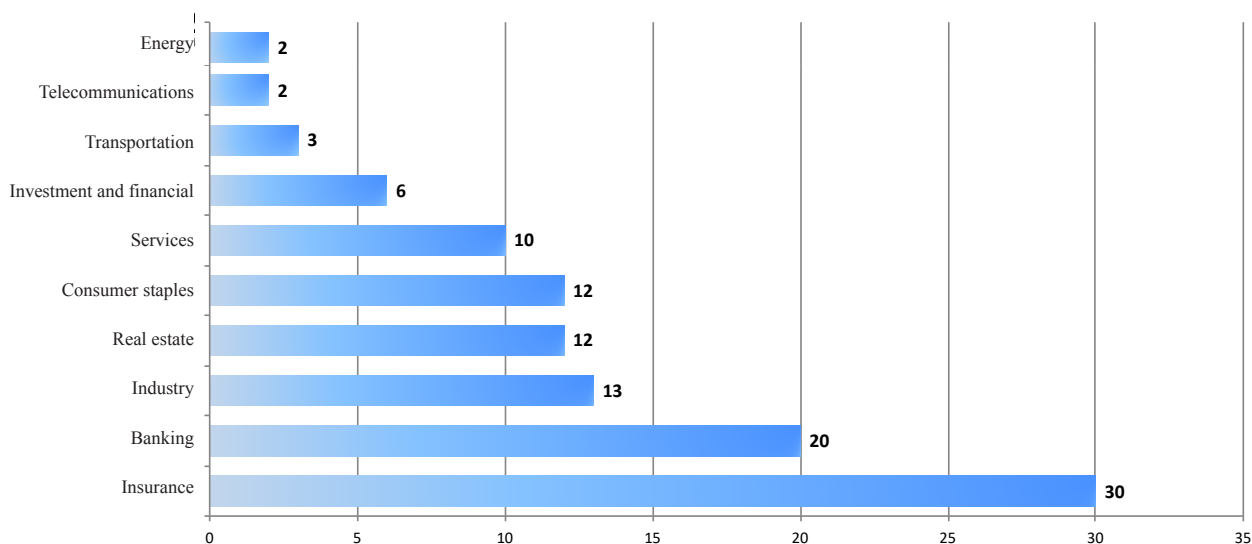
The number of companies subject to the Chairman of Authority's Board of Directors' Decision No. (03/Chairman) of 2020 Approving the Public Joint-Stock Company Governance Guide is 110 local public joint stock companies whose securities are listed on the financial market, with the exception of foreign companies only. Banks, financing companies, financial investment companies, exchange companies and monetary brokerage companies subject to the supervision of the UAE Central Bank based on the new decision have become subject to the requirements of the governance guide, as shown in the following table:

**Table No. (1)**

Sector	Local companies subject to the Chairman of Authority's Board of Directors' Decision No. (03/Chairman) of 2020
Insurance	30
Banking	20
Investment and financial services	6
Telecommunications	2
Real estate	12
Industry	13
Services	10
Consumer staples	12
Energy	2
Transportation	3
Total	110

**Diagram No. (1)**

## Local companies subject to the Chairman of Authority's Board of Directors' Decision No. (03/Chairman) of 2020





## Disclosure and governance

### Number of companies that provided SCA with the governance report for 2019:

SCA, being the only supervisory authority in the UAE responsible for following up on the implementation of the governance decision by the local public joint-stock companies listed on the UAE markets, has circulated to these companies the necessity of preparing the 2019 governance report according to the form approved by SCA in this regard and making it available to all shareholders before the date of the general meeting of the company.

Before the issuance of the new corporate governance guide and as of early 2020, the number of companies obligated to implement the Chairman of Authority's Board of Directors' Decision No. (07/Chairman) of 2016 Concerning the Standards of Institutional Discipline and Governance of Public Joint-stock Companies amounted to 90 out of the total number of companies listed on securities markets. The decision excluded all banks and companies licensed by the UAE Central Bank as well as foreign companies from implementing its provisions.

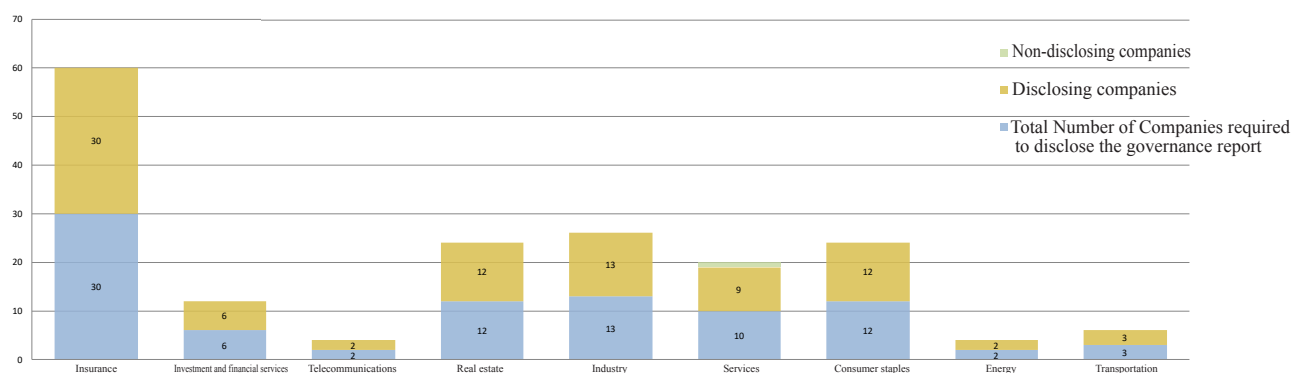
Eighty-nine companies issued the 2019 governance guide, with a disclosure rate of 98.88%, as shown in the table below.

Table No. (2)

Sector	Companies required to disclose the 2019 governance report	Disclosing companies	Non-disclosing companies
Insurance	30	30	0
Investment and financial services	6	6	0
Telecommunications	2	2	0
Real estate	12	12	0
Industry	13	13	0
Services	10	9	1
Consumer staples	12	12	0
Energy	2	2	0
Transportation	3	3	0
Total	90	89	0
Percentage	100%	98.88%	1.12%

Diagram No. (2)

### Number of companies adhering to institutional discipline standards and governance of public joint-stock companies by sector



## Financial Statements

### Disclosure by public joint-stock companies of the 2019 annual financial statements and the 2020 interim financial statements:

Based on the mandatory rule that all companies registered with SCA and listed on the markets shall provide SCA with the annual and quarterly financial reports pursuant to Article (36/7) of the Disclosure and Transparency Regulations, public joint-stock companies have committed to disclosing the 2019 annual financial statements as well as the 2020 quarterly data, as shown in the following table:

**Table No. (3)**

Disclosure type	Local disclosure rate	Total disclosure rate
Financial statements for 2019	96.4%	96.1%
Financial statements for the second quarter of 2020	95.5%	93.8%
Financial statements for the third quarter of 2020	96.4%	94.5%

Due to the special circumstances of the coronavirus, SCA issued Circular No. (U.O/X/2020/127) dated April 02, 2020 regarding SCA's decisions concerning the deadline for disclosing the annual financial statements for 2019 and the interim financial statements for the first quarter of 2020 so that listed companies were allowed to "optionally" postpone the disclosure of the financial statements and balance sheets for the first quarter of 2020 and to disclose the same independently with the disclosure of the financial statements and balance sheets for the second quarter of 2020, within a maximum period till August 14, 2020 which is the deadline for the disclosure of statements for the second quarter of 2020. Listed companies were permitted to only disclose the audited financial statements for the first half of 2020 ending on June 30, 2020 no later than August 14, 2020. However, disclosure of audited financial statements and balance sheets for the first half of 2020 is mandatory for listed companies. Therefore, the results of the disclosure of the financial statements for the second quarter (semi-annual) were enough as they included the financial statements for the first quarter of 2020.

## General Meetings and Dividends

### General meetings

#### **General meetings of listed local public joint-stock companies that were held during 2020**

The general meetings of public joint-stock companies are the highest authority in the organizational structure of these companies, and therefore, the law devoted special provisions thereto and granted them the right alone to take important decisions.

The general meeting of shareholders represent the annual meeting that brings together all the companies' shareholders, their boards of directors and their auditors in order to examine the activities of these companies and their financial position for each year, discuss their balance sheets, and elect members of their boards of directors, if necessary.

In recent years, there has been a growing awareness among shareholders regarding their rights and duties in general meetings and this was evident in their discussions with members of boards of directors during these meetings. This has often led to the amendment of the decisions issued by the general meetings in accordance with the views and interests of the shareholders.

Perhaps one of the most important things that contributed to enhancing this role for shareholders is SCA's support and its implementation of the cumulative secret voting system, which helped protect the rights of the minority shareholders and granted them the possibility of obtaining seats in the boards of directors.

To contain the repercussions of the coronavirus pandemic on the country's financial markets, a circular was issued regarding granting some exceptions from implementing the provisions of the Companies Law, extending the period of annual general meetings to end on 30/06/2020 instead of 30/04/2020. The procedures also included the mandatory application of remote attendance and electronic voting in general meetings instead of the personal attendance of shareholders, in response to the government's rational directives to prevent gatherings during such period, and the electronic voting of general meetings of public joint-stock companies has already been activated, which proved to be extremely successful.

The following report reviews the statistics of the general meetings held for the local public joint-stock companies listed on the country's markets during 2020.

#### **\*\*Statement of the total number of general meetings held during 2020:**

The number of general meetings held during 2020 reached (145) for local public joint-stock companies, of which (135) general meetings were for listed local public joint-stock companies, and (10) general meetings for unlisted local public joint-stock companies.

#### **\*\*Statement of the total number of general meetings held during 2020, divided according to their venue:**

The Emirate of Dubai topped the number of general meetings convened with a total of (61) meetings; followed by the Emirate of Abu Dhabi, which ranked second with a total of (50); then the Emirate of Ras Al Khaimah came in third place with a total of (13) general meetings. In the fourth place was the Emirate of Sharjah with a total of (11) general meetings; the fifth is the Emirate of Fujairah, with a total of (5) general meetings; and then the Emirate of Ajman with (3) general meetings; then the Emirate of Umm Al Quwain with two general meetings.

### **\*\*Statement of the total cash dividends and bonus shares for companies that approved dividends at their general meetings held during 2020:**

The total value of cash dividends and bonus shares for public joint-stock companies amounted to about AED (41.5) billion as the total value of cash dividends approved by the general meetings held during 2020 amounted to about AED (41.1) billion, while the total value of bonus dividends reached nearly AED (313) million, as reflected in the table below:

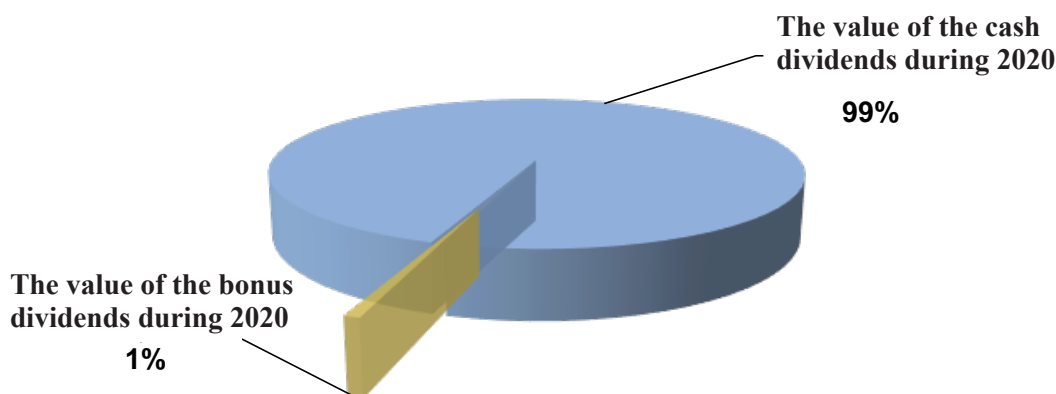
**Table No. (4)**

(AED)

Dividends	
The value of the cash dividends during 2020	41,199,452,293.77
The value of the bonus dividends during 2020	313,009,388.00
Total	41,512,461,681.77

**Diagram No. (3)**

### **The percentage of cash dividends and bonus dividends during 2018**



## General Meetings and Dividends

### Statement of the total cash dividends approved in the general meetings held during 2020:

#### By sectoral classification:

The total cash dividends for companies that approved the cash dividends in the general meetings held during 2020 amounted to about AED (41.1) billion, and the banking sector topped all economic sectors in terms of the total value of cash dividends amounting to about AED (25.9) billion, followed by the telecommunications sector with a value of dividends amounting to about AED (8.4) billion, then the consumer staples sector with dividends value of about AED (2.5) billion, then the real estate sector with dividends of about AED (1.1) billion, followed by the rest of the economic sectors, as reflected in following table:

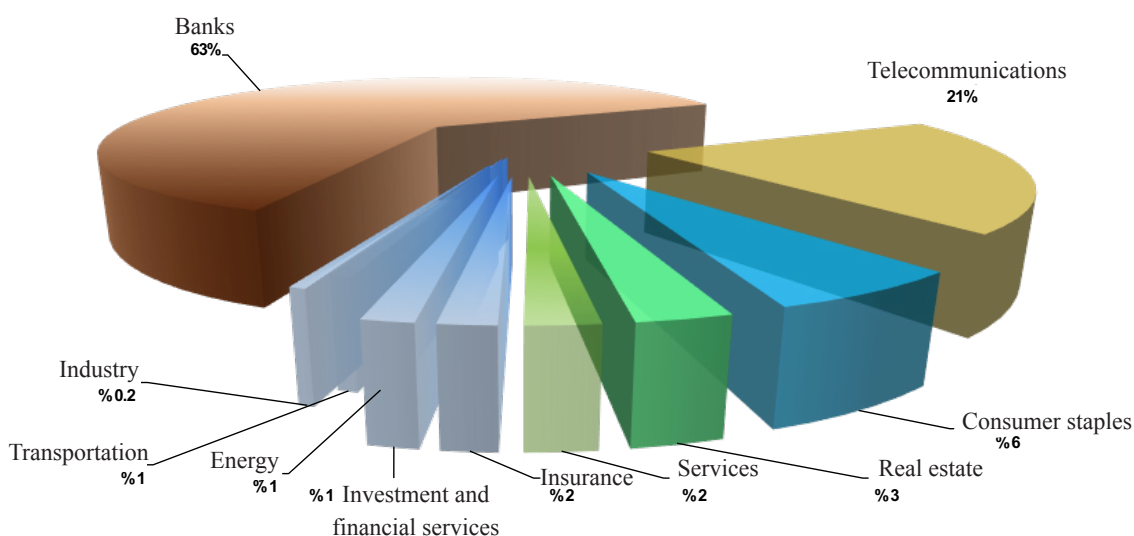
Table No. (5)

(AED)

Sector	Dividend ratio	Cash dividends amount
Banks	63.01%	25,960,921,661.00
Telecommunications	20.63%	8,498,591,240.00
Consumer staples	6.17%	2,543,000,000.00
Real estate	2.77%	1,140,081,292.22
Services	2.10%	866,109,554.00
Insurance	1.65%	680,856,413.25
Investment and financial services	1.52%	625,201,800.00
Energy	0.93%	384,725,000.00
Transportation	0.69%	283,579,500.00
Industry	0.53%	216,385,833.30
Total	100%	41,199,452,293.77

Diagram No. (4)

#### The amount of cash dividends





### Statement of the total dividends of bonus shares for companies that approved dividends in their general meetings

#### During 2020, according to the sectoral classification:

Total dividends for companies that distributed dividends through bonus shares of general meetings held during 2020 amounted to approximately AED (313) million, and the banks sector topped all economic sectors in terms of the total value of bonus shares dividends with a value of AED (211) million, followed by the industrial sector with dividends value of about AED (47) million, then the services sector with dividends value of about AED (37.4) million, and finally the insurance sector with dividends value of about AED (16.7) million, as reflected in the following table:

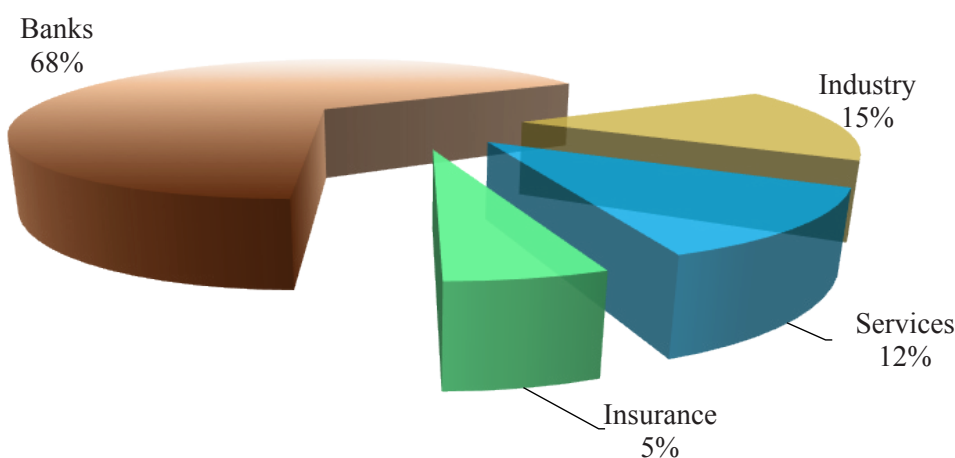
Table No. (6)

(AED)

Sector	Total percentage of bonus shares dividends	Amount of bonus shares dividends
Banks	67.57%	211,493,152.00
Industry	15.12%	47,319,236.00
Services	11.96%	37,422,000.00
Insurance	5.36%	16,775,000.00
Total	100%	313,009,388.00

Diagram No. (5)

#### The amount of bonus shares dividends



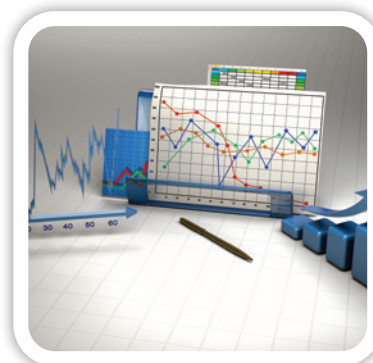
## General Meetings and Dividends

### Statistics of public joint-stock companies auditors registered with SCA until the end of the year

SCA began implementing the decision to register auditors of public joint-stock companies and investment funds in its registry in accordance with the Authority's Board of Directors' Decision No. (25) of 2015 issued by H.E. Eng. Sultan bin Saeed Al Mansoori, Chairman of the SCA Board. Under the decision, it is not permissible for those who are not registered in the register to audit accounts or prepare reports on periodic or annual accounts or the financial statements of public joint-stock companies or investment funds. The number of auditors of public joint-stock companies registered with SCA until the end of 2020 reached 10 auditing firms.

Table No. (7)

S/N	Auditor name	Nationality
1	Grant Thornton Audit and Accounting Limited - Foreign Branch	Foreign
2	Rödl Middle East Company	Local
3	Talal Abu-Ghazaleh & Co. International - Foreign Branch	Foreign
4	Deloitte & Touche Middle East	Foreign
5	KPMG Lower Gulf Limited	Foreign
6	PricewaterhouseCoopers - Foreign Branch	Foreign
7	Ernst & Young Middle East - National Company	Local
8	Mazars Chartered Accountants Company - Civil Company	Local
9	BDO Certified Public Accountants and Consultants	Foreign
10	Crow Mac - Civil Company* (formerly Horth Mac)	Foreign



### The most prominent achievements in the issuance and registration field for 2020

During 2020, SCA received many applications for the issuance of securities and other applications for registration. It agreed to register 3 government companies, increase the capital of 5 public joint-stock companies, and list and trade the rights issue for 3 public joint-stock companies, in addition to the approval of inviting general meetings to consider issuing bonds and sukuk to 19 public joint-stock companies. It was also approved that 11 bonds/instruments segments would be dually listed on the Abu Dhabi Securities Exchange.

SCA also received several applications from the Dubai Gold and Commodities Exchange regarding contracts listed there, including a request to list 6 new futures contracts and an application to amend the specifications of 7 listed contracts. Moreover, 23 different applications and notifications from the DGCX were also studied.

SCA received applications to register promoted investment products, and licensed promoters were notified of the promotion controls and the requirements for regularization. The management has also received many applications for mergers and acquisitions and applications for strategic partner entry, which are in the process of fulfilling the necessary requirements to obtain SCA's approval in 2021.

The most prominent achievements of SCA in terms of issuance and registration:

- Controls for listing free zone companies.
- Carrying out an update to the controls related to the regulations concerning the offering and issuing of shares of public joint-stock companies.
- Establishing final draft of the preferred stock regulations.
- Reducing SCA's fees for listing and trading instruments and bonds to stimulate the country's financial markets, increase their attractiveness, and support issuance and trading of instruments and bonds.
- Application of controls and standards for combating money laundering crimes, combating the financing of terrorism and illegal organizations in all Registration and Issuance Department services.



Table No. (8)

Applications approved during 2020	No. of applications
<b>Government companies that were registered during the year:</b> <ol style="list-style-type: none"> <li>1. Petroleum Services Company "Esnad"</li> <li>2. Abu Dhabi Securities Exchange.</li> <li>3. Edge Holding.</li> </ol>	3
<b>Approved applications to increase the capital of companies, other than the bonus shares:</b> <ol style="list-style-type: none"> <li>1. Dubai Islamic Bank.</li> <li>2. Abu Dhabi National Energy Company.</li> <li>3. Crescent Takaful.</li> <li>4. Gulfa Mineral Water and Processing Industries.</li> <li>5. Gulf Pharmaceutical Industries - Julphar.</li> </ol>	5
<b>Approved applications to reduce companies' capital:</b> <ol style="list-style-type: none"> <li>1. Union Sanitation.</li> <li>2. Mirfa Power Holding</li> <li>3. Al Wathba Sewerage.</li> <li>4. Finance House.</li> <li>5. Sweihan Energy Holding.</li> <li>6. Butina Energy Company</li> <li>7. Abu Dhabi Distribution Company.</li> <li>8. Al Ain Distribution Company</li> <li>9. Gulf Cement Company.</li> </ol>	9
<b>Number of applications from companies that have listed and traded priority rights:</b> <ol style="list-style-type: none"> <li>1. Crescent Takaful.</li> <li>2. Gulfa Mineral Water and Processing Industries.</li> <li>3. Gulf Pharmaceutical Industries - Julphar.</li> </ol>	3
<b>Approval of issuing bonds and sukuk for public joint-stock companies:</b> <ol style="list-style-type: none"> <li>1. First Abu Dhabi Bank (PJSC).</li> <li>2. Emirates NBD Bank (PJSC).</li> <li>3. Emirates Islamic Bank (PJSC).</li> <li>4. Mashreq Bank (PJSC).</li> <li>5. Gulf Navigation Holding Company (PJSC).</li> <li>6. Ras Al-Khaimah National Bank (PJSC).</li> <li>7. Commercial Bank of Dubai (PJSC).</li> <li>8. Dubai Islamic Bank (PJSC).</li> <li>9. Ajman Bank (PJSC).</li> <li>10. United Arab Bank (PJSC).</li> <li>11. Abu Dhabi Commercial Bank (PJSC).</li> <li>12. Abu Dhabi National Energy Company (PJSC).</li> <li>13. Bank of Sharjah (PJSC).</li> <li>14. Shuaa Capital (PJSC).</li> <li>15. The National Central Cooling Company (PJSC).</li> <li>16. National Marine Dredging Company (PJSC).</li> <li>17. Agthia Group Company (PJSC).</li> <li>18. Dubai Government - Bonds.</li> <li>19. Dubai Government - Instruments.</li> </ol>	19



Applications approved during 2020	No. of applications
<b>Approval of listing bonds and sukuk in local capital markets:</b> <ol style="list-style-type: none"> <li>1. Abu Dhabi government (six issues).</li> <li>2. Dubai government bonds.</li> <li>3. Dubai Government instruments.</li> <li>4. MDGH-GMTNB bonds (three issues).</li> </ol>	11
<b>Approval of listing contracts on the DGCX:</b> <ol style="list-style-type: none"> <li>1. PKRUSD Future Contract.</li> <li>2. Daily Gold Future Contract.</li> <li>3. INR Weekly Future Contract.</li> <li>4. FX Rolling Futures Contract (3 contracts).</li> </ol>	6
<b>Approval of amending the specifications and terms of contracts listed on the DGCX:</b> <ol style="list-style-type: none"> <li>1. DGCX - Mini Gold Daily Futures Contract.</li> <li>2. SSF Listing and Trade Fees.</li> <li>3. Indian Rupee (INRI) Quanto Futures Contract.</li> <li>4. India Gold Quanto Futures (DIG).</li> <li>5. INR Daily Settlement Price - Calculation Time.</li> <li>6. DGCX Trading Fees Contracts.</li> </ol>	6
<b>Number of domestic and foreign registration applications:</b> <ol style="list-style-type: none"> <li>1. Zee Store Company (PJSC).</li> <li>2. Easy Lease Company (PJSC).</li> <li>3. Sawaeed Holding Company (PJSC).</li> <li>4. Palms Sports Company (PJSC).</li> </ol>	4
<b>Number of local and foreign de-registration applications:</b> <ol style="list-style-type: none"> <li>1. The National Investment Company.</li> <li>2. Khaleeji Commercial Bank.</li> <li>3. Arab Insurance Group.</li> </ol>	3
<b>Number of share buyback applications:</b> <ol style="list-style-type: none"> <li>1. Gulf Investment Corporation.</li> <li>2. Al Ramz Corporation.</li> <li>3. Amanat Holdings.</li> <li>4. Abu Dhabi National Insurance.</li> <li>5. Dana Gas.</li> <li>6. Ishraq Investment.</li> </ol>	6

## Registered Companies

### Summary of the registration, public offering, and listing procedures during 2020

#### First: statement of companies registered during 2020

SCA approved the registration of 3 government public joint stock companies, with a total capital of AED 1.6 billion, as stated in the following table:

Table No. (9)

	Company name	Company Capital in AED
1	Petroleum Services Company “Esnad”	51,000,000
2	Abu Dhabi Securities Exchange	500,000,000
3	Edge Holding	500,000,000
Total		1.051.000.000

#### Second: Statement of the companies registered during 2020

##### Public and Private Joint Stock Companies

SCA approved the registration of 4 private joint stock companies with the Abu Dhabi Securities Exchange. The total capital of these companies amounted to AED 301.4 million, as stated in the following table:

Table No. (10)

Local private joint stock companies registered and listed during 2020			
Company name	Listing Market	Emirate	Capital in AED
Zee Stores Company (PJSC)	Abu Dhabi Securities Exchange	Abu Dhabi	100,000,000
Easy Lease Company (PJSC)	Abu Dhabi Securities Exchange	Abu Dhabi	300,000
Palms Sports (PJSC)	Abu Dhabi Securities Exchange	Abu Dhabi	150,000,000
Sawaeed Holding Company (PJSC)	Abu Dhabi Securities Exchange	Abu Dhabi	51,100,000
Total			301,400,000

### Third: Statement of local registered public-joint-stock companies, which increased their capital, other than the bonus shares, during 2020

#### Companies that approved to increase their capital:

SCA approved the capital increase of 5 public joint stock companies with the total value of increase amounting to AED 107.6 billion.

Table No. (11)

Companies that increased their capital, other than the bonus shares, during 2020			
S.N	Company name	Method of increase	Amount
1	Al Hilal Takaful	New Shares	50,000,000
2	Dubai Islamic Bank.	Strategic Partner	651,159,198
3	Gulfa Mineral Water and Processing Industries Co	New Shares	10,000,000
4	Abu Dhabi National Energy Company	Bond Conversion	106,367,950,000
5	Gulf Pharmaceutical Industries- Julphar	New Shares	500,000,000
Total			107,579,109,198

### Fourth: Statement of the local registered public-joint-stock companies that decreased their capital during 2020

#### Companies that approved capital decrease:

SCA approved capital decrease of 9 public joint stock companies, with a total value of AED 1.1 billion.

Table No. (12)

S.N	Company Name	Decrease reasons	Decrease Amount
1	Union Sanitation	Cancellation of number of shares	17,526,512
2	Mirfa Power Holding	Cancellation of number of shares	47,912,609
3	Al Wathba Sewerage	Cancellation of number of shares	23,710,800
4	Finance House	Cancellation of treasury shares	7,212,191
5	Sweiha Energy Holding	Cancellation of number of shares	52,985,000
6	Bu Tinah Energy Company	Cancellation of number of shares	65,017,000
7	Abu Dhabi Distribution Company	Cancellation of number of shares	328,505,400
8	Al Ain Distribution Company	Cancellation of number of shares	153,832,500
9	Gulf Cement Company	Amortizing losses	410,548,410
TOTAL			1,107,250,422

## Statistics of public joint stock companies registered with SCA in 2020

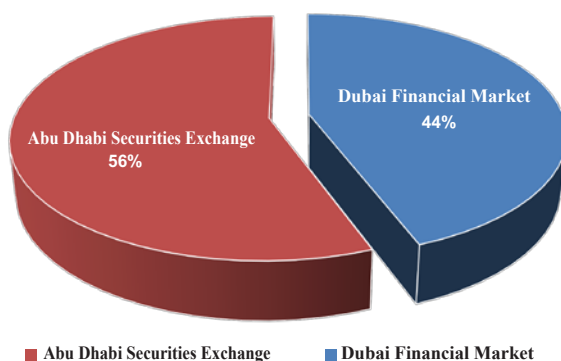
### First: local public joint stock companies registered with SCA till the end of 2020, classified according to the status of their listing on the UAE securities exchanges

The number of public joint stock companies registered with SCA reached 177, out of which 111 are listed companies and 66 are unlisted companies.

The listed companies are distributed between ADX and DFM. The number of companies listed on DFM amounted to 49 companies while the number of companies listed on ADX amounted to 62 companies as illustrated in the following diagram:

Diagram No. (6)

The percentage of public joint stock companies listed until 2020

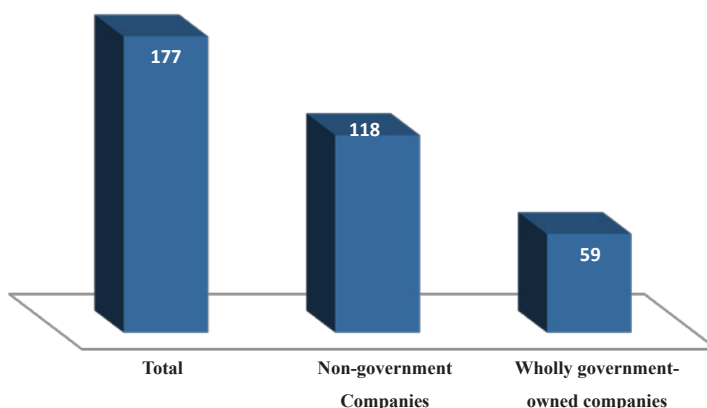


### Second: local public-joint-stock companies registered with SCA till the end of 2020, classified according to the ownership structure

The Number of local public-joint-stock companies registered with SCA reached 177 companies, out of which 118 are non-government companies and 59 are wholly government-owned companies as illustrated by the following diagram.

Diagram No. (7)

Local public-joint-stock companies registered till the end of 2020 according to ownership structure.



### Third: Local public joint-stock companies registered with SCA till the end of 2020

#### Classified according to their sectors in the financial markets and listing status

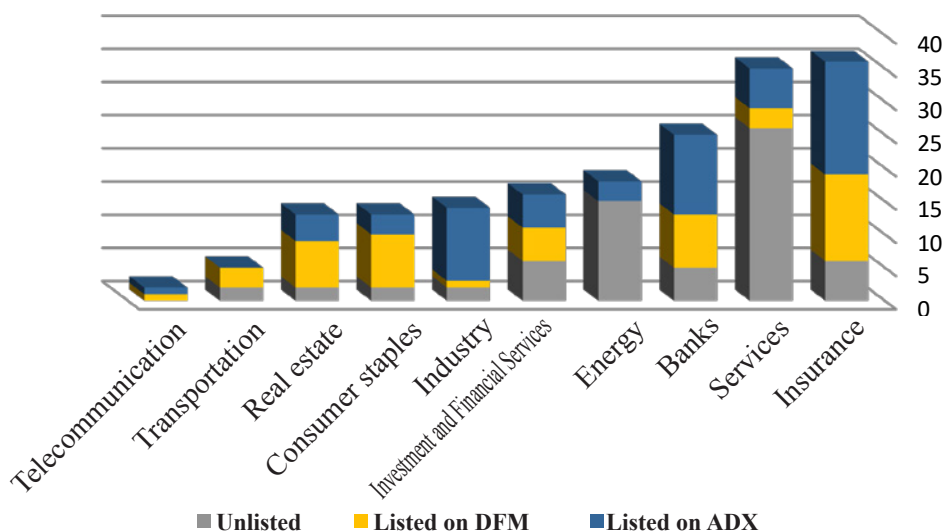
The insurance sector came first, where the registered companies reached 36 companies, followed by services sector, where the registered companies reached 35 companies, followed by the banking sector, where the registered companies reached 25 companies, followed by the remaining sectors as illustrated by the following table:

Table No. (13)

Sector	Unlisted	Listed on DFM	Listed on ADX	Total
Insurance	6	13	17	36
Services	26	3	6	35
Banks	5	8	12	25
Energy	15	0	3	18
Investment and Financial Services	6	5	5	16
Industry	2	1	11	14
Real estate	2	8	3	13
Consumer staples	2	7	4	13
Transportation	2	3	0	5
Telecommunication	0	1	1	2
Total	66	49	62	177

Diagram No. (8)

#### Companies registered with SCA according to the sector and listing status till the end of 2020





## Registered Companies

### **Fourth: local public joint-stock companies registered with SCA till the end of 2020, classified according to their sectors and ownership structure**

In the governmental companies, the services sector came first with 26 companies, and in non-government companies, the insurance sector came first with 34 companies, as illustrated in the following table.

**Table No. (14)**

Sector	Government companies	Non-Government companies	Total
Insurance	2	34	36
Services	26	9	35
Banks	3	22	25
Energy	16	2	18
Investment and Financial Services	6	10	16
Industry	2	12	14
Real estate	2	11	13
Consumer staples	0	13	13
Transportation	2	3	5
Telecommunication	0	2	2
Total	59	118	177

### **Fifth: local public joint stock companies registered with SCA till the end of 2020**

#### **Classified according to the emirate and listing status.**

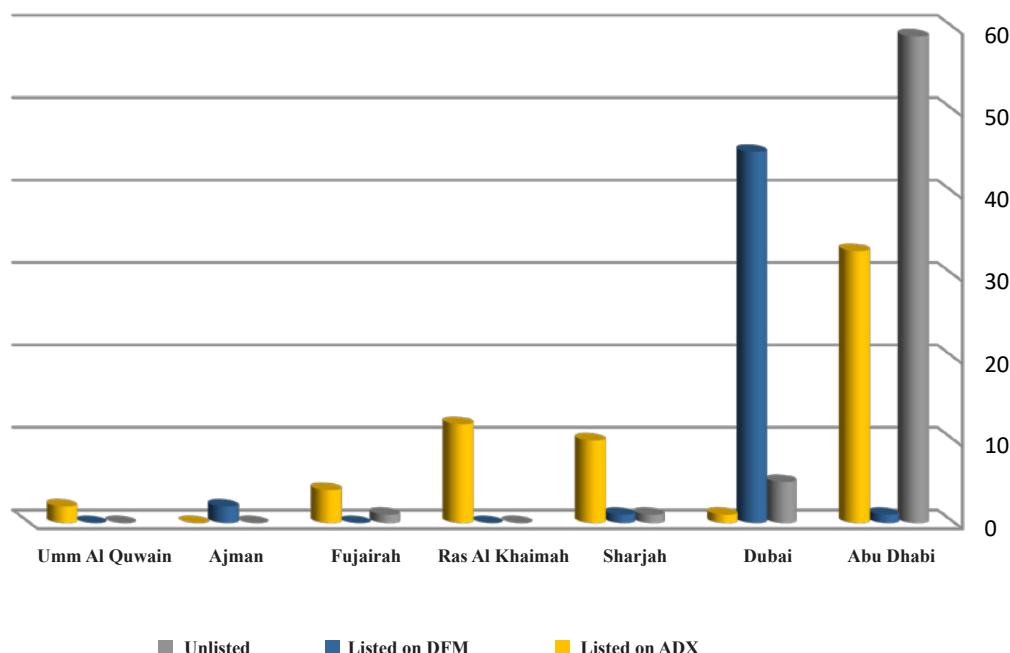
The emirate of Abu Dhabi came first, where the total number of registered companies reached 93 companies, followed by the emirate of Dubai with 51 registered companies, followed by the emirate of Sharjah and the emirate of Ras Al Khaimah with 12 companies, then the remaining emirates as illustrated in the following table:

**Table No. (15)**

Emirate	Unlisted	Listed on DFM	Listed on ADX	Total
Abu Dhabi	59	1	33	93
Dubai	5	45	1	51
Sharjah	1	1	10	12
Ras Al Khaimah	0	0	12	12
Fujairah	1	0	4	5
Ajman	0	2	0	2
Umm Al Quwain	0	0	2	2
Total	66	49	62	177

Diagram No. (9)

Public joint stock companies registered till the end of 2020, classified according to the emirate and listing status



#### Sixth: local public joint stock companies registered till the end of 2020, classified according to the emirate and ownership structure

The emirate of Abu Dhabi came first in terms of the number of governmental companies, which reached 56 public joint stock companies, while the emirate of Dubai came first in terms of the number of non-governmental companies, which reached 50 public joint stock companies.

Table No. (16)

Emirate	Governmental Companies	Non-governmental companies	Total
Abu Dhabi	56	37	93
Dubai	1	50	51
Sharjah	1	11	12
Ras Al Khaimah	0	12	12
Fujairah	1	4	5
Ajman	0	2	2
Umm Al Quwain	0	2	2
Total	59	118	177

## Registered Companies

## Statistics of the capital of public joint-stock companies registered with SCA till the end of 2020

**First: paid-up capital of listed local public joint-stock companies divided as per listing market**

The total paid-up capital of the listed local public joint-stock companies reached AED 314 billion, out of which AED 197 billion represent the capital of companies listed on ADX and AED 117 billion of the companies listed on DFM.

The following is an analysis of the paid-up capital of the companies listed on ADX and DFM as of 31/12/2020 (in thousand dirhams):

Table No. (17)

Listing Market	Number of companies	Paid-up capital—figures in thousand dirhams as of 31/12/2021
ADX	60	197,599,762
DFM	50	117,308,424*
Total	110	314,908,186

\* Two companies have been excluded due to failure to comply with the disclosures

Diagram No. (10)

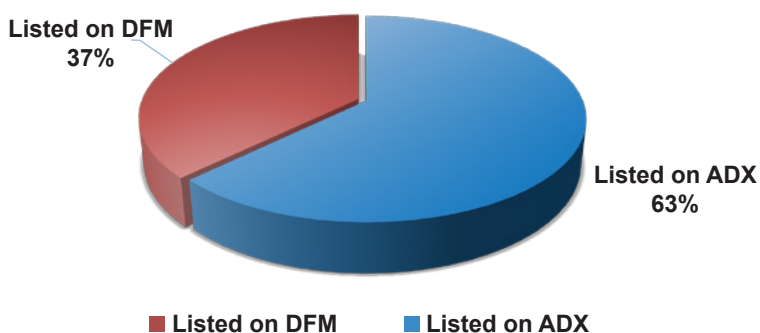
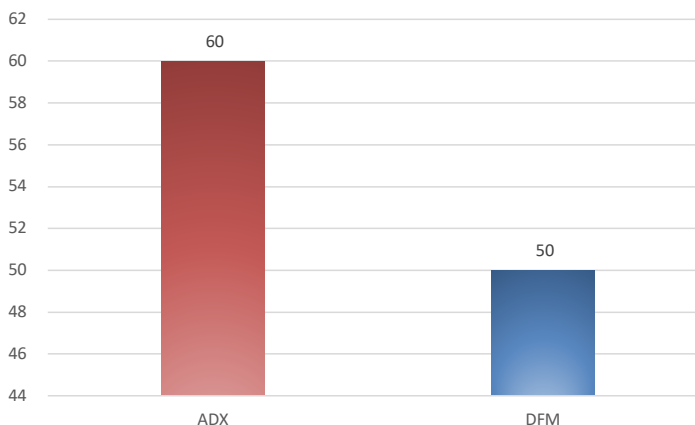
**Paid-up capital of the companies listed on DFM and ADX**

Diagram No. (11)

**Number of the companies registered on both DFM and ADX**

### Second: Analysis of the paid-up capital of the listed companies according to the sector:

The energy sector is the sector with the highest paid-up capital, reaching about 120 billion dirhams, followed by the banking sector, with about 66 billion dirhams, followed by the real estate sector with about 51 billion dirhams.

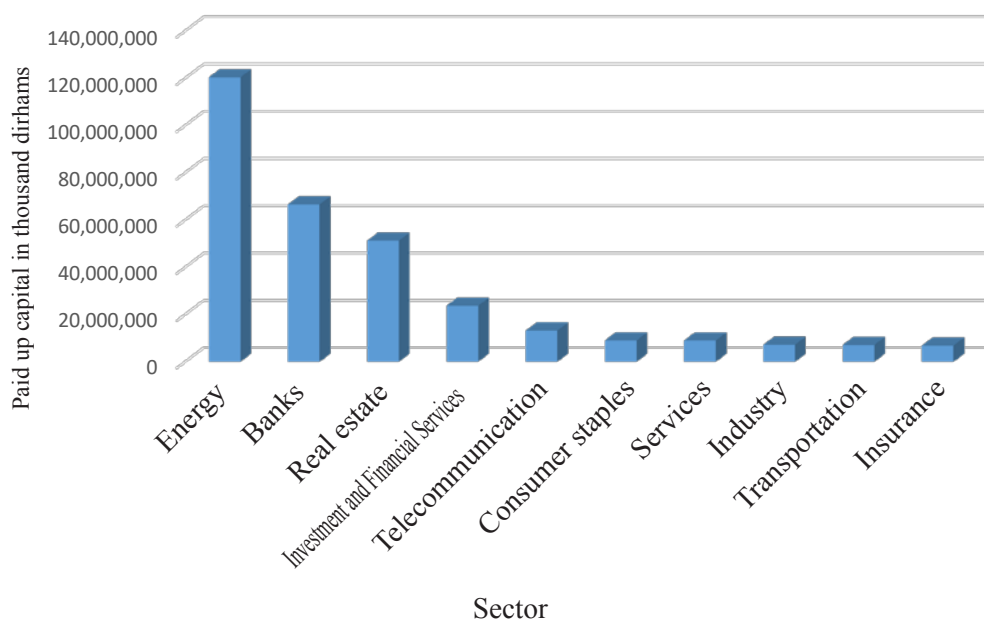
The following is an analysis of the paid-up capital of the listed public joint-stock companies, divided by sector as of 31/12/2020 (in thousand dirhams).

Table No. (18)

Sector	Paid up Capital - Figures in Thousand Dirhams
Energy	120,429,000
Banks	66,656,756
Real estate	51,304,098
Investment and Financial Services	23,726,630
Telecommunication	13,229,660
Consumer staples	9,108,931
Services	9,084,880
Industry	7,283,653
Transportation	7,150,009
Insurance	6,934,571
Total Market	314,908,186.96

Diagram No. (12)

### Paid-up capital of the listed companies according to the sector



## Registered Companies

### Third: Analysis of the changes in the market value:

The market value of the listed companies witnessed changes during 2020. The energy sector was the sector with the most increase in its market value, followed by the investment and financial services sector. The banking sector is the highest in the market value and in the relative weight of the volume of the sectors, followed by the energy sector.

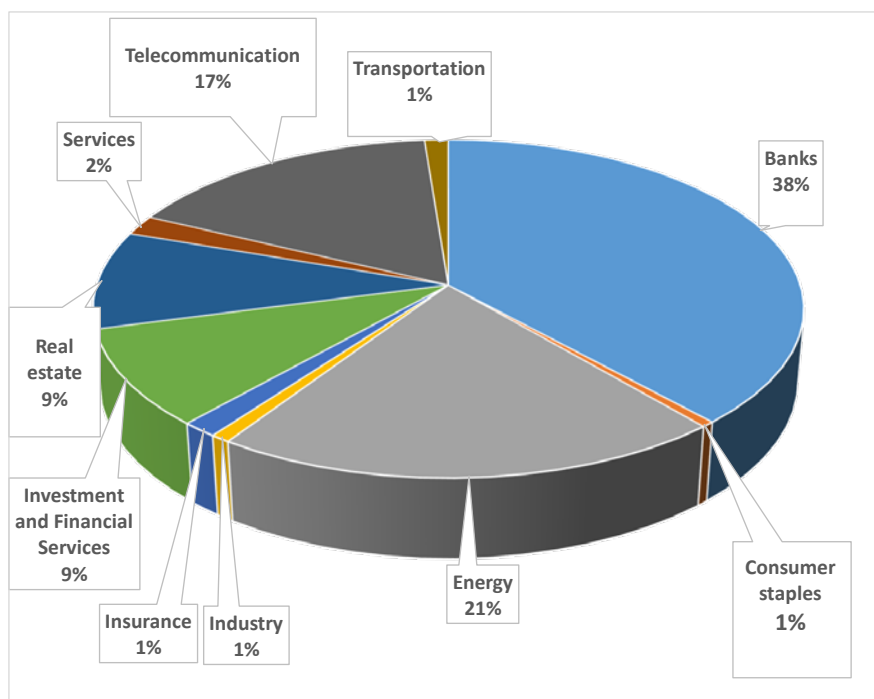
Table No. (19)

Changes in the market value of the sectors and the total market—values in billion dirhams

Sector	Market Value 2019	Market Value 2020	% change	Sector Weight 2020
Energy	46.87	213.78	356.1%	20.53%
Investment and Financial Services	29.46	96.84	228.7%	9.30%
Services	16.67	19.81	18.8%	1.90%
Insurance	12.88	15.08	17.1%	1.45%
Industry	7.22	8.23	14.1%	0.79%
Telecommunication	167.51	173.04	3.3%	16.62%
Real estate	96.36	97.77	1.5%	9.39%
Transportation	13.31	12.81	-3.7%	1.23%
Consumer staples	5.76	5.37	-6.8%	0.52%
	472.71	398.59	-15.7%	38.28%
Total Market	868.75	1,041.30	19.9%	100.00%

Diagram No. (13)

Distribution percentage of the market value of the sectors in the market as of December 31, 2020





## **Fourth: A statement of the paid-up capital of the listed public joint-stock companies (in thousand dirhams in descending order):**

The total paid-up capital of the listed companies amounted to about 314 billion dirhams, and it is clear from the table below that the Abu Dhabi National Energy Company is the highest listed company in terms of the paid-up capital, as it amounted to about 112 billion dirhams, while the company with the lowest paid-up capital is the Emirates Refreshments Company, with a paid-up capital of 30 million dirhams.

**Table No. (20)**

### **A statement of the paid-up capital of the public joint-stock companies listed in 31/12/2020**

Company Name	Paid up Capital— Figures in Thou- sand Dirhams	Company Name	Paid up Capital— Figures in Thou- sand Dirhams
Abu Dhabi National Energy Company	112,434,000	Shuaa Capital	2,535,750
Emaar Malls	13,014,300	Amanat Holdings	2,500,000
First Abu Dhabi Bank	10,920,000	Ishraq Investment	2,325,000
Emirates Telecommunications Group	8,696,754	Sharjah Bank	2,100,000
Dubai Financial Market	8,000,000	Ajman Bank	2,100,000
DXB Entertainments	7,999,913	United Arab Bank	2,062,551
Aldar Properties	7,862,630	Ras Al Khaimah Real Estate	2,000,000
Dubai Islamic Bank	7,240,744	Waha Capital	1,944,515
Emaar Properties	7,159,739	National Bank of Fujairah	1,914,762
Dana Gas	6,995,000	National Bank of Umm Al Quwain	1,848,000
Abu Dhabi Commercial Bank	6,957,379	International Holdings	1,821,429
Emirates NBD Bank	6,316,598	Gulf General Investments	1,790,000
Damac Properties	6,050,000	Mashreq Bank	1,775,308
Deyaar Development	5,778,000	Arkan Building Materials	1,750,000
Emirates Islamic Bank	5,430,422	CIB	1,737,383
Air Arabia	4,666,700	The National Bank of Ras Al-Khaimah	1,676,245
Emirates Integrated Telecommunications Company (du)	4,532,906	AMLAK Finance	1,500,000
Union Properties	4,289,540	Aramex	1,464,100
Dubai Investments	4,252,020	Gulf Pharmaceutical Industries—Julphar	1,155,228
Emaar Development	4,000,000	Drake & Scull International	1,070,988
Abu Dhabi Islamic Bank	3,632,000	SALAMA - Islamic Arab Insurance Company	1,021,000
Investment Bank	3,180,982	Gulf Navigation Holding	1,019,209
Sharjah Islamic Bank	3,081,598	Abu Dhabi National Oil Company for Distribution PJSC - ADNOC Distribution	1,000,000
Commercial Bank of Dubai	2,802,734	Abu Dhabi National Hotels	1,000,000
National Central Cooling Company (TABREED)	2,715,529		

Company Name	Paid up Capital— Figures in Thou- sand Dirhams
RAK Ceramics	993,703
National Corporation for Tourism and Hotels	785,862
Agthia Group	720,000
Gulf Medical Projects	698,916
Sharjah Cement and Industrial Development	608,254
Al Firdous Holding (its fiscal year ends on 31 March) / third quarter data 2020	600,000
Abu Dhabi National Insurance	570,000
Al Ramz Corporation Investment and Development	549,916
Ras Al Khaimah Cement	503,118
Ras al-Khaimah for white cement industry	500,157
Orient Insurance	500,000
Oman Insurance	461,872
Abu Dhabi Aviation	444,787
Al Khazna Insurance	420,000
Gulf Cement	410,548
Umm Al Quwain General Investments	363,000
National Cement	358,800
Fujairah Cement Industries	355,865
Union Insurance	330,939
Finance House	310,050
Abu Dhabi National Co. for Building Materials (Bildco)	300,000
Al Buhaira National Insurance	250,000
National Marine Dredging Company	250,000
Al Sagr National Insurance	230,000
Dubai Islamic Insurance & Reinsurance Company (AMAN)	225,750
Abu Dhabi Ship Building	211,992
. Al Wathba National Insurance	207,000
AXA Green Crescent Insurance	200,000

\* Amounts are in thousand dirhams

Company Name	Paid up Capital— Figures in Thou- sand Dirhams
Orient UNB Takaful	200,000
Arabian Scandinavian Insurance – Takaful	154,000
National Takaful	150,000
Methaq Takaful Insurance	150,000
Emirates Insurance	150,000
Al Ain Al Ahlia Insurance	150,000
Dar Al Takaful	150,000
Emirates Al Takaful	150,000
National General Insurance	149,954
Sharjah Insurance	137,500
Fujairah Building Industries	135,988
Ras Al Khaimah National Insurance	121,275
Fujairah National Insurance	121,000
FOODCO Holding	120,000
Insurance House	118,781
Dubai National Insurance and Reinsurance	115,500
AL Khaleej Investment	105,000
United Fidelity Insurance	100,000
Abu Dhabi National Takaful	100,000
Al Dhafra Insurance	100,000
Alliance Insurance	100,000
Dubai Insurance	100,000
Dubai Refreshments	90,000
Emirates Driving School	89,786
Ras Al Khaimah Poultry and Feeding	86,400
Sharjah Group	78,901
Emirates Investment Bank	70,000
Gulfa General Investments	40,000
Unikai Foods	32,368
United Foods	30,250
Emirates Refreshments	30,000

## Statistics of joint-stock companies listed in financial markets in the UAE till the end of 2020

### First: Registration and deregistration status of the (local/foreign) public and private joint-stock companies till the end of 2020

The number of the companies registered with SCA reached 137 local and foreign companies. The number of the companies deregistered from SCA since 2007 till the end of this year is 36 companies.

Table No. (21)

Local public and private companies	Number of Companies
Listed public joint-stock company	127
Listed private joint-stock company	10
Private joint-stock company registered with SCA but not listed	0
Deregistered	36

### Second: The number of the public joint-stock companies registered with SCA till the end or 2002

The number of the companies listed on ADX reached 73 companies with listing percentage of 53% of the total companies listed on the financial markets in the UAE, while the number of the companies listed on DFM reached 64 companies with listing percentage at 47% of the total companies listed on the financial markets in the UAE.

Table No. (22)

Nationality	DFM	ADX	Total
UAE	50	71	121
Kuwait	9	0	9
Bahrain	3	0	3
Sudan	1	1	2
Jordan	0	0	0
Oman	0	0	0
Palestine	0	0	0
Qatar	0	1	1
Egypt	1	0	1
Total	64	73	137

## Registered Companies

### Third: Statement of the number of the listed companies according to sectorial distribution till the end of 2020

The insurance sector came first in the number of companies listed on ADX with 17 companies and on DFM with 14 companies, with a total of 31 companies, and a listing percentage at of 22% of the total companies listed on the UAE markets, and the following table shows the remaining sectors in each of the two markets:

Table No. (23)

Sector	Listed on DFM	Listed on ADX	Total
Banks	12	12	24
Insurance	14	17	31
Investment and financial service	12	8	20
Telecommunications	2	3	5
Real estate	9	5	14
Industry	2	11	13
Services	2	10	12
Consumer staples	7	4	11
Energy	0	3	3
Transportation	4	0	4
Total	64	73	137

### Fourth: Statement of the number of private joint-stock companies registered and listed on the financial markets in the UAE till the end of 2020

The number of the private joint-stock companies that are registered with SCA and listed on the financial markets in the UAE reached 10 companies with total capital of AED 8.2 billion.

Table No. (24)

Local private joint stock companies registered and listed till 2020			
Company Name	Listing Market	Emirate	Capital
Manazil Real Estate	ADX	Abu Dhabi	2,600,000,000.00
The National Investor	ADX	Abu Dhabi	577,500,000.00
Al Safwa Mubasher Financial Services	DFM	Dubai	563,841,748.00
Al Qudra Holding	ADX	Abu Dhabi	808,984,000.00
Wahat Al Zaweya	ADX	Abu Dhabi	2,312,729,034
Reem Investments	ADX	Abu Dhabi	777,500,000
Zee Stores	ADX	Abu Dhabi	100,000,000
Easy Lease	ADX	Abu Dhabi	30,000,000
Palms Sports	ADX	Abu Dhabi	150,000,000
Sawaheed Holding	ADX	Abu Dhabi	51,100,000
Total			8,251,654,782

## Most important statistics of Islamic bonds and sukuk issuance during 2020

### First: Statement of Islamic bonds and sukuk issuance and their listing on the financial markets in the UAE during 2020

#### Issuance of Islamic bonds/sukuk based on the approval of the general meeting in 2020

SCA has approved the general meeting's invitation of the public joint stock companies stated below, which decided to issue or update the programs for issuing the bond/sukuk for 19 issues.

Table No. (25)

S.N	Company name	Issuing sector
1	First Abu Dhabi Bank (P.J.S.C)	Banks
2	Emirates NBD (P.J.S.C)	Banks
3	Emirates Islamic Bank (P.J.S.C)	Banks
4	Mashreq Bank (P.J.S.C)	Banks
5	Gulf Navigation Holding Company (P.J.S.C)	Services
6	Ras Al-Khaimah National Bank (P.J.S.C)	Banks
7	Dubai Commercial Bank (P.J.S.C)	Banks
8	Dubai Islamic Bank (P.J.S.C)	Banks
9	Ajman Bank (P.J.S.C)	Banks
10	United Arab Bank (P.J.S.C)	Banks
11	Abu Dhabi Commercial Bank (P.J.S.C)	Banks
12	Abu Dhabi National Energy Company (P.J.S.C)	Services
13	Sharjah Bank (P.J.S.C)	Banks
14	SHUAA Capital (PJSC).	Financial institutions
15	National Central Cooling Company (P.J.S.C)	Services
16	National Marine Dredging Company (P.J.S.C)	Services
17	Agthia Group (P.J.S.C)	Services
18	Dubai government increasing the sukuk issued within the issuance program and program update.	Government
19	Dubai government increasing the sukuk issued within the issuance program and program update.	Government



## Registered Companies

### Second: Statement of approvals of listing Islamic bonds and sukuk in the UAE financial markets during 2020

In 2020, SCA approved listing of Islamic bonds and sukuk with a total value of USD 20 billion, which are: six bond tranches for the Emirate of Abu Dhabi (joint listing on London Stock Exchange and ADX), with a value of USD 15 billion; listing of bonds and sukuk for Dubai government with a value of USD 2 billion, and the joint listing of three tranches of MDGH-GMTNBV bonds guaranteed by the Mamoura Global Holding PJSC with a total value of USD 3 billion listed on London Stock Exchange (primary listing) and ADX (secondary listing).

Table No. (26)

S.N	Company	Listing Market	Issuance Volume
1	Abu Dhabi government (6 tranches)	London Stock Exchange (primary listing market) and ADX.	USD 15 billion
2	Dubai government	London Stock Exchange (primary listing market) and ADX.	USD 1 billion
3	Dubai government	Euronext Dublin (primary listing market) and ADX.	USD 1 billion
4	MDGH-GMTNBV guaranteed by Mamoura Global Holding PJSC (3 tranches)	London Stock Exchange (primary listing market) and ADX.	USD 3 billion
Total			USD 20 billion

### Third: Statement of the number of bonds and sukuk listed on local financial markets till 31/12/2020

Table No. (27)

S.N	Issuer	Code	Listing market	Listing date
1	Dubai Government	DUBAIFXN0621	DFM	22/06/2011
2	Dubai DOF Sukuk due in 2022	DUBAIFXN0522	DFM	02/05/2012
3	Dubai DOF Sukuk due in 2023	DUBAIFXN0123	DFM	30/01/2013
4	Dubai Government	DUBAIFXN0143	DFM	30/01/2013
5	Dubai DOF Sukuk due in 2029	DUBAIFXN0429	DFM	30/04/2014
6	Bonds of the Maldives government (Ministry of Finance and Treasury on behalf of the Government of the Republic of Maldives) (USD)	MVFN5Y0423	ADX	03/05/2018
7	Sukuk of Aldar Sukuk Ltd	ALDARSUKUK2025	ADX	07/10/2018
8	National holding Corporation (SENAAT) PJSC	XSSENAAT1225	ADX	06/12/2018
9	Sukuk of ESIC Sukuk Limited	XSESICS0724	ADX	19/08/2019
10	Abu Dhabi Bonds	XSADGMTN0949	ADX	06/10/2019
11	Abu Dhabi Bonds	XSADGMTN0929	ADX	06/10/2019
12	Abu Dhabi Bonds	XSADGMTN0924	ADX	06/10/2019
13	Sukuk of Aldar Ltd (2)	XSALDARS1029	ADX	07/11/2019
14	Bonds of the Emirate of Abu Dhabi London Stock Exchange (primary listing market) and ADX.	XSADGMTN0425	ADX	26/04/2020
15	Bonds of the Emirate of Abu Dhabi London Stock Exchange (primary listing market) and ADX.	XSADGMTN0430	ADX	26/04/2020
16	Bonds of the Emirate of Abu Dhabi London Stock Exchange (primary listing market) and ADX.	XSADGMTN0450	ADX	26/04/2020
17	Bonds of the Emirate of Abu Dhabi London Stock Exchange (primary listing market) and ADX.	XS2225210256	ADX	03/09/2020
18	Bonds of the Emirate of Abu Dhabi London Stock Exchange (primary listing market) and ADX.	XS2225210413	ADX	03/09/2020
19	Bonds of the Emirate of Abu Dhabi London Stock Exchange (primary listing market) and ADX.	XS2225210330		03/09/2020
20	MDGH-GMTNBV Company guaranteed by Mamoura Diversified Global Holding PJSC	XS2175968580	ADX	02/07/2020
21	MDGH-GMTNBV Company guaranteed by Mamoura Diversified Global Holding PJSC	XS2176021223	ADX	02/07/2020
22	MDGH-GMTNBV Company guaranteed by Mamoura Diversified Global Holding PJSC	XS2176018609	ADX	02/07/2020
23	Bonds of Dubai Government	DUBAIFXN	DFM	09/09/2020
24	Sukuk of Dubai Government	DUBAIFXN	DFM	09/09/2020

## First: Most important statistics of local investment funds for 2020

### Number of existing local investment funds at the end of the year as per the fund manager's statement.

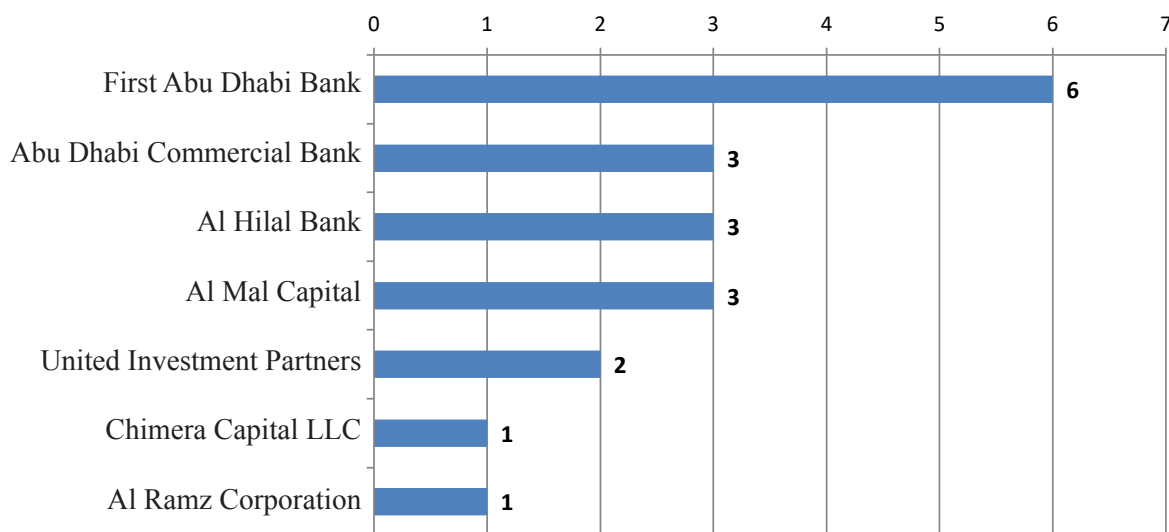
The following is a review of some existing local investment funds at the end of the year and statement of these funds' managers:

Table No. (28)

S.N	Fund Manager	Number of local funds
1	First Abu Dhabi Bank	6
2	Abu Dhabi Commercial Bank	3
3	Al Hilal Bank	3
4	Al Mal Capital	3
5	United Investment Partners	2
6	Chimera Capital LLC	1
7	Al Ramz Corporation	1
Total number of local investment funds		19

Diagram No. (14)

### Number of Local Investment Funds



## Value of local investment funds' net assets at the end of the year according to the fund manager's statement

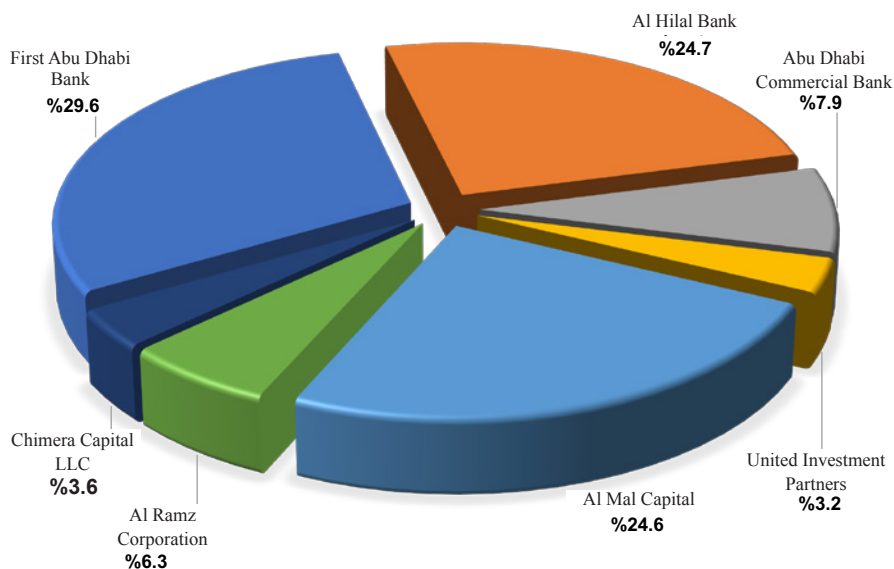
The following is a review of the total value of net assets owned by local investment funds managed by each fund manager, where the First Abu Dhabi Bank was ranked first, with AED 501 million as total value of net assets of (6) investment funds.

Table No. (29)

S.N	Fund Manager	Value of net assets (AED million)
1	First Abu Dhabi Bank	501
2	Al Hilal Bank	417
3	Abu Dhabi Commercial Bank	134
4	United Investment Partners	55
5	Al Mal Capital	416
6	Al Ramz Corporation	106
7	Chimera Capital LLC	61
Total value of local investment funds' net assets		1,690

Diagram No. (15)

### Value of Local Investment Funds' Net Assets



### Ownership distribution of existing local investment funds at the end of the year according to investors from inside and outside the UAE

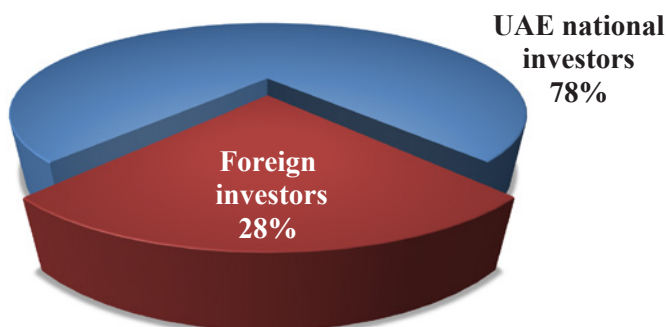
The following table shows ownership distribution of the local investment funds between investors inside the UAE by about AED 1,313 million and investors outside the UAE with value of the units reached AED 377 million.

Table No. (30)

S.N	Investors in local funds	Net Asset Value (AED Million)
1	UAE national investors	1,313
2	Foreign investors	377
Total		1,690

Diagram No. (16)

### Distribution of local investment funds' ownership at the end of the year



### Existing local investment funds' investments distribution inside and outside the UAE at the end of the year.

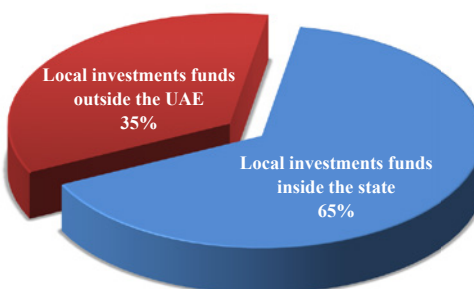
The following table shows the value of the local investment funds' investments inside and outside the UAE where the value of local investments funds' investments inside the UAE reached AED 1,099 million against AED 591 million investments outside the UAE.

Table No. (31)

S.N	Local fund's investments	Value of net assets (in AED million)
1	Local investments funds inside the UAE	1,099
2	Local investments funds outside the UAE	591
Total		1,690

Diagram No. (17)

### Investment distribution of local investment funds inside and outside the UAE





### **Names of local investment funds and the management company and its net assets value at the end of the year.**

The following is an illustrating table of the names of existing local investment funds and the names of these funds' managers as well as net assets value at the end of the year as following:

**Table No. (32)**

Names of local investment funds and the management company and its net asset value by the end of the year			
S.N	Fund Manager (short name)	Fund name	Fund Value (in million dirham)
1	Al Mal Capital	Al Mal UAE Equity Fund	46.1
2	Al Mal Capital	Al Mal Real Estate Fund	19.6
3	Al Mal Capital	Al Mal Capital rate	349.9
4	United Partners	Bluestone Fund	0.0
5	United Partners	UAE Fox Fund	54.5
6	Al Ramz Corporation	Sky One Monetary Investment Fund	106.4
7	Abu Dhabi Commercial Bank	Al Nokhitha Fund	118.2
8	Abu Dhabi Commercial Bank	ADCB MSCI UAE Index Fund	13.0
9	Abu Dhabi Commercial Bank	ADCB Arabian Index Fund	3.1
10	First Abu Dhabi Bank	FAB Sukuk Investment Fund	92.3
11	First Abu Dhabi Bank	FAB Growth Funds - FAB UAE Growth Fund	87.1
12	First Abu Dhabi Bank	FAB Growth Funds - FAB MENA Growth Fund	25.1
13	First Abu Dhabi Bank	FAB Growth Funds - FAB MENA Income and Growth Fund	103.5
14	First Abu Dhabi Bank	FAB Islamic Funds – FAB Islamic MENA Growth Fund	88.7
15	First Abu Dhabi Bank	FAB Growth Funds - FAB UAE Trading Fund	104.0
16	Chimera Capital LLC	Chimera Primary Fund—The Chimera S&P UAE Shariah Exchange Traded Fund	61.5
17	Al Hilal Bank	Al Hilal Global Sukuk Fund	399.7
18	Al Hilal Bank	Al Hilal GCC Equity Fund	17.6
19	Al Hilal Bank	Al Hilal Global Balanced Fund	0.0
Total			1,690.3

## Second: Most important statistics of foreign investment funds registered with SCA

### Statement of the registered, deregistered and existing foreign funds at the end of the year

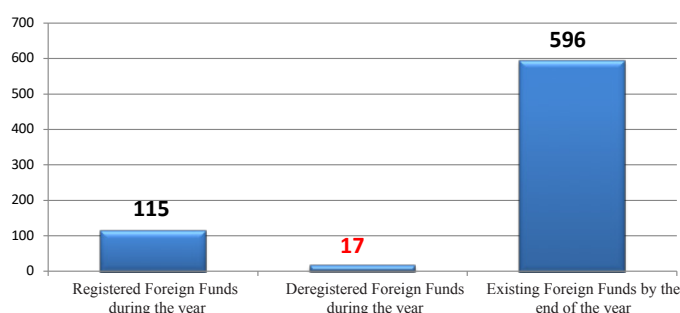
The following is review of the number of the foreign investment funds registered with SCA, which were deregistered by the end of 2020.

Table No. (33)

Statement	Number of Registered Foreign Funds
Registered foreign funds during the year	115
Deregistered foreign funds during the year	17
Existing foreign funds by the end of the year	596

Diagram No. (18)

### Registered, deregistered and existing foreign funds at the end of the year



### Distribution of the registered and existing foreign funds by the end of the year according to their registration year

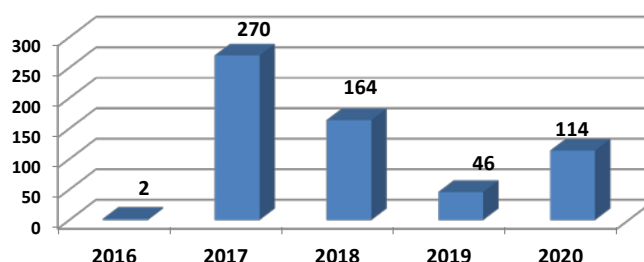
The following is review of the number of the foreign investment funds registered or its registration was regularized under SCA's regulations issued since 2016 and still existing at the end of 2020 as the following:

Table No. (34)

S. No.	Year	Number of Funds
1	2016	2
2	2017	270
3	2018	164
4	2019	46
5	2020	114
Total		596

Diagram No. (19)

### Foreign funds registered and existing according to their registration year



### Distribution of the registered and existing foreign funds by the end of the year according to the legal representative of the fund

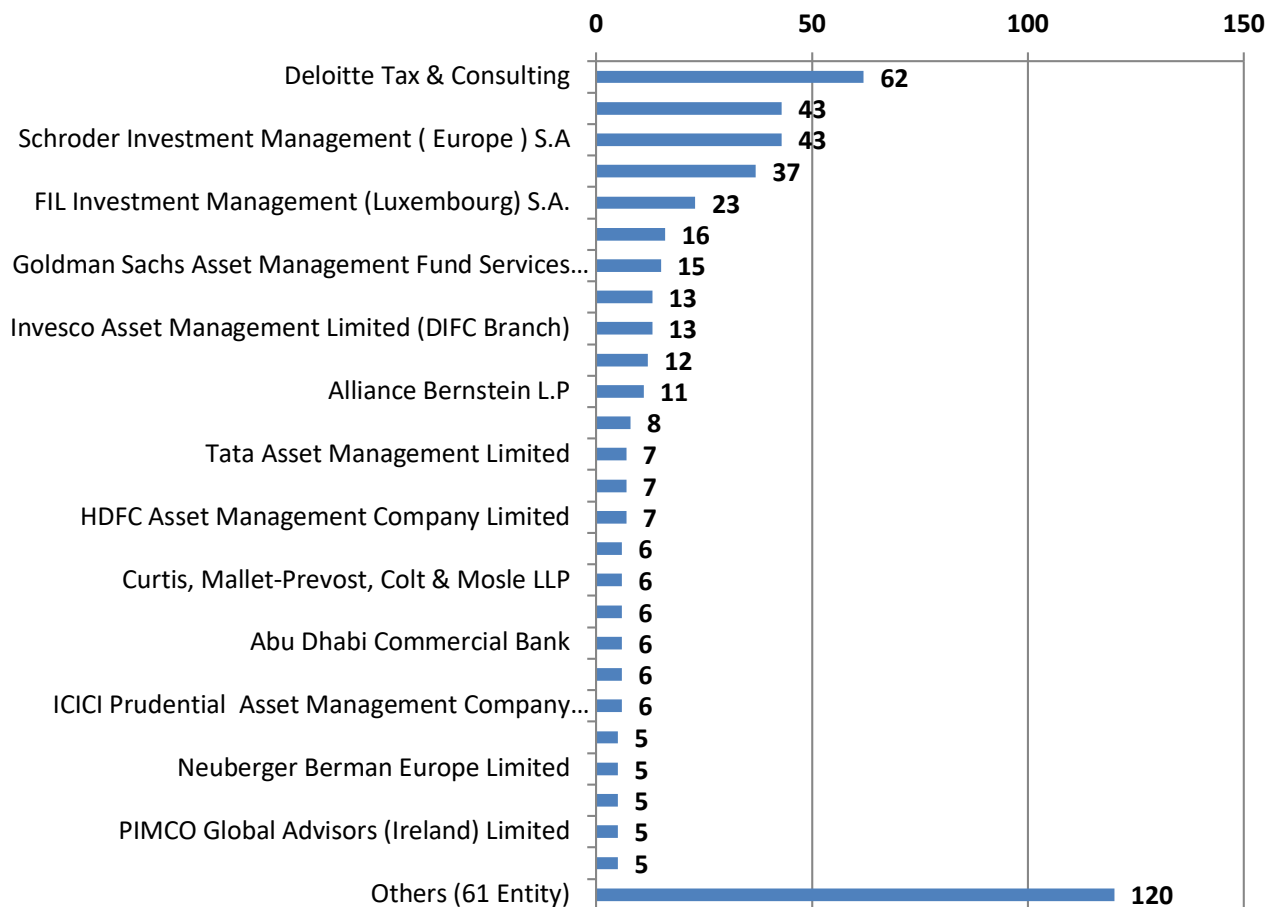
The following table demonstrates the names of the entities that registered foreign investment funds with SCA and these funds are still existed by the end of the year along with the number of the funds registered through each entity as following:

**Table No. (35)**

S.N	Legal representative of the foreign investment fund	Number of registered Funds
1	Deloitte Tax & Consulting	82
2	BlackRock Investment Management (UK) Limited	52
3	Schroder Investment Management (Europe) S.A	48
4	Franklin Templeton International Services	38
5	FIL Investment Management (Luxembourg) S.A.	26
6	Emirates NBD Asset Management Limited	20
7	Goldman Sachs Asset Management Fund Services Limited	17
8	Allianz Global Investors GmbH	16
9	Invesco Asset Management Limited (DIFC Branch)	14
10	Pictet Asset Management (Europe) S.A.	14
11	Alliance Bernstein L.P	11
12	Rasmala Investment Bank Limited	9
13	Tata Asset Management Limited	9
14	MFS Investment Management Company (Lux) S.A.R.L	9
15	HDFC Asset Management Company Limited	8
16	First Abu Dhabi Bank	7
17	Curtis, Mallet-Prevost, Colt & Mosle LLP	7
18	Oasis Global Management Company (Ireland) Limited	7
19	Abu Dhabi Commercial Bank	7
20	Mashreq Capital (DIFC) Limited	6
21	ICICI Prudential Asset Management Company Limited	6
22	NCB Capital Company	6
23	Neuberger Berman Europe Limited	6
24	Smart Investment Management Limited	6
25	PIMCO Global Advisors (Ireland) Limited	5
26	Lakemore Partners (DIFC) Limited	5
27	Others (69 Entities)	155
Total of funds		596

**Diagram No. (20)**

**Distribution of the registered and existing foreign funds by the end of the year according to the legal representative of the fund**



## Distribution of the foreign funds registered and existing by the end of the year according to their headquarters

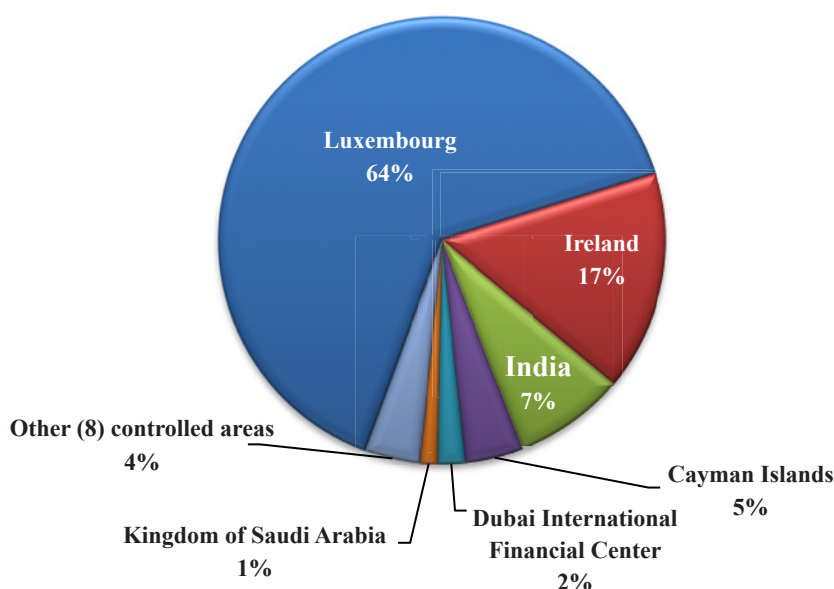
The following table illustrates the funds registered with SCA by the end of the year and distributed according to nationalities of these funds, where the funds established in Luxembourg came in the first place with 378 funds.

**Table No. (36)**

S.N	Foreign Investment Fund Headquarters	Number of registered funds
1	Luxembourg	378
2	Ireland	103
3	India	41
4	Cayman Islands	32
5	Dubai International Financial Center	11
6	Kingdom of Saudi Arabia	6
7	United Kingdom	5
8	France	5
9	Jersey	5
10	Mauritius	3
11	Pakistan	3
12	Kingdom of Bahrain	2
13	Abu Dhabi International Financial Center	1
14	Switzerland	1
Total Funds		596

**Diagram No. (21)**

## Distribution of the registered and existing foreign funds by the end of the year according to their headquarters



## Investment Funds

### Distribution of the foreign funds registered during the year according to the nature of offering in the UAE

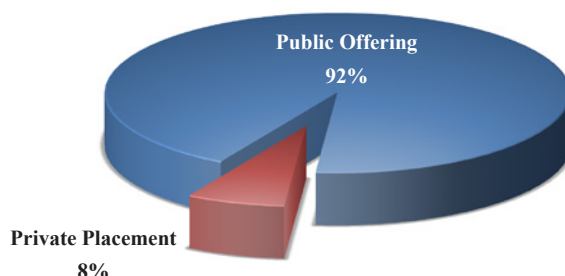
The following is a review of (549) foreign investment funds registered by the end of the year for purpose of public offering and (47) funds registered for private placements.

Table No. (37)

The nature of the fund's offering in the UAE	Number of registered funds
Public Offering	549
Private Placement	47
Total Funds	596

Diagram No. (22)

### Nature of the fund's offering in the UAE



### Statement of the number of promotion approvals for the foreign funds issued, deregistered and existing by the end of the year

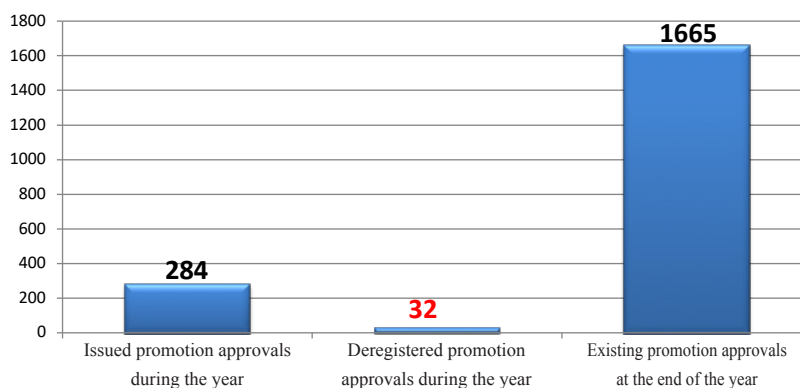
The following is a review of the number of promotion approvals for the foreign funds issued, deregistered and existing by the end of the year.

Table No. (38)

Statement	No. of registered foreign funds
Issued promotion approvals during the year	284
Deregistered promotion approvals during the year	32
Existing promotion approvals at the end of the year	1665

Diagram No. (23)

### Statement of the number of promotion approvals for the foreign funds issued, deregistered and existing by the end of the year





### Distribution of promotion approvals for the foreign funds issued and existing by the end of the year as per their issuance year

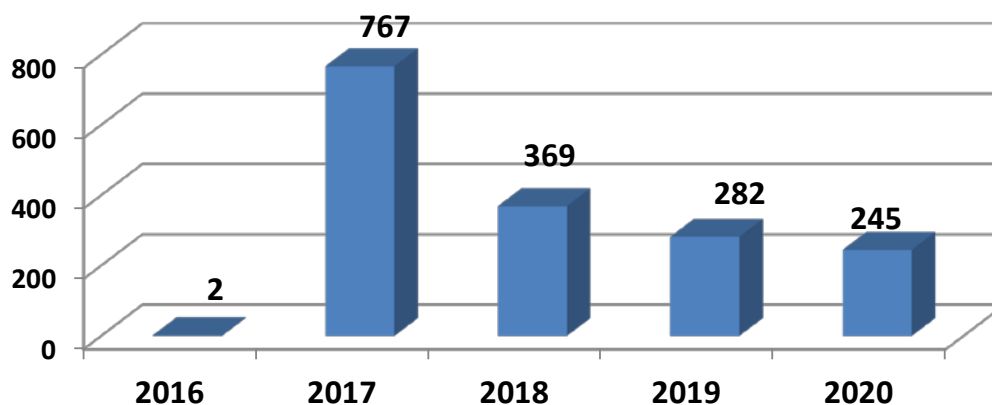
The following table is a review of the number of promotion approvals for the foreign investment funds that are issued or their registration was regularized under SCA's regulations issued since 2016 and still existing at the end of 2020 as the following:

Table No. (39)

S. No.	Year	No. of Funds
1	2016	2
2	2017	767
3	2018	369
4	2019	282
5	2020	245
Total		1665

Diagram No. (24)

### Number of existing promotion approvals



## Investment Funds

### Number of promotion approvals issued and existing by the end of the year according to the local promoter.

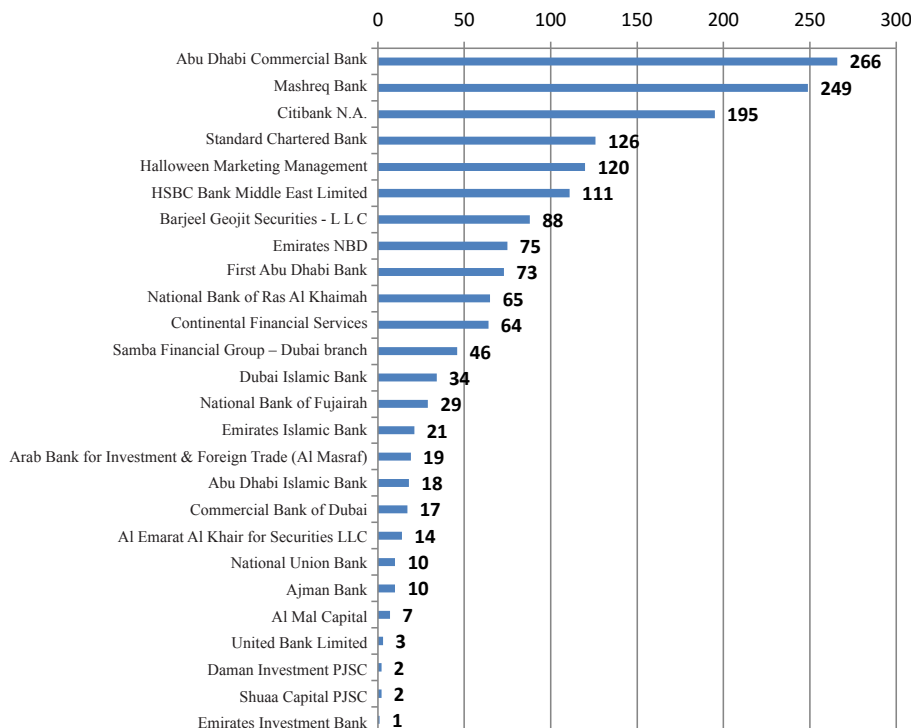
The following is a review of the names of local promoters concerned with the foreign investment funds registered with SCA and the number of the promotion approvals issued and still existing to each promoter by the end of the year. Abu Dhabi Commercial Bank came first with (266) approvals, then Mashreq Bank with (249) approvals, then Citibank, N.A. with (195) approvals.

Table No. (40)

S.N	Local promoter of the foreign investment fund	Number of issued promotion approvals
1	Abu Dhabi Commercial Bank	266
2	Mashreq Bank	249
3	Citibank N.A.	195
4	Standard Chartered Bank	126
5	Halloween Marketing Management	120
6	HSBC Bank Middle East Limited	111
7	Barjeel Geojit Securities - L L C	88
8	Emirates NBD	75
9	First Abu Dhabi Bank	73
10	National Bank of Ras Al Khaimah	65
11	Continental Financial Services	64
12	Samba Financial Group – Dubai branch	46
13	Dubai Islamic Bank	34
14	National Bank of Fujairah	29
15	Emirates Islamic Bank	21
16	Arab Bank for Investment & Foreign Trade (Al Masraf)	19
17	Abu Dhabi Islamic Bank	18
18	Commercial Bank of Dubai	17
19	Al Emarat Al Khair for Securities LLC	14
20	National Union Bank	10
21	Ajman Bank	10
22	Al Mal Capital	7
23	United Bank Limited	3
24	Daman Investment PJSC	2
25	Shuaa Capital PJSC	2
26	Emirates Investment Bank	1
Total promotion approvals issued by the end of the year		1447

Diagram No. (25)

Number of promotion approvals issued and existing by the end of the year according the local promoter



### Third: most important statistics of foreign investment funds of mutual recognition registered with SCA - Passporting

#### Statement of the foreign investment funds of mutual recognition registered with SCA (passporting) by the end of the year

In enforcement of the mutual recognition agreement (passporting) between SCA, ADGM's Financial Services Regulatory Authority, and the Dubai Financial Services Authority of the Dubai International Financial Centre (DIFC) signed between the three entities on November 22, 2018, a total of (8) investment funds were registered with the DIFC in 2019 and 2020 under SCA's mutual recognition register where (4) funds were registered every year. The following is a review of the names of these funds and the nature of their offering.

Table No. (41)

S. No.	Fund Name	Nature of offering
1	Beachfront II LP	Private placement
2	Phoenix Thoroughbreds Fund 1 LP	Private placement
3	Arqaam Fixed Income Funds (OEIC) Limited - Arqaam High Income Fund	Private placement
4	Arqaam Fixed Income Funds (OEIC) Limited - Arqaam Income Generation Fund 2023	Private placement
5	Target 2024 Sukuk Fund (OEIC) Limited	Private placement
6	Target 2024 Sukuk Fund Series II (OEIC) Limited	Private placement
7	Stelios GCC Opportunities Fund (OEIC) Limited	Private placement
8	Stelios Global Opportunities Fund (OEIC) Limited	Private placement

## Performance of the securities market in the UAE

### First: At the market Level:

#### Indices:

The following table and diagram show the movement of indices of major global and Gulf markets, which indicate a decline in the ADX index performance and the DFM index performance by the end of 2020 in comparison to 2019 as mentioned in the below table. This may be mainly attributed to the negative impact of the Covid-19 pandemic on the local and global financial markets during 2020.

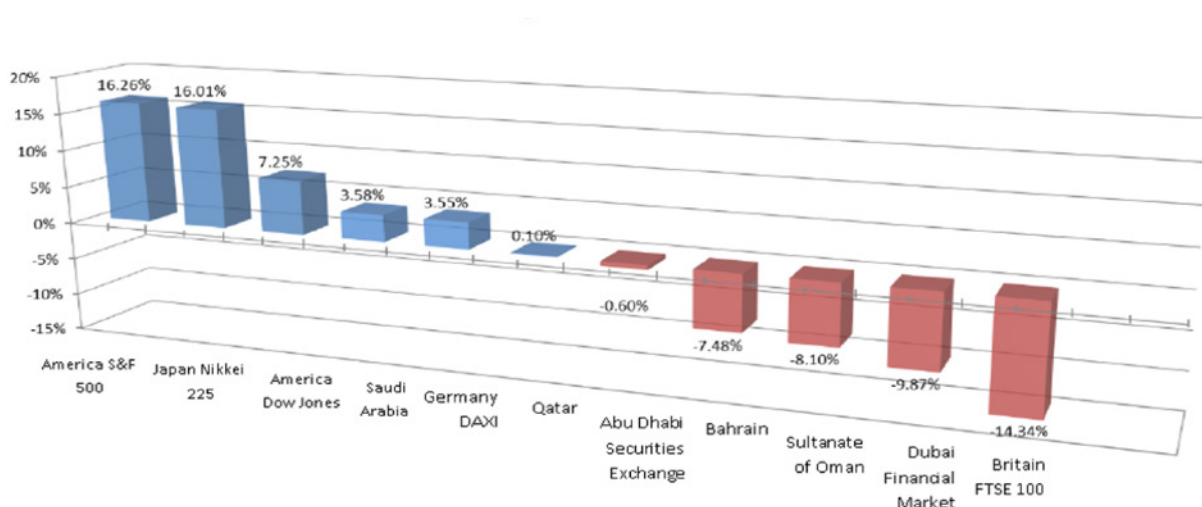
#### Performance of local and global stock markets' indices

Table No. (42)

Markets	Change
Abu Dhabi Securities Exchange	-0.60 %
Dubai Financial Market	-9.87 %
Bahrain	-7.48 %
Sultanate of Oman	-8.10 %
Qatar	0.10 %
Saudi Arabia	3.58 %
Japan Nikkei 225	16.01 %
Germany DAX	3.55 %
America S&P 500	16.26 %
America Dow Jones	7.25 %
America Nasdaq	43.64 %
Britain FTSE 100	-14.34 %

Diagram No. (26)

#### Performance of global stock market indices



## Trading values

The following table shows the average daily trading volume of ADX and DFM for 2020, which indicates that the trading average of the UAE markets reached AED 551.34 million for both markets.

Table No. (43)

Average daily trading volume (In million dirham)	
ADX	289.93
DFM	261.41
Total	551.34*

\*Includes the local listed companies, companies with dual listing, bonds, and private companies and transactions.

The following table shows the percentage of change in the average daily trading volume during 2019 and 2020, which indicates a rise of 24.90% in 2020 in comparison to 2019, despite the impact of Covid-19 pandemic on the local and global markets.

Table No. (44)

Average daily trading volume (In million dirham)		
Average of 2019	Average of 2020	Change Parentage
441.42	551.34	24.90%



## Performance of the securities market in the UAE

### Sector Performance:

The following tables and the diagrams underneath show the performance of the price of shares and trading values of the listed companies. They are classified according to the sectors for 2020 with regard to ADX and DFM.

#### Abu Dhabi Securities Exchange:

Table No. (45)

Sector	Previous Closing 2019	Current Closing 2020	Change Percentage	Market Value**in AED	Traded Value* in AED
Banks	10,023.33	8,490.07	-15.30 %	231,308,412,085.07	28,933,363,900.34
Telecommunications	4,053.27	4,187.06	3.30 %	168,179,211,922.92	6,484,003,643.28
Energy	1,638.56	1,802.99	10.04%	213,775,016,588.32	9,863,058,090.80
Real estate	3,319.61	4,763.84	43.51 %	25,794,349,172.55	12,443,920,437.83
Industry	1,281.38	1,603.41	25.13 %	7,412,840,019.74	945,687,217.07
Insurance	1,877.81	2,162.35	15.15 %	9,704,847,070.00	591,842,622.33
Services	2,634.78	2,859.53	8.53 %	10,210,189,085.60	692,592,435.82
Consumer staples	4,035.46	8,817.65	118.50 %	3,034,080,000.00	760,195,128.29
Investment and financial services	1,361.00	3,068.62	125.47 %	80,063,717,606.40	10,336,491,645.94

\*Includes the local companies in general, companies with dual listing and deals.

\*\* Include the general local companies and companies with dual listing.

Diagram No. (27)

### Percentage of change in ADX Indices

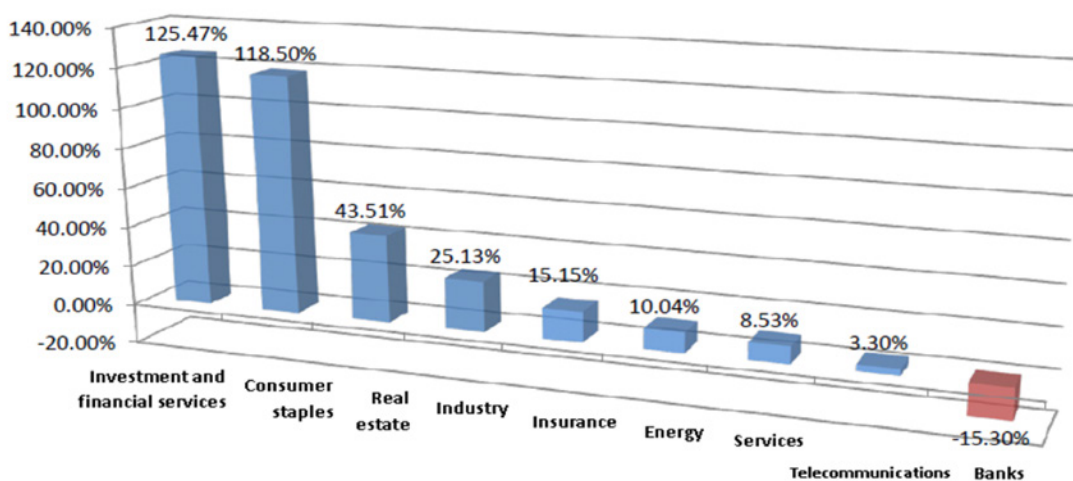




Diagram No. (28)

## Market value of ADX sectors

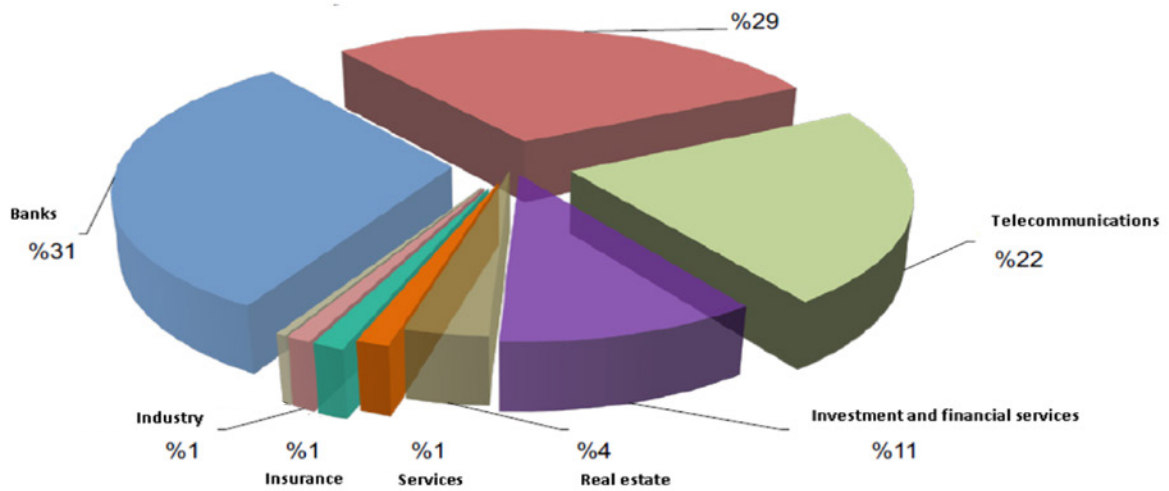
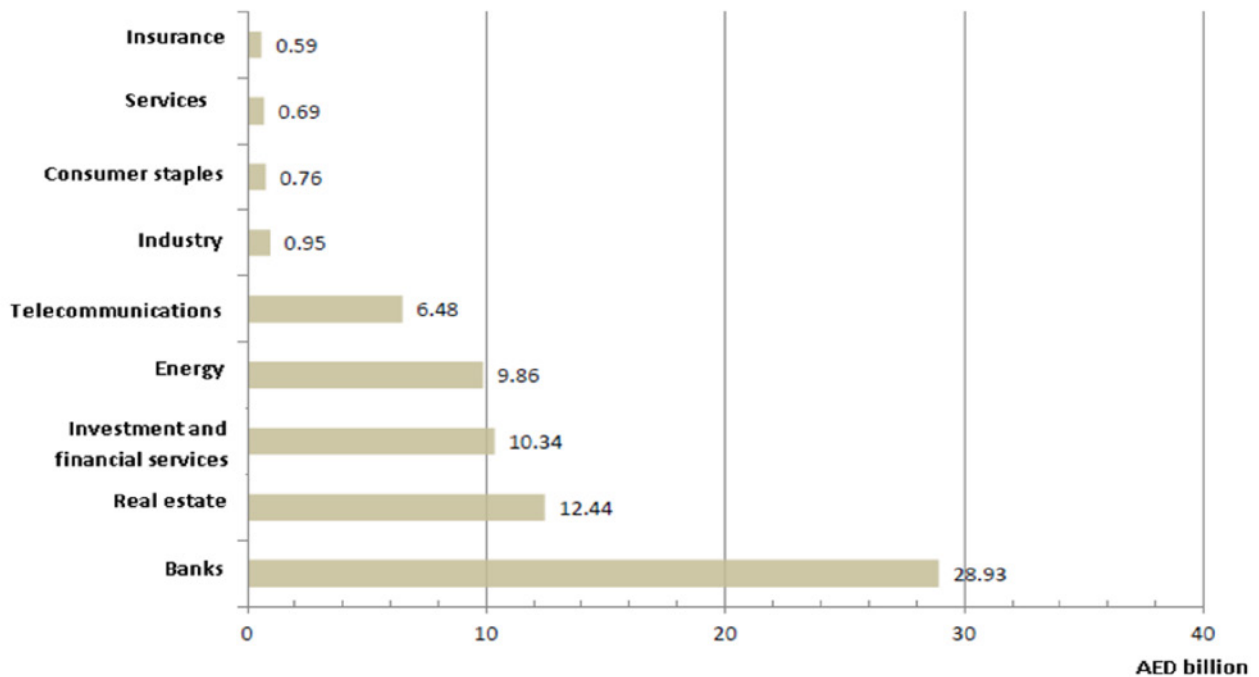


Diagram No. (29)

## Traded value according to the sector in ADX



## Performance of the securities market in the UAE

### Dubai Financial Market:

Table No. (46)

Sector	Previous Closing 2019	Current Closing 2020	Change Percentage	Market Value** in AED	Traded Value* in AED
Transportation	798.73	790.03	-1.09 %	27,669,728,972.28	6200,247.055
Banks	2,765.53	2,283.06	-17.45 %	172,122,488,510.79	23,381,282,418.22
Real Estate	3,699.12	3,397.39	-8.16 %	73,347,559,869.37	25,640,849,539.31
Telecommunications	931.73	970.56	4.17 %	26,192,443,653.42	1,040,511,564.45
Investment and financial services	2,239.80	2,368.86	5.76%	18,274,985,891.44	3,638,214,376.09
Services	534.57	637.16	19.19%	9,625,352,178.60	2,090,692,151.27
Consumer staples	111.82	61.57	-44.94 %	2,334,098,927.63	781,028,515.06
Insurance	1720.55	2,086.42	21.26 %	5,726,882,190.15	2,730,084,821
Industry	98.41	93.88	-4.60 %	4,687,525,922.88	232,750.19

\*Includes the local companies in general, companies with dual listing and deals.

\*\* Include the general local companies and companies with dual listing.

Diagram No. (30)

### Percentage of change in DFM indices

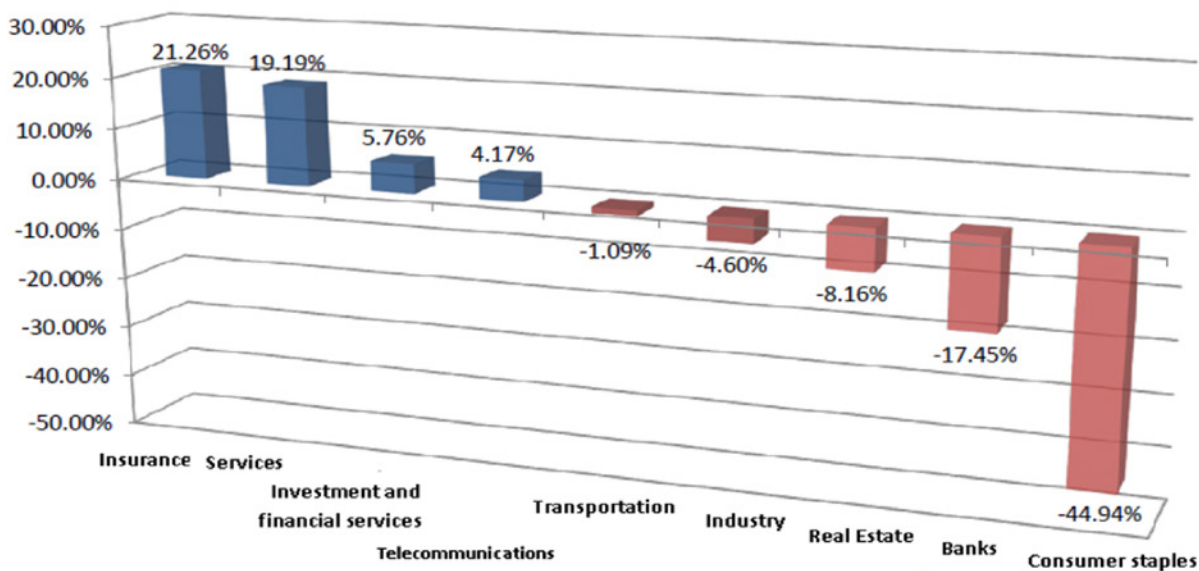


Diagram No. (31)

## Market value of DFM sectors

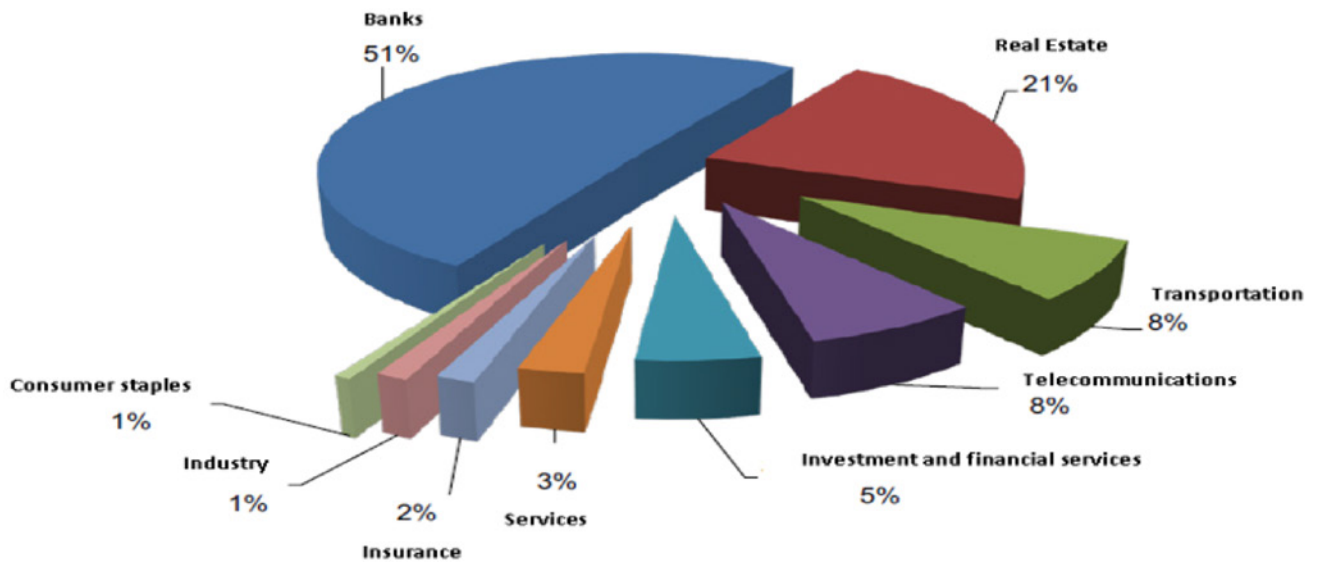
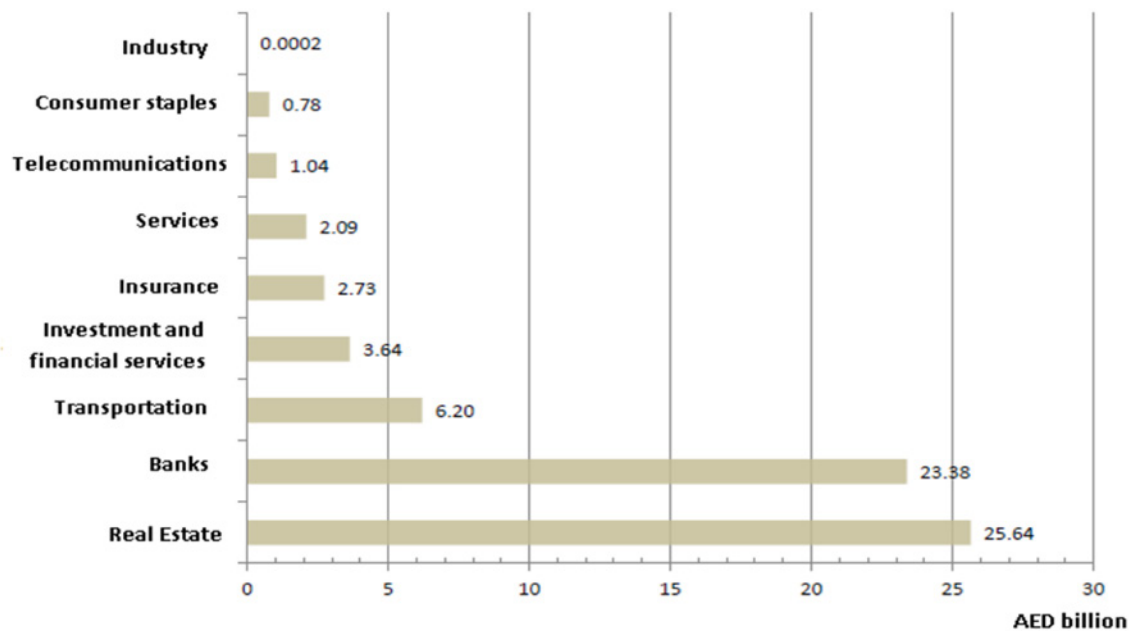


Diagram No. (32)

## Traded value according to the sector in DFM



## Performance of the securities market in the UAE

### Net foreign investment inflows:

The below-mentioned data indicate the foreign investment inflows in the UAE markets for 2020 where they reached in both markets about AED 1399.08 million. This is attributed to the impact of the Covid-19 pandemic on the global economy during 2020. Thus, this had negative effect on the volume of foreign investment inflows.

Table No. (47)

Net foreign investment inflows – in AED - for 2020	
Abu Dhabi	- 2,061,112,383.18
Dubai	661,287,741.12
Total	- 1,399,824,642.06

### Net institutional investment:

The following table shows the net institutional investment in the UAE stocks markets. These investments witnessed positive inflows in 2020 that reached about AED 1873.19 million.

Table No. (48)

Net institutional investment inflows – in AED - for 2020	
Abu Dhabi	2,904,330,633
Dubai	- 1,031,140,646.89
Total	1,873,189,986.11



## Second: At the level of listed companies:

### The top trading companies by value

The following table shows the top five public companies of the highest trading values in 2020, which belong to the sectors of banks, real estate and energy. First Abu Dhabi Bank was at the top.

Table No. (49)

Company	Traded Value in AED	Company	Traded Value in AED
Abu Dhabi Securities Exchange		Dubai Financial Market	
First Abu Dhabi bank	16,304,500,080.22	Emaar Properties	11,005,752,094.00
Aldar Properties	12,147,195,208.19	Emirates NBD	10,986,165,737.63
International Holdings Company	9,666,763,670.54	Dubai Islamic Bank	7,681,399,846.94
ADNOC	7,365,227,303.71	Etihad Properties	4,654,654,079.68
Abu Dhabi Commercial Bank	7,266,058,484.78	Aramex	3,091,652,349.62

### Top companies by price

The following table shows the five best-performing companies by stock price in 2020 where the International Holding Company was at the top.

Table No. (50)

Company	Change percentage	Traded value in AED	Company	Change percentage	Traded value in AED
Abu Dhabi Securities Exchange			Dubai Financial Market		
International Holding Company	577.42 %	16,304,500,080.22	Dubai Islamic Insurance & Reinsurance Company	144.66 %	740,310,617.23
Abu Dhabi National Energy Company	176.39 %	1,349,930,885.26	Emirates Refreshments	91.79 %	63,979,164.79
Arkan Building Materials	93.41 %	256,965,105.43	Dar Al Takaful	80.97 %	169,537,772.43
National Marine Dredging Company	71.71 %	110,647,720.03	DAMAC Properties	74.97 %	1,223,327,571.32
Abu Dhabi National Insurance Company	70 %	198,545,682.92	Ethmar Holdings	52.41 %	561,250,198.61

## Performance of the securities market in the UAE

### Most declined companies by price

The following table shows the five weakest-performing companies by stock price in 2020 where Arabtec Holding Company has the highest rates of decline in its stock prices.

Table No. (51)

Company	Change percentage %	Traded value in AED	Company	Change percentage %	Traded value in AED
Abu Dhabi Securities Exchange			Dubai Financial Market		
Investment Bank	-50.55 %	80,815,300.47	Arabtec Holding	-58.91 %	2,139,994,198.17
Sharjah Insurance Company	-25.70 %	10,049,130.30	DXB Entertainments Company	-50.00 %	529,003,418.97
Dana Gas	-25.55 %	1,147,899,901.83	Amlak Finance	-47.07%	533,233,678.95
Abu Dhabi National Hotels	-23.91 %	56,338,262.99	Gulf Navigation	-32.74%	629,874,385.52
Sharjah Bank	-23.64%	43,085,905.86	Emaar Development	-29.85%	2,386,488,813.44





- Under the powers entrusted thereto, The Securities and Commodities Authority supervises Dubai Gold and Commodities Exchange. In 2006, the Authority and the Exchange signed a memorandum of understanding in relation to the regulatory powers of the Authority and scope of mutual cooperation.
- The Exchange – unique in the region – is supervised through a regulatory system which ensures the integrity and settlement of all transactions in an efficient and transparent manner.
- The Exchange was established under the Authority decision No. 157 of 2005, where the Exchange obtained a license to practice its activity on 15 November of this year after the Authority reviewed its bylaws. The first transaction on the Exchange was performed on 22 November of the same year.
- The following are the most important achievements in the commodity trading markets in the state during 2020.

### SCA's efforts to develop the commodities market:

#### Licensing firms operating in the commodities market:

- SCA licensed the Dubai Commodities Clearing Corporation (DCCC), a wholly owned subsidiary of the DGCX, to operate as a recognized UAE-based Central Counterparty (CCP) that provides clearing and risk management services to exchanges and market infrastructure providers.
- SCA licensed three brokerage firms operating in the commodities market.

#### Approving the DGCX's applications:

SCA approved many applications by the DGCX this year, including listing of new contracts, amendments to contract specifications, adjustment of fees, and other operational notices, as follows:

##### **Applications for new contract listing:**

- PKR/USD Futures Contract.
- Daily Gold Futures Contract.
- INR Weekly Futures Contract.
- FX Rolling Futures Contract (EUR, GBP, and AUD against the USD).

##### **Applications for amendments to contract specifications and listing conditions:**

- Amendment to conditions for listing the Mini Gold Daily Futures Contract.
- Amendment to conditions for listing the Single Stock Futures (SSF) Contract and adjustment of trading fees.
- Amendment to specifications of the Indian Rupee Quanto Futures Contract.
- Revision of the expiration day of the India Gold Quanto Futures Contract.
- INR daily settlement price (DSP)—calculation time.

##### **Applications for adjustment of trading fees of listed contracts:**

- The DGCX submitted applications to SCA, requesting the adjustment of trading fees of some listed contracts.

##### **Various applications and notices from the DGCX:**

- Notices of revision of the initial margins for different contract classes, delivery margins, SPAN priorities, calendar spread charge for various classes of contracts, order size, etc.

### Key Achievements in Terms of Commodity Trading:

#### Key DGCX's Activities in 2020:

- In early 2020, the Dubai Commodities Clearing Corporation (DCCC), a wholly owned subsidiary of the

## Commodity Derivatives

DGCX, was officially licensed by SCA to operate as a recognized UAE-based Central Counterparty (CCP) for commodities that provides clearing and risk management services to exchanges and market infrastructure providers.

- The DGCX was named among foreign trading venues that satisfy the requirements of post-trade transparency, in line with the Markets in Financial Instruments Directive (MiFID II) and the Markets in Financial Instruments Regulation (MiFIR), which confirms its ongoing commitment to meeting the internationally recognized standards.
- The DGCX partnered with Albilad Capital to provide pricing data to a Shari'ah-compliant, gold-backed exchange-traded fund (ETF) listed on the Saudi Stock Exchange, known as Tadawul.
- The DGCX signed two market technology cooperation agreements with Nasdaq Technology and Cigniti Technologies to upgrade its technical platform. Under the agreement, Nasdaq Technology will provide the DGCX with a full suite of integrated marketplace solutions, including multi-asset trading and multi-asset real-time clearing capabilities, as well as pre-trade risk management, market intelligence, market surveillance, and quality assurance applications required to safeguard the integrity of the market.
- The DGCX participated in World Investor Week, a week-long global campaign promoted by the International Organization of Securities Commissions (IOSCO) and led by SCA. The DGCX's participation came in the form of a social media campaign. It also took part in a webinar delivered in Arabic to raise awareness about the importance of investor education and awareness.
- The DGCX collaborated with the Arab Federation of Exchanges (AFE) in delivering a webinar about the DGCX and its core business areas, as well as about the benefits from trading in futures contracts.
- The DGCX was nominated to serve as a member of the AFE Business Development Committee.
- The DGCX was named the 'Exchange of the Year' at the prestigious FOW Global Investor MENA 2020 Awards for the third year in a row. The award recognizes the DGCX's outstanding performance in breaking records of trading volumes, nominal values, and open interest rates.
- The DGCX celebrated its fifteenth anniversary.
- As part of its corporate social responsibility toward the financial industry and the students, the DGCX partnered with the American University of Sharjah and Skyline University College to empower the next generation of professionals in the financial sector, thus paving the way for students to develop their skills and knowledge about trading in futures contracts through an internship program.
- This year, the DGCX became a signatory of the Women's Empowerment Principles (WEPs), an initiative by the United Nations Global Compact, dedicated to promoting women's empowerment and advancing gender equality in the workplace, marketplace, and community. The DGCX pledges to further foster an inclusive work environment by assessing and evaluating its gender equality performance.

### Trades and New Products:

- Around 12,732,530 contracts were traded on the DGCX, with an average daily volume (ADV) of 48,971 contracts and an average open interest (AOI) of 220,504 lots.
- The DGCX recorded trading volumes of 12.73 million contracts in 2020.
- The total notional value traded on the DGCX hovered around \$1.23 billion per day.
- The total volume of contracts traded on the DGCX over its past ten years amounted to 145 million with a total value of \$4 trillion.
- The pound sterling was the best performer among the DGCX's suite of products in 2020, with more than 0.26 million contracts traded, growing by 4,694% annually. The open interest rate exceeded 3.8% in the same period.
- The DGCX launched some strong-performing products. It expanded its Indian rupee product suite with the



launch of a Weekly INR Futures Contract against the US dollar to provide market participants with greater short-term hedging opportunities.

- The DGCX launched the first FX Rolling Futures Contracts—euro (EUR), pound sterling (GBP), and Australian dollar (AUD) against the US dollar (USD). All open positions are automatically rolled over at the close of the trading day as the contracts are perpetual in nature. These contracts complement the DGCX's existing G6 FX Rolling Currency Futures Contracts, providing market participants with tools to manage their price risk and exposure to foreign currencies whilst at the same time offering traders greater access to international currency markets.
- The DGCX Group recorded an annual open interest rate of 220,504 contracts in 2020. Open interest refers to the total number of outstanding contracts at the end of the trading day. It is a strong indicator of the success of an exchange.

Diagram No. (33)

### Number of the monthly traded contracts during 2020

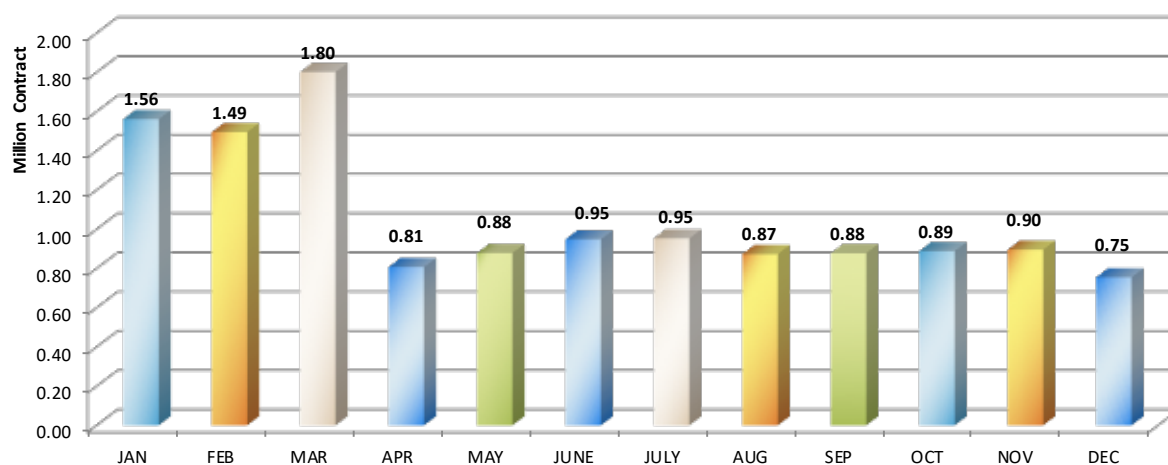


Diagram No. (34)

### Value of the Monthly Traded Contracts During 2020

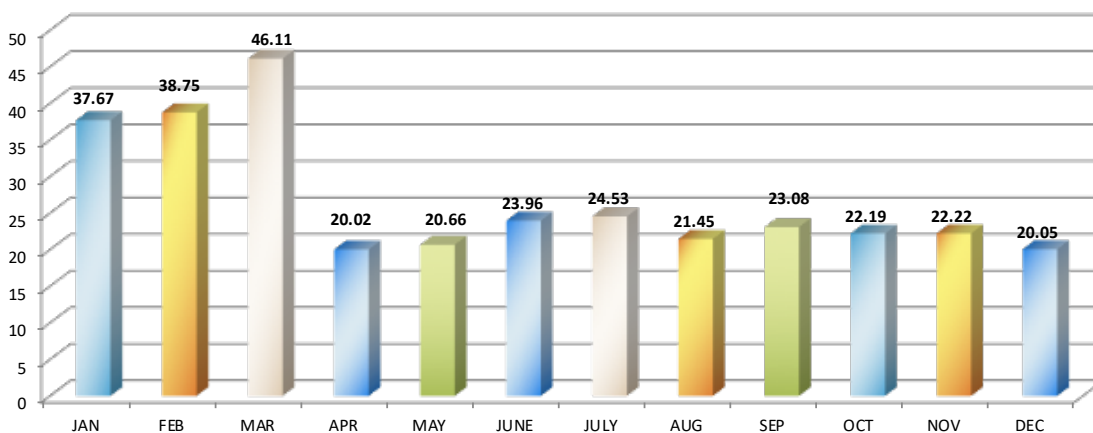


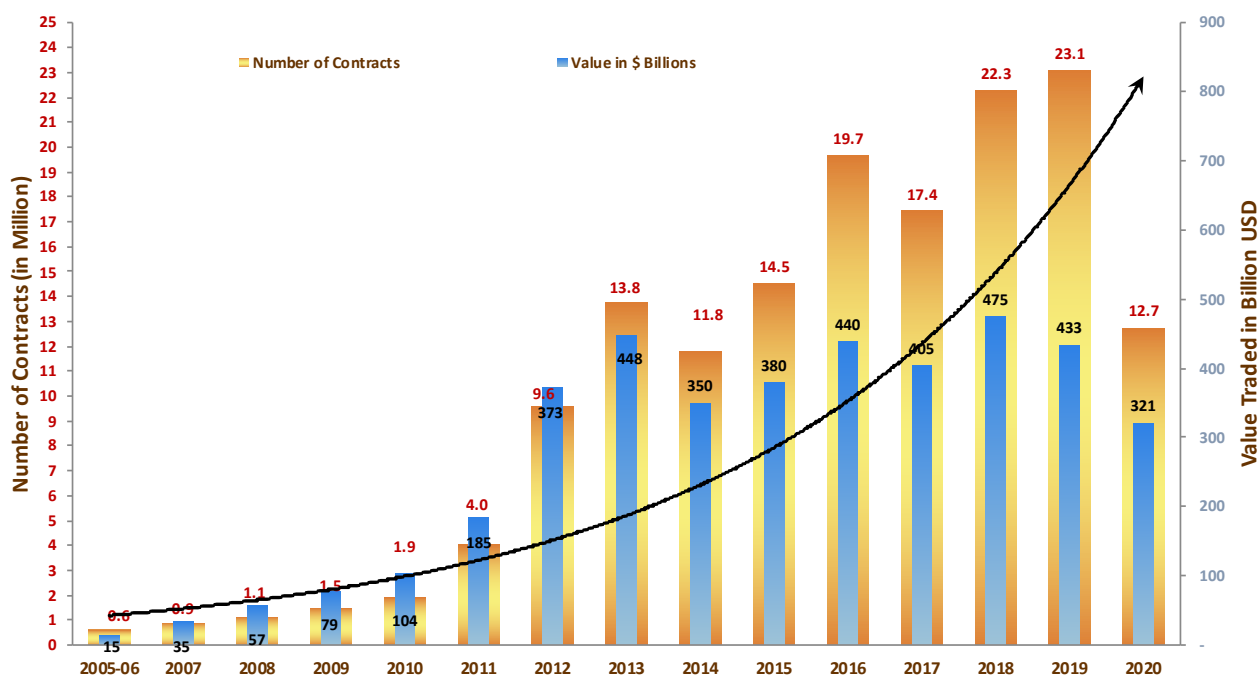
Table No. (52)

Number and value of the traded contracts in comparison with previous years

Year	Value (in US Billion Dollars)	Number of traded contracts	Rate of change in the num- ber of executed contracts
2005-06	15.46	617,898	
2007	34.68	907,469	47%
2008	57.43	1,142,493	26%
2009	78.71	1,503,905	32%
2010	104.18	1,925,463	28%
2011	185.13	4,044,138	110%
2012	372.83	9,601,553	137%
2013	448.25	13,759,255	43%
2014	349.93	11,789,063	-14%
2015	379.80	14,505,316	23%
2016	439.50	19,669,786	36%
2017	404.69	17,439,658	-11%
2018	474.94	22,260,136	28%
2019	433.19	23,066,143	4%
2020	320.69	12,732,560	-44.8%

Diagram No. (35)

Number and value of the traded contracts in comparison with previous years



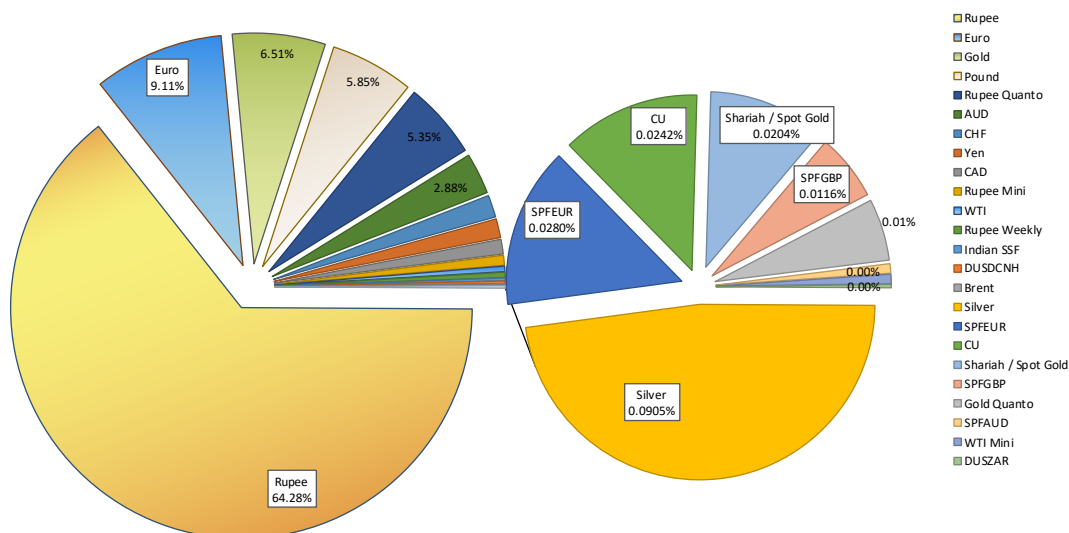
**Table No. (53)**

## Trading Statistics – Comparison between 2019 and 2020

Commodity	Traded Contracts Number			Value in USD Million			Deals		
	2020	2019	% Change	2020	2019	% Change	2020	2019	% Change
Gold Volume	388189	478136	-18.81%	20881.71	22219.96	-6.02%	72764	64607	12.63%
Gold Quanto Volume	822	7651	-89.26%	34.66	266.05	-86.97%	298	2892	-89.70%
Shanghai Gold Volume	0	1950	-100.00%	0.00	82.46	-100.00%	0	714	-100.00%
Shariah / Spot Gold Volume	1195	35	3314.29%	65.27	1.66	3836.21%	260	31	738.71%
Silver Volume	12374	5755	115.01%	290.36	95.80	203.08%	5114	2530	102.13%
Euro Volume	512869	227886	125.06%	29225.07	12774.78	128.77%	26247	30678	-14.44%
Pound Volume	291918	60406	383.26%	18756.07	3884.52	382.84%	22079	21284	3.74%
Rupee Volume	7639530	11257041	-32.14%	206131.81	318881.54	-35.36%	3173362	5032006	-36.94%
Rupee Mini Volume	832081	1463975	-43.16%	2237.78	4139.21	-45.94%	157412	252967	-37.77%
Rupee Options Volume	893	28326	-96.85%	0.11	4.12	-97.33%	31	6671	-99.54%
Rupee Quanto Volume	2326547	7730757	-69.91%	17151.67	54600.73	-68.59%	298010	1714436	-82.62%
Rupee Weekly Volume	44996	-	-	1213.51	-	-	22021	-	-
Yen Volume	90457	8069	1021.04%	4252.43	370.91	1046.50%	6771	2972	127.83%
AUD Volume	267576	5582	4693.55%	9242.56	194.40	4654.44%	9008	2534	255.49%
CAD Volume	88459	3980	2122.59%	3297.85	149.79	2101.63%	5429	1757	208.99%
CHF Volume	92635	4826	1819.50%	4967.74	244.07	1935.38%	7207	1882	282.94%
CU Volume	2662	5736	-53.59%	77.70	172.49	-54.96%	1387	2847	-51.28%
SPFAUD Volume	737	-	-	5.30	-	-	121	-	-
SPFEUR Volume	7593	-	-	89.77	-	-	1594	-	-
SPFGBP Volume	2865	-	-	37.33	-	-	859	-	-
AH Volume	0	485	-100.00%	0.00	4.56	-100.00%	0	50	-100.00%
ZS Volume	0	621	-100.00%	0.00	8.99	-100.00%	0	109	-100.00%
Steel Volume	0	0	-	0.00	0.00	-	0	0	-
Brent Volume	7710	24248	-68.20%	324.81	1549.13	-79.03%	7466	23478	-68.20%
WTI Volume	33085	64635	-48.81%	1233.31	3645.54	-66.17%	28129	48985	-42.58%
WTI Mini Volume	1587	7497	-78.83%	5.28	42.87	-87.67%	835	4446	-81.22%
Indian SSF Volume	79950	1673921	-95.22%	592.15	9628.97	-93.85%	54081	70940	-23.77%
USA SSF Volume	0	0	-	0.00	0.00	-	0	0	-
DMSI Volume	0	0	-	0.00	0.00	-	0	0	-
DMSU Volume	0	0	-	0.00	0.00	-	0	4	-100.00%
DUSDCNH Volume	5762	3110	85.27%	577.43	155.69	270.89%	151	1043	-85.52%
DUSZAR Volume	38	1515	-97.49%	1.90	75.85	-97.50%	18	544	-96.69%
Total Volume	12732530	23066143	-44.80%	320693.58	433194.52	-25.97%	3900658	7290407	-46.50%

**Diagram No. (36)**

### Value of the traded commodity contracts by the commodity type



## Awareness

## Dear Investor

- Discussing with the board of directors the performance of the public joint stock company and its plan for the next period is one of your rights in the company's general meeting. Therefore, make sure to always participate actively and to vote on all decisions in accordance with the company's interest and your interest as a shareholder.
- The company must comply with the controls concerning investor relations, particularly the appointment of an officer for managing investor relations, who should speak Arabic and English fluently, in addition to creating a webpage for investor relations, which include important information such as the contact details of the investor relations officer, the company's disclosures and the financial data.
- Before holding the general meeting of the public joint stock company, shareholders must review and read everything that is published or announced by the company at which they are investing so that their decisions and discussions are based on sound information.
- Shareholders may not add any new clause to the general meeting's agenda in the event that the addition requires the passing of a special resolution by the general meeting or if the special resolution is related to dismissal of some or all members of the board of directors.

- The shareholder representative means that the public joint stock company appoints 2 or more representatives for the shareholders, who shall be nominated by the board of directors and shall be approved by the general meeting to attend meetings and vote on their resolutions on behalf of the shareholders. They should be selected from the law firms listed under the working lawyers register in the UAE or the financial analysts approved by SCA.
- In the event that you authorize a person to attend the general meeting on your behalf, he shall be authorized by a special power of attorney established in writing. Moreover, the shareholder's signature on the power of attorney shall be the signature approved by one of the following entities:
  1. The notary public.
  2. The chambers of commerce or the economic departments in the UAE.
  3. A bank or a company licensed in the UAE provided that the principal shall have account with any of them.
  4. Any other entity that is licensed to perform the attestation works.
- In the event that you authorize a person to attend the general meeting on your behalf, you may not authorize the members of the board of directors

## Dear Corporate Board Member,

You may not take part in voting on deals if you have a common or conflicting interest.



For approval, the deal must be presented to:

• The board of directors if the value of the deal is less than **5%** of the company's capital stock.



• The general meeting if the value of the deal is more than **5%** of the company's capital stock.



## Dear Investor,

Holders of shares in a company can have access to:

- The company's books.
- The company's documentation.
- Documents concerning a deal the company concluded with any related parties.



with permission from the board of directors, upon a general meeting resolution, or in accordance with the provisions of the company's articles of association.



or the employees of the company or of a financial brokerage company or the employees therein. He shall be authorized by a special power of attorney that shall be established in writing and that shall expressly state that the attorney is to attend the general meetings and vote thereon.

- The general meeting may appoint a company to audit its accounts for a period of one year, renewable for a period not exceeding (6) consecutive fiscal years from the date of assuming the audit duties, provided that in this case it is taken into account to change the partner responsible for auditing the company after the expiration of a period of (3) fiscal years.
- Members of the board of directors are elected by secret cumulative vote during the general meeting. Each shareholder has number of votes equal to the number of shares he owns. He also has the option to vote with them for one candidate for membership of the board or distribute them among the candidates he chooses.
- The company may—by a resolution by the general meeting—adopt a dual governance structure in the management and supervision of the company so that it includes two committees: the control committee and executive committee, provided that the control committee is formed from the members of the board of directors, and it is concerned with monitoring the executive

committee and managing the company, while the executive committee shall include members from the executive board and senior executive management, and it is concerned with the day-to-day management of the company.

- Public joint-stock companies must disclose the integrated report, which includes the following data:
  1. Report of the Board of Directors.
  2. Report of auditor.
  3. Annual financial statements and notes.
  4. Report of governance.
  5. Report of sustainability.
  6. Report of the Sharia Supervisory Committee, if any.

## Dear Investor ...

- Exercise your rights as an investor by discussing the financial statements and ensuring to attend the general meetings of shareholders and exercise the right to vote and approve decisions.
- The company's board of directors must invite the general meeting to convene if one or more shareholders own a percentage not less than 10% of the company's shares requested for the same, and the invitation is to be directed to the general meeting within (5) days from the date of

### Dear Investor,

The regulations of the Securities and Commodities Authority criminalize:

Insider trading using undisclosed information.

or

Leakage of such information to third parties before it has been made available to the public.



This is to maintain your right as an investor to access accurate information that is equally and simultaneously provided to all shareholders.

### Dear Investor,

Exercise your rights as an investor by discussing financial statements. To do so, make sure to attend general meetings of shareholders and exercise your right to vote and pass resolutions.



## Awareness

submitting the request, and the general meeting will be held within a period not exceeding (30) days from calling the meeting.

- The shareholder shall, before the convening of the general meeting, review and read everything that is published or announced by the public joint stock company in which he invests so that his decisions and discussions are based on sound information.
- Did you know that the shareholder has the right to obtain a copy of the company's memorandum and articles of association?
- The lawmaker has required the company to provide a copy of its memorandum of association on the website, as well as any documents or other information specified by SCA.
- If you have a question regarding a listed joint stock company that owns its shares, you can obtain information about the company through its website or contact the Investor Relations Department of the company.
- Shareholders can review company books, any documents or papers related to a deal that the company entered into with any of the related parties, with permission from the board of directors or according to a decision of the general meeting or according to what is stipulated in the articles of association of the company in this regard.
- SCA's regulations criminalize insider trading using information prior to their disclosure or leaking this information to others prior to their disclosure. This is to protect the investor's right to get correct information equally with everyone in kind and timing.

### Dear Board Member,

- Board meetings may be held by using modern technology, provided that the articles of association of the company stipulate this and that the meeting minutes are sent by the secretary of the board to all members of the board of directors for perusal and approval.
- Dear board member, the application of the governance system in the public joint stock company aims at establishing an effective legal and regulatory framework to regulate the affairs of the company in a way that leads to achieving transparency, neutrality and fairness in the capital

markets, its transactions and the work environment and to enhance the environment for disclosure.

- Existence of good corporate governance that leads to the successful performance and good achievement of the company, conscious management of risks, as well as the development of a smart strategy for the company's business, all will address the concern of investors and instill confidence in them, whether with regard to companies or the capital market in general.
- You may not participate in voting on deals if you have a common or conflicting interest in the transaction, and the deal shall be approved by:
  1. The board of directors if the transaction ratio is less than 5% of the company's capital.
  2. The general meeting if the transaction ratio is more than 5% of the company's capital.

### Formation of the Board of directors of the Public Joint Stock Company

- When forming the board of directors, balance must be made between executive, non-executive and independent directors, taking into account that the majority of the members of the board of directors shall be independent non-executives, and that the chairman and the majority of the members of the board of directors shall be UAE nationals.

### The importance of women's representation on corporate boards

- For seven years respectively, McKinsey's annual reports have made clear the difference that women's representation on corporate boards makes. In 2013, the report showed that companies with women on their boards achieved an average return on equity that exceeded the market average by 47% and made 55% profits more than companies with no representation of women on their boards.

### Among the prohibited actions in the public joint stock company

- Combining the position of board chairman and the position of company manager/or managing director, or any other executive position with the company.

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