

Q3 2021

Investor Presentation

A World Class Market Place

Key Figures



Dynamic Listing Activities

AED 391_{bn}
MARKET CAPITALIZATION Q3 21

74
LISTED COMPANIES

129
BONDS AND SUKUK LISTED ON DFM AND
NASDAQ DUBAI WITH A VALUE OF OVER
\$103bn

High Trend volumes

AED 39_{bn}
2021 TOTAL TRADED VALUE UP TO Q3 21

AED 207_{mn}
AVERAGE DAILY TRADED VALUE (ADTV) Q3 21

AED 103_{bn}
TOTAL FUNDS RAISED (SINCE INCEPTION)

Diversified Investor Base

48%
FOREIGN INVESTORS' TRADING SHARE

18%
FOREIGN OWNERSHIP
(% OF MARKET CAP)

44%
Institutional Investors'
Trading Share

Source: DFM analytics.

Note: Trading statistics for DFM excludes Nasdaq Dubai.

Foreign investors defined as non-UAE investors.

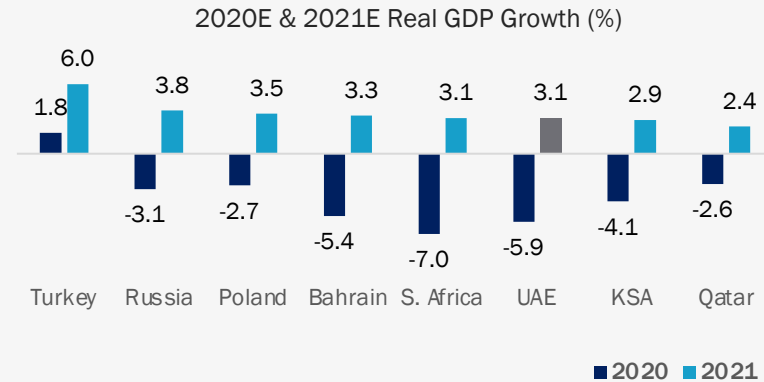
1 Velocity is calculated as annualized trade value / end of period market capitalization.

Strong Demographic & Macroeconomic Fundamentals

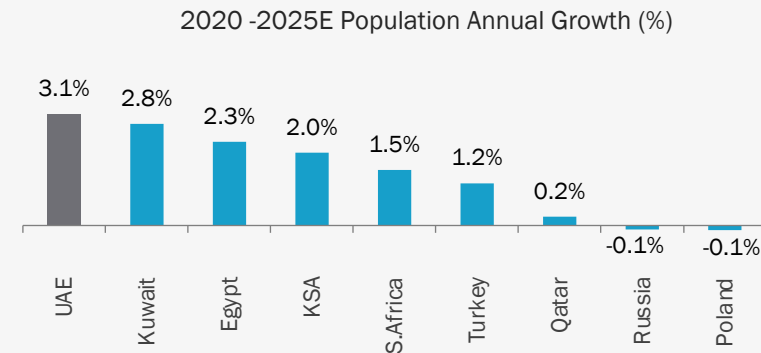
Key Figures



Continued GDP recovery post COVID-19 pandemic

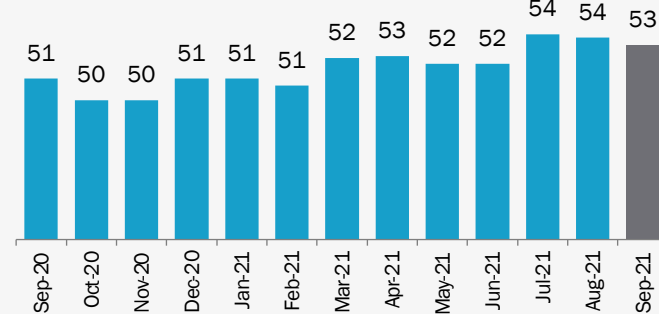


Growing Population



Sustained Growth In Non-Oil Economy....

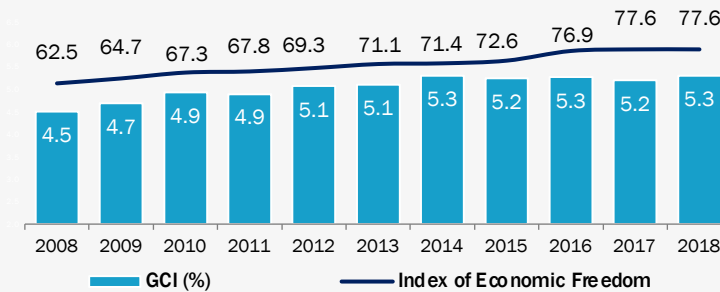
UAE Non-Oil Private Sector PMI, 2020 impacted by COVID-19 Pandemic.



50 – Separates Expansion from Contraction

...Resulting in a Stable Business Environment

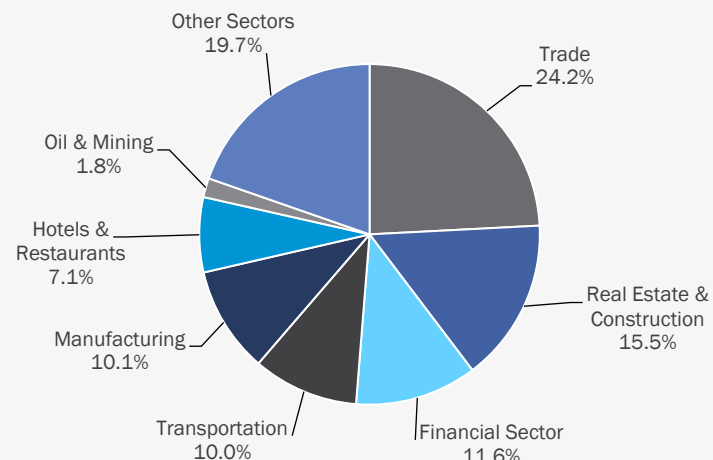
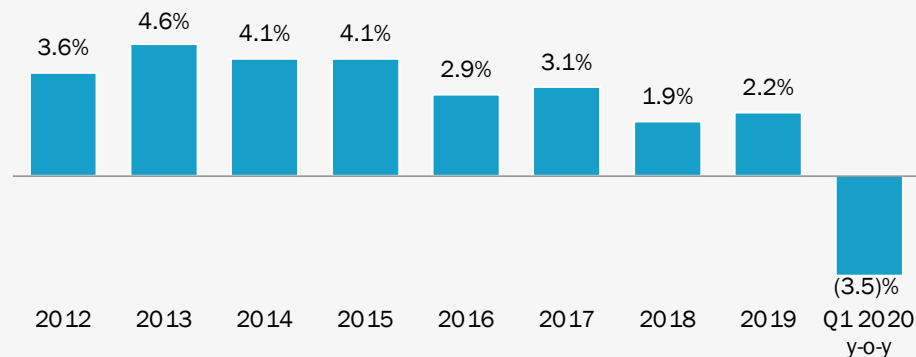
UAE ranked 25th on the Global Competitiveness Index (GCI 2019) & ranked 18th on the 2020 Index of Economic Freedom (1st in the MENA) with a score of 76.2



Source: The UAE National Bureau of Statistics, Euromonitor, Bloomberg, World Economic Forum, Emirates NBD, The Heritage Foundation, IMF World Economic Outlook Database, October 2020.

Dubai growth is Driven by a well Diversified Economy

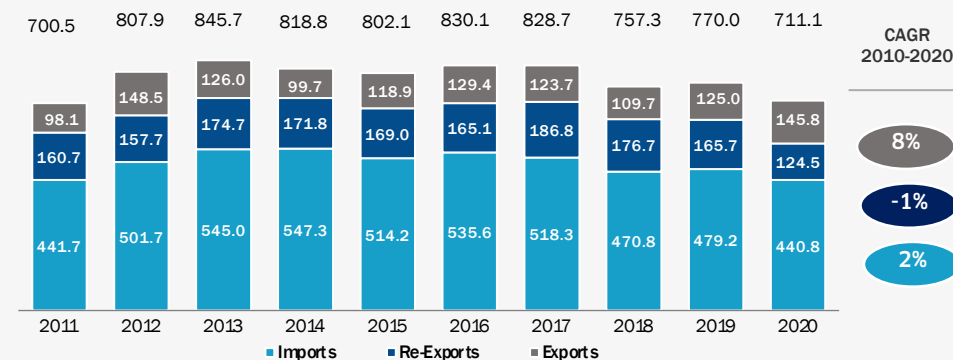
Continuous Dubai GDP growth supported by strong trade activity



Source: Emirates NBD research, Dubai Investment Development Agency, 2017 Global Investment Report published by UNCTAD, Doing Business World Bank, IMF, Gulf news.

* Source: Dubai Statistics Center, some GDP growth percentages were revised due to a new national account series issued by the Dubai Statistics Center. 2019 figures are preliminary estimates, with Q1 2020 decline vs. Q1 2019 due to COVID-19 pandemic.

¹ Source: The Dubai Advantage, Dubai FDI.



Dubai Direct Foreign Trade Breakdown (AED billions)

Commentary

Main highlights of Dubai economy:

- The Emirate of Dubai has reported its budgeted expenses for 2021 to reach AED 57.1bn.
- During 2020, Dubai is one of the few destinations that remains largely open for visitors, albeit with tighter travel restrictions due to Covid-19. Dubai has set a new tourism industry 2040 masterplan which will provide long term guidance to addressing the industry's competitiveness.
- With AED 24.7 billion in FDI inflows, Dubai ranked first in attracting foreign direct investments in the Middle East and North Africa for 2020, and third globally on greenfield FDI projects and fourth in FDI capital flows. ¹
- Dubai is the 1st regionally and the 8th globally in the Global Financial Centres Index. And ranks the 16th among 190 countries in the 2020 Doing Business.
- Dubai has moved the historical focus on Real Estate and Trade to attract more knowledge intensive projects with a greater focus on Technology.
- HH Sheikh Mohammed established the Dubai Security Centre which seeks to ensure the proper implementation of international best practices in Dubai as a financial hub.
- Dubai is placed at the forefront of the global Islamic economy, where the total value of listed Sukuk amounted to AED360bn – end of H1 2020. According the IMF, During 2001–2015, \$53.8bn or 36 percent of all global Sukuk issuances originated in the UAE.

Investor Reach

Global Connectivity



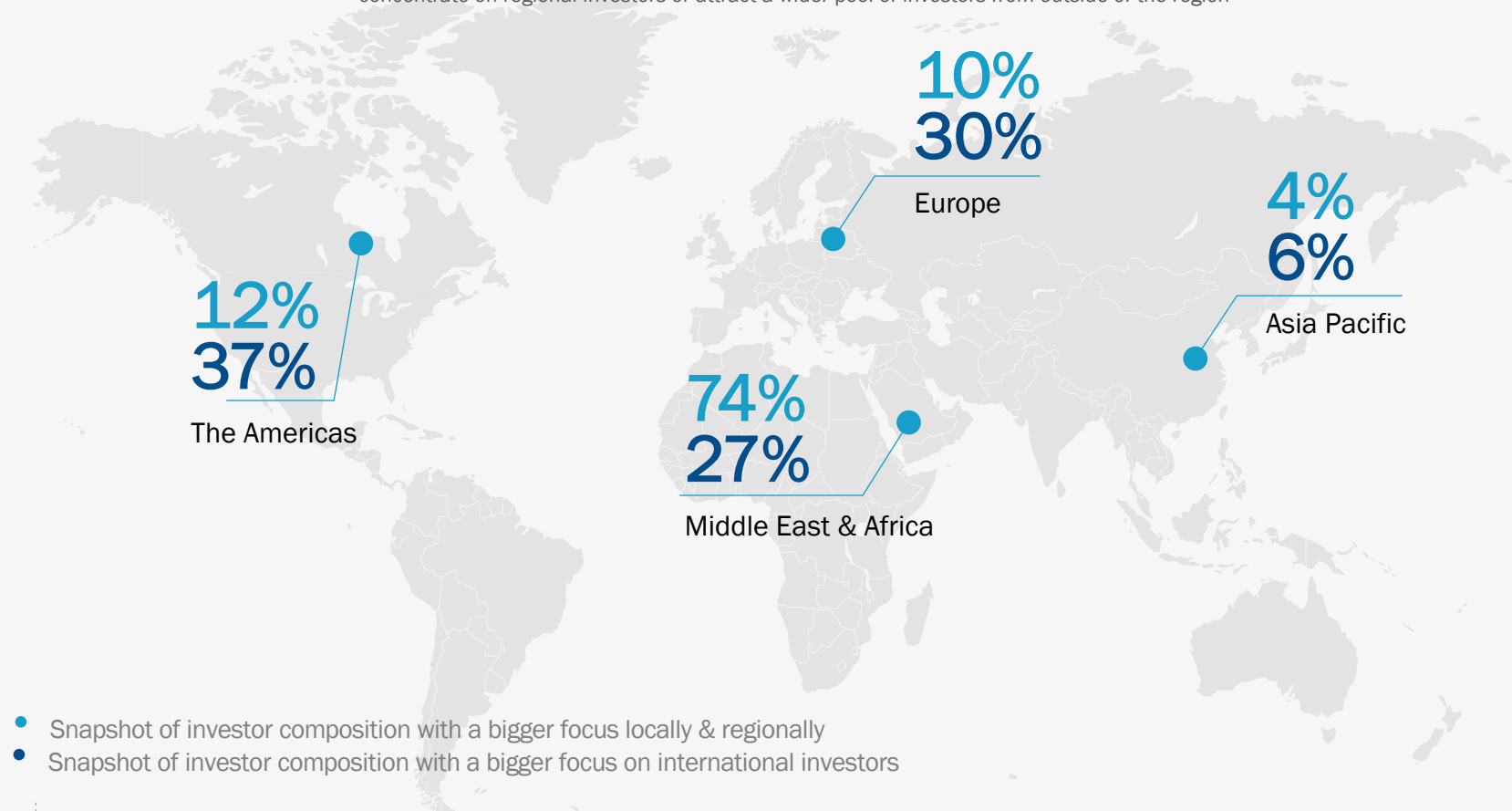
Snapshot of investor composition for 2 equity listings, highlighting the ability to either concentrate on regional investors or attract a wider pool of investors from outside of the region

Regionally

- Direct connectivity to selected regional markets

Globally

- Investors in more than 100 countries
- Over 200 nationalities connected
- Connected to leading international depositories



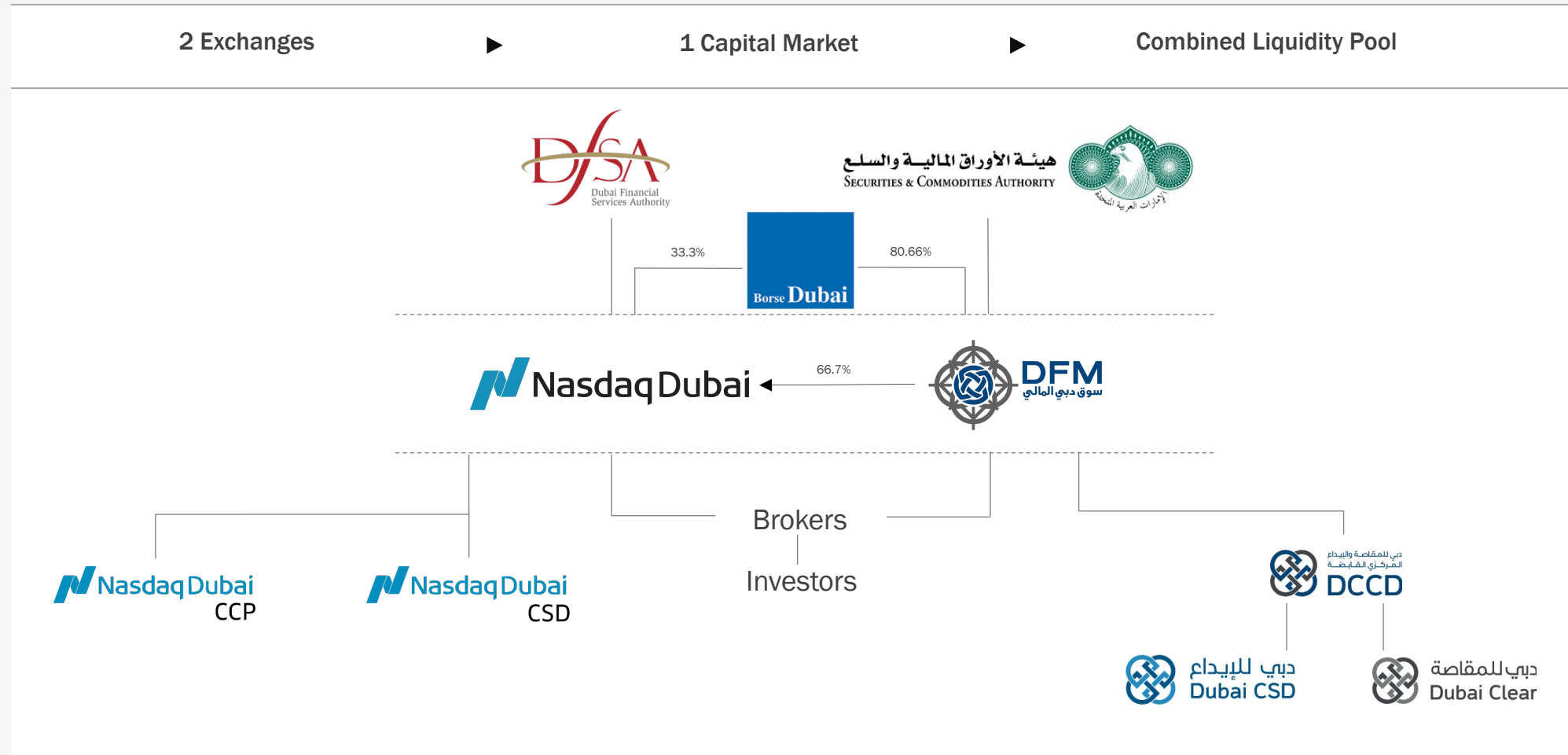
Market Structure & Offering Landscape

Dubai's Capital Market Structure

DFM & Nasdaq Dubai



DFM established in 2000 as a government owned exchange and in 2007 became the first regional exchange to be publicly listed, Nasdaq Dubai was established in 2005



Products and Services Landscape

Key offerings



Listing Options

Main Market

Venue for listing and dual listing of Public Companies

Second Market

Listing venue for Private Joint Stock Companies

Growth Market

Designed for SMEs with more flexible listing requirements (Nasdaq Dubai)

Private Market

Registry / CSD admission with no trading

Asset Classes

Equity Market

Fixed Income

(Bonds and Sukuk)

Derivatives Market

Futures Contracts

REITs & ETFs

Post-Trade Platform & Services

- Central Counter Party Clearing (CCP)
- Depository
- Securities Lending & Borrowing (SLB)
- Regulated Short Selling
- Dividend Distribution
- iVESTOR/MyAccount platform
- eIPO platform
- AGM Management

Post-Trade Functions Development

DFM PJSC launched its new CCP and CSD subsidiaries on 28th April 2020



Key Benefits	Main Impact
Enhanced efficiency in operational performance to improve liquidity	<ul style="list-style-type: none">• Maximizing clearing members' capital requirements, adopting international best practices for margins and settlement funds.• Higher efficiency in using collateral.• Potential boost of clearing members' liquidity.
Enhanced risk mitigation	<ul style="list-style-type: none">• Enhanced risk management by ring-fencing risk through creating separate legal entities.
Compliance with regulations and international best practice	<ul style="list-style-type: none">• Comply with SCA's regulations regarding CCP which requires a separate legal entity for the CCP business license.• Comply with SCA's CSD regulations which require a separate legal entity for CSD business license. Dubai CSD LLC is the first licensed CSD in the UAE.• Comply with the international best practice recommendations.

Derivatives

Supporting Investors to Manage Risk



Dubai is the first regional market to offer equity futures on regional equities, allowing investors to hedge and manage their risks.

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Index Futures

		
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UAE & Regional
Single Stock Futures

Outreach and Opportunity

Diversification Opportunity

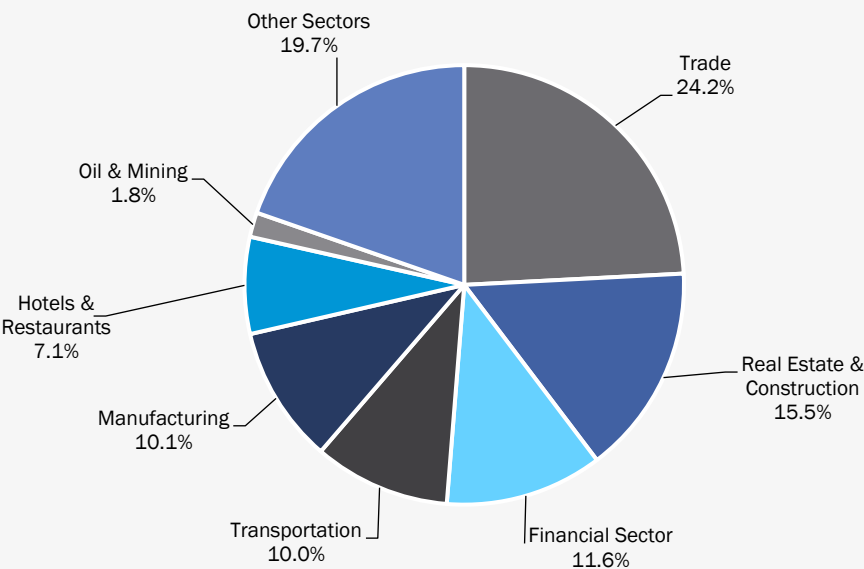
Sector Representation of Dubai's GDP vs DFM



DFM's IPO pipeline strategy aims at a better reflection of Dubai's GDP mix.

- Unlike the economy, the DFM market is dominated by the Financial sector and the Real Estate and Construction sector. These sectors collectively represent 27.1% of the economy vs. 77.3% of the market capitalisation, by end of Q3 2021.
- This represents significant opportunities for DFM as there is a diversified pool of sectors and companies to be listed in the future, and a significant opportunity for issuers since investors are looking for diversified sectors to invest in.

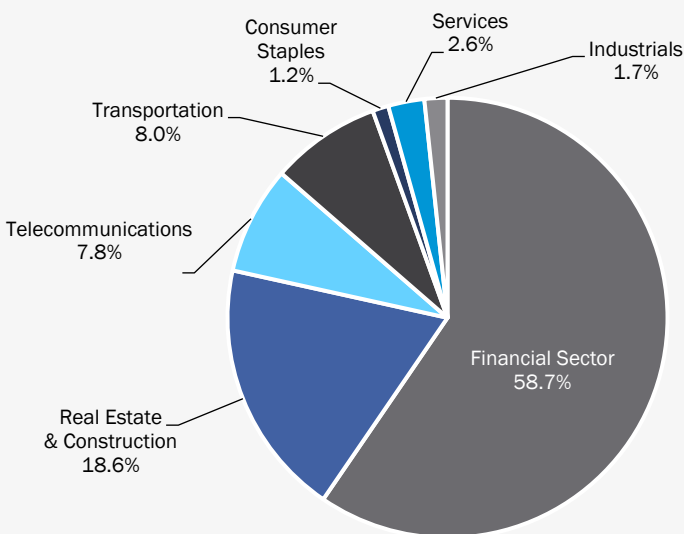
Dubai Real GDP Breakdown – H1 2020¹



Figures may not add up to 100% due to rounding.

¹Source: Dubai Statistics Center Preliminary Estimates H1 2020.

DFM Sectors Breakdown² – Q3 2021



²DFM Sector Breakdown is by market cap.

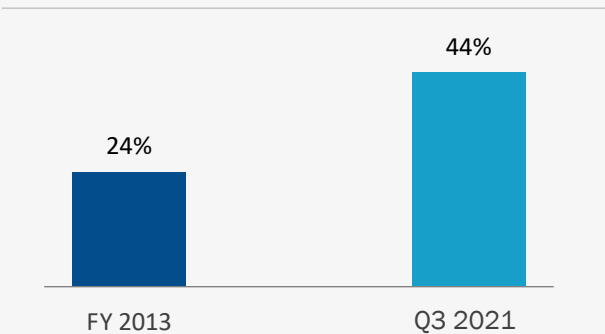
Diversified Investor Base

Bringing Together Regional & International Investors

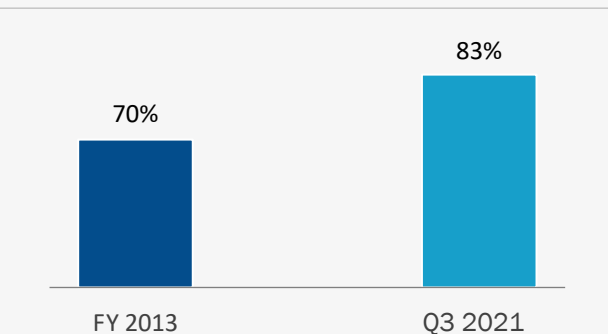


Key Figures: Institutional & Foreign Investors

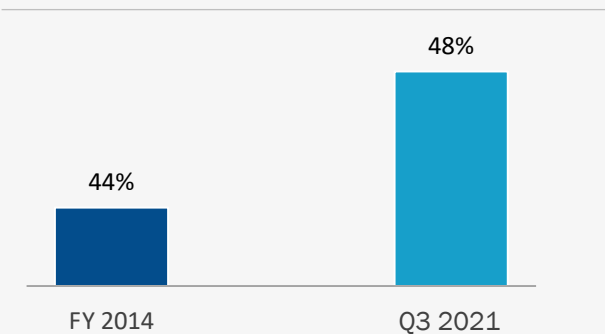
Institutional Trading Share (%)



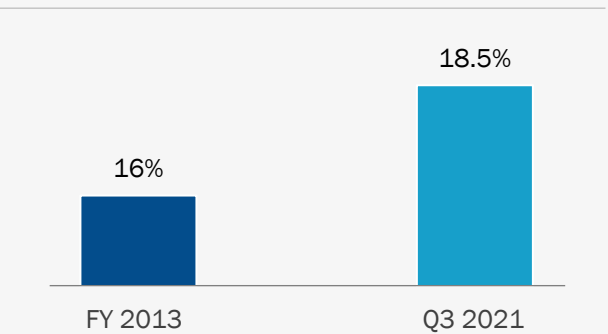
Institutional Ownership (% of Market Cap)



Foreign Investors' Trading Share



Foreign Ownership (% of Market Cap)



Note: Figures exclude Nasdaq Dubai

Retail & HNWI Investors

850k+

Direct Account
Holders

208

Nationalities

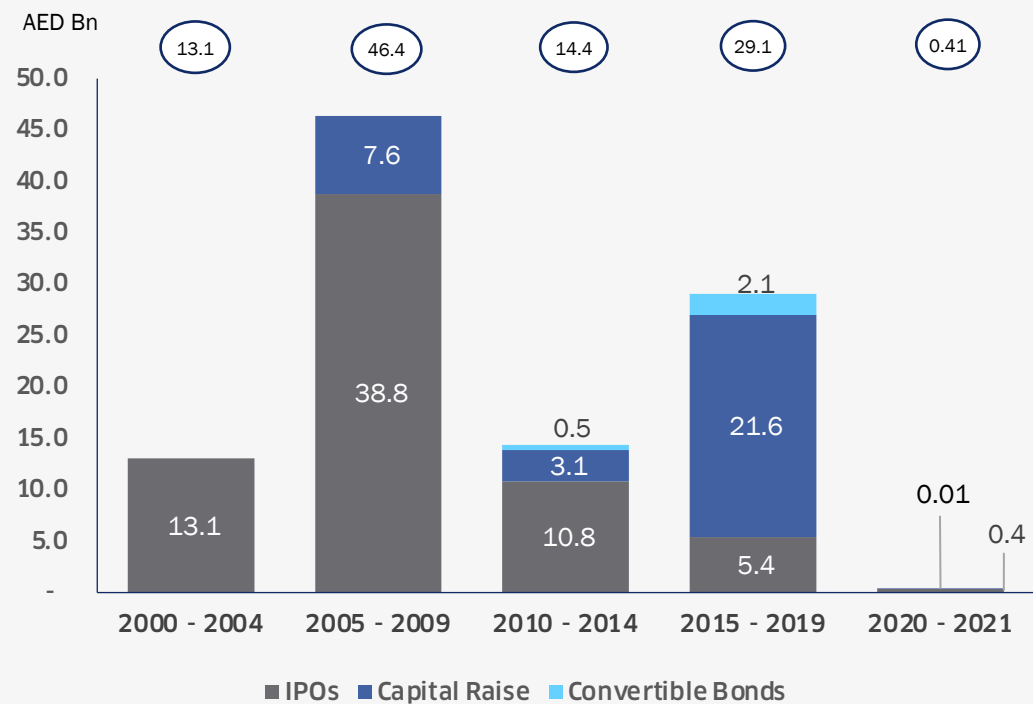
- Retail and HNWI's play a key role in liquidity on DFM
- 54% of trading is from retail and HNWI's, showing their importance on the market
- This includes local and international investors

Capital Raising Success

Over AED103 Billion Raised Since Inception in Dubai



Funds raised on Capital Markets from inception to 2021



Selected Transactions

IPOs

Convertible Bonds

Capital Raises

Index Inclusion

Attracting Investors Through Index Representation



All the major index providers cover stocks listed on DFM in their relevant local, regional and international indices.

Inclusion into additional indices can provide a number of benefits for issuers:

- Exposure to new type of investment; passive as well as active prominent international funds
- Enhancing visibility to international investors
- Enhanced valuations
- Optimal shareholders mix and diversified investor base



- MSCI UAE
- MSCI GCC Countries
- MSCI Emerging Market



- Dow Jones GCC
- Dow Jones MENA
- Dow Jones Sustainability



- FTSE Nasdaq Dubai
- FTSE Emerging
- FTSE Global Equity Shariah



- DFM General Index
- DFM Shari'a

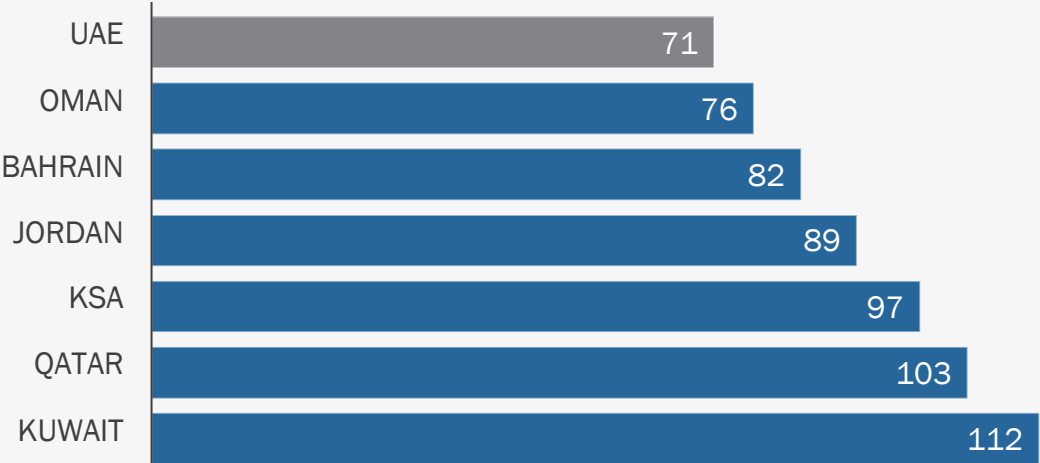


- S&P UAE Price
- S&P UAE Domestic Shariah
- S&P Emerging Middle East & Africa



- Dubai aims to become the city with the lowest carbon footprint by 2050
- UAE ranks highest on SDGs progress in the region
- UAE leads in ESG reporting to drive market transparency and meet growing investor demands
- UAE’s energy mix is shifting away from fossil fuels and towards renewable energy (zero emission).
- AED 100 billion green fund to make Dubai an environment-friendly city with the least carbon footprint in the world by 2050
- Mohammed bin Rashid Al Maktoum Solar Park is expected to be the largest single-site solar park in the world by 2050
- The Dubai and Sharjah ‘Sustainable Cities’ are the first fully operational sustainable communities in the Middle East

SDGs Global 2020 Ranking



Sustainable Development Report

Country	Bahrain	Kuwait	Qatar	Saudi Arabia	UAE
No. of companies using GRI Standards	4	46	29	34	110

Recent Developments

Expanding to Create Further Opportunities



Opening Up Dubai

Foreign Ownership

The Government has improved the attractiveness of setting up a business in Dubai by allowing businesses in most sectors to have 100% foreign ownership.

Residency Changes

The option of obtaining a Golden Visa is not only attracting top talent to Dubai, but also making business owners want to move here.

Expanding the Capital Market

Free Zone Access on DFM

Extending DFM's Main Market IPO to cover and allow companies based in a Free Zone to benefit from raising capital and list on DFM.

Nasdaq Dubai Growth Market

Dedicated platform for younger and growing companies. Cost efficient mechanism to raise capital and list on Nasdaq Dubai.

Equity Futures

The first regional market to list Single Stock Futures on regional names to support investors.



Key Listing Requirements

Variety of Options Available to IPO



	Mainland Companies	Free Zone Companies	Main Market	Growth Market
Size	AED 25mn paid-up capital	AED 20mn paid-up capital	> USD 250mn	< USD 250mn
Financial Track Record	2 Years	2 Years	3 Years	Minimum 1 Year
Free Float	Minimum 30%	Minimum 25%	Minimum 25%	Minimum 25%
Profitability	Profitable for last 2 years	Profitable for last 2 years	Not required	Not required
Legal Structure	Public Joint Stock Company	Public Limited Company	Public Limited Company	Public Limited Company
Listing Advisor	Financial Institution approved by SCA	Financial Institution approved by SCA	Investment Bank	Compliance Advisor with relevant experience
Lock-In Period	6 months	6 months	Not required	1 year
Advisor Post Listing	Not required	1 Year	Not required	3 Years

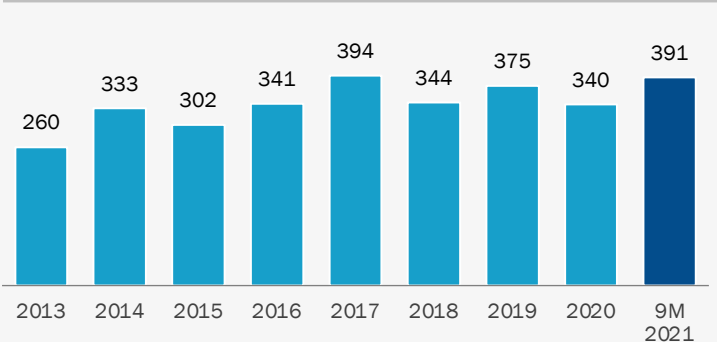
Operational Highlights

Operational Highlights

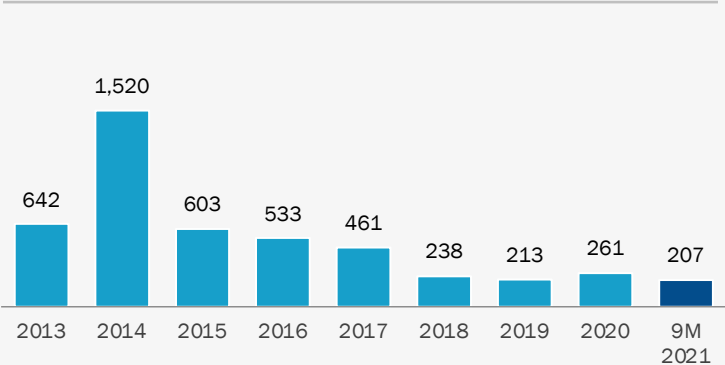
Key Indicators



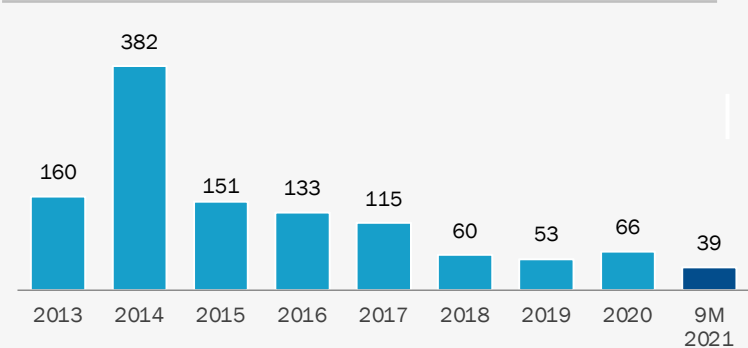
Market Capitalization (AED bn)



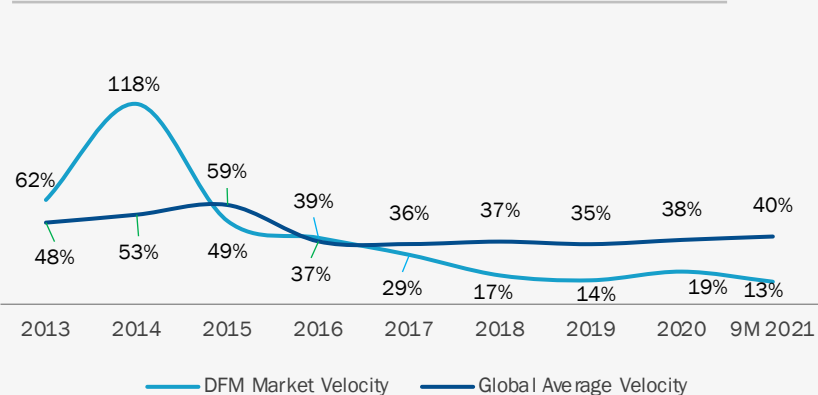
ADTV (AED mn)



Total Traded Value (AED bn)



Market Velocity¹ (%)



Note: Figures exclude Nasdaq Dubai

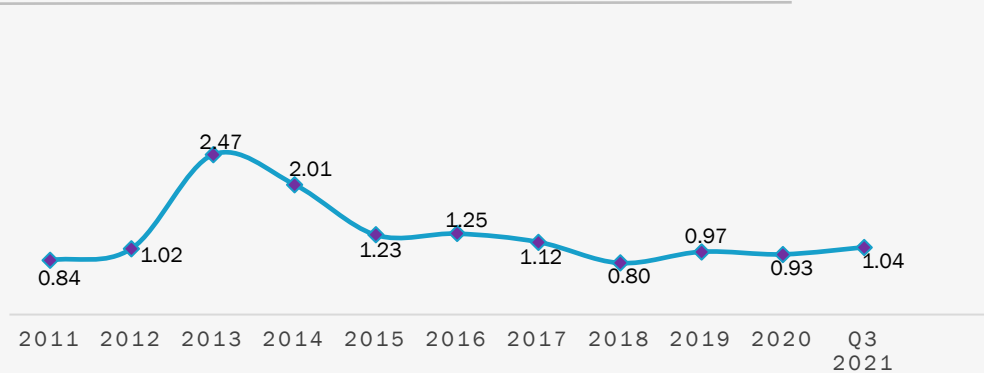
¹ Velocity is calculated as annualized trade value/end of period market capitalization., Source for global velocity figures is the World Federation of Exchanges.

Operational Highlights

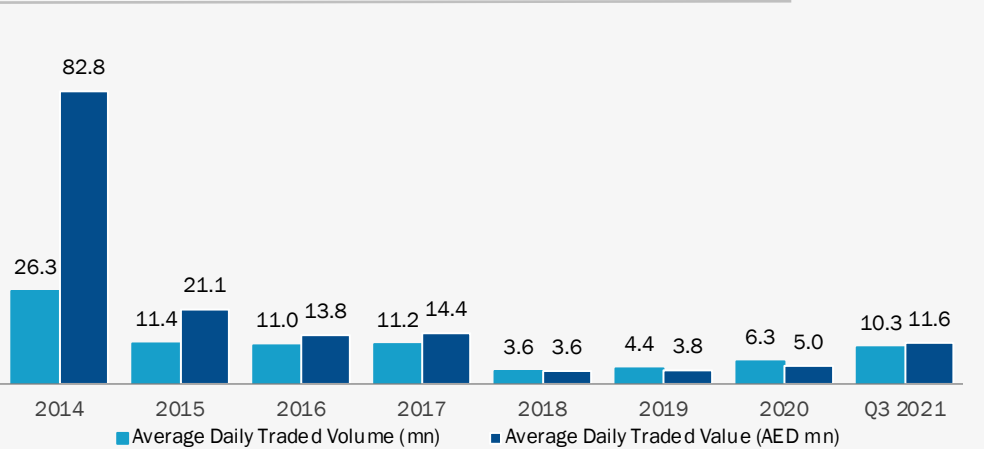
DFM PJSC Stock Trading Activity Performance



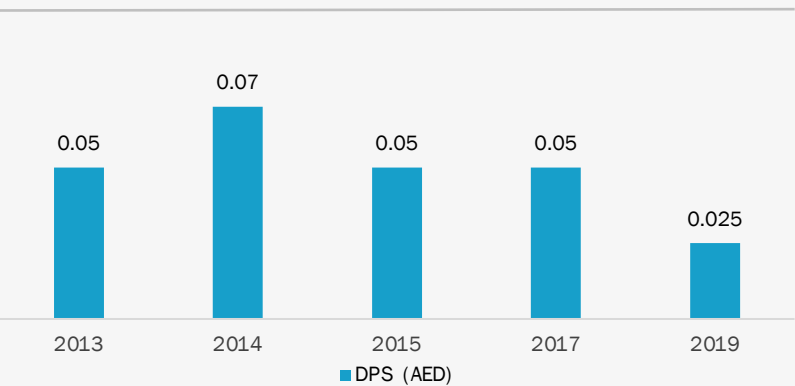
DFM PJSC Stock Price Performance (AED)



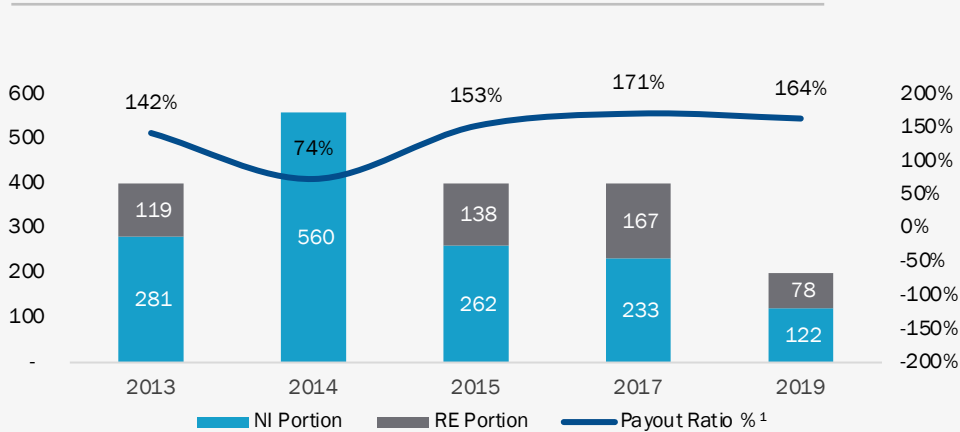
DFM PJSC Stock Trading Activity (AED mn)



Dividends Per Share (AED)



Dividends Payout History (AED mn)



NI stands for Net Income, whereas RE stands for Retained Earnings.
¹ Calculated as dividend (paid following year) divided by the net profit of the year.

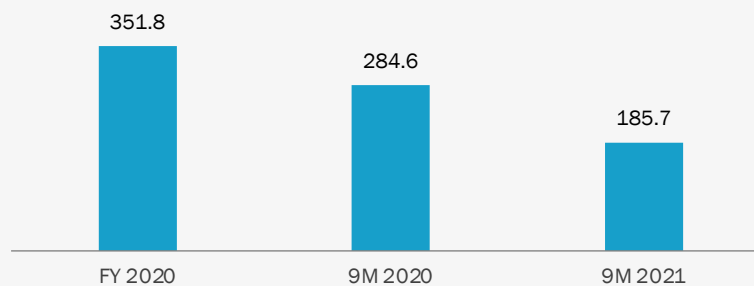
Financial Highlights

Financial Highlights

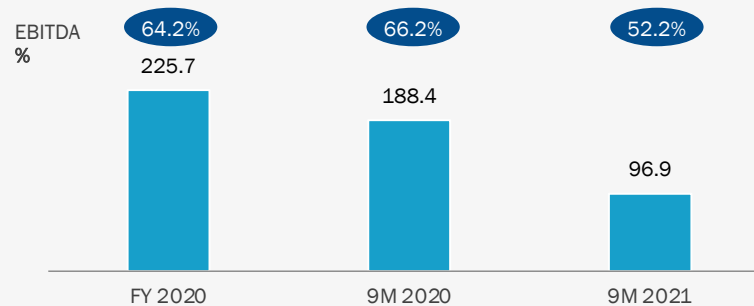
Key Figures



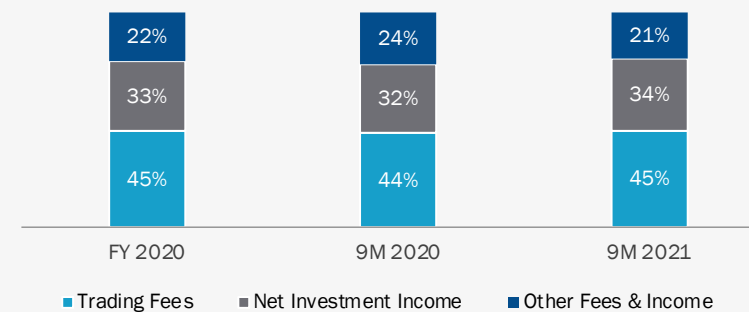
Recurring Revenue (AED mn)



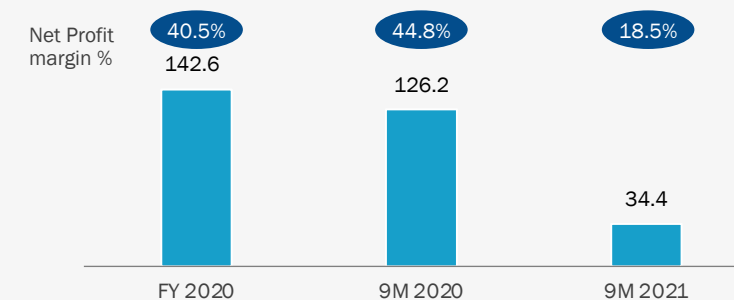
EBITDA (AED mn) and EBITDA Margin (%)



Total Revenue Mix (%)



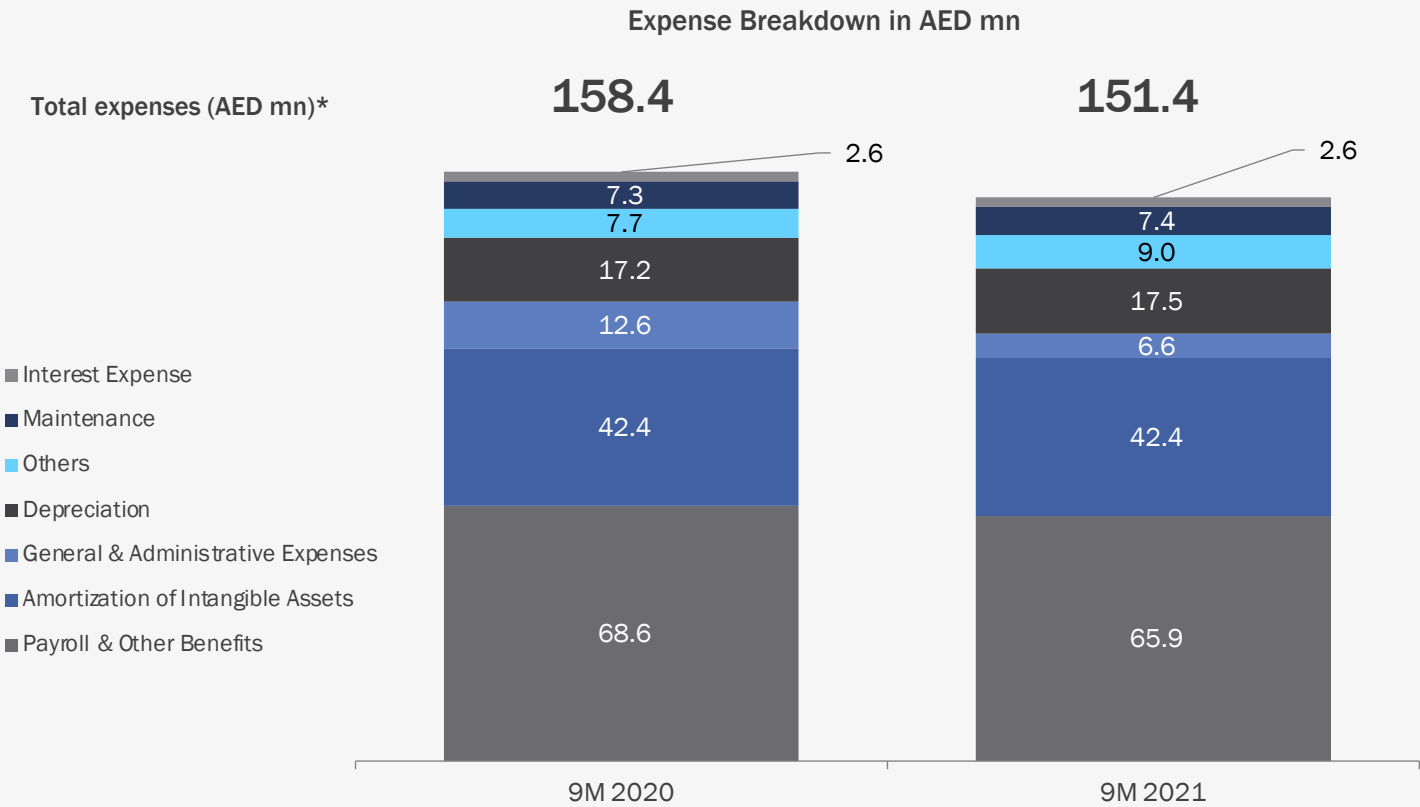
Net Profit (AED mn) and Net Profit Margin (%)



Note: Consolidated financial statements; EBITDA includes investment income and other income. Some figures & percentages in the slide might not totally add up due to rounding.

Financial Highlights

Cost Rationalization Base



*Note: Consolidated expenses; some figures & percentages might not totally add up due to rounding

*As a result of initially applying IFRS 16, in relation to the leases that were previously classified as operating rental expenses, the Group recognized right to use of assets and therefore reclassified rent/lease expense as depreciation expense starting Q1 2019.

Financial Highlights

Selected Items



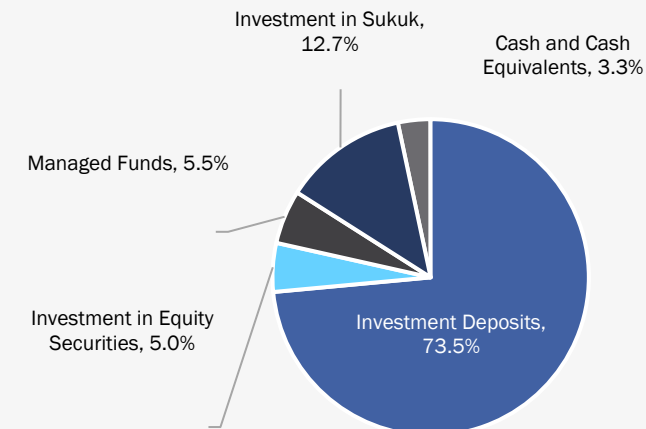
Selected Balance Sheet Items

(AED mn)	FY 2020	9M 2021
Investment Deposits	3,093	3,347
Financial Assets Measured at Fair Value and amortized cost	967	1,054
Goodwill	2,879	2,879
Other Intangible Assets	2,034	1,991
Property and Equipment	352	340
Total Assets	9,901	9,893
Total Equity	<u>7,801</u>	<u>7,843</u>
Total Liabilities	<u>2,100</u>	<u>2,050</u>

Main Financial Assets*

(AED mn)	9M 2021
Cash and Cash Equivalents	151
Investment Deposits	3,347
Less than 3 Months	1,150
Up to 1 Year but More than 3 Months	1,971
More than 1 Year	226
Other Financial Assets Measured at Fair Value – (FVTOCI)	1,054
Investment in Equity Securities	227
Managed Funds	251
Investment in Sukuk	576
Total	<u>4,552</u>

Main Financial Assets Breakdown Q3 2021*



Commentary

- Investment deposits are placed with financial institutions in the UAE, with profit rates ranging from 1.20% to 1.65% per annum.
- Investment in Sukuk in the UAE matures in 1-10 years and carries a fixed profit rate of 3.2% - 5.112% per annum.
- 93% of the other financial assets and Sukuk are invested within the UAE.

Note: Consolidated financial statements

*Some figures & percentages might not totally add up due to rounding.

Financial Highlights

Consolidated P & L



(AED mn)	9M 2020	9M 2021
Trading Commission Fees	125	83.6
Brokerage Fees	11.7	11
Clearing, Settlement and Depositary Fees	38.7	13.4
Listing and Market Data Fees	7.5	7.4
Other Fees	4.9	4.8
Operating Income	187.8	120.2
Investment Income	81.5	55.6
Dividend Income	10	6.9
Other Income	5.3	3
Total Income	284.6	185.7
Payroll and Other Benefits	(68.6)	(65.9)
Other General & Administrative Expenses	(27.6)	(23)
Depreciation*	(17.2)	(17.5)
Amortization of Intangible Assets	(42.4)	(42.4)
Interest Expense	(2.6)	(2.6)
Total Expenses	(158.4)	(151.4)
Net Profit for the Year	126.2	34.3
Attributable to:		
Owners of the Company	120.1	38.1
Non-controlling Interest	6.1	(3.8)
EPS (AED)	0.015	0.005



@dfmalerts



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Dubai Financial Market

www.dfm.ae

Contact Us:

Investor Relations

T: +971 4 305 5650

Email: ir@dfm.ae

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