

DFM Company announces the new organizational structure of its post-trade services

- **Post-trade service are now reorganized under the umbrella of the Dubai Central Clearing & Depository Holding L.L.C that includes; Dubai Central Securities Depository and Dubai Clear**
- **H.E. Essa Kazim: “the new leading initiative is a key milestone in our momentous journey and it further enhances the leading position of Dubai as a dynamic capital markets hub”**
- **Maryam Fekri: “With the all-inclusive structure, we are well-positioned to further introduce value added capital markets services in a safe and transparent market environment in accordance with international best practices”**

Dubai, 26 March 2019; In conjunction with its 19th anniversary, the Dubai Financial Market Company (PJSC) today announced its new organizational structure for post-trade services in line with international best practices of capital markets and post trade services. The structure



further enhances the Company's capabilities to achieve stronger and sustainable growth as well as augmenting its leading position amongst regional markets.

The DFM has always been a key driver in the journey of capital markets' development in the region through numerous initiatives over the past 19 years, including the transformation into a publicly listed company in 2006, in a first step of its kind regionally as well as transformation into the first Sharia'a compliant exchange globally in 2007.

The DFM has completed the formation of Dubai Central Clearing & Depository Holding LLC, a holding company for Dubai Central Securities Depository LLC and Dubai Clear LLC for its post-trade services with Dubai's Department of Economic Development. It has also submitted an application for Dubai Central Securities Depository LLC to the Securities and Commodities Authority (SCA) for the central depository company to commence operations upon receiving the regulatory approval. Additionally and pending to SCA's approval, the operations of Dubai Clear LLC for clearing (CCP) are due to commence officially later this year.

The reorganization of the post-trade services, separating them from the exchange services of listing and trading of securities, follows the completion of in-depth discussions that led to the successful formulation of a comprehensive structure in cooperation with independent advisors. The new structure is in line with international best practices, global IOSCO standards and SCA regulations as well as the consultation with various stakeholders.

His Excellency Essa Kazim, Chairman of the DFM Company (PJSC) said; “Today, in conjunction with DFM’s 19th anniversary, we are extremely pleased to launch a new leading initiative from DFM. The market has played a pivotal role in leading the development efforts of the capital markets sector in this region. Since its inauguration in March 2000, the DFM has always been committed to business excellence through the introduction of numerous initiatives aimed at further enhancing our performance and anticipate potential challenges, ensuring our full readiness for further growth. The DFM pioneered the transformation into publicly listed joint stock company amongst regional markets in 2006 and became the first Sharia’a compliant exchange globally in 2007. Similarly, we believe that this reorganization initiative creates a solid foundation that puts us on the right way to achieve the objectives of our 2021 strategy. The structure is also in line with international best practices and takes into consideration the dynamism of this rapidly changing sector globally that brings with it opportunities as well as

challenges. We believe that the new structure for post-trade services will further enhance operational efficiency, enabling us to better manage risk related to each function; this is quite important for any business and for DFM Company in particular as a publicly listed company.”

Maryam Fekri, Chief Operations Officer (COO) and Head of Clearing, Settlement and Depository Division of DFM said; “We are pleased to accomplish this significant step that strengthens DFM’s leading position amongst capital markets in the UAE and the region. The new business units of the Dubai Central Clearing & Depository Holding L.L.C will provide superior post-trade solutions for clearing, settlement and depository in line with international best practices as well as SCA’s regulation on Central Clearing Activity and Central Depository Activity. With the new structure, the two companies, Dubai Central Securities Depository LLC and Dubai Clear LLC, are well positioned to provide our large and diversified customer base with sophisticated services enabling market participants to benefit from their financial resources and securities in a better way. We have recently launched some widely welcomed new services such as the repo settlement and General Clearing Service. Such value adding services are merely the beginning of a new era of excellence in Dubai capital markets’ customer service.”



It is noteworthy that the DFM Company's shareholders have ratified a special resolution during its annual meeting on March 2018, on reorganizing the DFM's activities in line with international best practices, through establishing independent companies for each activity, provided that, to be in compliance with laws and the Articles of Association, and upon the required approvals of all related authorities.

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About Dubai Financial Market: Dubai Financial Market (DFM) was established as a public institution with its own independent corporate body. DFM operates as a secondary market for the trading of securities issued by public shareholding companies, bonds issued by the Federal Government or any of the local Governments and public institutions in the country, units of investment funds and any other financial instruments, local or foreign, which are accepted by the market. The DFM commenced operations on March 26, 2000 and became the first Islamic Shari'a-compliant exchange globally since 2007. Following its initial public offering in November 2006, when DFM offered 1.6 billion shares, representing 20 per cent of its paid-up capital of AED 8 billion, DFM became a public joint stock company and its shares were listed on 7 March 2007 with the trading symbol (DFM). Following the IPO, the Government of Dubai retained the remaining 80 per cent of DFM Company through Borse Dubai Limited. www.dfm.ae

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