Dubai Financial Market announces 74% rise in Net Profit (pre-tax), for the first half of 2024 to AED 195.4 Million

- DFM's total consolidated revenue rose by 40% to AED 305.7 million in the first half of 2024
- In the first six months of 2024, DFM attracted 72,583 new investors, 85% of which were foreign investors, expanding the current investor base to more than 1.1 million
- Foreign investors contributed 50% of DFM's trading activity during this period

Dubai, 29 July 2024 – Dubai Financial Market (DFM) today announced its consolidated financial results for the period ended 30 June 2024. Net profit before tax grew to AED 195.4 million, marking a significant 74% increase over the same period in 2023.

The first half of 2024 saw a increase in trading activity, higher trade values, and a wave of new investors. Additionally, DFM hosted the annual Capital Market Summit, attracting over 1,000 global delegates. The landmark event offered key insights into the future of finance, and underscoring DFM's status as a leading global listing venue.

Commenting on DFM's performance, **H.E Helal Saeed Al Marri, Chairman of DFM**, said: " We are proud to report a robust performance in the first half of 2024, reflecting the solid foundation we've built. The success of our Capital Market Summit underscores our commitment to fostering a dynamic marketplace that encourages global dialogue and collaboration. We will continue to deliver value for our stakeholders by focusing on innovation, strengthening our infrastructure, and diversifying our services and products offerings. These efforts reinforce the exchange's position as a leading financial market in the region, solidifying Dubai's stature as a key player on the global financial stage."

Solid financial results

DFM's total consolidated revenue rose by 40% to AED 305.7 million in the first half of 2024, up from AED 218.1 million in the same period of 2023. The revenue includes AED 154 million from operating income and AED 151.7 million from investment returns and other income. For the same period, the total expenses excluding tax increased to AED 110.3 million compared to AED 106 million in H1 2023.

Increase in trading metrics

The first half of 2024 saw a significant boost in trading activity on the DFM, with the total number of trades reaching 1.07 million, reflecting a 22% increase compared to the same period in the previous year. Additionally, the total trading value rose by 4% to AED 48 billion. The DFM General Index declined marginally by 0.73%.

Expanding investor base

In the first half of 2024, DFM attracted 72,583 new investors, 85% of which majority are from foreign countries. Institutional investors were particularly active, accounting for 66% of the trading value, with net purchases by foreign investors totaling AED 1.2 billion.

DFM hosted its annual roadshow in London in June this year, in collaboration with HSBC's GCC Exchanges Conference. The event further highlighted investment opportunities within Dubai's vibrant capital markets, featuring 14 leading issuers with a combined market capitalization AED 326 billion. This year's edition facilitated 90 meetings resulting in over 270 interactions, offering global investors exclusive insights into the regions' investment opportunities.

Successful IPO listings

DFM achieved remarkable success in H1 2024, with its IPO listings, In March, Dubai's parking operator Parkin surged over 30% upon its public debut, achieving an unprecedented oversubscription level of approximately 165 times for all tranches combined, a record for the exchange.

In May, Spinneys, a premium grocery retail operator, also went public with its offering oversubscribed by 64 times. The offering saw significant interest from retail investors, with the UAE Retail Offering being increased consequently.

Market initiatives driving growth

Further in the first half of the year, DFM announced several market initiatives to drive growth and innovation. ARENA by DFM, an innovative platform for IPOs, designed to facilitate growth opportunities for both companies and investors was announced in May this year. ARENA represents a pioneering approach to capital raising and investment within the MENA region, allowing a wide range of private companies to access capital through diverse assets, including equity and debt, with plans to introduce additional asset classes.

Additionally, DFM introduced the enhanced iVestor App, underscoring its dedication to empowering investors with cutting-edge digital tools for financial management, making it more accessible, efficient, and engaging for retail investors. These initiatives demonstrate DFM's focus on innovation, strengthening infrastructure and fostering a vibrant and inclusive financial ecosystem for all stakeholders.

Diverse Market Capitalization

Market capitalization of DFM listed companies stands at AED 679 billion in H1 2024. Reflecting Dubai's diverse GDP mix, the sector distribution by market capitalization stands as follows: Financials at 42%, Utilities at 20%, Real Estate at 18%, Industrials at 13%, Communication Services at 4%, with other sectors, including Consumer Staples, making up the remainder. This highlights the potential to attract more companies from underrepresented sectors, further enhancing the depth and diversity of DFM's market offerings.

Hamed Ali, CEO of DFM and Nasdaq Dubai, said, "DFM's steady growth in the first half of 2024 is a testament to our strategic initiatives and the confidence of our investors. Our commitment to innovation is driving new opportunities for both companies and investors, as exemplified by the announcement of ARENA and the enhanced iVestor App. The success of public listings from both government and private entities highlights the depth and resilience of our markets. Additionally, the increase in our foreign investor base can be attributed to the success of our international roadshows, showcasing global appeal and robust investment opportunities within Dubai's financial markets. We look forward to continuing this momentum and unlocking new opportunities for our stakeholders."

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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

For further information, please contact:
Fatma Al Hammadi
Communications and Public Relations
Dubai Financial Market
Tel: +971 4 305 5651
E: falhammadi@dfm.ae

Shruti Choudhury
Account Director
Edelman Smithfield
M: +971 54 586 7874
E: dfmedelmansmithfield@edelman.com

Shraddha Sundar
Account Manager
Edelman Smithfield
M: +971 50 735 0608
E: dfmedelmansmithfield@edelman.com