

**Abu Dhabi Securities Exchange (ADX) announces that Al Ramz Capital has executed the first Covered Short Selling and Stock Lending and Borrowing facility on the Exchange**

Abu Dhabi, 15<sup>th</sup> October 2020, Abu Dhabi Securities Exchange (ADX) announced today that Al Ramz Capital has executed the first Covered Short Selling (CSS) using the Stock Lending and Borrowing (SLB) facility on the exchange. Al Ramz Capital a subsidiary of Al Ramz PJSC, a Dubai Financial Market listed company that offers a variety of financial products and services including asset management, corporate finance, market making, liquidity providing, brokerage, IPO management and research.

Stock Lending and Borrowing (SLB) allows investors to enhance yield of long-term holdings by lending securities to borrowers for an annualized fee while retaining all the rights of holding the securities. SLB also facilitates covered short selling allowing investors to hedge portfolios.

H.E. Mohamed Ali Al Shorafa Al Hammadi, Chairman of ADX said on the occasion: "We are pleased to have one of the UAE's top brokerage firms execute the first Covered Short Selling and Stock Lending and Borrowing deal on ADX. The launch of the CSS service is part of the exchange's strategy to support the diversification of investment tools and providing investors with a broader range of hedging mechanisms. By doing so, it will attract a new segment of specialized and experienced investors, driving both liquidity and trading volumes."

H.E. added that ADX is continually developing the services it provides to investors and stakeholders alike, and continues its efforts to develop and launch strategic initiatives. This is done in order to enhance the UAE's investment structure and support its sustainable economic development, as part of ADX's mission to contribute to further development of the economy of the Emirate of Abu Dhabi.

For his part, Mr. Dhafer Sahmi Al-Ahbabi, Chairman of Al Ramz PJSC. said, "We are pleased to be the first financial services company in the UAE capital markets to utilize the Stock Lending and Borrowing facility and execute a covered short selling transaction. This is an important step forward in the development of regional capital markets. Stock lending and borrowing provides investors the opportunity to enhance the return on long-term holdings while simultaneously providing other market participants hedging and shorting solutions. We are proud to be a part of this development and we commend ADX for achieving this milestone."

### **About Al Ramz**

Founded in 1998, Al Ramz is a UAE domiciled public joint stock company listed on the Dubai Financial Market and regulated by the UAE Securities and Commodities Authority and the Dubai Financial Services Authority.

For more information:

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### **About Abu Dhabi Securities Exchange:**

Abu Dhabi Securities Exchange (ADX) was established on November 15 of the year 2000 by Local Law No. (3) Of 2000, the provisions of which vest the market with a legal entity of autonomous status, independent finance and management. The Law also provides ADX with the necessary supervisory and executive powers to exercise its functions. On 17th March 2020, ADX was converted from a “Public Entity” to a “Public Joint Stock Company PJSC” pursuant to law No. (8) of 2020. ADX is part of ADQ, one of the region’s largest holding companies with a broad portfolio of major enterprises spanning key sectors of Abu Dhabi’s diversified economy.

ADX is a market for trading securities; including shares issued by public joint stock companies, bonds issued by governments or corporations, exchange traded funds, and any other financial instruments approved by the UAE Securities and Commodities Authority (SCA).

ADX is the second largest market in the Arab region and its strategy of providing stable financial performance with diversified sources of incomes is aligned with the guiding principles of the UAE “Towards the next 50” agenda. The national plan charts out the UAE’s strategic development scheme which aims to build a sustainable, diversified and high-value added economy that positively contributes to transition to a new global sustainable development paradigm.

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