

Press Release

ADGM's Asset Management Sector Leads Exponential Growth in Third Quarter of 2024

- Assets under management have increased by **215%** from Q3 2023 to Q3 2024
- **128** asset and fund managers, managing **156** funds, operate in ADGM as of the end of Q3 2024
- Newly issued business licences surged to **759** in Q3 2024, a growth of **33%** compared to Q3 2023

Abu Dhabi, UAE, 28th November 2024: ADGM, the international financial centre (“IFC”) of Abu Dhabi, announced another quarter of unprecedented growth, with exceptional achievements for the third quarter (“Q3”) of 2024 across key metrics. The results underscore ADGM’s pivotal role in Abu Dhabi’s strategic ambition to diversify its economy and solidify its position as a premier global destination for finance, investment, and innovation. ADGM continues to align with Abu Dhabi’s economic growth, which registered a 6.6% growth in non-oil GDP, in the Q2 of 2024.

His Excellency Ahmed Jasim Al Zaabi, the Chairman of ADGM, remarked, *“Our record-breaking achievements in Q3 exemplify the appeal of ADGM’s world-class ecosystem that brings together a stable regulatory environment, strategic location and ease of doing business. The continued influx of businesses and investors into ADGM highlights Abu Dhabi’s competitive advantage in the global financial industry and the growth of the Falcon Economy. As we pave the ‘Path to Forward’, we aim to continue building on this momentum to deliver further growth and innovation that benefits not just Abu Dhabi and the UAE, but the wider financial community.”*

Asset Management Leads Growth

ADGM recorded a substantial increase of **215%** in total Assets Under Management (AUM) in Q3 2024 compared to Q3 2023, demonstrating its rapid ascent as a top asset management hub in the MENA region. This growth highlights ADGM’s ability to attract high-calibre asset managers, investment funds, and private equity firms, establishing it as a go-to location for institutional investors worldwide. This is also reflected in the growth of the total fund and asset managers, which reached **128**, managing **156** funds, as of the end of Q3 2024.

Joiners during the Q3 of 2024 include PGIM, Nuveen and Elysium Management. PGIM is a USD1.33 trillion US asset manager, while Nuveen manages USD1.2 trillion of assets. Other recent joiners include Stonepeak, a leading alternative investment firm specialising in infrastructure and real assets, and Gemcorp Capital.

Surge in New Business Registrations and Expanding Ecosystem

In Q3 of 2024, ADGM saw a **33%** rise in the number of newly issued business licences compared to the same period last year. A total of **759** new licences were issued over the period to financial, non-financial and retail firms. The total number of operational entities

within ADGM's jurisdiction jumped to **2,251**, an impressive **31%** year-on-year growth. The surge reflects strong demand from a diverse range of sectors, including asset management, FinTech, and professional services, within ADGM's ecosystem.

Furthermore, the workforce within ADGM's jurisdiction has been steadily increasing with more and more businesses joining its vibrant ecosystem. Since Q3 2023, there has been an influx of 4,433 workers, marking an increase of **35%** in the overall workforce.

ADGM on its 'Path to Forward'

ADGM recently launched its new brand 'Path to Forward,' which captures its role as a trusted, dynamic, sustainable, and future-focused financial centre. It also unveiled a new logo, which retains the sun's qualities of its legacy logo as a source of energy, which has been enhanced to symbolise growth, resilience and optimism. The design of the emblem is influenced by the shapes and contours of Arabic script, illustrating a connection point and a guiding star, enabling businesses to navigate the 'Path to Forward'. The announcement marked a significant milestone in ADGM's evolution into one of the world's largest financial districts and highlighted its ambitions for the future.

New Initiatives and Strengthened Regulatory Frameworks

ADGM's regulatory framework, underpinned by the direct application of English Common Law, continues to provide transparency and trust, attracting global firms and solidifying its reputation as a secure and reliable financial jurisdiction.

It has been at the forefront of introducing new regulatory enhancements aimed at supporting the dynamic and evolving needs of its expanding ecosystem. This included **introducing the new Whistleblowing framework** reflecting ADGM's commitment to sustain transparency, accountability and market integrity within the IFC. On the digital assets side, the Financial Services Regulatory Authority (FSRA) of ADGM published a consultation paper to enhance its regulatory framework to allow the **issuance of Fiat-Referenced Tokens (FRTs)**, a category of stablecoins that are backed by high-quality, liquid assets denominated in the same currency as the FRT and that can be liquidated rapidly with minimal adverse price effect.

Al Reem Island Transition

After expanding its jurisdiction to Al Reem Island, ADGM entered the transition period where businesses are moving to ADGM licenses to be regulated by its robust regulations. An incentive initiative was introduced in March to ensure a seamless transition by exempting businesses operating within the non-financial and retail sectors on Al Reem Island from paying any fees to obtain an ADGM commercial licence until 31st October 2024. This date has now been extended to 31st December 2024.

One of the major initiatives announced in the Q3 related to the Al Reem Island Expansion was the significant revisions to its licensing fee schedule as part of its transitional arrangements for Al Reem Island businesses. From 1st January 2025, ADGM will implement major reductions of 50% or more in fees to obtain non-financial and retail licences within its jurisdiction. Furthermore, ADGM has also signed an MoU with the Department of

Municipalities and Transport (DMT) to facilitate the transfer of real estate services within ADGM's expanded jurisdiction.

Roadshows Bringing Abu Dhabi to the World

In line with its mission to enhance global connectivity and attract investments, ADGM participated in a series of international roadshows during Q3 of this year. One of the major ones was several high-level engagements in China and Hong Kong to celebrate 40 years of bilateral relations between the UAE and China. Furthermore, ADGM delegations continued their series of engagements with financial leaders and authorities in the international market covering Singapore, London, Washington DC and New York. This brings the total number of bilateral discussions to more than 150 across key international markets.

Upcoming Flagship Event

Looking forward, as ADGM nears the end of the 2024 financial year, it is set to host the third edition of its flagship event series, Abu Dhabi Finance Week (ADFW) in December. The event is expected to bring over 20,000 delegates to explore the theme 'Welcome to the Capital of Capital'.

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About ADGM

ADGM is the international financial centre (IFC) of the capital city of the United Arab Emirates, which opened for business on 21 October 2015. ADGM augments Abu Dhabi's position as a leading financial centre and a business hub serving as a strategic link between the growing economies of the Middle East, Africa, South Asia, and the rest of the world.

Operating within an international regulatory framework based on the direct application of English Common Law, ADGM governs the entirety of Al Maryah Island and Al Reem Island collectively designated as the financial free zone of Abu Dhabi.

ADGM is ranked as one of the most preferred and top-ranking IFCs in the Middle East and Africa region. Its progressive and inclusive business ecosystem fosters growth, resilience, and optimism, for global financial and non-financial institutions. Growing synergies between ADGM and multiple jurisdictions have positioned the centre as one of the world's most advanced, diverse, and progressively governed financial hubs.

For more details on ADGM, please visit www.adgm.com or follow us on LinkedIn and Instagram:

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