
**FINAL NOTICE ISSUED PURSUANT TO SECTION 936 UNDER PART 31 OF THE
COMPANIES REGULATIONS 2020**

To: MANUEL VARELA MATEOS

Address:



Date: 15 July 2025

Email:



1. DECISION ACTION

1.1 This Final Notice ("**Notice**") is issued pursuant to Section 936 under Part 31 of the Companies Regulations 2020 ("**CR 2020**").

1.2 For the reasons given in this Notice, the Registrar of Abu Dhabi Global Market ("**ADGM**") has decided to impose financial penalties on a company director of Half Moon Investments Limited ("**HMIL**"), namely Manuel Varela Mateos ("**Mr. Mateos**") of:

- **USD 7,500** for a contravention under Section 426 of CR 2020 (default in filing accounts and reports: contraventions) for failure to comply with the requirements of Section 415 of CR 2020 (duty to file accounts and reports) by consequence of Mr. Mateos's failing, in his capacity as a director, to file the accounts and reports of HMIL for the financial year ending 31 December 2023, before the end of the period for filing those accounts, namely 24 December 2024; and
- **USD 2,500** for a contravention under Section 400(4) of CR 2020 (Duty to prepare directors' report) by failing to comply with the requirements to prepare a director's report of HMIL for the financial year ending 31 December 2023 as required under Section 400(1) of CR 2020.

1.3 This Notice is issued to Mr. Mateos only. Other persons may be referred to in this Notice due to their factual connection to the matter under the Notice. This Notice does not construct a determination by the Registrar or ADGM that any other person other than

Mr. Mateos has committed a contravention of enactments or subordinate legislation of ADGM, nor is it a reflection upon any other person or entity.

2. EXECUTIVE SUMMARY

- 2.1 The Registration Authority (the "**Authority**") of Abu Dhabi Global Market ("**ADGM**") is responsible for the registration, incorporation and licensing of legal entities in ADGM. The Authority, in addition to registering and licensing legal entities, is the commercial regulator of the ADGM responsible for monitoring and where necessary, enforcing compliance with ADGM's commercial legislation.
- 2.2 Pursuant to Section 415 under Part 14 (Chapter 8) of CR 2020, there is a duty for the directors of ADGM licensed entities to deliver accounts and reports to the Registrar for each financial year. The Authority expects ADGM licensed entities to adhere to the filing obligations and contribute towards fostering an environment of continuous compliance.
- 2.3 In accordance with Section 415(1) and Section 416(2)(a) under Part 14 (Chapter 8) of CR 2020, the directors of HMIL were originally required to deliver HMIL's annual accounts and reports for the year ending 31 December 2023 to the Registrar by 30 September 2024 ("**statutory period for filing**"). The Authority granted the directors of HMIL an extension to the statutory period for filing until 24 December 2024 ("**extended period for filing**"). However, despite the extension, the directors of HMIL failed to file HMIL's accounts and reports before the end of the extended period for filing, and they were not filed until 16 April 2025, being more than 3 months after the extended period for filing.
- 2.4 In accordance with Section 400(1) and 400(2) of CR 2020, the Directors of HMIL were required to prepare a director's report for the financial year ending 31 December 2023. The requirement to prepare a director's report applies since HMIL is a parent company to subsidiaries and its directors must deliver group accounts to the Registrar. Mr. Mateos failed, in his capacity as a director of HMIL, to prepare a director's report for the financial year ending 31 December 2023.

3. DEFINED TERMS AND RELEVANT REGULATIONS

- 3.1 Defined terms are identified in the Notice in parentheses, using the capitalisation of the initial letter of a word or of each word in a phrase, and are either defined in the Regulations, or in the body of this Notice at the first instance the term is used. Unless the context otherwise requires, where capitalisation of the initial word is not used, an expression has its natural meaning.
- 3.2 Extracts of Regulations and Rules referred to in this Notice are attached in Annexure A. Complete copies of the Regulations and Rules are accessible on the ADGM website www.adgm.com/legal-framework/rules-and-regulations.

4. FACTS AND MATTERS SUPPORTING THE DECISION

Background

- 4.1 On 11 May 2017, HMIL was incorporated in ADGM as a Private Company Limited by Shares and licensed to conduct the non-financial (Category B) business activities of propriety investment company (7014) and proprietary asset management company (7015).
- 4.2 The company directors of HMIL are as follows:
- (i) Mr. Shaukat Murad who has been a company director of HMIL since 11 May 2017 and he is also an authorised signatory. Additionally, Shaukat Murad is a nominee shareholder of HMIL;
 - (ii) Mr. Zia Murad who has been a company director of HMIL since 2 April 2019 and he is also an authorised signatory;
 - (iii) Mr. Mateos who has been a company director of HMIL since 31 May 2021. It is of note that Manuel Mateos was also a company director of HMIL between 12 December 2018 and 2 April 2019;

collectively, (the “**Directors**”).

4.3

- 4.4 On 20 March 2023, the Authority imposed financial penalties on HMIL and its Directors as per Section 426 of CR 2020 (default in filing accounts and reports: contraventions) for failure to comply with the requirements of Section 415 of CR 2020 for failing to file accounts and reports for the financial year ending 31 December 2021. The Authority noted in this action that the required Agreed Upon Procedures Report (“**AUP Report**”) in connection with the 2018/2019 revenue figures of HMIL was also outstanding at this time.

HMIL failure to file its accounts and reports year ending 31 December 2023

- 4.5 In accordance with Section 415(1) and Section 416(2)(a) under Part 14 (Chapter 8) of CR 2020, the directors of HMIL were originally required to deliver HMIL’s annual accounts and reports for the year ending 31 December 2023 to the Registrar by the statutory period for filing (i.e. 30 September 2024). The Authority granted the directors of HMIL an extended period for filing to 24 December 2024. However, despite the extended period for filing, the directors of HMIL failed to file HMIL’s accounts and reports before the end of the extended period for filing.

- 4.6 On 10 July 2024, there was a meeting held at the ADGM offices between the Authority and HMIL that was attended by Mr. Shaukat Murad. The meeting discussion covered the AUP Report in connection with the 2018/2019 revenue figures of HMIL and its delivery of audited accounts for the year ending 31 December 2023. During the meeting, it was confirmed by Mr. Shaukat Murad that [Auditor A] was the auditor for the Financial Year 2023 ("FY 2023") and that the audit for FY 2023 was on track to enable HMIL to meet the statutory period for filing deadline of 30 September 2024. Further, Mr. Shaukat Murad queried in the event there was a disclaimer of opinion by [Auditor A] on its audited accounts for FY 2023, what the next steps would be of ADGM. In response, the Authority advised that the matter may be referred to Enforcement.
- 4.7 On 19 September 2024, HMIL filed with ADGM a notification of Appointment and Cessation of Registered Auditors via the ADGM Portal. Attached to the filing was a Resolution of the Board of Directors ("**September ROBD**") dated 19 September 2024 in which it was noted that its appointed auditor [Auditor A] had resigned as of 12 August 2024. It was also noted that "*due to a glitch on the ADGM portal*" the filing was being made at the earliest possible opportunity after the date of the auditor's resignation. The September RBOD was signed by both Mr. Shaukat Murad and Mr. Zia Murad.
- 4.8 On 24 September 2024, HMIL filed an Annual Accounts Filing Extension ("**Extension Request One**") via the ADGM Portal (SR-269474). HMIL, under Extension Request One, requesting an extension to the period for filing its accounts and reports for year ending 31 December 2023. HMIL requested an extension to 24 December 2024.
- 4.9 As set out in the Application Form for Extension Request One, HMIL applied to have the period extended initially to 31 December 2024 and the reason provided was due to its existing auditor resigning from assignment. The following comment was added by HMIL "*We are looking for a new auditor but no one is interested until we get a filing extension...*". M&E also noted that attached to Extension Request One was a timeline that is titled, "*Half Moon Investments – [Auditor A] Resignation Timeline*".
- 4.10 The same day, on 24 September 2024 at 05:06 PM, an update was made to Extension Request One via the ADGM Portal whereby the requested extension date was changed from 31 December 2024 to 24 December 2024.
- 4.11 Pursuant to Section 416(5) and Section 416(6) under Part 14 (Chapter 8) of CR 2020, the Authority granted the extension to 24 December 2024 and an approval email confirming the same was sent on 26 September 2024.
- 4.12 Attached to Extension Request One was an email sent from [Auditor A] to HMIL dated 12 August 2024 with the subject 'Half Moon Investments Limited'. In the email, it states "*considering* [REDACTED]
[REDACTED]
[REDACTED]
Accordingly, we are not issuing our audit Engagement Letter". The Authority considers that there appears to be conflicting information on the position with the auditor for FY

2023 since this email suggests [Auditor A] had not yet been officially engaged, whereas Mr. Shaukat Murad previously informed the Authority (on 10 July 2024) that the audit for FY 2023 was on track to meet the deadline, implying that it had at least commenced.

- 4.13 Mr. Shaukat Murad responded to [Auditor A's] email on 16 August 2024 expressing his disappointment in [Auditor A's] withdrawal. Further, in the email it provides, "...you state that no letter of Engagement will be issued. With respect, your Firm [Auditor A] has already been fully engaged with YE 2023 Audit. [REDACTED]

- 4.14 On 24 December 2024, HMIL filed an Annual Accounts Filing Extension ("**Extension Request Two**") via the ADGM Portal (SR-316799). HMIL, under Extension Request Two, requested an extension to the period for filing its accounts and reports for year ending 31 December 2023. HMIL requested an extension to 25 December 2024 and provided, "*Directors Resolved to change auditor to [Auditor C] who need TWO months please*". There was no Application Form attached to Extension Request Two, however, attached was a Resolution of the Board of Directors dated 23 December 2024 ("**December ROBD**") in which it was noted that the engagement of [Auditor B] had been terminated. The following was resolved:

"The Directors discussed the very slow progress being made on the audit for the YE 31st December 2023 by the current auditors [Auditor B]. After some discussion IT WAS RESOLVED THAT a new auditor [Auditor C] be appointed. Their Engagement letter dated 16 December 2024 and Confirmation of Appointment of Auditor letter dated 20th December 2024 are attached."

- 4.15 On 25 December 2024, the Authority returned Extension Request Two via the ADGM Portal to HMIL with the following update:

"Please refer to Section 416(6) of ADGM Companies Regulations 2020 which states: 'Any such extension must not have the effect of extending the period for filing to more than twelve months after the end of the relevant accounting reference period'. Given the relevant accounting reference date is 31 December 2023, the maximum allowed period would be twelve months after the end the above-mentioned period. As such, a further two months cannot be granted."

- 4.16 Pursuant to Section 416(6) under Part 14 (Chapter 8) of CR 2020, an extension to the period for filing must not extend beyond more than twelve months after the end of the relevant accounting reference period. Accordingly, the Authority did not grant Extension Request Two due to the desired extension period exceeding the maximum period allowed. Therefore, the extended period for filing remained as 24 December 2024 and consequently the deadline for filing of the accounts and reports for the year ending 31 December 2023 had passed.

- 4.17 On 7 January 2025, the Authority emailed HMIL giving notice that its accounts and reports for the year ending 31 December 2023 had not been filed and were overdue. HMIL was informed that the Authority reserved its right to take action for non-compliance. The same day, on 7 January 2025, HMIL replied to the Authority stating that, *"the auditor we appointed (as recommended!) was having problems, so we had to appoint another one who was more comfortable with our structure..."*
- 4.18 The directors of HMIL were originally required to deliver HMIL's annual accounts and reports for the year ending 31 December 2023 to the Registrar by the statutory period for filing (i.e. 30 September 2024). The Authority granted the directors of HMIL an extension to 24 December 2024. However, despite the extension, the directors of HMIL failed to file HMIL's accounts and reports before the end of the extended period for filing.
- 4.19 On 28 January 2025, the Authority sent HMIL a formal concerns letter regarding its non-compliance with the commercial legislation of ADGM. This letter outlined the concerns of the Authority with HMIL and its directors' failure to file compliant accounts and reports for the financial years 2018, 2019 and 2020, pursuant to the requirements under CR 2020. HMIL had incorrectly filed its accounts for the aforementioned years under the micro company's regime when it did not qualify. The Authority required HMIL to provide the AUP Report over its revenue figures for the financial years 2018 and 2019. However, it failed to do so since the AUP Report provided did not meet the objective of the engagement and it was not delivered to the Registrar in a timely manner. The Authority duly considers this matter as part of the compliance history of HMIL and its directors.
- 4.20 By way of email dated 5 February 2025, Mr. Shaukat Murad replied to the Authority's letter dated 28 January 2025 stating that ADGM's Final Notice dated 20 March 2023 fined the company and its directors for all such matters (referenced in the letter) and all such matters are now considered closed.
- 4.21 In addition, Mr. Shaukat Murad set out a number of points, including the following:
- (i) *"For the record, every auditor we approached, after [Auditor A]'s resignation cited [REDACTED] to be reluctant to accept appointment". The Authority note that this assertion was not put forward at the relevant time of submitting Extension Request One or Extension Request Two; and*

(ii)



- 4.22 On the same day, 5 February 2025, the Authority replied to Mr. Shaukat Murad's email clarifying that the Final Notices issued 20 March 2023 related only to the contraventions of (i) failing to file accounts and reports for the FY 2021, and (ii) failing to prepare a director's report for FY 2021. It was further highlighted to Mr. Shaukat Murad that the annual accounts and reports of HMIL for financial year 2023 had not been filed within the statutory deadline and the Authority reserved the right to take enforcement action for contraventions of the commercial legislation.

Failure to prepare a Director's Report

- 4.23 The requirement to prepare a director's report applies since HMIL is a parent company to subsidiaries and the Directors of HMIL must deliver group accounts to the Registrar. In accordance with Section 400(1) and 400(2) of CR 2020, the Directors of HMIL were required to prepare a director's report for the financial year ending 31 December 2023. However, Mr. Mateos, in his capacity as a director, failed to prepare a director's report for the financial year ending 31 December 2023.

5. CONTRAVENTIONS

- 5.1 Based on the facts and matters noted above, the Registrar considers that Mr. Mateos has contravened Section 426(1) of CR 2020 for failure to comply with the requirements of Section 415 of CR 2020 (duty to file accounts and reports) by consequence of Mr. Mateos's failing, in his capacity as a director, to file the accounts and reports of HMIL for the financial year ending 31 December 2023, before the end of the statutory period for filing, as extended to 24 December 2024.
- 5.2 Pursuant to Section 426(1) of CR 2020, if the requirements of Section 415 of CR 2020 are not complied with in relation to a company's accounts and reports for a financial year before the period for filing those accounts and reports, the company and every person who immediately before the end of that period was a director of the company, commits a contravention and shall be liable to a fine of up to level 5 in accordance with Section 426(3) of CR 2020. The maximum amount of fine for a level 5 contravention is USD 15,000.
- 5.3 The Registrar further considers that Mr. Mateos has contravened Section 400(1) CR 2020 by failing, in his capacity as a director, to prepare a director's report of HMIL for the financial year ending 31 December 2023.
- 5.4 Section 400(4) states that: "In the case of failure to comply with the requirements to prepare a directors' report in accordance with Section 400(1) of CR 2020, a contravention is committed by every person who:
- (a) was a director of the company immediately before the end of the period for filing accounts and reports for the financial year in question, and
 - (b) failed to take all reasonable steps for securing compliance with that requirement,

who shall be liable to a fine of up level 3 in accordance with Section 400(5) of CR 2020”.

- 5.5 Given the nature of the contraventions and the repeated failure to comply with Section 415 and Section 400(1) of CR 2020, the Authority considers it appropriate in the circumstances to impose financial penalties on Mr. Mateos.

6. SANCTION

- 6.1 The Authority has considered the disciplinary and other options available to it and has decided that the imposition of financial penalties is the appropriate sanction in the circumstances of this particular case.
- 6.2 The purpose of financial penalties is to promote compliance with the commercial legislation and achieve the objectives of the Authority by:
- (i) penalising persons who have committed contraventions;
 - (ii) deterring persons that have committed or may commit similar contraventions; and
 - (iii) depriving person of any benefit that may have gained as a result of their contraventions.
- 6.3 The Authority has decided to impose financial penalties given the seriousness of the contraventions and circumstances

Determining the level of financial penalty

- 6.4 In deciding the action set out in this Notice and the level of financial penalties, the Authority has considered the following factors.

Seriousness

- 6.5 The Authority has assessed the seriousness of the contravention giving regard to the relevant factors. The Authority requires ADGM licensed entities adhere to the filing obligations and contribute towards fostering an environment of continuous compliance. ADGM licensed entities are required to file accounts and reports before the end of the applicable statutory deadline and there is a legal obligation to do so.
- 6.6 Further, the Authority has a responsibility to ensure adherence to international commitments and standards concerning the provision of accounts to the Registrar, such as the Organisation for Economic Co-operation and Development Global Forum on Transparency and Exchange of Information for Tax Purposes.
- 6.7 The Authority has previously imposed a financial penalty on HMIL for the same contravention. The Authority has also issued HMIL a concerns letter dated 28 January

2025 in relation to its filing non-compliant accounts and incorrectly availing the small/micro-entities regimes. This series of non-compliance all relates to its statutory filing obligations and indicates at least weak corporate governance arrangements, inadequate procedures and a disregard for compliance, which has the potential to damage the reputation of ADGM as an international financial centre.

- 6.8 The Authority considers that the imposed financial penalties reflect the seriousness of the contraventions.

Deliberate or reckless

- 6.9 The Authority has considered the extent to which the contraventions were deliberate or reckless. In consideration of the previous enforcement action, HMIL and the Directors of HMIL were aware that there was a risk that both its actions and inactions could result in a contravention, but there was a failure to adequately mitigate that risk. HMIL should have had in place procedures to ensure that its accounts and reports were delivered to the Registrar within the statutory period for filing.
- 6.10 Mr. Shaukat Murad, on behalf of HMIL, informed the Authority during a meeting that the audit for FY 2023 was on track to meet the original filing deadline thus giving the impression that the audit had at least commenced. However, its auditor at the time subsequently confirmed that it would not be issuing an engagement letter indicating that the audit had not yet commenced. The situation was not made clear by Mr. Shaukat Murad to the Authority despite the opportunity to clarify the true position of the audit during the meeting.
- 6.11 The decision making of the Directors likely contributed to further delays in it being able to deliver its accounts and reports to the Registrar, not least the decision to terminate the engagement of its second set of auditors as per the December RBOD (just one (1) day before the extended deadline date).
- 6.12 The Authority has determined that the contraventions were reckless.

Whether the person is an individual

- 6.13 This has been considered and it has been decided to reduce the maximum financial penalties due to the facts and matters set out above, including the additional factors set out in this paragraph 6. For the avoidance of doubt, as a company director the duties placed upon Mr. Mateos remain.

Effect on third parties

- 6.14 This factor is not relevant in the circumstances of this particular case.

Deterrence

- 6.15 The Authority has regard to need to ensure that any financial penalties imposed has the appropriate deterrent effect. In this regard, consideration has been given to appropriate amounts in order to ensure that the deterrent effect of the action is not diminished.
- 6.16 Deterrence is one of the main purposes of taking enforcement action. That is, deterring licensed persons who have committed contraventions from committing further contraventions.

Financial gain or loss avoided

- 6.17 This factor is not relevant in the circumstances of this particular case.

Subsequent conduct

- 6.18 The Authority has considered the subsequent conduct of Mr. Mateos after the contraventions. Mr. Mateos cooperated with the Investigation. The accounts and reports of HMIL for the year ending 31 December 2023 were filed on 16 April 2025.

Disciplinary record and compliance history

- 6.19 The Authority has considered the disciplinary record and compliance history of Mr. Mateos and the following is noted:
- (i) On 20 March 2023, the Authority imposed a financial penalty on Mr. Mateos as per Section 426 of CR 2020 (default in filing accounts and reports: contraventions) for non-compliance of the requirements of Section 415 of CR 2020 by consequence of Mr Mateos's failing, in his capacity as a director, to file the accounts and reports of HMIL for the financial year ending 31 December 2021, and Section 400 for failing to file a director's report of HMIL for the same period.
 - (ii) On 28 January 2025, the Authority sent HMIL a formal concerns letter regarding its non-compliance with the commercial legislation of ADGM. This letter outlined the concerns of the Authority with HMIL and its directors' failure to file compliant accounts and reports for the financial years 2018, 2019 and 2020, contrary to its requirements under CR 2020.

Maximum Penalty

- 6.20 The Authority has considered the maximum penalty for the contraventions relevant to this matter.
- 6.21 The maximum penalty for a contravention under Section 426(1) of CR 2020 is up to level 5 (i.e., USD15,000), in accordance with Section 426(3) of CR 2020.

6.22 The maximum penalty for a contravention under Section 400 of CR 2020 is up to level 3 (i.e., USD5,000).

6.23 The Registrar consider considers:

- (i) the financial penalty amount of USD 7,500 in respect of the contravention under Section 426(1) of CR 2020; and
- (ii) the financial penalty amount of USD 2,500 in respect of the contravention under Section 400 of CR 2020,

are wholly appropriate in order to reflect the seriousness of the contraventions.

7. PROCEDURAL MATTERS

Representations

- 7.1 On 15 April 2025, the Registrar issued Mr. Mateos with a Warning Notice in which it proposed to impose on Mr. Mateos financial penalties in the amount of USD 20,000 (the "**Warning Notice**").
- 7.2 Mr. Mateos was provided with an opportunity to make written representations regarding the Registrar's concerns and actions proposed.
- 7.3 On 29 April 2025, HMIL and its Directors, collectively, acting through its Director, Mr. Shaukat Murad, made representations in response to the Warning Notice.
- 7.4 It is understood that the response to the Warning Notice consists of the following "key" representations:
 - (i) Neither HMIL nor the Directors are seeking to dispute the fact that the contraventions set out in the Warning Notice occurred.
 - (ii) Reference is made in the Warning Notice (paragraph 6.11) to the Director's decision-making processes that contributed to the filing delays and that the Directors were reckless resulting in the contraventions (paragraph 6.12). Mr. Mateos considers this is not an accurate observation and asks that this assessment be withdrawn.
 - (iii) The Authority should consider the quantum of the financial penalties due to the following factors:
 - a. Reference is made in paragraphs 6.9 and 6.10 of the Warning Notice that the Directors did not "adequately mitigate" the risk of failing to meet the filing deadline, deemed to be deliberately mis-leading ADGM and being reckless in their actions which, based on the chronological sequence of events with

Auditor A's engagement up to termination, is an incorrect assessment and needs to be withdrawn.

- b. The late filing of the accounts and reports was due to [Auditor A] terminating its engagement with HMIL on 12 August 2024, without warning leaving the Directors insufficient time to appoint replacement auditors to complete the audit prior to the filing deadline.

7.5 In response to the representations, the Registrar is of the view that:

- (i) The decision-making processes of the Directors contributed to the filing delays and were reckless, on the basis that:
 - a. Mr. Mateos is an experienced audit professional;
 - b. HMIL did not enter into an engagement letter with Auditor A in respect of the audit;
 - c. Auditor B was terminated a day prior to the extended period for filing; and
 - d. previous enforcement action has been taken against Mr. Mateos for the same contraventions and he has failed to mitigate the risks adequately.
- (ii) Notwithstanding Auditor A terminating its engagement with HMIL in August 2024, the original filing deadline of 30 September 2024 was extended to 24 December 2024 at the request of HMIL. The Registrar considers that the Directors had sufficient time to file the accounts of HMIL and notes that the maximum filing extension that the Registrar could grant under the CR 2020 would have been 31 December 2024.
- (iii) Despite this extension, the accounts and reports were not filed until 16 April 2025, which is:
 - a. more than 6 months after the initial deadline of 30 September 2024; and
 - b. more than 3 months after the extended period for filing of 24 December 2024.

7.6 Having taken into account the facts, matters and circumstances of the contraventions and the representations made by Mr. Mateos above, the Registrar has decided to impose on Mr. Mateos financial penalties in the amount of USD 10,000.

Opportunity to have the Matter referred to the ADGM Courts

7.7 On 9 June 2025, the Registrar issued a Decision Notice to Mr. Mateos pursuant to section 936 under Part 31 of CR 2020.

- 7.8 Under section 44(4) of the Commercial Licensing Regulations 2015 ("CLR 2015"), Mr. Mateos had the opportunity to refer the Decision Notice to the ADGM Courts. As of the date of this Notice, no referral has been made by Mr. Mateos to the ADGM Courts.
- 7.9 As a referral was not made to the ADGM Courts for a review of the Decision Notice within the time period specified in the Decision Notice, the Registrar has proceeded to issue this Notice.

Confidentiality and publicity

- 7.10 As this Notice has now been issued, pursuant to section 51(5) of CLR 2015, the Registrar must publish such information about the matter to which this Notice relates as it considers appropriate.

Signed:



[Redacted signature line]

Delegate of the Registrar, Registration Authority
15 July 2025

ANNEXURE A

EXTRACTS OF THE REGULATIONS AND RULES REFERRED TO IN THIS NOTICE

PART 14 Accounts and Reports

400. Duty To Prepare Directors' Report

- (1) *The directors of a company must prepare a directors' report for each financial year of the company.*
- (2) *For a financial year in which—*
- (a) the company is a parent company, and*
 - (b) the directors of the company prepare group accounts, the directors' report must be a consolidated report (a "group directors' report") relating to the undertakings included in the consolidation.*
- (3) *A group directors' report may, where appropriate, give greater emphasis to the matters that are significant to the undertakings included in the consolidation, taken as a whole.*
- (4) *In the case of failure to comply with the requirement to prepare a directors' report, a contravention of these Regulations is committed by every person who—*
- (a) was a director of the company immediately before the end of the period for filing accounts and reports for the financial year in question, and*
 - (b) failed to take all reasonable steps for securing compliance with that requirement.*
- (5) *A person who commits the contravention referred to in subsection (4) shall be liable to a level 3 fine.*
- (6) *This Chapter shall not apply to a company that is a restricted scope company.*

415. Duty To File Accounts And Reports With The Registrar

- (1) *The directors of a company must deliver to the Registrar for each financial year the accounts and reports required by—*
- section 418 (filing obligations of companies subject to small companies regime),*
 - section 419 (filing obligations of companies entitled to small companies exemption: additional requirements),*
 - section 420 (filing obligations of medium-sized companies), and*
 - section 421 (filing obligations of companies generally).*
- (2) *This is subject to—*
- section 422 (unlimited companies exempt from obligation to file accounts), and*
 - section 423 (dormant subsidiaries exempt from obligation to file accounts).*
- (3) *Subject to section 411(7), this Chapter shall not apply to a company that is a restricted scope company unless the Registrar has given notice to any restricted scope company that this Chapter applies to it and following notice*

such restricted scope company shall deliver to the Registrar all accounts required to be prepared by it under these Regulations.

(4) Accounts filed in accordance with this section 415 will not be subject to public disclosure by the Registrar.

426. Default In Filing Accounts And Reports: Contraventions

(1) If the requirements of section 415 (duty to file accounts and reports) are not complied with in relation to a company's accounts and reports for a financial year before the end of the period for filing those accounts and reports, the company and every person who immediately before the end of that period was a director of the company, commits a contravention of these Regulations.

(2) A person does not commit the contravention referred to in subsection (1) if he proves that he took all reasonable steps for securing that those requirements would be complied with before the end of that period, and for this purpose, it is not enough to prove that the documents in question were not in fact prepared as required by this Part.

(3) A person who commits the contravention referred to in subsection (1) shall be liable to a fine of up to level 5.

PART 31 The Registrar Of Companies

936. The Registrar's functions

(1) The Registrar shall—

(a) perform the functions conferred on the Registrar by or under the ADGM Founding Law, these Regulations, the Commercial Licensing Regulations 2015 or any other law or regulation applicable in the Abu Dhabi Global Market, and

(b) perform such functions on behalf of the Board, in relation to the registration of companies or other matters, as the Board may from time to time direct by resolution.

(2) Without limiting the generality of subsection 1(a) or (b), the functions of the Registrar shall include—

(a) the preparation indicative and non-binding guidance on these Regulations and advising the Board when any such guidance is issued;

(b) prescribing forms to be used for any of the purposes of these Regulations, the Commercial Licensing Regulations 2015 or any other regulations administered by the Registrar;

(c) any tasks and powers properly delegated to it by the Board or any other authority in the Abu Dhabi Global Market; and

(d) where it considers it appropriate to do so, delegating such of its functions and powers as may more efficiently and effectively be performed by its officers or employees and, with the approval of the Board, to any other Abu Dhabi Global Market authority (other than the Court).

(3) The Registrar shall assist the United Arab Emirates in complying with its obligations under any international treaty or other agreement to which the United Arab Emirates is a party through the exercise of its powers and functions.

(4) In exercising its powers and performing its functions the Registrar shall act in an independent manner.

(5) References in these Regulations to the functions of the Registrar are to functions within subsections (1) and (2).

