ASE started applying the amended Directives for Listing Securities

The Amman Stock Exchange (ASE) started applying the amended Directives for Listing Securities on Amman Stock Exchange for the year 2012 as of December 9, 2014, issued by virtue of the provisions of Article (72) of the Securities Law No. 76 of 2002 which was recently amended by the decision of the Board of Commissioners of Jordan Securities Commission (JSC).

The CEO of the ASE, Nader Azar, said that modifying these directives takes into account the international standards and practices regarding the requirements of listing and delisting securities. These directives emphasized the obligation of each Public Shareholding Company and each issuer in the Kingdom to apply for listing their securities at the ASE. The ASE has the right to refuse the listing application provided with a statement justifying the reasons behind their refusal and the issuer has the right to object on the decision of rejection for the Board of Directors within a specified period.

It is conditioned for the approval of listing the shares of any company at the ASE to fulfill the listing conditions of the Second Market as of the issuance of the company's audited financial statements for one fiscal year at least showing an operating activity. The net shareholders' equity in the company shall not be less than (50%) of its paid-in capital. the Free Float ratio for the company at the end of its financial year shall not be less than (5%) if its paid-in capital is less than (10) million Jordanian Dinars. In addition there should not be material qualifications neither a going concern issue in the audit report of the latest financial statements.

Mr. Azar added that the amended directives give the right for the Board of Directors to approve on de-listing of the listed securities at the request of the issuer, after providing the ASE with the necessary requirements.

These directives give delisted companies the right to reapply for listing at the ASE after completing the necessary conditions; one of the most important conditions is removing any reason that may prevent trading its securities.

In regard to the issue of the transferring the shares of companies between markets, the amended directives give the right to the Board of Directors not to transfer the shares of any company from the third market to the second market or from the second market to the first market in case of imposing a disciplinary penalties as a result of violation of these directives through (12) months preceding the date of completing of the conditions for listing transfer.

Mr. Azar also pointed out that the amended Directives allowed listing of Islamic Finance Sukuk and relisting it in accordance with Islamic Finance Sukuk listing directives.

The directives also stated that the companies' securities are suspended on the date of the general assembly meeting; and remain suspended until the company provides the ASE with the General Assembly resolutions in written.