

**Circular No:** 02/2025  
**Issuance Date:** 05/02/2025

### **Amendment to DFM Rules on Listing Categories**

Pursuant to this Circular, DFM issues an amendment to Articles 2.21 and 2.22 of Section 2 Shares - Module Two - Listing Rules, as shown below.

This circular enters into force as of 05 February 2025.

For further information on Module Two - Listing Rules, [Please click here.](#)

The following Articles will be according to the table shown below:

Market Rules	Article No.	Article before Amendment	Article After Amendment
Listing Rules	Article 2.21	<p><b>Listing on the Main Market</b></p> <p>(a) The listing of Shares of:</p> <ul style="list-style-type: none"> <li>i. a Public Joint Stock Company; and</li> <li>ii. a Foreign Company that takes an equivalent form to that of a Public Joint Stock Company; and</li> <li>iii. a Free Zone company that takes an equivalent form to that of a Public Joint Stock Company,</li> </ul> <p>on the Main Market shall be Category 1, subject to the other provisions of this Rule 2.16 and Rule 2.17. In all other cases, the listing of Shares of a company on the Main Market shall be Category 2.</p> <p>(b) The listing on the Main Market of Shares of each company type referred to in paragraph (a) of this Rule shall be Category 2 if one or more of the following apply:</p> <ul style="list-style-type: none"> <li>i. the share capital of company is not fully paid up; or</li> <li>ii. the number of shareholders in the company is less than 100; or</li> <li>iii. the Free Float Shares of the company represent less than 20% of its share capital,</li> </ul>	<p><b>Listing on the Main Market</b></p> <p>(a) The Shares of <b>the following companies are listed in the Market:</b></p> <ul style="list-style-type: none"> <li>i. a Public Joint Stock Company; and</li> <li>ii. a Foreign Company that takes an equivalent form to that of a Public Joint Stock Company; and</li> <li>iii. <b>a Free Zone company that takes an equivalent form to that of a Public Joint Stock Company.</b></li> </ul> <p>(b) <b>Category One:</b> The following conditions must be met for the company's Shares to be listed under Category One on the Main Market, as outlined for the companies mentioned in paragraph (a) of this article:</p> <ul style="list-style-type: none"> <li>i. the share capital of company is <b>fully paid up</b>; or</li> <li>ii. the number of shareholders in the company is <b>not</b> less than 100; or</li> <li>iii. <b>the Free Float of the company is not</b> less than 20% of its shares capital,</li> <li>iv. <b>the company's net shareholders' equity must not be less than 100% of its paid-up capital.</b></li> </ul>

		<p>provided that the Market may disregard Rule 2.21(b)(iii) if:</p> <ul style="list-style-type: none"> <li>A. the share capital of the company is not less than AED 500 million; and</li> <li>B. the Market deems the number of Shares available for trading to represent a reasonably sufficient number for trading; and</li> <li>C. the company meets the other requirements of these Listing Rules.</li> </ul> <p>(c) Subject to paragraph (b) of this Rule, governmental companies that are Public Joint Stock Companies and whose Shares are offered for public subscription shall be included in Category 1, provided that Rule 2.17 applies to such companies after the lapse of two financial years from the date of the listing of their Shares on the Market.</p> <p>(d) Upon the commencement date of these Listing Rules, the Market shall designate current company Issuers in either Category 1 or Category 2 in accordance with the conditions for each category and with reference to the audited financial statements for the year preceding the commencement date of these Listing Rules.</p>	<p>provided that the Market may disregard Rule 2.21(b)(iii) if:</p> <ul style="list-style-type: none"> <li>A. the share capital of the company is not less than AED 500 million; and</li> <li>B. the Market deems the number of Shares available for trading to represent a reasonably sufficient number for trading; and</li> <li>C. the company meets the other requirements of these Listing Rules.</li> </ul> <p>(c) Subject to paragraph (b) of this article <b>governmental companies that are Public Joint Stock Companies and whose shares are offered for public subscription shall be listed under Category One.</b></p> <p>(d) <b>Category Two:</b> The company is listed under this category if it does not meet one or more of the requirements for Category One at the time of listing.</p>
	<b>Article 2.22</b>	<p><b>Moving between listing categories</b></p> <p>(a) A Category 2 company shall become a Category 1 company if the following requirements are satisfied on the last day of the company's financial year that precedes the date of such application:</p> <ul style="list-style-type: none"> <li>(i) at least one (1) financial year has passed since the date on which the</li> </ul>	<p><b>Moving between listing categories</b></p> <p>(a) <b>After listing, a company will automatically be moved from Category One to Category Two if trading on its Shares is suspended for a period of six (6) months or more, or if its accumulated losses reach fifty percent (50%) or more of its capital according to the latest quarterly financial statements.</b></p>

		<p>company was listed in Category 2; and</p> <p>(ii) the net shareholder equity in the company is not less than 100% of the paid-up capital; and</p> <p>(iii) the number of the company's shareholders is no fewer than 100;</p> <p>(iv) the Free Float Shares in the company make up no less than 20% of its paid-up capital; and</p> <p>(v) the company has made a profit in the financial year preceding the date on which the Market carries out the review provided for in paragraph (d) of this Rule; and</p> <p>(vi) the Shares of the company are not suspended from trading; and</p> <p>(vii) the company has accumulated losses of a value that is no more than 50% of its share capital, as shown in the company's latest audited financial statements,</p> <p>provided that the Market may disregard Rule 2.17(a)(iv) if:</p> <p>(A) the share capital of the Category 2 company is not less than AED500 million; and</p> <p>(B) the Market deems the number of Shares available for trading to represent a reasonably sufficient number for trading; and</p> <p>(C) the Category 2 company meets the other requirements of these Listing Rules.</p> <p>(b) The Market may not move a Category 2 company to Category 1:</p> <p>(i) if penalties have been applied by any regulator or other authority to the company in the year preceding</p>	<p>(b) A company will be moved from Category Two to Category One once it meets the listing requirements for Category One and its accumulated losses decrease to less than fifty (50%) of its capital according to the latest quarterly financial statements.</p> <p>(c) The Market will announce the change in the company's category through the Market's website.</p>
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