

**Decree of the Capital Market Authority's
Board of Directors No. 30 - Dated June 18, 2002**

**Securities Listing & De-listing Rules of
Cairo & Alexandria Stock Exchanges**

Article One

Listing and de-listing rules at the Cairo & Alexandria Stock Exchanges (hereinafter referred to as "CASE" or the "Stock Exchange") shall be enacted according to the following rules.

Article Two

In applying these provisions, the word securities denote shares, bonds, debentures, investment certificates, Egyptian Depository Receipts and other types of securities.

Article Three

CASE Board of Directors shall establish the Executive Procedures of the attached rules.

Article Four

CASE shall provide the Capital Market Authority (CMA) with any information or documents it requests concerning the listed securities.

Article Five

All companies listed at the Stock Exchange shall comply with the following rules within one year from its effective date. Failure to do so will result in de-listing or transfer to other schedules with the relevant conditions. This will be done according to the rules established by the Stock Exchange.

Article Six

This Decree shall be effective as of August 1, 2002. Any prior conflicting provisions shall be voided.

**Abdel Hamid Ibrahim
Chairman of the Capital
Market Authority**

General Provisions⁷

Article One

Securities shall be listed on the Stock Exchange upon a request from the issuing company pending approval by the Securities Listing and De-listing Committee of CASE.

Article Two

The securities Listing and De-listing Committee shall be formed by a Decree from the Stock Exchange Board of Directors. The Stock Exchange Chairman or his delegate shall chair the Board; the members will be as follows:

- A representative from the CMA, appointed by its Chairman.
- Two employees from the Stock Exchange appointed by the Stock Exchange Board of Directors.
- A representative from the issuers or listed companies on the Stock Exchange; to be selected by the Stock Exchange Board from the largest and most active ten companies.
- A representative from the companies working in the field of securities, who is a Stock Exchange Board Member, to be selected by the Board of Directors.
- A representative from the Egyptian Association for Accountants and Auditors to be selected by the Association's Board of Directors.

The duration of the Committee's membership is two years but is renewable.

A technical secretariat shall be formed by a Decree from the Chairman of CASE. Resolutions shall be issued on the basis of majority of votes ruling. In the case of a tie vote, the Chairman's side shall govern. The Committee shall meet at least twice a month and whenever necessary as determined by its Chairman. The meeting shall only be valid given the attendance of a majority of the members.

Article Three

The following conditions are required for listing on the Stock Exchange:

- a- All listed securities must be deposited at the Central Depository.
- b- The company's by-laws or the issuing terms should not include any constraints on the trading of the securities to be listed.
- c- Listing should be made for all the issued securities and any subsequent issues shall be listed within three months from the date of registry at the Commercial Registry.
- d- The issuing company is committed:

⁷ The masculine form in this document includes the feminine where appropriate in the context. And the words used in the singular include the plural and vice versa, as the context may require.

- 1- To pay the sum of L.E. 5000 if it does not disclose a matter that could inflict damage to the shareholders or investors. This amount may be doubled in case such violation is repeated in the same year.
- 2- If the company does not submit the required financial reports or information at the required stated time, it shall pay L.E. 500 in case of delay for a period not exceeding five working days. A fine of L.E. 100 shall be paid for every day beyond that.

The Egyptian Depository Receipts issued in execution to the provisions of the Central Depository and Registry Law No. 93 of 2000 are to be listed at the Official and Non-Official Schedules as per the related listing provisions.

Article Four

The following documents shall be attached to the Listing Application:

- 1- The resumes of each Board Member and senior management. These résumés shall include:
 - a- Name in full, nationality, place of residence, work address along with a detailed description of previous experiences, qualifications, specialization and authorities assigned for each of them, and if he has a job as a Board Member in another listed company. This is in addition to his participation in other companies where his ownership exceeds 5% in those companies' capital.
 - b- Direct and indirect participation (represented by the share of relatives up to the second degree) in the company's capital or in its bonds or any other affiliate(s) for each Board Member or manager.
 - c- A list of the names of board members, managers and their relatives up to the second degree. Likewise for any group of members that own 5% or more of the company's capital. For this purpose a 'related group' denotes any group of members subject to a common interest that may influence the decisions they make by coordinating voting in both assembly and board meetings. This includes both natural and juristic persons
 - d- A summary of any contracts or agreements existing between the issuing company or any affiliate(s) and any of the Board Members and managers.
- 2- The address of the company's headquarters, its branches and all the company's registered addresses, whether inside or outside the country.
- 3- A summary of the important contracts signed by the company or any of its affiliates during the two years preceding the date of submitting the listing application indicating the amounts paid to and from the issuing company to any of its affiliates.
- 4- The company's organizational structure that indicates whether it is a holding or an affiliate company.

- 5- The capital structure indicating the percentage of shareholders owning 5% or more in each of the holding or affiliate companies.
- 6- A statement of the transactions between the issuing company or any of its shareholders in its affiliate companies, as well as a declaration from the company that all the related transactions are done in the same terms adopted by the company with regards to the public and according to the legal provisions.
- 7- Disclosing the existence of an Audit Committee according to the provisions of Article 7 of these Rules.
- 8- A declaration of the company's auditors, with the names, addresses and contact details of Investor Relations' Officers.

Article Five

Listing applications shall be published on the Stock Exchange website and at its daily bulletin for a period of ten days. Any concerned party has the right to object, to the Listing and De-listing Committee in writing, regarding applications published during that period, provided that the reasons for those objections are specified.

Article Six

The Committee shall make a decision on the Listing Application within fifteen days from the date of completion of the required documents and procedures.

The company may file a complaint against the Committee's decision for rejecting the listing, to the Stock Exchange Board of Directors within fifteen days from the date of being notified with the decision. The Board of Directors shall make a decision on the complaint within fifteen days from the date it is submitted.

In case that the complaint is rejected, the company may file a related complaint to the Complaints Committee as stipulated in article 50 of the Capital Market Law No. 95 of 1992 within ten days from the day of being notified of the complaint's rejection.

Article Seven

Each company having securities listed on the Stock Exchange shall have an Audit Committee to be selected by the company's Board of Directors with at least three qualified non-executive independent directors, one of them, is to be selected as the Chairman. If the company does not have a sufficient number thereof, the Committee may include experienced persons and shall perform its work separately from the company's management.

The Committee shall directly submit to the company's Board of the Directors a monthly report of its work that includes its proposals and recommendations.

The Committee shall be mainly in charge of the following;

- 1- Examine and review the company's internal control procedures.

- 2- Examine and review the accounting policies applied by the company and the changes resulting from applying new accounting criteria.
- 3- Examine and review the internal audit function, its procedures, plans and results.
- 4- Examine and review the periodic administrative information submitted to the different administrative levels, how this information is developed, and the times they are presented.
- 5- Review the procedures followed in developing and reviewing the following:
 - a- Periodic and annual financial statements.
 - b- The prospectus of public and private offering.
 - c- Estimated budgets including estimated cash flows and estimated income statements.
- 6- Ensure that correct control procedures are applied for maintaining the company's assets, assess administrative procedures regularly to ensure compliance with the rules and submitting related reports to the Board of Directors.
- 7- Propose the appointment of the Auditors, determine their fees and review matters concerning their resignation or dismissal, without prejudice to the provisions of the law.
- 8- Provide its opinion with regards to the assignment of the auditors to perform other services -excluding the review of financial statements- to the company and the fees that are required. This should be notwithstanding the safeguard of the auditors' independence.

The Committee shall make sure that the company's management responds to the recommendations of the Auditor and the CMA.

The Committee shall directly submit monthly reports to the company's Board of the Directors.

The company's Board of Directors shall assign the Committee to undertake any tasks required for the company's benefit.

The company's Board of Directors and management shall respond to the Committee's recommendations within fifteen days from the date of being notified therewith.

The Committee's Chairman shall notify the Stock Exchange in case that the company does not respond to the Committee's recommendations.

Article Eight

Securities are to be listed on the Stock Exchange in two types of Schedules:

- a- Official Schedule (s).
- b- Non-Official Schedule (s).

Article Nine

The Official Schedules include two types:

Official Schedule (1)

Securities are to be listed on the Official Schedule (1) if they meet the following criteria

1- The legal requirements:

- With regards to the shares of companies subject to the provisions of Law 159 of 1981 of joint stock companies, companies limited by shares and limited liability companies, Law 95 of 1992 of the Capital Market law, Law No. 8 of 1997 on Investment Guarantees and Incentives, and other investment laws:

- a- The volume of nominal shares presented for public offering should not be less than 30% of the company's total shares.
- b- The number of subscribers in shares offered for public subscription should not be less than 150 shareholders, even if they are non-Egyptians.

- With regards to investment certificates issued by mutual fund companies:

- a- The volume of nominal investment certificates presented for public offering should not be less than 30% of the total investment certificates the company is licensed to issue at each issue.
- b- The number of subscribers in investment certificates offered for public subscription should not be less than 150 for each issue, even if they are non-Egyptians.

- With regards to bonds and debentures (for companies subject to the provisions of Laws 159 of 1981, 95 of 1992 and 8 of 1997):

- a- The volume of nominal bonds and debentures presented for public offering should not be less than 30% of the total bonds or debentures for each issue made by the company.
- b- The number of subscribers in bonds and debentures offered for public subscription should not be less than 150 for each issue even if they are non-Egyptians.
- c- An annually renewed credit rating, that is no less than (BBB-), or its equivalent unless the CMA's Board of Directors approves a lower rating according to the terms specified.

- With regards to Egyptian Depository Receipts, the counter securities should not be less than one thousand.

2- Financial requirements (for listing of shares):

- a- The company issuing the security must have financial statements for three years preceding the listing application provided that these reports satisfy all the legal requirements.
- b- The issued capital should not be less than L.E. 20 million or its equivalent paid in total.

- c- The net profits before taxes for the last fiscal year preceding the listing application should not be less than 5% of the paid-in capital.
- d- Shareholders equity in the last fiscal year preceding the listing application should not be less than the paid-in capital.
- e- The number of issued shares that need to be listed should not be less than two million shares.

Provisions (b), (c) and (d) must continue all over the listing duration.

Second: Official Schedule (2)

Securities are to be listed on the Official Schedule (2) if they meet the following criteria :

1- Legal conditions:

- a- Securities issued by the State and offered for public subscription with no specific number of shareholders unless otherwise stipulated in a related legislation.
- b- Securities issued by Public Sector Companies (subject to Law 97 of 1983) and Public Enterprise Sector Companies (subject to the provisions of law 203 of 1991): are neither required to be presented for public subscription nor to have a certain number of shareholders.

2- Financial requirements (for listing shares):

The same financial conditions required for listing on the Official Schedule (1) should be fulfilled.

Article Ten

Non- Official Schedules are divided into two:

First: Non-Official Schedule (1)

Securities that meet the following conditions shall be listed on the Non-Official Schedule (1).

1- Legal requirements:

- a- Securities presented for public subscription or offering should not be less than 10% of the total of issued securities.
- b- The number of shareholders at the securities presented for public or private offering should not be less than fifty.
- c- With regards to bonds, a credit rating of (BBB-) or its equivalent unless the CMA's Board of Directors approve a lower rating, according to the specified conditions.

2- Financial requirements:

- a- The company issuing the securities must have financial statements for at least two fiscal years preceding the listing application provided that these financial statements satisfy the legally stipulated provisions.
- b- The issued capital should not be less than L.E. 10 million paid in full.

- c- The net profits before taxes for the last fiscal year preceding the listing application should not be less than 5% of the paid-in capital.
- d- Shareholders' equity should not be less than the paid-in capital of the fiscal year preceding the listing application.
- e- The number of shares that need to be listed should not be less than 1,000,000 shares.

Second: Non-Official Schedule (2)

Securities that do not meet one condition or more of the listing rules of both Official Schedules (1), (2) and the Non-official Schedule (1) shall be listed on the Non-Official Schedule (2) must meet the following:

- a- The company issuing the securities must have at least financial statements for one fiscal year preceding the listing application and shall meet all the legally stipulated provisions.
- b- The company should have realized a net profit that is no less than 1% of the paid-in capital in the last year preceding the listing application.
- c- The issued capital should not be less than L.E. 5 million paid in full.
- d- Shareholders equity should not be less than the paid capital in the year preceding the listing application.
- e- The number of shares to be listed should not be less than 500,000 shares.
- f- With regards to bonds, an annually renewed credit rating that is no less than (BBB-) or its equivalent unless the CMA's Board of Directors approve a lower rating according to the terms specified.

Provisions (b), (c) and (d) must continue all over the listing duration.

Article Eleven

Foreign securities are to be listed on the Non-Official Schedules, according to the same terms of listing securities of Egyptian companies in addition to the following requirements:

- 1- The security should be listed on one of the foreign Stock Exchanges that are subject to the supervision of a recognized entity practicing mandates similar to that of the CMA. The currency of the security should be transferable to the Egyptian pound.
- 2- The company shall review and prepare the financial statements according to internationally accepted accounting and auditing standards, publish financial statements as well as, the related documents or footnotes and Auditor's Report in one of the daily widespread newspapers published in Egypt . This should be done within one month from the date of its approval by the approving authority at the country of the company's headquarters.

Disclosure

Article Twelve

Disclosure provisions and requirements included in this Decree shall be applicable on all companies having securities listed on the Stock Exchange lists.

Article Thirteen

The company is prohibited from making exaggerated disclosure or publish any data or information that does not coincide with the company's conditions. In all cases, any information published by the company should be supported with documents and provided to the Stock Exchange upon request.

Article Fourteen

The company is prohibited from disclosing any information or data that affects its conditions or financial position especially to financial analysts or financial institutions or any other parties before disclosing them to the public, according to the disclosure provisions included in these rules.

Article Fifteen

The company shall appoint an Investor Relations Officer (IRO) who will be in charge of contacting the Stock Exchange and answering shareholders' and investors' inquiries. The IRO shall also distribute press publications about the company including the information and any requests required by the Stock Exchange.

Article Sixteen

The company shall send to the CMA and the Stock Exchange the minutes of the ordinary and extraordinary General Assembly Meetings within ten days from the Meeting Date, and notify the CMA and the Stock Exchange about any procedures taken by the competent administrative entities.

The CMA employees who have judicial apprehension capacity have the right to review the company's documents at its headquarters and the company's officials shall enable them to perform their duties.

Article Seventeen

The company shall include in its Board of Directors' Annual Report the data included in Article (7) of these rules.

Article Eighteen

The company shall immediately notify the Stock Exchange of any modifications in the data attached to the listing application or included in the Board of Directors Annual Report or any procedures followed by the administrative entities against the company if they may affect the company's conditions or its financial position, particularly if these data are related to the following:

- 1- Any modifications in the bylaws.
- 2- Change of the company's auditors.
- 3- Any change in the Chairman or the Board of Directors or members or the board team or the senior managers.
- 4- Any change in the company's registered address or telephone numbers.
- 5- Capital structure indicating the percentage of ownership that exceeds 5% of the capital. This applies to affiliate companies if the shares of the Holding Company are listed on the Stock Exchange.

The company shall also notify the Stock Exchange with information and press releases that may have an impact on trading the company's securities according to the procedures set by the Stock Exchange.

The Stock Exchange may request any further information it views necessary.

Article Nineteen

A company shall notify the Stock Exchange of its internal procedures that do not allow board members, managers/directors or employees to trade on the company's stocks within 15 days before and three days after publishing any significant information that may have substantial impact on a company's security price. The company shall also inform the Stock Exchange of its intention to purchase treasury stock. The Stock Exchange should publish information related to trading on the company's treasury stock at the trading terminals of brokers on the purchase date.

Financial Statements & Reports

Article Twenty

The company shall provide the CMA and the Stock Exchange with the following:

- a- A copy of the annual financial statements whenever approved by the company's Board of Directors with the Auditor's Report attached thereto. This should be done before the beginning of the trading session no later than a day following its preparation. A copy of these financial statements should also be sent to the Stock Exchange within ten days of their approval by the General Assembly. It should be saved on a computer diskette prepared according to the programs specified by the Stock Exchange in coordination with the CMA.
- b- The annual Board of Directors' Report referred to in Article 17 should accompany the annual financial statements.
- c- A copy of the quarterly financial statements and the limited Audit Report prepared by the company's auditor within 45 days as a maximum from the end of the quarter. It should be saved on a computer diskette prepared according to the programs specified by the Stock Exchange in coordination with the CMA.

Article Twenty-One

Financial Statements are to be prepared according to the Egyptian Accounting Standards and the financial statements forms included in Appendix 3 of the Executive Regulation of Law 95 of 1992. It should also be audited according to the Egyptian Auditing Rules and this should be clearly stated in the Auditor's Report.

Article Twenty-Two

Each company having securities listed on the Official Schedule (1), (2) and the Non-Official Schedule (1) must publish a summary of its financial annual and semi annual statements, the related notes, the Auditor's Report and the CMA comments in two daily widespread newspapers, at least one of them should be in Arabic. This shall be done within one week from the date they are approved by the Company's General Assembly.

Article Twenty-Three

In consideration of the provisions of law 159 of 1981 and law 95 of 1992, each company having securities listed on the Non-Official Schedule (2) shall publish its annual financial statements, the related notes and the Auditor's Report whenever they are approved in the "Periodical Bulletin" published by the Stock Exchange.

Article Twenty-Four

Each company facing irregular material events that may affect its activity or financial position, and affect the trading of its shares at the Stock Exchange shall disclose these events immediately to the Stock Exchange within a time frame that allows the Stock Exchange to immediately publish such events on the brokers' trading terminals or before the first trading session following these events and at the first issue of the Stock Exchange periodical bulletin. If these material changes occurred during official holidays, the company shall announce them in two daily widespread newspapers, one of which should be in Arabic. The Stock Exchange should be notified when work is resumed. Material changes denote any events that have a tangible effect on the company's activity or on its financial position that may affect trading of the company's securities at the Stock Exchange, including but not limited to the following:

- 1- Any change in the ownership structure that entails increase or decrease of more than 5% of the capital in the shares of any board members.
- 2- Any newly proposed issue for bonds and any related guarantees or pledges.
- 3- Any resolution that entails calling or canceling previously issued listed securities, accelerating the payment of bonds or purchase of treasury shares etc.

- 4- Any change in the company's funding structure or its financial position in a way that entails the increase in the company's liabilities over its equity rights, in addition to any other constraints imposed on the borrowing limit available to the company.
- 5- Any material change in the investment policies such as opening new branches or activities, liquidating existing branches or activities, shifting into leasing policy instead of owning some of the production tools or vice versa.
- 6- Reaching an agreement to purchase or sell investment or shares in the company from land to any of its board members or the Auditor or one of the company's directors (or any of their relatives up to the second degree).
- 7- New strategic investors purchase part of the company's shares.
- 8- A lawsuit is raised against the company related to its activity or to any of its board members or any of its directors and any related court orders.
- 9- Any administrative decisions issued that affect the company's activities or any modification or withdrawal or cancellation of such decisions.

The company shall exert due diligence to ensure that the information is correct and not misleading and it does not omit, neglect or hide information that might affect the contents of such information.

Article Twenty-Five

In matters still subject to negotiation, a company should prove in writing and determine persons who possess the information in this respect. If a company believes that a leakage of information in relation to those negotiations has occurred, it should immediately inform the Stock Exchange.

Those in charge and who have access to such insider information should refrain from trading on securities of that company during this period until such information becomes known to the public.

The company should provide the Stock Exchange with any information it may request in this respect especially concerning the names of officials who have been notified of such information.

Article Twenty-Six

If the company chooses to declare at its shareholders General Assembly certain information that would lead to a change in the price of its listed shares, in this case the company should take the necessary measures to notify CMA as well as the Stock Exchange so that such information is not available to the shareholders at the General Assembly Meeting before being simultaneously published on trading terminals.

Article Twenty-Seven

Material events shall be published in coordination between the company and the Stock Exchange. Publishing shall not be made during trading hours unless the information requires immediate release. In this case, trading shall be suspended on the related shares

for a period determined by the Stock Exchange Chairman, provided it does not exceed one hour.

Article Twenty-Eight

A company's board members or officers or persons who have access to information that is not available to the public and that could affect the price of the company's securities are prohibited from selling or purchasing the securities related to this information without prejudice to any other related restrictions or other laws or rules.

Article Twenty-Nine

Internal control procedures in a company should secure that the board, officials and persons who have access to internal information of the company, would disclose and notify the Stock Exchange as well as CMA of any sale or purchase of the company's shares, 24 hours at the most prior to the time they undertake such activity; the Stock Exchange should publish such information on brokers' trading terminals and in its Periodical Bulletin.

Article Thirty

The issuer shall announce the General Assembly's resolution concerning dividend payment or bonus shares or both according to the following rules:

- a- Notify the Stock Exchange with the General Assembly's resolutions concerning dividend payment on the next day the resolution is issued.
- b- Publish the resolution of cash dividend or bonus shares or both in two daily widespread newspapers.

Article Thirty-One

The company shall start legal procedures concerning capital increase through issuing bonus shares whenever the General Assembly resolution is issued. The company shall also submit documents for listing these shares, to the Stock Exchange management, before shares are distributed and after depositing them at the Central Depository. These bonus shares should be distributed within fifteen days from the date of listing these shares on the Stock Exchange.

Article Thirty-Two

The company shall notify the Stock Exchange with the date of distribution (coupons or stock dividends) fifteen days before the specified distribution date provided that this should be published in two daily widespread newspapers.

Article Thirty-Three

For the purposes of determining the acquisition cost of long term investment in shares of affiliate or sister companies and other shares acquired for the purpose of retention, the companies listed at any of the Stock Exchanges' schedules shall adhere to the following rules:

- a- In case of acquiring shares of a company listed on the Cairo and Alexandria Stock Exchange or any other Stock Exchange and these shares are actively traded at the Stock Exchange, the market price that is used as a basis for acquisition shall prevail. The CMA, in consultation with the Stock Exchange, shall specify the indicator or the parameters of the change in share prices that are used as a basis of determining active shares.
- b- In the case of acquiring shares of a listed company that is not actively traded or not listed, its share price shall be determined by the book value of the net assets of the acquiring company by the net asset value of the acquired company. If the paid price exceeds that, the acquiring company shall submit a study explaining the objective justifications that justify the value paid in excess. The Auditor's Report that examines the projected financial information included into this study should be attached.

De-listing Provisions

Article Thirty-Four

Securities listed on the Stock Exchange shall be de-listed in the following cases:

- a- If it appears that listing is made on the basis of incorrect information that affects the validity of listing.
- b- If the company does not comply with disclosure rules according to the provisions of these rules after one month of receiving a related notification from the Stock Exchange.
- c- If the company does not comply with the financial standards used as a basis for listing for two consecutive years after the listing date.
- d- If one of the listing conditions stipulated in Article (3) of these Rules is no longer applicable.
- e- If the foreign securities that are represented by the Egyptian Depository Receipts are de-listed* .
- f- If a period of six successive months passed without trading on the company's shares.
- g- If the company does not pay the required listing fees or violated the declarations included in paragraph (d) of Article(3) of these rules.

The company may complain against the de-listing decision to the CMA within fifteen days from the day of being notified of the decision.

Article Thirty-Five

Listed securities may be de-listed upon a request from the issuer and through a decision from the Listing Committee after implementing the following conditions:

- 1- The company's Extraordinary General Assembly resolution is issued with a majority of 75% approving de-listing securities from the Stock Exchange schedules.

* When a foreign company listed on a foreign stock exchange wishes to list its securities on CASE, it could do so through issuing Egyptian Depository Receipts, which are then listed on CASE. In the event said securities are de-listed from the foreign stock exchange, this will consequently result in the de-listing of the Egyptian Depository Receipts, representing such securities.

- 2- No objection is made on part of any shareholder on the General Assembly's resolution within one month from the date of the resolution. In case of objection by any of the shareholders or some of them, then they will have the right to sell their shares to the company at the highest price traded during the month preceding the date of the de-listing resolution.
- 3- No objection from any other party having the company's shares pledged as a guarantee for a debt on the company or any of its shareholders within one month from the date of the de-listing resolution. In case of objection by the pledge, he shall have the right to sell the pledged shares to the company at the highest price traded during the month preceding the date of the assembly of de-listing resolution.

Disclaimer

In addition to the General Disclaimer on CASE's Website, the following is a disclaimer for the attached rules.

This document is a translation of the Arabic version of CASE's Listing, De-Listing and Disclosure Rules and is meant for general guidance only. You should always refer to the Arabic version of the said Rules together with any update, amendments or replacements that are made thereto and issued by CASE, from time to time.

In the event of any discrepancy with the referred to Arabic Version, the latter shall prevail.

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