

Lists of Securities Eligible for Specialized Activities (July 2020)

Within the framework of EGX periodical review, both lists of Securities eligible for specialized activities are amended as follows: (attached detailed lists)

The First List (A): encompasses 107 securities, a list that allows the same day trading as well as the margin trading and its acceptance as collateral up to 100% of their market value; it is the active market, according to the following criteria:

1. The market capitalization of the free floated shares shall not be less than 2/10000 (two per ten thousand) of the total market capitalization of the free floated shares during the study period.
2. The number of trading days on the share shall not be less than 95% of the total number of trading days during the study period.
3. The number of the brokerage firms trading daily on the share shall not be less than 10% of the average daily number of brokerage companies trading in the market
4. The average daily number of clients trading on the share shall not be less than 0.3% of the average daily number of clients trading in the market during the study period.
5. The turnover of free floated shares shall not be less than 20% during the study period, or the average daily value traded of the share shall not be less than 0.001 of the average daily traded value of the total shares.

The Second List (B): encompasses 41 securities, a list that allows the same day trading as well as the margin trading and its acceptance as collateral up to 80% of their market value and it shall be the average market activity, according to the following criteria:

1. The market capitalization of the free floated shares shall not be less than 5/10000 (five per ten thousand) of the total market capitalization of the free floated shares during the study period.
2. The number of trading days on the share shall not less than 75% of the total number of trading days during the study period.
3. The number of the brokerage firms trading daily on the share shall not be less than 3% of the average daily number of brokerage companies trading in the market.
4. The average daily number of clients trading on the share shall not be less than 0.1% of the average daily number of clients trading in the market during the study period.
5. The turnover of free floated shares shall not be less than 10% during the study period, or the average daily value traded of the share shall not be less than 0.0005 of the average daily traded value of the total shares.

The Third list (C): consists of other remaining securities that are not allowed neither for same day trading nor margin trading and it shall be the less active market activity.

Deals are excluded when calculating those standards, and EGX may in some take the historic data when adding the company shares resulting from the restructuring in order to determine the extent of the criteria referred to are met. EGX may exclude companies meeting the previous standards in cases of joint ownership of 30% or more of shares

between companies completed the previous items, or in case the issuing company is not abiding by the disclosure rules and procedures. The third List (others): the rest of the listed companies that are not allowed in any activities of the specialized and be the least active market.

According to EGX Chairman Decree No. 1337 for the year 2018 which stated “the lists will be effective starting from the next working day from announcement and in case of shares exclusion or moving from one list to another, a transition period will be granted to comply with collateral acceptance ratios related to margin trading for every list and excluded shares will no longer be allowed for same day trading starting from the next working day from the exclusion day”

A grace period of 2 months is granted for companies to comply with collateral acceptance ratios related to margin trading for every list- in case of shares exclusion or moving from one list to another

The following will take place:

1. Securities allowed for both same day trading and margin trading (list A-list B) will be traded according to their collateral acceptance ratios
2. Securities excluded from list A -list B will no longer be allowed for same day trading and margin trading but outstanding opened positions will be allowed to close in a two -months period.
3. Securities moving between list A & list B will be allowed to margin trading according to their collateral acceptance ratios.