

**Capital Market Authority  
CMA Board Chairman**

**Decision No. 62 of 2007 dated July 11, 2007  
With Respect to Rules Regulating the Listing of Securities Issued by Small and  
Medium Enterprises SME(s)**

**Board of Directors of the Capital Market Authority**

After considering Capital Market Law promulgated by Law No. 95 of 1992 and its executive regulations;

Law on Securities Central Depository and Registry promulgated by Law No. 93 of 2000 and its Executive Regulations;

Presidential Decree No. 51 of 1997 regarding provisions regulating Cairo and Alexandria Stock Exchanges (CASE) and their financial affairs;

CMA's Board of Directors Decision No. 30 dated June 18, 2002, issuing the rules for listing and delisting securities at the Stock Exchange;

The approval of CMA BOD issued during its session No. 8 of 2007, dated July 11, 2007

**DECIDED**

**Article (1)**

The following provisions shall be added to the rules of listing and delisting of securities in the Stock Exchange issued pursuant to CMA's BOD Decision No. 30 dated June 18, 2002:

- Item (1):** Securities issued by SME(s) shall be listed on the Stock Exchange tables. SME(s) means companies, which has issued capital less than ten million Egyptian Pounds; the listing shall be made according to the following provisions:
- Item (2):** Any SME wishing to list the securities thereof must conclude a contract for that purpose with one of the sponsors accredited by CMA. The sponsor shall be responsible for assisting the SME during the period of securities listing. The sponsor shall also be responsible for following up the commitment of the SME to the Listing and Disclosure Rules and Standards, provided that the sponsor shall pursue the responsibility thereof for a period not less than two years starting from the listing date.

The SME and the sponsor must notify the Stock Exchange, during a period not less than one month, of any wish for repealing the contract with the sponsor. The SME must notify the Stock Exchange of the new sponsor during the same, aforementioned, period.

**Item (3):** In order to list the securities issued by SME(s), the following criteria must be fulfilled:

1. The securities must be deposited in accordance with the Securities Central Depository and Registry Law
2. The SME's articles of association or the securities issuance terms must not include any restrictions of the trading of the securities required to be listed
3. The SME must have issued the financial statements thereof for the year preceding the request for listing in the market
4. The SME's shareholders rights in the said financial year must not be less than 50% of the paid capital
5. The issued capital must be fully paid, with nominal share value ranging between one to five Egyptian Pounds
6. The issued securities must not be less than 100,000 shares
7. The securities offered for trading in the Stock Exchange must not be less than 10% of the total securities and the number of shareholders must not be less than 25 shareholders

The Listing Committee has the right to accept the securities listing even if such conditions is not fulfilled, provided that the SME company shall fulfill such condition during one year, maximum, starting from the date of securities listing.

**Item (4):** The SME company must attach to the securities listing application the following:

1. A certification signed by both the company and the official sponsor pursuant to the form prepared by the Stock Exchange; the certification must include the duties and obligations of the company and the sponsor towards CMA and the Stock Exchange.
2. A certification from the sponsor and the company stating that both shall provide all the information and data required regarding the listing on the Stock

Exchange and the fulfillment of the obligations arising from the listing on the Stock Exchange.

3. A statement, approved by CMA's Chairman or Managing Director, indicating the name, address, and methods of communicating with the Investors Relations Officer, provided that such Officer shall be one of the managers in the company.

**Item (5):** The company must submit the financial statements thereof, audited by one of the auditors accredited by CMA. The financial statements shall cover at least one financial year and shall be prepared in accordance with the Egyptian Accounting Standards. The auditor's report must be attached to the financial statements; and the auditor's report must confirm that the financial statements have been audited in accordance with the applied auditing standards. Furthermore, the audited financial statements must be approved by the company's general assembly

If the companies do not submit the financial statements thereof for one financial year, the listing committee may accept the listing documents thereof, provided that such companies shall submit work plans for the coming years, delineating the expected profits; such work plans must be approved by the sponsor or one of the financial consultants accredited by CMA.

**Item (6):** Any SME may be exempted from the condition of having an official sponsor, if one of the shareholders thereof is a venture capital fund, or investment or financial institutions, provided that the shares of the venture capital fund, or investment or financial institution is not less than 10% of the total shares issued by such a company; and any of the said entities shall provide a written assurance that it shall not sell the shares thereof except after two years starting from the date of listing.

**Item (7):** Any company whose securities are listed at the Stock Exchange must submit the quarterly and bi-annually financial statements thereof to CMA and the Stock Exchange, during a period of 45 days starting from the end of each period. During 90 days starting from the end date of the year for which the business results report have been prepared, such companies shall also submit the annual financial statements approved by the auditor in accordance with the rules of submitting the financial statements and reports to the Stock Exchange.

The Stock Exchange must publish the financial statements and the business results, for one day, on the trading screens, and the decision of the company's general assembly regarding the dividend payments as well

as the payment date must be published on the trading screens and the Stock Exchange website.

**Article (2)**

This Decision shall be applicable as of the date of its issuance, and each concerned entity shall implement it, each within its scope of competence.

CMA Chairman  
Dr. Ahmed Saad Abdel-Latif