The Decision No (136)/M

The Board of Commissioners:

Based upon the Provisions of:

- The Law No (22) for the year 2005, and its changes which included The SCFMS' Law;
- The Decree No (264) for the year 2022 which included the nomination of a Chairman and Members of the Board of Commissioners;
- The Decision No (110) for the year 2019 which included "The Act of Disclosure and Transparency for Entities Which are Subject to the Control and Supervision of the Commission" and specifically the Article (16) of it;
- The Approval of the Board of Commissioners in their Session No (20) dated on 2/10/2024;

Decides the following:

The Contingent Disclosure's Cases of the Issuing Joint – Stock Companies.

The Article -1-:

The Definitions:

1-The listed words and phrases in these Directives will have the meanings assigned for them hereunder;

- **The Commission**: The Syrian Commission of Financial Markets and Securities (SCFSM).
- **The Issuing Joint – Stock Company**: The Legal Entity which issues the Securities.
- **The Related Parties**: We mean by them the Under- Mentioned Persons:

- The Board of Directors' Members at (The Company, The Mother Company, its Related Companies, or the Sister Companies.)
- The General Manager or any other Employee who submits His / Her Reports directly into the Company's Board of Directors;
- Every Person who owns or controls (10) % or more of the Voting's Rights at the Mother Company, the Related Company or the Sister Companies.
- Every Person who is related to any of the above Listed First Three Items and this includes the Husband or the wife and the Minors.

- **The Total Realized Revenues:**

  The Total Sales or the Total Revenues after excluding the Un Realized Exchange Rates' Differences in accordance with the Latest Published Financial Statements.

- **The Total of the Clients' Balances:**

  The Total of the Credit Facilitation's Balances, The Receivables' Dues, The Financing Operations' Balances, or the such Related to the Clients or any other Receivables' Accounts.

2- The un – assigned words and Phrases in this Decision will have the assigned meanings for them in the Commission's Law, and their Related Issued Regulations and Directives.

The Article -2-:

The Decision's Aims:

This Decision aims at achieving the following points:

1. The organizing of the cases wherein the company must submit a Contingent Disclosure to the Commission.
2. The verification of the Appliance of the Article (16) "The Contingent Disclosure" of "The Act of Disclosure and Transparency" through the explanation of it.
3. The avoidance of the Exploitation of any Insider Information, and to notify the Shareholders and the investors with the Substantial Information.

The Article -3-:

The Appliance's Scope:

The Provisions of these Directives will be effective on the Joint – stock Companies which are subject to the Control and the Supervision of the Commission, in addition to the required Items within the Article No (16) (The Contingent Disclosure) of "The Act of Disclosure and transparency" No (110) for the year 2019.

The Article -4-:

The Contingent Disclosure's Cases:

The Company must submit a Contingent Disclosure without any Deliance and in any means of fastness possible and immediately as soon as any substantial information of the over mentioned cases in the Articles (5,6,7,8,9, and 10) are provided for example.

The Article -5-:

The Related Cases to the Company's Activity:

1. Any changes or notification that occurs on the Company's aims and activities.
2. The offering of a new product or the submitting of a new service which is expected to improve the revenues in an equal of (5) % or more of the Total Realized Revenues.
3. Any Substantial Changes in the Company's Production or its activities; such as the abundance or the lack of the resources and they are expected to improve or to deteriorate the Total Realized Revenues in an equal of (5) % or more of them.
4. Any Substantial Change in the Capital Investment's Plans that may lead into an improvement or a deterioration in the Total Realized Revenues such as The Factories' Building, The Equipments' Increasing, the Production's Lines' Increasing, and The Targeted Markets.
5. The Issuance of any Administrative or Governmental Decisions that may affect directly or in- directly on the Activities of the Company and any other occurred change on them.

The Article -6-:

The Related Cases to the Company's Assets:

1) The purchasing or the selling of any Long-Term Asset such as "The Location, The Branch, or the Production's Line" of the Company.
2) The investment in other Companies in an equal of (5) % or more of their Capitals and any occurred changes on them.
3) The making – up of the Board of Directors' Decision for the Procedures' Launching of the Re- evaluation of the Company's Assets.
4) A reserved Seizure on any of the Company's Assets.

The Article -7-:

The Related Cases to the Company's Obligations:

1) The obtaining of a loan or Credit's facilitations in a percent that is equal to (100) % of the Company's Capital or more, or the Company's issuance of "The Bonds" stating the details and their uses' purposes.
2) The Company's deliance of its Debts' Payment, obligations, interests or its lack of ability for their payment.
3) The dealings- up's settlements, the Re- scheduling of loans in an equal of (100) % or more of the Company's Capital stating the Settlement's Terms.
4) Any Jurisdiction Case if its subject is a sum which is equal to (100) % of the Company's Capital or more.
5) If there is any dispute or dis agreement that may have a passive effect on the Company's works' line with any of the other parties such as: "The Clients, the Suppliers, the Contractors, or even the workers and the Employees.

The Article -8-:

The Related Cases to the Company's Profits or Losses:

1) The entering into a deal which its expected Revenues from a (5) % or more of its Total Realized Revenues, or the un expected termination for this deal.

2) An Exceptional Profits or Loss which is out – side the Casual Activity of the Company which is equal to (5) % or more of the Total Realized Revenues.
3) The obtaining of Remunerations from the others.
4) The payment of a remuneration to the other.
5) The nullification of debts in an equal of (2) % or more of the Total Clients' Balances at the Year's Beginning.

The Article -9-:

The Related Cases to the Other Matters:

1) The assurance of the neglecting of any publishing news at any of the Company's Publishing's means which are of effects.
2) The differences which are equal to (10) % or more between the Initial Results and the Final Financial Statements, and their reasons which are attached to the External Accountings' Auditor's opinion.
3) Any concluded – up deals between the Company and other Mother, Affiliated, Sister, or Subsidiary Company, or any of its Related Party in a direct or in – direct manner, and has a substantial effect, stipulated for the Disclosure to include a Deal's description, its value, terms, and the nature of the relationship between the Two Parties' Deal and this includes " The Real-Estate's Leasing, The submitting of a Financing, the Receiving of a Finance etc."
4) The changes which occur on the Big Shareholders who own (5) % or more.
5) The making – up of the Board of Directors' Decision by the usage of the Optional Reserve.
6) The occurrence of any technical or technological damage in the Company's Servers' System that has an effect on the Company's work's nature or may lead into a deliance in the submitting of the Financial Statements.

The Article -10-:

The Specific Cases to the Banks' Sector:

In addition to all of the above mentioned, the Banks' Sector will abide by submitting a disclosure in any one of the following cases:

1) Any change “A Purchase, A Sell or even a Transfer” which occurs on the status of the Foreign Currency Structure.
2) Any changes in the Clients’ Credit’s Classification “For the Third Stage” in a percent that is equal to (10) % or more of the Total Clients’ Balances at the Year’s Beginning.
3) The Re- scheduling of the Credit’s Facilitations in an equal to (10) % or more of the Total Clients’ Balances at the years’ beginning mentioning the Settlement’s Terms, and the Value of the waived interests.
4) Any forming of Financial Allocations which are equal to (30) % or more of the Total Realized Revenues.

The Article -11-:

The General Provisions:

1) The Company and its Board of Directors have to submit a Contingent Disclosure into the Commission as soon as possible within a maximum limit of (3) Three Working Days under the responsibility of imposing the sanctions and fines in accordance with the Provisions of “The Act of Verification and Execution” No (66)/M for the year 2011 and its changes.
2) The Company must obtain the approval of the Commission before the publishing of any Contingent Disclosure in accordance with The Article (16) of The Act of Disclosure and Transparency or any of the above-mentioned cases.
3) The Commission may publish any of its received disclosure, and the Company can require an Exemption Application of publishing which is attached with the reasons that cause the Company to refrain from disclosing, and the Commission may make – up the appropriate decision to receive or to reject the Exemption Application.

The Article -12-:

The Publication:

This Decision will be published and notified the concerned for implementation.

Damascus Dated on

2/10/2024.

The Chairman

Of the Board of Commissioners;

Of Syrian Commission on Financial Markets and Securities;

Dr. Abd Al Razak Kassem.