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ជាតិ សាសនា ព្រះមហាក្សត្រ

គណៈកម្មការមូលបត្រកម្ពុជា

SECURITIES AND EXCHANGE COMMISSION OF CAMBODIA

N 004/១១ SECC PrK

**PRAKAS**  
On  
**the Implementation of Listing Rules**

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**Deputy Prime Minister**  
**Minister of Economy and Finance, and**  
**Chairman of the Securities and Exchange Commission of Cambodia**

- Having seen the Constitution of the Kingdom of Cambodia;
- Having seen the Preah Reach Kret No. NS/RKT/0908/1055 on 25 September 2008 on the Appointment of the Royal Government of the Kingdom of Cambodia;
- Having seen the Preah Reach Kram No. 02/NS/94 on 20 July 1994 promulgating the Law on the Organization and Functioning of the Council of Ministers;
- Having seen the Preah Reach Kram No. NS/RKM/0196/18 on 24 January 1996 promulgating the Law on the Establishment of the Ministry of Economy and Finance;
- Having seen the Preah Reach Kram No. NS/RKM/0107/001 on 10 January 2007 promulgating the Law on Government Securities;
- Having seen the Preah Reach Kram No. NS/RKM/1007/028 on 19 October 2007 promulgating the Law on the Issuance and Trading of Non-Government Securities;
- Having seen the Anukret No. 97/ANKr/BK on 23 July 2008 on the Organization and Functioning of the Securities and Exchange Commission of Cambodia;
- Having seen the Anukret No. 54/ANKr/BK on 8 April 2008 on the Implementation of the Law on the Issuance and Trading of Non-Government Securities;
- Having seen the Prakas No. 011 SECC PrK on 01 December 2009 on the Grant of Approval to the Operator of a Securities Market, the Operator of a Securities Clearing and Settlement Facility, and the Operator of a Securities Depository;

Unofficial Translation

- Having seen the Prakas No. 004/SECC/PrK on 18 March 2010 on the Prime Principle of the Operating Rules of a Securities Market, a Securities Clearance and Settlement Facility, and a Securities Depository;
- Having seen the request for review and approval on the Listing Rules of the Cambodia Securities Exchange on 05 October 2010;
- In reference to the approval made by the Securities and Exchange Commission of Cambodia during the plenary session on 11 April 2011;

## **HEREBY DECIDES**

### **Article 1.-**

To set forth the implementation of the Listing Rules of the Cambodia Securities Exchange (CSX) as enclosed in the annex of this Prakas.

### **Article 2.-**

Director General of the Securities and Exchange Commission of Cambodia, the Department of Securities Market Supervision, the Department of Legal Affairs, all other departments and unit of the SECC, the Cambodia Securities Exchange, members and participants of the Cambodia Securities Exchange, and relevant persons shall effectively implement this Prakas from this signing date onwards.

**Phnom Penh, 03 May 2011**

**(Signature and Seal)**

**KEAT CHHON**

### **Recipients:**

- General Secretariat of Senate
- General Secretariat of National Assembly
- General Secretariat of Royal Government
- Cabinet of Samdech Akka Moha Sena Padei Techo Hun Sen  
Prime Minister of the Kingdom of Cambodia
- Cabinets of Excellencies Deputy Prime Ministers
- Office of the Council of Ministers
- All ministries and relevant institutions  
“to be informed”
- As prescribed in Article 2  
“to implement”
- Royal Gazette
- Archives-records

# Listing Rules of the Cambodia Securities Exchange

## Chapter I General Provision

### Article 1.-Purpose

The purpose of these rules is to prescribe the necessary matters for listing of equity securities at the Cambodia Securities Exchange (written hereafter as “the CSX”) pursuant to the Law on the Issuance and Trading of Non-Government Securities and relevant regulations.

### Article 2.-Definitions

The terms used in these rules are defined in this article and in the glossary of the annex of the Law on Issuance and Trading of Non-Government Securities and the Anukret on the Implementation of the Law on the Issuance and Trading of Non-Government Securities and relevant regulations.

-“**Applicant for Initial Listing**” shall refer to a person who intends to apply for listing equity securities (shares) and is not yet listed at the CSX.

-“**Listed Entity**” shall refer to a person who has made a public offer and been listed at the CSX.

-“**Largest Shareholder**” shall refer to shareholders and the specially-related persons of a listed company who hold the largest number of voting shares of the company. In this case, the shares held for the purpose of portfolio investment by the institutional investors, shall be excluded from the calculation of the number of shares held by the largest shareholder.

## Chapter II Listing of Equity Securities

### Section 1 General Provisions

### Article 3.-Preparation of Financial Statements

The financial statements which shall be attached with the application for listing shall be prepared and audited pursuant to the Law on Corporate Accounts, Their Audit and Accounting Professions and relevant laws and regulations of the Kingdom of Cambodia.

The detailed financial information required in these rules shall be prepared based on the financial statement stated in paragraph 1 of this article.

## **Article 4.-Unreturnable Applications for Listing Eligibility Review and Listing**

All relevant applications for listing eligibility review and listing required by these rules shall not be returned, although this application have been rejected or withdrawn.

### **Section 2**

#### **Requirements and Procedures for Listing Eligibility Review**

### **Article 5.-Listing Eligibility Review**

A person who intends to be listed at the CSX shall undergo the listing eligibility review.

### **Article 6.-Application for Listing Eligibility Review**

A person applying for listing eligibility review shall submit the following documents to the CSX:

- 1-General Information:
  - a. Name of the company in Khmer and Latin;
  - b. Address of the company;
  - c. Date of incorporation;
  - d. Corporate objectives;
  - e. Commercial registration certificate;
  - f. Business licenses from the related authorities.
- 2- Company's representative information: Identity of the representative;
- 3- Shareholder Information: Shareholders's identities;
- 4- Quantitative Information:
  - a. Total shareholders' equity at the application date;
  - b. Net profit for the last 03 (three) years;
  - c. Audited financial statements for the last 03 (three) years;
  - d. Type of securities issued and traded at the CSX.

### **Article 7.-Notification of Listing Eligibility Review Result**

The CSX shall notify the result of the listing eligibility review to the applicant no longer than 01 (one) month from the date of receiving the application.

In case that the CSX rejects the applicant's listing eligibility, the CSX shall provide reasons for the rejections in writing and the applicant may request for clarification from the CSX and/or appeal to the SECC for review and decision.

### **Section 3**

#### **Listing Requirements and Procedures**

### **Article 8.-Listing Procedures**

A Person received the notification of eligibility for listing at the CSX shall fulfill procedures for official listing at the CSX within seven (7) working days after the securities have been allotted to the subscribers.

## **Article 9.-Documents Submitted to the CSX**

In fulfilling the official listing procedures, the eligible applicant shall submit the following documents to the CSX:

- 1- Disclosure documents already registered at the SECC;
- 2- Documents proving the securities subscription settlement;
- 3- Copy of the contract with Securities Transfer Agent;
- 4- Copy of the contract with Securities Paying Agent;
- 5- Securities allotment report;
- 6- Letter confirming securities deposited at the Operator of a Securities Depository.

## **Article 10.-Official Listing**

After correctly and fully receiving documents as stated in the article 9 of these rules, the CSX shall review and officially list the eligible applicant at the CSX within five (5) working days.

## **Article 11.-Securities Listing Agreement**

Before permitting to be officially listed at the CSX, the eligible applicant shall sign a securities listing agreement in accordance with the form approved by the SECC.

The listing agreement stated in paragraph 1 shall be valid from the listing date.

## **Article 12.-Quantitative Requirements**

The eligible applicant can officially be listed at the CSX by satisfying the following requirements unless determined otherwise by the Director General of the SECC:

- 1- Number of shareholders holding less than 1% (one percent) voting shares: number of shareholders holding less than 1% voting shares, who hold 10 (ten) shares or more, shall be at least 200 (two hundred) as of the date of fulfilling the official listing procedures.
- 2- Number of shares held by shareholders holding less than 1% (one percent) voting shares: voting shares of shareholders holding less than 1% (one percent) voting shares shall be more than 200,000 (two hundred thousand) or 15% of the total voting shares, whichever is larger;

## **Article 13.-Non-Quantitative Requirements**

The eligible applicant can officially be listed at the CSX by fulfilling the following non-quantitative requirements:

- 1- Share ownership of the largest shareholders shall not be changed for the last 01 (one) year until the official listing;
- 2- All the issued securities shall be deposited at the Operator of Securities Depository approved by the SECC.

## **Chapter III**

### **Conditions and Procedures of Official Delisting**

#### **Article 14.-Official Delisting Criteria**

The CSX shall officially delist securities of a listed company, which fall under any of the following cases, unless otherwise determined by the Director General of the SECC:

- 1- Where a listed company fails to submit the annual report for the latest fiscal year within three (3) months after the submission deadline determined by the SECC;
- 2- Where the auditor's opinion in the audit report of a listed company is adverse or disclaimed for 02 (two) years;
- 3- Where the annual reports show that the shareholders' equity for the last 02 (two) consecutive years has decreased more than 50% (fifty percent).
- 4- Where there is repetition of breaches of disclosure obligations;
- 5- Where a listed company is not able to successfully settle the commercial paper, or issued cheque, or the transactions with commercial banks have been suspended;
- 6- Where a listed company falls under any causes of corporate dissolution pursuant to the relevant laws and regulations;
- 7- Where a listed company is restricted to transfer its shares. Nevertheless, this provision shall not be applied to the cases where the restriction on shares transfer is not deemed to impede the trading in the Market, as the restriction is imposed by other laws unrelated to the securities sector.

#### **Article 15.-Public Notice and Trading Permission of Official Delisted Securities.**

When delisting any listed securities, the CSX shall make public notice on the delisting of the concerned securities.

Where there is any delisting of any securities, the CSX may permit the continuation of trading the concerned securities for 10 (ten) days, unless otherwise determined by the Director General of the SECC.

## **Chapter IV**

### **Supervision of Listed Securities**

#### **Article 16.-Obligation and Procedures of Disclosing Information**

Listed entity shall timely submit to the CSX the disclosure documents and other related documents to fulfill their obligation of disclosure determined by the SECC.

#### **Article 17.-Lock-up Agreement**

Applicant for initial listing shall attach the agreement in which states that shareholders with controlling interest in voting share shall not sell or transfer their shares for a period of at

least one year, and shareholders owning at least 15% (fifteen percent) of total shares shall not sell or transfer their shares for a period of at least six months after the initial listing.

### **Article 18.-Trading Suspension and Trade Resumption**

The CSX may suspend trading of securities in any of the following cases:

- 1- Where a part or all of a listed securities has been forged or altered;
- 2- Where there is a fall under any delisting criteria of the Article 14 when the delisting measures have not been implemented;
- 3- Where there is a stock spilt, stock merged, or proposed by the listed entity;
- 4- Where there is a decision made by the Director General of the SECC;

The suspension of securities trading in accordance with paragraph 1 shall be undertaken until these issues have been solved, unless there is additional decision made by the Director Genreal of the SECC.

### **Article 19.-Application for Additional Share Issuance**

A listed entity, who intends to issue additional shares, shall complete procedures for listing stated in these rules.

### **Article 20.-Application for Listing Change**

In case of changes in the name of the company, par value of the listed securities or the number of shares issued, the listed entity shall complete procedures for listing changes at the CSX.

### **Article 21.-Notification of Securities Forgery**

Where there is any notice in writing to the SECC of any forgery in transfer of securities, a listed entity shall immediately notify the CSX. The notification may be done through the Securities Transfer Agent.

## **Chapter V**

### **Listing fee**

### **Article 22.-Listing Eligibility Review Examination and Listing Fees**

A person applied for listing eligibility review shall pay the examination fee of 4,000,000 (four million) Riels to the CSX.

A listed entity shall pay the listing fee to the CSX of 0.10% (zero point ten percent) of the total of the market capitalization based on the price of the initial public offering.

### **Article 23.-Annual Listing Fee**

A listed entity shall pay annual fees to the CSX based on the market capitalization at the end of each fiscal year as the follows:

- 1- If the market capitalization of less than or equal to 12, 000,000,000 (twelve billion) Riels, the fee shall be 3,000,000 (three million) Riels.

- 2- If the market capitalization of more than 12,000,000,000 ( twelve billion) Riels, but less than or equal to 40,000,000,000 (forty billion) Riels, the fees shall be paid as the follows:
  - a. Market capitalization of 12,000,000,000 (twelve billion) Riels: 3,000,000 (three million) Riels; and
  - b. For the remaining of the market capitalization, fee shall be 0.02 %.
- 3- If the market capitalization of more than 40,000,000,000 (forty billion) Riels, but equal to or less than 200,000,000,000 (two hundred billion) Riels, the fees shall be paid as the follows:
  - a. Market capitalization of 12,000,000,000 (twelve billion) Riels: 3,000,000 (three million) Riels;
  - b. Market capitalization of 28,000,000,000 (twenty eight billion) Riels: 5,600,000 (five million and six hundred thousand) Riels; and
  - c. For the remaining of the market capitalization, fee shall be 0.015%.
- 4- If the market capitalization of more than 200,000,000,000 (two hundred billion) Riels, the fees shall be paid as the follows:
  - a. Market capitalization of 12,000,000,000 (twelve billion) Riels: 3,000,000 Riels;
  - b. Market capitalization of 28,000,000,000 (twenty eight billion) Riels: 5,600,000 (five million and six hundred thousand);
  - c. Market capitalization of 160,000,000,000 (one hundred sixty billion), fee shall be 0.015% or equal to 24,000,000 (twenty four million) Riels; and
  - d. For the remaining market capitalization, fee shall be 0.005%.

## **Chapter VI**

### **Transitional Provision**

#### **Article 24.-Exemption**

In the initial two year-period in implementing these rules, on an actual basis, the CSX may request to the SECC for waiving any requirements of listing eligibility review and official listing for an applicant for initial listing.

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