

## Reference Prices

The cases in which the Amman Stock Exchange (ASE) calculates reference prices for companies' shares, and the calculation methodologies:

### **1. Increasing a company's capital by private placement:**

By the end of the fifteenth day following the Jordan Securities Commission (JSC) Board's approval date on registering a company's capital increase shares; the ASE -pursuant to the Instructions of Dealing with Subscription Rights issued by the (JSC)- calculates reference prices for the company's share and for its subscription right as following :

Reference price of the company's share =

(The company's capital before increase x Closing price) + \*Issuance proceeds

The new company's capital after the increase

\* Issuance proceeds = (The number of capital increase shares x Issuance price)

Reference price for the subscription right =

Reference price of the company's share - Issuance price

### **2. Increasing a company's capital by stock dividends:**

By the end of the fifteenth day following the Jordan Securities Commission (JSC) Board's approval date on registering a company's capital increase shares; the ASE calculates reference price for the company's share as following:

Reference price of the share = The company's capital before increase x Closing price

The company's capital after increase

### **3. Decreasing a company's capital by redeeming accumulated losses or issuance discount:**

Reference price of the share = The company's capital before decrease x Closing price

The company's capital after the decrease

### **4. Decreasing a company's capital by returning back part of the capital to shareholders as cash:**

Reference price of the share =

(The company's capital before decrease x Closing price) - Cash returned to shareholders

The company's capital after the decrease

### **5. A Stock split case :**

Reference price of the stock = Closing price

The par value of the stock before the split

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