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Frequently asked questions (FAQ) for Main Market

Who supervises the Main Market of the Athens Exchange?

Which are the benefits for listed companies?

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Who supervises the Main Market of the Athens Exchange?

The Main Market operates according to the rules out by the Athens Exchange Rulebook and is supervised by the Hellenic Capital Market Commission.

Which are the benefits for listed companies?

- Raise capital at low cost
- Attract new sophisticated investors
- Continuous market valuation
- Better price discovery mechanism
- Increased reputation
- Diversification of risk

Which are the first steps to be taken by a company considering a listing in the Main Market?

The company should be informed about the legal and regulatory framework governing the ATHEX Main Market. Furthermore, it is recommended to:

- Specify the reasons for which it wants to list in the Main Market
- Make sure that it fulfills the listing requirements
- Choose the Underwriter/Advisor who will coordinate and manage the whole process.
- Prepare the financial statements for the last fiscal year in accordance with International Financial Reporting Standards (IFRS)
- Have its financial statements audited by a Chartered Accountant
- Decide, in co-operation with the Underwriter/Advisor, the method that will be followed for listing on the Athens Exchange i.e. a Public Offer, Private Placement, or a combination of the above
- Prepare, jointly with the Underwriter/Advisor, the Prospectus and every other document required for the listing application
- File, jointly with the Underwriter/Advisor, the listing application

Depending on the method that will be used for listing, the company must choose professionals such as financial consultants, legal advisers, etc. who will be involved in sufficiently preparing the company for the market.

If the company does not have adequate free float of its shares, it must proceed with a placement according to the listing method that has been selected.



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What are the Main Market listing requirements?

The basic listing requirements for a candidate company are:

- The shareholders' **equity** must be at least 3,000,000 euro on a consolidated basis (in the event of non-consolidation, this criterion must be satisfied by the issuer alone).
- The issuer must have **published annual financial statements**, audited by a certified auditor, for at least 3 fiscal years prior to its listing application.
- Publication must be in accordance with **I.A.S./I.F.R.S.** or, in the case of foreign issuers, with equivalent accounting standards (by way of indication US GAAP).
- The issuer must have undergone a **tax audit**, for all the fiscal years for which there are published financial statements, except the last one. In case of previous tax unaudited fiscal years, it is possible to submit a special tax audit report by an independent auditing firm.
- The issuer must report an aggregate **profit** before taxes 2,000,000 € for the last 3 years and be profitable for the last 2 years or aggregate EBITDA of 3,000,000 € for the last 3 years and positive EBITDA for the last 2 years.
- **Free float** of at least 25% of total shares distributed to the public and for issuers with market cap greater than 700,000,000 € free float at least 15%.
- **Shares lock-up**: For companies with estimated capitalization < 100 mln €, during the first year after the listing, major shareholders (>5%) are allowed to transfer shares that represent a maximum of 25% of the shares they hold.
- Compliance with **corporate government** provisions in force.
- The **total value** of the stocks offered must be at least 2,000,000 €.
- Company's shares must be **freely negotiable**.

Which are the Listing Methods?

Each company can choose the method of getting listed in the Main Market.

Admission to trading can be effected via:

- a Public Offer of shares to retail and institutional investors
- a Private Placement of shares to a limited number of retail investors or to qualified investors (in case the company has a sufficient free float of shares)
- a combination of a Public Offer and a Private Placement



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Will a Prospectus be published?

The publication of a HCMC approved Prospectus is required for the admission of a company's shares to the Main Market of the Athens Exchange.

What is the listing procedure?

1. Selection of Underwriter

The first step for a company to go public is the selection of an Underwriter, who will coordinate and manage the listing procedure.

2. Preparation of the listing application

The preparation of the listing application is the task of the Underwriter who works closely with the issuer.

3. Listing application

The Underwriter, jointly with the company, will submit the listing application to ATHEX, along with the necessary supporting documents.

4. Approval by ATHEX

ATHEX approves the listing application. All the listing requirements are fulfilled at this stage, except for the free float adequacy, which will be achieved upon completion of the IPO.

5. HCMC's approval

- HCMC approves the listing Prospectus & grants permission for the IPO.
- Publication of the Prospectus on the website of ATHEX and the issuer.

6. IPO procedure

During the IPO the company raises the funds and achieves an adequate free float.

7. Approval by ATHEX - Admission to trading -

- The Underwriter submits to ATHEX the relevant documents concerning the admission to trading and the free float adequacy.
- ATHEX approves admission to trading.

8. Start of trading

The issuer sets the trading date.

Can international companies be listed in the Main Market?

International companies can be listed in the Main Market through the standard admission route. Moreover:



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- The company's legal status must conform to the laws and regulations to which it is subject, with regard to its incorporation and its statutory operation.
- The shares' legal status must conform to the laws and regulations to which it is subject.
- The reporting language for the foreign companies is at least English.
- In the case of foreign companies, the type and reporting procedure may be adjusted accordingly, provided that the information disclosed to investors is equivalent to the one required by Greek legislation.

Which are the company's on – going obligations?

The companies reporting obligations are split into two distinct categories:

A. Regular Reporting Obligations

- Annual Financial Statements - audited by a Chartered Accountant
- Semi-annual unaudited Financial Statements
- Quarterly (3M, 9M) unaudited Financial Statements
- Financial Calendar

B. Extraordinary Reporting Obligations

Notification should be filed for matters such as:

- The convening of a General Meeting
- Resolutions of the General Meeting
- Payment of main dividends/interim dividends
- Corporate actions
- Matters which constitute privileged information and relevant published material
- Change of use of funds raised
- Data pertaining to the ongoing reporting requirements of Law 3556/2007
- Notification of transactions by persons under the obligations stipulated in Law 3340/2005
- Replies to questions from ATHEX
- Information to analysts
- Issuance of information memorandums on corporate matters
- Information pertaining to the results of any tax audit



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Which are the Trading & Post-Trading Features of the Main Market?

The trading systems used are the electronic trading system (**OASIS**), as well as that of the clearing and settlement (**D.S.S.** -Dematerialized Securities System).

- The trading method is continuous and takes place from **10:30** to **17:20**
- The Price fluctuations limits are **+/- 30%**
- The closing price algorithm is based on the weighted average of **30%** of the last trades rule
- The Industry Classification is based on the **FTSE/Dow Jones ICB** existing modules

The appointment of a Market Maker is not mandatory.