



CYPRUS STOCK EXCHANGE

Strategic Plans

- Exchange of know-how, experience and useful information
- Efforts to attract institutional capital and additional liquidity
- Efforts to attract financial companies (remote members) to engage in activities in Cyprus and to list their securities
- Provide listed issuers with accessibility to other markets
- Utilisation of economies of scale and synergies with other Stock Exchanges
- Promotion of CSE-ASE co-operation model on the regional level
- Upgrading of the broader role of the CSE (as a full member of the EU) with a view to assisting other neighbouring Stock Exchanges to align their procedures and practices with those of European countries and to afford them access to the Eurozone – access of international capital to these countries through a Common Platform.

Regional Co-operation

- A study for the introduction and development of new products and services
- Re-evaluation of CSE markets with emphasis on upgrading of quality
- Continual re-evaluation of CSE pricing policy
- Introduction of Semi-regulated Market
- Further strengthening of regional co-operation with other Stock Exchanges
- Upgrading of the adoption of Corporate Governance aimed at the exemplary upholding of the relevant code by the listed companies
- Implementation of an extensive programme of communication, promotion and advertising of the CSE in Cyprus and abroad
- Introduction/registration of Mutual Funds (tax regime arrangements)
 - promotion of their development

CSE: A Modern and evolving market in S.E. Europe

- ✓ The benefits from listing companies on the CSE
- ✓ The tax regime
- ✓ The Common ASE-CSE Platform
- ✓ The conditions for listing companies on the CSE
- ✓ The new strategic plans of the CSE, regional partnerships

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Benefits from the listing of company securities on the CSE

- Ability to draw capital/reduce dependence on traditional credit institutions
- Development and expansion of companies' activities
- Strengthening of companies
- Ability to invest abroad
- Acquisition of prestige
- Acquisition of readily liquefiable assets
- Increased capacity for mergers and acquisitions
- Tax regime (the lowest in Europe)
- Lower charges for listing securities
- Simplified listing procedures

Tax Regime

- 10% Corporate Tax (the lowest in the European Union)
- Exemption from tax on profits, the sale of shares and other securities listed on the CSE
- Dividends to non tax-paying residents of Cyprus are exempt from income tax and defence contributions
- Free movement of capital/investments in Cyprus to companies listed on the CSE from Europe and third countries
- Restructuring that allows the adjustment of existing or future structures without tax costs
- Group relief and abolition of time limits for transfer of losses

ASE-CSE Common Platform

AIM-CSE Practical Implementation

- Compatible legal and regulatory framework
- Common technological infrastructure with Athens Stock Exchange (ASE), uniform and effective environment
- Aim to operate at lower operational costs
- Maintenance of CSE autonomy in operation and decisions
- Provision of an even broader range of investments, products and services to investors and other market participants
- Increased value and choices to listed companies (access to a larger "pool" of liquidity, no need for parallel import)
- Facilitation of international market participants (e.g. remote members, custodians) to operate through existing infrastructures in Athens (One-Stop Shop)
- CSE target for increased volumes of trade and revenues
- Facilitation for development of regional partnerships

Listing Procedures

The issuer submits to the CSE an application form that includes a Suitability Questionnaire and Corporate Profile. The Board issues its preliminary approval within a reasonable space of time and once the issuer has received permission from the Securities and Exchange Commission to publish his Prospectus, he returns to the CSE which announces the date on which his securities will be listed on the CSE.

Listing of securities on the CSE

GENERAL CONDITIONS FOR LISTING

- The Company must be incorporated and operating as a public company authorised to issue shares to the public
- The Company must be authorised to issue specific securities pursuant to its memorandum of association and articles of association or any other instrument
- The listing must concern all the securities of the same category that have or will be issued
- It must propose the listing of freely negotiable securities
- It must satisfy the Board that it possesses adequate working capital
- It must not undertake any commitments in a way that is incompatible with the interests of its other shareholders
- It must secure equal treatment to all beneficiaries of securities of the same category
- It must provide every necessary guarantee for the protection of investors
- It must ensure that any future issue will be offered first to existing shareholders, pro rata according to the amount of the issuer's capital held by each
- It must propose the listing of fully paid securities
- It must be ready and able to deliver its Register in electronic form, in accordance with CSE specifications to the Central Securities Depository and Register
- The major part of its revenues or assets must not come from or be connected with ocean-going shipping activities, unless the application relates to the Ocean-Going Shipping Market
- In the case of an Investment Firm, the application must relate to the Investment Firm Market

SPECIAL LISTING CONDITIONS

| Special Listing Conditions | Main Market | Parallel Market | Alternative Market | Investment Firm market | Large Project Market | Ocean-going Shipping Market |
|--|---------------------------------|---------------------------------|-------------------------------|--|--|--|
| Stock Exchange Value and Equity Capital or | €15 m | €6.8 m | €1 m | €1 m | €15 m | €17 m |
| Equity Capital | €8.5 m (previous year) | €5 m (previous year) | - | Over 90% of estimated stock exchange value (previous year) | 20% < of nominal value of its capital (previous year) | €8.5 m (previous year) |
| Equity Capital | €13.6 m (2 previous years) | €8.5 m (2 previous years) | €1 m (2years before) listing) | - | €12 m and the nominal value of its share capital 20% < of the amount of own equity | €13.6 m (2 previous years) |
| Dispersion | 25% 1000 (hold <2%) | 20% 300 | 10% 100 | 25% 100 (hold <2%) | 25% (hold <2%) | 25% 300 |
| Profitability | 2 of 3 or 3 of 5 | - | - | - | - | - |
| Audited Financial Results | "4, with net positive position" | "3, with net positive position" | 2 | 3 | - | "5, with net positive position" (previous 5 years) |
| Quarterly Results | | | | | | |
| Qualified Auditors' Report | NO | - | - | - | NO | NO |
| Corporate Governance Code | Fully | Partly (C3) | - | - | Fully | Fully |
| Issue Price | >€0.26 | | | | | >€0.26 |
| Web Site | | | - | - | | |
| Marketability | 5% | 2% | 1% | 1% | 5% | 5% |

