

**TO** : Members / Companies listed on the Emerging Companies Market / Nominated Advisors  
**FROM** : Acting General Manager of the Cyprus Stock Exchange  
**RE** : **Proposed amendments to CSE Regulatory Decisions – Disclosure of Transactions made by UBOs**  
**DATE** : 27 May 2021  
**CIRCULAR NO.** :07-2021/ 05-2021/ 05-2021

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Dear Sirs,

We wish to inform you that the Council of the Cyprus Stock Exchange has decided to proceed to an amendment of the Regulatory Decision on its Markets (RAA 379/2014), as amended, aimed to establish the obligation to disclose transactions made by major shareholders in companies listed on the CSE.

More specifically, the Council of the Stock Exchange intends to introduce the following:

1. A shareholder who either acquires or disposes of shares in a listed company with a voting right, and whose percentage of voting rights, further to such acquisition or disposal, reaches, exceeds or falls under the thresholds of 5%, 10%, 20%, 30%, 50% and 75% will have the obligation to notify the company of the percentage of voting rights held as a result of such acquisition or disposal, within two business days therefrom.
2. The company must immediately convey this information to the CSE and disclose it to the public. Disclosure through the CSE website is considered as minimum disclosure to the public.
3. The CSE may request from the listed company and the shareholders who come under paragraph 1 above additional information on the percentage of voting rights held by other persons associated with them, as well as disclose such information to the public.

The Council intends to proceed to the above amendment primarily for purposes of ensuring greater transparency and, secondly, with the aim of exempting the CSE Emerging Companies Market (as is the case for the Regulated Market) from the obligation to disclose the details of UBOs holding, directly or indirectly, more than 25% of the share capital of companies listed on the Emerging Companies Market in a special register which will be kept by the Registrar of Companies in Cyprus. It is noted that this obligation arises from the Law on the Prevention and Suppression of the Legalisation of Proceeds from Illegal Activities of 2007 to 2021 (AML Law).

It is reminded that companies listed on the CSE Regulated Market are subject to disclosure requirements in accordance with the Transparency Requirements (Securities admitted to

Trading on a Regulated Market) Law (L. 190(I)-2007). The companies which are listed on the CSE ECM have the obligation, under RAA 379/2014 (as amended), “to ensure the preparation, signing, publication and submission to the Stock Exchange of a report of dispersion of their share capital on the last business day of the calendar year, as well as within seven business days from the date on which, as a result of a change, a shareholder directly or indirectly acquires or loses control of an equity share which is equal to one-half plus one share of the total issued securities of the issuer...”.

The proposed amendments are attached herewith. They are also posted on the Stock Exchange website, in the section “Legal Framework”, “Proposed Legislation”, under the heading: Amendment of the Regulatory Decision on the Stock Exchange Markets, RAA 379/2014 – Proposed CSE Amendments.

The Cyprus Stock Exchange invites all interested parties to a consultation on the proposed amendment.

Interested parties may therefore submit their views to the CSE by Thursday, 10 June 2021, by email at [info@cse.com.cy](mailto:info@cse.com.cy) or by fax at 22570308, with the reference: “Consultation on the Amendment of the Regulatory Decision on the Stock Exchange Markets RAA 379/2014 – 16/12/2020 – Proposed CSE Amendments”.

For any clarifications, you may contact the Directorate for the Listing of Securities and Markets, at 22712300 (ext. 3).

Thank you for your collaboration.

Yours,

Nicos Trypatsas  
Acting General Manager

Enclosures

Cc.: Securities and Exchange Commission  
CSFSA  
Issuers Committee established pursuant to EU Regulation 909/2014  
Market Participants Committee (Members and Custodians) established pursuant to  
EU Regulation 909/2014

THE SECURITIES AND CYPRUS STOCK EXCHANGE LAWS OF 1993 TO 2020

RAA 379/2014 Amendment of the Regulatory Decision of the Council of the Cyprus Stock Exchange on the Stock  
RAA 500/2014 Exchange Markets, published in the Government Gazette of the Republic on 8.8.2014 (R.A.A.  
RAA 533/2014 379/2014).  
RAA 69/2015  
RAA 144/2015  
RAA 157/2015 Pursuant to the power conferred on it by articles 57, 58, 59 and 113 of the Securities and Cyprus  
RAA 206/2015 Stock Exchange Laws of 1993 to 2020, the Council of the Cyprus Stock Exchange has decided to  
RAA 225/2015 amend the Regulatory Decision on the Stock Exchange Markets as follows:  
RAA 303/2015  
RAA 312/2015  
RAA 340/2015  
RAA 422/2015  
RAA 447/2015  
RAA 2/2016  
RAA 68/2016  
RAA 158/2016  
RAA 176/2016  
RAA 188/2016  
RAA 193/2016  
RAA 194/2016  
RAA 247/2016  
RAA 274/2016  
RAA 296/2016  
RAA 391/2016  
RAA 4/2017  
RAA 20/2017  
RAA 232/2017  
RAA 304/2017  
RAA 320/2017  
RAA 355/2017  
RAA 450/2017  
RAA 44/2018  
RAA 105/2018  
RAA 132/2018  
RAA 237/2018  
RAA 330/2018  
RAA 21/2019  
RAA62/2019  
RAA 91/2019  
RAA 99/2019  
RAA 202/2019  
RAA 260/2019  
RAA 8/2020  
RAA 202/2020  
RAA 257/2020  
RAA 296/2020  
RAA 297/2020  
RAA 325/2020  
RAA 474/2020  
RAA 37/2021  
RAA 74/2021

1. By adding, after paragraph 5.3.7.1. thereof, the following new paragraph:

“5.3.7.2 A person who acquires or disposes of shares of an issuer of the non-regulated market which incorporate voting rights must, within two business days from the acquisition or disposal thereof, notify to the issuer the percentage of the voting rights held if, as a result of the acquisition or disposal, such percentage –

(a) in case of acquisition, reaches or exceeds, or

(b) in case of disposal, reaches or falls under

the thresholds of five per cent (5%) or ten per cent (10%) or twenty per cent (20%) or thirty per cent (30%) or fifty per cent (50%) or seventy-five per cent (75%) of the issuer's total voting rights.

Provided that in this case, the issuer must forthwith and without undue delay convey the said information to the CSE for disclosure.

Further provided that the Stock Exchange may request from the issuer and persons coming under the provisions of this paragraph additional information on the percentage of voting rights held by other persons associated with them, as well as disclose the same.