

Regulations on the Form and Content of the Listing Document on the PROGRESS Segment



LJUBLJANSKA BORZA
LJUBLJANA Stock Exchange

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The Regulations on the Form and Content of the Listing Document on the PROGRESS Segment from 3 September 2020 were published on SI ENTER and PROGRESS websites on 3 September 2020 and enter into force and use on 10 September 2020.



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Disclaimer: All effort has been made to ensure the accuracy of this translation, which is based on the Slovenian original. Translations of this kind may nevertheless be subject to a certain degree of linguistic discord; in case of doubt or misunderstanding, the Slovenian text, being the official version, shall thus prevail.



On the basis of Article 316 of the Securities Market Act (Official Gazette of the Republic of Slovenia, No. 77/18 and 17/19, hereinafter: "ZTFI-1"), the provisions of the Ljubljana Stock Exchange Inc. Articles of Association and Article 54 of the Ljubljana Stock Exchange SI ENTER Rules from 13 July 2020 (hereinafter: "SI ENTER Rules"), the Ljubljana Stock Exchange Management Board (hereinafter: "the Exchange") adopted at its meeting on 3 September 2020 the following

REGULATIONS ON THE FORM AND CONTENT OF THE LISTING DOCUMENT ON THE PROGRESS SEGMENT

1. GENERAL PROVISIONS

Article 1

- (1) Regulations on the Form and Content of the Listing Document on the PROGRESS Segment (hereinafter: "the Regulation") regulate the form, content and scope of the Listing document on the PROGRESS segment as referred to in Article 54 of the SI ENTER Rules (hereinafter: "Listing Document") for issuers that are applying for listing of the securities on the PROGRESS segment.
- (2) In the event that the issuer, in accordance with the eighth paragraph of Article 50 of the SI ENTER Rules, draws up a Voluntary Prospectus in accordance with Regulation (EU) 2017/1129 on the Prospectus, the issuer may instead of Listing document submit together with the Application for Listing of Securities on the PROGRESS Segment a prospectus prepared in accordance with Prospectus Regulation or an EU Growth Prospectus in accordance with Article 15 of Prospectus Regulation. In this case, the provisions of this Regulation regarding the form, content and scope of the Listing Document shall not apply
- (3) The Listing Document is designed to prepare the Application for Listing of Securities on the PROGRESS segment (hereinafter: "Application for Listing"). Securities that can be traded in the PROGRESS segment are defined in Article 8 of the SI ENTER Rules.
- (4) These Regulations apply in conjunction with other Exchange acts regulating the field of operation of the SI ENTER market.
- (5) These Regulations also apply *mutatis mutandis* to money market instruments in the PROGRESS segment (such as commercial papers) unless specified otherwise in the SI ENTER Rules or in these Regulations.

2. DEFINITIONS

Article 2

- (1) The terms used in these regulations have the same meaning as the terms defined in the SI ENTER Rules, unless specified otherwise in these Regulations.



3. LISTING DOCUMENT

Article 3

- (1) The Listing Document may be published in the form of a basic document or a Summary of the Listing Document.
- (2) The Listing Document must contain accurate, fair and comprehensive information about the issuer and other persons listed in these Regulations, their legal and financial situation, as well as the securities included in the Listing Document and are subject to the Application for Listing, in accordance with the situation on the day of filing the Application for Listing.
- (3) The information in the Listing Document must be presented in a way that provides sufficient information to enable investors to make an informed decision on investment in these securities and the valuation of the securities, for which the Application for Listing in the PROGRESS Segment has been submitted.
- (4) If, in accordance with these Regulations, it is required to provide information on the group of issuer companies in the Listing Document or the issuer has decided to indicate this information in the Listing Document, the Listing Document should also include relevant information on the branches and related companies (in accordance with Slovene Accounting Standards and International Financial Reporting Standards and for issuers with head office outside the Republic of Slovenia, in accordance with binding laws defining financial reporting), depending on the nature of the influence of these companies on the operations on the issuer or its group of companies.

Article 4

- (1) The Listing Document may be drawn up in the Slovenian or English language.
- (2) All information included in the Listing Document is listed in the order specified in these Regulations.
- (3) Insofar as the information subject to disclosure prescribed by these Regulations is not accessible or not used, an appropriate note should be included in relevant place of the Listing Document.
- (4) The Listing Document must not contain any technical or professional expression that would prevent the investors in securities that are not affiliated with the issuer and who are not experts in the field of financial markets to understand the Document without proper explanation.
- (5) Insofar as the financial information included in the Listing Document is expressed in a currency other than the legal tender in the Republic of Slovenia, the issuer shall state the average exchange rates for the mean of payment in the Republic of Slovenia for that currency as determined by the Bank of Slovenia and as applicable for the period covered by the consolidated financial statements and financial statements, including but not limited to:
 1. the applicable exchange rate on the last day of each period;
 2. the average exchange rate for each period, calculated as the arithmetic mean of the effective exchange rates on the last day of each month in the period and, where reasonable, calculated as the arithmetic mean of the effective exchange rates of the last day of the period and the last day of the preceding period;
 3. the highest and the lowest exchange rate of each period.



- (6) By special decision, the Exchange may allow the issuer to release the individual, by these Regulations prescribed information, from the Listing Document, when the Issuer's Advisor confirms:
 1. that the information has no special nature and effect on the assessment of the issuer's business, financial and financial position or the price and value of the issuer's securities;
 2. that public disclosure of individual information could seriously jeopardize the position of the issuer's company and that its release would not lead to a misrepresentation of facts that would influence information on the valuation of the issuer's securities.

- (7) If the issuer of debt securities that files the Application for Listing of Securities on the PROGRESS segment (Form 01/SI ENTER) is not a public limited company, it must instead of the information relating to the share capital referred to in Article 11 and Article 16 of these Regulations enter into the Listing Document other information, related to the appropriate legal form of the issuer's company.

- (8) In addition to Information as determined by these Regulations, the issuer must also indicate in the Listing Document all other information and circumstances that it considers to be essential for making investment decisions by investors in the issuer's securities.

Article 5

The Listing Document is prepared in electronic form, where any unauthorized change of the information contained in such document must be prevented.

4. LISTING DOCUMENT

Article 6

- (1) The Listing Document shall contain:
 1. Introduction;
 2. Chapters:
 - a) Risk factors;
 - b) Statements by the persons responsible for the information contained in the Listing Document;
 - c) Information on the securities for which the Application is filed to be listed on the PROGRESS segment;
 - d) Information about the issuer;
 - e) Financial reports;
 - f) Documents accessible to the public;
 - g) Additional information.

- (2) The Listing Document should contain the following text in a prominent position:

*»This document is prepared according to the Application for listing of securities on the PROGRESS segment on the SI ENTER market, which is managed by the Ljubljana Stock Exchange, Inc. (hereinafter referred to as the Exchange).
The listing of securities in the PROGRESS segment on the SI ENTER market is not equivalent to the listing of securities on the stock market managed by the Exchange. Before investing in securities, investors must make an appropriate analysis and, if necessary, consult with financial experts.
The Exchange did not approve the content of this Document in terms of the truthfulness of the information it contains and compliance of the information with laws and regulations.«*



- (3) The Listing Document must clearly indicate the date of creation of the Document.

Article 7

The introduction must include at least the following:

1. title "Document for listing of Securities on the PROGRESS segment";
2. the name of the company, registered office, the registration number and tax number of the company;
3. the name of the company, registered office and registration number of the Advisor;
4. the name of the company, registered office and registration number of the certified auditor;
5. number, type, nominal value (in the case of shares without a nominal value, value of share capital pertaining to each share) and the ticker code of the securities for which the Application for listing on the PROGRESS segment is filed;
6. The index of the sections and subsections of the Content of the Listing Document, indicated by the page numbers.

Article 8

- (1) The chapter "Risk Factors" shall contain information on the factors that represent the risks to the investor in the issuer's securities, including information on factors related to the economic, property and financial situation of the issuer, its subsidiaries and related parties, majority issuer owners and transferable securities, including, where appropriate, geographical risks and risk factors related to securities of the issuer.
- (2) In the Listing Document, the issuer is obliged to describe the mechanisms, measures and procedures for identifying and preventing conflicts of interest that may arise as a result of the interests of the issuer, the management of the issuer, the employees, the related agents or all persons who are in direct or indirect business the relationship with the issuer, the interests of investors in the securities of the issuer and the business partners of the issuer.

Article 9

- (1) The section "Statements by the persons responsible for the information contained in the Listing Document" must include:
 1. A statement by the issuer that the information contained in the Listing Document has, to the best of its knowledge, been prepared with due diligence, is accurate and true, that the Listing Document provides the investors with sufficient information for making an informed decision on investment in these securities and the valuation of the securities for which the Application for Listing on the PROGRESS Segment is being submitted; that the Document properly describes the risk factors associated with the trading of the securities in question; and that the Listing Document has not been checked or approved by Securities Market Agency, other national competent authorities or European Securities and Markets Authority (ESMA); and that the Listing Document has been reviewed by a selected advisor of the issuer (company name, registered office and registration number of the selected advisor) who also approved the completeness, consistency, comprehensiveness and understandability of the Listing Document.
 2. Statement by the Advisor that the Listing Document has been prepared in accordance with the prescribed requirements of these Regulations, that the information in the Listing Document are, to the best of his knowledge and based on the documents and information it has obtained from the Issuer, accurate and true, and that the Listing Document provides a reliable



description of the risk factors associated with trading with these securities and that the issuer meets all the conditions for listing on the PROGRESS segment.

- (2) Statements in the preceding paragraph shall be signed by persons representing the issuer in accordance with the law or on the basis of the authorization, or persons representing the selected Adviser in accordance with the law or on the basis of authorization.

Article 10

- (1) Insofar as the Listing Document refers to Shares and other shares-similar securities that represent a share in the capital or members' rights of legal persons or a certificate in respect of the shares deposited, the chapter "Information on the securities for which the Application is filed to be listed on the PROGRESS segment" should contain at least the following:
 1. a more detailed description of the type, issue and nominal capitalization of the shares, including the expected public offer, which may not be less than ten (10) percent of the initial issue, to which the Application for listing on the PROGRESS segment applies, whereby the public offering of shares shall be confirmed on the basis of the data on the number of all shares of the same class, entered in the accounts of the issuer in the central securities registry. The percentage is calculated on two (2) decimal places, provided that the subject of the public offer are not the issuer's own shares and the shares of owners holding more than five (5) percent of all issued shares of the same class on the account, unless it is a joint custody account of various investors or an account of one of the pension funds;
 2. the legal basis for the issue of securities, stating:
 - a) body or persons authorized to take decisions on securities issues;
 - b) the date and format of the decision as well as its content;
 - c) rights related to securities and rules for the exercise of those rights;
 - d) issuer's dividend policy.
- (2) Insofar as the Listing Document refers to bonds and other types of securities containing the issuer's obligation, including a deposit certificate in respect of these securities, the chapter "Information on the securities for which the Application is filed to be listed on the PROGRESS segment" contain at least the following:
 1. a more detailed description of the type and nature of the securities;
 2. an indication of whether the securities are in the name or the bearer and whether they are issued in a materialized or dematerialized form;
 3. the legislation on the basis of which the securities were issued;
 4. the monetary currency of the securities;
 5. total emission of securities, individual tranches of emission and their value;
 6. the nominal value of the issue of securities and the method of determining their price;
 7. a description of all rights arising from the ownership of the securities, including their restrictions and procedures for the exercise of these rights;
 8. the interest rate, the method of calculating the interest rate, the conditions for paying interest and the dates on which the owner of the securities is entitled to interest payment;
 9. a description of the conditions and the procedure for the purchase of securities;
 10. the value and form of the guarantee, if any, and the indication of the entity that issued the guarantee;



11. insofar as there is security in the form of a lien or mortgage for liabilities arising from securities, the licensed independent person must give an independent assessment of the value of the objects that are the subject of a lien or mortgage;
 12. the value of the issuer's total liabilities on the last day of the last quarter prior to the filing of the Listing Document and the final appearance of the securities issue by the issuer;
 13. general information on the credit rating of the issuer or its securities, the name of the credit rating agency which has granted the assessment and possible reference to the specific credit rating terms indicated in the additional notes;
 14. provisions on the powers and manner of referring the general meeting of securities holders;
 15. an indication and a detailed description of the additional rights of holders of securities, insofar as they exist;
 16. information that enables investors in securities to understand the operation of securities-funded projects and a description of the methods of meeting the issuer's obligations arising from the securities issue;
 17. in the case of convertible debt securities:
 - a) the number of votes in the General Meeting of Shareholders arising from convertible securities, insofar as all debt securities are converted into equity with a voting right;
 - b) the total number of votes at the General Meeting of Shareholders in the event of the conversion of the entire issue of debt securities into equity with a voting right;
 18. in the case of issue of securities with a pre-emptive right:
 - a) number of equity securities belonging to one debt security;
 - b) the nominal value of equity securities or the method of determining the price of equity securities;
 - c) the start date and the end date of the rights of holders of debt securities for conversion into equity securities.
- (3) In the case of securities issue programs, the chapter "Information on the securities for which the Application is filed to be listed on the PROGRESS segment" should additionally include:
1. an explanation of the purpose of the program, if confirmed;
 2. the volume of emissions under each program;
 3. the nominal value of the securities issued under each program;
 4. the general characteristics of the securities issued under each program.

Article 11

The "Information about the issuer" section should contain at least the following:

1. the name of the company, the registered office, the legal form of the business entity, tax number, registration number_LEI;
2. the date of establishment of the issuer, the period for which the company is established, unless it is for an indefinite period;
3. information for contacting the issuer - telephone, fax, e-mail address and website address;
4. the value of the share capital;
5. information on the anticipated changes in the share capital, including the amount of the potential increase in share capital and the date of cessation of the pre-emptive right of existing holders to the increase in share capital;
6. the issuer's ownership structure with an indication of all owners who own at least five (5) percent of the total issuer's securities issuance.



7. main activities of the issuer, products offered and / or services provided by the issuer and if the issuer is a part of a group, a description of the group and the position of the issuer's company in the group;
8. a description of the planned business activities and investments of the issuer and the planned timetable for their implementation after the issuer's securities are admitted to the PROGRESS segment, the purpose of using the collected funds and the plan of exiting the current owners from the ownership structure of the issuer;
9. a statement by the issuer confirming that, in his opinion, the amount of working capital of the issuer is sufficient to satisfy the prescribed requirements within a period of twelve (12) months from the date of the inclusion of the Listing Document and, in so far as it is insufficient, how it will provide additional working capital that is required in accordance with Article 78 of the Delegated Regulation (EU) No. 2017/565;
10. a brief financial check of the issuer and the selected financial information of the issuer of each completed financial year for the period covered by the Listing Document containing key information on the financial position of the issuer;
11. any significant changes in the economic, financial or material situation of the issuer and its group and other information relevant to the assessment of such changes that arose after the preparation of the financial information referred to in Article 12 of this Ordinance;
12. a list of financial markets on which the issuer's securities are listed or were listed in the past;
13. a professional curriculum vitae of persons in the positions of the issuer's administrative and supervisory bodies, which, in addition to the rest, include:
 - a. name and surname, position and function at the issuer and the date of expiry of the mandate;
 - b. a description of competencies and professional experience;
 - c. information on the implementation of activities of a person outside the scope of the issuer's activity, insofar as such activities are relevant to the issuer;
14. information on the settlement, arbitration or enforcement procedure against the issuer, insofar as the outcome of such a procedure is substantial or may have a material effect on the issuer's operations;
15. information on any other proceedings before state authorities and judicial or arbitration proceedings, including any ongoing proceedings, for at least the period of the last twelve (12) months which could materially affect the financial position of the issuer or exclude information on such procedures.
- 16.

Article 12

- (1) The chapter "Financial Reports" must contain at least the following:
 1. the financial statements of the issuer for the previous financial year, prepared in accordance with the applicable regulations, for issuers established outside the Republic of Slovenia in accordance with the applicable laws defining the financial reporting or internationally accepted financial reporting standards. The financial statements must be audited in accordance with the applicable regulations and professional standards;
 2. an unaudited semi-annual report of the issuer for the current financial year, if more than eight (8) months have elapsed since the end of the financial year, as of the date of the Application for listing on the PROGRESS segment;



3. the consolidated financial statements of the issuer's group for the previous financial year, prepared in accordance with the applicable regulations and audited in accordance with the applicable regulations and professional standards;
4. the report of the authorized person for auditing the financial statements referred to in points 1 and 3 of this paragraph, prepared in accordance with the applicable regulations and professional standards.

(2) Insofar as the issuer prepares separate and consolidated financial statements, at least the consolidated financial statements shall be included in the Listing Document.

(3) The financial statements that are the subject of the financial or consolidated financial reports included in the Listing Document may not be older than twelve (12) months.

(4) If irregularities or incompliances in the Listing Document are detected prior to listing of securities on the PROGRESS segment, the issuer is obliged to complete the Document with new, accurate and complete information in the form of Additional Information to the Listing Document.

Article 13

The "Documents accessible to the public" section contains:

1. the issuer's statement that the following documents (or their copies) are available to the public for the whole period as long as the securities of the issuer in the PROGRESS segment are traded:
 - a) the articles of association and / or the social contract of the issuer;
 - b) any financial reports, letters and other documents, historical financial information, estimates, expert opinions made at the Application of the issuer and any of which is included in the Listing Document or to which the Listing Document refers.
 - c) historical financial information on the issuer or, in the case of a group, of the issuer and its subsidiaries for two (2) business years prior to the publication of the Listing Document;
2. the mark of the place where the documents are accessible to the public in a physical or electronic form.

Article 14

The "Additional Information" section contains:

1. extract from the court register, which is not older than thirty (30) days counted from the date of filing of the Application for listing on the PROGRESS segment;
2. the articles of association of the issuer and the content of the resolutions of the general meeting on changes that have not yet been entered in the court register;
3. the company profile;
4. explanations of the terms and abbreviations used in the Listing Document.

5. SUMMARY OF THE LISTING DOCUMENT

Article 15

- (1) A summary of the Listing Document must be prepared in the event that an Application for listing on the PROGRESS segment is filed for securities already admitted to trading:
 - a) on one of the organized or alternative markets not managed by the Exchange;



b) on an alternative market managed by the Exchange, and which is not an SI ENTER market and not an organized market operated by the Exchange.

(2) In the event that the Exchange considers it necessary, the issuers referred to in the first and second paragraphs of this Article shall be obliged to additionally include in the Summary of the Listing Document the information referred to in Chapter 4 of these Regulations "Listing Document" to the extent determined by the Exchange.

Article 16

(1) Without the additional information referred to in the third paragraph of Article 15 of these Regulations, the Summary of the Listing Document shall contain, in addition to the information prescribed in Article 10 of these Regulations, at least the following information:

1. the title of the "Summary of the Listing Document on the PROGRESS segment";
2. name, registered office, legal form, registration number of the issuer;
3. name, registered office, registration number of the advisor;
4. name, registered office, registration number of the certified auditor;
5. the date of establishment of the issuer, the period for which the company is established, unless it is an indefinite period;
6. correspondent information of the issuer - telephone, fax, e-mail address and website address;
7. the value of the share capital;

8. insofar as the issuer is part of the group, the description of the group and the position of the issuer's company in the group, the list of subsidiaries of the issuer, their names, the country in which they are established, the head offices of subsidiaries, the issuer's equity holdings of subsidiaries and, insofar as they differ from equity holdings, shares of voting rights of the issuer in subsidiaries;
9. a brief overview of the business and basic information on the issuer's main business activities, depending on the business segments;
10. information on persons occupying positions in the issuer's administrative or supervisory bodies, including certified auditors:
 - a) the name, position or function of that person and the expiry date of the mandate;
 - b) description of qualifications and professional experiences;
 - c) information of the activities performed by the person outside the issuer, if these activities are significant for the issuer;
 - d)

11. a description of the main risk factors associated with the issuer and the securities for which the Application for listing on the PROGRESS segment is filed;
12. a list of the issuer's publications disclosed to the public;
13. a statement by the issuer confirming that, in his opinion, the amount of working capital of the issuer is sufficient to fulfil the prescribed requirements within a period of twelve (12) months from the date of the application of the Listing Document and, if not sufficient, how it will provide additional working capital is needed;
14. place where they are available:



- a) a publicly published Listing Guideline relating to such securities or securities of the same type;
 - b) the financial statements of the issuer published in accordance with the regulations applicable to the issuer.
- (2) In addition to the information from the first paragraph of this Article, the Summary of the Listing Document shall also contain the documents and information from Articles 12 to 14 of these Regulations if (i) a prospectus on the basis of which the securities are admitted to trading on one of the organized markets referred to in point a) of the first paragraph of Article 15 of these Regulations, together with the decision of the supervisory body that approved the prospectus, or (ii) a listing document or any other document issued for the purpose of a public offering of securities placed on the market in another alternative market referred to in point a) or under point b) of the first paragraph of Article 15 of these Regulations, or (iii) a prospectus issued for the purpose of a public offering of securities of the second paragraph of Article 15 of these Regulations, together with the decision of the supervisory body that approved the prospectus. Prospectuses or other documents provided for in this paragraph must be issued in Slovene or English language.
- (3) If the documents and information referred to in Articles 12 to 14 of these Regulations are already included in the contents of the prospectus or any other document referred to in the second paragraph of this Article, then the Summary of the Listing Document may only indicate, provided that: (i) from the date of the approval of the prospectus (referred to in point a) of the first paragraph of Article 15 and the second paragraph of Article 15 of these Regulations) or from the date of application of the Listing Document or any other document (referred to in point a or point b) of these Regulations) no more than twelve (12) months have passed; and (ii) there has been no new circumstances arising from the decision of the supervisory authority, nor has there been any evidence of the existence of an irregularity and defect in the information provided in the prospectus which could affect the valuation of the issuer's security, which the issuer must, with a separate statement in the Summary of the Listing Document, confirm in writing. If, in the case of this paragraph, on the date of the Application for listing on the PROGRESS segment, more than eight (8) months have passed since the end of the financial year to which the audited, consolidated and consolidated financial statements of the issuer's group are included in the prospectus, the Listing Document or any document referred to in the second paragraph of this Article, the issuer must submit the unaudited, consolidated half-yearly statements and balance sheets for the current business year to the PROGRESS segment.
- (4) If the prospectus referred to in the second paragraph of this article includes any anticipation or forecast that has not yet occurred, it is necessary to enclose a summary of the Listing Document with a statement from the issuer explaining whether this prediction or forecast is still valid, and if not, explain why not.
- (5) On the first page of the summary of the Listing Document, the text referred to in the second paragraph of Article 6 of these regulations shall be displayed in a visible place.
- (6) On the second page of the Summary of the Listing Document, the statements of the issuer and the authorized persons of the Advisor must be clearly displayed in accordance with the provisions of Articles 9 and 13 of these Regulations.



6. TRANSITIONAL AND FINAL PROVISIONS

Article 17 Regulations Adoption Procedure

- (1) The Regulations and its amendments and supplements are adopted by the Management Board of the Exchange.

- (2) The Regulations and its amendments and supplements shall be published on the SI ENTER and PROGRESS websites, they shall enter into force and apply on the fifteenth (15) day following their publication unless the Exchange determines, on the basis of serious reasons, a shorter term for the entry into force and application is required or unless provided otherwise in this Chapter.

Article 18 Date of Entry into Force and Application

The Regulations shall be published on the SI ENTER and PROGRESS websites and shall enter into force and use on 10 September 2020. On the date of entry into force and use of these Regulations, the Regulations of 16 September 2019 shall cease to apply and use.

Ljubljana, 3 September 2020

Ljubljana Stock Exchange Inc.

Nina Vičar, MSc
Member of the Management Board

Aleš Ipavec, MSc
President of the Management Board