

5. Life as a company with securities admitted to trading

5.1. Leverage the opportunities created

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5.1.1. Optimize growth opportunities with the new tools at hand

After a successful listing process, the Company may enhance its ability to fund and increase its notoriety through the capital markets. Furthermore, additional communication tools and channels will be available, notably for the purpose of building the Company's image, including in ESG matters.

The proceeds of the Offering are usually used to leverage the development of the Company's strategy and business plan, which, in turn, can largely rely on:

- R&D initiatives

- Entering new markets / countries

- Develop ESG initiatives

- M&A

- Strengthen the company's capital base

- Balancing the Company's capital structure and optimizing a better mix of equity and debt

- Fund employee shareholding plans and remuneration schemes able to attract and retain the best professionals

A company with securities admitted to trading will have much easier access to the funding needed to put in place the initiatives above, not only at initial offers, but also afterwards through secondary offers. Streamlining access to funding from capital markets generally enables the company to raise money in a less costly and more efficient way, with more options and flexibility in the sources of financing.

Please also note that shares listed on the stock market are usually considered more liquid than other assets, and accepted as collateral to other financing operations, which, in turn, might represent an interesting feature to the shareholders/bondholders.

Additionally, companies with shares admitted to trading on a regulated market tend to access in an easier manner to bond issuance financing, as they are already subject to general rules applicable to bonds admitted to trading and do not have to fulfill the Financial autonomy ratio law required by the Companies Code for the issuance of bonds.

Recommended reading: 4.1.1.2. Eligibility criteria for further information.

5.1.2. Managing Investor Relations and communications

After the IPO/bond offering, it is important to keep investors updated on the company's evolution and interested in its development. Accountability must integrate the Company's culture, as keys elements for success.

The IPO/bond offering process will raise interest about the Company in the media and among investors and stakeholders (e.g. clients, suppliers, etc.). Investor relations ensure regular and insightful communication and news flow with the market, helping to maintain investor's confidence.

Depending on the type of transactions (IPO or debt) and size of the Company, the investor relations can be maintained by a high level employee (which may simultaneously perform other functions in the company) or by a specialized team for the purpose. For example, a Company that has only bonds admitted to trading tend to be less demanded by the market and the investors.

In case the shares or bonds are admitted to trading in the regulated market, the Company must appoint a contact person to ensure smooth and quick interactions with CMVM when needed or required.

What are the goals of Investor Relations?

The main goals of investor relations are (depending on the type of securities issued and size of the Company):

- To provide investors with updated information and clarifications to questions they might have

- Representing the company to potential investors

- Providing financial information to investors in a timely and accurate way and nonfinancial data to support company valuations

- To ensure that the company fulfills on a promptly manner its disclosure duties towards the market and its investors, resulting from the applicable law

- Presenting investor feedback to company management and the Board, identifying risks and improvement opportunities open

5.2. Ongoing Requirements

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Why market rules exist?

The existence of ongoing obligations and respective rules allows investors to be kept informed, and it is this information that enables investors to continuously monitor their interest in the Company, to make investment decisions to invest or sell the shares or bonds and to evaluate investments in future secondary offerings.

These legal obligations are intended to guarantee the disclosure of information that may impact the expectations of investors and to sustain the engagement of investors with the business project. Remember, current and future investors are not just investment providers, they can also be a useful source of knowledge. Furthermore, the dissemination of Company's information helps building the Company's image and strengthens trust (towards all the stakeholders, including clients).

Types of rules and their role

In essence being present in capital markets implies the fulfillment of certain information disclosure obligations, that are mainly divided in **periodic information disclosure obligations** (e.g. financial accounts) and **ad hoc information disclosure obligations** (e.g. inside information).

The applicable duties depend on the type of securities (shares or bonds) and market in which they are listed.

In certain cases, it is possible that, in the future, the Company no longer wishes to resort to the capital markets. **If and when that time arises, it is worth knowing that the Company won't be irrevocably tied to its prior decision to become a listed company.** In short, it is possible and feasible to access, to remain, and to exit capital markets for as long as it makes sense considering the Company's strategy.

Companies view market listing as a milestone. The IPO/bond offering sets the start of a new journey, where companies grow, reach a larger number of stakeholders and benefit of new opportunities, with a professional and transparent approach, in cooperation with its stakeholders.

CRUCIAL FACTORS FOR THE SUCCESS OF LISTED COMPANIES

- Presenting a business plan to investors (depending on the securities admitted to trading)
- Clear and consistent strategy
- Clear and insightful communication and engagement with stakeholders
- Transparency and accountability

Besides the compulsory minimum standards information, some listed companies also voluntarily choose to provide additional information, since optimized communication between all market participants is necessary to build trustful relationships with investors.

Investors seek reliable and timely information about the strategy, the business performance and the corporate governance practices of the companies they invest in. Timely disclosure of such information is crucial for the performance of the Company in the capital markets.

Rules detailed (shares and bonds) depending on the market

Below you can find what are the main ongoing obligations for listed companies:

Issuers with shares admitted to trading**Legend**

-  Obligations derived from Portuguese and UE legislation enforced by CMVM
-  Obligations derived from Euronext rules enforced by Euronext

Type of duty	Duty	Regulated Market	Multilateral Facility Trading		
		Euronext Lisbon	Euronext Growth	Euronext Access+	Euronext Access
		Detailed list (link)	Detailed list (link)	Detailed list (link)	Detailed list (link)
Periodic disclosure obligations	Financial Reporting: Annual	Annual financial report (comprising the same documents as applicable to any commercial company, such as annual financial statements, business report and auditor's report on annual financial statements)	Annual financial report (comprising the same documents as applicable to any commercial company, such as annual financial statements, business report and auditor's report on annual financial statements)	Annual financial statements (audited)	Annual financial statements (unaudited)
	Financial Reporting: Half a year	Semi-annual financial statements with auditor's limited review, business report	Semi-annual financial statements and business report (unaudited)	Semi-annual financial statements (unaudited)	Not required
	Corporate governance report	Yes, as a chapter in their annual financial report or as an appendix to it	Not applicable	Not applicable	Not applicable
	Sustainability report (only for certain issuers) – Non Financial Information*	Yes, annually as part of the annual financial report or as an independent report	Not applicable	Not applicable	Not applicable
"When happen" disclosure obligations	Disclosure obligations under shareholders rights Directive (especially in the context of General Meetings but also regarding remuneration policy and related party transactions)	Applicable	Not applicable	Not applicable	Not applicable
	Disclosure obligations under the Market Abuse Regulation (especially inside information, and managers' transactions - see link below)	Applicable	Applicable	Applicable	Applicable
	Duties in the context of takeover bids, namely with regards to a report on the terms and conditions of the bid, as well as certain behavioral requirements in the context of a bid.	Applicable	Not applicable	Not applicable	Not applicable
	Disclosure of Threshold Crossing (capital or voting rights)	Applicable	Not applicable	Not applicable	Not applicable
Permanent obligations	Governance, including existence of an independent supervisory board and gender equality – further details in 3.1.1.2.1.2. Adapt corporate governance structure and internal compliance functions	Applicable	Not applicable	Not applicable	Not applicable
	Appointment of a representative for market and CMVM relations	Applicable	Not applicable	Not applicable	Not applicable
	Issuer Website	Yes	Yes	Yes	Yes
	Intermediary	Not required	Listing Sponsor	Listing Sponsor	Listing Sponsor

* Applicable to any company which are considered a "large company" and additionally exceed an average number of 500 employees during the last financial year.

Access to detailed lists:

[Euronext Lisbon](#) | [Euronext Growth](#) | [Euronext Access+](#) | [Euronext Access](#)

Issuers of bonds admitted to trading

Type of duty	Duty	Regulated Market	Multilateral Facility Trading	
		Euronext Lisbon	Euronext Growth	Euronext Access
		Detailed list (link)	Detailed list (link)	Detailed list (link)
Periodic disclosure obligations	Financial Reporting: Annual	Annual financial report (comprising the same documents as applicable to any commercial company, such as annual financial statements, business report and auditor's report on annual financial statements) Only applicable to certain issuers*	Annual financial report (comprising the same documents as applicable to any commercial company, such as annual financial statements, management report and the auditor's report)	Annual financial statements (unaudited)
	Financial Reporting: Half a year	Semi-annual financial statements with auditor's limited review, business report Only applicable to certain issuers *	Not required	Not required
	Corporate governance report	Only simplified information, as a chapter in their annual financial report or as an appendix to it	Not applicable	Not applicable
"When happen" disclosure obligations	Disclosure obligations under the Market Abuse Regulation (especially inside information, and managers' transactions - see link below)	Applicable	Applicable	Applicable
Permanent obligations	Governance, including existence of an independent supervisory board – further details in 4.1.2.1.2. Adapt corporate governance structure and internal compliance functions	Applicable	Not applicable	Not applicable
	Appointment of a representative for market and CMVM relations	Applicable	Not applicable	Not applicable
	Issuer Website	Not required	Not required	Not required
	Intermediary	Not required	Not required	Not required
	Bondholders' Meetings	Applicable	Applicable	Applicable

*Not applicable if the securities have a nominal value over €100,000 or if their maturity is lower than one year

Access to detailed lists:

[Euronext Lisbon](#) | [Euronext Growth](#) | [Euronext Access](#)

For further information on further obligations access Market Abuse Regulation (MAR) .

5.3. Ongoing Costs

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The benefits of being a listed company (easiest financing in the future, better visibility and corporate improvements, etc – 5.1 Leverage the opportunities created) implies also subsequent costs to the IPO/bond offering (e.g. fees due to Euronext, supervision fees due to CMVM, costs related to disclosure requirements).

Particularly for an IPO, the respective expenses may be offset by the reduction or elimination of the illiquidity discount. Subsequently, it should be noted that the costs of secondary offerings are much lower than the costs of primary offerings, given the absence of costs related restructuring and the reduced effort necessary to make the public know the company.

It is estimated that the value of an unlisted company may be lower than that of an identical company listed on an efficient market.

CMVM supervision fees

Services for the continuous supervision of the information provided by issuers to the market.

A quarterly fee is due to CMVM, for each issuer of securities admitted to trading on a **regulated market**, for the continuous supervision of the provision of information to the market, in an amount depending on market capitalisation:

Equity	
Market capitalisation	Fee
[0 – 500] millions	€1,50
[500 – 1,000] millions	€3,00
[1,000 and above] millions	€5,00

Debt	
Listed amount	Fee
[0 – 100] millions	€ 750
[100 – 1,000] millions	€ 1,50
[1,000 and above] millions	€ 2,50

Each Issuer of securities admitted to trading on a **multilateral or organised trading system** is charged a quarterly fee of €250, due to CMVM, for the continuous supervision of the provision of information to the market.

Euronext fees

Subsequently to the listing process, listed companies must pay an annual fee. Annual Fees cover one calendar year, are payable at the beginning of the relevant year, are not refundable if the securities cease to be traded and/or are delisted during the year. Euronext charges the following ongoing annual fees:

EQUITY

Euronext Access

A fixed fee of €4,000

Euronext and Euronext Growth

The following variable fees for each tranche of number of equity securities:

[0 - 2,5] millions	€4,240
[2.5 - 5] millions	€5,300
[5 - 10] millions	€12,720
[10 - 50] millions	€19,080
[50 - 100] millions	€26,500
[100 and above] millions	€31,800

The following variable fees for each tranche of market capitalisation:

[0 - 150] € millions	Not applicable
[150 and above] € millions	13,30€ for each million of Market Capitalisation exceeding €150m

Both fees, for Euronext and Euronext Growth, can reach a maximum of €78,000.

DEBT

No annual fees are payable by Issuers of debt securities, except regarding material corporate events.

EQUITY + DEBT

A material corporate event is any extraordinary corporate action or a specific combination of corporate actions for securities admitted to trading on any Euronext Market, and for each of these events a fee of €15,000 is charged to the issuer.

Check more detailed fees charged by Euronext [here](#).

Euronext Securities fees

The monthly maintenance fees for issues registered in the centralized securities systems are based on the monthly average value of the issues registered in issue accounts of a same issuer, calculated from their daily value.

The fees to be applied regarding the issues' maintenance are calculated by applying the annual percentages, as follows:

EQUITY

Issues maintenance (%/year)		Total value issued by issuer Group (million€)			
		Until 200	200 to 2.000	2.000 to 20.000	More than 20.000
Total value of issue (million €)	Until 5	0,00239	0,00228	0,00219	0,00207
	5 to 50	0,00219	0,00208	0,00198	0,00187
	More than 50	0,00208	0,00198	0,00188	0,00177

DEBT

Issues maintenance (%/year)		Total value issued by issuer Group (million €)			
		Until 200	200 to 2.000	2.000 to 20.000	More than 20.000
Total value of issue (million €)	Until 5	0,00216	0,00214	0,00211	0,00210
	5 to 50	0,00178	0,00175	0,00173	0,00172
	More than 50	0,00174	0,00172	0,00169	0,00168

VALUATION OF THE HOLDINGS

The valuation of the holdings is based on:

The nominal value, for debt instruments, and whenever the market price is not disclosed by Euronext or by Euronext Securities Porto, however, the valuation is based on the value of the total issue, when debt instruments are represented in a nominal value amount.

The prices or market values, disclosed by Euronext, for listed securities which do not represent debt:

Whenever the market price is provided to Euronext Securities Porto by more than one national managing entity, the price divulged by the regulated markets' managing entity prevails, even if the securities in question are listed in other markets or systems;

Whenever Euronext Securities Porto does not get information on time about the most recent market price, for effects of valuation, the last market price that has been given for the purpose must be used.

Check more detailed fees charged by Euronext Securities [here](#).

OTHER COSTS

Having securities admitted to trading on the capital markets may entail other additional ongoing expenses besides the costs referred above.

Estimates on post-offering costs can vary depending on pre-existing resources of the company, the type of securities and the markets where they are admitted to trading.

5.4. Taxation matters

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Raising capital from equity or debt offerings have different impacts on the company's taxation. The taxation on the holders of the securities also varies if it is equity or debt securities. Below it is provided a brief overview of some of the most important aspects of tax planning that you should consider, although the Company should consult with tax advisers and carefully and thoroughly assess the tax implications associated with its decision.

	Equity	Debt
Shareholders/bondholders	<p>Dividends</p> <p>In general, domestic dividends distributed by the companies are subject to a withholding personal income tax of 28%.</p>	<p>Interest</p> <p>In general, domestic interests distributed by the companies are subject to a withholding personal income tax of 28%.</p>
	<p>Capital gains</p> <p>A special 28% tax rate applies on capital gains on shares and bonds derived by resident individuals. The taxable amount is the net gain realized during the year, i.e. the total gains less total losses on such assets.</p>	
Issuers	<p>Dividends</p> <p>Dividends are not deductible for corporate tax purposes.</p>	<p>Interest</p> <p>Net financing expenses (e.g. interest) are deductible up to the higher of the following limits:</p> <ul style="list-style-type: none"> • EUR 1 million; or • 30% of the earnings before net financing expenses taxes, depreciation, and amortization, adjusted for tax purposes (EBITDA tax) <p>Financing expenses considered as excessive and thus non-deductible in a certain year, may be deductible in the following 5 years, provided that, together with the net financing expenses of that year, the above-mentioned limits are not exceeded.</p>