

Issuer's dictionary

Additional Offering

An additional offer of new shares in a company whose shares are already listed and traded on the stock exchange.

Allocation/allocation meeting

The decision to allocate shares to specific investors and the determination of the final share price to initiate trading on the stock exchange.

Bookbuilding

Collecting orders from investors by the lead manager during meetings of the company management with potential investors (in the course of roadshows).

Comfort Letter

The auditor's letter confirming the verification of the issuer's financial statements and financial parts of the prospectus.

Combined Offering

An offer of new and existing shares in the company.

Due diligence

A legal, financial and commercial audit performed by the lead manager and the legal advisor.

DVP

The acronym of the term "delivery-versus-payment", i.e. the issue of shares against payments for the shares.

Issuer

The company issuing new shares through an IPO.

Equity Research

A report drawn up by the lead manager's analysts that is issued before the shares are listed on the stock exchange and that contains an evaluation of the issuer.

IPO

The acronym for the term "initial public offering", i.e. the issue of new shares and their placement on the public market (stock exchange) for trading.

Listing

The acceptance of shares for trading on the stock exchange.

Lead Manager

The term used for the issue manager. The lead manager is the issuer's advisor who prepares the IPO and allocates the issuer's shares to new investors.

Lock-up

A period after the share offering during which the decision-making shareholders or the issuer's management cannot sell the issuer's shares. It usually lasts up to 180 days.

Legal Opinion

An opinion issued by the legal advisor of the IPO, the scope of which is governed by the relevant jurisdiction in which the IPO is conducted and by issuer's requirements.

Offering

The English term for an offer of shares.

One-on-one

A personal meeting of the issuer's management with one potential investor.

Project manager

An external collaborator hired by the issuer solely for IPO purposes, whose main task is to efficiently coordinate and manage all the advisors involved in the IPO and necessary activities exclusively to the benefit of the issuer.

Prospectus

An information document on the basis of which investors make their investment decisions. A prospectus must contain all the information on the issuer on the basis of which the investor assesses the shares being offered. This document cannot include any major false or misleading statements and cannot omit any material facts. The prospectus is a document for which the issuer is legally liable; therefore, it is drawn up in close cooperation with the legal advisor and company management. The issuer provides subscribers with representations and warranties, including the promise of indemnity, regarding the accuracy and completeness of the information contained in this document.

Public Offering

Public offering (of shares), i.e. an offer for a wider range of persons that meets the criteria stipulated by applicable legal regulations.

Publicity Quidelines

IPO communication rules prepared by the issuer's legal advisor.

Research Guidelines

Rules prepared by the issuer's legal advisor regarding the content and publication of Equity Research.

Rights Offering

An offering of company shares which is associated with rights to participate in the management of the company, including profit shares (in order to avoid doubt, most share offerings, including an IPO, are "right offerings").

Road show

A term used for one- or two-week meetings between the management of the company whose shares are being offered under an IPO and potential investors. The meetings can be held either as group presentations (presentations for a group of investors) or as one-to-one meetings (meetings with only one investor).

SPO

The acronym for the term "secondary public offering", i.e. the sale of existing shares of the company (funds from an SPO are obtained by shareholders, not the company).

Subscription Agreement or Underwriting Agreement

An agreement on the subscription and purchase of shares concluded between the issuer (sometimes also existing shareholders) and the lead manager (or a syndicate of subscribers) governing the terms of issue of shares and their delivery to the manager (or a syndicate of subscribers) against payment.

Syndicate or Subscribers

A group of financial institutions that first subscribe and purchase shares that have been offered from the issuer on the basis of a subscription agreement.