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QUESTIONNAIRE ON DELISTING

Chile

PART I. VOLUNTARY DELISTING

A delisting is deemed voluntary if it is initiated by the company or a shareholder.

1. Is voluntary delisting explicitly allowed by national laws or by jurisprudence?

Yes (X) No

Voluntary delisting is allowed when the listing was voluntarily requested. If the listing was made pursuant the fulfilment of one or more of the requirements set forth in the applicable law for mandatory listing of securities, then, only when said requirement stopped from being fulfilled, the issuer can request the delisting.

Relevant provision:

Article 15 letter b) of Securities Market Law (*Ley de Mercado de Valores*).

2. If the answer to 1. is yes, who decides so?

BoD GA (X) Other

Relevant provision:

Article 2 of the Corporations Law (*Ley de Sociedades Anónimas*) and Article 5.1 of the General Rule 30 (*Norma de Carácter General 30*) of the Chilean Financial Market Commission.

3. What is the quorum requirement for the delisting decision of the competent organ?

Two thirds of the issued and paid shares.

Relevant provision:

Article 2 of the Corporations Law (*Ley de Sociedades Anónimas*).

4. What is the majority requirement for the delisting decision of the competent organ?

Two thirds of the issued and paid shares.

Relevant provision:

Article 2 of the Corporations Law (*Ley de Sociedades Anónimas*).

5. Do (minority) shareholders have statutory veto rights as to a delisting decision?

Yes No (X)

Relevant provision:

Article 2 of the Corporations Law (*Ley de Sociedades Anónimas*).

6. Should delisting take place within a specific timeframe after the relevant decision? Is there a specific period of time after the decision in which the delisting should be completed?

Yes No (X)

Relevant provision:

The law does not give a timeframe for requesting the delisting after the approval granted by the shareholder.

7. Should the delisting application give a full statement of reasons for the submission of such application?

Yes No (X)

Relevant provision:

General Rule 30 of the Chilean Financial Market Commission

The law does not require to give full statement of reasons for delisting. Nevertheless, applicable documentation must be presented and, if the listing was made pursuant the fulfilment of one or more of the requirements set forth in the applicable law for mandatory listing of securities, then, it will have to present evidence that such requirement is no longer applicable

8. Is it required that a competent authority approves the voluntary delisting?

Yes (X) No

Relevant provision:

General Rule 30 of the Chilean Financial Market Commission

If the answer to 8. is yes, who is the competent authority?

The Chilean Financial Market Commission is the entity that keep record of listed securities in the Securities Registry, hence, such authority is the only entitled to delist an entity from such registry.

If the answer to 8. is yes, does the competent authority has the competence to verify the reasons of delisting?

Yes No (X)

However, the Financial Market Commission will review the completeness information provided for the delisting before approving it.

Relevant provision:

Article 15 of Securities Market Law and General Rule 30 of the Chilean Financial Market Commission.

If the answer to 8. is yes, does the competent authority have any discretion? Can the competent authority impose additional terms for investor protection? Can the competent authority postpone the decision?

N.A.

9. In case of a voluntary delisting does the issuer have to make an offer to buy the shares of (dissenting) shareholders?

Yes (X) No

Shareholders that vote against the voluntary delisting or that were not present at the shareholders meeting are considered “dissenting shareholders” and the company will be required to buy the shares of said shareholders if they exercise their retirement right within 30 days as from the shareholders meeting.

Relevant provision:

Article 2 of the Corporations Law.

If the answer to 9 is yes, at what price should the offer be made? How is the price calculated?

The dissenting shareholder shall be paid a market price. If the companies’ shares have relevant market transactions (*presencia bursátil*) then the price will be the average price of transaction of the last 60 trading days between the thirtieth and ninetieth trading day prior to the date of the shareholders meeting that approved the delisting. If the companies’ shares do not have relevant market transactions (*presencia bursátil*) then the market value will be the book value of said shares.

Relevant provision:

Article 132 of Decree 702/12.

10. Are there any restrictions due to the principle of maintenance of the share capital?

Yes No (X)

11. Does a (majority) shareholder or a third person has the right to offer to buy the shares of (dissenting/all) shareholders and relieve the issuer?

Yes No (X)

12. In case of a voluntary delisting does the issuer or a third person have the obligation to publish a prospectus / informational document?

Yes No (X)

13. Is an exit opportunity available for shareholders in case of delisting?

Yes (X) No

Relevant provision:

See answer to Q 9.

If yes, please define:

See answer to Q 9.

14. Is there any specific provision on downlisting?

Yes No (X)

15. Is there any specific provision on market migration (delisting from a market and listing in another)?

Yes No (X)

16. Is there any specific provision on voluntary delisting in case of increase of listing requirements?

Yes No (X)

17. Are there different rules on delisting for national and foreign listed companies?

Yes (X) No

Foreign companies listed will have to fulfill the requirements of pursuant which, the foreign issuer will have to request the delisting and present the reasons of such delisting.

Relevant provision:

General Rule 352 of the Financial Market Commission

18. What is defined as cold delisting in your legal order?

There is no such definition in accordance with Chilean laws.

19. Does the merger of a listed company with a non-listed company lead to delisting?

Yes No (X)

The merger with a non-listed entity will not make a listed entity to be unlisted. A company can be delisted if the requirements for mandatory listing are not met anymore or if the voluntary delisting process is fulfilled.

20. Does the successful completion of a mandatory bid give the right to delisting? If yes, are there any preconditions?

Yes No (X)

PART II. OBLIGATORY DELISTING

21. What are the prerequisites for compulsory delisting by the competent national supervisory authority?

Pursuant to Article 15 of Capital Market Law, a companies' shares will be delisted:

- a) When the shares of a corporation cease to fulfill one of the following requirements (whose fulfillment implies mandatory listing): have 500 or more shareholders or at least 10% of the subscribed capital is owned by at least 100 shareholders, excluding those who individually or through other natural or legal persons, exceed this percentage.
- b) When the Financial Market Commission by well-founded resolution, delist the shares due to public interest or due to protection for investors.
- c) When determined by the Financial Market Commission by well-founded resolution in the following cases:
 - (i) The registration was obtained by means of false information or facts;

- (ii) During the term of the issue, the issuer provided the Securities Registry, the Stock Exchanges, the stockbrokers or securities broker/dealers with false information or facts;
- (iii) When the issuer disseminated false news or advertising;
- (iv) The security does not meet the requirements that made its registration necessary.

22. What are the rules of the market that can justify a compulsory delisting imposed by market (art. 52 of Directive 2014/65)?

N/A

PART III. GENERAL QUESTIONS (if not already answered)

23. How are dissenting shareholders protected in voluntary delisting?

Yes (X) No

Relevant provision:

See answer to Q 9.

24. How are shareholders protected in obligatory delisting?

If a sanction is imposed upon the issuer by the Financial Markets Commission, delisting will only occur if approved by two thirds of the shareholders.

25. How is the issuer protected in (obligatory) delisting?

It can claim against the Financial Market Commission resolution before the same Commission or before the Appeals Court.

26. How does insolvency and restructuring of a listed company affects delisting?

Insolvency and restructuring are not -per se- grounds for delisting.

27. Do relevant courts have the power to examine the delisting reasons on the merits?

Yes, when claiming against a resolution of the Financial Market Commission resolution which ordered the mandatory delisting.

28. What are the legal consequences of delisting: a) on shares, b) on shareholders, c) on the issuer?

The main consequence is that the shares cannot be publicly offered or traded.

Additionally, in voluntary delisting, dissident shareholders may request the company -issuer- to acquire their shares.

29. Are there any statistical data on delisting in your Country? If yes, please provide further details

Yes No (X)