

### KOSPI

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<b>Operating history</b>	At least three years
<b>Capital size (to satisfy a and b)</b>	<ol style="list-style-type: none"><li>Over KRW 30 billion of shareholders' equity</li><li>Over 1 million shares to be listed</li></ol>
<b>Share distribution (to satisfy a, b and c)</b>	<ol style="list-style-type: none"><li>To meet any one of the following shares requirements:<ol style="list-style-type: none"><li>At least 25% of shares or 5 million shares held by public shareholders (for companies with 50 million or more shares to be publicly offered, 10% of the total shares to be held by public shareholders)</li><li>At least 25% of shared or 5 million shares to be publicly offered (for companies with 50 million or more shares to be publicly offered, 10% of the total shares to be publicly offered)</li><li>At least 10% of shares to be publicly offered after submission of application for listing eligibility review and at least the no. of the public offered shares should be as follows:<ul style="list-style-type: none"><li>1 million shares – Equity capital: KRW 50 billion or more to KRW 100 billion or less; Market capitalisation: KRW 100 billion or more to KRW 200 billion or less</li><li>2 million shares – Equity capital: KRW 100 billion or more to KRW 250 billion or less; Market capitalisation: KRW 200 billion or more to KRW 500 billion or less</li><li>5 million shares – Equity capital: KRW 250 billion or more; Market capitalisation: More than KRW 500 billion or more</li></ul></li><li>In case of the simultaneous offering in Korea and abroad, at least 10% of shares and 1 million shares to be publicly offered</li></ol></li><li>At least 500 public shareholders</li><li>No restriction placed on transfers of shares</li></ol>

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### KOSPI (cont'd)

#### Financial requirements (to choose one of the options)

- a. To meet all of the following 'Sales & Profit requirements':
  1. Sales of KRW 100 billion for the latest fiscal year and average sales of KRW 70 billion for the recent three years.
  2. Positive operating income, income from continuing operations before tax and net income for the latest fiscal year.
  3. ROE and income (either i, ii or iii)
    - i. ROE: 5% of ROE for the latest fiscal year and 10% of ROW for the recent three years
    - ii. Income: Net income of KRW 3 billion for the latest fiscal year and an aggregate of KRW 6 billion in the recent three years
    - iii. For a company over KRW 100 billion of shareholders' equity: 3% of ROE or net income of KRW 5 billion for the latest fiscal year and positive cash flow from operating activities
- b. To meet all of the following 'Sales & Market capitalisation requirements':
  1. Sales: Higher than KRW 100 billion of the latest fiscal year.
  2. Market capitalisation: Higher than KRW 200 billion.
- c. To meet all of the following 'Net income & Market capitalisation requirements':
  1. Net income: Higher than KRW 5 billion of the latest fiscal year.
  2. Market capitalisation: Higher than KRW 200 billion.
- d. To meet all of the following 'Market capitalisation & Equity capital requirements':
  1. Market capitalisation: Higher than KRW 500 billion.
  2. Equity capital: Higher than KRW 150 billion.

#### Audit option

Unqualified opinion for the latest fiscal year and unqualified opinion or qualified opinion (excluding the qualified opinion due to scope limitation) for the recent two prior years.

#### Internal accounting controls

Review opinion on the operation of internal accounting controls.

#### Corporate governance

- Non-executive directors should be at least one-fourth of total number of directors (A company with total asset of KRW 2 trillion, the number of non-executive directors should be at least three directors and half of the total number of directors).
- For a company with total assets of KRW 2 trillion, an audit committee is required and at least two-thirds of the committee members should be non-executive directors.
- For a company with total assets of KRW 2 trillion, an audit committee is required to have a full time internal auditor.

#### Accounting standard

Either International Financial Reporting Standards (IFRS), US Generally Accepted Accounting Principles, Korean IFRS is accepted.

### KOSDAQ

**Operating history** No requirements

**Capital size** No requirements

**Share distribution (fall under any of the following items)**

- a. Number of minority shareholders at least 500; at least 25% of shares held by minority shareholders; at least 5% shares to be publicly offered
- b. Number of minority shareholders at least 500, over KRW 50 billion of shareholders' equity, and at least the No. of shares should be as follows:
  - 1 million shares –  
Equity capital: KRW 50 billion or more to KRW 100 billion or less; Market capitalisation: KRW 100 billion or more to KRW 200 billion or less
  - 2 million shares –  
Equity capital: KRW 100 billion or more to KRW 250 billion or less; Market capitalisation: KRW 200 billion or more to KRW 500 billion or less
  - 5 million shares –  
Equity capital: KRW 250 billion or more; Market capitalisation: More than KRW 500 billion or more
- c. At least 25% shares to be publicly offered & no. of minority shareholders at least 500

**Financial performance requirements (fall under any of the following items)**

1. For general company (or Venture Company, VC)
  - a. Sales & Profit requirement: to meet any one of the following:
    1. (i) Income from continuing operations before tax of KRW 2 billion (VC: KRW 1 billion), and (ii) market capitalisation of KRW 9 billion.
    2. (i) Income from continuing operations before tax of KRW 2 billion (VC: KRW 1 billion), and (ii) equity capital of KRW 3 billion (VC: 1.5 billion).
    3. (i) Positive income from continuing operations before tax, (ii) market capitalisation of KRW 20 billion, and (iii) sales of KRW 10 billion (VC: KRW 5 billion)
    4. Income from continuing operations before tax of KRW 5 billion.
  - b. Potential growth – Tesla policy: to meet any one of the following:
    1. (i) Market capitalisation of KRW 50 billion, (ii) sales of KRW 3 billion and (iii) average growth rate of 20% in recent two years
    2. (i) Market capitalisation of KRW 30 billion, and (ii) sales of KRW 10 billion (VC: KRW 5 billion)
    3. (i) Market capitalisation of KRW 50 billion, and (ii) PBR of 200% after offering
    4. Market capitalisation of KRW 100 billion
    5. Equity capital of KRW 25 billion

### KOSDAQ (cont'd)

#### Financial performance requirements

2. Technology growth company: to meet A (to satisfy a or b) and B of the following:

A. Market condition

a. Equity capital of KRW 1 billion  
or

b. Market capitalisation of KRW 2 billion

B. Technical evaluation

The result of technical capability assessment provided by the professional appraisal agency and expert group are A & BBB grades or above (Foreign companies: A & A grades or above) within 6months from preliminary examination application

#### Audit opinion

Unqualified opinion for the latest fiscal year\*

#### Internal accounting controls

Review opinion on the operation of internal accounting controls.

#### Corporate governance

- At least three directors should be appointed with outside/non-executive directors making up at least one-fourth of total number of directors (a company with total assets of KRW 2 trillion or more, should appoint at least three directors with the number of non-executive directors making up at least half of the total number of directors).
- For a company with total assets of KRW 2 trillion or more, an audit committee is required with at least two-thirds of the audit committee members being outside/non-executive directors.
- For a company with total assets of KRW 100 billion or more, a full time internal auditor is required.

#### Accounting standards

Either International Financial Reporting Standards (IFRS), US Generally Accepted Accounting Principles, Korean IFRS is accepted

\* However, in practice, unqualified opinion for the recent two prior years is advised for a successful listing.