**EU Growth Prospectus (EUGP) – comparison of disclosures**

Political agreement on the Prospectus Regulation was reached between the main EU institutions (Level 1) in December 2016. The agreement set out the broad outlines of the EUGP disclosures. ESMA has now been tasked with proposing the more detailed disclosures.

This document provides a comparison of the different disclosure requirements for the EUGP by ESMA, Level 1 (the political agreement), and the Simplified Prospectus paper drafted by Accountancy Europe, ECG and EGIAN.

Red items – not explicitly required by Level 1 or in the Simplified Prospectus paper

Yellow items – not explicitly required by Level 1 but is in the Simplified Prospectus paper

No color – required by Level 1

# **Registration document**

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| --- | --- | --- |
| ESMA proposal pp. 34-49 ([link](https://www.esma.europa.eu/sites/default/files/library/esma31-62-649_cp_eu_growth_prospectus.pdf)) | Level 1 p. 64 ([link](http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32017R1129&from=EN)) | Simplified Prospectus paper ([link](https://www.accountancyeurope.eu/wp-content/uploads/Prospectus_paper.pdf)) |
| 1.1. All persons responsible | Yes | Yes (transparency on due diligence) |
| 1.2. A declaration by those responsible | No | No |
| 1.3. Additional details on an expert | No | No |
| 1.4. Confirmation on third-party information | No | No |
| 1.5. Statement on the registration document’s approval by a NCA | No | No |
| 2.1. Information about the issuer | No | No |
| 2.1.1. Information on the issuer’s financing (equity securities only) | No | No |
| 2.2.1. Strategy and objectives | Yes | Yes |
| 2.2.2. Principal activities | Yes | Yes |
| 2.2.3. Principal markets | No | Yes |
| 2.3. Organisational structure | No | No |
| 2.4. Investments | Yes | No |
| 2.5. (only equity securities by issuers with market capitalisation above EUR 2 million) | Yes | No |
| 2.6. Regulatory environment (equity securities only) | No | No |
| 2.7. Trend information | Yes | Yes |
| 2.8. Profit forecasts or estimates | No | Yes (when available) |
| 3. Risk factors | Yes | Yes |
| 4. Corporate governance | Yes | Yes |
| 4.1.2. Additional details on the person’s qualifications, expertise and experience and other information | Yes | Yes |
| 4.2. Remuneration and benefits | Yes | Yes |
| 4.3. Shareholdings and stock options | Yes | No |
| 5.1. Major shareholders | No | No |
| 5.2. Legal and arbitration proceedings | Yes | Yes (“that may both create more stability in certain markets and/or stymie growth and opportunities in others”) |
| 5.3. Administrative, Management and Supervisory bodies and Senior Management conflicts of interest | Yes | No |
| 5.4. Related party transactions | Yes | Yes (“disclose the relationships with related parties”) |
| 5.5. Share capital | Yes | No |
| 5.6. Memorandum and articles of association (equity securities only) | No | Yes (extracts or summaries of key agreements, constitutions) |
| 5.7. Material contracts | No | Yes (extracts or summaries of key agreements, constitutions) |
| 6. Financial statements and KPIs | Yes | Yes (“summary historical financial information”) |
| 6.6. Dividend policy (equity securities only) | No | No |
| 6.7. Pro forma financial information (equity securities only) | No | No |

# **Securities note**

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| ESMA proposal pp. 54-69 ([link](https://www.esma.europa.eu/sites/default/files/library/esma31-62-649_cp_eu_growth_prospectus.pdf)) | Level 1 p. 65 ([link](http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32017R1129&from=EN)) | Simplified Prospectus paper ([link](https://www.accountancyeurope.eu/wp-content/uploads/Prospectus_paper.pdf)) |
| 1.1. All persons responsible | Yes | Yes |
| 1.2. A declaration by those responsible | No | No |
| 1.3. Additional details on an expert | No | No |
| 1.4. Confirmation on third-party information | No | No |
| 1.5. Statement on the registration document’s approval by a NCA | No | No |
| 1.6. Interest of natural and legal persons involved in the issue/offer | No | No |
| 1.7. Reasons for the offer, use of proceeds and expenses of the issue/offer | Yes | Yes |
| 1.8. Additional information | No | Yes |
| 2. Working capital statement and statement of capitalisation and indebtedness | Yes | No |
| 3. Risk factors | Yes | Yes |
| 4.1.1. Conditions to which the offer is subject | No | No |
| 4.1.2. Total amount of the issue/offer distinguishing the securities offered for sale or for subscription | Yes | No |
| 4.1.3. Total amount of securities offered to the public | Yes | No |
| 4.1.4. The time period during which the offer will be open | No | No |
| 4.1.5. When the offer may be revoked or suspended | No | No |
| 4.1.6. Possibility to reduce subscriptions | No | No |
| 4.1.7. Minimum and/or maximum amount of application | No | No |
| 4.1.8. Period during which an application may be withdrawn | No | No |
| 4.1.9. Method and time limits for paying up the securities | No | No |
| 4.1.10. Manner and date in which results of the offer are to be made public | No | No |
| 4.1.11. Exercise of any right of pre-emption, negotiability of subscription rights and treatment of subscription rights not exercised | No | No |
| 4.2. Plan of distribution and allotment | Yes | No |
| 4.3. Process for notification to applicants of the amount allotted | No | No |
| 4.4. Pricing | Yes | No |
| 4.5. Placing and underwriting | No | No |
| 4.6. Admission to trading and dealing arrangements | Yes | No |
| 4.7. Selling securities holders | No | No |
| 4.8. Dilution | Yes | No |
| 5. Terms and conditions of the securities | Yes | No |
| 5.1.15. Where the investment entails a specific tax regime | Yes | No |