

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

ESMA proposal pp. 34-49 (link)	Level 1 p. 64 (link)	Simplified Prospectus paper (link)
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

ESMA proposal pp. 54-69 (link)	Level 1 p. 65 (link)	Simplified Prospectus paper (link)
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