

# FESE response to the Commission consultation on the EU follow-on & growth issuance prospectuses

Brussels, 2<sup>nd</sup> May 2025

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## 1. Standardised format and standardised sequence

### 1.1. EU Follow-on prospectus

**Q1:** Considering the new Prospectus Regulation provisions, what would be in your opinion the most efficient and less burdensome standardised format and sequence of the EU follow-on prospectus?

Please explain and provide examples

FESE welcomes the new Follow-on Prospectus regime, which should simplify and standardise the existing secondary issuance regime. The preparation of a simplified disclosure in connection with a secondary issuance is sufficient from an investor protection perspective. Regarding the format and sequencing, FESE believes that the objective should be to ensure that the standardisation and harmonisation efforts from Level 1 are properly reflected in Level 2.

We would like to underline that it is essential that the new Follow-On prospectus has to be fully harmonised at EU level and that substantial deviations in local markets, driven by different NCA approaches, do not materialise. In particular, NCAs requiring information that is not included in the PR is a clear example of diverging practices that should come to an end with the Listing Act.

**Q2:** Do you agree that the rules on format and sequencing for the EU follow-on prospectus should align with those for the full prospectus?

☒ Yes

☐ No

☐ Do not know

Please explain your answer

Yes, FESE believes they should be aligned with those for the full prospectus, provided that the overall prospectus remains more simplified, with several entire chapters of the full prospectus not being required for the follow-on (e.g. management report, corporate governance). The specific rules on format and length (limited to 50 pages) appear proportionate to ensure a simplified format for the EU follow-on prospectus compared to the full prospectus

**Q3:** Do you agree that for an EU follow-on prospectus for non-equity securities there should be more flexibility on the standardised format and sequence requirement, for example that for an EU follow-on prospectus drawn up by a single issuer, the standardised format and

sequence might be limited to the registration document? This would mean that more flexibility would be retained for the non-equity securities note (particularly for complex non-equity securities requiring compliance with multiple Annexes and for an EU follow-on prospectus, where used as a base prospectus).

- ☐ Yes
- ☒ No
- ☐ Do not know

Please explain you answer

While we generally advocate for more flexibility for non-equity prospectuses, particularly for those more complex securities, we suggest in this case to propose a **securities note format and sequence for basic follow-on prospectuses** of non-equity securities in order to allow for greater standardisation in the format and sequencing of prospectuses, while maintaining flexibility for issuers of complex non-equity securities requiring compliance with multiple Annexes.

**Q4:** Would it be useful if the delegated act outlined both a single annex (for cases where the EU follow-on prospectus is prepared as a single document) and two separate annexes - a registration document and a securities note - in cases where the EU follow-on prospectus is prepared as separate documents?

- ☐ Yes
- ☒ No
- ☐ Do not know

Please explain you answer

No, we suggest that given issuers have the option to prepare an EU follow-on prospectus either as a single document or as separate documents, it is necessary, with a view to standardising the format and sequencing of follow-on prospectuses, to provide a standard format in a single annex referring to separate sections to accommodate for both scenarios. In our view, this would enable the fusion of separate documents into a single EU follow-on prospectus at the end, irrelevant of the selected process.

**Q5:** Do you have any other comment on how to ensure that the standardised format and sequence of the EU follow-on prospectus could help investors in their investment decisions without creating burdens for issuers?

- ☒ Yes
- ☐ No
- ☐ Do not know

Please explain you answer

Yes, we support a EU Follow-on prospectus, with a standardised format and sequence in plain English which would help investors in their investment decisions, including on a cross-border basis. This not only makes it easier and less burdensome for issuers but also results in better consistency and easier comparability for international investors to invest in European IPOs.

## 1.2. EU growth issuance prospectus

**Q6:** Considering the new Prospectus Regulation provisions, what would be in your opinion the most efficient and less burdensome standardised format and sequence of the EU growth issuance prospectus?

Please explain and provide examples

FESE believes that the EU Growth Prospectus will benefit from further harmonisation and standardisation. We welcome the replacement of the existing Growth Prospectus with a new, standardised, EU Growth issuance document. We appreciate that it follows the same policy principles as the standard prospectus, with reduced disclosure requirements that better fit SME issuers.

**Q7:** Do you believe the rules on format and sequencing for the EU growth issuance prospectus should align with those for the full prospectus?

- ☒ Yes  
☐ No  
☐ Do not know

Please explain you answer

Yes, they should be aligned with those for the full prospectus, provided that the overall prospectus remains more simplified, due to the lighter admission requirements of growth markets, as well as to facilitate and reduce the burden on SMEs willing to list on growth markets. The specific rules on format (mandatory single document for issuance of equity or non-equity securities) and length (limited to 75 pages) appear proportionate to ensure a simplified format for the EU Growth Prospectus compared to the full prospectus.

**Q8:** Do you agree that for an EU growth issuance prospectus for non-equity securities there should be more flexibility on the standardised format and sequence requirement, for example that for an EU growth issuance prospectus drawn up by a single issuer, the standardised format and sequence might be limited to the registration document? This would mean that more flexibility would be retained for the non-equity securities note (particularly for complex non-equity securities requiring compliance with multiple Annexes and for an EU growth issuance prospectus, where used as a base prospectus).

- ☐ Yes  
☒ No  
☐ Do not know

Please explain you answer

While we generally advocate for more flexibility for non-equity prospectuses, particularly for those more complex securities, we suggest in this case to propose a **securities note format and sequence for basic growth issuance prospectuses** of non-equity securities in order to allow for greater standardisation in the format and sequencing of prospectuses, while maintaining flexibility for issuers of complex non-equity securities requiring compliance with multiple Annexes.

**Q9:** Do you have any other comment on how to ensure that the standardised format and sequence of the EU growth issuance prospectus could help investors in their investment decisions without creating burdens for issuers?

☒ Yes

☐ No

☐ Do not know

Please explain you answer

Yes, we support a growth issuance prospectus, with a standardised format and sequence in plain English which would help investors in their investment decisions, including on a cross-border basis. This not only makes it easier and less burdensome for issuers but also results in better consistency and easier comparability for international investors to invest in European IPOs.

## 2. Reduced content

### 2.1. EU follow-on prospectus

**Q10:** Do you agree that Annexes IV and V to the Prospectus Regulation are overall sufficiently clear and that only certain items describing the securities would need to be further specified (could you specify which items)?

☐ Yes

☐ No

☐ Do not know

Please explain you answer

**Q11:** Do you have any comment on how to specify further the reduced content of the EU follow-on prospectus in delegated acts while making sure that the overarching burden reduction objective is achieved?

☐ Yes

☐ No

☐ Do not know

Please explain you answer

### 2.2. EU growth issuance prospectus

**Q12:** Do you agree that Annexes VII and VIII of the Prospectus Regulation are overall sufficiently clear and that only certain items describing the securities would need to be further specified (could you specify which items)?

☐ Yes

☐ No

☐ Do not know

Please explain you answer

**Q13:** Do you have any comment on how to specify further the reduced content of the EU growth issuance prospectus in delegated acts while making sure that the overarching burden reduction objective is achieved?

☐ Yes

☐ No

☐ Do not know

Please explain you answer