

The following is a translation of the Danish document entitled "Godkendelsesproces for prospekter". In the event of divergence between the Danish and the English document, the Danish document will prevail.

## Approval process for prospectuses

A company must publish an approved prospectus when

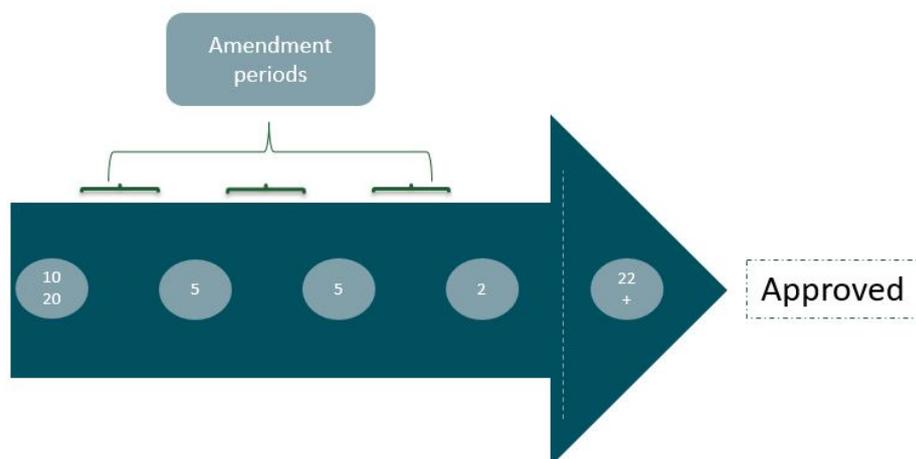
- seeking admission to trading on a regulated market,
- planning offers to the public of securities of more than EUR 5 million.

Please find the approval process and tips and tricks [here](#).

### Timetable

When a company applies for approval of a prospectus, the Danish FSA recommends that the Capital Markets Division of the FSA be contacted with a view to coordinating a timetable for the process. The timetable will depend on the type of prospectus, e.g. whether it involves a listing on the stock exchange or frequent issuances. It will also depend on the thoroughness of the prospectus. If the instrument is being listed on a stock exchange, then the timetable should further be cleared with the stock exchange.

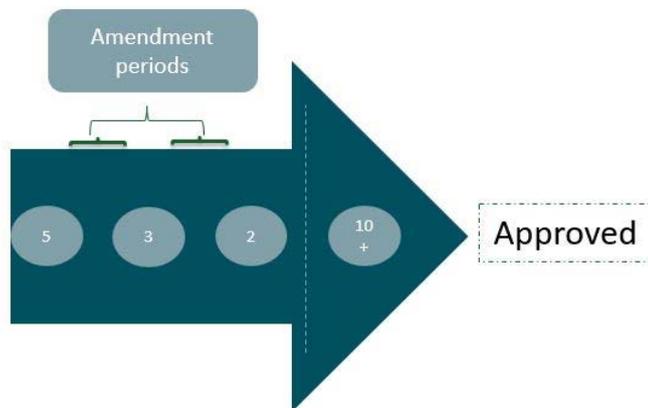
Approval of a prospectus often involves four or five reviews by the FSA. Please allow 10 business days for the initial review, 5 business days for subsequent reviews and 2-3 days for the final review. In case of a public offer, and if the issuer has not previously offered securities to the public, 20 business days should be allowed for the initial review.



Besides allowing for the processing time of the FSA, the timetable should also take into consideration the time required by the issuer between the reviews for making amendments to the prospectus following any comments from the FSA.

### Fast track approval

In certain circumstances, the FSA can approve a prospectus under a fast track scheme, which means that a prospectus is approved based on three reviews. Five business days will be allowed for the initial review and three and two days, respectively, for the two subsequent reviews. In order that an issuer may use the fast track scheme, it is a requirement that the prospectus has been prepared carefully and is complete when the FSA receives it for the initial review. Therefore, only the final price and dates should be outstanding in the prospectus.



Approval of corporate bonds may be obtained even faster. For this 4 days will be allowed for the initial review and 2 and 1 day, respectively, for the two subsequent reviews.

### **The process until approval**

When the timetable is in place and the prospectus is ready for the initial review with the FSA, the prospectus is forwarded, including appendices, by mail to the contact person with the FSA. The FSA reviews the prospectus and returns any comments. Please note that the FSA will return the prospectus without any comments if there are too many outstanding issues. Only information about issues which are not known at the time of forwarding the prospectus to the FSA may be outstanding. Any outstanding issues will be described in an accompanying mail.

Based on the comments from the FSA, the issuer must amend the prospectus using track changes so that the amendments will be visible in the document. It is important that all amendments are always made in the latest draft reviewed by the FSA. This applies no matter whether the amendments have been caused by the comments of the FSA or by the issuing company itself.

This process will continue until the FSA has no more comments to the prospectus and can therefore approve it.

If the prospectus does not follow the numbering of the appendices exactly, the issuing company must prepare one or more cross reference lists to be forwarded together with the prospectus. The lists must include page numbers and line numbers. Any items in a cross reference list which are not relevant for the issuer in question should be filled in with N/A and a brief explanation.

### **Tips for an effective approval process**

- ✓ The prospectus has page and line numbers.
- ✓ Cross reference lists have been completed with page and line numbers.
- ✓ All amendments in the prospectus have been marked with track changes.
- ✓ Issues relating to the layout and wording of the prospectus have been clarified before forwarding.
- ✓ All relevant appendices are included.
- ✓ The prospectus has been thoroughly prepared and completed.
- ✓ Any outstanding issues are described in an accompanying mail.

## **Approval of the FSA**

When approving a prospectus, the FSA has checked that all relevant information appears clearly. The approval is formal, and the FSA solely checks that the minimum requirements regarding the content are met. The FSA does not undertake a substantive review of the prospectus. The issuer, offeror or person requesting admission to trading on a regulated market is responsible for ensuring that the information in the prospectus is correct and complete.

The FSA approves a prospectus when there are no more comments and when the FSA has received all relevant signatures or authorisations. The issuer forwards the final version of the prospectus in which the persons responsible have signed the responsibility statement.

The FSA may also grant approval on the basis of an authorisation from the board of directors to the management of the company. The authorisation must state that the management is authorised to sign the prospectus. The FSA must have received the authorisation. Such authorisation may also be made applicable to any future supplements to the prospectus. The authorisation may be granted as a specific authorisation in connection with the preparation of the prospectus or as a general authorisation.

The FSA sends a letter of approval to the issuer, offeror or person requesting admission to trading by digital mail. The contact person receives a copy of the approval via email. In case of securities to be admitted to trading, the FSA will also send a copy of the approval to the regulated market.

## **Publication**

When the prospectus has been approved, the issuer, offeror or person requesting admission to trading makes the prospectus available to the public as soon as possible and no later than before the beginning of the offer to the public or the admission to trading.

In the case of a public offer of shares in a class admitted to trading for the first time, the prospectus must be available at least six business days before the closing of the offer, cf section 28 of the Executive Order.

A prospectus will be considered available to the public when it is accessible in one of the following ways:

- On the issuer's website
- Via a stock exchange announcement on the regulated market
- Via insertion in daily newspapers when at the same time being published electronically
- In printed version on the regulated market when at the same time being published electronically.

## **Offers or admission to trading outside Denmark**

The Danish FSA must approve prospectuses for issuers with registered office in Denmark. This is called home member state check, which means that a prospectus approved by the Danish FSA may be used if the issuer or offeror plans an offer to the public or admission to trading on a regulated market in the European Union or in one or more countries with which the European Union has entered into an agreement (for the financial area). The approval process for the prospectus is the same as described above. The FSA makes a certificate of approval available to the host member state when the prospectus has been approved. This is done at the request of the issuer, the offeror or the person responsible for drawing up the prospectus, cf. section 36 of the Executive Order.

The FSA sends a certificate of approval to the relevant authorities in the countries in which the issuer or offeror plans an offer to the public or admission to trading.

### Admission to trading on a regulated market

The regulated market must also approve the prospectus if the securities are admitted to trading on that market. All correspondence with the regulated market must be handled between the issuer and the market, including a timetable.

Please note that there may be requirements to a company description if the securities are admitted to trading on an MTF and no prospectus is drawn up. The Danish FSA is not required to approve the company description, but will be available for a clarification of whether a prospectus must be prepared.

### Fee

In connection with a request for approval of a prospectus, a fee of DKK 56,000 is payable to the FSA. The amount is adjusted annually, cf section 361 of the Danish Financial Business Act.

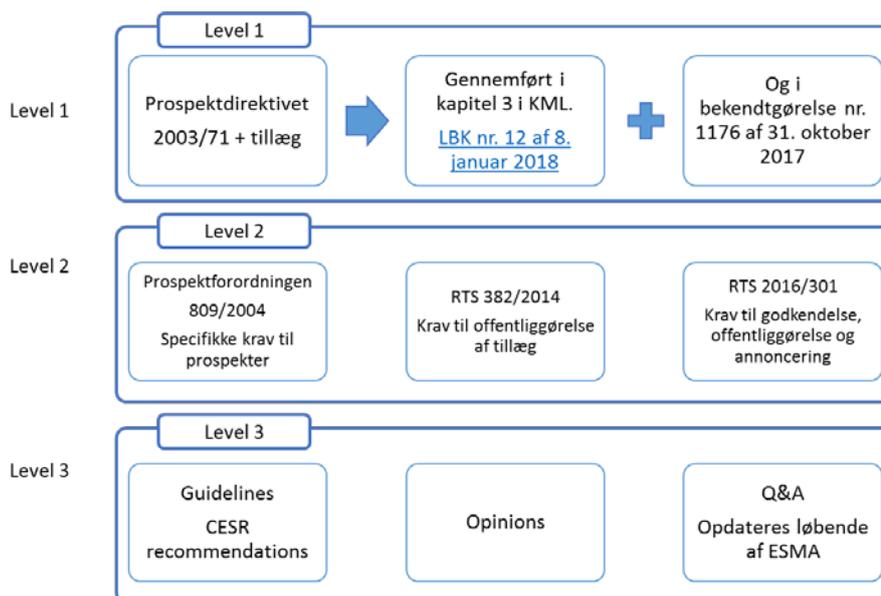
The fee covers the prospectus as well as any supplementary prospectuses.

The fee is to be paid for the processing of the request – not for the approval. Therefore, the fee will be payable irrespective of whether or not the FSA approves the prospectus.

### Regulation

The regulation of prospectuses is trilateral. This means that the rules are found in the Prospectus Directive which is implemented in the Danish Capital Markets Act and in the Executive Order on prospectuses.

Moreover, more specific requirements are laid down in respect of e.g. the content of prospectuses and publication through level 2 acts in the form of regulations and regulatory technical standards. ESMA has also prepared various Q&A's and guidelines at level 3. The purpose is to contribute to the understanding of the rules at both level 1 and 2.



The entire regulation and guideline to the Executive Order is available [here](#).

As from 21 July 2019, the Prospectus Directive will be replaced by Regulation 2017/1129 of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC.

Certain provisions of the new regulation are, however, already in force as from 20 July 2017 and 21 July 2018.

The regulation lays down harmonised principles and rules on preparation, approval and publication of a prospectus when securities are offered to the public or admitted to trading on a regulated market. The purpose of the regulation is to ensure investor protection and to strengthen the internal market for capital by ensuring that uniform information is made available for use by an investor.

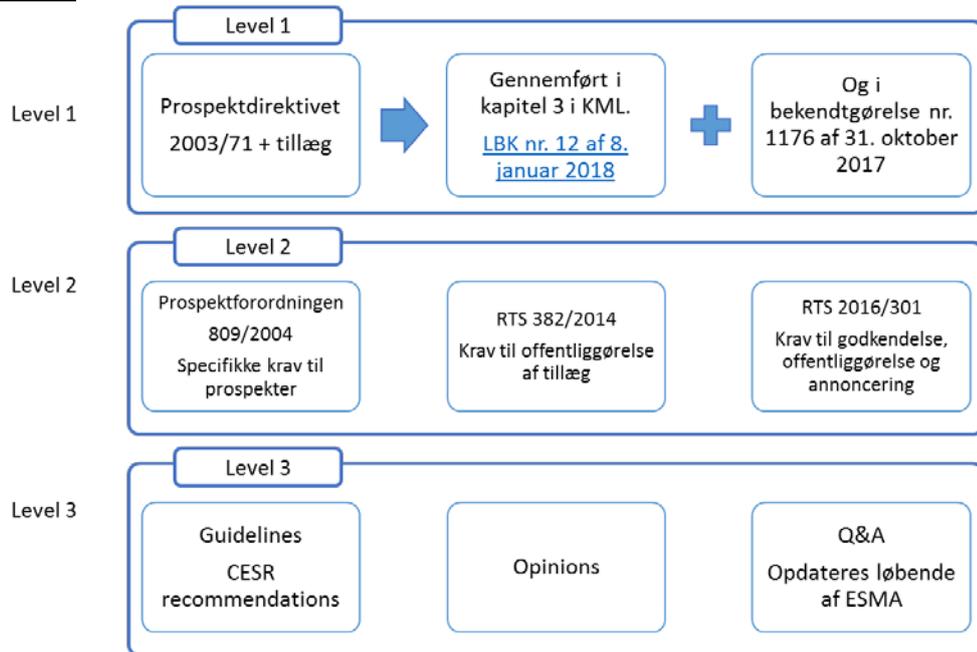
Oversættelse til "billeder":

Side 1 og 2

Updating with issuer

Approved

Side 5



Prospectus Directive  
2003/71 + supplements

Implemented in part 3  
of the Danish Capital  
Markets Act,  
Act No 12  
of 8 January 2018

And in Executive Order  
No 1176 of 31 October 2017

Prospectus Regulation  
809/2004  
Specific requirements for  
prospectuses

Publication requirements  
in respect of supplements

Requirements for approval,  
publication and announcement

Q&A  
Currently updated by ESMA