

# ESMA consults on disclosure guidelines under the Prospectus Regulation

ESMA is seeking stakeholders' views on the draft Guidelines, whose purpose is to ensure that market participants have a uniform understanding of the relevant disclosure requirements and assist national competent authorities (NCAs) when they assess the completeness, comprehensibility and consistency of information in prospectuses.

Steven Maijoor, Chair, said:

"Prospectuses are an important source of information for investors in their decision-making about whether to invest in an issuer and its securities. Ensuring that prospectuses are comparable both across issuers and borders, is key to a level-playing field for capital raising in Europe.

"ESMA believes that the proposed Guidelines, which clarify the information to be included in prospectuses, will allow issuers to provide information to investors that is complete, comprehensible and consistent across the EU."

The draft Guidelines cover topics, such as:

- historical financial information;
- interim financial information;
- profit forecasts and estimates;
- working capital statements; and
- capitalisation and indebtedness.

The draft Guidelines, to enhance comparability with other financial information, clarify the content of the indebtedness statement. New guidance on working capital statements is provided to clarify how offerings should be considered when determining if an issuer can provide a *clean* working capital statement. Furthermore, ESMA provides specific guidance concerning working capital statements prepared by credit institutions and (re)insurance undertakings.

## **Next step**

The consultation period closes on 4 October 2019. ESMA will use the feedback received to finalise the draft Guidelines.