

## **Consultation Response**

### *Commission Delegated Regulation (amending Delegated Regulation (EU) 2019/980)*

11/03/2026

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The Association for Financial Markets in Europe (AFME) welcomes the opportunity to comment on the Commission Delegated Regulation (amending Delegated Regulation (EU) 2019/980). The Association for Financial Markets in Europe (AFME) is the voice of the leading banks in Europe's financial markets, providing expertise across a broad range of regulatory and capital markets issues. We represent over 150 leading global and European banks and other significant market players. Our members play a vital role in Europe's financial ecosystem, underwriting around 90% of European corporate and sovereign debt, and 85% of European listed equity capital issuances. Importantly, AFME members are market makers, providing liquidity, which is essential for ensuring financial markets can function efficiently. We also represent law firms and other associate members which advise market participants and support AFME's legal and regulatory initiatives.

AFME is registered on the EU Transparency Register, registration number 65110063986-76. We summarise below our high-level response to the consultation, which is followed by answers to the individual questions raised.

### **Response**

We are supportive of the intention of the Commission and the Commission Delegated Regulation (amending Delegated Regulation (EU) 2019/980) (the "Delegated Regulation") to make EU public markets more attractive and competitive, including reducing costs and making prospectuses more useful for investors. We appreciate the opportunity to review and comment on the Delegated Regulation.

### **Practical Clarifications**

Other than when a derogation applies (e.g., Article 6(6) of Regulation (EU) 2017/1129 with effect from 5 June 2026), the draft Delegated Regulation sets out a strict, standardised format and sequence for prospectuses. The following clarifications are critical to ensure that this new sequence is implemented in a practical way in those cases.

- **Allowing for Integration of Non-prescribed Information:** ESMA's Final Report (Technical advice concerning the Prospectus Regulation and the RTS updating the CDR on metadata) confirms that the disclosure requirements are minimum requirements only. Issuers have discretion to include additional information to the extent they believe it is necessary, whether for international transactions or to satisfy Article 6 of the Prospectus Regulation. To make this flexibility effective, issuers must be able to place additional information where it is most logical. For example, an issuer may determine that providing a detailed Operating and Financial Review (OFR) is essential to explain its financial performance. Under a rigid sequence, there is no logical place for this voluntary disclosure. An issuer should have the flexibility to include such a narrative review within the 'Financial Information' section, next to the data it explains, rather than being forced to place it out of context.

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We therefore ask that the Delegated Regulation clarifies that issuers have the discretion to include such additional information within the most relevant section of the prospectus.

- **Article 24:** The amendments to Article 24, particularly Article 24.1b, are problematic and confusing. They are also not aligned with the practice where the marketing of IPOs is based on the prior publication of a Registration Document followed by the publication of a Securities Note.

According to Article 6 paragraph 3 of Regulation (EU) 2017/1129 (“PR”), “The issuer, offeror or person asking for the admission to trading on a regulated market may draw up the prospectus as a single document or as separate documents.” If the definition of an “EU IPO Prospectus” under the new paragraph (f) of Article 1 (as amended in Delegated Regulation 2019/980)<sup>1</sup> refers to Article 6 of PR, it means that an EU IPO Prospectus may be drawn up as a single document or as separate documents.

However, as part of the description of the format of a single document prospectus in paragraph 1 of article 24, new paragraph 1b of Article 24 (as amended in Delegated Regulation 2019/980) is much more restrictive as it provides that a prospectus meeting the conditions of an EU IPO Prospectus shall be drawn up as a single document<sup>2</sup>.

This is contrary to the practice that has developed for nearly 20 years now in France (and more recently adopted in the UK), where a vast majority, if not all, of the IPOs were conducted based on the publication of a Registration Document + Securities Note. This should be amended as we cannot see any reason to remove the option to draw up a prospectus for an IPO as separate documents and it is critical for the markets to maintain this flexibility, which was initially provided under the Prospectus Regulation and widely used among certain member states.

- **Article 28k:** We note that the existing Article 42(2), point (a) includes a reference to article 24(5). However, the new Delegated Regulation updates Article 42(2) point (a) to refer to new Articles 25a and Article 28k. However, we could not find an Article 28k in the new Delegated Regulation or in the Annexes, and therefore ask that you either remove the reference to Article 28k or provide the correct reference.
- **Placement of Full Financial Statements:** The draft requires the "Financial Information" section to be included in the main sequence, but it is silent on whether the full, multi-page audited and reviewed financial statements (commonly referred to as F-pages) can be placed in an annex / at the back of the prospectus. Forcing these lengthy financial statements into the main body would disrupt the narrative flow for investors.

We therefore ask that the Delegated Regulation includes an explicit provision allowing for the full audited and reviewed financial statements to be placed in an annex in an annex / at the back of the prospectus.

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<sup>1</sup> Under Article 1(f), an EU IPO prospectus' means a prospectus drawn up in accordance with Article 6 of Regulation (EU) 2017/1129, relating to an initial offer to the public of a class of shares that is admitted to trading on a regulated market for the first time, as referred to in Article 21(1), second subparagraph, of that Regulation.

<sup>2</sup> Under Article 24 (1b), where a prospectus for equity securities meets the conditions set out in Article 1(f) of this Regulation, that prospectus shall be referred to as an EU IPO prospectus and shall be drawn up as a single document in accordance with paragraph 1a of this Article.

These clarifications would align with the principles-based approach of other major financial centres and ensure important context is not lost.

### **Consistent Convention for Timelines**

We also note a small discrepancy in the timelines for prospectus approval. The Delegated Regulation adds a new Section 45a which sets out the timelines for approval of a prospectus. While most of the timelines in the Delegated Regulation refer to “working days”, the timeline for approval of an SME prospectus is stated as 120 “days”. We believe that it would be less confusing if all day conventions were made consistent across all timelines.

### **Future Consideration: Plain Language**

We continue to believe that future supervisory convergence work in "plain language", drawing on successful models from other jurisdictions, would be a valuable next step in furthering the goals of the Savings and Investment Union. Further information on our suggestions relating to "plain language" is set out in our response to the ESMA Consultation Paper on draft technical advice concerning the Prospectus Regulation and metadata, dated 31 December 2024 ([link here](#)).

We have also included, in Appendix A, a list of suggested small corrective changes to the Annexes for your consideration.

We would welcome further clarity on this matter and would be happy to discuss it with you if you would find that helpful.

Kind Regards.

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## Appendix 1

### AFME Comments on the Annexes

#### Annex 1

1. **Item 3.6.1** : “(...) Such an invalid forecast or estimate shall not **be** subject to the requirements in items 3.6.2 and 3.6.3.”
2. **Item 5.2**: “To the extent not covered elsewhere in the registration document in relation to the last full financial year for those persons referred to in point (a) of item 5.1.1”.
3. **Item 6.4**: “A description of any significant change in the financial position of the group which has occurred since the end of the last financial period for which either audited financial statements or interim financial information have been published, **or-**, where that is not the case, a statement to that effect.”
4. **Item 7.2.1**: “(...) which may have, or have had in the recent past, significant effects on the issuer and/or group’s financial position or profitability, **or-**, where that is not the case, a statement to that effect.”
5. **Item 7.5.1**: “The **following-** information in items 7.5.2 to 7.5.7 in the annual financial statements as of the date of the most recent balance sheet:”
6. **Item 8.1** “A description of the issuer’s policy on dividend distributions and any restrictions thereon, **or-**, where that is not the case, a statement to that effect.”

#### Annex 11

1. **Item 2a.2**: Item 2a.2 may be redundant as these matters generally appear to be already covered in Item 2a.1.
2. **Section 3**: We suggest simplifying numbering of this section to avoid redundancy,  
We therefore propose amending “Section 3.1 (Working Capital Statement) as follows:  
“3.1-~~4~~ A statement . . .”
3. The comments in paragraph 2 above also applies to Annex 16a, with section 6 (i.e., change Item 6.1.1 to Item 6.1).