

Chapter 2

Drawing up the prospectus

2.6 UK Growth prospectus

2.6.1

UK

UK Growth prospectus

Article 15(1) of the *Prospectus Regulation* provides:

Article 15

UK Growth prospectus

1.The following persons may choose to draw up a UK Growth prospectus under the proportionate disclosure regime set out in this Article in the case of an offer of securities to the public provided that they have no securities admitted to trading on a regulated market:

(a)SMEs;

(b)issuers, other than SMEs, whose securities are traded or are to be traded on an SME growth market, provided that those issuers had an average market capitalisation of less than EUR 500 000 000 on the basis of end-year quotes for the previous three calendar years;

(c)issuers, other than those referred to in points (a) and (b), where the offer of securities to the public is of a total consideration in the United Kingdom that does not exceed EUR 20 000 000 calculated over a period of 12 months, and provided that such issuers have no securities traded on an MTF and have an average number of employees during the previous financial year of up to 499;

(ca)issuers, other than SMEs, offering shares to the public at the same time as seeking admission of those shares to trading on an SME growth market, provided that such issuers have no shares already admitted to trading on an SME growth market and the combined value of the following two items is less than EUR 200 000 000:

(i)the final offer price, or the maximum price in the case referred to in point (b)(i) of Article 17(1);

(ii)the total number of shares outstanding immediately after the share offer to the public, calculated either on the basis of the amount of shares offered to the public or, in the case referred to in point (b)(i) of Article 17(1), on the basis of the maximum amount of shares offered to the public.

(d)offerors of securities issued by issuers referred to in points (a) and (b).

A UK Growth prospectus under the proportionate disclosure regime shall be a document of a standardised format, written in a simple

language and which is easy for issuers to complete. It shall consist of a specific summary based on Article 7, a specific registration document and a specific securities note. The information in the UK Growth prospectus shall be presented in a standardised sequence in accordance with the regulations referred to in paragraph 2.

2.6.2

UK

Reduced information in an UK Growth prospectus

Chapter IV of the *PR Regulation* specifies the reduced information to be included in an UK Growth prospectus:

Article 28

UK Growth registration document for equity securities

1.A specific registration document for equity securities that is drawn up in accordance with Article 15 of [the *Prospectus Regulation*] shall contain the information referred to in Annex 24 to this Regulation.

2.By way of derogation from paragraph 1, the specific registration document for the following securities, where those securities are not shares or other transferable securities equivalent to shares, may be drawn up in accordance with Article 29 of this Regulation:

- (a)the securities referred to in Articles 19(1) and 20(1) of this Regulation;
- (b)the securities referred to in Article 19(2) of this Regulation, where those securities are exchangeable for or convertible into shares that are or will be issued by an entity belonging to the issuer's group and that are not admitted to trading on a regulated market;
- (c)the securities referred to in Article 20(2) of this Regulation, where those securities give the right to subscribe or acquire shares that are or will be issued by an entity belonging to the issuer's group and that are not admitted to trading on a regulated market.

Article 29

UK Growth registration document for non-equity securities

A specific registration document for non-equity securities that is drawn up in accordance with Article 15 of [the *Prospectus Regulation*] shall contain the information referred to in Annex 25 to this Regulation.

Article 30

UK Growth securities note for equity securities

1. A specific securities note for equity securities that is drawn up in accordance with Article 15 of [the *Prospectus Regulation*] shall contain the information referred to in Annex 26 to this Regulation.

2.By way of derogation from paragraph 1, the specific securities note for the securities referred to in paragraphs 1 and 2 of Article 19 and paragraphs 1 and 2 of Article 20 of this Regulation, where those securities are not shares or other transferable securities equivalent to shares, shall be drawn up in accordance with Article 31 of this Regulation.

Article 31

UK Growth securities note for non-equity securities

A specific securities note for non-equity securities that is drawn up in accordance with Article 15 of [the *Prospectus Regulation*] shall contain the information referred to in Annex 27 to this Regulation.

Article 32

Format of the UK Growth prospectus

1.A UK Growth prospectus that is drawn up as a single document shall be composed of the following elements in the following order:

- (a)a table of contents;
- (b)where applicable, all information incorporated by reference in accordance with Article 19 of [the *Prospectus Regulation*];
- (c)the specific summary;
- (d)where the UK Growth prospectus is drawn up in the form of a base prospectus, a general description of the offering programme;
- (e)the information referred to in section 1 of Annex 24 and section 1 of Annex 26 to this Regulation, or the information referred to in section 1 of Annex 25 and section 1 of Annex 27 to this Regulation, depending on the type of securities;
- (f)the information referred to in section 2 of Annex 24 or section 2 of Annex 25 to this Regulation, depending on the type of securities;
- (g)for equity securities, the information referred to in item 2.1 of Annex 26 and, where equity securities are issued by an issuer with a market capitalisation above EUR 200 000 000, the information referred to in item 2.2 of Annex 26 to this Regulation;
- (h)the information referred to in section 3 of Annex 24 and section 3 of Annex 26, or the information referred to in section 3 of Annex 25 and section 2 of Annex 27, depending on the type of securities;
- (i)the information referred to in section 4 of Annex 26 or in section 3 of Annex 27 to this Regulation, depending on the type of securities;
- (j)the information referred to in section 5 of Annex 26 or in section 4 of Annex 27 to this Regulation, depending on the type of securities;
- (k)the information referred to in section 4 of Annex 24 or section 4 of Annex 25, depending on the type of securities;
- (l)the information referred to in section 5 of Annex 24 or section 5 of Annex 25 to this Regulation, depending on the type of securities;
- (m)the information referred to in section 6 of Annex 24 or section 6 of Annex 25 to this Regulation, depending on the type of securities;
- (n)where non-equity securities include guarantees, the information referred to in section 5 of Annex 27 to this Regulation;

(o) the information referred to in section 7 of Annex 24 or section 7 of Annex 25 to this Regulation, depending on the type of securities;

(p) where information on the underlying share is required pursuant to Article 19(2), point (b), Article 19(3) or Article 20(2), point (b) of this Regulation, the information referred to in section 6 of Annex 26 to this Regulation or the information referred to in section 6 of Annex 27 to this Regulation, depending on the type of securities;

(q) where the issuer or the person responsible for drawing up a prospectus consents to its use as referred to in the second subparagraph of Article 5(1) of Regulation (EU) 2017/1129, the information referred to in section 7 of Annex 26 or in section 7 of Annex 27 to this Regulation, depending on the type of securities.

2. Where a UK Growth prospectus is drawn up as separate documents, the UK Growth registration document and the UK Growth securities note shall contain the following elements in the following order:

(a) UK Growth registration document:

(i) a table of contents;

(ii) where applicable, all information incorporated by reference in accordance with Article 19 of [the *Prospectus Regulation*];

(iii) any other information referred to in Annex 24 or 25 to this Regulation that, depending on the type of securities, is to be included in the UK Growth registration document following the order of the sections set out in those Annexes.

(b) UK Growth securities note:

(i) a table of contents;

(ii) where applicable, all information incorporated by reference in accordance with Article 19 of [the *Prospectus Regulation*];

(iii) a general description of the programme, in the case of a base prospectus;

(iv) any other information referred to in Annex 26 or 27 to this Regulation that, depending on the type of securities, is to be included in the UK Growth securities note following the order of the sections set out in those Annexes.

3. A UK Growth prospectus drawn up either as a single document or as separate documents may take the form of a base prospectus.

4. The SMEs, issuers and offerors referred to in Article 15(1) of [the *Prospectus Regulation*] shall follow the order of the sections of the Annexes to this Regulation. They may however deviate from the order of the information items within those sections.

Article 33

Specific summary for the UK Growth prospectus

1. The specific summary for the UK Growth prospectus shall provide the key information that investors need to understand the nature

and the risks of the issuer, of the guarantor and of the securities that are being offered.

2.The content of the specific summary shall be accurate, fair, clear and not misleading.

3.The specific summary shall be consistent with the other parts of the UK Growth prospectus.

4.The specific summary shall be drawn up as a short document written in a concise manner and shall have a maximum length of six sides of A4-sized paper when printed. The specific summary shall:

(a)be presented and laid out in a way that is easy to read, using characters of readable size;

(b)be written in a clear, non-technical and concise language that facilitates the understanding of the information and its comprehensibility by investors.

The first subparagraph shall also apply where information is presented in a tabular format.

5.The specific summary shall contain the information referred to in Annex 23 to this Regulation.

6.The specific summary shall not contain cross-references to other parts of the UK Growth prospectus or incorporate information by reference.

7.The specific summary may use sub-headings to present the information referred to in sections 2, 3 and 4 of Annex 23 to this Regulation.

8.The total number of risk factors referred to in items 2.3.1, 3.3(d) and 3.4.1 of Annex 23 to this Regulation and included in the specific summary shall not exceed 15.

9.Where securities are also subject to Regulation (EU) No 1286/2014 of the European Parliament and of the Council, the competent authority may require the SMEs, the issuers and offerors referred to in Article 15(1) of [the *Prospectus Regulation*] to substitute the information referred to in section 3 of Annex 23 to this Regulation with the information set out in points (c) to (i) of Article 8(3) of Regulation (EU) No 1286/2014.

10.Where the substitution referred to in paragraph 9 is not required by the competent authority, the SMEs, the issuers and offerors referred to in Article 15(1) of [the *Prospectus Regulation*] may substitute the information referred to in section 3 of Annex 23 to this Regulation with the information set out in points (c) to (i) of Article 8(3) of Regulation (EU) No 1286/2014.

11.Where the information referred to in paragraphs 9 and 10 is substituted, it shall be included as a distinct section of the specific summary and that section shall clearly be identified as including the information set out in points (c) to (i) of Article 8(3) of Regulation (EU) No 1286/2014.

12. The maximum length of the specific summary referred to in paragraph 4 shall be extended by:

- (a) one additional side of A4-sized paper where the specific summary contains information about a guarantee attached to the securities;
- (b) two additional sides of A4-sized paper where a specific summary covers several securities which differ only in very limited details such as issue price or maturity date;
- (c) three additional sides of A4-sized paper where there is a substitution of information as referred to in paragraphs 9 and 10.

For the purposes of point (c), three additional sides of A4-sized paper may be used for each security where the specific summary covers several securities which differ only in very limited details such as issue price or maturity date.

Article 34

Supplements to the specific summary for the UK Growth prospectus

Where the specific summary of a UK Growth prospectus is to be supplemented in accordance with Article 23 of [the *Prospectus Regulation*], the new information shall be integrated in the specific summary of that UK Growth prospectus in a way that enables investors to easily identify the changes. The new information shall be integrated in the specific summary of the UK Growth prospectus either by producing a new specific summary or by supplementing the original specific summary.