

# Comparison (Denmark)

## Nordic Main Market Rulebook for Issuers of Shares (01-05-2020) vs. Rules for issuers of shares Nasdaq Copenhagen (15-02-2019)

### SUMMARY OF CHANGES

The Nordic Main Market Rulebook for Issuers of Shares (New Rulebook) is to a large extent similar to the Rules for issuers of shares for Nasdaq Copenhagen, dated 01-07-2019 (Current Rules). Below is a summary of the main changes and a description of other changes in the New Rulebook. Most changes represent a codification of current practice or aim to clarify the requirements and does not form a material change to the Current Rules. Other changes constitute minor, material changes.

**Annex 1** is a conversion table comparing the numbering of the rules in the New Rulebook to the Current Rules. **Annex 2** is a detailed description of all changes.

Please note that certain country-specific rules for the Danish Market are found in the Supplement to the New Rulebook.

The main changes concern the following rules:

1. Requirements to the board of directors and the executive management
2. Guidance to 3.1 on disclosure of inside information
3. Financial reports
4. Listing requirements for special acquisition companies

#### Re item 1 - Requirements to the board of directors and executive management

In the Current Rules, the board of directors shall be composed so it sufficiently reflects the competence and experience required to govern an issuer. The same applies for the executive management. In the Current Rules, the interpretation of what is required to fulfill these requirements in between the Nordic Exchanges have varied.

In order to align the requirements between the Nordic Exchanges, the requirements have been altered so that the board of directors and the management must know the issuer, its internal reporting etc. That is deemed to be fulfilled if the persons concerned have been active in their positions for at least three months prior to admission to trading and if they have participated in the production of at least one financial report. In addition to that, it is required that persons of the board of directors and executive management participate in a seminar provided by the Exchange.

From a Danish point of view, the overall assessment of the administration of the issuer remains the same, but it is worth noting that the wording of the rules has changed significantly.

#### Re item 2 - Guidance to 3.1 on disclosure of inside information

In the Current Rules the section about disclosure of inside information is followed by a guidance section to further explain how the Exchange interprets the requirement. The guidance section was harmonized across the Nordic Markets and was not changed when the market abuse regulation entered into force. Since then ESMA (The European Securities and Markets Authority) has issued

further guidance and the National Competent Authorities (NCA's) has issued varying guidance for the separate markets. To make sure that the need for guidance amongst stakeholders is sufficient it has been decided to remove the guidance section from the harmonized section in the New Rulebook.

To replace that Nasdaq Copenhagen has developed a separate, and more flexible, document containing guidance on that requirement.

### Re item 3 - Financial reports

The Current Rules indicates that an issuer must disclose a financial statement release, an annual report and a half-year report. Quarterly or interim reports are not required, but optional under the requirements on content and timing for half-year reports. The financial reports must be disclosed as soon as possible after they are finalized, but no later than 3 months after the end of the financial year for annual reports and no later than 2 months after the end of the financial period for half-year or quarterly reports.

The main change to the current requirements is an extension of the deadlines, so they are aligned with those of the Danish Capital Markets Act. Under the New Rulebook disclosure must take place as soon as possible after the financial reports are finalized, but no later than 4 months (annual reports) or 3 months (half-year and Q1/Q3 reports) after the end of the relevant period.

In addition, the requirements have been clarified, so it is evident that the issuer is obliged to disclose an annual report and a half-year report. Quarterly or interim reports and financial statement releases are not mandatory.

### Re item 4 - Listing requirements for special acquisition companies

The chapter on special acquisition companies in the Current Rules will be removed. The rules have never been used.

## ANNEX 1 – Conversion Table

New	CPH	New	CPH	New	CPH	New	CPH	New	CPH
Front page	1.2	2.6.2	-	2.15.3(c)	-	3.6.3	-	Suppl.	-
Definitions	1.1.2	2.6.3	-	2.15.3(d)	(2.4.2)	3.7.1	3.3.7	Part B	
1.1.1	1.1.1	2.6.4	-	2.16.1	2.8	3.7.2	3.3.7	Suppl.	3.3.2
1.1.2	-	2.7.1	2.3.5.1	2.16.2	3.3.10	3.7.3	3.3.7	Part C	3.3.3
1.2.1	1.3	2.7.2	(2.3.5)	2.17.1	2.3.4	3.7.4	3.3.7	Suppl.	-
1.2.2	1.3	2.8.1	-	2.17.2	-	3.8.1	3.3.9	Part D	
1.2.3	-	2.8.2	(2.3.5)	2.17.3	-	3.9.1	3.3.11	Suppl.	2.9
1.2.4	-	2.9.1	2.3.6.1	3.1.1	3.1	3.10.1	3.3.13	Part E	
1.3.1	(1.4)	2.9.2	2.3.6.2	3.1.2	-	3.11.1	3.2	Suppl.	4.1
1.4.1	2.6	2.10.1	2.3.2	3.2.1	3.3.1	3.11.2	3.2	Part F	5
1.4.2	-	2.11.1	2.3.3	3.2.2	-	3.11.3	-	Suppl.	(2.9)
1.4.3	-	2.12.1	2.3.4	3.2.3	-	3.11.4	3.3.14	Part G	
1.4.4	-	2.13.1	2.3.7.1 2.3.7.2	3.2.4	-	3.12.1	3.4.3 (3.4.1)	-	2.1.2
2.1.1	2.1.1 2.2.1	2.13.2(a)	2.3.7.3	3.3.1	3.3.5	3.12.2	3.4.2	-	2.4.1.1
2.1.2	2.1.3	2.13.2(b)	-	3.3.2	-	3.12.3	-	-	2.4.1.2
2.1.3	2.2.4	2.13.3	2.3.7.4	3.4.1	3.3.6	4.1.1	2.7	-	2.10
2.1.4	2.2.7	2.13.4	-	3.4.2	3.3.6	4.1.2	-	-	3.3.4
2.1.5	-	2.14.1	2.3.8	3.4.3	3.3.6	4.2.1	-		
2.2.1	2.3.9	2.15.1(a)	-	3.4.4	-	4.3.1	-		
2.3.1	2.2.5	2.15.1(b)	2.5	3.5.1	3.3.8	5.1.1	-		
2.3.2	-	2.15.1(c)	-	3.5.2	3.3.8	6.1.1	-		
2.4.1	2.3.1	2.15.2(a)	-	3.5.3	3.3.8	Suppl.	2.2.2.1		
2.5.1	-	2.15.2(b)	-	3.5.4	3.3.8	Part A	2.2.3		
2.5.2	-	2.15.3(a)	2.4.2	3.6.1	-		2.2.5		
2.6.1	2.2.2.2	2.15.3(b)	(2.4.2)	3.6.2	-		2.2.6		

## ANNEX 2 – DESCRIPTION OF CHANGES

New no.	Description of change	Explanation
1.1.1	Clarified that the rules apply from the date of application for admission to trading (and not from the first day of trading).	Existing provision is drafted in a way that could be read as two possible dates of application. That is not considered appropriate as there should only be one possible date of application. The proposal is in line with the day of application of MAR.
1.1.2	New rule.	Introduced on a STO initiative and it is deemed reasonable to make it possible to sanction violations in a shorter period after a voluntary delisting.
1.2.1	Redrafted.	Clarification.
1.2.2	Redrafted.	Clarification.
1.2.3	New rule.	Necessary when we have a common rulebook for all Nordic markets.
1.2.4	Basis for local Supplements.	N/A
1.3.1	New rule. Guidance text includes text about confidentiality, which was previously in a separate rule.	We have a similar rule in other rulebooks. Introduced here to make it clear that issuers can face sanctions if they do not provide the information necessary for assessment and monitoring.
1.4.1	New rule requires a written request for a waiver and specifies that it is an individual waiver.	Clarification.
1.4.2	New rule.	There can be a need to waiver from disclosure requirements, especially in cases of dual listings. Some exchanges already grant such waivers ad hoc.
1.4.3	New rule.	Inserted to ensure that the market knows which waivers on disclosure requirements Nasdaq has granted.
1.4.4	Basis for local Supplements.	N/A
2.1.1	Redrafted.	Clarification.
2.1.2	Redrafted.	Clarification.
2.1.3	Redrafted.	Clarification.
2.1.4	Redrafted.	Redrafted to make sure that business side can change fee structure without having to change the Rulebook.
2.1.5	New rule.	Inserted to make sure, that we don't have situations where we are unable to reach the Issuer.
2.2.1	Redrafted.	Clarification.

<b>New no.</b>	<b>Description of change</b>	<b>Explanation</b>
<b>2.3.1</b>	Redrafted to contain an overall requirement. Elaborated in local Supplements.	Harmonization.
<b>2.3.2</b>	Basis for local Supplements.	N/A
<b>2.4.1</b>	Redrafted with requirement on documentation.	Redrafted to reflect what documentation we require. Codification of current practice.
<b>2.5.1</b>	New rule.	Codification of current practice.
<b>2.5.2</b>	New rule.	Codification of current practice.
<b>2.6.1</b>	Redrafted.	Harmonization.
<b>2.6.2</b>	New rule.	Codification of current practice.
<b>2.6.3</b>	New rule	Codification of current practice.
<b>2.6.4</b>	Basis for local Supplements.	N/A
<b>2.7.1</b>	Reference to subsidiaries removed.	Subsidiaries will be included in the accounts if they have to be in accordance with applicable accounting legislation, no need to state that in the rule.
<b>2.7.2</b>	New rule containing text from previous guidance text.	Clarification.
<b>2.8.1</b>	New part inserted about ongoing business operations.	New part inserted to make sure that Issuers after admission are not "resting" or empty shells.
<b>2.8.2</b>	Redrafted.	Clarification.
<b>2.9.1</b>	Redrafted.	Clarification.
<b>2.9.2</b>	Redrafted.	Clarification.
<b>2.10.1</b>	Redrafted.	Clarification.
<b>2.11.1</b>	No changes.	N/A
<b>2.12.1</b>	Guidance text removed and partially replaced with 2.17 and local Supplements.	Harmonization.
<b>2.13.1</b>	Previous rules combined into one rule.	Clarification.
<b>2.13.2(a)</b>	Aligned with wording in Official Listing-Directive	Harmonization.
<b>2.13.2(b)</b>	Introduction of a minimum requirement of 500 shareholders or 300 + liquidity provider	Codification of current practice.
<b>2.13.3</b>	Aligned with wording in Official Listing-Directive	Harmonization.
<b>2.13.4</b>	New rule.	Codification of current practice.
<b>2.14.1</b>	Some guidance text removed.	The removed guidance text was self-explanatory due to 2.1.2.
<b>2.15.1(a)</b>	New rule.	Harmonization.
<b>2.15.1(b)</b>	Redrafted.	Clarification.

<b>New no.</b>	<b>Description of change</b>	<b>Explanation</b>
<b>2.15.1(c)</b>	Introduction of new requirement to describe differences between CG-codes in the Exchange's jurisdiction and the Issuer's jurisdiction.	Harmonization.
<b>2.15.2(a)</b>	Competence and experience requirements are removed.	Harmonization. New rule serves as a "common denominator" for the Nordic markets.
<b>2.15.2(b)</b>	New rule.	Codification of current practice. Inserted as a rule to strengthen the educational evaluation, when competence and experience requirements are removed.
<b>2.15.3(a)</b>	The "well in advance of the admission"-part is removed.	Clarification.
<b>2.15.3(b)</b>	New rule.	Guidance text moved to rule text.
<b>2.15.3(c)</b>	New rule.	The Issuer must have some practical experience with financial reporting under the requirements applicable to listed companies ahead of admission to trading.
<b>2.15.3(d)</b>	New rule.	Codification of current practice.
<b>2.16.1</b>	Redrafted.	Clarification.
<b>2.16.2</b>	Redrafted.	Previous disclosure requirement inserted here for clarification.
<b>2.17.1</b>	Redrafted.	Harmonization.
<b>2.17.2</b>	New rule.	Harmonization.
<b>2.17.3</b>	Basis for local Supplements.	N/A
<b>3.1.1</b>	Guidance text removed.	Different interpretations inbetween Nordic FSA's.
<b>3.1.2</b>	Basis for local Supplements.	N/A
<b>3.2.1</b>	Redrafted.	Clarification.
<b>3.2.2</b>	New rule.	Codification of current practice.
<b>3.2.3</b>	New rule.	Codification of current practice.
<b>3.2.4</b>	Basis for local Supplements.	N/A
<b>3.3.1</b>	Redrafted.	Harmonization and clarification.
<b>3.3.2</b>	Basis for local Supplements.	N/A
<b>3.4.1</b>	Redrafted.	Clarification.
<b>3.4.2</b>	Clarified that it has to take place after the GM is over, and not necessarily during the meeting.	Clarification.
<b>3.4.3</b>	Redrafted.	Clarification.
<b>3.4.4</b>	Basis for local Supplements.	N/A
<b>3.5.1</b>	Redrafted.	Clarification.

<b>New no.</b>	<b>Description of change</b>	<b>Explanation</b>
<b>3.5.2</b>	Redrafted.	Clarification.
<b>3.5.3</b>	Redrafted	Clarification.
<b>3.5.4</b>	New rule containing text from previous guidance text.	Clarification.
<b>3.6.1</b>	New rule.	Make sure, that all agreements are disclosed, even if not inside information.
<b>3.6.2</b>	New rule.	Make sure, that all agreements are disclosed, even if not inside information.
<b>3.6.3</b>	New rule.	Make sure, that all terminations of agreements are disclosed, even if not inside information.
<b>3.7.1</b>	Redrafted.	Clarification.
<b>3.7.2</b>	Redrafted.	Clarification.
<b>3.7.3</b>	Redrafted.	Clarification.
<b>3.7.4</b>	Redrafted.	Clarification.
<b>3.8.1</b>	No changes in rule. Minor adjustment of guidance text.	Clarification.
<b>3.9.1</b>	Redrafted.	Clarification.
<b>3.10.1</b>	Redrafted.	Clarification.
<b>3.11.1</b>	Redrafted.	Clarification.
<b>3.11.2</b>	Redrafted.	Clarification.
<b>3.11.3</b>	New rule.	Iceland not member of EU.
<b>3.11.4</b>	Financial calendar does not have to be disclosed but can be published on website only.	Already applicable on First North Growth Market and the main market on some exchanges.
<b>3.12.1(a)</b>	Rule on takeovers embedded in guidance text here. Clarified that information must be given to local Surveillance department.	A takeover bid is of extraordinary importance, so it is not necessary with a separate rule.
<b>3.12.2</b>	Redrafted.	Clarification.
<b>3.12.3</b>	Basis for local Supplements.	N/A
<b>4.1.1</b>	"Material adverse" is removed from bullet (f).	Clarification.
<b>4.1.2</b>	Basis for local Supplements.	N/A
<b>4.2.1</b>	New rule.	Ensure that suspension is possible when it is needed to protect the market.
<b>4.3.1</b>	Basis for local Supplements.	N/A
<b>5.1.1</b>	Basis for local Supplements.	N/A
<b>6.1.1</b>	Basis for local Supplements.	N/A
<b>CPH Suppl. Part A, V</b>	N/A	N/A

<b>New no.</b>	<b>Description of change</b>	<b>Explanation</b>
<b>CPH Suppl., Part A</b>	Redrafted.	Clarification.
<b>CPH Suppl., Part B</b>	Redrafted.	Codification of current practice and clarification.
<b>CPH Suppl., Part C</b>	Redrafted and deadlines aligned with Capital Markets Act.	Clarification.
<b>CPH Suppl., Part D</b>	Disclosure of notice must take place within the deadlines in legislation.	Codification of current practice, but not applicable in other markets.
<b>CPH Suppl., Part E</b>	No changes compared to rules applicable from 15 February 2020.	N/A.
<b>CPH Suppl., Part F</b>	Redrafted.	Clarification.
<b>CPH Suppl., Part G</b>	Redrafted.	Clarification.