Issuance of shares in companies already admitted to trading on Nasdaq Copenhagen or First North

When issuing new shares, companies, already admitted to trading on Nasdaq Copenhagen (the exchange) or First North, shall prepare a prospectus according to the regulation governing securities trading. The Danish Financial Supervisory Authority (FSA) is the competent authority in order to approve prospectuses. It is also the FSA who interprets the rules in the provisions of the securities trading legislation, including if a specific issue is subject to exceptions. The prospectus must be approved by the FSA prior to publication.

The exchange’s rules – ‘Rules for issuers of shares’ and ‘First North Nordic Rulebook’ – contains no requirements for prospectuses for companies that are already admitted to trading at the exchange or First North.

When a company, which is already admitted to trading, wants new shares to be admitted to trading, the exchange must among other things be submitted with a draft of the time table as basis for the admittance to trading. Furthermore, the exchange must receive detailed information about the issue in question, see the list below. The time table and the detailed information will be the basis for the exchange’s approval of admission to trading of the new shares.

Finally, the exchange must receive an application for admission to trading regarding the new shares. It is of course possible to include the application in the detailed information about the issue.

The filing of the application, including the draft of a time table and the details of the issue, is usually done while FSA reviews the draft of prospectus. The exchange must be informed if there are changes in the time table or if there are changes in other factors. The exchange’s comments to the description of the terms can cause changes in the draft of the prospectus being reviewed by the FSA. In the description of the terms the same terminology ought to be used as in the prospectus.

Applications to the exchange must always be submitted via email to: aktieteam@nasdaq.com

The exchange requires that the company’s issuing bank is aware of the time table and that the bank has accepted it. The exchange must be informed of a contact person at the issuing bank, including phone number and mail address.

Below are listed a number of factors which must be forwarded to the exchange. Please notice that the factors depend on the type of issue.

- Type of issue (rights issue, directed issue etc.).
- The rate of the issue, stated in both nominal value and number of shares, and minimum offer if relevant.
- Share capital before the issue, stated in nominal and in number of shares.
- Share capital after the issue, stated in nominal and in number of shares.
- Description of guarantee/advance commitments, if any, including the name of the guarantor(s) and the amount of the guarantee provided by the individual guarantor(s). If there are conditions for a guarantee, these conditions must be described.
- Face value.
- Subscription price, including how the subscription price is fixed.
• Dividend for the new shares for the current year and possibly previous financial year. The latter is relevant if the transaction is to be carried out before the company has held its annual general meeting.

• Subscription ratio. The subscription ratio indicates how many new shares, the shareholder may subscribe in proportion to the shareholders’ existing shares. If the subscription ratio, for example, is 1:10, the existing shareholders of the company can subscribe for one new share for every 10 existing shares. Existing shareholders will thus be allocated one subscription right for each existing share they own, and to subscribe for one new share 10 subscription rights are needed. If the subscription ratio is 2:1, the existing shareholders of the company can subscribe two new shares in the company for each existing share, and existing shareholders have granted two subscription rights for each existing share. You need one subscription right to subscribe for one new share.

• ISIN, new shares, pre-emptive rights etc.

The exchange must be informed whether the temporary ISIN for the new shares is to be admitted to trading on the exchange or whether the new shares are to be admitted to trading after the new shares have been registered in the Danish Business Agency. If the temporary ISIN is not to be admitted to trading, it must be stated clearly that the temporary ISIN registered with VP Securities A/S is only for the purpose of subscribing new shares.

• When the prospectus is expected to be approved by the FSA.

• When the prospectus is expected to be published.

• Last day of trading in existing shares including pre-emptive rights.

• First day of trading in existing shares excluding pre-emptive rights. This is the same day as the trading of pre-emptive rights will start.

• Trading period for pre-emptive rights.

The exchange recommends that the period is at least 10 business days, starting two business days before the subscription period starts and ending two business days before the subscription period is closed.

• When pre-emptive rights will be allocated in VP Securities A/S.

• Subscription period.

The Danish Companies Act contains details of the subscription period in which the shareholders shall make use of the subscription right. The exchange recommends that the period is at least 10 business days, starting two business days after the trading of subscription rights starts and ending two business days after the trading of subscription period is closed.

• When the new shares will be paid

• When the new shares are expected to be registered in the Danish Business Agency.

• Expected first day of trading in the new shares.

If the new shares are intended to be admitted to trading under the ISIN code of the existing shares, the new shares shall carry the same right to dividend as the existing shares. It is also a condition that the exchange has received documentation in the form of a resume of the registration of the new shares by the Danish Business Agency.

• Description of possible options for the withdrawal of the offering.

Should the implementation of a corporate action before the issuance of new shares be necessary, for example in the form of a reduction in share capital, changes in the face value of the shares (stock split) or the like, it is essential that this is clear from the schedule, and it must be described in the application and terms.

It should be emphasized, that the above terms only are relevant with respect to share issues made by companies already admitted to trading on the exchange or First North. Please see the Listing
Requirements which are specified in Rules for issuers of shares or First North Nordic Rulebook, when new companies apply for trading on Nasdaq Copenhagen or First North.

The rules can be downloaded from the Nasdaq Copenhagen website.  
http://www.nasdaqomx.com/listing/europe/rulesregulations/