

Directive on the Presentation of a Complex Financial History in the Listing Prospectus

(Directive Complex Financial History, DCFH)

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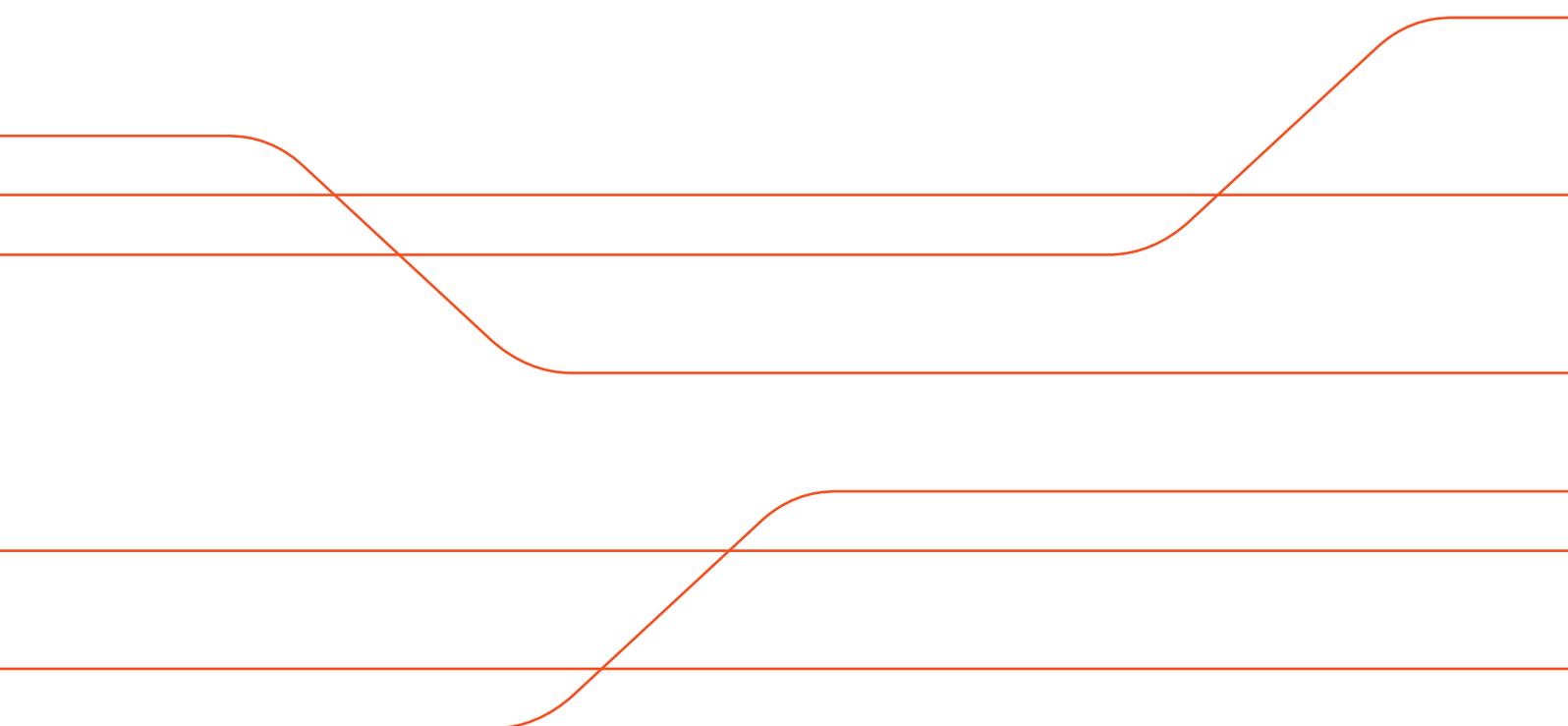


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Basis Art. 11 and 27 LR

I General provisions

Art. 1 Purpose

¹ The purpose of this Directive is to provide investors with a transparent picture of an issuer's financial situation at the time of listing in the event the issuer has made or is planning to make significant changes to its structure. The financial circumstances should be presented for a certain period of time prior to the listing ("track record").

² The assessment of whether a transparent picture of the issuer's financial situation has been provided is not necessarily based on the legal form of the issuer's corporate structure or the transaction itself; rather, it is based mainly on an economic view ("substance over form").

See also

- Directive Track Record (DTR)

Art. 2 Scope of applicability

¹ This Directive applies to issuers of equity securities of all regulatory standards.

² It does not apply to listings of debt securities.

Art. 3 Deviations

If, as a result of the intended or already realised transaction, the financial figures presented in accordance with this Directive fail to transparently portray the corporate structure of the issuer as a whole and could therefore mislead investors, it may be necessary to deviate from the provisions set out below.

Art. 4 Principle

¹ If the corporate structure of an issuer has undergone a significant change that has not been presented in the audited financial statements, additional financial figures must be published in the listing prospectus according to the provisions set out below.

² The same applies in the event that the significant structural change arises from a specific intended transaction.

Art. 5 Significant structural changes

¹ Structural changes are of significance if one of the key figures indicated in Art. 18 corresponds to a change of 25% or more compared to the original structure.

² In particular, a structural change is present in the following cases:

1. economic continuation of an existing company or business operations in a new legal structure (e.g. creation of a new company into which an existing company or existing business operations are integrated);
2. merger or acquisition using the proceeds from the planned capital-market transaction or contribution in kind;
3. carve-out of operating companies or business operations;
4. the issuer is comprised of companies that were under common control but in the past never prepared consolidated financial figures.

Art. 6 Abridgement of the listing prospectus

If additional financial figures must be published in the listing prospectus in accordance with this Directive, the possibilities of abridgement pursuant to Art. 34 LR of the Listing Rules may not be used.

II Definitions

A Financial statements

Art. 7 Principle

¹ Financial statements are deemed to be a superordinate term for historical annual or interim financial statements that comply with one of the accounting standards recognised by the Regulatory Board.

² Within the context of this Directive, financial statements provide a view of the financial circumstances of the past. Unlike pro forma financial information, financial statements contain no facts that can be expected in the future as a result of the intended transaction or change in structure.

Art. 8 Combined financial statements

¹ Deemed to be combined financial statements are financial statements that, in the absence of consolidated financial statements, subsequently combine (through addition of financial figures including eliminations) the individual financial statements of companies under common control.

² If, due to the quality of the assumptions and estimates, no combined financial statements can be drawn up in accordance with one of the accounting standards recognised by the Regulatory Board and in keeping with the "true and fair view" principle, then the individual financial statements are to be presented instead.

Art. 9 Carve-out financial statements

¹ Deemed to be carve-out financial statements are financial statements that, in the absence of independent financial statements for carved-out companies or business operations, are drawn up on the basis of external or internal financial figures without significant assumptions or adjustments.

² If, due to the quality of the assumptions and estimates, no carve-out financial statements can be drawn up in accordance with one of the accounting standards recognised by the Regulatory Board and in keeping with the "true and fair view" principle, then the carve-out is to be presented in the pro forma financial information.

B Pro forma financial information

Art. 10 Principle

¹ Within the context of this Directive, pro forma financial information – in contrast to financial statements – merely includes a balance sheet, income statement, and earnings per share as well as notes.

² In the case of pro forma financial information, financial statements are adjusted by making assumptions in such a manner that, taken in combination with the relevant explanations in the notes, a picture is given as if the transaction or structural change in question had already taken place at the beginning of the period under review. The notes include statements regarding the basis of preparation and each adjustment to the financial statements, including the assumptions that were made. The anticipated synergies may not be taken into account.

III Detailed provisions on the publication of financial figures in the listing prospectus

A Financial statements

Art. 11 Who is obligated to disclose

¹ The minimum requirements under this Directive with regard to the number of financial years to be published in the listing prospectus pertain to those companies or business operations that cause the significant structural change.

² The number of financial statements that must be disclosed in the listing prospectus by the issuer itself is laid down in the relevant provisions of the Listing Rules and applicable Directives.

Art. 12 Scope of the disclosure obligation

¹ Financial statements for the last two financial years must be presented in the listing prospectus if one of the key figures pursuant to Art. 18 corresponds to a change of 25% or more compared to the original structure.

² If one of the key figures pursuant to Art. 18 corresponds to a structural change of more than 100%, financial statements for the last three financial years must be presented in the listing prospectus.

Art. 13 Audit

¹ The financial statements for each of the financial years presented must be audited.

² The auditors' reports must be included in the listing prospectus.

B Pro forma financial information

Art. 14 Scope and representation of pro forma financial information

¹ In addition to the financial statements, pro forma financial information for the last financial year must be published if one of the key figures indicated in Art. 18 corresponds to a structural change of more than 50% or a carve-out of companies or business operations does not fulfil the qualitative requirements for carve-out financial statements.

² The adjustments made for the pro forma financial information must be presented individually in the form of a tabular reconciliation (Annex 2) and reference must be made to the corresponding notes.

Art. 15 Report on the compilation of pro forma financial information

¹ An assurance report from an independent auditor (the "pro forma assurance report") is required about the compilation of pro forma financial information.

² The pro forma assurance report must be printed in the listing prospectus.

³ The pro forma assurance report must refer to the basis of preparation for the pro forma financial information, as indicated in the notes, the auditing standard that was applied and the scope of the procedures performed.

⁴ The pro forma assurance report must also contain the statement that:

1. the pro forma financial information has been compiled, in all material respects, on the basis of the applicable criteria; and
2. this basis is consistent with the accounting policies of the issuer.

C Interim financial statements

Art. 16 Principle

¹ If, at the time the listing prospectus is published, the balance sheet date for the last published financial statements lies more than nine months in the past, interim financial statements (in the case of a change of more than 25%) for the companies or business operations pursuant to Art. 11 must be published in the listing prospectus, as well as interim pro forma financial information (in the case of a change of more than 50%) for the first six months of the current financial year.

² For interim financial statements, neither an audit nor review is required.

D Key figures for assessing structural changes

Art. 17 Calculation of key figures

¹ The key figures must be calculated on the basis of the most recently audited financial statements, whereby the relevant calculation must be based on identical balance sheet dates and accounting periods.

² The last audited financial statements of the issuer prior to the structural change, taking into account the audited financial statements of the companies or business operations that have led to the significant structural change, form the basis for calculation of the key figures that are applicable subsequent to the structural change.

Art. 18 Formulas

¹ The key figures are to be calculated according to the following formulas:

$$2 \frac{(\text{profit or loss}^{(1)} - \text{profit or loss}^{(2)}) \times 100\%}{\text{profit or loss}^{(2)}} = A \text{ (in \%)}$$

⁽¹⁾ after the structural change

⁽²⁾ before the structural change

$$3 \frac{(\text{turnover}^{(1)} - \text{turnover}^{(2)}) \times 100\%}{\text{turnover}^{(2)}} = B \text{ (in \%)}$$

⁽¹⁾ after the structural change

⁽²⁾ before the structural change

$$4 \frac{(\text{total assets}^{(1)} - \text{total assets}^{(2)}) \times 100\%}{\text{total assets}^{(2)}} = C \text{ (in \%)}$$

⁽¹⁾ after the structural change

⁽²⁾ before the structural change

Art. 19 Disclosure obligations

The disclosure obligations pursuant to Art. 12, 14 and 16 are determined by the highest of the three key figures A, B and C (in %).

Art. 20 Deadline for submission

The calculations used to determine the key figures A, B and C, as well as the basis applied in such calculations, are to be submitted together with the listing application.

IV Final provisions

Art. 21 Entry into force

This Directive shall enter into force on 1 July 2009 and replaces the Directive on the Presentation of a Complex Financial History in the Listing Prospectus of 11. November 2002 and 29 October 2007.

Art. 21a Revision

The revision of Art. 15 and Annex 1, decreed by the resolution dated 13 April 2016, enters into force on 1 July 2016.

Art. 22 Transitional provisions

Prospectuses for capital-market transactions, for which listing applications are submitted on or after 1 July 2009, are subject to the provisions of this Directive.

Annex 1 – Structural changes

As a rule, the number of financial years to be disclosed for the issuer is determined by the relevant provisions of the Listing Rules. Additional financial statements pertain to the financial years that, under Art. 11 of this Directive, must be disclosed for the companies or business operations that cause the significant structural change.

If in the year of the transaction (X), at the time the listing prospectus is published, the balance sheet date of the most recently published financial statements lies more than nine months in the past, interim financial statements must be published pursuant to Art. 16.

The following abbreviations are used in this Annex: IS (income statement), EPS (earnings per share).

1 Structural change as per Art. 12 para. 2 of more than 100%

	Year X	Year X-1	Year X-2	Year X-3
Issuer's financial statements	If applicable (Art. 16): interim financial statements	Financial statements (audited)	Financial statements (audited)	Financial statements (audited)
Additional financial statements (Art. 11)	If applicable (Art. 16): interim financial statements	Financial statements (audited)	Financial statements (audited)	Financial statements (audited)
Pro-forma financial information (Art. 14)	If applicable (Art. 16): interim pro forma financial information (balance sheet, IS, EPS, notes)	Balance sheet IS EPS Notes (Pro forma assurance report)	--	--

2 Structural change as per Art. 12 para. 1 between 50% and 100%

	Year X	Year X-1	Year X-2	Year X-3
Issuer's financial statements	If applicable (Art. 16): interim financial statements	Financial statements (audited)	Financial statements (audited)	Financial statements (audited)
Additional financial statements (Art. 11)	If applicable (Art. 16): interim financial statements	Financial statements (audited)	Financial statements (audited)	--
Pro-forma financial information (Art. 14)	If applicable (Art. 16): interim pro forma financial information (balance sheet*, IS*, EPS, notes)	Balance sheet* IS* EPS Notes (Pro forma assurance report)	--	--

3 Structural change as per Art. 12 para. 1 between 25% and 50%

	Year X	Year X-1	Year X-2	Year X-3
Issuer's financial statements	If applicable (Art. 16): interim financial statements	Financial statements (audited)	Financial statements (audited)	Financial statements (audited)

	Year X	Year X-1	Year X-2	Year X-3
Additional financial statements (Art. 11)	If applicable (Art. 16): interim financial statements	Financial statements (audited)	Financial statements (audited)	--

In the event of a structural change between 25% and 50%, pro forma financial information must additionally be prepared for cases in which a carve-out of companies or business operations as per Art. 14 is not included in the financial statements.

4 Structural changes of less than 25%

No additional financial figures (financial statement or pro forma financial information) are required for structural changes of less than 25%.

Annex 2 – Example regarding structure of pro forma financial information

Financial statements Issuer	Additional financial statements* company and business operations	Pro forma adjustments						Pro forma financial information
		New holding structure	Disposals through carve-outs/divestitures	Revaluations/goodwill from acquisitions	Change in capital and financing structure	Other adjustments	Eliminations	
		(a)	(b)	(c)	(d)	(e)	(f)	
Balance sheet		e.g. acquired assets and liabilities	e.g. exclusion of non-acquired business operations	e.g. goodwill, acquired intangible assets	e.g. capital increase, change in debt structure	e.g. deferred taxes		
Income statement (including earnings per share)		e.g. costs for additional employees	e.g. exclusion of non-acquired business operations	e.g. write-downs on revalued assets	e.g. interest costs, transaction costs	e.g. deferred taxes		

* Further possible adjustments to the financial statements of companies and business operations as per Art. 11:

- adjustment to reflect issuer's balance sheet date and/or financial year;
- adjustment to reflect issuer's presentation currency;
- adjustment to reflect issuer's presentation of balance sheet and income statement items;
- adjustment to reflect issuer's application of accounting standard and/or principles.