

LISTINGS

DEBT CAPITAL MARKETS

Single Electronic Reporting Format: Reminder for Issuers

October 2020

Issuers of retail debt securities listed on EU regulated markets must prepare their annual financial reports using the European Single Electronic Reporting Format (**ESEF**) for financial years beginning on or after 1 January 2020.

Ireland Law Firm of the Year 2020

Chambers Europe Awards

Ireland Law Firm of the Year 2020

International Financial Law Review (IFLR)
Europe Awards

Best Firm in Ireland 2020 & 2019

Europe Women in Business Law Awards

Best Firm for Talent Management (2020);

Minority Women Lawyers (2020 & 2019);
Mentoring Programme (2019 & 2018)

Europe Women in Business Law Awards

Best National Firm for Women in Business Law 2019 & 2018

Europe Women in Business Law Awards

Ireland M&A Legal Adviser of the Year 2019 & 2018

Mergermarket European M&A Awards

Ireland Law Firm of the Year 2019 & 2018

Who's Who Legal

Most Inclusive Law Firm 2019

Managing Partners' Forum Awards

Ireland Client Service Law Firm of the Year 2018

Chambers Europe Awards

This document contains a general summary of developments and is not a complete or definitive statement of the law. Specific legal advice should be obtained where appropriate.

THE REPORTING OBLIGATION

The Transparency Directive imposes annual and half-yearly financial reporting obligations on issuers of debt securities with denominations per unit of less than €100,000 (i.e. **retail, rather than wholesale, debt securities**) listed on an **EU regulated market** (such as Euronext Dublin's regulated market).

Article 4 of the Transparency Directive also requires those issuers (regardless of whether their registered office is in the EU or in a third country) to prepare their annual financial reports, which include their annual financial statements, using the ESEF for financial years beginning on or after 1 January 2020.

The ESEF requirement impacts the format, rather than the content, of those annual reports, but does not apply to the half-yearly reports. The ESEF requirement is designed to ensure that annual reporting takes place in a single, structured, electronic format so that the financial statements are machine-readable.

REPORTING FORMATS AND RESOURCES

The Transparency Directive tasked ESMA with assessing possible electronic reporting formats, testing those formats, and drafting regulatory technical standards (**RTS**) to specify the ESEF.

ESMA's [RTS](#) setting out the detailed technical requirements for annual financial reports prepared using the ESEF

were published in the Official Journal in May 2019, and are supported by an [ESEF Reporting Manual](#), [video tutorials](#) and an [example of an annual financial report prepared in the ESEF format](#). Technical amendments to the ESEF RTS were [published in the Official Journal in December 2019](#), and further technical amendments were [proposed by ESMA in June 2020](#), in each case following changes to the relevant IFRS taxonomy. These amendments do not impact the overall obligation on issuers of retail debt securities listed on regulated markets to use the ESEF for financial years beginning on or after 1 January 2020.

WHO IS EXEMPT FROM THE ESEF REQUIREMENT?

• Wholesale issuers

Article 8(1) of the Transparency Directive provides that Article 4 (referred to above) does not apply to issuers exclusively of debt securities admitted to trading on a regulated market with denominations per unit of at least €100,000 (or equivalent in another currency) (i.e. wholesale issuers).

• Issuers listed on an exchange-regulated market

As the Transparency Directive does not apply to issuers with debt securities listed on an exchange-regulated market, such as the Global Exchange Market (**GEM**) of Euronext Dublin, those issuers do not have to comply with the new ESEF requirement.

ARTHUR COX LISTING SERVICES LIMITED

Arthur Cox provides listing services through Arthur Cox Listing Services Limited (**Arthur Cox Listings**). We have a

dedicated, experienced and professional team of listing executives who are actively involved in the listing of a variety of debt securities on Euronext Dublin's regulated market and the GEM. Our aim is to ensure a smooth and efficient listing process

for our clients and we strive to provide a streamlined process at all times. We pride ourselves on providing added value to the listing process in Ireland. Please do reach out to any member of Arthur Cox Listings to discuss the above.

KEY CONTACTS

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