

Frankfurt Stock Exchange

Market segments and requirements for bonds

Accessing the capital market is a significant step for companies to optimize their capital and financial structure, to expand their financial scope, to stay independent and to gain public interest and visibility.

In this publication, EY teams have summarized the initial requirements for a bond issuance and your ongoing requirements after accessing the capital market. To help you compare and evaluate different market segment profiles at a glance, we have presented this information in tabular format – making it easier to find the marketplace that suits your financial strategy.

There are dedicated EY capital market leaders and teams that can support you at every stage of the capital market journey. We look forward to guiding you through the regulatory challenges and helping you to deliver the value your bondholders expect.

Frankfurt Stock Exchange

Segment name	Prime Standard Bonds
Number of bond listings	3
Regulatory status of exchange segment	Privately organised listing segment based on regulated official market
Applicable law	<ul style="list-style-type: none"> ▸ National regulations of the issuer ▸ EU regulation ▸ Exchange specific regulation
Other regulations	General Terms and Conditions of Deutsche Börse AG for Participation in the Prime Standard for Corporate Bonds
Target issuers	
Profile and target group	Companies that want to strengthen their international competitive position and reputation with a bond issue
Preconditions to enter the market	
Operating history	At least 2 years
Financial performance requirements	Annual turnover of the issuer or the guarantor be equal to at least €300 million
Other	N/A
Initial requirements for the bond transaction	
Type of bonds	Bearer bonds
Minimum amount of bond volume	At least €100 million bond volume
Denomination and volume of trading units	Partial debentures of €1,000 each
Rating	Yes, company or bond rating Exemptions possible if annual revenue > €1 bn
Initial requirements to enter the market	
EU-Prospectus obligation	Yes, EU passporting possible
Other offering document (i.e. exposé or offering memorandum)	No
Language for publications	German or English
Authority for approval	National EU-regulator (prospectus) or exchange (exposé)
Ongoing reporting obligations	
Accounting standard	National GAAP or IFRS
Annual reporting	National regulations apply Audited annual financial report incl. management report within 4 months after the end of the respective reporting period
Half-year reporting	Half-year financial report incl. interim management report within 3 months after the end of the respective reporting period
Quarterly reporting	No
Terms of publication or submission	National regulations apply Financial reports to be submitted to DBAG
Company and bond portrait	Yes
Financial calendar	Yes
Corporate performance indicators	No
Follow-up rating	Yes, company or bond rating Exemptions possible if annual revenue > €1 bn
Analyst and investor conference	Once a year
Corporate Governance Declaration	No
Event-led ongoing requirements	
MAR (Market Abuse Regulation) applicable if bonds are admitted to trading*	Yes
Ad-hoc-disclosures	Yes
Report of management transactions	Yes
Management of insider list	Yes
Measures for prevention of insider trading	Yes
Closed periods	Yes
Other	
Capital market partner	No
Fees	
Stock exchange charges and fees (onetime)	No
Annual listing fee	€5,000

*) admission to the regulated unofficial market has to be initiated by the issuer

N/A= Not regulated

No= Not legally required

Open Market	
SCALE Bonds	Quotation Board
1	392 (without government bonds and bonds from banks)
Privately organised listing segment based on Open Market = Regulated unofficial market (MTF)	Open Market = Regulated unofficial market (MTF)
<ul style="list-style-type: none"> ▶ National regulations of the issuer ▶ EU regulation ▶ Exchange specific regulation 	<ul style="list-style-type: none"> ▶ National regulations of the issuer ▶ EU regulation ▶ Exchange specific regulation
General Terms Regulated Unofficial Market Frankfurt	General Terms Regulated Unofficial Market Frankfurt
Segment for small and medium-sized companies with operations, seeking to raise debt capital	Segment under private law. Core function is the trading facility
At least 2 years	N/A
Fulfilment of at least three of the following criteria/performance indicators: <ul style="list-style-type: none"> ▶ EBIT interest coverage of at least 1.5 ▶ EBITDA interest coverage of at least 2.5 ▶ Total debt/EBITDA of a maximum of 7.5 ▶ Total Net Debt/EBITDA of a maximum of 5 ▶ Risk Bearing Capital of at least 0.20 ▶ Total Debt/Capital of maximum of 0.85 	N/A
Review by the applicant that the bond issuer has: <ul style="list-style-type: none"> ▶ an internal risk management for the identification, analysis and control of entrepreneurial risks, ▶ an internal system for compliance with its publication and notification obligations, ▶ internal compliance provisions which ensure the compliance of the issuer's action with applicable law, ▶ the support of shareholders, investors and analysts, ▶ Executive Board and the Supervisory Board of the issuer have sufficient expertise or experience in connection to the exercise of their respective tasks 	N/A
Bearer bonds that are not subordinated capital market liabilities of the issuer	N/A
At least €20 million bond volume	N/A
Denomination of bonds into partial bonds amounting up to a maximum of €1,000	N/A
Yes, company or bond rating	N/A
Exemptions possible if revenue exceeds €300 million	
No	No
For public offerings with EU prospectus the use of the Direct Place tool is required	
Yes	Yes
For the first-time inclusion of a corporate bond, a so-called issuer data form is required (inclusion document)	Inclusion document
German or English	German or English
National EU-regulator (prospectus) or exchange (exposé)	National EU-regulator (prospectus) or exchange (exposé)
National GAAP or IFRS	National GAAP or IFRS
National regulations apply	National regulations apply
Audited annual financial statement incl. management report within 6 months after the end of the respective reporting period	
Half-year financial statement incl. interim management report within 4 months after the end of the respective reporting period	N/A
No	N/A
National regulations apply	N/A
Financial reports to be submitted to DBAG	
Yes	N/A
Yes	N/A
No	N/A
Yes, company or bond rating	N/A
Exemptions possible if revenue exceeds €300 million	
Once a year	N/A
No	N/A
Yes	Yes
Yes	Yes
Yes	Yes
Yes	Yes
Yes	Yes
Yes	Yes
Deutsche Börse Capital Market Partner	No
€10,000	The initial inclusion costs €3,000, for each additional bond of the same issuer between €69 and €119
€10,000	No

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