ESMA_QA_2521

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07/04/2025

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Additional Information

Level 1 Regulation
Prospectus Regulation 2017/1129

Topic
Initial Public Offer/IPO

Subject Matter
New exemptions for fungible securities in Prospectus Regulation.

Question
To qualify for the exemption set out in Article 1(5), point (ba), of Regulation (EU) 2017/1129, one condition is that the securities to be admitted to trading on a regulated market must not be issued in connection with a takeover by means of an exchange offer, a merger, or a division. Does that exemption refer to a takeover by means of an exchange offer that falls within the scope of Directive 2004/25/EC?

ESMA Answer

07-04-2025

Original language

Answer provided by the European Commission in accordance with Article 16b(5) of the ESMA Regulation

Yes, the exemption set out in Article 1(5), point (ba) of Regulation (EU) 2017/1129, specifically refers to a takeover by means of an exchange offer that falls within the scope of Directive 2004/25/EC.

Disclaimer:

The answers clarify provisions already contained in the applicable legislation. They do not extend in any way the rights and obligations deriving from such legislation nor do they introduce any additional requirements for the concerned operators and competent authorities. The answers are merely intended to assist natural or legal persons, including competent authorities and Union institutions and bodies in clarifying the application or implementation of the relevant legal provisions. Only the Court of Justice of the European Union is competent to authoritatively interpret Union law. The views expressed in the internal Commission Decision cannot prejudge the position that the European Commission might take before the Union and national courts.