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Additional Information

Level 1 Regulation
Market Abuse Regulation (MAR) Regulation (EU) No 596/2014 - Market Intergrity

Topic
Managers' transactions

Additional Legal Reference
Article 19 of MAR as amended and integrated by the Listing Act

Subject Matter
Scope of the exception in Article 19(12a) of MAR to PDMRs' general prohibition to trade during the closed period

Question
Shall a PDMR be allowed to adhere to a takeover bid, a share capital increase, a subscription of shares arising from stock splits, a merger, a rights issue or a spin-off during a closed period pursuant to Article 19(12a) of MAR?

ESMA Answer

01-08-2025

Original language

Recital (76) of Regulation (EU) 2024/2809 amending MAR, provides examples of transactions and activities that might be covered by the exemption for PDMRs to trade during the closed period under Article 19(12a) of MAR. Among the examples provided, the text refers to the transactions and activities that might result from “duly authorised corporate actions not implying advantageous treatment for the [PDMR]”. Considering that a takeover bid, as well as the other mentioned transactions, should in principle grant PDMRs an equivalent treatment to that of any other shareholder, a PDMR should be allowed to adhere to these transactions during a closed period provided that the corporate action has been authorized or approved by the issuer’s governing body or the competent authority.

A case-by-case assessment remains necessary to verify that the relevant conditions are met. It should be recalled that the prohibition of insider dealing remains applicable during closed periods.