

Bird & Bird & Capital Markets Group: PLC Update

September 2018

Increase in total size of public offers exempt from requirement to publish prospectus

The new Prospectus Regulation (the “**Prospectus Regulation**”) came into force on 20 July 2017 and its provisions will govern the preparation of all prospectus prepared on or after 21 July 2019. Whilst most of its provisions will come into force with effect from that date, certain ones came into effect earlier this year on 21 July 2018.

One of these changes was an increase in the total offer size for public offers of securities that are exempt from the requirement to publish a prospectus. Previously, this exemption applied where an offer of securities to the public was made in the EU and the total consideration of the offer, calculated over a period of 12 months, was less than €5 million. From 21 July 2018, this threshold was increased to €8 million.

It should be noted that these exempt offers will not benefit from the prospectus passporting regime provided for under the Prospectus Regulation. Also, the exemption only applies to a public offer of securities. As such, where the securities are also to be admitted to trading on a regulated market, a prospectus will still need to be published, unless another applicable exemption may be relied upon.

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