

How EU Prospectus Rule Changes May Boost Market Access

By **Henning Bloss, Jörn Hirschmann and Björn Schneider** (February 5, 2026, 3:16 PM GMT)

European Union Regulation 2024/2809, the European Union Listing Act, introduces changes to the EU prospectus requirements, aiming to facilitate access to the capital markets by reducing the regulatory burden, time and effort for issuers of securities in the EU.[1]

While the new prospectus exemptions took effect from Dec. 4, 2024, substantial changes will take effect on March 5 and June 5, respectively.

The EU Listing Act introduces the most significant changes to the EU prospectus regime in recent years, and is particularly relevant for small and midsize enterprises, or SMEs.

In this article we shall discuss the recent and upcoming changes in the EU prospectus regime and their practical implications for issuers.

Extended Prospectus Exemptions

First, the EU Listing Act aims to facilitate greater secondary issuances by expanding existing prospectus exemptions. The new exemptions, which took effect at the end of 2024, are as follows.

Under the new regime, the prospectus exemption applies both to public offerings and listings of shares, provided that the new shares represent less than 30% of the existing securities that can be traded with the new securities on the same EU-regulated market over a 12-month period.

This exemption to public offerings and listings of shares was extended to include public offerings of securities listed on an SME growth market, defined as an open market trading venue with reduced regulatory requirements, such as the Scale segment of the Frankfurt Stock Exchange, which offers SMEs access to investors and an efficient equity financing option.

The EU Prospectus Regulation does not apply to listings of securities on an SME growth market without a public offering.

Furthermore, an exemption independent of volume has been introduced for public offerings and



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admissions to trading. This exemption applies when the issuer's securities, which are fungible with the new securities, have been listed on an EU-regulated market for at least 18 months. This exemption also applies to public offerings if the securities are listed on an SME growth market.

However, the new exemptions do not apply if the issuer is subject to restructuring or insolvency proceedings, or the securities are issued in connection with a takeover by means of an exchange offer, a merger or a split-up.

It is important to note that issuers intending to rely on the exemptions above must still publish a short-form summary document.

This document must contain the following matters.

- A responsibility statement;
- A compliance statement;
- Reasons for the offer and the use of proceeds; and
- Conditions for the offer.

The document must not exceed 11 pages in length. Such a short-form summary document is not required for issuers utilizing the volume-dependent exemption described here for the admission to trading on a regulated market without a public offering.

EU Follow-On Prospectus

A new EU follow-on prospectus will be available for secondary issuances, admissions to trading and uplistings to an EU-regulated market. The provisions implementing the follow-on prospectus will take effect on March 5, 2026.

The EU follow-on prospectus aims to facilitate more efficient transaction execution and reduce market risk. It requires only a reduced content and must be approved by the relevant financial regulatory authority within seven business days of submitting the draft follow-on prospectus.

Issuers whose securities have traded on a regulated market or an SME growth market for at least 18 months may publish such a simplified version of a prospectus with reduced content requirements and a maximum length of 50 pages. For example, only the financial statements from the past 12 months need to be included.

Simpler Capital Market Access for SME Issuers

In addition, a new, simplified prospectus format for public offerings, the EU growth issuance prospectus, will be introduced on March 5. This new format aims to reduce complexity, particularly for first-time issuers in the SME segment.

The EU growth issuance prospectus is a lighter version of a full prospectus and is available to SMEs and other issuers whose securities are or will be traded on an SME growth market. It is also available to small, unlisted companies with an annual public offering of less than €50 million (\$59.1 million) and no more than 499 employees.

This new prospectus format requires significantly less information to be disclosed than a regular

prospectus and is limited to 75 pages maximum.

However, issuers whose shares are traded on a regulated market cannot use this new prospectus format. Additionally, the EU growth issuance prospectus cannot be used for listing on an EU-regulated market.

Reduced Content and Standardized Format

Effective December 2024, the requirements for the content of a standard full prospectus have been reduced. Only two years of financial statements are required, rather than three, and a separate chapter on operating results, financial position and outlook. Operating and financial review or management's discussion and analysis are no longer necessary.

Instead, issuers must include the consolidated management report from their regular financial reporting, either by reproduction or by incorporation by reference.

However, these simplifications may have practical limitations, since the content of the management report often falls significantly short of investors' standard information requirements.

Additionally, starting June 5, regular prospectuses will be limited to 300 pages, excluding information incorporated by reference. The European Commission is set to adopt implementing technical standards for the template, layout, font size and style requirements for prospectuses.

Due to the large number of regulatory and implementing standards that must be adopted, the European Commission has opted to delay and deprioritize the adoption of certain nonessential measures. As part of the commission's de-prioritization program, the adoption of the implementing technical standards regarding template, layout, font size and style requirements was considered nonessential and will therefore not be introduced before Oct. 1, 2027.[2]

Practical Implications

The prospectus amendments introduced by the EU Listing Act represent a significant effort to reduce the burden on European issuers and market participants.

However, while the new EU exemptions and alternative prospectus formats demonstrate the EU's desires to bolster the global competitiveness of European capital markets, these simplifications alone will likely be of limited use.

Investors, particularly those involved in international, high-volume offerings and U.S. private placements under Rule 144A of the Securities Act of 1933, will likely seek significantly more information about the issuer and the securities being offered.

To meet these demands and avoid liability risks resulting from reduced or insufficient information, many issuers may choose to voluntarily publish a regular full prospectus or make use of the exemptions and additionally publish an offering memorandum equivalent to a full prospectus. This would not require approval by the supervisory authority.

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[1] <https://eur-lex.europa.eu/eli/reg/2024/2809/oj/eng>.

[2] https://finance.ec.europa.eu/publications/de-prioritisation-level-2-acts-financial-services-legislation_en.