

The Swedish Securities Council

2025



The work of the Swedish Securities Council 2025

During the 2025 financial year, the Council issued 70 rulings. Virtually all of these rulings concerned public takeover bids in the broad sense.

The Council's responsibilities, rules of procedure etc.

The Swedish Securities Council has three main tasks. It promotes good practice in the Swedish stock market through rulings, advice and information; the Financial Supervisory Authority, *Finansinspektionen*, has delegated to the Council the authority to issue rulings on interpretation of and exemptions from legislation within the field of takeovers, including the mandatory bid rules; the Council also interprets the Takeover Rules issued within the framework of the stock market's self-regulation procedures and hears petitions regarding exemptions from these.

The Council is run by a non-profit association – the Association for Generally Accepted Principles in the Securities Market – with eight members: The Institute for the Accountancy Profession in Sweden (FAR), the Association of Mutual Funds, the Institutional Owners Association for Regulatory Issues in the Stock Market, Nasdaq Stockholm AB, the Swedish Insurance Federation, Finance Sweden, The Swedish Securities Markets Association, and the Confederation of Swedish Enterprise.

Any action by a Swedish limited liability company that has issued shares admitted to trading on a regulated market in Sweden, (Nasdaq Stockholm or Nordic Growth Market NGM), or any action by a shareholder in such a company which concerns or may be of relevance to a share in such a company may be subject to assessment by the Swedish Securities Council. The same applies to foreign limited companies whose shares are admitted to trading on a regulated market in Sweden, to the extent that the action is to be in compliance with Swedish regulations.

The Council also issues rulings with regard to good practice in the stock market applicable to companies whose shares are traded on the Nasdaq First North Growth Market, Nordic SME and Spotlight Stock Market trading platforms.

The Swedish Securities Council can issue rulings on its own initiative or upon receiving a petition. The Council itself determines whether a petition is to be heard. In doing so, the Council takes into account whether the issue is a matter of principle or of practical importance to the petitioner or to the stock market in general. The Council also considers whether the issue has been or can be expected to be dealt with elsewhere, for example in a court of law. It is exceedingly rare that a submission is rejected without a hearing.

The Council has around 30 members representing various sectors of industry and society in general. The members are appointed by the Association for Generally Accepted Principles in the Securities Market. The term of office is two years but may be extended.

The Chair of the Council is former Supreme Court Judge Sten Andersson and the Vice Chair is Supreme Court Judge Johan Danelius.

When a petition is heard, no fewer than four and no more than eight members of the Council's members are to participate. Some petitions may be heard by a wider group of no fewer than nine and no more than twelve members or in a plenary session with no fewer than half of the Council members. The members selected to hear each petition are determined according to principles set out in the Council's statutes and rules of procedure. In accordance with established routines, potential conflicts of interest are also evaluated before each hearing.

The Chair or the Director may issue a ruling on the Council's behalf in cases where the matter is particularly urgent, where a corresponding matter has already been dealt with by the Council or where the matter is of minor significance.

The Council has a secretariat headed by the Council's Director (the undersigned) as well as an additional rapporteur, Erik Lidman, and a secretary, Jesper Zackrisson.

The secretariat also retains Council member Erik Sjöman as a special adviser to the Council.

The proceedings of the Council are based on what is stated in the petition at hand. As such, it is the responsibility of the applicant and, where applicable, the applicant's advisers to provide a true and fair description of all circumstances relevant to the Council's assessment. This also means that the Council's rulings apply only to the conditions cited in the petition.

A significant part of the Council's activities relates to public takeover bids. In this area, the Council applies the Swedish Public Takeover Bids Act (2006:451) as well as the Takeover Rules established through self-regulation.

The Council's international contacts etc.

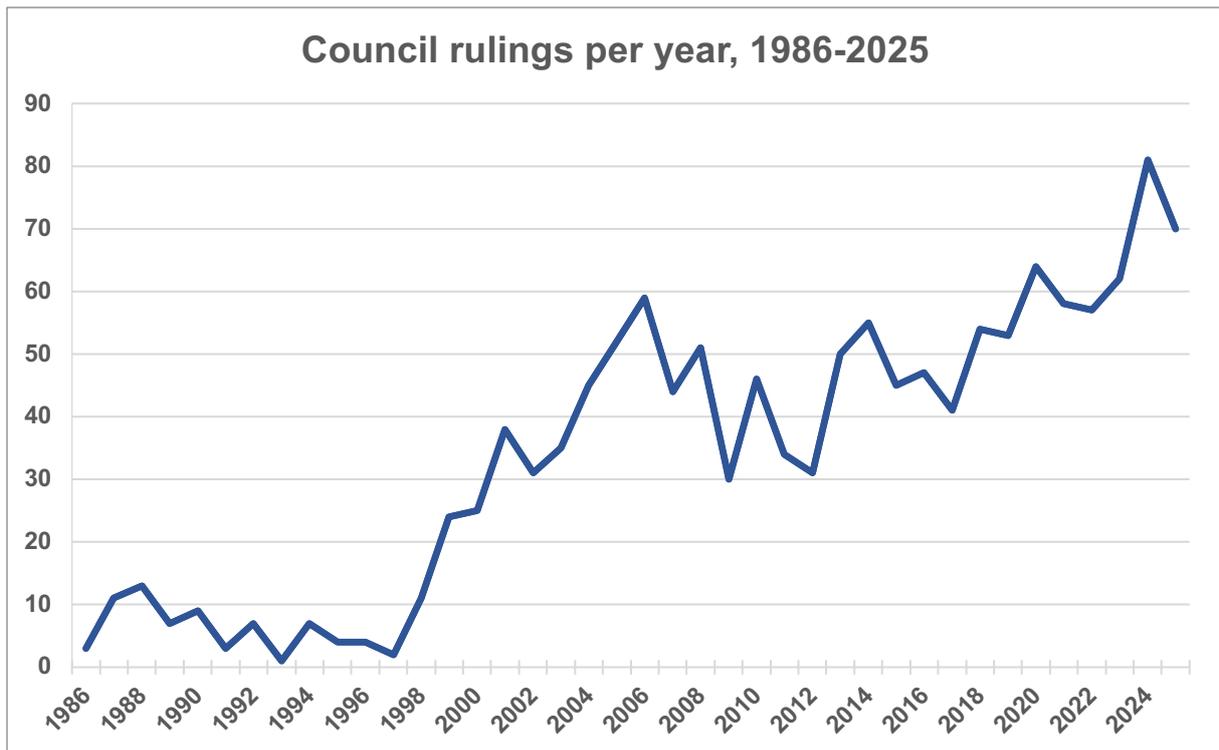
The Council's work involving public takeover bids is modelled to a large extent on that of the UK Takeover Panel. The Council's secretariat maintains continuous contact with the Panel and with equivalent bodies in other countries.

Together with the Swedish Financial Supervisory Authority, the secretariat participates in an ongoing exchange of knowledge on public takeover bids within the European Securities and Markets Authority (ESMA).

In a different capacity, the Director is a member of the OECD's Corporate Governance Committee, where corporate governance issues, including takeover processes, are discussed regularly by a global membership.

Council rulings in 2025

Since its formation in 1986, the Swedish Securities Council has issued nearly 1 400 rulings. In 2025, the Council issued 70 rulings. This is the second highest number after the record year of 2024, when the Council issued 81 rulings.



Almost every rulings in 2025 concerned public takeover bids, including mandatory bids. In 2025, around 30 companies were subject to takeover bids on the Swedish stock market. Several of these bids gave rise to one or more submissions to the Council, but the Council also dealt with several submissions concerning planned but not (yet) submitted bids.

A quarter of the total number of cases during the year, 16 out of 70, were handled by the Council in a collegial composition. The remaining were handled by the Chair. On average, just over seven members participated in each Council hearing.

Around ten percent of the cases, 8 out of 70, were handled wholly or partly on delegation from the Swedish Financial Supervisory Authority. These cases involved the interpretation of or exemption from the legal rules on public takeovers, particularly the rules on mandatory bids.

In its ruling AMN 2025:17 (*Atelière–CodeMill*), the Council dealt with a situation that was completely new to the Swedish takeover market. The American company Atelière submitted a bid for the MTF company CodeMill and declared the bid unconditional at the end of the acceptance period. A few days later, however, the

bidder announced that the consideration would not be paid "due to the ongoing unforeseen turbulence in the United States and in the global business and financial markets".

At the request of Nasdaq, the Council examined Atelière's actions and concluded that they constituted a "particularly serious violation of Takeover Rules and thus of good practice on the Swedish stock market".

In ruling AMN 2025:45 (*OsteoCentric–Integrum*), it was also the bidder's actions that were the subject of the Council's interest. OsteoCentric had made a bid for all shares in the MTF company Integrum and received an irrevocable commitment from the company's principal owner. At the end of the acceptance period, the bidder noted that the acceptance threshold (90 percent) had not been met and did not proceed with the bid. The main owner's shares had not been correctly submitted.

The Council, which, this time too, dealt with the matter at the request of Nasdaq, found that a bidder is obviously obliged to work to ensure that the set conditions are met. This obligation is particularly strong when the target company's main owner has made an irrevocable commitment to accept the bid, and, at the end of the acceptance period, it is clear to the bidder that the shares in question have not been submitted. According to the Council, the measures taken by OsteoCentric in this regard did not meet this requirement. OsteoCentric had thereby violated the Takeover Rules and thus also acted contrary to good practice on the stock market, which earned OsteoCentric serious criticism.

Both of the above cases concerned bids for MTF companies. Unlike bids for companies traded on a regulated market, the Takeover Rules for MTF companies do not require the bidder to make a commitment to the marketplace to comply with the Takeover Rules and submit to the marketplace's sanctions in the event of a breach of the rules. There is reason to believe that this arrangement may now be reviewed.

In an unpublished ruling, the Council dealt with another new situation. At the end of 2024, a listed company had received an indicative bid from a potential bidder and, after some discussion, allowed a due diligence investigation, which was carried out in early 2025.

In mid-March 2025, the target company asked the bidder if it intended to submit a bid. The bidder replied that internal work was progressing with the aim of presenting a bid during the following month.

As April drew to an end, the target company wrote to the bidder once again, stating that if no bid was presented by the end of the month, the company would refer the matter to the Swedish Securities Council. The bidder replied that work was progressing, but that the previous ambition to present a bid in April would not be met.

In mid-May, just over five months after the indicative bid, the target company requested a ruling from the Council to the effect that the bidder would either publish a bid by a certain date in June 2025 or notify the company in writing that no such bid would be made.

In its deliberations, the Council based its decision on the principle established in the introduction to the Takeover Rules that a takeover bid may not prevent the target company from conducting its business for longer than is reasonable. According to the Council, the purpose behind this principle also applies in a situation where a potential bidder has initiated a bidding process with the Council of the target company but has not yet submitted an offer to the shareholders. The potential bidder's delay in submitting a final decision on the offer was therefore contrary to the principle and thus also contrary to good practice on the Swedish stock market. The Council stated that an offer should be submitted by a certain date and, if this did not happen, the board of the target company should "consider the bid plans to be cancelled and act without the restrictions that otherwise follow from the takeover rules". The result of this "put up or shut up" ruling was that, a few days before the specified date, the potential bidder informed the target company that the bid plans had been cancelled.

A recurring theme in the Council's cases concerning public takeover bids is under what conditions one or more shareholders of a target company can participate as bidders in a bid by "rolling" their shares into a offeror company created for this purpose, while other shareholders are offered a cash bid consideration. The year 2025 was no exception. The Council had several cases concerning such so-called buyout consortia. Some of these rulings have been made public, while others remain confidential.

Whether a procedure of the kind in question is compatible with the fundamental principle of equal treatment in the Takeover Rules is determined by the Council on a case-by-case basis through an overall assessment of whether the parties in the offeror company are *de facto* offerors or specially treated shareholders in the target company. There are no fixed criteria for this assessment. The commentary to the Takeover Rules mentions a number of circumstances that may be taken into account in this context, but the list is not exhaustive and the Council may also take other circumstances into account in individual cases.

The annual report for 2024 refers to a confidential ruling in which a group of senior executives who together also held a relatively large part of the shares in the target company intended, together with an operating company, X, to form a consortium to submit an offer to acquire all shares in the target company through an offeror company established for this purpose. Upon completion of the offer, the executives would contribute their shares in the target company to the offeror company in a non-cash issue, and X would contribute the cash required for the offeror company to acquire the remaining shares in the target company. Neither the executives nor X would have any obligation to contribute additional financing to the offeror company or the target company. The individual holdings of the executives varied greatly in size, with the smallest holding corresponding to only 0.25 percent of the shares and votes. According to the Council, it was clear that, in any case, someone who makes such a limited contribution to an offer cannot normally be considered a *de facto* offeror but must be regarded as a specially treated shareholder. In the case in question, no sufficient circumstances had been presented that would give reason to view the

matter differently. On that basis alone, the Council found the planned procedure to be incompatible with the principle of equal treatment in the Takeover Rules.

In a confidential case in 2025, the circumstances were similar to those in the 2024 case. In a planned consortium with one principal owner, one external party and four senior executives, one of the executives held approximately 4 percent, another just under 2 percent and the others approximately 1 percent each of all shares in the target company. None of the executives would contribute to the financing of the offer in any way other than by contributing their shares in the target company to the offeror company.

Using the same reasoning as in its 2024 ruling, the Council found that the planned composition of the offeror consortium was incompatible with the principle of equal treatment in the Takeover Rules.

In ruling AMN 2025:47 (*MolCap - NAXS*), the Council once again returned to the issue of mandatory bids in acquisitions through endowment insurance. A shareholder (MolCap) held shares in the listed company NAXS, listed on a regulated market, partly directly and partly through endowment insurance. The shares held through insurance policies were, as usual, disenfranchised. After further share acquisitions, the shareholder's holding still represented less than 30 percent of the total number of votes in the company, but if the disenfranchised shares were pro forma excluded from the total number of votes, the 30 percent threshold would have been exceeded.

The Council pointed out that the wording of the mandatory bid rules does not prevent it from being contrary to good practice on the stock market to use various contractual arrangements to achieve what is in practice a change of controlling ownership without the mandatory bid rules formally becoming applicable. In line with this, the Council had already found, in AMN 2020:13, that good practice required an owner to submit a takeover bid in accordance with the mandatory bid rules in a situation where so many shares were held through the owner's endowment insurance that the owner's direct ownership – which was less than 30 percent of the total number of votes for all shares in the company – represented more than 30 percent of the total number of votes for the shares in the

company that were not held through the insurance. MolCap should therefore, the Council stated, submit an offer to acquire all remaining shares in NAXS.

However, in a press release, MolCap clarified that it did not intend to make such an offer because there was no legal obligation to do so and, in MolCap's assessment, a takeover bid would risk having "a negative impact on NAXS shareholders".

In response to MolCap's announcement, the Council stated in AMN 2025:51 that MolCap's action constituted a flagrant violation of good practice on the stock market, for which the company's representatives deserved very serious criticism. The Council also reiterated that the responsibility to respect good practice on the stock market rests not only with bidders, target companies and major owners, but also with those who, in various capacities, advise or otherwise assist these and other market participants (see, in particular, AMN 2020:13).

In its ruling AMN 2025:65 (*Thunderful*), the Council dealt with a case in which a company was in a very difficult financial situation and intended to carry out a private placement to an investor that would give the investor ownership of more than 90 percent of all shares in the company. The Council noted that the case had similarities with AMN 2015:18 (*Geveko*) and found, once again, in light of the special circumstances, that the planned procedure would, in principle, be compatible with good practice on the stock market. However, one difference from the previous case was that the current case did not involve an issue to an outside investor, but rather an issue to a shareholder. In line with the Takeover Rules, which states that, when deciding on a merger at a general meeting of the transferring company (cf. the target company), shares held by the acquiring company should not be taken into account, the Council considered that good practice on the stock market required that the general meeting's decision to approve the new issue should be made without taking into account the shares held by the shareholder concerned.

Recurring topics in the Council's cases that do not concern takeover bids is questions of good practice in a company's application for delisting of its shares in a situation where the marketplace deems the listing requirements still to be met. The Council's long-standing practice in this area is very restrictive. However, on 1 September 2025, the Stock Market Self-Regulation Committee (ASK) , which promotes good practice

on the Swedish stock market, issued "Rules on the delisting of shares at the initiative of the issuer".

In a company that meets the listing requirements of the marketplace, the new rules state that it is consistent with good practice on the stock market to apply for delisting of the shares, if a decision to make such an application is compatible with the requirement of the Swedish Companies Act that the board of directors act in the interests of all shareholders, and if the decision is made by the general meeting in accordance with a decision-making procedure established specifically to protect minority shareholders.

In an unpublished ruling in autumn 2025, the Council had to decide whether it would be consistent with good practice for the board of directors to propose that the Annual General Meeting resolve on delisting in accordance with the new rules. The question might at first glance seem unnecessary, but according to the Council, the case was not purely a matter of delisting, but also had a connection to what constitutes good practice in relation to public takeover bids. Relatively recently, the company had been the subject of a public takeover bid through which the company's current principal owner had achieved its current ownership position. The bid contained the standard 90 percent acceptance condition, but it was waived and the bid was completed at a slightly lower level.

According to the Council, given the circumstances and considering that the company still had several thousand shareholders, a proposal by the company's board of directors to initiate a process to delist the shares, would not be compatible with good practice and would risk damaging confidence in the current system for public takeover bids on the Swedish stock market.

The Council's ruling led to an addition to the delisting rules in November 2025. This points out that the decision-making procedure prescribed in the rules does not mean that other rules or good practice that limit the company's ability to delist its shares can be disregarded.

The Council's rulings are, as a rule, to be made public. Around 80 percent of all rulings and approximately 85 percent of the rulings made over the last ten years are currently published. The rulings that have not been published generally relate to planned but not completed transactions. In some cases, it is clear that the transaction will not be completed as planned, as the Council ruled against the petitioner in some crucial respect. However, the Council is continuously working to obtain permission to publish such rulings, if not in anonymised form after some time has passed. Of the 70 rulings made by the Council in 2025, 56 have currently been published.

The ambition of the Council is to be highly available and provide short processing times. This means that the Secretariat is available every day of the week for consultations as well as for formal cases. In cases dealt with by the Chair, the Council normally announces its decision no later than the day after the final version of the petition is submitted. Even when cases are handled by a collegial panel, processing times are usually short. During the year, processing times in these cases varied from one day to, in cases where the parties were given the opportunity to comment on each other's submissions, a couple of weeks. Experience shows that the processing time is often shorter if a submission has been preceded by informal contact with the Council's secretariat.

Council rulings on matters delegated by the Swedish Financial Supervisory Authority may be appealed to the Authority. None of the Council's rulings in 2025 were appealed.

Consultations with the Council secretariat

The activities of the Securities Council also include consultations where companies, owners, advisors and marketplaces contact the secretariat by telephone or e-mail.

Some of the consultations concern issues that are later dealt with in formal rulings by the Council, but many do not lead to any formal petition. The information provided by the secretariat in consultations is not binding for the Council. If the party that consulted the secretariat proceeds with a formal request

to have its petition heard, it will be heard without preconditions or reference to consultations with the secretariat. The content of consultations is therefore not published by the Council, and responses provided cannot be publicly cited with reference to the Council.

Rolf Skog

Director

The Securities Council

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