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## **Sanction possibilities against offerors introduced in the new takeover rules for MTFs**

The Swedish Stock Market Self-Regulatory Committee (ASK) has published revised takeover rules for regulated markets and certain trading platforms (MTFs). The new rules enter into force on 1 September 2026. See the new rules for regulated markets [here](#) and for MTFs [here](#).

The principal substantive change concerns the takeover rules for certain trading platforms (the MTF Rules), i.e. the rules governing public takeover offers for companies whose shares are traded on Nasdaq First North Growth Market, NGM Growth Market or Spotlight Stock Market (MTF companies). The revision introduces a new rule under which a public takeover offer may be announced only if the offeror has first undertaken, vis-à-vis the relevant marketplace, to comply with the takeover rules and submit to the sanctions that the marketplace may decide on in the event of breaches (compliance and sanctions undertaking).

Accordingly, the new regime corresponds in practice to the regime already applicable to public takeover offers for companies listed on regulated markets (Nasdaq Main Market and NGM Main Market) under the Swedish Public Takeover Bids Act (LUA).

### **Background to the amendment**

In our article from December 2025, [Lack of effective sanctions in public takeovers](#), we analysed, inter alia, the notable cases concerning CodeMill AB and Integrum AB. Both companies were listed on Nasdaq First North Growth Market and subject to public takeover offers by US offerors that chose not to complete their offers.

In the CodeMill case, the offeror first announced that the offer would be completed, but subsequently announced that it would not pay the agreed consideration and that the shares tendered in the offer would be returned. The conduct was considered by the Swedish Securities Council to constitute a "particularly serious violation of the takeover rules". In the Integrum case, the offer was not completed because the acceptance level of 90% was not reached after the acceptance forms from a larger shareholder, who had given an irrevocable undertaking to accept the offer, contained an incorrect VP account number and therefore could not be registered. The Swedish Securities Council considered that, by failing to contact the larger shareholder or its legal counsel, the offeror had failed in its obligation to actively work towards satisfaction of the 90% acceptance condition, which warranted "serious criticism".

Common to both cases was that the violations could not be sanctioned by the marketplace. The reason was that the offerors had no contractual relationship with the marketplace because, unlike in offers on a regulated market, there was no obligation to enter into a compliance and sanctions undertaking.

The practical possibility for the shareholders to obtain redress was therefore primarily civil-law action against the offeror, i.e. proceedings brought by a shareholder in court. As noted in our previous article, such claims are difficult to pursue in practice, particularly in the Swedish legal context, which means that the remedy has limited practical effect.

### **New requirement for an undertaking to comply with the rules and submit to sanctions**

Through new item I.1a in the MTF Rules, a requirement to give an undertaking to comply with the takeover rules and submit to sanctions is now introduced also for MTFs. This means that a public takeover offer for an MTF company may be announced only if the offeror has undertaken vis-à-vis the marketplace to:

- comply with the takeover rules, and
- submit to the sanctions that the marketplace may decide on in the event of a breach of the rules.

The undertaking must be given before the offer is announced and must be in the form set out in an appendix to the MTF Rules. The offer announcement must also state that the undertaking has been given. A corresponding undertaking is also introduced for mergers and merger-like procedures covered by the rules.

The revised rules also introduce a new Section VII on sanctions. If an offeror disregards or breaches the takeover rules, or the Swedish Securities Council's interpretation or application of the rules, the marketplace may decide that a special fee shall be imposed on the offeror. The fee shall be not less than SEK 50,000 and not more than SEK 5 billion.

### **Updated obligations for the target board**

The revision also contains certain consequential amendments that are of practical importance for the board of directors in the target company (target board).

If the offeror has not given the prescribed undertaking, the target board must, pursuant to item II.19 fifth paragraph, state this prominently in its statement on the offer. If the board's statement is not issued directly in connection with the announcement of the offer, the board must nevertheless inform the market of the absence of the undertaking in a separate press release issued directly in connection with the offer announcement.

A new rule on due diligence reviews is also introduced in item II.20 second paragraph. Before the target board allows a due diligence review to begin, the offeror must have undertaken towards the target company to enter into the compliance and sanctions undertaking against the marketplace. This can, for example, be done in the non-disclosure agreement (NDA) entered into with the offeror before the due diligence review begins.

Corresponding rules regarding the target board's obligation to inform the market and obtain an undertaking before due diligence are also introduced in the takeover rules for regulated markets, but with reference to the undertaking requirement under LUA.

For further information on the role of the target board in public takeover offers on MTFs, please see our previous article [Considerations for target companies in public takeovers](#).

### **An important step for the MTF market**

The amendment is welcome. The MTF market constitutes a significant part of the Swedish equity market, and violations such as those in the CodeMill and Integrum cases risk damaging market integrity and confidence in the stock market if they remain unsanctioned.

The updated rulebooks also entail a harmonisation of MTFs and regulated markets in line with how self-regulation regarding MTFs usually are designed. Technically, however, a principled legal distinction remains. On a regulated market, the obligation to enter into the undertaking to the marketplace follows from LUA, and failure to do so may ultimately be sanctioned by the Swedish Financial Supervisory Authority (SFSA). On MTFs, the obligation follows instead solely from the takeover rules, and if the undertaking is not executed, the SFSA (or any other public authority) lacks legal basis to intervene against the offeror.

In practice, however, an offeror is unlikely to choose not to execute the undertaking solely because the requirement is not statutory. The distinction is therefore of limited practical significance. However, it is not negligible, particularly in relation to mandatory offers where the offeror does not always have the same commercial incentives as in a "normal" takeover offer. This is illustrated by the NAXS case (discussed in more detail in the first article linked above), where the offeror chose not to make a

mandatory offer, referring, among other things, to the fact that the obligation to make the offer followed from good practice on the stock market and not from law.