

# **Raising Capital Through Securities Issuances – What Are the Options, and What Should Be Considered?**

(23<sup>rd</sup> of March 2026)

CAPITAL MARKETS

# Raising Capital via Securities: What Companies Need to Know

Securities issuances offer a powerful alternative to bank loans – giving companies the freedom to set their own terms on e.g. maturity, interest rates, and repayment. No mandatory collateral required. But with that flexibility comes a strict legal framework under the **EU Prospectus Regulation** and the **German Securities Prospectus Act (WpPG)**, designed to protect investors across the EU.

# The Securities Prospectus Requirement

Public offerings generally require a prospectus approved by a competent authority. There are varying types, each with defined page limits to manage preparation effort, for example:

## EU Growth Prospectus

Up to **75 pages** – designed for smaller issuers accessing capital markets.

## Follow-on Prospectus

Up to **50 pages** – for issuers already listed on a regulated market.

## Base Prospectus

Used for debt programs – enables multiple issuances under one framework document.

An approved prospectus also unlocks **EU Passporting** – allowing offerings in other EU member states via simple notification. Preparation, however, demands significant time and financial resources.

## EXEMPTIONS

# General Exemptions from the Prospectus Duty

Not every offering triggers a full prospectus. Several exemptions apply based on product type, investor profile, or offering size, for example:



## Specific Products

Units in closed-end investment funds and state-guaranteed securities are exempt.



## Qualified Investors Only

Offers directed exclusively at qualified investors require no prospectus.



## Limited Reach

Less than **150 non-qualified investors** per Member State – no prospectus needed.



## High Denominations

Minimum subscription of at least **EUR 100,000** denomination triggers an exemption.

## THRESHOLDS &amp; CHANGES

# Monetary Thresholds and Future Changes

## €8M

### Current German Limit

Public offerings up to €8 million over 12 months may be exempt from the prospectus obligation.

## €12M

### New Threshold in 2026

The **EU Listing Act** raises this limit to €12 million, effective **June 5, 2026**.



⚠️ These exempt offerings require simplified documentation – either a **WIB** or a **KID**. Depending on the document type, **BaFin approval** may still apply. The correct documentation depends strictly on the legal structure of the security.

## DOCUMENTATION

# Alternative Documentation: WIB vs. KID

## Securities Information Sheet (WIB)

- Maximum **3-4 DIN A4 pages**
- Must be **approved by BaFin** before the offering begins
- Required for standard securities outside PRIIPs scope

## Key Information Document (KID)

- Required for **packaged investment products** under the PRIIPs Regulation
- **Maximum 3 Din A4 pages**
- **No prior approval** by supervisory authority needed
- Must be published before the offering commences

The bottom line: a public offer is in most cases only permitted once either a **WIB or a KID or a prospectus** has been published. The choice between them depends entirely on the legal structure of the security being offered.

# Contacts

## Dr. Lutz Auffenberg LL.M. (London)

German Attorney at Law,  
Partner at FIN LAW,  
Specialist Attorney in Banking  
and Capital Markets Law



## FIN LAW

Auffenberg und Uhnk  
Partnerschaftsgesellschaft von  
Rechtsanwälten mbB

Senckenberganlage 19  
60325 Frankfurt am Main

E. [info@fin-law.de](mailto:info@fin-law.de)

I. <https://fin-law.de>

T. +49 69 87 000 1320