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European Commission Consults on Private Equity Exits

Executive Summary

- **What's new:** The European Commission has launched a targeted consultation on private equity exits and the potential development of multilateral intermittent trading platforms for private company shares.
- **Why it matters:** The consultation addresses concerns over declining productivity growth in the EU, which has been linked to insufficient innovation and a shortage of innovative companies. By identifying and removing investment barriers, the initiative aims to enhance the attractiveness of EU private assets and better support the growth of private companies as they progress towards public markets.
- **What to do next:** Private equity investors and private companies should review the consultation and consider submitting responses via the online questionnaire before the 27 April 2026 deadline. Engagement in the consultation process would enable stakeholders to participate in the shaping of future exit routes and improving access to capital in the EU private equity market.

Introduction

On 2 March 2026, the European Commission published a targeted consultation on private equity exits and the possible development of multilateral intermittent trading platforms for private company shares. The consultation runs until 27 April 2026 and must be responded to via an online questionnaire. It forms part of the wider Savings and Investments Union (SIU) strategy and aims to address challenges in private market liquidity, improve exit options for private equity investors and facilitate access to capital for private companies within the EU.

Focus of the Consultation

The consultation identifies limited and costly exit options for private equity investors, illiquidity in private markets and fragmented cross-border conditions as key factors constraining the scale-up phase of firms and deterring institutional capital from investing in EU private assets.

The consultation is targeted mainly at private equity investors and private companies and is structured in three main parts:

- Challenges for private equity exits and attracting private equity investors in the EU.
- A potential EU framework for an intermittent multilateral secondary trading platform for private company shares.
- Possible use of such a platform for raising fresh equity capital.

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Barriers to Private Equity Investment and Exits

In Part I of the review, the Commission examines which challenges EU investors encounter when attempting to exit their investments in private companies. It further explores whether these challenges impact the ability of private equity and growth companies to secure funding at the outset. It also enquires about potential regulatory measures that could help address these exit-related obstacles, the costs associated with different exit strategies and, more broadly, seeks input on ways to enhance support for investment in private companies.

Creation of an Intermittent Multilateral Secondary Trading Platform

In Part II, the Commission examines the potential for creating an intermittent multilateral secondary trading platform as a new exit route for private equity investors in the EU. The focus is on designing a regulatory framework that would enable such a platform to function efficiently, ensure effective price determination, and provide appropriate investor protection — potentially through a tailored disclosure regime. To this effect, the consultation centers, in particular, on framework requirements such as:

- Suitable regulatory approach, *i.e.*, a sandbox, temporarily or permanently relaxing certain financial regulations applicable to trading in financial instruments or a new, dedicated regulatory regime specifically for intermittent trading of private company shares.
- Potential authorization and supervisory requirements for the platform operator.
- Safeguards to protect investors and prevent market abuse.
- Potentially limiting participation to institutional investors, companies conducting buybacks and certain high-net-worth individuals.
- Balancing company confidentiality with investor information needs.

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The aim is to enhance the attractiveness of private markets by making exits easier and supporting companies as they move towards public markets. This initiative is expected to stimulate capital market activity across the EU and improve access to capital for private companies.

This should be compared to the UK's Private Intermittent Securities and Capital Exchange System (PISCES) platform, which was developed to address similar concerns; its rules came into force in June 2025 and it is currently operating in a sandbox phase until 2030. It may serve as a source of inspiration to any potential EU equivalent.

Potential Use of the Platform to Raise Fresh Equity Capital

In Part III of the consultation, the Commission examines the potential benefits (such as a speedier process, lower costs and wider range of investors) and enquires about potential drawbacks of allowing private companies to use intermittent secondary trading platforms not only for facilitating exits but also for raising new capital as well as the possible interactions with other sources of equity financing, such as bank lending.

Conclusion

The Commission's consultation on private equity exits and the potential development of intermittent multilateral trading platforms marks a further step towards addressing longstanding challenges in the EU's private equity and growth markets.

The initiative aims to enhance liquidity, transparency and access to capital for private companies, while also supporting more efficient and cost-effective exit routes for investors. Private equity investors may wish to engage with the consultation process, particularly where they think potential benefits and costs are not being sufficiently considered.