

UK prospectus regime reform – key changes for regulated market issuers in the FCA’s final rules

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On 15 July 2025, the Financial Conduct Authority (**FCA**) published Policy Statement PS25/9: ‘New rules for the public offers and admissions to trading regime’ (**PS25/9**). PS25/9 sets out the FCA’s final rules for the admission of securities to trading on UK regulated markets and UK primary multilateral trading facilities under The Public Offers and Admissions to Trading Regulations 2024 (**POATRs**).

This briefing considers the core areas in which the FCA has made changes relevant for issuers with, or seeking admission of, equity and non-equity securities – such as shares and bonds – to trading on UK regulated markets.

The new public offers and admissions to trading regime

The POATRs, which were made in January 2024, replace the existing UK Prospectus Regulation (**UK PR**) and create a new framework for the offering of securities to the public in the UK. Whilst certain provisions of the POATRs came into force in January 2024, including provisions empowering the FCA to make rules, the POATRs will only come fully into force once HM Treasury has revoked the UK PR, which is expected to take place on 19 January 2026.

Under the POATRs, public offers and admissions to trading on a UK regulated market are treated separately.

Public offers

Unlike the position under the UK PR, public offers of securities in the UK will no longer require publication of a prospectus. The POATRs instead prescribe a general prohibition on offers of relevant securities to the public in the UK, unless the offer falls within a specified exemption.

Issuers with or seeking UK regulated market admission for their securities will benefit from a specific new exemption from the general prohibition, which covers public offers where the securities are, or are to be, admitted to trading on UK markets. From 19 January 2026, first-time issuers of listed debt or equity, as well as existing listed companies making a further issue, will only need to have regard to the FCA’s rules for admissions to trading.

Admissions to trading

The POATRs retain the concept of a ‘prospectus’ only in the context of an admission to trading: the FCA will be able to require publication of a prospectus and prescribe its contents before admitting securities to trading on a UK regulated market. For these purposes a prospectus is a document described as such by the FCA’s Prospectus Rules: Admission to Trading on a Regulated Market sourcebook (**PRM**) and whose publication is either required by, or requires prior FCA approval or validation under, the PRM.

New rulebook

The POATRs empower the FCA to create rules to implement the new regime.

This will be done by the deletion of the existing FCA Prospectus Regulation Rules sourcebook (**PRR**) and its replacement with a new sourcebook, the PRM, which will take effect on 19 January 2026. The final text of the new PRM sourcebook is included in Appendix 1 to PS25/9. Detailed content requirements are set out as Annexes in Appendix 2 to the new PRM sourcebook, broadly similar to the current UK PR structure, although with the benefit of a more integrated single sourcebook versus separate assimilated regulations.

With these new rules, the FCA is seeking to ensure that issuers can raise capital more easily in an efficient way; to reduce regulatory friction and rebalance the admission to trading, prospectus and listing regimes to

be more proportionate; improve the competitiveness of UK regulation compared to other jurisdictions; and reduce barriers to participation for retail investors.

Excluded transferable securities

Certain excluded transferable securities will continue to be capable of admission to trading on a UK regulated market without an FCA-approved prospectus. These exempt categories will be broadly retained from the UK PR regime and include non-equity securities issued or guaranteed by governments, local or regional authorities, issued by central banks or by public international bodies, and money market instruments (such as commercial paper, with a maturity of less than 12 months).

Not-for-profit bodies (such as charities and housing associations) will, however, no longer benefit from an exception and will have to produce a prospectus when admitting securities to a regulated market, on the basis that such entities pose similar risks to commercial entities. New provisions have also been introduced to exempt instruments of Islamic finance backed by a sovereign or central bank.

Further issuance of fungible securities

Listed issuers will not need to publish a prospectus for a further issue of fungible securities unless the number of new securities is 75 per cent or more of the number already admitted to trading (calculated over 12 months), a significant increase over the UK PR threshold of 20 per cent. No alternative document is required below this threshold, although issuers will need to meet their market disclosure obligations under the UK Market Abuse Regulation (**UK MAR**) and the FCA's Disclosure Guidance and Transparency Rules sourcebook (**DTRs**). This increased threshold is likely to be most useful to existing equity issuers undertaking a placing, rights issue or open offer. While it will also allow up to 75 per cent of an outstanding bond issue to be 'tapped' without the need for a new prospectus, frequent bond issuers are expected to continue to use the flexibility of a base prospectus. A higher threshold of 100 per cent applies for closed-ended investment funds issuing fungible equity securities.

This is an area where the new FCA PRM rules go much further than the approach taken in the EU Listing Act's reform of the EU Prospectus Regulation. The EU Prospectus Regulation now allows admission to trading of fungible issues on an entirely undocumented basis of up to 30 per cent, although certain issuers will be permitted to admit securities with no upper limit if they meet specified conditions and publish a shortform disclosure document (of no more than 11 pages).

Voluntary prospectus

Issuers will continue to have the option to produce a voluntary prospectus, approved by the FCA, for fungible issuances below the 75 per cent threshold (or where the

admission to trading is within another prospectus exemption). A voluntary prospectus will be subject to all of the provisions set out in the PRM but, helpfully for issuers listed on the equity shares (commercial companies) category, no sponsor will be required. We expect that the voluntary prospectus option will be particularly attractive to issuers marketing fungible offers of securities to a global investor base across jurisdictions with disparate liability regimes.

Other exemptions

The new rules will broadly retain the current admission to trading prospectus exemptions. The FCA has clarified that schemes of arrangement are included in the scope of the PRM takeover exemption and intends to publish a Technical Note to provide guidance on the content requirements for takeover exemption documents later in 2025.

Protected forward looking statements (PFLS)

The UK Listing Review identified forward-looking statements as particularly useful information for investors to have when making investment decisions. The review concluded that companies are discouraged from including such information in their prospectuses because of the existing prospectus liability provisions (which are based on a negligence standard). The POATRs address this behaviour by establishing a different (recklessness/dishonesty) liability threshold for certain categories of forward-looking statements in prospectuses. Aside from this change, the new regime retains the existing negligence-based threshold for prospectus liability.

The POATRs gave the FCA powers to make rules relating to PFLS, including what information is deemed to be PFLS. The PRM adopts the approach of a general definition that will apply to all PFLS disclosures, along with category-specific criteria for financial or operational information, and broad exclusions with targeted exceptions.

Criteria

The PRM sets out the following criteria in the general definition of PFLS:

- The forward-looking statement must contain financial information or operational information in order to be a PFLS (the proposed criteria for the preparation of such financial information and operational information will be covered in a future FCA Technical Note, to be published later this year).
- A forward-looking statement can only be considered a PFLS if it relates to future events or circumstances and the verification as to the truth, correctness, and completeness of the statement can only be determined by reference to an event or sets of circumstances that occur *after* the forward-looking statement has been published.

- A forward-looking statement can only be considered PFLS if it includes an estimate as to when the event or set of circumstances to which the statement relates is expected to occur.
- The statement must contain information that a reasonable investor would be likely to use as part of the basis of their investment decisions.

Exclusions

With limited exceptions, a forward-looking statement is excluded from the definition of a PFLS if it contains information required to be disclosed by the PRM or disclosure annexes.

The only required statements eligible to be a PFLS, if they meet the other PFLS criteria, are those where the FCA wishes to encourage the disclosure of more useful information – this includes profit forecasts (but not profit estimates) for both equity and non-equity issuers. It also includes, for equity issuers, disclosures around strategy and objectives, certain climate-related disclosures (on the impact of climate-related risks and opportunities, the issuer's transition plan and metrics and targets), the operating and financial review and trends information.

Accompanying statements

Certain accompanying statements will be required where a prospectus contains PFLS. The PRM requires two types of accompanying statement:

- A general statement applying to all PFLS in the prospectus, that informs investors about the risks that would apply to any PFLS disclosure. The general statement will only need to be included once and will need to explain how to identify PFLS in the prospectus and include specified wording to draw attention to the general characteristics of PFLS.
- A content-specific statement that identifies a particular disclosure as a PFLS and that sets out the principal assumptions upon which the PFLS is based. Content-specific statements should sit immediately next to the PFLS disclosures to which they relate.

Overseas liabilities

Note that the reduced standard of liability for PFLS will apply only in the UK, meaning issuers will still have to have regard to heads of liability outside the statutory regime, as well as the liability regimes of any other jurisdiction into which they offer securities. Notably, the EU Prospectus Regulation does not provide for a disclosure concept similar to PFLS (noting that the introduction of a privileged liability regime for forward looking statements is being discussed as part of the wider consultation prospectus liability within the EU). The FCA's main focus for the PFLS regime is IPO prospectuses – so it remains to be seen how useful this new regime will be for DCM prospectus disclosures.

Prospectus summary

A prospectus summary will no longer be required for non-equity securities where admission to trading is sought on the London Stock Exchange's Main Market, regardless of denomination. This is a welcome alleviation, as the preparation of the summary added time and cost for issuers, as well as potential risk (in that editorial judgement was required, as to which elements of the disclosure to include in the summary).

While a summary will continue to be required for an equity prospectus, the requirements will be relaxed in some areas. A summary will no longer need financial information to have a prescribed content and format, cross-referencing will be permitted, and the maximum length will be increased from seven to 10 pages.

Historical financial information

The PRM retains existing financial information requirements for both equity and non-equity prospectuses, with the clarification that any material uncertainty relating to going concern in the audit report, or any other matters reported on by exception, should be reproduced in full and prominently disclosed in the prospectus. An equity issuer will still be required to include additional disclosures if it has a complex financial history or has made a significant financial commitment; the FCA is consulting on a technical note providing new guidance on this requirement.

The PRM will continue to require three and two years of historical financial information from issuers of equity and non-equity securities, respectively. In contrast, from 5 June 2026, the EU Prospectus Regulation will only require two years of historical financial information for equity securities and one for non-equity.

Supplementary prospectuses

Under the PRM, withdrawal rights will not apply where a supplement is published in respect of an admission to trading prospectus that relates to certain types of offer. If the related offer would also benefit from one of a specified list of exceptions from the general prohibition on offers to the public set out in the POATRs – including where the offer is made only to qualified investors or made in connection with securities whose denomination per unit amounts to at least £50,000 (or equivalent) – no withdrawal rights will apply. This provides welcome clarification and reflects a long-standing market understanding in the bond market.

Sustainability and climate-related disclosures

An issuer of equity securities or GDRs (but not funds or shell companies, nor an issuer of bonds) will be required to make new climate-related disclosures in its prospectus if it has identified either climate-related risks as risk factors or climate-related opportunities that are material to its prospects. The prospectus disclosure

requirements are designed to be compatible with both the existing Task Force on Climate-related Financial Disclosures reporting regime for listed companies and potential future reporting requirements based on UK International Sustainability Standards Board Standards/UK Sustainability Reporting Standards. For relevant issuers the required disclosures cover governance arrangements for assessing and managing climate-related risks and opportunities and a description of their actual and potential impact on the issuer's business, strategy and financial planning. The prospectus must also describe how the issuer identifies, assesses and manages climate-related risks and, if material, a description of the metrics and targets used to assess and manage relevant climate-related risks and opportunities. In addition, if the issuer has published a transition plan and its contents are material, the prospectus must include a summary of key information about the plan and where it may be located and inspected. As noted above, certain required climate-related disclosures are eligible to be PFLS. The FCA has not introduced minimum content requirements for sustainability-related information beyond climate at present but plans instead to update non-Handbook Technical Note guidance to assist issuers in identifying disclosures that may be appropriate for investors.

The FCA's climate-related disclosure rules will not extend to issuers of non-equity securities. However, while the FCA does not intend to set minimum information requirements in relation to sustainability and climate-related disclosures for general purpose non-equity securities, issuers of such non-equity securities will continue to be obliged to report information in line with the 'necessary information' test. In particular, the FCA commented in CP24/12 that issuers of long-dated non-equity securities should consider how sustainability-related risks and opportunities may affect the ability of the issuer to continue to meet its obligations.

For general purpose non-equity securities, the FCA retains the approach of using non-Handbook Technical Note guidance to clarify their expectations.

Changes to the listing applications process

The FCA has also introduced various changes in the UK Listing Rules (**UKLRs**) to simplify the listing process, and to remove inefficiencies. These changes to the UKLRs will come into force at the same time as the PRM.

While in principle these changes should enable faster execution in response to favourable market conditions, in practice there are likely to be limited benefits for bond issuers, unless undertaking tap issuances off an existing programme.

Single listing application

Once a class of securities is listed, any further fungible issuances of that class will become automatically listed upon issue, eliminating the need for repeated listing applications. The initial single listing application to add a

new security to the FCA's Official List will cover all securities of the class already in issue and to be issued in the future.

A 'class' is commonly understood to refer to a group of securities that share identical legal and economic characteristics, such as series of bonds that share the same interest rate, maturity date, ranking, currency and International Securities Identification Number.

This approach will apply to securities already listed and recorded in the Official List when the new rules come into force. Existing issuers will therefore benefit in the same way as new applicants, with no action required to be taken by issuers.

The document retention obligations connected to a listing application will also be deleted, on the basis that most of the formerly required documents should now be broadly in the public domain.

In an MTN programme context, note that the UKLRs state that if the FCA approves an application for listing, it will admit to listing all securities in a class of securities which may be issued under the programme within 12 months after the publication of the base prospectus, subject to delivery of final terms and any supplementary documents.

Admission to trading of further issues

Issuers of both equity and non-equity securities will be required to obtain admission to trading of further issuances within 60 days. A longer time period of 365 days will, however, apply to issuers with shares listed on the equity shares (international commercial companies secondary listing) category and issuers of GDRs.

Issuers will only need to ensure that some securities of the class (rather than every listed security of the class) are admitted to trading at all times. This ensures the UKLRs will not drive the timetable for further issuances of listed securities to be admitted to trading.

Admission to trading market notifications

With the exception of an issue of fungible securities, the PRM will require a market notification to be made via RIS on the same business day that the securities are admitted to trading.

The notification must include specified information including the name and LEI of the issuer, the regulated market and date on which the securities are admitted to trading, the number of securities admitted, the name, type and ISIN of the securities, the date of the prospectus/any applicable supplementary prospectus and a hyperlink to the prospectus (if the issuer has produced a prospectus).

Currently, this information is disseminated to the market via RIS announcements from a combination of the issuer, the FCA and the London Stock Exchange. Going forward it will be the issuer's responsibility to include this information in an admission to trading notification, but we do not envisage this to be an unduly onerous

obligation given that issuers are already well versed in making such announcements.

For an issue of fungible securities, the PRM will require a market notification to be made via RIS within 60 days of admission to trading (as noted above, an issuer usually has 60 days to obtain the admission to trading of fungible securities, with a longer period of 365 days for certain issuers). Helpfully for frequent issuers – such as those with share option schemes – admissions to trading over the course of the 60 days can be rolled into a single notification.

The notification is similar to that required on initial admission but must also include the date(s) on which the fungible securities are admitted to trading, the number of fungible securities admitted, the total number of transferable securities admitted to trading (taking into account the fungible issuance), and confirmation that the securities are fungible with the transferable securities already admitted to trading.

Sponsor role on further issues

Issuers listed in categories with sponsor requirements – including the equity shares (commercial companies) category – will still need to appoint a sponsor on a prospectus for a further issue, and a Sponsor Declaration will still be required in relation to any such prospectus. There will, however, be no mandatory sponsor role for further issuances below the prospectus threshold (as noted above, this is being raised to 75 per cent for commercial companies).

Conclusion

The final FCA rules in the PRM have heeded market feedback that the current prospectus regime works well overall for non-equity securities. For equity securities, the new regime retains a consistent approach to IPO requirements while introducing significant reforms for further issues. The FCA's new rules are, on the whole, measured and sensible proposals that make targeted, incremental improvements to the UK prospectus regime.

While the PFLS regime is an interesting innovation, it remains to be seen whether issuers will include forward-looking information in prospectuses marketed to a global securityholder base.

In addition to the matters outlined in this briefing note, there are also some aspects of the new regime that apply specifically to non-equity securities. These will be summarised in a follow-on briefing note.

What happens next?

The new FCA rules come into effect on 19 January 2026, with certain FCA guidance to be published in due course. In particular, the FCA intends to publish additional Technical Note guidance in relation to climate-related disclosures, the takeover exemption, working capital statements and PFLS later this year.

Prospectuses approved before 19 January 2026 will remain valid during their stated validity; the new rules will only apply to prospectuses approved from 19 January 2026.

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