
CLIENT ALERT | 15 July 2025

The New UK Prospectus Regime

FCA publishes new regulatory framework, marking culmination of the reform journey to make UK fundraising processes more efficient.

Key Points:

- The final rules implement the vast majority of proposals from its consultations — including a new 75% prospectus exemption threshold for further issuances, up from 20%.
- For an IPO involving a retail offer, the period during which the prospectus must be made available to the public has been reduced from six working days to three working days.
- The bulk of the prospectus requirements for IPOs on regulated markets, alongside requirements on prospectus content, format, and responsibility, remain largely unchanged.
- The total consideration exemption for public offers (previously €8 million and now £5 million) is no longer relevant for issuances by publicly traded issuers.
- The new regime is set to take effect on 19 January 2026.

On 15 July 2025, the FCA published [PS25/9](#) and [PS25/10](#) outlining its [final rules](#) for the new Public Offers and Admissions to Trading regime, which will supersede the existing UK Prospectus Regulation from 19 January 2026. This new regulatory framework, in conjunction with the Public Offers and Admissions to Trading Regulations 2024 (POATR 2024) — which granted the FCA authority to establish the new rules — represents the culmination of the reform journey to enhance the efficiency of UK fundraising processes.

The reforms seek to fulfil the objectives set out in the UK Listing Review (2020) and the Secondary Capital Raising Review (2022) to enhance the UK capital markets and promote economic growth through:

- Facilitating retail participation in the ownership of public companies and eliminating disincentives for these companies to issue securities to a wider range of investors
- Enhancing the efficiency of public capital-raising by streamlining regulations and eliminating redundancies present in the current UK Prospectus Regime
- Improving the quality of information provided to investors
- Creating a more agile and dynamic regulatory environment

Highlights From PS25/9

Further Issuances

The threshold for requiring a prospectus for further capital raising by publicly traded companies in the UK has been increased to 75% of existing fungible securities (and up to 100% for equity securities issued by closed-ended investment funds), up from 20%.

Comment: This significant change, aligned with the recommendations from the Secondary Capital Raising Review, provides UK-listed companies with greater flexibility to undertake capital raisings, without the time and cost implications of preparing an FCA-approved prospectus. The new 75% threshold also ensures that the UK remains competitive given the recent changes made by the EU Listing Act, which require a prospectus at a 30% threshold for securities trading less than 18 months, but only a short summary document for those trading longer with no “cap” on the size of further issuance.

Prospectus Availability During IPOs

For an IPO involving a retail offer, the prospectus must be made available to the public at least three working days before the offer ends, reduced from six working days.

Comment: This welcome change will likely result in a greater number of IPOs involving participation by retail investors. The existing requirement for a six-working-day offer period discourages issuers from engaging retail investors, as the prolonged timeframe heightens the uncertainty of a successful offering in the event of market fluctuations.

Retail Participation

POATR 2024 exempts offers of securities being admitted, or already admitted, to trading on a regulated market or a primary multilateral trading facility (MTF) from the prohibition against public offers. In turn, the FCA’s new rules specify the circumstances where an admission of securities to a regulated market or a primary MTF would require, respectively, the publication of a prospectus or an MTF admission prospectus.

Comment: Under the new regime, publicly traded issuers are not subject to the public offer prohibition for security issuances. In particular, the total consideration exemption for public offers (previously €8 million and now £5 million) is no longer relevant for issuances by publicly traded issuers. At the same time, they still need to consider if a prospectus is required under the FCA’s rules. The increase in the threshold for triggering a requirement for a prospectus for further issuances to 75% (referred to above) should encourage issuers to include retail investors in these capital raisings.

In the case of issuers on a primary MTF, IPOs to retail investors will have the same MTF admission prospectus requirements as offers to qualified investors, which may encourage those issuers to include retail investors by default in MTF admissions.

Together with changing the six-working-day rule to three working days, retail investors should enjoy more opportunities to invest in IPOs and further issuances.

Protected Forward-Looking Statement (PFLS)

The FCA has introduced a definition for PFLSs using qualitative criteria and specific exclusions, and established the content requirements for the accompanying statement to the PFLS. PFLSs will be subject to a “recklessness” liability standard as set out under POATR 2024.

Comment: This change to a recklessness standard of liability for forward-looking statements should encourage companies to include more useful disclosures in prospectuses. This change is likely to particularly benefit high-growth companies that typically provide such disclosures in private markets.

Listing Application Process

Changes to the UK Listing Rules will remove the further issuance listing application processes and replace them with notifications under the PRM sourcebook. Listing Particulars will be removed to simplify market structure.

Comment: These changes reduce friction points for further issuances. Issuers will now make a single application to list all securities of a class, including existing securities and future issuances after FCA approval. The FCA will treat further issuances of the same class as automatically listed when the securities are formally issued.

The removal of Listing Particulars, a form of admission document for listings on the LSE’s Professional Securities Market (PSM), means that new admissions to the PSM will not be possible. However, the practical impact is minimal, as the FCA notes there have been few new issuances on the PSM in recent years.

Climate-Related Disclosures

Prospectus content requirements for certain issuers of equity securities and depositary receipts will be supplemented by specific requirements and guidance around climate-related disclosures. The FCA will publish further guidance on this area later this year.

Comment: This is in line with the approach of requiring listed companies to provide investors with climate-related disclosures — such as existing obligations to incorporate TCFD disclosures in their annual reports, which will soon be bolstered by the expected requirements to include transition plan disclosures and UK-adopted ISSB standards.

Primary MTFs

As proposed in CP 24/12, the FCA will require an MTF admission prospectus for all initial admissions to such “primary” MTFs (i.e., where retail investors typically participate in the market, such as AIM) and reverse takeovers, with exceptions for existing simplified routes to admission. The FCA will not require an MTF admission prospectus for further issuances.

Comment: Under POATR 2024, a primary MTF issuer publishing an MTF admission prospectus can offer securities to the public without producing an FCA-approved prospectus. This change should encourage MTF issuers to allow retail investors to participate in their offerings.

New POATR Regime Overview

The FCA’s final rules operate within the regulatory framework established by POATR 2024, which was enacted on 29 January 2024. This regulation will replace the EU-derived UK Prospectus Regulation.

The FCA was empowered under POATR 2024 to make rules concerning, among other things, the prospectus requirements for admissions to trading on regulated markets, including instances where new securities are issued by publicly traded companies. This PS25/9 outlines these rules.

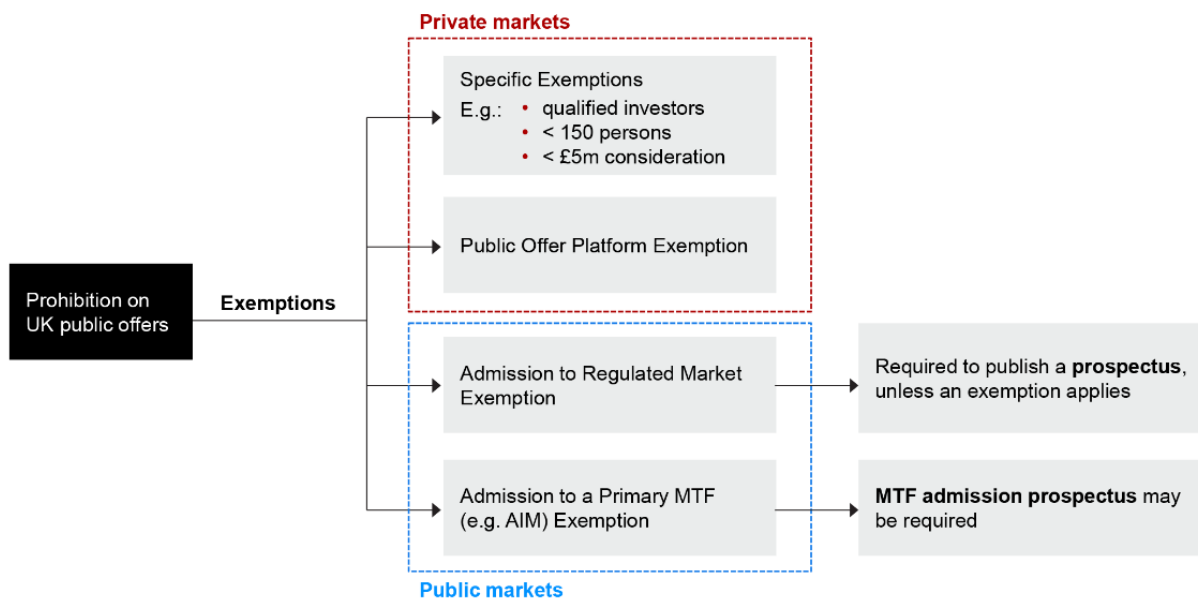
Key Elements of the New Regime for ECM

POATR Framework — Prohibition on Public Offers	<p>Under POATR 2024, there is a general prohibition on public offers of relevant securities, subject to exemptions. The regulation also introduces a new regime for securities admitted to trading on a regulated market or a primary MTF, along with a new regulated activity for operating an electronic system for public offers of certain securities.</p> <p>Accordingly:</p> <ul style="list-style-type: none"> • A private company may not undertake a public offer unless it falls within an exemption. The option for a private company to conduct a non-exempt public offer by publishing a prospectus is no longer available (but note the additional exemptions referenced below). • Publicly traded companies are allowed to undertake public offers as a result of the new public offer exemptions for admissions to trading. At the same time, these companies will need to consider whether the admission of the new securities to trading would trigger an obligation to publish a prospectus under the FCA’s rules.
Exemptions to the Public Offer Prohibition	<p>The prohibition on public offers is subject to an expanded list of exemptions compared to the UK Prospectus Regulation. Retained exemptions include offers to qualified investors and offers made to fewer than 150 persons. New exemptions encompass offerings of securities admitted to a UK-regulated market or a primary MTF, and offerings via a regulated public offer platform (POP).</p> <p>Offerings below £5 million are also exempt. Private companies seeking to raise in excess of this threshold may do so through a POP.</p> <p>The FCA’s PS25/10 sets out its regulatory regime for POP operators, which will take effect on 19 January 2026.</p>

Prospectus Regime	Admissions to regulated markets and primary MTFs are excluded from the public offer prohibition. The FCA has the authority to determine when a prospectus is required, its content, and the manner and timing of its validation and publication.
Exemptions to Prospectus Requirements on Admission to a Regulated Market	<p>The threshold for triggering a prospectus for further issuances has been increased from 20% to 75% of existing fungible securities (and up to 100% for equity securities issued by closed-ended investment funds). Many other previous prospectus exemptions have been retained, such as those for securities arising from conversion, director/employee offers, and shares issued in substitution.</p> <p>The FCA plans to consult later in 2025 on additional guidance on the content requirements for takeover exemption documents.</p> <p>The FCA will continue to allow issuers to publish a voluntary prospectus for admission of securities that are otherwise exempt from the prospectus requirements.</p>
Prospectus Content Requirements	<p>Content requirements are largely carried over from the UK Prospectus Regulation. POATR 2024 requires that a prospectus provide investors with the necessary information about the securities (as was the case under the UK Prospectus Regulation).</p> <p>The prescribed content requirements for the prospectus summary have been reduced (i.e., no longer requiring the annex of financial information), with the page limit increased to 10.</p> <p>The requirement for a working capital statement has been retained. The FCA will consult (in autumn 2025) on new technical guidance for required disclosures in a working capital statement, potentially allowing issuers to disclose significant judgments made in preparing the statement. Additionally, the FCA will also consult on revised guidance for issuers with complex financial histories regarding required financial information for the prospectus.</p>
Climate-Related Disclosures	<p>Specific requirements and guidance around climate-related disclosures will supplement the prospectus content requirements for certain issuers of equity shares and depositary receipts. Such issuers that have a published transition plan will need to include a summary of this plan in the prospectus.</p> <p>The FCA may review this approach on such disclosures at a later stage once the ISSB Standards have been endorsed and implemented in the UK.</p>
Prospectus Availability During Public Offers	For an IPO involving a retail offer, the prospectus must be made available to the public at least three working days before the offer ends, reduced from six working days.
Forward-Looking Statements	To encourage issuers to include more forward-looking information in their prospectuses, PFLSs will be subject to a recklessness liability standard. Claimants must prove that the defendant knew the statement was untrue or was reckless regarding its truthfulness. FCA rules define PFLSs using qualitative criteria, specific exclusions (i.e., almost all mandatory prospectus disclosures), and requirements for the content of the accompanying statement.
Prospectus Responsibility	Responsibility requirements are carried over from the existing prospectus regime. For equity securities, responsibility will lie with the issuer, directors, and senior executives of any external management company of the issuer, and anyone who accepts responsibility for the prospectus.

Listing Process for Further Issuances	<p>Issuers will make a single application to list all securities of a class, covering existing securities and future issuances. The FCA will treat further issuances of the same class as automatically listed upon issuance.</p> <p>Despite the removal of the further issuance listing application process, an issuer on the equity shares (commercial companies) category would still need to continue to appoint a sponsor on a further issuance where a prospectus is required.</p> <p>Further issuances will require market notification by the issuer through a RIS within 60 days of admission (with the ability to roll multiple admissions over the course of the 60 days into a single notification).</p>
Primary MTFs	<p>MTF admission prospectuses will be required for all initial admissions and reverse takeovers on primary MTFs (subject to exemptions for admissions of new classes of securities and admissions resulting from certain corporate restructurings), with content requirements and review/approval processes set by MTF operators.</p> <p>MTF operators will have discretion in deciding whether to include in their rules a requirement to publish an MTF admission prospectus on further issuances.</p> <p>MTF admission prospectuses will be subject to the same “necessary information test”, statutory liability, and compensation scheme as other prospectuses.</p>

New POATR Regime at a Glance



Next Steps

The new Public Offers and Admission to Trading Regime, along with the revocation of the UK Prospectus Regulation, is set to take effect on 19 January 2026. The government is anticipated to pass the necessary legislation this autumn to implement these changes.

Five-Year Journey to Reforming the UK Prospectus Regulation

March 2021

Publication of the UK Listings Review Report (Lord Hill). Key recommendations include conducting a comprehensive review of the UK prospectus regime

July 2022

Publication of the Secondary Capital Raising Review, setting out proposals to improve further capital-raising processes

May 2023 (through July 2023)

FCA engagement papers on “public offers and admissions to trading” regime reforms

June 2023

Financial Services and Markets Bill received Royal Assent. This Act provides for the Designated Activities Regime, which sets out the regulatory framework for implementing the new UK “public offers and admissions to trading” regime

January 2024

HM Treasury publishes final Public Offers and Admissions to Trading Regulations 2024. These regulations will come into force in full upon the revocation of the UK Prospectus Regulation

July–October 2024

FCA consultation on the new Public Offers and Admission to Trading regime

July 2025

FCA final rules for the new Public Offers and Admission to Trading regime

July–December 2025

FCA to consult on further technical guidance

January 2026

New Public Offers and Admission to Trading regime takes effect

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