

THE NEW UK PROSPECTUS REGIME – AN ECM VIEW

On 15 July 2025, the FCA [published](#) the final Prospectus Rules: Admission to Trading on a Regulated Market sourcebook ("**PRM**") with its provisions taking effect on 19 January 2026. The final rules are broadly along the lines indicated by the FCA in its consultation paper 24/12 ("**CP 24/12**") [published in July 2024](#). In particular, despite mixed feedback, the FCA decided to move forward with the proposal to increase the threshold for a prospectus for further issuances to 75 per cent. of the existing securities admitted to trading on a regulated market. These reforms are part of the broader overhaul of the UK listing regime aimed to make London more competitive (see our client briefings on the reforms to the UK listing regime [here](#) and [here](#)).

We set out below the key changes from an ECM perspective to the UK prospectus regime and a comparison between the key features of the PRM and the changes made to the EU prospectus regime through the EU Listing Act.

BACKGROUND

The FCA published its consultation on the new Public Offers and Admissions to Trading Regulations regime (CP24/12) on 26 July 2024, proposing a new Prospectus Rules: Admission to Trading on a Regulated Market sourcebook to replace the existing Prospectus Regulation Rules sourcebook ("**PRR**") in the FCA Handbook. The PRM is part of the broader reform of the UK prospectus regime that started with the Government's publication of the Public Offers and Admissions to Trading Regulations 2024 ("**POATRs**") in January 2024.

To recap, the POATRs were enacted to move away from the prospectus framework inherited from the EU prospectus regime post-Brexit. Most notably, under the previous regime, a prospectus was generally required for any public offer of transferable securities or for admission of transferable securities to trading on a regulated market, subject to certain exemptions. The POATRs recraft the approach to public offers and now, rather than requiring an approved prospectus for a public offer, there is a general prohibition on offering 'relevant securities' to the public in the UK. This prohibition is subject to a number of exemptions, largely retaining the existing exemptions under the PRR from the requirement to publish a prospectus (e.g. offers solely to qualified investors or to less than 150 persons in the UK other than qualified investors).

Key changes

- Prospectus required for admission to trading of equity securities and not for public offers; public offers generally prohibited under the POATRs with a defined set of exemptions
- Threshold for publishing a prospectus if a listed company is undertaking further issuances increased to 75 per cent. of the shares already admitted to trading on a regulated market
- New category of "protected forward-looking statements" introduced to facilitate inclusion of forecasts, projections and targets in prospectuses
- New specific disclosure requirements for climate-related risks and opportunities for equity issuers
- Period for which a public offer has to be open reduced from six days to three days
- Cross-references in the 'Summary' section to other parts of the prospectus now permitted

Under the new prospectus regime, a prospectus will only be required in certain circumstances where securities are being admitted to trading on a UK regulated market (such as the Main Market for listed securities of the London Stock Exchange). The POATRs empowered the FCA to make rules governing when and what form of prospectus or disclosure document is required for admission to trading and the FCA has enacted the PRM through these powers.

KEY CHANGES INTRODUCED BY THE PRM

- **Requirement for a prospectus:** A prospectus will be required for admission to trading of equity securities but not for offers to the public unless admission to trading on a regulated market is also sought. The exemptions from the requirement to publish a prospectus are broadly the same as those under the existing PRR (save as described in the paragraph below).
- **Threshold for publication of a prospectus:**
 - The existing threshold under the PRR for publication of a prospectus (20 per cent. of the number of shares already admitted to trading on a regulated market) has been increased to 75 per cent., in line with the threshold recommended by the Secondary Capital Raising Review ("SCRR") in July 2022. Consequently, the UK's increase in this threshold is significantly higher than the increase to 30 per cent. as part of the EU prospectus reforms, keeping in line with the broader objective of the FCA and the SCRR of allowing already-listed issuers to raise capital efficiently and for investors to rely on continuing disclosure in the market.
 - The PRM allows issuers to prepare a voluntary prospectus which will be subject to the FCA's review and approval. For equity offerings, particularly where institutional investors in the US are sought, our expectation is that prospectuses will continue to be prepared at much lower thresholds than 75 per cent.
- **Protected Forward-Looking Statements:**
 - The PRM introduced a new category of "protected forward-looking statements" to allow issuers more flexibility to include forecasts, projections, plans and targets in prospectuses. These statements can include both financial and operational information so long as they meet certain objective criteria (e.g. they can be verified against events that occur in the future).
 - Protected forward-looking statements need to be clearly identified and accompanied by appropriate cautionary language that the PRM prescribes. A general warning regarding protected forward-looking statements will also be needed.
 - The liability standard for a protected-forward looking statement has been increased to a recklessness standard (as opposed to the lower negligence standard that applies to other parts of the prospectus) and the burden of proof will be on the person alleging that a particular protected-forward looking statement was made recklessly.
 - A statement containing information required to be disclosed pursuant to the PRM cannot be a protected forward-looking statement subject to certain specific exemptions. As a result, items such as the working

capital statement or any profit estimates do not qualify as protected forward-looking statements. However, the operating and financial review (OFR) section, the issuer's strategies, any profit forecasts and the newly introduced climate-related forward-looking disclosure have been specifically exempted from this rule and so can qualify as protected forward-looking statements.

- **Climate-related disclosure:** Where issuers assess that they face material climate risks or there are material climate-related opportunities, the PRM requires such issuers to provide detailed information on these, including:
 - the potential impact of climate change on their business model, strategy and financial planning;
 - governance arrangements for assessing and managing climate risks;
 - any relevant metrics or targets, such as greenhouse gas emissions and progress towards net zero commitments; and
 - any climate transition plan that the issuer may have published.

These requirements are designed to align with evolving international disclosure standards, such as the recommendations of the Task Force on Climate-related Financial Disclosures and the International Sustainability Standards Board Standards.

- **'Six-day' rule:** The PRR requires that, for a public offer of securities, a prospectus should be made available to the public at least six working days before the securities are admitted to trading on a regulated market or the offer closes. However, the FCA recognised in CP 24/12 that the six-day rule was disincentivising issuers from including a retail offer component in their IPOs and that keeping the offer open for six days increased the exposure of an IPO to market volatility. Accordingly, in the PRM, the FCA has reduced this minimum offer period to three working days.
- **Changes to the rules regarding the Summary:** Under the existing PRR, cross-references to other parts of the prospectus in the Summary are not permitted since the Summary is meant to be a self-contained component of the prospectus. However, the FCA's thinking on this has evolved and the PRM allows cross-references to other parts of the prospectus (albeit not incorporation by reference).

The other changes to note are that:

- the permissible length of the Summary has been increased from seven pages to 10 pages;
- the requirement to include prescribed line items of financial information in the Summary has been removed;
- a new preliminary disclosure section, comprising the purpose of the document, the reasons for seeking admission and the intended use of proceeds, is now required to be included in addition to the existing requirements for a Summary; and
- there is now no limit on the number of risk factors that can be included in the Summary.

THE NEW REGIMES FOR EQUITY ISSUERS IN THE UK AND THE EU COMPARED

Alongside the reforms in the UK, the EU has undertaken significant reforms of the EU prospectus regime through the EU Listing Act with a view to make EU capital markets regulation more cohesive across jurisdictions and making the EU capital markets competitive as a whole. A number of the changes proposed by the EU Listing Act which are of interest from an ECM perspective will come into force in March and June 2026.

Set out below is a snapshot of the key features of and divergence between the UK and the EU regimes following their respective reforms:

	Current UK regime	PRM	EU regime (following the EU Listing Act reforms)
Requirement for a prospectus	If an offer to the public is made or admission to trading on a regulated market is sought	Not required for offers to the public; required if admission to trading on a regulated market is sought	If an offer to the public is made or admission to trading on a regulated market is sought New exemption for offers to the public made by an issuer with shares admitted to trading on a regulated market for over 18 months – such offers require a shorter-form document with a maximum length of 11 pages
Threshold for publication of prospectus	>=20 per cent. of the securities admitted to trading on a regulated market	>=75 per cent. of the securities admitted to trading on a regulated market	>=30 per cent. of the securities admitted to trading on a regulated market for securities trading less than 18 months; shorter form document for securities trading for more than 18 months (see above)
Simplified disclosure in case of secondary issuances	Permitted under the current UK regime Less extensive disclosure requirements compared to first-time issuers (e.g. no requirement for an OFR section)	Permitted under the PRM Less extensive disclosure requirements compared to first-time issuers (e.g. no requirement for an OFR section)	Replaced with an 'EU Follow-on Prospectus' which will have a maximum length of 50 pages Delegated regulations with detailed disclosure requirements to be published in due course
Historical financial information	Three years of audited financial information or such shorter period as the issuer has been in operation	Three years of audited financial information or such shorter period as the issuer has been in operation	Two years of audited financial information or such shorter period as the issuer has been in operation

	Current UK regime	PRM	EU regime (following the EU Listing Act reforms)
Protected forward-looking statements	Not a feature of the current UK regime	Introduced through the PRM	Not a feature of the EU regime
Climate-related disclosure	Not a feature of the current UK regime and any such disclosure will be driven by the necessary information test in the UK Prospectus Regulation	Introduced through the PRM as a specific disclosure item in equity prospectuses for relevant issuers	No specific disclosure requirements introduced by the EU Listing Act and any such disclosure will be driven by the necessary information test in the EU Prospectus Regulation
Six-day rule	An offer to the public must be kept open for six working days in case of IPOs with shares admitted to trading on a regulated market for the first time	Reduced to three working days	Reduced to three working days
Length of a prospectus relating to equity shares	No limits prescribed	No limits prescribed	300 pages, but excluding the summary, information incorporated by reference, additional information where the issuer has a complex financial history or has made a significant financial commitment or the information to be provided in the case of a significant gross change

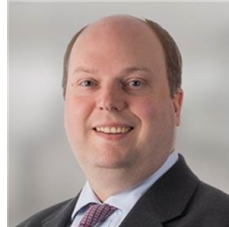
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