

## UK's EQUITY CAPITAL MARKETS

### NEW PUBLIC OFFERS AND ADMISSIONS TO TRADING REGIME

A new public offers and admissions to trading regime becomes effective in the UK on 19 January 2026, replacing the EU-derived prospectus regime. The new framework is designed to be more flexible, facilitating access to capital for issuers, enhancing capital markets' efficiency, and providing investors with quality information for decision-making.

#### BACKGROUND

In January 2024, the [Public Offers and Admissions to Trading Regulation 2024 \(SI 2024/105\)](#) (POATRs) came into effect on 30 January 2024 for limited purposes. The POATRs established a new legislative framework to replace the on-shored UK version of the EU Prospectus Regulation (UK Prospectus Regulation). Broadly, the POATRs (i) prohibit public offers of relevant securities in the UK (unless they fall within an applicable exception) and (ii) grant power to the FCA to make rules relating to certain matters in relation to the content of prospectuses and the admission of transferable securities to trading on regulated markets and primary multi-lateral trading facilities (MTFs).

#### PUBLIC OFFERS

The POATRs prohibit all public offers of relevant securities in the UK, unless they fall within a listed exception set out in Schedule 1 of the POATRs. Some of these replicate the exceptions under the UK Prospectus Regulation. See below for a summary of the exceptions under the new POATRs regime.

Public offers in the UK are prohibited unless an exception listed in Schedule 1 of the POATRs applies:	Did this exception exist under the UK Prospectus Regulation?
Maximum consideration of offer of relevant securities in the UK is £5m ( <a href="#">Paragraph 1, Schedule 1</a> )	Yes, but threshold was EUR 8 million
Offer of relevant securities made solely to qualified investors ( <a href="#">Paragraph 2, Schedule 1</a> )	Yes
Offer of relevant securities made to fewer than 150 persons in the UK (other than to qualified investors) ( <a href="#">Paragraph 3, Schedule 1</a> )	Yes
Offer of relevant securities whose denomination per unit amounts to at least £50,000 or an equivalent amount ( <a href="#">Paragraph 4, Schedule 1</a> )	Yes, but threshold was EUR 100,000
Offer of relevant securities made to persons who acquire securities for a total consideration of at least £100,000, or equivalent, per investor, for each separate offer ( <a href="#">Paragraph 5, Schedule 1</a> )	Yes
Offer of shares in substitution for shares of the same class already issued (provided there is no resulting increase in issued share capital) ( <a href="#">Paragraph 7, Schedule 1</a> )	Yes

Public offers in the UK are prohibited unless an exception listed in Schedule 1 of the POATRs applies:	Did this exception exist under the UK Prospectus Regulation?
Dividends offered in the form of shares of the same class as the shares in respect of which the dividends are paid or in the form of cash under an arrangement where the recipient entitled to a dividend may elect for the cash to be applied to acquire further shares of the same class as the shares in respect of which the dividends have been paid. A written statement with details of the offer must be made available ( <a href="#">Paragraph 8, Schedule 1</a> )	Yes
Offer of relevant securities of the offeror or group member in exchange for equity securities of an offeree company, subject to certain conditions (Takeovers exemption). Written statement providing prescribed details including details of the offeror and offer must be made available ( <a href="#">Paragraph 10, Schedule 1</a> )	Yes
Offer of relevant securities made to existing or former directors or employees. Written statement containing specified information on the offer. ( <a href="#">Paragraph 11, Schedule 1</a> ).	Yes
<b>**New**</b> : Where the offer is of transferable securities where (a) the offer is conditional on the admission of the transferable securities to trading on a regulated market or primary MTF, or (b) the transferable securities being offered are at the time of the offer admitted to trading on a regulated market or primary MTF. ( <a href="#">Paragraph 6, Schedule 1</a> ) (Note that issuers must still consider requirements in respect of the admission of transferable securities on a regulated market – see below))	No
<b>**New**</b> : Offer of equity securities (not admitted to trading, or conditional on their admission to trading, on a regulated market or Primary MTF) made only to persons already connected with the offeror (including existing shareholders and their spouse, civil partner, child and descendants), subject to certain conditions. ( <a href="#">Paragraph 9, Schedule 1</a> ).	No
<b>**New**</b> : Offer of relevant securities resulting from the conversion or exchange, directly or indirectly, of other securities, own funds or other liabilities under Banking or central counterparty special resolution regime ( <a href="#">Paragraph 12, Schedule 1</a> )	No
<b>**New**</b> : Offers of relevant securities made by means of a regulated platform (referred to as a ‘public offer platform’ or ‘POP’). This exception must be used if none of the other exceptions apply ( <a href="#">Paragraph 13, Schedule 1</a> )	No
<b>Removed exceptions</b>	
Offers of securities allotted or to be allotted in connection with a merger or division (removed as shares considered ‘allotted’, rather than ‘offered’ in the two new companies – consequently not considered a ‘public offer’ capable of acceptance and is outside the scope of the POATRs regime.)	
Non-equity securities issued in a continuous or repeated manner by a credit institution (the Government considers this is a separate issue and it will be addressed by the FCA and market operator rules).	

## Admission of securities to trading on a regulated market

An approved prospectus is required for the admission of transferable securities to trading on a regulated market, unless one of the exemptions in the new Prospectus Rules: Admission to Trading on a Regulated Market sourcebook (PRM 1.4.3R to PRM 1.4.13R) apply.

Exemptions as set out in the new PRM	Did this exception exist under the UK Prospectus Regulation?
Further issuances of transferable securities already admitted to trading on the same regulated market, provided they represent over a 12 month period, less than 75% of the number of securities already admitted to trading on the same regulated market (PRM 1.4.3R) ( <i>note that the threshold is 100% for equity securities issued by a closed-ended investment fund</i> ).	Yes, but threshold was 20%
Shares resulting from the conversion or exchange of other transferable securities or from the exercise of the rights conferred by other securities, where the resulting shares are fungible with the original shares already admitted to trading on the same regulated market are exempt. Must represent over a 12 month period less than 75% of the number of shares fungible with those already admitted to trading on the same regulated market (subject to limited exceptions) (PRM 1.4.5R)	Yes, but threshold was 20%
Shares issued in substitution for shares of the same class already admitted to trading on the same regulated market (provided there is no resulting increase in issued share capital) (PRM 1.4.8R)	Yes
Equity securities offered in connection with a takeover, provided that an FCA prior-approved document is made available to the public containing information describing the transaction and its impact on the issuer (PRM 1.4.9R)	Yes
Securities offered, allotted or to be allotted in connection with a merger or a division, provided that a document is made available to the public meeting specific requirements which contains information describing the transaction and its impact on the issuer (PRM 1.4.10R)	Yes
Shares offered, allotted or to be allotted free of charge to existing shareholders, and dividends paid out in the form of shares of the same class as the shares in respect of which such dividends are paid, provided that the said shares are of the same class as the shares already admitted to trading on the same regulated market and a document is made available containing information on the number and nature of the shares and the reasons for and details of the offer or allotment (PRM 1.4.11R)	Yes
Transferable securities offered, allotted or to be allotted to existing or former directors <b>or employees<sup>1</sup></b> provided that the securities are of the same class as the securities already admitted to trading on the same regulated market and that a document is made available containing information on the securities and reasons for offer or allotment (PRM 1.4.12R)	Yes
Transfers of transferable securities between regulated markets provided that, among other things, the securities (or class of) have been admitted to trading on the other regulated market for more than 18 months and ongoing obligations in respect of being admitted to that market have been fulfilled (PRM 1.4.13R)	Yes

<sup>1</sup> Not included in the PRM text – likely typo as it is included in the exception in POATRs in respect of public offers.

<b>**New**</b> : Offer of transferable securities resulting from the conversion or exchange, directly or indirectly, of other securities, own funds or other liabilities under Banking or central counterparty special resolution regime (PRM 1.4.7R)	No
<b>Removed exception</b>	
Non-equity securities issued in a continuous or repeated manner by a credit institution (the Government considers this is a separate issue and it will be addressed by the FCA and market operator rules).	