

NEW PUBLIC OFFERS AND ADMISSIONS TO TRADING REGIME: FCA PUBLISHES FINAL RULES

HIGHLIGHTS FOR DEBT CAPITAL MARKETS

On 15 July 2025, the FCA published [Policy Statement PS25/9](#) setting out its final rules to implement the new public offers and admissions to trading regime. The new regime will replace the current UK prospectus regime (that the UK inherited from the EU) and will take effect on 19 January 2026.

Most of the existing rules relating to prospectuses and admissions to trading will be carried across into the new regime broadly as they are, with some targeted changes impacting issuers of debt securities. The overall aim of the new rules is to reduce the costs for issuers of admitting securities to trading on UK regulated markets, make capital raising easier for issuers and remove barriers to retail participation.

This briefing summarises the key points relevant to the debt capital markets (DCM). Key points relevant to the equity capital markets are summarised in a [separate briefing](#).

PUBLIC OFFERS AND ADMISSIONS TO TRADING: THE NEW LANDSCAPE

At present, an FCA-approved prospectus must be published before an issuer can (i) offer transferable securities to the public in the UK or (ii) request that transferable securities be admitted to trading on a UK regulated market. In each case, various exemptions are available. Under the new regime, the rules for public offers will be separated from those for admission to trading:

Public Offers

The [Public Offers and Admissions to Trading Regulations 2024](#) ("POATRs"), which were made by Parliament in January 2024, provide a new public offer framework to replace the current regime:

- Rather than requiring an approved prospectus for a public offer as under the current regime, the POATRs will make it unlawful to offer securities to the public in the UK unless an exemption applies. Public offer exemptions typically relied upon in DCM in the current

SUMMARY OF KEY CHANGES

- The current differentiated disclosure regime for 'wholesale' and 'retail' securities will be replaced with a single wholesale-based prospectus disclosure standard which will apply for all debt securities, regardless of denomination. A summary will not be required for debt prospectuses.
- There will be a new concept of Plain Vanilla Listed Bonds (broadly, senior unsecured, plain vanilla, listed bonds). UK listed corporate issuers that exclusively issue such bonds will be exempted from certain disclosure requirements under the FCA's Disclosure and Transparency Rules ("DTRs"), and such bonds will be treated as 'simple' financial instruments for the purposes of application of the UK product governance rules.
- There will be new prospectus disclosure requirements and guidance for green, social, sustainable and sustainability-linked bonds.
- MTN programme issuers will have the option to future incorporate by reference annual and interim financial information into their prospectuses, doing away with the need to supplement for this purpose.
- There will be greater flexibility in what information can be included in prospectus supplements.
- The threshold for triggering a prospectus for further issuances will be increased from 20 per cent. (of existing fungible securities) to 75 per cent. across all asset classes.
- Certain forward-looking statements in a prospectus that satisfy criteria and labelling requirements ('Protected Forward Looking Statements') will be subject to a higher threshold for statutory liability.

regime will be carried across such as an offer made to qualified investors (QIs) only, an offer addressed to fewer than 150 persons in the UK (other than QIs) and an offer of relevant securities whose denomination per unit amounts to at least £50,000 (or an equivalent amount).

- The POATRs give the FCA enhanced rule-making powers to set rules on when a prospectus should be required for admission of securities to a regulated market or primary MTF in the UK, what information a prospectus should contain and other related matters.
- The POATRs also amend the general disclosure test (“necessary information” test) for prospectuses to make clear that, for debt securities, “prospects” should be read as a reference to the “creditworthiness of the issuer and any guarantor.” The test will also no longer take into account whether the securities are “wholesale” or not in determining what is necessary information.

Most of the POATRs are not yet in force. For more information on the POATRs and the wider background see our [briefing](#) published in December 2024.

Admission to trading

Admission to trading on a UK regulated market or primary MTF will be governed principally by rules made by the FCA. These will specify when a prospectus is required; what information a prospectus must include; who is legally responsible for a prospectus; and related matters. The FCA rules will be called the *Prospectus Rules: Admission to Trading on a Regulated Market* rules (“PRM”) and will replace the current *Prospectus Regulation Rules*.

In Policy Statement 25/9, the FCA published the final version of the new PRM. Mostly the FCA is proceeding with its original proposals, which it consulted on in CP24/12 (summarised in this [briefing](#)) and CP25/2 (summarised in this [briefing](#)).

TIMING

The PRM, and the remaining bulk of the POATRs, will come into force on **19 January 2026**, creating the new public offers and admissions to trading regime. It will replace the existing regime set out in (principally) the UK Prospectus Regulation and the FCA’s Prospectus Regulation Rules, which will be repealed.

FCA’S PRM RULES: KEY HIGHLIGHTS FOR DCM

A single disclosure standard for debt securities

The new rules will streamline the disclosure regime, doing away with the current differentiated disclosure regime for

debt securities with a denomination per unit above €100,000 (‘wholesale securities’) and debt securities with a denomination below that threshold (‘retail securities’). Instead, there will be a single disclosure standard for all debt securities, regardless of denomination, based on the current, lighter wholesale regime. In addition, a summary (previously required for retail securities) will no longer be required for debt prospectuses.

A key driver behind the streamlining of debt disclosure is the FCA’s recognition that the current regime of differentiated disclosure requirements has discouraged issuers from issuing low denomination (retail) bonds. The introduction of a single disclosure standard - alongside the changes outlined below - is intended to streamline the rules, reduce the frictional costs that exist for issuers under the current regime and facilitate the issuance of low denomination bonds.

As under the current regime, the new rules also include additional disclosure requirements for asset backed securities and securities with a derivative element. Again, there will be a single standard for these disclosures regardless of denomination.

// Our alignment of prospectus rules for lower and higher denomination bonds should increase the efficiency of capital raising for companies, allowing them to involve retail investors in the bond issuance. This should broaden the scope of possible investments which should both increase returns for retail investors and the investor base for securities //

FCA Policy Statement 25/4

A new concept of ‘plain vanilla listed bonds’

The PRM introduces a new concept of ‘plain vanilla listed bonds’ which are broadly senior, unsecured plain vanilla debt securities (“**Plain Vanilla Listed Bonds**”) which can be issued by eligible UK listed corporate issuers (see text box below) and benefit from certain alleviations and guidance, with the intention of removing regulatory disincentives to issuing low denomination bonds that can be offered to retail investors:

Exemption to financial reporting requirements in DTRs:

The DTRs currently contain an exemption from the annual and half-yearly financial reporting requirements for exclusively wholesale debt issuers. Under the new rules, ESCC subsidiary issuers of Plain Vanilla Listed Bonds will

also be exempted from the annual and half-yearly financial reporting requirements in the DTRs.

PLAIN VANILLA LISTED BONDS

Listed debt securities that are:

- fixed or floating rate securities (subject to certain conditions);
- unsubordinated, unsecured and not subject to a potential write-down or conversion as a result of a resolution authority exercising its powers (i.e. not subject to bail in); and
- not convertible securities, asset backed securities or securities giving rise to payment or delivery obligations linked to an underlying asset or index (other than benchmarks tracking UK inflation).

To be issued by:

- (a) an **ESCC issuer** (an issuer that has an existing listing in the equity shares (commercial companies) category), or
- (b) an **ESCC subsidiary** (a wholly owned subsidiary of such a listed company) provided the debt securities are guaranteed by the UK listed parent.

Product governance rules: Guidance in the Product Intervention and Product Governance Sourcebook (“PROD”) will be updated to clarify that Plain Vanilla Listed Bonds are an example of the type of instrument that should be treated as ‘simple’ which are therefore ‘likely to be compatible with the needs and characteristics of customers in the mass retail market and appropriate for distribution by way of a wide range of channels’. In addition, a new PROD rule will provide that the rules requiring ongoing review of financial instruments by manufacturers do not apply to Plain Vanilla Listed Bonds and a new rule in the Conduct of Business sourcebook will provide that make-whole call options in Plain Vanilla Listed Bonds do not make them complex instruments.

Sustainability Related Disclosures in Prospectuses

The PRM sets out new disclosure requirements in prospectuses for sustainability-labelled debt securities (i.e. green, social or sustainable ‘use of proceeds’ bonds and sustainability-linked bonds). An issuer must include a statement in the prospectus setting out whether the bonds are marketed as green, social, sustainable or sustainability-linked and whether they are issued under a bond framework.

Issuers should also assess whether additional disclosure is necessary to meet the general prospectus disclosure requirement (i.e. the “necessary information” test). The PRM provides guidance on what further disclosures may be appropriate. This includes:

General disclosures applicable to all sustainability-labelled debt securities, such as availability of the bond framework, adherence to any relevant standards or principles in developing the framework and details of any external reviews, including their locations.

Use of proceeds bonds: Suggested supporting information includes: description of eligible projects to be financed or refinanced, project evaluation and selection processes, location of any external reviews, approach to the management of bond proceeds, post-issuance reporting and impact reporting.

Sustainability-linked bonds: Suggested supporting information includes: explanation of how relevant targets, metrics, or indicators (e.g. KPIs and sustainability performance targets (SPTs)) were selected, rationale and methodology for KPI selection, verifiability and benchmarking of KPIs and materiality and alignment of SPTs with the issuer’s broader sustainability strategy.

It is important to note that the FCA has framed most of these sustainability-related disclosure requirements as guidance, allowing issuers some flexibility in determining what constitutes material information for investors. This contrasts with the approach proposed under the EU prospectus regime reforms, where a new disclosure annex is proposed for bonds advertised as taking into account ESG factors or ESG objectives (see our [briefing](#) for further detail).

Forward Incorporation by Reference

Similar to what is now permitted under the EU prospectus regime, the new rules allow forward incorporation by reference of annual and interim financial information in MTN base prospectuses (during their 12-month validity period), without the need to supplement, provided that such information is published through a regulatory information service. Issuers can continue to prepare supplements voluntarily for this purpose if they wish to do so.

More Flexibility for Supplements

The new rules carry over many of the current requirements relating to supplements including the trigger for preparing a supplement (“a significant new factor, material mistake or material inaccuracy”). In addition, the new rules permit greater flexibility in allowing supplements to be prepared in certain circumstances where there is no significant new factor, material mistake or material inaccuracy, with the

aim of reducing the need for a prospectus to be updated in its entirety or requiring a drawdown prospectus to be produced. For example, adding the ability to issue green bonds would be permitted via supplement (subject to certain requirements), however, adding the ability to issue asset-backed securities or securities with a derivative element would require a full prospectus for comprehensibility.

Further Issuances and other exemptions

The new rules will increase the threshold for triggering a prospectus for further issuances from 20 per cent. (of existing fungible securities) to 75 per cent. across all asset classes and the further issuance listing application process will be simplified.

The extent to which the further issuances exemption will be utilised by debt issuers remains to be seen - whilst it provides added flexibility, the existing exemption has not been widely used to date due to the architecture of MTN programmes allowing for tap issuances to be conducted relatively easily.

The new rules contrast with the approach taken under reforms to the EU prospectus regime (the EU Listing Act) where the further issuances exemption threshold has been increased from 20 per cent. to 30 per cent.

Other exemptions from the requirement to publish a prospectus in the new rules broadly mirror those under the current regime, save that (i) instruments of Islamic finance benefiting from an arrangement equivalent to a guarantee from a sovereign will also be exempt, and (ii) securities issued by non-profit associations will be brought within scope. Public International Bodies continue to be exempt issuers, with a broader definition included within the PRM.

Protected Forward-Looking Statements

To encourage issuers to disclose more detailed forward-looking information in prospectuses, the POATRs establish a different liability threshold (based on fraud or recklessness) for certain categories of forward-looking statements (“**Protected Forward-Looking Statements**” or “**PFLS**”) in prospectuses, with the FCA responsible for specifying what qualifies as PFLS and the labelling and other requirements that should apply to them.

The PRM sets out specific parameters around what forward-looking information can be considered PFLS; a statement can only qualify for protection if it (a) contains financial information or operational information (in accordance with the rules), (b) it can only be verified for its accuracy by reference to events or sets of circumstances that occur after the statement has been published, (c) includes an estimate as to when the circumstances related to the statement is expected to

occur, and (d) contains information that a reasonable investor would use as part of the basis of their investment decision.

The PRM also makes clear that mandatory prospectus annex disclosures cannot not be considered PFLS, however certain information such as profit forecasts and disclosures relating to sustainability strategy and transition plans can be considered if it satisfies the relevant criteria. All PFLS disclosures will need to be clearly labelled, and certain accompanying statements will have to be included.

It is hoped that the change will encourage issuers to include more prospective forward-looking information, principally in IPO prospectuses. It may well encourage issuers of debt securities to do so as well, provided they can meet the specific criteria for PFLS.

Withdrawal rights

The FCA has confirmed the market view that withdrawal rights do not apply to supplements prepared only for admission to trading of securities (where there is no public offer).

Removal of listing particulars as an admission document

The London Stock Exchange’s Professional Securities Market (“**PSM**”) will be closed to new admissions from when the new regime comes into force (i.e. 19 January 2026) and ‘listing particulars’ will be removed as an admission document from the rules. Transitional provisions will apply for issuers with existing PSM listed securities so that these securities will remain listed and admitted to trading on the PSM for as long as the LSE chooses to maintain it.

Transitional Provisions

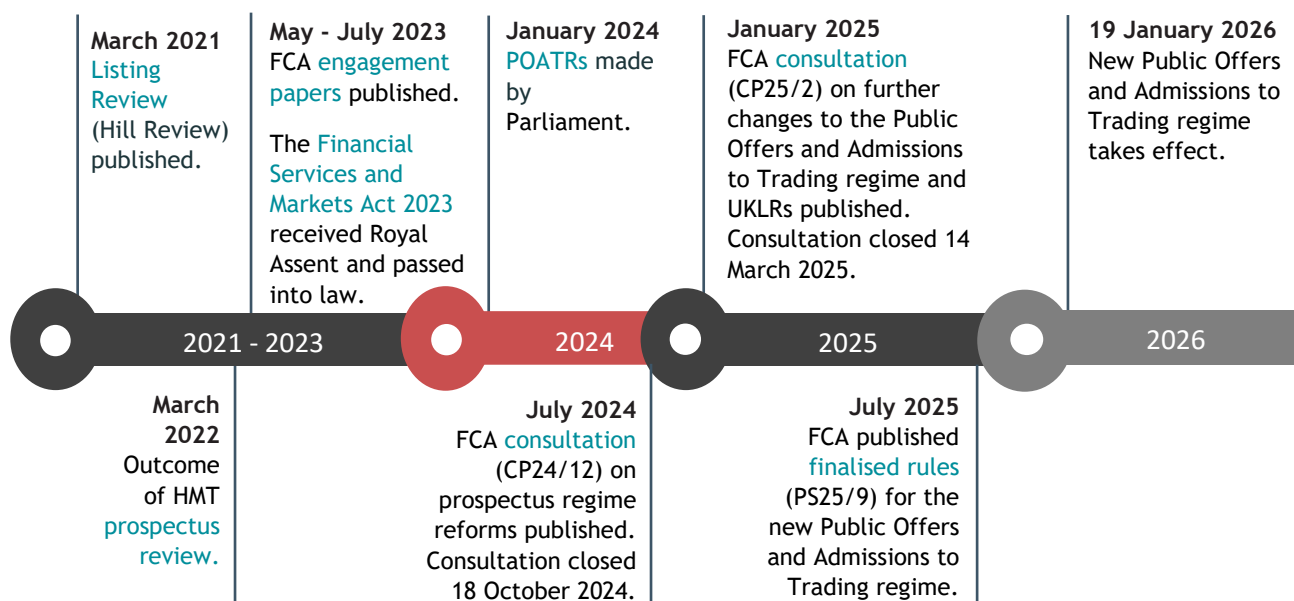
The POATRs provide that any prospectuses approved by the FCA before the new regime comes into force (i.e. 19 January 2026) will continue to remain valid for the period provided for in the current UK prospectus regime (12 months from the date of approval).

Conclusion

The FCA has sought to maintain key aspects of the current admissions to trading regime, introducing targeted enhancements for issuers rather than wholesale changes. This measured approach is intended to support smooth and efficient cross-border bond issuance across both the UK and EU.

The changes designed to facilitate the issuance of low denomination bonds will be of interest to eligible issuers and could pave the way for a stronger retail investor presence in the UK corporate bond market.

Timeline for UK Prospectus Regime Reforms



CONTACTS



CAROLINE PHILLIPS

Head of Debt Capital Markets
Partner
T: 0207 090 3884
E: caroline.phillips@slaughterandmay.com



MATTHEW TOBIN

Head of Financing
Partner
T: 0207 090 3445
E: matthew.tobin@slaughterandmay.com



GUY O'KEEFE

Partner
T: 0207 090 3299
E: guy.okeefe@slaughterandmay.com



KEVIN HOWES

Partner
T: 0207 090 3173
E: kevin.howes@slaughterandmay.com



JAMES COSTI

Senior Counsel
T: 0207 090 5375
E: james.costi@slaughterandmay.com



MINOLEE SHAH

Knowledge Counsel
T: 0207 090 5491
E: minolee.shah@slaughterandmay.com

London
T +44 (0)20 7600 1200
F +44 (0)20 7090 5000

Brussels
T +32 (0)2 737 94 00
F +32 (0)2 737 94 01

Hong Kong
T +852 2521 0551
F +852 2845 2125

Beijing
T +86 10 5965 0600
F +86 10 5965 0650

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