

The UK Launches Its New Listing Regime

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Following on from its Primary Markets Effectiveness Review, the UK's Financial Conduct Authority (FCA) has published feedback to Consultation Paper CP23/31 and its final UK Listing Rules (see here for our [note](#) on CP23/31). Policy Statement [PS24/6](#) largely reflects the proposals set out in CP23/31 to enhance investor disclosures, move away from requiring shareholder votes to approve significant and related party transactions, enhance voting structures and create a single and simpler equity listing category known as the Equity Shares in Commercial Companies or ESCC category. Notable changes since CP23/31 include:

1. reversion to the previous regime for cash shells and SPACs – these issuers will still have 24 months to complete a transaction but this time limit can be extended by 12 months up to three times with shareholder approval, and for a further six months in certain circumstances;
2. there is no longer a requirement for a relationship agreement with a controlling shareholder (a shareholder with at least 30% of the voting power of an issuer), but disclosure of the controlling shareholder is required along with board confirmation of resolutions proposed by controlling shareholders;
3. listed companies in financial difficulties are no longer to be required to issue a circular for transactions undertaken to alleviate financial difficulty, but there is a requirement to make an announcement disclosing the nature of the difficulty and what happens if the transaction does not go ahead;
4. the new rules on significant and related party transactions will also apply to issuers in the Closed-Ended Investment Fund category.

The new rules and their accompanying transitional provisions take effect from 29 July 2024 at which time the current Listing Rules FCA sourcebook will be replaced in its entirety by a new sourcebook.