

Listing Category or Topic	Key Features of Final Rules for the new UKLR Sourcebook Additions or changes from CP23/31 are shown in <u>underline</u>	UKLR Chapter
<p>Commercial companies (Commercial companies (equity shares) category)</p>	<p><i>Eligibility</i></p> <ul style="list-style-type: none"> • No listing requirements for historical financial information, revenue track record and clean working capital statements, although prospectus rules will still require such disclosure. • Sponsor requirement for new applicants. 	UKLR 5
	<p><i>Eligibility and continuing obligations</i></p> <ul style="list-style-type: none"> • Controlling shareholders: Retaining a requirement for independence from controlling shareholders, <u>amended guidance on factors indicating non-independence, no requirement for a controlling shareholder agreement. New mechanism for directors to give an opinion on a shareholder resolution put forward by a controlling shareholder when the director considers that the resolution is intended or appears to be intended to circumvent the proper application of the listing rules.</u> Maintain certain related voting controls. • Control and independence: No eligibility and ongoing rules requiring that a company has an independent business and has operational control over its main activities. • Externally managed companies: Retaining rules preventing externally managed companies from listing in this category. • Dual/multiple class share structures: Permitting issuers to have dual/multiple class share structures at admission. Enhanced voting rights only to be held by specified natural persons without a time-based sunset clause, <u>or pre-IPO investors that are legal persons subject to a maximum 10-year period after which enhanced rights should expire.</u> Retained voting restrictions 	UKLR 5 and 6

	on certain matters, including dilutive transactions and cancellation of listing.	
	<p><i>Continuing obligations</i></p> <ul style="list-style-type: none"> • Significant transactions: No requirement for shareholder approval but market notifications for transactions $\geq 25\%$ in size (based on class tests), removal of the profits test and new guidance on what constitutes 'ordinary course of business'. • Notifications: specific content for market notification for transactions $\geq 25\%$, <u>but not requiring financial information or fairness statements for acquisitions. Allowing certain items to be disclosed as soon as possible after the information has been prepared or the company becomes aware of it post-announcement. Require a notification to confirm when a transaction is completed.</u> No working capital statement or re-stated historical financial information required. • Related party transactions: No requirement for shareholder approval, but market notification, sponsor fair and reasonable opinion and board approval at $\geq 5\%$. • Reverse takeovers: Continue to require an FCA approved circular and prior shareholder approval for transactions $\geq 100\%$ or involving a fundamental change in business. • Share buy-backs, non pre-emptive discounted share issuances and cancellation: Retained shareholder votes. • Annual reporting: Comply or explain disclosure against the UK Corporate Governance Code, reporting on climate related and diversity matters, and other annual disclosures currently required in premium listing rules. 	UKLR 7-10
Sovereign controlled companies	<ul style="list-style-type: none"> • Provide certain alleviations for equity shares of sovereign controlled issuers within the commercial companies category, while removing 	As above

	<ul style="list-style-type: none"> a separate category for these shares. Removing the concept of 'premium listed' certificates representing shares in a sovereign controlled issuer (can be listed in UKLR 15). 	
Closed-ended investment funds category	<ul style="list-style-type: none"> Retention of shareholder votes on material changes to investment policies and management fee changes. <u>Other significant or related party transactions aligned to rules for commercial companies (above).</u> Confirmed change to definition of independent director. 	UKLR 11
Open-ended investment companies category	<ul style="list-style-type: none"> Only consequential or minor changes to existing requirements 	UKLR 12
Shell companies category	<ul style="list-style-type: none"> Enhanced eligibility requirement for shells and SPACs to have time limit of 24 months to complete a transaction, but <u>with additional flexibility to extend by 12 months up to 3 times subject to shareholder approval, which can be extended for a further period of up to 6 months in specified circumstances.</u> Require board approval of initial transaction as a continuing obligation. <u>Revert to a guidance approach whereby larger SPACs may voluntarily choose to put in place sufficient investor protections, so that the smooth operation of the market is not jeopardised, in order to avoid a presumption of suspension (similar to existing rules in LR 5.6.18AG).</u> Sponsor required in various circumstances (e.g. at admission and to support initial transaction (reverse takeover)). 	UKLR 13
International secondary listing category	<ul style="list-style-type: none"> For non-UK incorporated companies with another listing on a non-UK market, subject to certain conditions, ongoing requirements effectively maintain standard listing rules. 	UKLR 14
Transition category	<ul style="list-style-type: none"> Closed category based on current rules for standard listed shares. 	UKLR 22
Non-equity and non-voting equity, and other categories	<ul style="list-style-type: none"> Discrete categories for non-equity shares (including preference and 	UKLR 15-19

	<p>deferred shares) and non-voting equity shares, certificates representing shares (depository receipts), debt securities, securitised derivatives, and warrants and miscellaneous securities.</p> <ul style="list-style-type: none"> • Consequential or minor changes from existing requirements. 	
Cross-cutting rules	<ul style="list-style-type: none"> • Applying 4 existing Premium Listing Principles to all issuers. • Require additional key contact details for all issuers and guidance on access to issuer information, <u>subject to minor amendments</u>. • Board declaration at point of listing on systems and controls. • Generally retain existing approach to other general admissions requirements, suspensions, cancellations and transfers. 	<p>UKLR 1- 3</p> <p>UKLR 20-21</p>
Implementation and transition arrangements	<ul style="list-style-type: none"> • Retain 2-week period between final rules and dates rules apply. • Adjustments to transitional provisions to reflect changes in final rules for certain categories, and other minor clarifications. 	<p>TP</p>
Sponsors	<ul style="list-style-type: none"> • Sponsor regime applied to commercial companies, shell companies and closed-ended investment funds at application stage and on reverse takeovers. • Ongoing role limited to further issuance listing applications with a prospectus, related party fair and reasonable opinions, or where issuers seek guidance, modifications or waivers to FCA rules (including on class tests). • Final rules already made to amend sponsor competency to be carried over. 	<p>UKLR4</p> <p>UKLR 24</p>
Consequential amendments	<p>Proceeding largely as consulted on subject to minor amendments</p>	<p>N/A - other</p>