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One Manhattan West  
New York, NY 10001  
212.735.3000

22 Bishopsgate  
London EC2N 4BQ  
44.20.7519.7000

## Q4 2025

Below is our quarterly briefing covering the most important developments for UK PLCs, UK equity capital markets and UK public M&A in Q4 2025.

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- LSE outlines reforms to the AIM Rules
- FCA publishes decision on insider trading case
- FCA's Primary Market Bulletin 59 on delayed disclosure of inside information and the acquisition of cryptoassets by listed companies
- Takeover Code changes relating to companies with dual class share structures, IPOs and share buybacks
- Planned amendments to analyst research rules to speed up IPOs
- FCA's Primary Market Bulletin 58 on implementing the new public offers regime and guidance on the takeover exemption documents
- FCA's updated guidance on complex financial history
- Budget 2025: Stamp Duty Reserve Tax exemption for newly listed companies
- FRC's annual review of corporate governance reporting
- Updated FRC guidance on non-executive pay under the UK Corporate Governance Code 2024
- Updated 2026 institutional investor guidelines

## LSE Outlines Reforms to the AIM Rules

21 November 2025 / LSE

The LSE published a [Feedback Statement](#) that summarises the feedback received on its April 2025 [Discussion Paper](#) proposing reforms to the AIM Rules. These reforms are intended to lighten the regulatory burden, align AIM's requirements with those of the LSE's Main Market and reinforce AIM's reputation as an attractive trading venue for small and growth companies. The changes relate to companies with dual class share structures and a variety of transactions, including reverse mergers, secondary securities offerings and related party transactions. The AIM admission document will also be redesigned, and the working capital statement may be dispensed with. The LSE intends to publish new AIM Rules for Companies in H1 2026, but many of the changes are effective immediately, either through rule changes or via derogations (exceptions) granted by AIM Regulation, before the formal revised rules are published. For more information, see [Skadden's 8 December 2025 client alert](#).

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### FCA Publishes Decision on Insider Trading Case

13 October 2025 / [FCA](#)

The FCA published a final notice imposing a £100,281 financial penalty on a former capital markets adviser of an AIM company for engaging in insider dealing. The FCA has also prohibited the individual from working for UK financial services.

While employed by the AIM company, the adviser sold his own and a close family member's entire shareholding in the AIM company while in possession of, and using, inside information.

The key takeaways of the FCA's decision are:

As an experienced financial professional and a former approved person, the adviser would have known his conduct amounted to insider dealing and the conduct was therefore deliberate and dishonest.

The adviser knew that the company's internal policies required him to obtain the company's permission before dealing in shares, but he failed to do so.

The adviser was a senior member of the investor relations capital markets team whose role was specifically to become engaged when potentially price sensitive information was under consideration for inclusion in RNS announcements. Therefore he had abused a position of trust.

### FCA's Primary Market Bulletin 59

23 October 2025 / [FCA](#)

The FCA published Primary Market Bulletin 59, in which it reminded issuers to ensure they have appropriate arrangements in place to comply with Article 17.4 of UK MAR. This includes the requirement to immediately inform the FCA that disclosure of inside information was delayed following disclosure to the public. A written explanation of the reasons for the delay must be provided to the FCA in the prescribed format.

Additionally, the FCA included guidance on the application of the UK Listing Rules (UKLR) to listed companies acquiring cryptoassets. The FCA advised listed companies to seek individual guidance if they are unsure whether their acquisition of cryptoassets may be considered a reverse takeover under the UK Listing Rules (UKLR 7.1.4R). The FCA also stated that the UKLRs regarding initial transactions for cash shells (UKLR 13.4.2R) will apply to the acquisition of cryptoassets.

### Takeover Code Changes Relating to Companies With Dual Class Share Structures, IPOs and Share Buybacks

2 December 2025 / [Takeover Panel](#)

Following its public consultation on the Takeover Code (Code) rules for companies with dual class share structures (DCSSs), IPOs and share buybacks in July 2025, the Takeover Panel (the Panel) published its response statement in December 2025 and is adopting its proposed amendments to the Code. The amendments introduce a framework for companies with a DCSS and clarify the Panel's position regarding the application of Rule 9 (mandatory offers). There are also changes in relation to IPOs and share buybacks. For example, the revised Code will require companies to disclose details of any expected controlling shareholders and their concert parties in their IPO admission documents. The amendments will also simplify the rules on share buybacks — in particular, certain existing restrictions on a company carrying out a share buyback under its annual AGM authority will be removed. These amendments will take effect on 4 February 2026. For more information on these amendments, see Skadden's [UK Public Markets Monitor – Q3 2025](#) and [UK Public M&A: Strategics and Sponsors Sustain Deal Flow Despite Economic Uncertainties](#).

### Planned Amendments to Analyst Research Rules to Speed Up IPOs

9 December 2025 / [FCA](#)

The FCA's December letter to the prime minister summarised its regulatory approach throughout 2025 and its proposals for 2026. As part of its drive for regulatory reform, the FCA stated that, to speed up the IPO process, it plans to remove the seven-day research waiting period under the existing Conduct of Business Rules (COBS 11A), during which unconnected analysts are able to prepare research before connected analysts can publish their research. These changes to the COBS rules will be welcomed by the market as they will help speed up the IPO process.

### FCA's Primary Market Bulletin 58 on Implementing the New Public Offers Regime

17 October 2025 / [FCA](#) and 26 November 2025 / [FCA](#)

The FCA published key information in its Primary Market Bulletin 58 about the new Public Offers and Admissions to Trading Regulations (POATR) regime which will come into force on 19 January 2026. It also subsequently published

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new updated prospectus forms and checklists to reflect the new POATR regime. The new rules will replace the current prospectus regime and are expected to significantly simplify the process and reduce costs for UK-listed companies raising new equity capital; encourage retail participation in UK equity markets; and align UK rules more closely with those in the EU. For more information, see [Skadden's 22 July 2025 client alert](#).

Primary Market Bulletin 58 set out the key timing considerations for the transition to the new regime as follows:

- From 1 December 2025, issuers have been able to submit prospectuses prepared under the POATR regime through the usual Electronic Submission System (ESS). Prospectuses prepared under POATR will be approved on or after 19 January 2026 but prospectuses prepared under the existing regime may be approved before this date.
- For submissions between 1 December 2025 and 16 January 2026, issuers are required to submit an additional form to indicate their prospectus is being submitted in preparation for the adoption of POATR and confirming which prospectus [checklists](#) are applicable to their submission.
- If a prospectus is approved before 19 January 2026, it will remain subject to the current requirements for supplementary prospectuses, for subsequent material developments.
- For supplementary prospectuses submitted between 19 January 2026 and 18 January 2027, issuers will be required to confirm whether approval is sought under POATR or the previous prospectus rules.
- From 19 January 2026, issuers with an existing listed class of securities will no longer need to apply for admission for a further issue of those securities under the UKLRs, unless the new 75% threshold under POATR is triggered in which case a prospectus will be required. However, a listing application will still be needed to issue new classes of securities.

The FCA is also consulting on its draft [Technical Note](#), which provides guidance on the content requirements for prospectus exemption documents for takeovers, mergers and divisions. This is the first time the FCA has published such guidance since Brexit. The draft guidance outlines the content requirements for exemption documents for these transactions, including scenarios where the offeror company is offering fungible or non-fungible securities as part of the transaction and where FCA approval of the exemption document is required. The FCA has closely aligned its proposed guidance with the content requirements of the [EU regime](#), but with minor divergences.

## FCA's Updated Guidance on Complex Financial History

October 2025 / [FCA](#)

The FCA has updated the [draft guidance](#) explaining how issuers should apply rules relating to complex financial history and significant financial commitments when preparing prospectuses. The overall guidance remains substantially the same, save for some clarifications. The FCA has taken a flexible principles-based approach to complex financial history rather than seeking to apply strict rules or calculations. The FCA emphasised the key consideration when assessing whether the issuer will need to submit standalone financial information is whether that information is necessary for investors to make an informed investment decision. However, where standalone financial information is required, it will need to be prepared and audited based on a POATR-compliant accounting framework. There is no requirement that the accounting framework used for the standalone financial information be the same as the accounting framework used by the issuer, so there should be no need to re-audit or convert the financial information.

For significant financial commitments, the FCA clarified that short gaps — for example, less than two months — in the issuer's track record will not automatically need to be filled unless they are material to investors (for example, due to the size of the target). Where additional audited financial information for the target is required, it is likely that financial information from a comparative historic period of the target will be required also, although it would not need to be audited. Additionally, the FCA added that three years of audited financial information, unless the target has been in existence for a shorter period, will be needed for shell companies undertaking initial transactions or reverse takeovers.

## Budget 2025: Stamp Duty Reserve Tax Exemption for Newly Listed Companies

26 November 2025 / [HMRC](#)

In the UK's Autumn Budget 2025, the government announced it would introduce an exemption from the 0.5% Stamp Duty Reserve Tax on the transfer of securities in companies with newly listed shares on a UK regulated market. This exemption aims to make the UK a more attractive listing venue by helping newly listed companies achieve higher valuations and liquidity in the first few years after listing. Such companies will have the benefit of this exemption for a three-year period, beginning on

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the date of listing. The exemption applies to all of the company's securities, including depository interests in company's shares. The exemption took effect on 27 November 2025. The exemption does not apply where a listing occurs as a result of a merger or a change of control. The [Finance Bill 2025-26](#) will codify this exemption by inserting a new section into the Finance Act 1986.

### FRC's Annual Review of Corporate Governance Reporting 2025

**13 November 2025 / FRC**

The Financial Reporting Council (FRC) published its Annual Review of Corporate Governance Reporting, which analyses reporting practices of FTSE 350 companies as well as a sample of 100 companies, comprising FTSE 100, FTSE 250 and Small Cap companies, during 2025 in relation to the UK Corporate Governance Code 2018. The report found the following:

- 66% of the sample companies had board-level oversight of cyber risks and 85% included cybersecurity as a principal risk, which is promising given the increased sophistication of cybercriminals.
- Over 50% of the sample companies already referred to the new Provision 29 on risk management and internal control, effective on 1 January 2026. Provision 29 requires boards to make a declaration regarding the effectiveness of their material controls at managing operational risks. Examples of material controls include controls over fraud or cybersecurity.
- The number of sample companies that departed from one or more Code provisions fell to 25, a slight decrease from 28 in 2024.
- The most common provisions from which sample companies departed included chair independence (Provision 9), chair tenure being no longer than nine years since first appointment (Provision 19) and composition of audit committees (Provision 24). Companies increasingly provided comprehensive explanations for their departures.
- Appointing an employee as a non-executive director (NED) remained the most common method for the board to engage with their company's workforce.
- 23% of FTSE 350 companies were compliant with the requirement in the FCA's UK Listing Rules to have at least one woman in a senior board role (chair, CEO, senior independent director (SID) or CFO), the SID being the most common senior position to be held by a woman.
- 73% of FTSE 350 companies were compliant with the requirement to have 40% female representation on boards.

### Updated FRC Guidance on Non-Executive Pay Under the UK Corporate Governance Code 2024

**5 November 2025 / FRC**

The FRC published updated guidance to the UK Corporate Governance Code 2024 (Corporate Governance Code), clarifying the guidance on the remuneration of NEDs. While the Corporate Governance Code itself remains unchanged, the updated guidance recognises that companies may encourage NEDs to build personal shareholdings in companies to foster alignment between NEDs and shareholders and reinforce long-term commitment and engagement. The updated guidance confirms that boards may pay NEDs a portion of their fees in shares (*i.e.*, as restricted share units), provided there is transparency around the rationale, process and any associated restrictions on the sale of those shares. The updated guidance also addresses alternative remuneration structures, emphasising that the independence of independent NEDs must be preserved. As such, performance-related remuneration remains inappropriate for independent NEDs. Where a company offers independent NEDs shares, such awards should not be performance-related.

### Updated 2026 Institutional Investor Guidelines

**December 2025 / Pension UK / Glass Lewis / ISS**

Ahead of the upcoming AGM season, a range of investor guidelines have been published, including Pension UK's Stewardship and Voting Guidelines, Glass Lewis' Proxy Voting Guidelines and ISS Benchmark Policy Updates. These investor guidelines provide recommendations on a variety of topics including board independence, gender diversity, ESG, related party transactions and vesting/holding periods for long-term incentive plans.

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### Contacts



**Danny Tricot**  
Partner / London  
44.20.7519.7071  
danny.tricot@skadden.com



**Simon Toms**  
Partner / London  
44.20.7519.7085  
simon.toms@skadden.com



**Craig Kelly**  
Partner / London  
44.20.7519.7260  
craig.kelly@skadden.com



**Justin Lau**  
European Counsel / London  
44.20.7519.7029  
justin.lau@skadden.com



**Kathryn Gamble**  
Associate / London  
44.20.7519.7219  
kathryn.gamble@skadden.com



**Leesha Curtis**  
Trainee Solicitor / London  
44.20.7519.7000  
leesha.curtis@skadden.com

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**Beliz McKenzie**, senior knowledge strategy lawyer, contributed to this article.