

Financial Markets Conduct (NZX Listing Rules) Approval of Rule Change Notice 2/2023

Pursuant to section 332(1) of the Financial Markets Conduct Act 2013, the Financial Markets Authority gives the following Notice.

Contents

| | Page |
|----------------------------|------|
| 1 Title | 1 |
| 2 Commencement | 1 |
| 3 Interpretation | 1 |
| 4 Approval of market rules | 1 |

Notice

1 Title

This notice is the Financial Markets Conduct (NZX Listing Rules) Approval of Rule Change Notice 2/2023.

2 Commencement

This notice comes into force on 27 September 2023.

3 Interpretation

(1) In this notice, unless the context otherwise requires, —

Act means the Financial Markets Conduct Act 2013

FMA means the Financial Markets Authority

Listing Rules means the NZX Listing Rules

NZX means NZX Limited

(2) Any term or expression that is defined in the Act and used, but not defined, in this notice has the same meaning as in the Act.

4 Approval of market rules

- (1) Pursuant to section 331 of the Act, the FMA approves amendments to the Listing Rules provided by NZX to the FMA for approval on 18 August 2023.

Dated at Wellington this 26th day of September 2023.



John Horner
Director Markets, Investors and Reporting
Financial Markets Authority

Explanatory Note

This note is not part of the notice but is intended to indicate its general effect.

This notice approves amendments to the NZX Listing Rules. These amendments include changes to permit Accelerated Non Renounceable Entitlement Offers as a capital raising structure under the Listing Rules.

Other changes include:

- Allowing for downside price protection for retail investors in accelerated structures;
- Requiring a liquidity event for a renounceable structure;
- Changing the requirement to announce a rights issue to no later than 4 business days prior to the ex date rather than 5 business days prior to the ex date;
- Condensing retail offers minimum acceptance period from 7 to 5 working days for online acceptances only;
- Increasing of monetary limit for share purchase plans from \$15,000 to \$50,000;
- Increasing the percentage of shares that may be issued in addition to placement capacity from 5% to 10%;
- Ensuring the price paid by retail investors cannot exceed the price paid by investors in a related placement;
- Restricting scaling only by reference to holdings at the record date as opposed to also allowing the option of scaling with reference to holdings at the closing date;
- Allowing Issuers to ratify issues made under an earlier share purchase plan to replenish capacity;
- Updating disclosure requirements for underwriting arrangements;
- Enhancing disclosure requirements for board decisions in relation to offers (as well as a specific requirement for disclosure on the decision to use an ANREO); and
- An ability for NZ RegCo to request an allocation schedule in relation to a capital raise.

The amended rules will become effective on a date as determined by NZX in accordance with the NZX Listing Rules.