

Overview of secondary offering structures

	Firm Placing (Cash)	Firm Placing (Cash Box)	Conditional Placing & Open Offer	Rights Issue
Size limits*	< 5% ISC (+ additional 5% if for an acquisition or specified capital investment) and 7.5% in any rolling 3-year period	< 20% ISC (without prospectus) IPCs: 5% +5%/7.5% ¹ (same as cash placing)	IPCs: preference for rights issues if more than 15-18% ISC	No limit
Discount limit*	Max 10%. ² IPCs: 5% (including expenses)	Max 10%	Max 10%. IPCs: preference for rights issue if discount greater than 7.5%	No limit
Prospectus**	* (typically)	* (typically)	✓	✓
Timetable	Typical timetable of 1-2 weeks; settlement T+2 after pricing	Typical timetable of 1-2 weeks; settlement T+2 after pricing	GM and offer period concurrent ; typical timetable 6-10 weeks from kick-off; varies based on whether GM is needed. LRs require open offer to remain open for at least 10 BDs	GM and offer period not concurrent ; typical timetable 8-12 weeks from kick-off; varies based on whether GM is needed. LRs require rights issue offer period to remain open for at least 10 BDs
Pre-emptive	*	*	✓	✓
Tradeable rights	*	*	*	✓
Lazy shareholder	N/A	N/A	* (unless compensatory open offer)	✓ (sold for benefit)
RPT	Subject to RPT regime under LR11, if placees are directors or substantial shareholders (>10%)	Subject to RPT regime under LR11, if placees are directors or substantial shareholders (>10%)	Exempt RPT if allocation is pro rata; placee commissions may be subject to LR11	Exempt RPT as fully pre-emptive and pro rata
Other	N/A	IA concern, regard as placing for cash; cash box also used in pre-emptive offers to create distributable reserves	Placing with clawback under open offer	IA preference; sub-underwriting considerations

¹ Additional flexibility to increase to 20% until 30 September 2020 in line with PEG statement of 1 April 2020

² No limit if shares issued pursuant to pre-existing general authority to disapply statutory pre-emption rights

*Without additional shareholder approval, but with reference to the PEG principles.

** Prospectus is required if there is an offer to the public, or admission to trading on a regulated market of 20% or more of issued share capital