

Practice Note

Listing and Quotation of Equity Securities

Applies to Rules as at: 1 April 2023
Updated September 2023

Summary

This Practice Note explains the process and documents required for an application for listing and quotation of new equity securities on the NZX Main Board.

This Practice Note also applies to Issuers who are undertaking a reverse or backdoor listing. Such Issuers should also refer to the Guidance Note - Reverse and Backdoor Listing Transactions.

Issuers who have a current listing on the Australian Securities Exchange (ASX) who wish to apply to become a NZX Foreign Exempt Issuer should consult a separate Practice Note available [here](#).

Relevant Listing Rules: 1.1, 1.6, 1.11, 1.12, 1.13, 1.23, 2.18, 2.19, 7.1, 7.2, 7.4.1, 7.4.1A, 7.4.2.

Under Rule 9.15.1 of the NZX Listing Rules (**Rules**), NZX Limited (**NZX**) may act by and through NZX Regulation Limited (**NZ RegCo**) in performing any function or discharging any power set out in the Rules. References in this Practice Note to NZX therefore also include NZ RegCo in relation to any regulatory activity or discretion.

Applicants for listing and quotation of equity securities on the NZX Main Board, whether this is conducted through an initial public offering (**IPO**) or through a compliance listing (where no capital is being raised or sell-down is being undertaken), are required to submit various documents with their application.

NZX will generally also require an issuer proposing to undertake a backdoor or reverse listing transaction to comply with the listing and quotation requirements as though the issuer was a new applicant for listing.

In this Practice Note both compliance and reverse listings are referred to as 'direct listings'. The application process follows a number of specific steps.

Step one: engage with NZ RegCo

Applicants are encouraged to advise NZ RegCo of the proposed transaction as early as possible. This enables NZ RegCo to provide early feedback and guidance and support through the process. Refer to NZX's Guidance Note [Issuer Engagement with NZX](#) for more information on how to work effectively with NZ RegCo.

At this stage, applicants will need to provide NZX with a signed [Pre-Listing Agreement](#).

Step two: submit documents and additional information

NZX encourages applicants to submit relevant documents at least four weeks prior to the offer opening or direct listing taking place.

Listing Application

The listing application will need to include all information required by Rule 1.12 and be accompanied by specific documents.

Application for quotation	Usually, the applicant or its advisors will provide NZX with a letter that sets out the application for
---------------------------	---

	<p>listing and quotation, and the status of the material required by Rule 1.12.2, at this stage of the process.</p> <p>NZ RegCo has produced a template application letter which may assist applicants in ensuring that all relevant information is provided</p>
Draft offering document or profile	<p>An applicant will need to prepare an offering document, or profile in compliance with Rule 1.13.2(b) as part of the listing process. During this initial period, NZX will review the document with the assistance of the NZX Listing Sub-Committee – a panel of independent advisers – to ensure that it contains the content required by the Rules. The offer document will also be provided to the Listing Sub-Committee who will also review the information. Under the Rules, NZX must confirm to the applicant that it does not object to the document, before the document is published.</p> <p>Further information regarding the content requirements for Profiles is set out below.</p>
Register documents (such as Other Material Information)	<p>If an applicant is undertaking an IPO under the Financial Markets Conduct Act 2013 (FMCA), the offering document must be supplemented by a register entry on the Disclose Register. NZX will review the register entry for the proposed offer.</p>
Financial statements	<p>The applicant must provide for NZX's review all financial statements that are required to be provided under the FMCA or the Rules.</p>
Final governing document (constitution) and solicitor's opinion	<p>The applicant should provide NZX the constitution proposed to apply when listed, and a solicitor's opinion.</p>
A copy of the applicant's certificate of incorporation	
Restricted security agreements	<p>NZX will review any restricted security agreements that the applicant has entered into with shareholders prior to the listing.</p>
Listing agreement	<p>The Listing Agreement will need to be executed (but not dated) and supplied to NZX.</p>
MAP agreement	<p>An executed MAP Agreement entitles the applicant to use of NZX's market announcement platform.</p>
Billing Information Sheet	<p>The applicant must provide an executed billing information sheet to meet its fee obligations under the Listing Rules</p>
Equity Information Sheet	<p>An applicant should provide this information sheet in order for NZX to create the tradeable instrument on its systems.</p>
Annual reports	<p>The applicant must provide copies of its annual reports for the past five years, if available.</p>
Information for nzx.com	<p>NZX publishes an overview of issuer's business on nzx.com, including (where relevant) directors, solicitor, auditor, financial year end, and share registry details.</p>

Waiver applications (if required)	An applicant should consider whether it will require any waivers from the Rules prior to listing. NZ RegCo is happy to engage with an applicant regarding this and receive a draft application(s). Please ensure there is sufficient time for NZ RegCo to consider any waiver applications ahead of the listing
-----------------------------------	---

Profile content requirements

If the applicant is seeking listing via a direct listing, it will need to prepare a Profile. Under the Rules, a Profile must contain the same information as an offer document for a regulated offer under the Financial Markets Conduct Act 2013, unless NZX determines otherwise. Applicants undertaking a reverse listing should also have regard to the Guidance Note - Reverse and Backdoor Listing Transactions.

Rule 7.4.2(a) provides that NZX has determined that Prospective Financial Information (**PFI**) is not required in a Profile for Equity Securities meaning that inclusion of this information is at the election of the applicant.

If an applicant elects to include PFI in a Profile:

- the PFI should be prepared in a manner consistent with relevant requirements of Schedule 3 of the Financial Markets Conduct Regulations 2014 (**FMC Regulations**) and the accounting standards that apply (being FRS-42 for New Zealand applicants); and
- NZX will generally expect the applicant to include the full set of information contemplated by table 1 of clause 35 and table 3 of clause 38 of the FMC Regulations.

If an applicant wishes to include only selected PFI, or (other prospective financial information that does not meet the requirements of the FMC Regulations) the applicant should explain why it is reasonable not to present additional prospective financial information. The applicant will also need to explain to NZX the basis on which the applicant considers that it has reasonable grounds to include the selected measure(s) and ensure that such information is presented in a way that is not misleading.

Applicants should also refer to the Financial Market Authority's Guidance on Disclosing non-GAAP financial information.

NZX formal confirmation

At the conclusion of step two, if NZX is satisfied with the application materials provided, NZX will issue its formal confirmation of non-objection to the offer document or profile and finalise any waivers required. For applicants that are undertaking an IPO, the Offering Document can now be provided to the Registrar, and subsequently, the offer can open.¹

¹ Note: this is subject to the applicant also satisfying the requirements of the Financial Markets Conduct Act 2013 to the Financial Market Authority's satisfaction.



Step three: listing and quotation

Upon completion of the steps above to NZX's satisfaction, the applicant will list and its securities will quote on the NZX Main Board.² NZX will execute the listing agreement on the date that the applicant lists on the NZX Main Board.

Practice Notes are not intended to be a definitive statement of the application of the rules in every situation and are only a guide to NZX's policy and practice. This Practice Note does not limit NZX's discretion under the Rules. NZX takes no responsibility for any error contained in the Practice Note. NZX may replace Practice Notes at any time.

² Applicants should note that NZX is not obliged to approve a listing application, regardless of whether the applicant concerned complies with all applicable provisions of the Rules. NZX may refuse listing and quotation at its absolute discretion and without giving any reasons for such refusal.

Appendix A

Timetable for the Listing Process

	Documents to be provided at least 4 weeks prior to the proposed offer opening	Provided (Date)
1.	Listing application	
2.	Draft listing document	
3.	Executed pre-listing agreement	
4.	Billing Information Sheet (available upon request from NZX at issuer@nzregco.com)	
5.	Equity Instrument Information Sheet (available through the MAP forms page)	
6.	Financial statements and other material information	
7.	Register documents (if applicable)	
8.	Draft waiver application(s) (if applicable)	
	Documents to be provided prior to the proposed offer open date or direct listing date	Provided
1.	Application for quotation	
2.	Final listing document	
3.	Final governing document and final solicitor's opinion	
4.	Final listing application	
5.	A bank bond or cash bond with specific security deed	
6.	Applicant's certificate of incorporation	
7.	Applicant's annual reports for the past five years, if available	
8.	Any restricted security agreements entered into with shareholders	
	Documents to be provided prior to the date of the proposed listing and quotation of the applicant's equity securities	Provided
1.	Listing agreement	
2.	MAP agreement	
3.	Overview of the applicant's business and contact details to be uploaded on its nzx.com page	