

Practice Note

Rights issue requirements and timetable

Applies to Listing Rules as at: January 2025
Last updated September 2025

Summary

This Practice Note describes the key actions for issuers undertaking a non-accelerated, renounceable rights issue.

Relevant NZX Listing Rules: 4.1, 4.3.1, 4.4.2, 4.17.1, 4.17.2, 4.17.6, 4.17.7

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.

Also refer to:

- NZX Guidance Note [Capital Raising](#)
- NZX's Practice Notes [QFP Exemption and also Trading Halts](#)

The Rules enable Issuers to undertake different types of secondary capital raisings, including pro-rata Rights issues. Rights issues, unless an Accelerated Offer, must be Renounceable (with the ability to offer for sale Rights or Shares which relate to those Rights not taken up through a bookbuild or those Rights must be Quoted to provide Rights trading on market).

Under the Financial Markets Conduct Act 2013 (**FMCA**), most Rights issues are made in reliance on the “same class as quoted financial products” exemption (**QFP exemption**) in the FMCA. The information in this Practice Note is based on a Rights issue made under the QFP exemption that is not an Accelerated Offer.

Under the QFP exemption, Rights issues are not regulated offers and no prescribed disclosure requirements apply to Rights issue offer documents. For Issuers to be able to rely on the QFP exemption they must issue a QFP notice (also known as a “cleansing notice”) at the same time the Corporate Action Notice is released.¹ Rights issues made under the QFP exemption do not require approval by NZX but will still require a form of Offer Document to be released under the Rules.

The Listing Rules impose specific disclosure and timing requirements for Rights issues. The key requirements are set out in Rules 7.4 and 4.17.

Theoretical ex-rights price (TERP)

Please note that NZX may discuss TERP calculations with issuers. TERP is used to set the reference price in the NZX trading system and NZX.com. Some issuers choose to publish TERP calculations in offer materials.

¹ Under Rule 4.17.6 or 4.17.7 (as applicable) a QFP notice must be released through MAP at the same time as the Corporate Action Notice for a Rights issue. The Rule has the effect of changing the “relevant time” for release of the QFP notice under [clause 20](#) of Schedule 8 of the Financial Markets Conduct Regulations 2014. Multiple QFP notices are **not** required.

The key steps involved in a Rights issue are set out in the table below. This timetable does not contemplate Accelerated Offers. For Renounceable, Accelerated Offers please refer to the Accelerated Offers Practice Note. For non-Renounceable, Accelerated Offers please refer to the ANREO Practice Note.

Event	Action(s) required
Application date Day X-1	☐ Provide NZX notice of the offer in the manner and form required by NZX to the extent such information is available, namely a draft of the template Corporate Action Notice. <i>Rule 4.17.6(a) or Rule 4.17.7(a)</i> ☐ Apply to NZX for quotation of Rights (if applicable)
Notification date Day X (no later than four Business Days before Ex Date)	☐ Release market announcement of upcoming Rights issue along with Corporate Action Notice promptly and without delay after the decision to make the offer has been made and no later than four Business Days before the Ex Date <i>Rule 4.17.6(b) and Rule 4.17.7(b)</i> ☐ Release QFP notice in accordance with Rules 4.17.6 and 4.17.7 and the requirements of the FMCA
Ex Date Quotation date* Day X+4 * only relevant for renounceable Rights which are to be Quoted	☐ Offer Document released to market (prior to commencement of Rights trading, if applicable*) <i>Rule 4.17.6</i>
Record Date Day X+5	No action required
Rights allotment date Day X+5	No action required
Offer open date Day X+6	No action required
Notice date No later than Day X+10	☐ Offer Document and letters of entitlement sent to holders of Rights ☐ Offer Document must be released to the market no later than it is sent to holders of Rights. <i>Rule 4.17.1</i>



If the Offer may be accepted by electronic means		If the Offer may not be accepted by electronic means	
Cease quotation date* Day X+11 * only relevant for Renounceable Rights which are to be Quoted	No action required <i>Rule 4.17.6(d)</i>	Cease quotation date* Day X+18 * only relevant for Renounceable Rights which are to be Quoted	No action required <i>Rule 4.17.6(d)</i>
Offer closing date Day X+15	No action required <i>Rule 4.17.2</i>	Offer closing date Day X+22	No action required <i>Rule 4.17.2</i>
Announce results Day X+17	Release details regarding results of Offer and the level of any oversubscription or undersubscription <i>Rule 3.17</i>	Announce results Day X+24	Release details regarding results of Offer and the level of any oversubscription or undersubscription <i>Rule 3.17</i>
Share allotment No later than Day X+ 25	☐ Shares must be allotted <i>Rule 4.19.1</i> ☐ Capital Change Notice must be provided to NZX within one Business Day after the allotment taking place (Day X+26) <i>Rule 3.13.1.</i>	Share allotment No later than Day X+ 32	☐ Shares must be allotted <i>Rule 4.19.1</i> ☐ Capital Change Notice must be provided to NZX within one Business Day after the allotment taking place (Day X+33) <i>Rule 3.13.1.</i>

Questions and notification

To notify of an upcoming offer or if you have any questions please contact the Issuer Regulation team of NZ RegCo using the email issuer@nzregco.com

For further information on applying for trading halts, please refer to NZ RegCo's Practice Note [Trading Halts](#).

For further information on engaging with NZX and NZ RegCo, please refer to the [Guidance Note Issuer Engagement](#).