



Accessing London Capital Markets Forum An Overview of UK Equity Capital Markets

August 2015
Makati Shangri-La Makati City

An IPO– Why choose London?

- Largest International stock market in the World
- Largest and most liquid equity market in Europe
- A diverse range of markets available for emerging and for large companies
- Proven and reliable infrastructure with balanced regulation
- The largest pool of investors dedicated to international companies
- The largest exposure to analysts than any other financial centre
- 115 countries represented on London stock markets
- All economic sectors are represented, especially financials, technology and oil and gas
- Proven access to secondary funding

In summary – London can provide liquidity, profile and investors

The infrastructure and experience makes London the world's premier listing choice



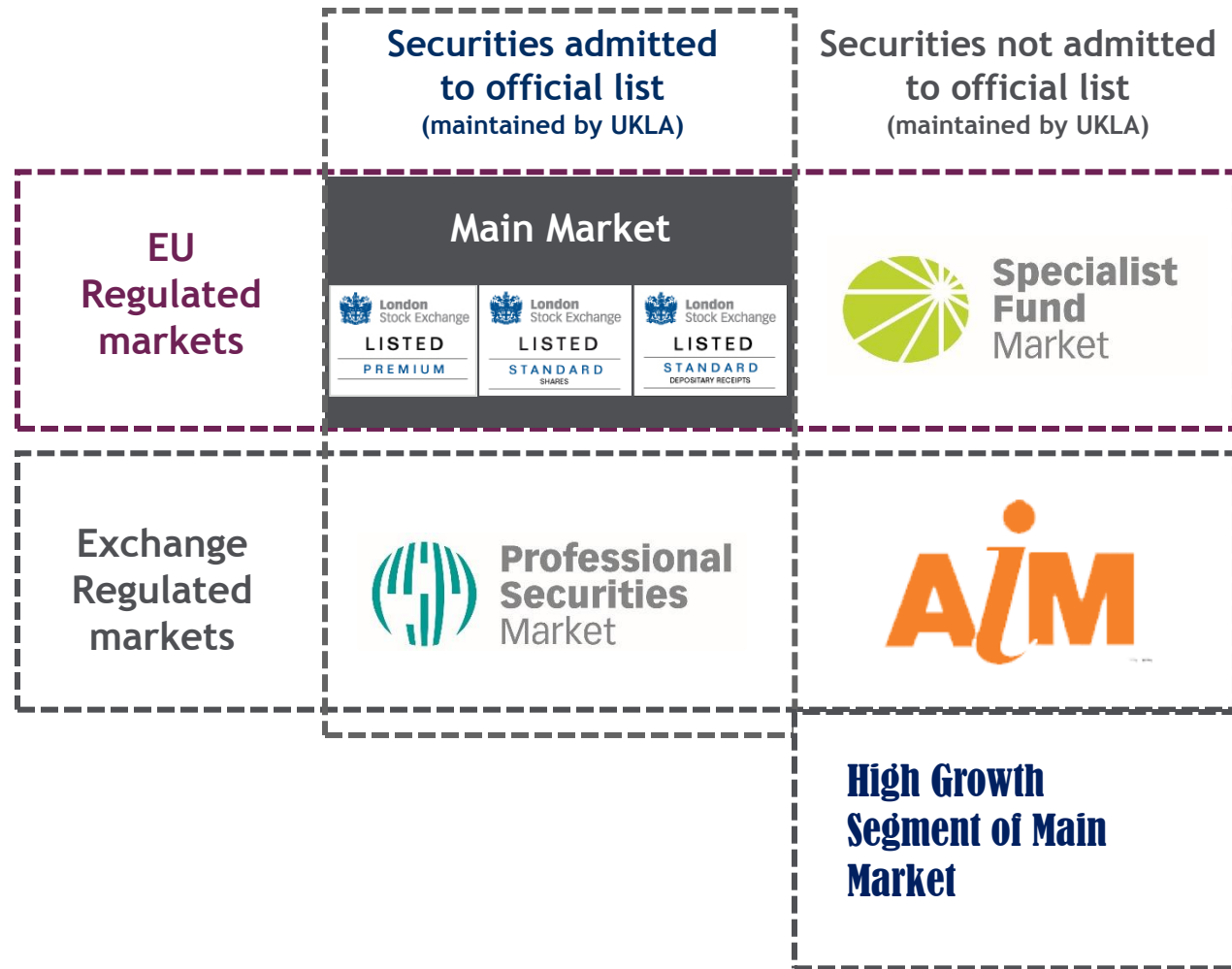
London is consistently ranked as the best financial centre to do business by The Global Financial Centres Index research conducted by Z/Yen. The research is provided for 77 centres and it draws on questionnaire and analysis of external indices. The latest report includes 26,180 financial centres assessments from 1,890 financial services professionals.

London Stock Exchange offers a diverse range of markets

Offering choice to issuers:

The choice of market will depend on a number of factors including:

- Stage in a company's development
- Complexity of the offer and securities issued
- Target investors
- Company's size
- Company's strategy and objectives



Main Market – Listing Segments

Premium Listing

- Previously “Primary”
- Super-equivalent standards
- (3 year track record/Sponsors/Class tests/FRP/Combined Code etc.)
- Eligible for FTSE indices
- Overseas companies comply or explain against the UK Corporate Governance Code
- Non UK entities must give pre-emption rights to their existing shareholders when they make an offer for cash
- Free float 25% subject to a few exceptions and not less than 20% proposed

Standard Listing

- Previously “secondary”
- Minimum EU standards
- Overseas companies to comply with EU company reporting directive proposed listing principle that systems in place will apply to
- Includes UK companies from October 2009
- Still 25% free float but more flexibility according to number, nature and diversity of shareholders

The AIM Market – the most active market for emerging companies in the world

Admission Rules:

- No minimum size to be admitted
- No minimum financial history required
- No minimum amount of shares to be in public hands (in practice at least 15%)
- Other than reverse takeovers, no prior shareholder approval required for transactions
- Admission documents not pre-vetted by Exchange or UKLA but by nominated adviser
- Nominated adviser and broker required at all times

Continuing Obligations:

- “light touch” and balanced approach
- must disclose all price sensitive information in a timely manner
- Half yearly and annual report and accounts required
- All directors accept full responsibility
- Restrictions during close periods (directors & employees)
- UK Corporate Governance standards as best practice - QCA Corporate Governance Guidelines for Smaller Quoted Companies and NAPF Guidelines for AIM Companies

The AIM Adviser Team



AIM Trends at 30 June 2015

- 32 new joiners in H1 2015 (118 in 2014)
- 1,070 companies with average and median market capitalisations of £69m and £21m, respectively
- £2.3bn raised in total on AIM in first half of 2015, compared with £5.9bn raised in full year 2014
- 22 AIM companies were acquired during the period
- Average IPO fund raise £ 22m (2014: £39m)
- Average secondary fund raise for 2015 £6.5m (2014 £5.6m)
- In June 2015 £2.7bn of shares were traded with an average trade size of £5,600
- Most represented sectors in 2015 IPOs are consumer services, Financial, Healthcare, Industrials
- Most represented sectors in 2015 for secondary fundraising are Real Estate, Healthcare, Consumer Services and Finance

Why choose AIM?

The market of choice for emerging companies seeking access to international capital markets

Access to capital	<ul style="list-style-type: none">▪ An internationally focussed, professional investor base with a deep understanding of SMEs▪ Wide range of investors interested in SMEs including institutional and retail▪ Ability to raise capital at admission and through further fundraisings
Balanced approach to regulation	<ul style="list-style-type: none">▪ A regulatory framework that provides local and international investors with confidence, while being accessible to companies▪ Disclosure and reporting obligations tailored to growing companies
Geographical reach and wide sector coverage	<ul style="list-style-type: none">▪ Diversity of sectors, international and regional coverage▪ Peer group comparison
Increased profile	<ul style="list-style-type: none">▪ Increased awareness and marketability of stock▪ Increased visibility with customers, suppliers, investors and other key stakeholder
Small-mid cap network and aftermarket support	<ul style="list-style-type: none">▪ Access to UK small-mid cap network and expertise to help companies join AIM and support them once they are trading on the market▪ Critical mass of advisers, analysts and investors with detailed sector expertise



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