

Listing in London

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6 September 2016

**A practical perspective
from the Corporate Services Provider**



Agenda

- Introductions
- What we do in the context of an IPO
- Pre-IPO preparation
 - Corporate Housekeeping
 - Listco domicile
 - Family trust
 - Employee benefits – use of EBTs
- Thailand variants for AIM??
- *[Pre-IPO funding options – BVI Incubator Funds]*
- Why Bedell?

Introductions



Robert Ayliffe
Bedell Trust
Managing Director
Asia

- **Singapore since July 2013**
- **PwC - 16 years**
 - Jersey, Kuala Lumpur and London
 - Financial services audit and advisory
 - Led Jersey's trust company business
- **Capita Plc – 8 years**
 - Jersey and Singapore
 - Trust, fund and corporate services
 - HNWI, fund managers, MNCs
 - Capital markets – London IPOs

- **Bedell Trust**
 - Founded in Jersey in 1971
 - Boutique provider of corporate, trust and fund administration services
 - Over 3,000 entities under administration
 - AUM >U\$125 billion
 - >250 employees across the group
 - 8 offices covering all time zones
- **Service lines include**
 - Private Client trusts
 - Employee benefit trusts
 - Corporate Services / Capital Markets
 - Real Estate & Private Equity Funds

Where are we

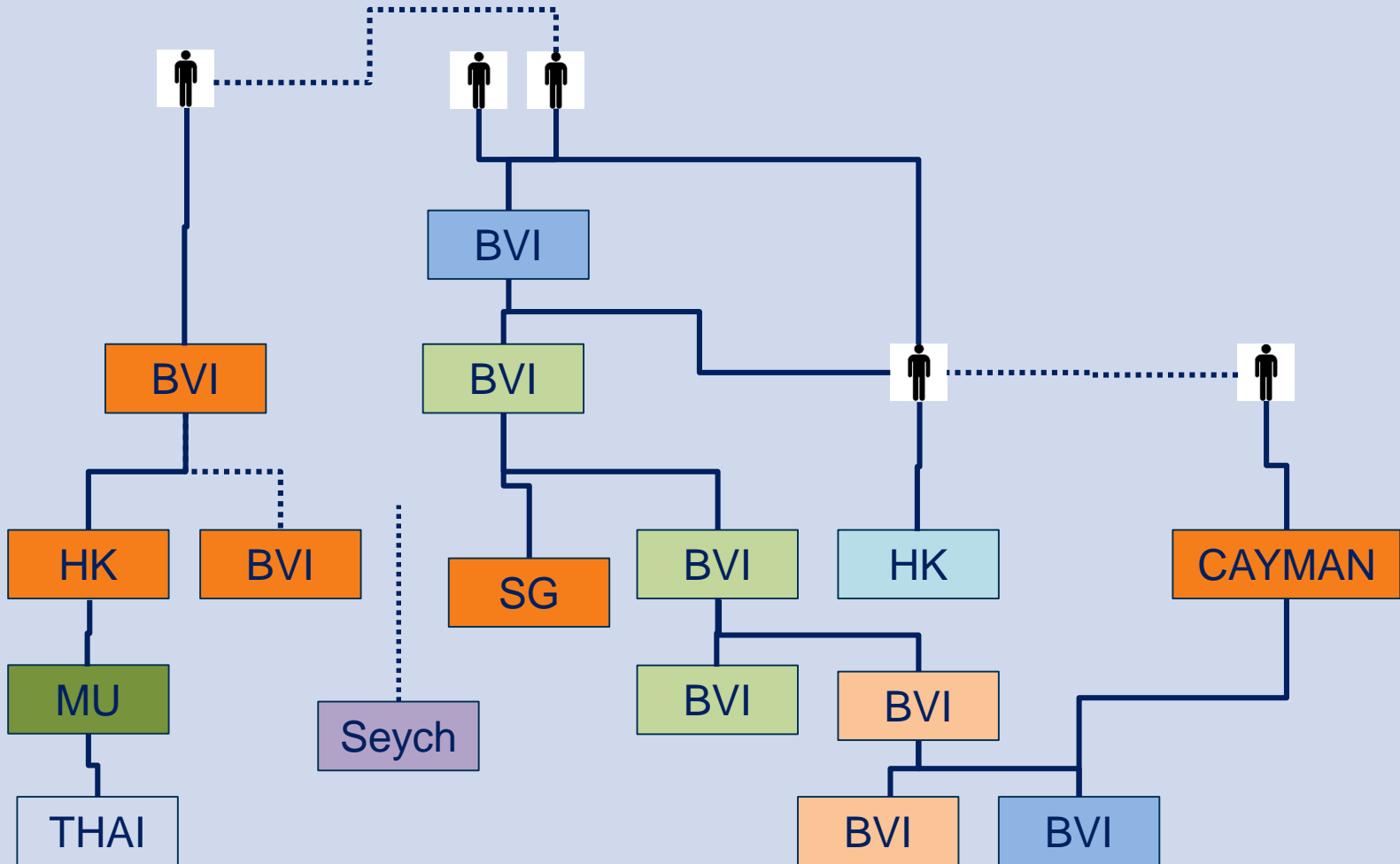


What do we do in the context of an IPO?

- **Fully integrated administration services solution, supported by specialists based in the Asian time zone**
 - All aspects of corporate administration, company secretarial and accounting services
 - All corporate domiciles, including Jersey, Guernsey, BVI & Cayman companies
 - Bank accounts / cash management, treasury & FX support
- **Pre-IPO structuring - “pre-IPO trusts”**
 - Private wealth
 - Employee benefit trusts
- **Post-IPO - corporate governance support**
 - Company secretarial services
 - Board & committee meetings
 - Compliance & advisory
- **Share registrar coordination**
 - Strategic partnership with Equiniti
 - Close relationships with Capita and Computershare

Typico Asian corporate structure???

Pre-IPO / Pre-restructuring



Practical considerations

Corporate housekeeping

■ Review corporate structure

- Rationalise structure / keep it simple!
- Are books and records in order, accounts and tax submissions up-to-date?
- Have all statutory filings been cleared?
- Consolidation of service providers?

■ Prepare for due diligence

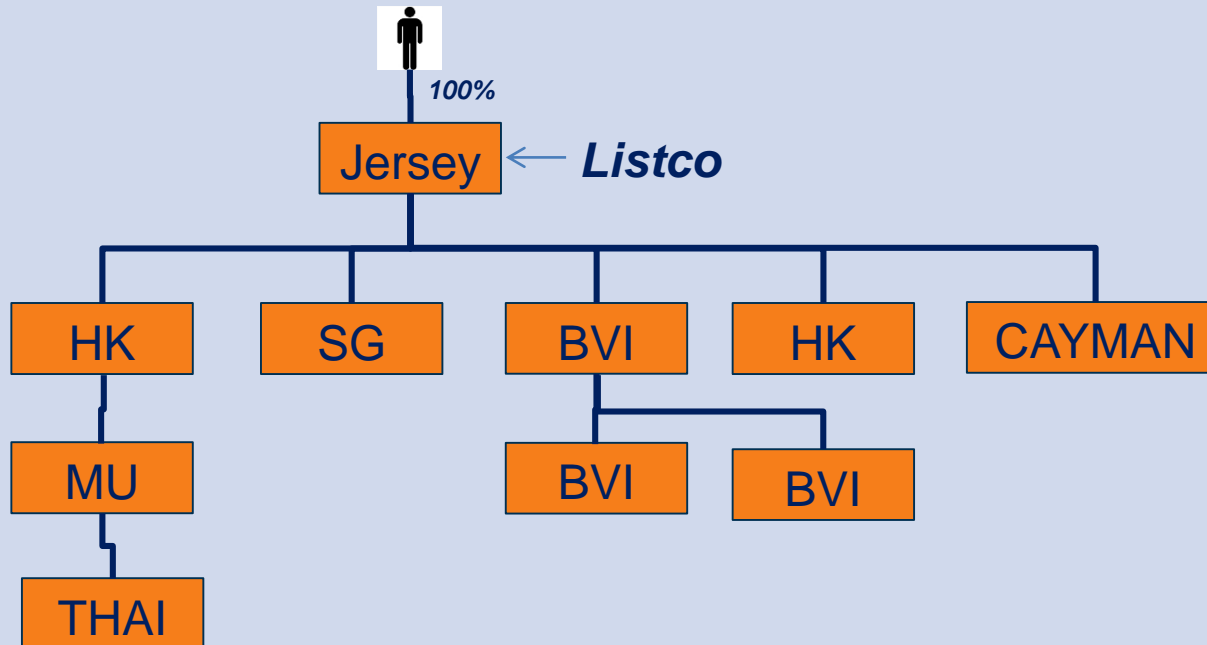
- Be open and upfront – “warts and all” – don’t hide anything!
- Prepare due diligence info pack, properly certified

■ Listco domicile??

- Onshore UK / onshore home jurisdiction / offshore?
- Tax advice?
- Bank account – where will IPO proceeds go?

Re-structure / establish Listco

- A new “shell company” is usually formed as a holding vehicle for the underlying business.
- This will become the “Listco” and issue shares on the AIM exchange
- The Listco domicile is usually an established offshore jurisdiction
- Choice of Listco domicile can be important to
 - investor perception of the business and their willingness to invest
 - What message do you want to get across to the market?
 - regulation and tax



Listco domicile

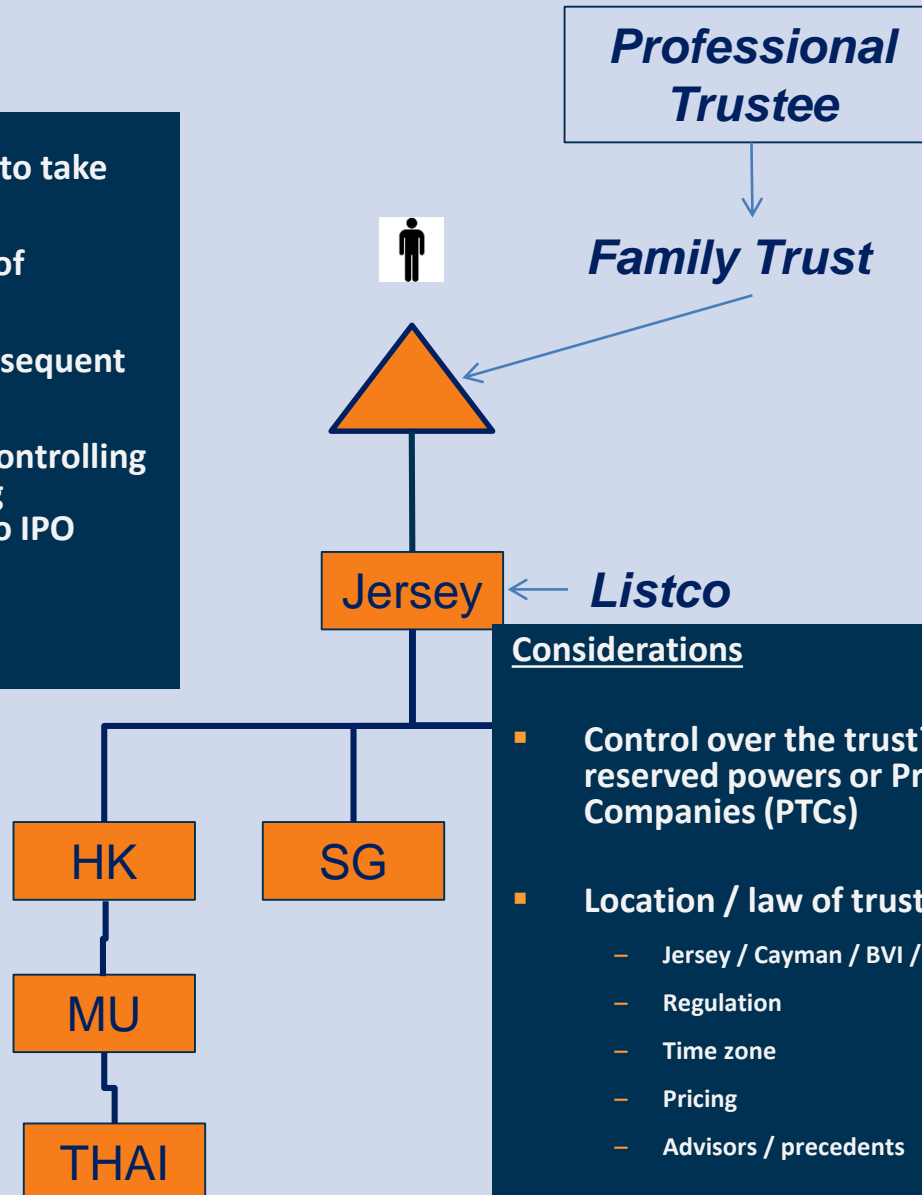
Considerations

	JERSEY	GUERNSEY	IOM	CAYMAN	BVI
No of Listcos on AIM <i>(July 2016)</i>	44	34	34	29	34
<i>No of Listcos (Dec 2011)</i>	34	38	41	37	33
Use by Asian Cos past 5 years	6	1	0	3	6
Use <i>(subjective)</i>	Trading companies	Listed funds	Funds / strong UK connections	China / funds	Familiarity in Asia / strong Asian investor base
Perceived reputation? <i>(subjective)</i>	Highest	High. Less well known outside listed funds sector.	Good, just not used so frequently. Fewer advisors.	Lower. Going out of favour in Western markets	Lowest. Going out of favour in Western markets
CREST issuance	YES	YES	YES	NO	NO

Depository Interests Required

Family trust?

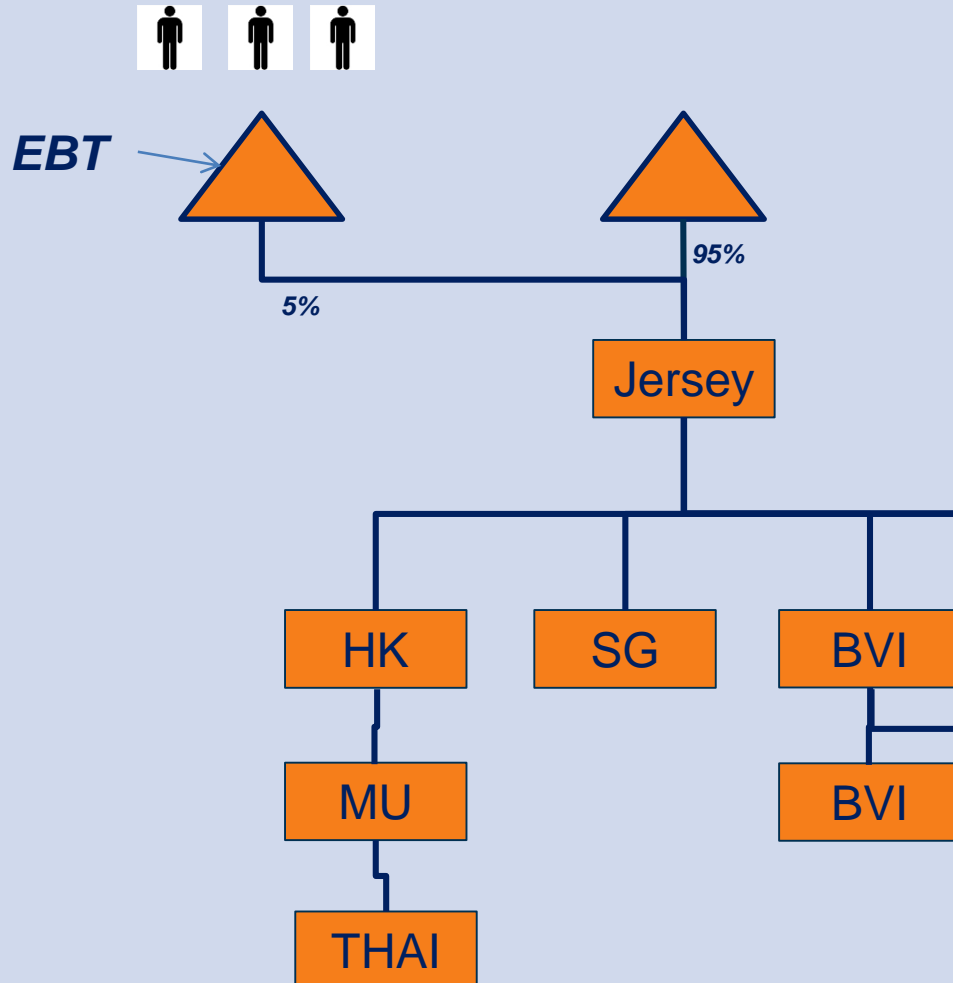
1. Children lack interest or talent to take over from founder
2. Protect against fragmentation of ownership
3. Transition family wealth to subsequent generations and/or charities
4. Managing potential risks of a controlling shareholder dying or becoming incapacitated, causing delays to IPO process
5. Possibility of tax benefits?



Considerations

- Control over the trust?...benefits of reserved powers or Private Trust Companies (PTCs)
- Location / law of trust & trustee
 - Jersey / Cayman / BVI / Singapore / Hong Kong
 - Regulation
 - Time zone
 - Pricing
 - Advisors / precedents

Employee benefit trust?



Why use an EBT?

- 1. Staff incentivisation**
 - Shares and/or proceeds of sale can be distributed to staff
- 2. Message to the market**
 - Staff tied-in before benefit can be taken.
- 3. Accounting benefits**

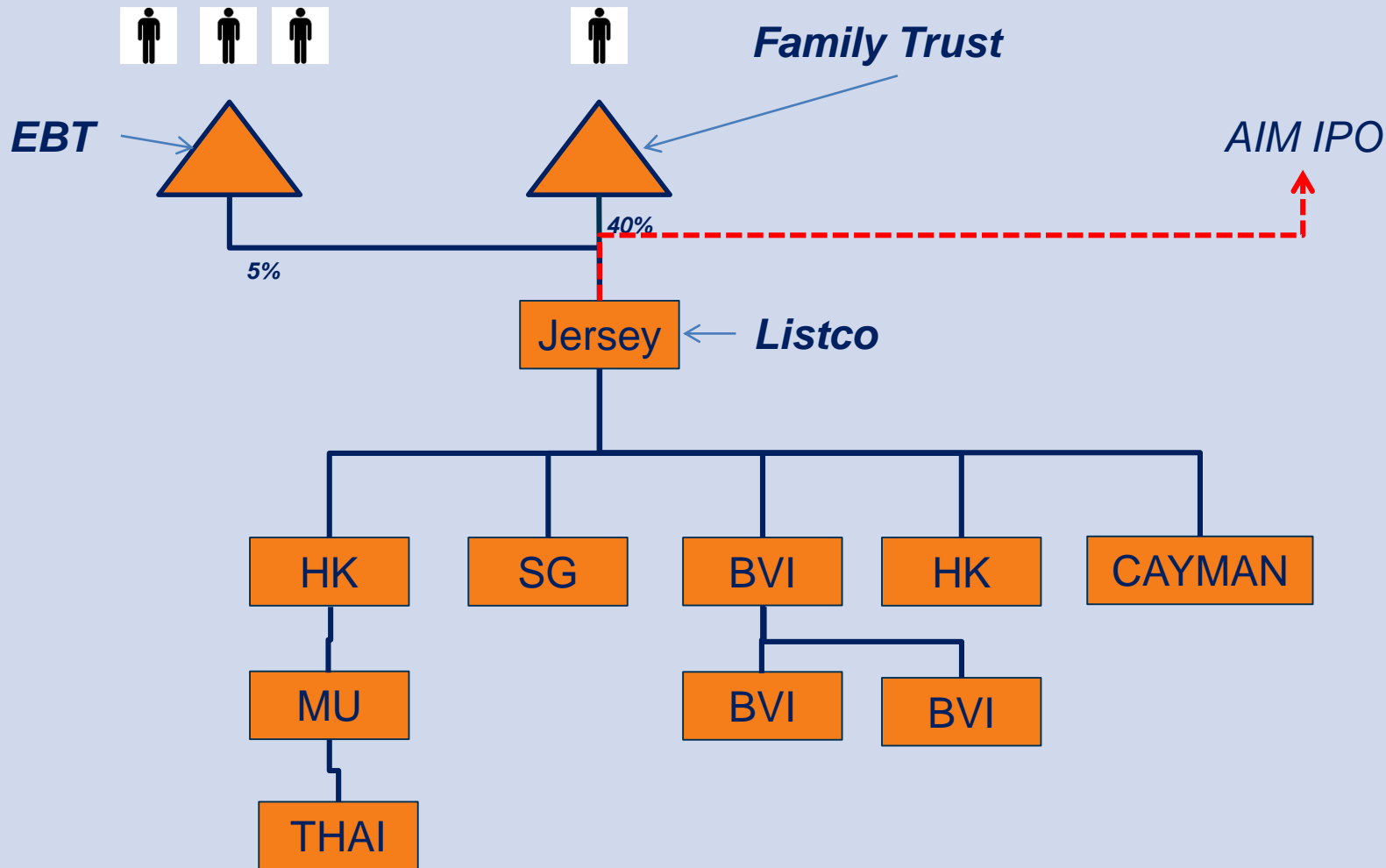
EBT formation

- Employer / Owner transfers assets to the trustee – usually cash or shares
- Held by the trustee for the benefit of the employees under the terms of a trust deed
- Jersey or Singapore

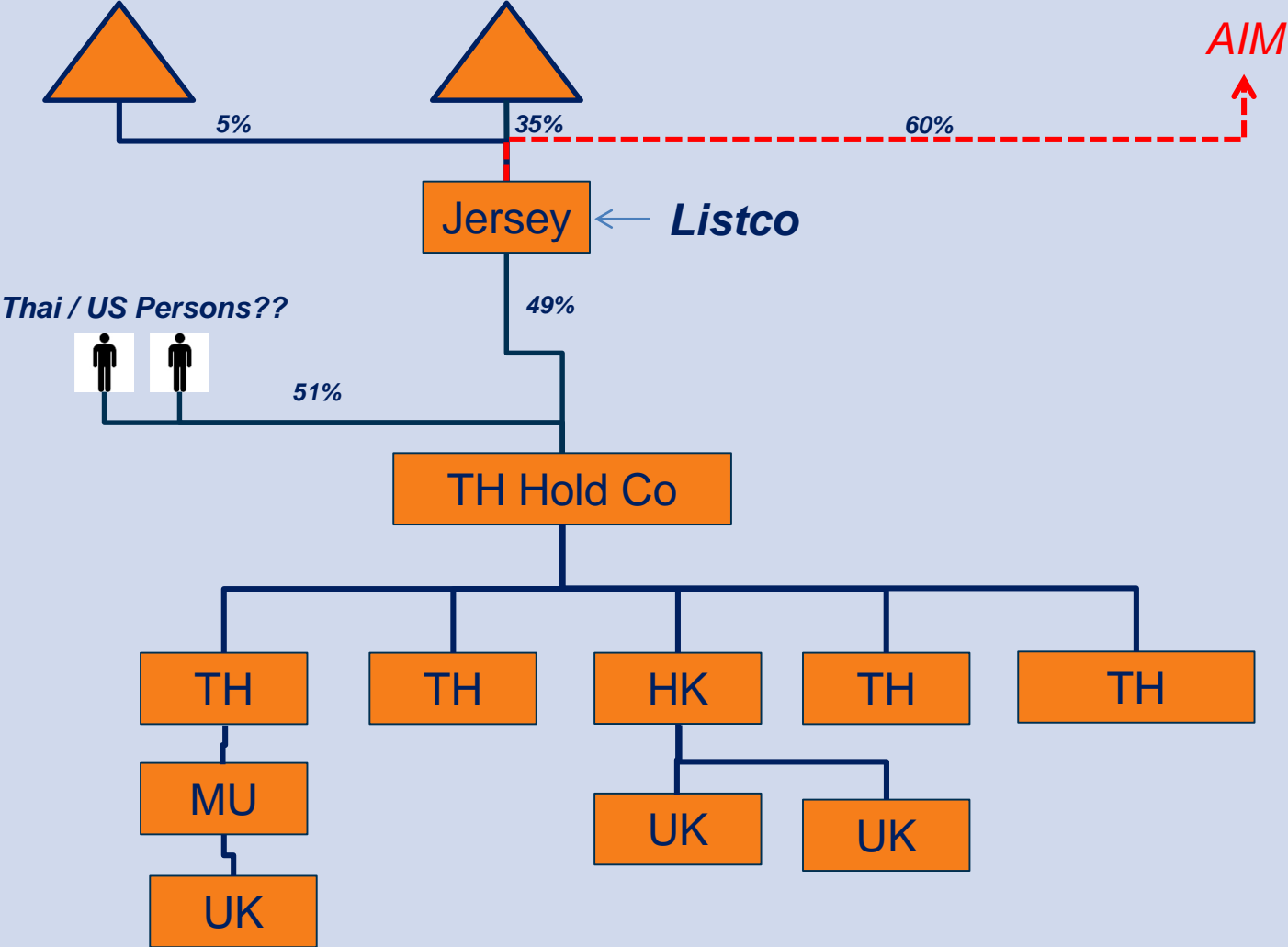
Constituents

- Trust Deed
- Trust Company – independent (from the company) to act as trustee
- Beneficiaries = the employees
- Remuneration Committee of the employer

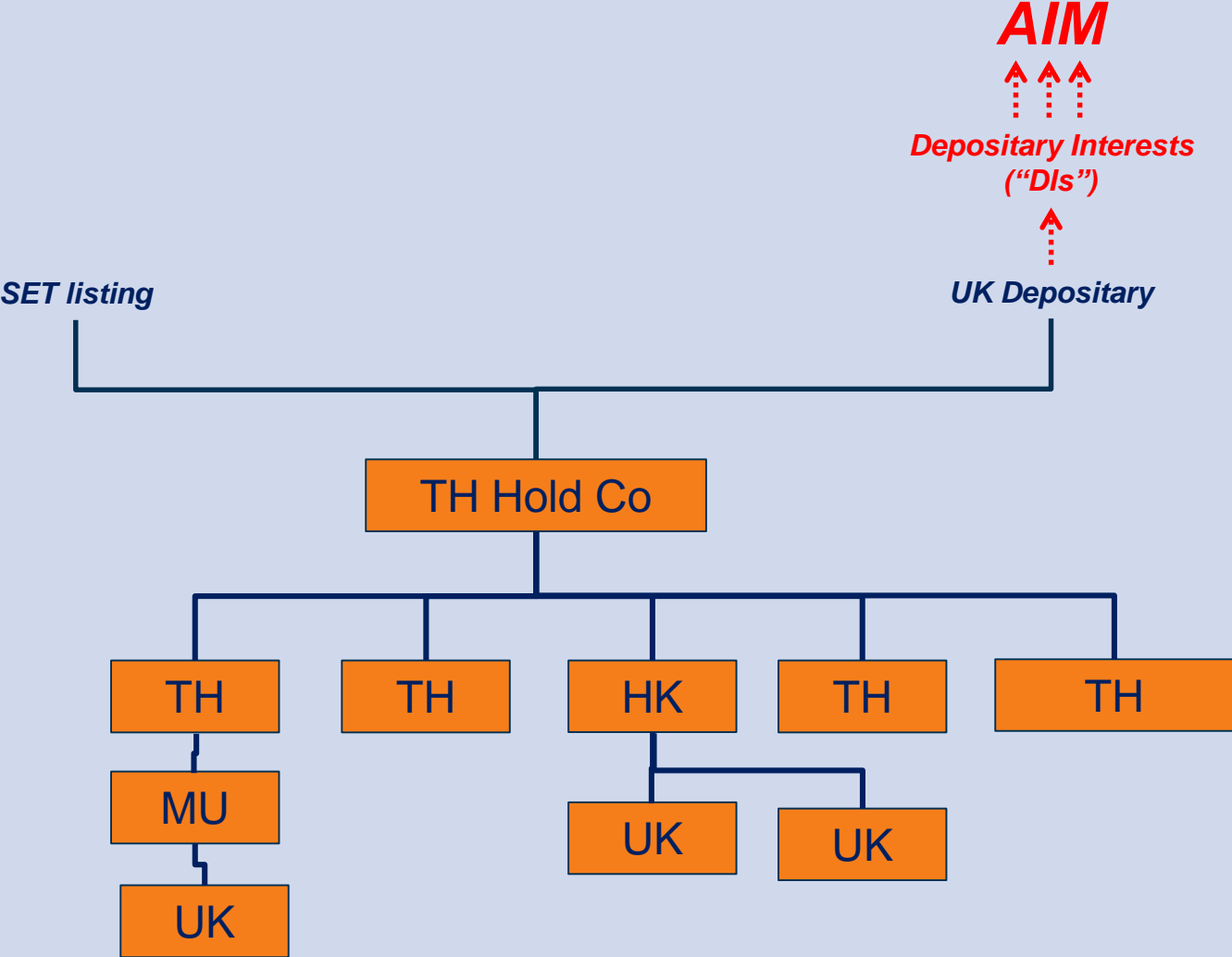
Post-IPO Corporate Structure



Thailand variant??



Thailand variant – Dual Listing??



BVI Incubator & Approved Funds

- New BVI fund regime launched in 2015
- Allows fast & cost effective method to start new funds, with lighter regulatory touch
- Ideal for “start-ups” and “friends and family”
- Disclosure required on structure and risks of not having usual range of service providers involved

Incubator Funds	Approved Funds
• Allows you to start investment strategy on trial basis with experienced investors	• Similar to incubator fund, but with higher thresholds and no time limit
• Time limit – 2 years (plus 1 year extension)	• No time limit
• Min investment U\$20,000	• No min investment
• Max investors - 20	• ✓
• Net Assets – not to exceed U\$20m	• Net Assets – not to exceed U\$100m
• No administrator required	• Administrator required
• No manager, custodian or audit required	• ✓
• Authorised Representative in BVI required	• ✓
• 2 Directors, one must be an individual	• ✓
• Accounts prepared and sent to Commission	• ✓

Why Bedell Trust?

- **Boutique provider focusing on quality service**
- **London AIM expertise delivered in Asian time zone**
 - Led by a Jerseyman
 - Supported by oldest licenced trust company in Singapore
- **One-stop-shop corporate services relevant to a London IPO**
 - Including alliance with Equiniti – Top 3 UK Registrar
- **Delivery in Jersey and/or Singapore**
 - Company Secretarial services
 - Board and committee meeting support
 - Accounting and bank account administration
 - Pre-IPO trusts – EBTs and Family Office
- **Alternative solutions – BVI funds?**

Awards & Accolades

"We have been working with Bedell Trust for many years. Their commercial awareness, coupled with a proactive attitude, means they are always on the ball. They are easily accessible, practical and responsive."

CEO, International Property Group

- Offshore Law Firm of the Year - Bedell Cristin Guernsey UK Captive Service Awards 2015, 2014 and 2013
- International Fund Services Firm of the Year - Channel Islands Global Fund Awards 2015
- Law Firm of the Year - Jersey Citywealth IFC Awards 2015
- Top 25 Most Admired Companies Private Client Practitioner 2015, 2014, 2013, 2012 and 2011
- Top 25 Trust Companies Private Client Practitioner 2015, 2014, 2013, 2012, 2011 and 2010
- Best Fund Administration Team of the Year Investment Week Fund Services Awards 2014
- Winner - Offshore Law Firm of the Year Chambers Europe Excellence Awards 2014

"Bedell provides a technically first rate, commercial and client-focussed service - all prerequisites of acting for some of world's richest families. They are undoubtedly one of the leaders in their field."

Private Client Partner,
leading City Law Firm



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