



Listing in London Workshop An Overview of UK Equity Capital Markets

September 2016
Bangkok

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

ทำไมถึงต้องเป็นตลาดหลักทรัพย์ลอนดอน

- เป็นตลาดหลักทรัพย์สากลที่ใหญ่ที่สุดในโลก
- เป็นตลาดทุนที่ใหญ่ที่สุดและมีสภาพคล่องมากที่สุดในยุโรป
- มีตลาดรองรับที่หลากหลายสำหรับตลาดเกิดใหม่และบริษัทขนาดใหญ่
- มีโครงสร้างพื้นฐานที่พิสูจน์แล้วว่าพร้อมและเชื่อถือได้ รวมทั้งมีกฎระเบียบที่สมควรเหมาะสม
- เป็นศูนย์กลางของนักลงทุนที่ใหญ่ที่สุดที่สนใจลงทุนในบริษัทข้ามชาติ
- เป็นแหล่งข้อมูลเชิงวิเคราะห์ที่ใหญ่ที่สุดเมื่อเทียบกับศูนย์กลางทางการเงินอื่น
- มีผู้เสนอขายหลักทรัพย์จาก 115 ประเทศทั่วโลกในตลาดหลักทรัพย์ลอนดอน
- มีหลักทรัพย์จากทุกภาคส่วนอุตสาหกรรม โดยเฉพาะอย่างยิ่งจากภาคธุรกิจการเงิน เทคโนโลยี และธุรกิจน้ำมันและก๊าซธรรมชาติ
- สามารถเข้าถึง **Secondary funding**

In summary – London can provide liquidity, profile and investors

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



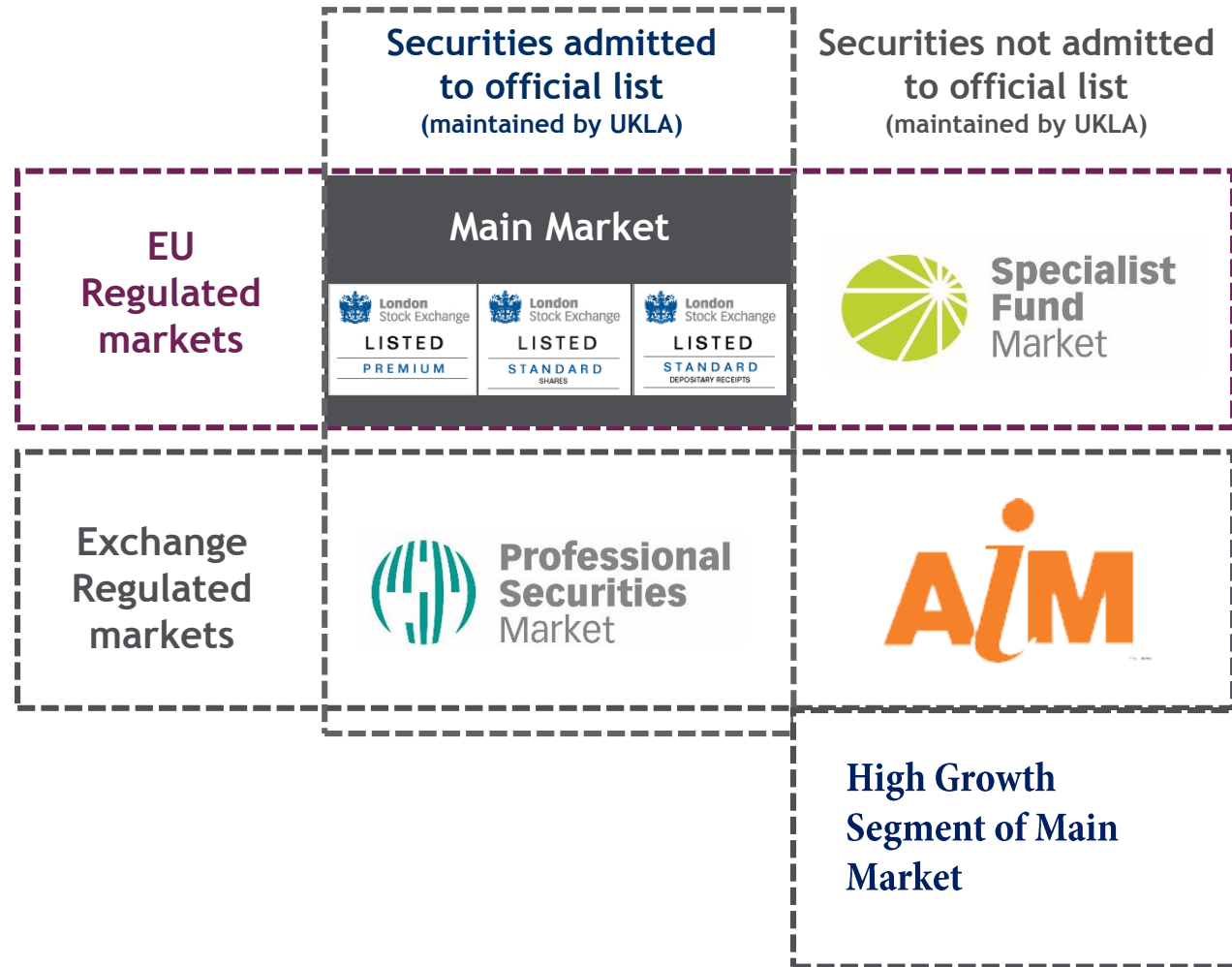
London is consistently ranked as the best financial centre to do business by The Global Financial Centres Index research conducted by Z/Yen. The research is provided for 77 centres and it draws on questionnaire and analysis of external indices. The latest report includes 26,180 financial centres assessments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

London Stock Exchange offers a diverse range of markets

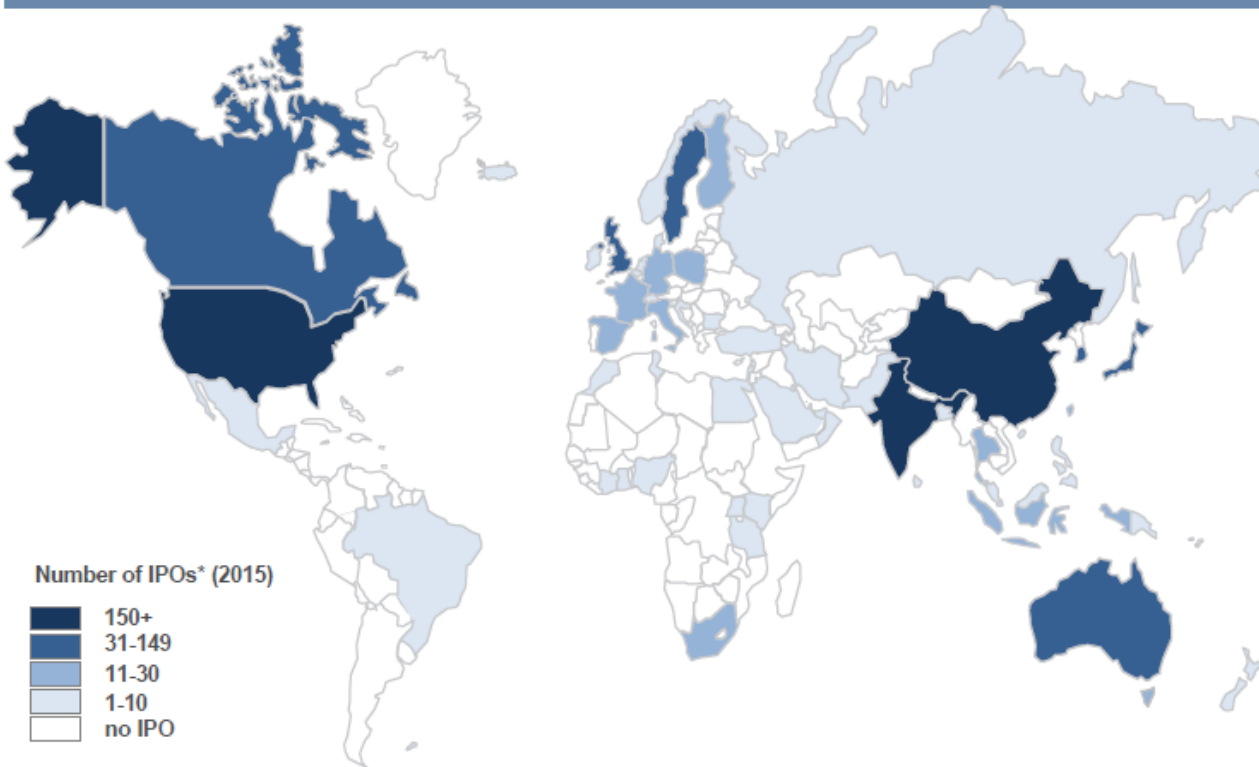
Offering choice to issuers:

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

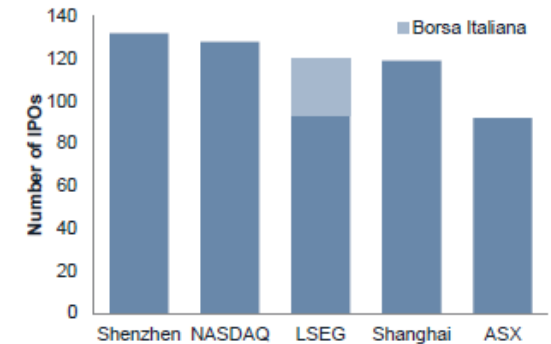
- Stage in a company's development
- Complexity of the offer and securities issued
- Target investors
- Company's size
- Company's strategy and objectives



2015 – Global IPO Market Strength



Top 5 Exchanges by # IPOs 2015



Top 5 Exchanges by Money Raised at IPO 2015



- Global IPO proceeds in 2015 reached \$201.5bn compared with \$271bn in 2014. London Stock Exchange Group ranked top globally in 2015, with \$26.3bn raised in 120 IPOs (\$32bn from 166 IPOs in 2014).
- London IPOs enjoyed healthy aftermarket, with weighted performance** of 22.3% and 71% of deals trading above the issue price.
- In 2015, the Computers & Electronics sector was the most active across LSEG's equity markets with 14 IPOs raising \$7.6bn.

Source: Dealogic, LSE stats, January 2016

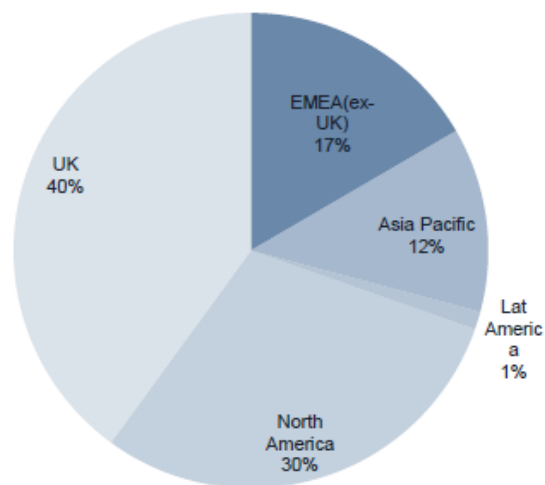
*Number of IPOs by listing venue

** Weighted by market cap at offer

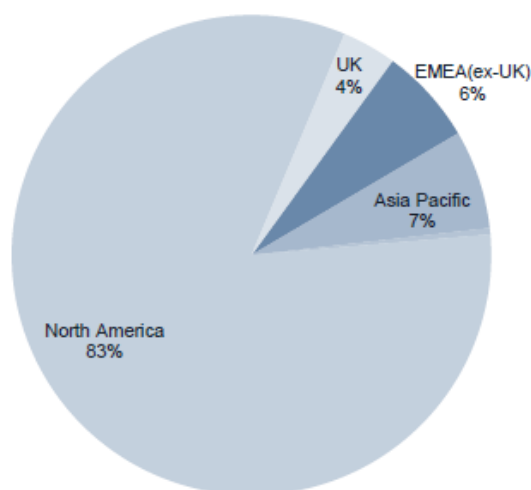
2015 – London at the heart of the Global Investment Community

Domicile of Top 50 investors in listed securities by country

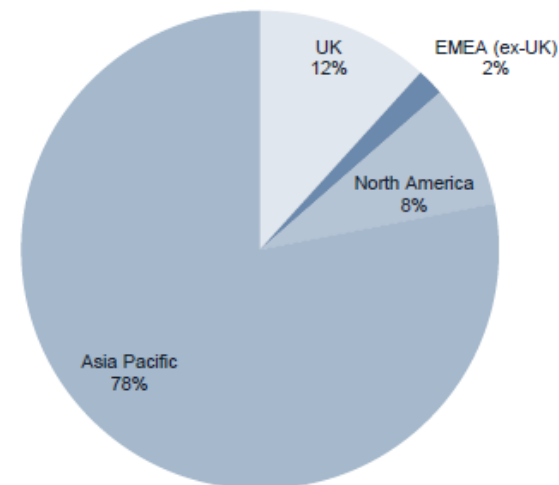
UK



US



HK

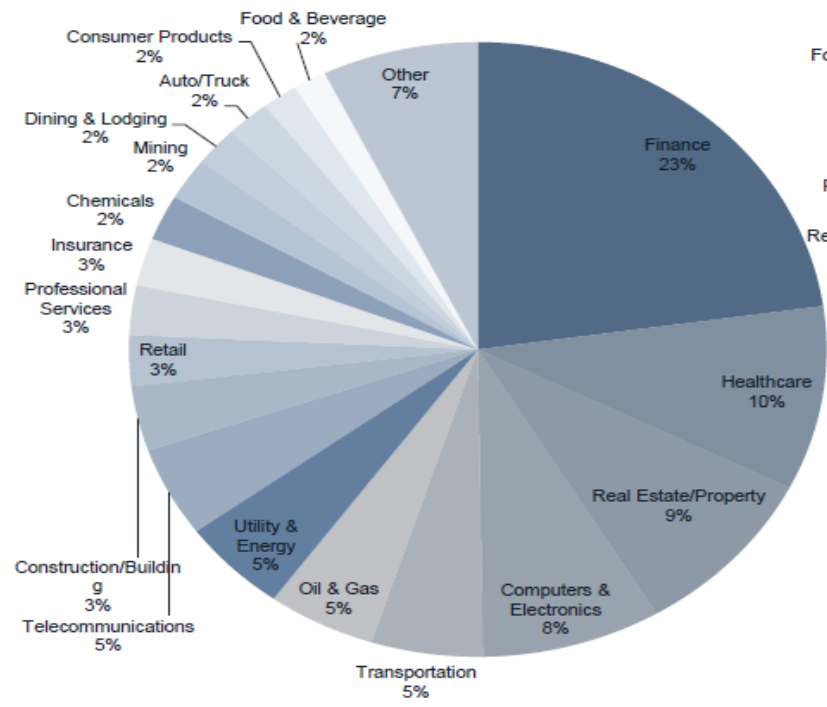


- London remains the World's Equity Market, with more international assets under management than any other global financial centre.
- Companies listing in London are able to access overseas investors through widely used and well understood capital raising routes.
- Apart from the large investor community in London, companies raising capital can also access a global investor base, including sovereign wealth funds, global institutional funds, tracker funds, specialist sectoral and geographic funds.

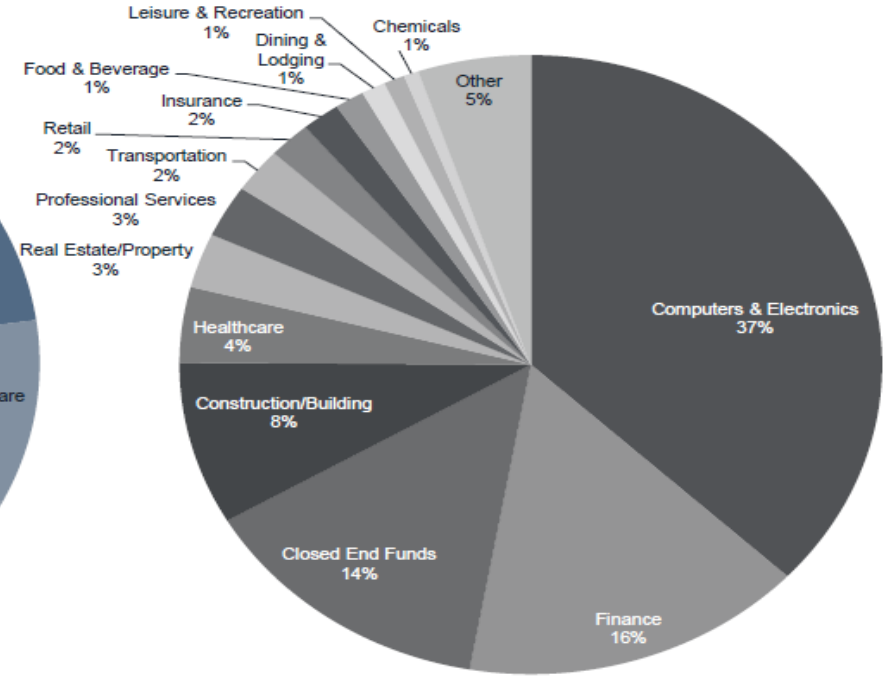
2015 – Sector Diversity Broad Across London IPOs

IPO Capital Raising by Sector

2015 Globally



2015 London



Source: Dealogic and LSE calculation, January 2016

Premium Listing on the Main Market

Key eligibility requirements

Listing Rules	<ul style="list-style-type: none"> • Compliance with the Listing Principles (LR 7) • Appointment of a sponsor • 75% of the business to be supported by a historical financial information • Control over the majority of the entity's assets • Independent business as main activity • Unqualified working capital statement • Minimum 25% shares in public hands • Minimum market capitalisation GBP 700,000 • Free transferability of securities • Eligible for electronic settlement
Accounts	<ul style="list-style-type: none"> • 3 years of audited financial information* • Latest accounts no more than 6 months old (Interims included if accounts more than 6 months old)* • EU IFRS or equivalent
Corporate Governance	<ul style="list-style-type: none"> • UK Corporate Governance
Prospectus	<ul style="list-style-type: none"> • Prospectus approved by the UKLA
Admission & Disclosure Standards	<ul style="list-style-type: none"> • Compliance with the London Stock Exchange's Admission and Disclosure Standards

Key continuing obligations

Periodic Reporting	<ul style="list-style-type: none"> • Annual Financial Report (four months after the end financial period) • Half yearly financial report • Interim Management Statement • Significant transactions (class tests)
Listing Rules	<ul style="list-style-type: none"> • Pre-emption rights extended to existing shareholders • Model code
Disclosure and Transparency Rules	<ul style="list-style-type: none"> • Inside information made public without delay • List of insiders • Major shareholder notification • Directors Dealings • Related party transactions
Corporate governance	<ul style="list-style-type: none"> • UK Corporate governance – comply or explain • Statement in the annual report
Sponsor	<ul style="list-style-type: none"> • To be retained at all time

*Does not apply to mineral or scientific research companies

Standard Listing of Shares on the Main Market

Key eligibility requirements

Listing Rules	<ul style="list-style-type: none"> • Minimum 25% shares in public hands in one or more EEA States • Minimum market capitalisation GBP 700,000 • Free transferability of securities • Eligible for electronic settlement • 12 month working capital statement
Accounts	<ul style="list-style-type: none"> • 3 years of audited financial information (or such shorter period that the issuer has been in operation) • Latest accounts no more than 18 months old (if audited interims included) or 15 months old (if unaudited interims included). If accounts are older than 9 months, interims must be included. • EU IFRS or equivalent
Corporate Governance	<ul style="list-style-type: none"> • Domestic corporate governance code applies
Prospectus	<ul style="list-style-type: none"> • Prospectus approved by the UKLA
Admission & Disclosure Standards	<ul style="list-style-type: none"> • Compliance with the London Stock Exchange's Admission and Disclosure Standards

Key continuing obligations

Periodic Reporting	<ul style="list-style-type: none"> • Annual Report (four months after the end financial period) • Half yearly financial report
Disclosure and Transparency Rules	<ul style="list-style-type: none"> • List of insiders • Inside information made public without delay
Corporate governance	<ul style="list-style-type: none"> • Domestic Corporate governance applied • Corporate governance statement in the annual report

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

หลักเกณฑ์การรับหลักทรัพย์:

- ไม่มีการกำหนดขนาดขั้นต่ำของรายการ
- ไม่มีการกำหนดขนาดขั้นต่ำของข้อมูลทางการเงินในอดีต
- ไม่มีการกำหนดจำนวนหลักทรัพย์ขั้นต่ำที่ถือโดยบุคคลภายนอก (ในทางปฏิบัติจำนวนหลักทรัพย์ขั้นต่ำร้อยละ 15)
- ไม่มีการกำหนดให้การทำรายการต้องได้รับอนุมัติจากผู้ถือหุ้นเดิม ยกเว้นการซื้อธุรกิจแบบย้อนกลับ
- เอกสารในการยื่นเสนอขายหลักทรัพย์ไม่ต้องผ่านการตรวจสอบโดยส่วนกำกับดูแลหรือ UK Listing Authority เพียงแต่ให้ผ่านการตรวจสอบโดยที่ปรึกษาที่ได้รับการเห็นชอบจากตลาดหลักทรัพย์ลอนดอน (Nominated adviser)
- กำหนดให้มี Nominated adviser และ broker ในทุกกรณี

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

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

ภาระผูกพันต่อเนื่อง:

- “มีความยืดหยุ่น” และเป็นไปตามหลักการของความสมเหตุสมผล
- ต้องเปิดเผยข้อมูลทั้งหมดที่เกี่ยวกับความอ่อนไหวของราคาในเวลาที่เหมาะสม
- ต้องจัดทำรายงานกลางปีและรายงานประจำปี
- กรรมการบริษัททุกท่านยืนยันว่าเป็นผู้รับผิดชอบทั้งหมด
- มีข้อกำหนดบางประการสำหรับกรรมการและพนักงานของบริษัทในช่วงระยะเวลาจากวันสิ้นสุดถึงวันเผยแพร่งบการเงิน
- มีข้อกำหนดตามมาตรฐานการกำกับดูแลกิจการของ UK โดยใช้ **best practice - QCA Corporate Governance Guidelines** สำหรับบริษัทขนาดเล็ก และ **Companies and NAPF Guidelines** สำหรับบริษัท AIM

The AIM Adviser Team



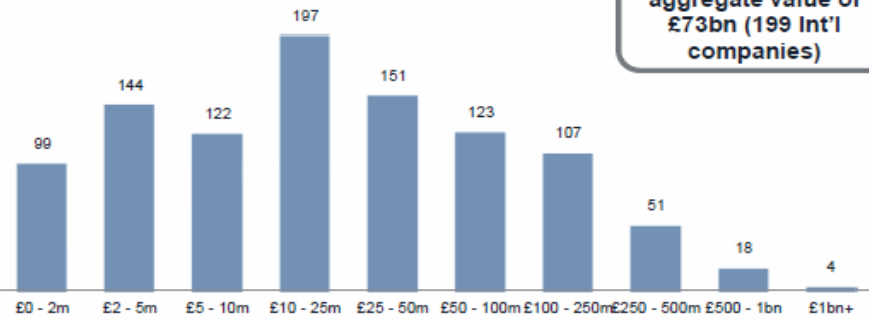
A Snapshot of AIM



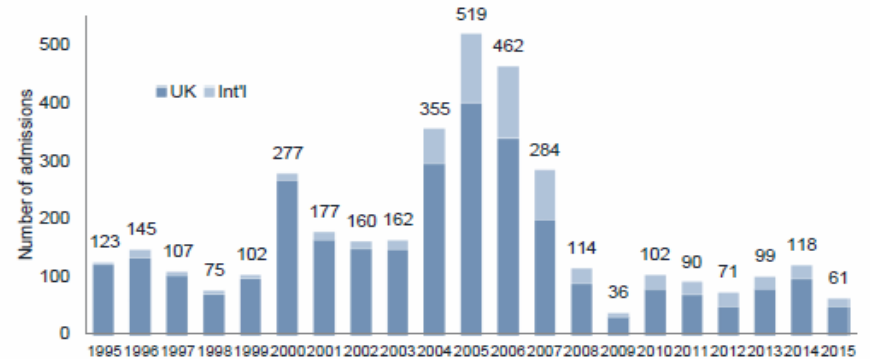
London
Stock Exchange

Profile of AIM Companies

1,044 companies*,
aggregate value of
£73bn (199 Int'l
companies)

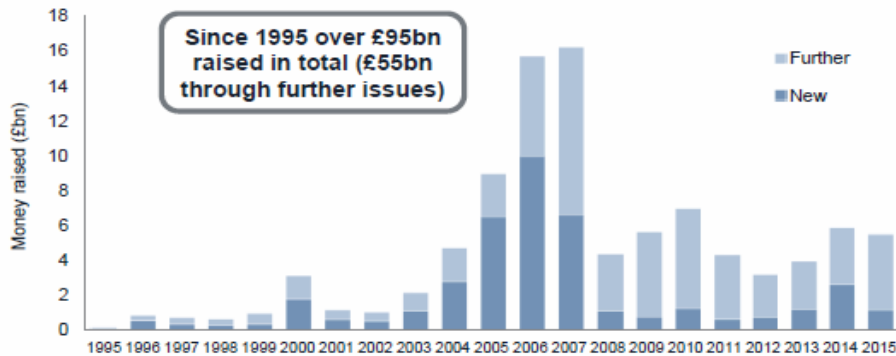


Admissions to AIM – 1995 to 2015

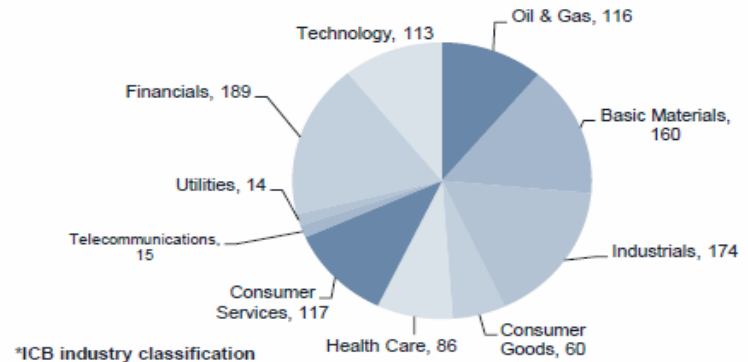


Fundraisings on AIM – 1995 to 2015

Since 1995 over £95bn
raised in total (£55bn
through further issues)



Industries* Represented – by Number of Companies

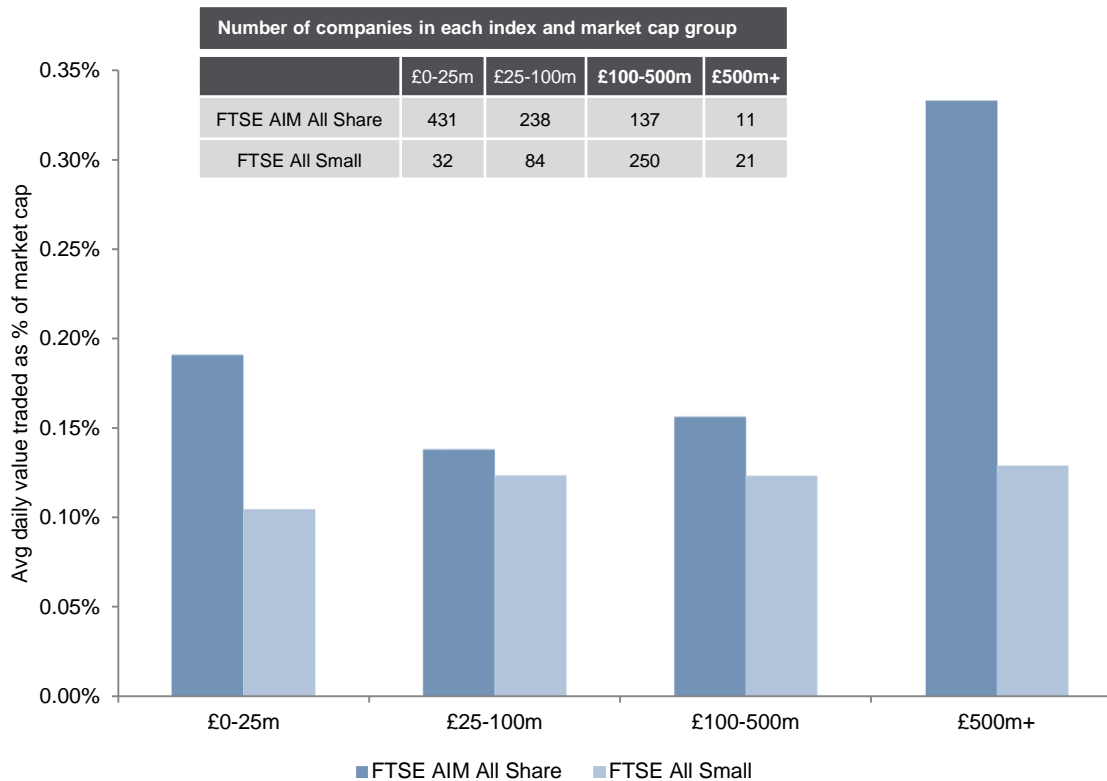


Source: LSE statistics, 31st of December 2015

*28 companies either suspended or undetermined value

Liquidity and Investors

AIM companies have comparable levels of daily liquidity to their Main Market peers*



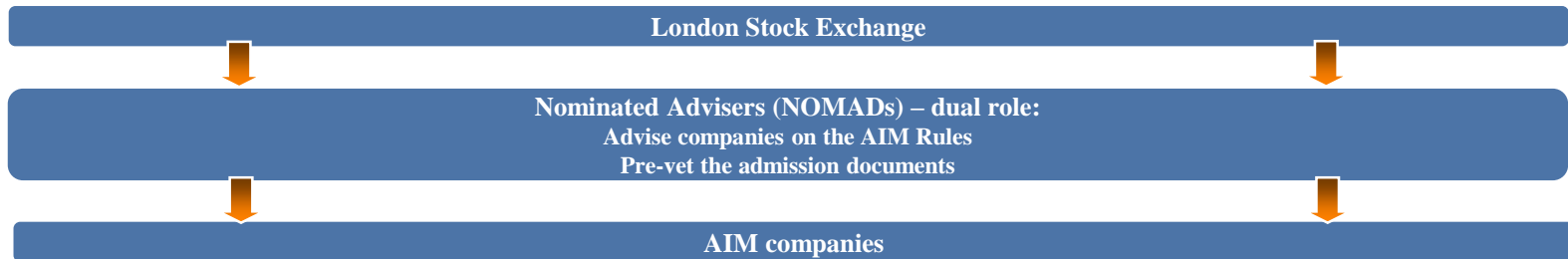
Top Institutional Holders	Market Value
Invesco Asset Management	£1,676.1m
Hargreave Hale	£1,170.3m
Henderson Global Investors	£955.8m
Schroder Investment Management	£876.0m
Standard Life Investments	£750.6m
BlackRock Investment Management (UK)	£740.2m
M&G Investment Management	£613.1m
Woodford Investment Management	£610.0m
Liontrust Investment Partners	£596.8m
Barclays Bank Plc (Private Banking)	£536.1m

- **Deep pool of institutional capital, an active retail investor base and specialist funds, including AIM VCTs**
- **Supported by a dedicated network of market professionals**
- **Liquidity is ultimately company specific, dependent on factors including free float, diversity of investor base & plans for future liquidity events**

Source: Data from Bloomberg (6 month average daily value traded before end of February 2015). Liquidity Analysis shows median within each market cap range. FactSet for institutional holders

*The FTSE All-Small Index consists of all the companies in the FTSE SmallCap and FTSE Fledging indices

AIM regulatory framework



Key eligibility requirements	
Rulebooks	<ul style="list-style-type: none"> AIM Rules for Companies and Nominated Advisers
Eligibility criteria	<ul style="list-style-type: none"> No minimum track record requirement or free float criteria, but company must demonstrate appropriateness to join a public market Appointment of nominated adviser
Admission documents	<ul style="list-style-type: none"> Pre-admission announcement at least 10 business days prior to admission AIM admission document Nomad declaration of appropriateness
Corporate governance	<ul style="list-style-type: none"> Adoption of corporate governance measures as appropriate for the business UK Corporate Governance Code / QCA Corporate Governance Code as best practice

Continuing obligations	
Periodic reporting	<ul style="list-style-type: none"> Audited Annual Report Half yearly financial report
Disclosure requirements	<ul style="list-style-type: none"> Price sensitive information to be made public without delay Significant shareholder notification Directors' dealings notification Company website with up-to-date regulatory information
Corporate transactions	<ul style="list-style-type: none"> Class tests to assess transactions Notification of substantial transactions, related party transactions Shareholder approval for reverse takeovers, fundamental disposals & cancellation
Adviser	<ul style="list-style-type: none"> To retain a nominated adviser at all times, failure to do so may result in suspension in the company's shares

The Benefits of AIM

Access to capital

Diverse & deep pool of capital

Strong support from institutions

Funding for acquisitions & expansion to new markets

Tax benefits

BLACKROCK®



Experienced community of advisers

Nominated advisers

Accountants

Lawyers

Banks/Brokers

Analysts

Financial PR / IR

Media

Balanced regulatory approach

Disclosure requirements tailored to growing companies

Based on EU FSAP Directives & UK Prescribed Market Regime

Local & International investor confidence in regulatory framework

Profile

Visibility

Bargaining power with customers & supplier

Access to incremental research coverage

Marketability of stock

Global peer group

FTSE AIM Index Series



Principal Contacts – Capital Markets (UK and Asia Pacific)

London

Stephen Bullock	Direct line: +44 (0) 20 7842 7166	email: stephen.bullock@crowecw.co.uk
Robin Stevens	Direct line: +44 (0) 20 7353 7282	email: robin.stevens@crowecw.co.uk
Peter Varley	Direct line: +44 (0) 20 7842 7353	email: peter.varley@crowecw.co.uk
Paul Blythe	Direct line: +44 (0) 20 7842 7231	email: paul.blythe@crowecw.co.uk
Mitesh Patelia	Direct line: +44 (0) 20 7842 7305	email: mitesh.patel@crowecw.co.uk

Auckland

Kurt Sherlock email: kurt.sherlock@crowehorwath.co.nz

Bangkok

Sathien Vongsnan email: sathien@ans.co.th

Beijing

Yang Chew Ooi email: yangchew.ooi@crowehorwath.cn

Ho Chi Minh

Vu Lam email: lam.vu@crowehorwath.vn

Hong Kong

Charbon Lo email: charbon.lo@crowehorwath.hk

Jakarta

Munir Ali email: munirali@crowehorwath.id

Kuala Lumpur

Kien Hoe Onn email: kienhoe.onn@crowehorwath.com.my

Manila

Ramon Garcia email: ramon.garcia@crowehorwath.com.ph

Mumbai

Vijay Thacker email: vijay.thacker@crowehorwath.in

Phnom Penh

Poon Yew Hoe email: yewhoe.poon@crowehorwath.com.kh

Seoul

Kwang Ro Lee email: kwangro.lee@crowehorwath.co.kr

Singapore

Ta Kuang Hui email: kuanghui.tan@crowehorwath.com.sg

Sydney

Andrew Fressl email: andrew.fressl@crowehorwath.com.au

Taiwan

Robert Wang email: robert.wang@crowehorwath.tw

Tokyo

Kwi Ha An email: kwiha@crowehorwath-yusei.jp

Yangon

Htu Htu Aung email: choassociates@gmail.com



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