




The business of relationships.™

Accessing London Capital Markets

Bangkok, 6 September 2016

Reed Smith Overview



Leading international, full service global law firm with sector expertise

Over 1,800 lawyers and more than 800 partners

Trusted legal adviser to leading international business, including Fortune 100 & FTSE 100 corporations

One fully integrated global partnership across markets and sector groups

A theme of seamless and consistent service – tailored for each client and led by Client Relationship Partners

A client relationship firm - Reed Smith ranked in the BTI Client Service 30 in *The BTI Client Service A-Team 2014*. We have been a Client Service 30 firm for eleven **years running**

Reed Smith Network

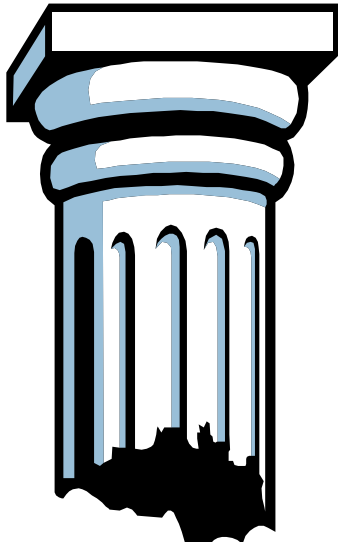
More than 1,800 lawyers within 26 offices worldwide.

Substantive practices are organised across geographic boundaries and assisted by technology so our work is performed in the most cost-effective and efficient manner.

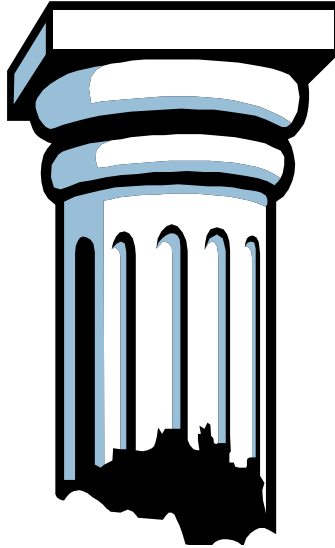


U.S. West	U.S. Central	U.S. East	Europe	Middle East	Asia
270+	180+	800+	420+	25+	150+

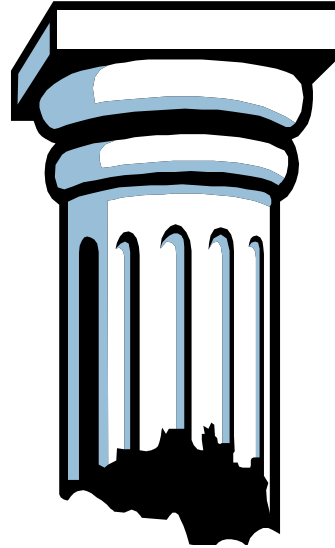
Reed Smith Strengths: Five Pillars



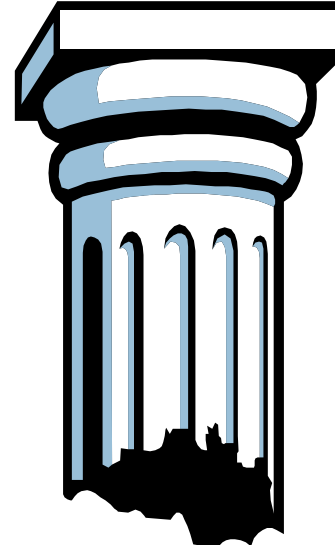
Energy & Resources



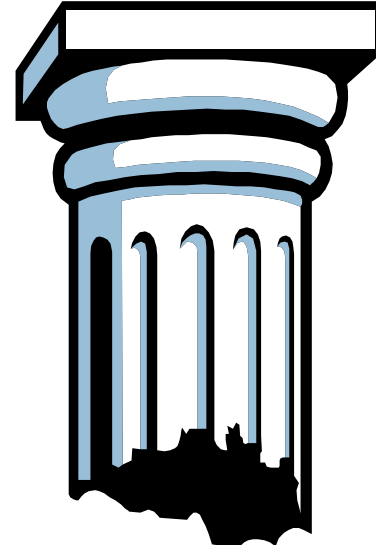
Life Sciences



Shipping & Transportation



Entertainment & Media



Financial Services



Asian IPOs to London



**TOP CREATION
INVESTMENTS
LIMITED**



daVICTUS

**MYANMAR
INVESTMENTS**



**Sorbic
International Plc**



**ASEANA
PROPERTIES
LIMITED**

GEONG

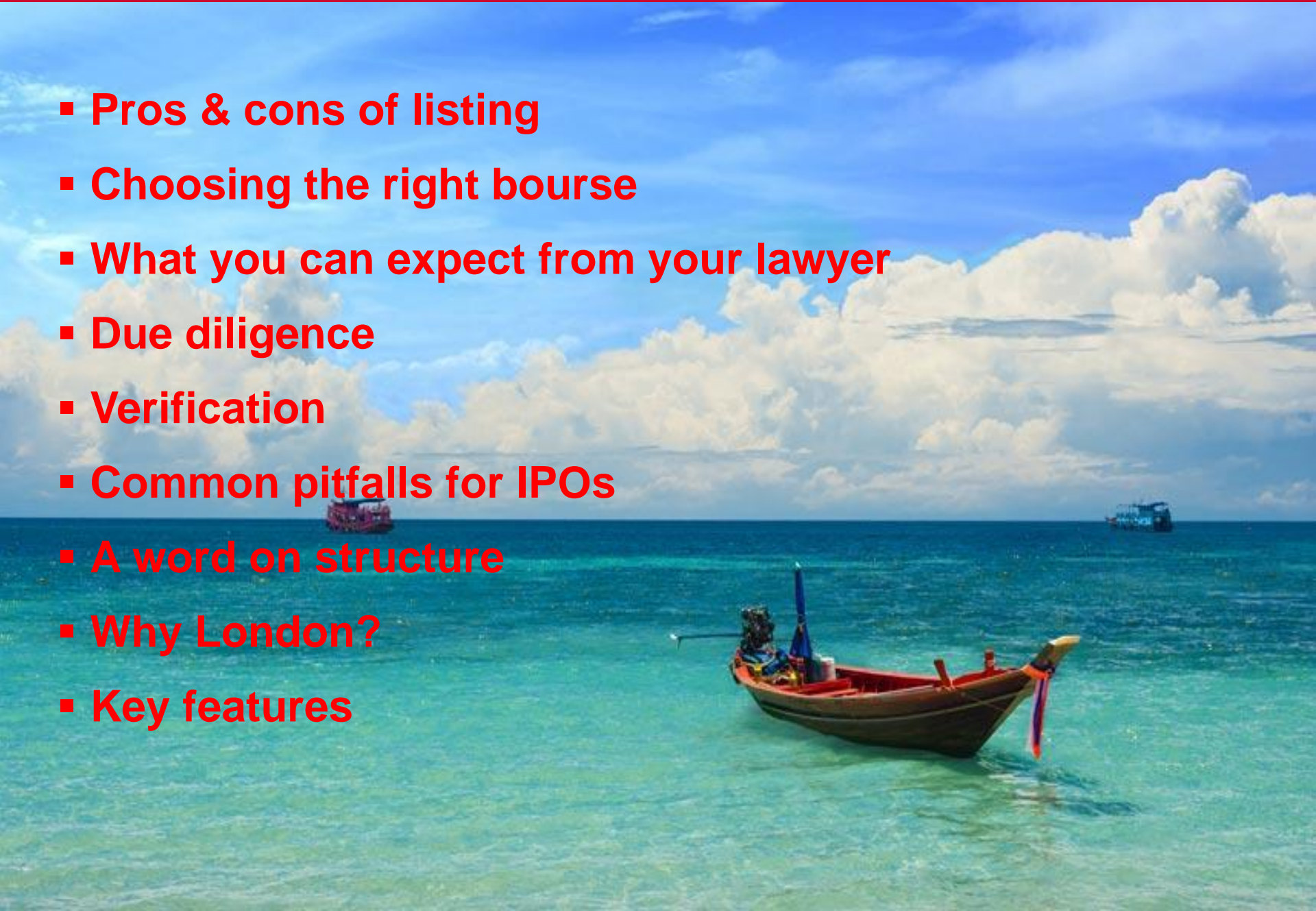
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**RADIANT GROWTH
INVESTMENTS LIMITED**



Overview

- **Pros & cons of listing**
- **Choosing the right bourse**
- **What you can expect from your lawyer**
- **Due diligence**
- **Verification**
- **Common pitfalls for IPOs**
- **A word on structure**
- **Why London?**
- **Key features**



Pros & cons of listing

Pros	Cons
<ul style="list-style-type: none"><li data-bbox="272 389 664 434">▪ Access to capital<li data-bbox="272 501 670 545">▪ Profile/reputation<li data-bbox="272 612 510 656">▪ Exit route<li data-bbox="272 723 909 768">▪ Motivation/incentive (ESOS)	<ul style="list-style-type: none"><li data-bbox="987 389 1335 434">▪ Loss of control<li data-bbox="987 501 1445 545">▪ Ongoing obligations<li data-bbox="987 612 1576 656">▪ Disclosure / accountability<li data-bbox="987 723 1141 768">▪ Costs<li data-bbox="987 835 1309 879">▪ Transparency<li data-bbox="987 946 1340 991">▪ Loss of privacy<li data-bbox="987 1058 1534 1102">▪ Management distraction<li data-bbox="987 1169 1514 1213">▪ Increased litigation risk

Choosing the right bourse

▪ Consider:

- Type of business
 - ✓ Active/operating
 - ✓ Passive/investment holding
- Stage of development
 - ✓ Exploration/development
 - ✓ Production
- Location
 - ✓ Assets
 - ✓ Customers
 - ✓ Management
- Required speed/timing to market
- Management/technical resources
- Market conditions
- Costs



Indonesia Stock Exchange
Bursa Efek Indonesia



London
Stock Exchange



What you can expect from your lawyer

- Pre IPO structuring / fundraising
- Licences / regulatory approvals
- Reviewing engagement terms
- Admission document / prospectus
- Due diligence / verification
- Placing documents
- Securities legislation
- Directors' duties / corporate governance
- Ongoing compliance



Due diligence: Why?

- Directors: have a general obligation to ensure that Admission Document/Prospectus contains all information reasonably necessary to enable investors to form a full understanding of, inter alia, the assets and liabilities, financial position, profits and losses, and prospects of the Group and the rights attaching to the securities to be listed.
- Nomad is also required to confirm to AIM that, in its opinion, it is satisfied that the applicant is appropriate for listing on AIM.
- Due Diligence is one of the processes in the listing process for satisfying these requirements.

Due diligence: Scope

- Covers the company's entire business:
 - Commercial (Nomad / Sponsor)
 - Financial (Reporting Accountant)
 - Legal (Lawyer)
- Due diligence findings:
 - Information to be included in AD/Prospectus
 - Matters to be "fixed":
 - ✓ Pre IPO requirements
 - ✓ Post IPO commitments / recommendations

Due diligence: Detail

- General company information
- Accounts
- Real property and other material assets
- Indebtedness and financing documents
- Creditors and debtors
- Other material contracts and arrangements
- Employees, pensions and benefits
- IP, marketing, sales and operations
- Insurance
- Regulatory matters
- Litigation and disputes
- Environmental and health



Verification

- Need to verify:
 - Admission Document/Prospectus
 - Presentation Materials
- AIM verification period can be short (2/3 weeks) because:
 - Admission Document is comparatively short
 - No vetting by the Exchange
- More work required for a Main Market Listing
- With good planning, a lot of the information required for verification will come from the Due diligence process

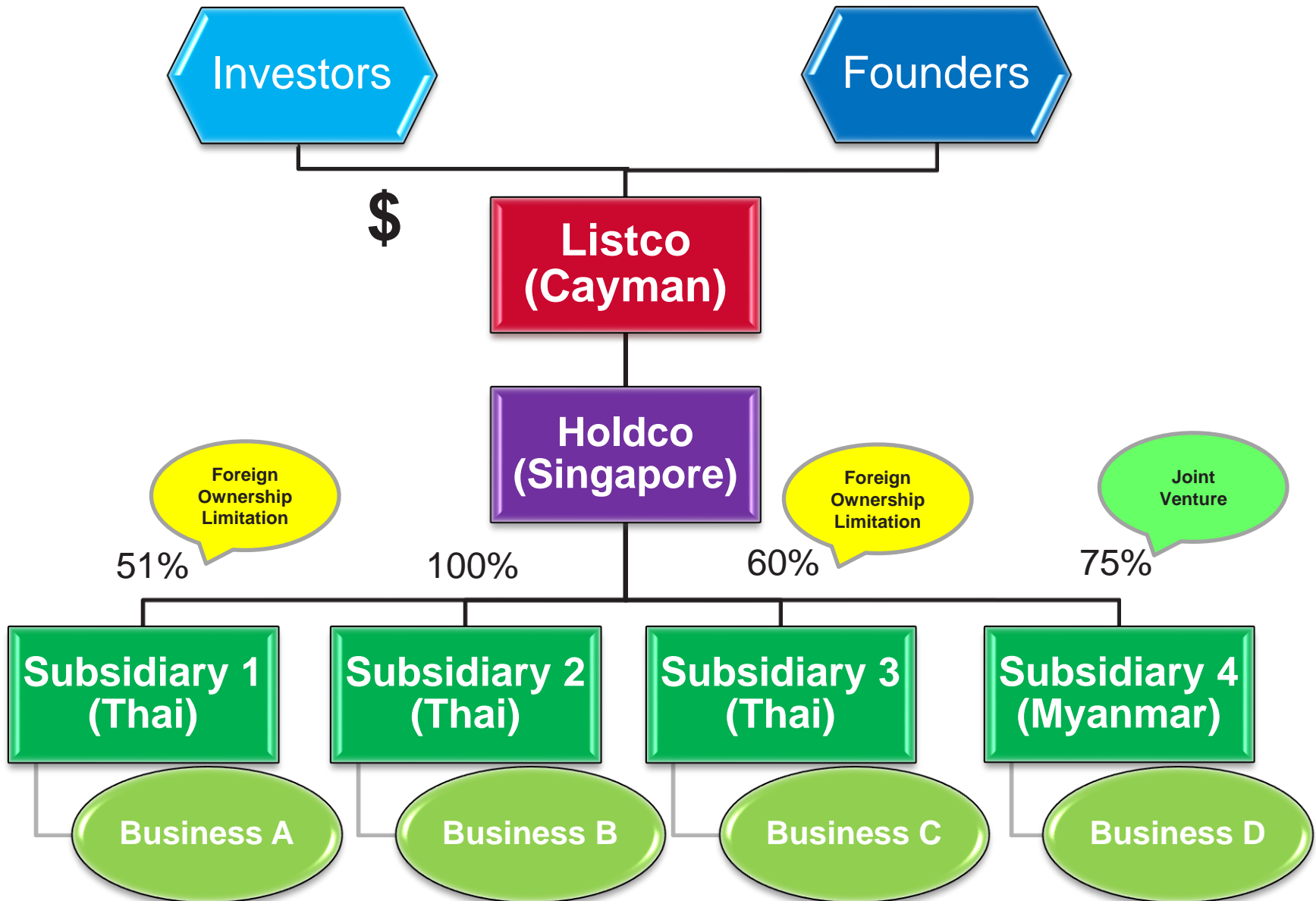
Common pitfalls for IPOs

- Going to the market too soon...or too late
- Thinking too much about process not strategy
- Seeing the IPO as the end of the journey
- Under-estimating the commitment
- Not embracing the consequences of an IPO
- Not trusting your advisers
- Not being flexible



#Mistake

A word on structure



Why London?



Considerable investor knowledge and expertise

Track record of liquidity

Well differentiated ECM products

Strong research platform

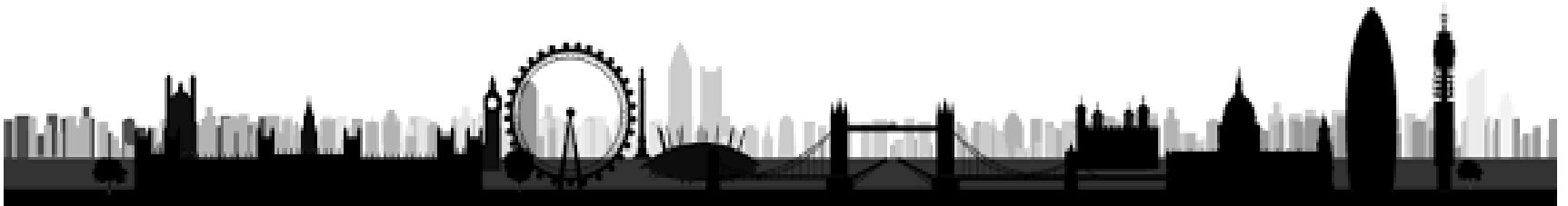
Deep pool of international capital

International visibility and profile

Why London?

Options:

- Main Market (Premium)
- Main Market (Standard)
- AIM



Premium Listing

- Sponsor required for listing
- And thereafter for certain transactions

Standard Listing

- Not required
- But sponsor often acts as financial adviser on listing

AIM

- Nomad required for listing
- And on ongoing basis

Key features: Minimum public float

Premium Listing

- 25%
- In EEA

Standard Listing

- 25%
- In EEA

AIM

- None stipulated
- 15% in practice

Key features: Market capitalisation

Premium Listing

- GBP 700k
- Ideal size? FTSE 350

Standard Listing

- GBP 700k
- Ideal size?

AIM

- None stipulated
- Ideally GBP 40-100m

Premium Listing

- 3 years for 75% of business
- Independent business

Standard Listing

- None stipulated
- Up to 3 years if they exist

AIM

- None stipulated
- Up to 3 years if they exist

Premium Listing

- Annual report - 4 months
- Half-year report - 2 months
- Quarterly summary - 45 days

Standard Listing

- Annual report - 4 months
- Half-year report - 2 months
- Quarterly summary - 45 days

AIM

- Annual report - 6 months
- Half-year report - 3 months

Key features: Post-listing compliance

Premium Listing

- Announce price sensitive information
- Class 1 transaction requires shareholder approval and sponsor opinion
- RTO treated as new listing

Standard Listing

- Announce price sensitive information
- Class tests by voluntary adoption
- RTO treated as new listing

AIM

- Announce price sensitive information
- Disclose significant and related party transactions
- RTO requires shareholder approval and treated as new listing

Premium Listing

- NEDs – ½ the Board (usually at least 3)
- CG Regime: Combined Code

Standard Listing

- NEDs – None stipulated (usually 2 by voluntary adoption)
- CG Regime: None specified (usually Combined Code or QCA Guidelines)

AIM

- NEDs – None stipulated (usually 2 by agreement with Nomad)
- CG Regime: None specified (usually QCA Guidelines)

Why Reed Smith?

"Reed Smith are really nice people - the culture in the firm is fantastic. They're easy to work with, efficient, good on costs and very experienced in what they do."

"They're very capable, consummate lawyers. Would I work with them again? Absolutely."

Chambers UK 2016



Matthew Gorman

Partner

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Overview

Matthew is a corporate partner based in Reed Smith's Singapore office and a member of the firm's Energy & Natural Resources Group. He has extensive transactional experience across a range of corporate and commercial disciplines including mergers and acquisitions, joint ventures, equity capital markets and private equity and venture capital.

Matthew provides strategic advice to both private and public companies and his knowledge of complex financing issues and his experience in understanding clients' objectives makes him a skilled advisor in sectors spanning, energy and resources, transportation and logistics, media, real estate and financial services.

Having worked in London for over 10 years before moving to Asia, Matthew has built up particular expertise in advising companies, financial institutions and intermediaries on transactions on the London Stock Exchange and its AIM market in particular. He also brings to any fund-raising transaction his thorough knowledge of the investment process and his understanding of Asian markets, cultures and corporate business styles.

Matthew's extensive cross-border experience covers a wide range of jurisdictions throughout Asia and beyond - including Singapore, Malaysia, China, Vietnam, Myanmar, Indonesia, Oman and Georgia.

Matthew is recognised by Chambers Asia 2015 as a Leading Individual in the Corporate/M&A and Capital Markets categories. Clients have commented that:

"Matt impressed us with his hands-on commercial approach which, combined with his experience of cross-border M&A deals and an ability to work well with local counsel, meant that he was able to focus our attention on the critical issues."

"Matt has considerable experience of doing deals in Asia and always combines his expertise and experience with a measured and commercial approach to the transactions on which he advises."

ReedSmith

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Thank you
