

Equity Capital Markets

Roadmap of a Listing in London

July 2015



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Further information

Hogan Lovells has prepared a roadmap of the key issues to consider when planning your listing in London. If you would like further information on any aspect of listing in London, please contact the person at Hogan Lovells with whom you usually deal or:



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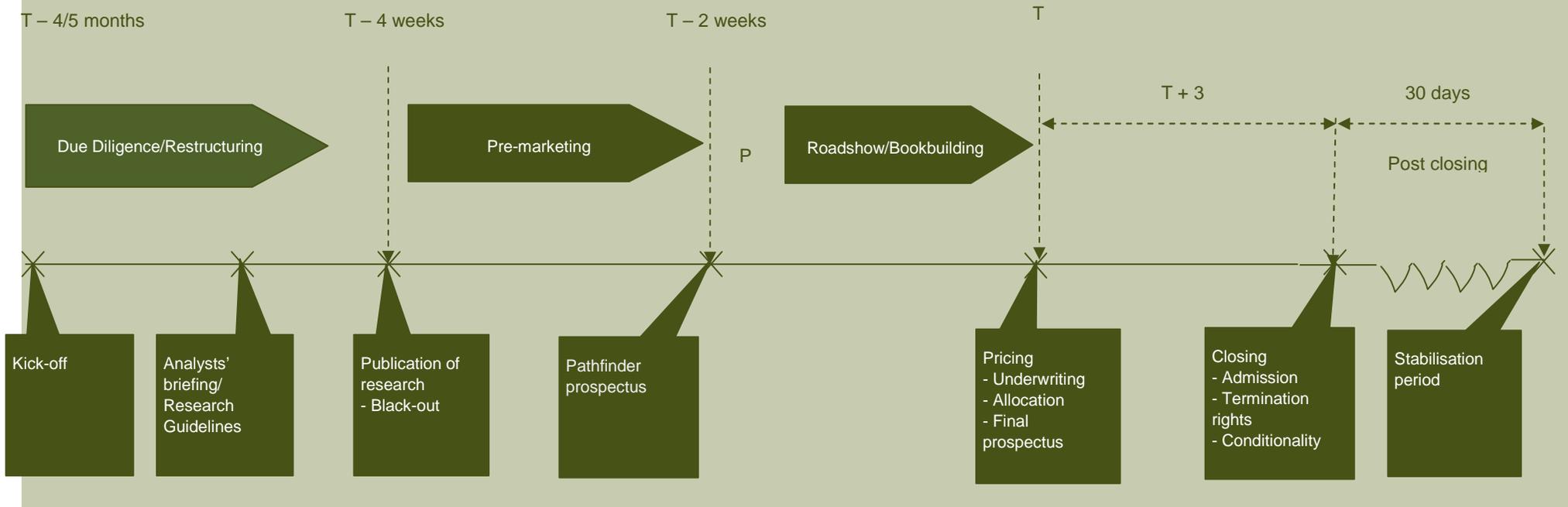
This note is written as a general guide only. It should not be relied upon as a substitute for specific legal advice.

Launch

1. **Structure of Group**
 - 1.1 Is any restructuring of the group required?
 - 1.2 If overseas, is a new UK TopCo required?
 - 1.3 Does TopCo have sufficient distributable reserves to pay dividends post IPO?
2. **Structure of Offer**
 - 2.1 Shares or depository receipts?
 - 2.2 Offering or introduction only?
 - 2.3 New shares or only existing shares?
 - 2.4 Retail and/or institutional offer?
 - 2.5 Employee share offering?
 - 2.6 Distribution into other jurisdictions e.g. the US?
 - 2.7 Controlling or significant shareholders: relationship agreements and lock-up agreements
3. **Market/Listing Choice**
 - 3.1 Listing on official list in London? Premium or standard?
 - 3.2 Admission to trading on High Growth segment?
 - 3.3 Admission to trading on AIM?
 - 3.4 Secondary or local listing?
4. **Corporate Governance**
 - 4.1 Review board structure
 - 4.2 Consider calibre and credentials of non-executive directors
 - 4.3 If AIM, consider which code – UK Corporate Governance Code? QCA Code?
5. **Accounts**
 - 5.1 Are accounts prepared to International Accounting Standards or equivalent?
 - 5.2 Is there a three year track record for the business being listed?
 - 5.3 Are pro forma accounts/profit forecasts required?
6. **Financial Condition**
 - 6.1 Working capital statement
 - 6.2 Significant change statement
 - 6.3 Long form report
 - 6.4 Financial reporting procedures
7. **Preliminary Discussions**
 - 7.1 Suitability
 - 7.2 Accounting issues
8. **Decide Upon Timetable**
9. **Appoint Advisers**
 - 9.1 Sponsor/Bank/Nomad/Key Adviser, lawyers, accountants, local lawyers, PR agent, registrar
10. **Engagement Letters**
 - 10.1 Negotiate with banks and accountants

Due diligence and prospectus preparation	1.	Documentary Diligence
	1.1	Targeted approach based on key commercial drivers
	1.2	Assemble documents for review
	1.3	Other areas to be covered include:
	(a)	current products/current markets
	(b)	new products/markets
	(c)	main competitors
	(d)	licensing/branding agreements
	(e)	manufacturing approvals
	(f)	operational agreements (i) manufacturing, (ii) distribution, (iii) marketing collaborations
(g)	litigation and IP protection	
(h)	sales	
(i)	premises	
(j)	marketing	
(k)	customers	
(l)	key contracts	
(m)	capital expenditure	
(n)	management	
(o)	employees	
(p)	corporate structure and share capital	
(q)	banking facilities	
2.	Local Counsel	
2.1	Due diligence on overseas operations (if any)	
3.	Prospectus Drafting	
3.1	Management interviews (CFO, CEO etc. at both group and divisional levels)	
3.2	Questionnaire sent to management to prepare for meetings	
3.3	Management meetings will cover topics such as:	
(a)	financial performance	
(b)	business and strategic plans	
(c)	risk factors	
(d)	intended use of proceeds (if new shares being issued)	
4.	Publication of Research	
Roadshow, bookbuilding and launch	1.	Press Announcement
	2.	Preliminary Admission Document/Prospectus Published or Pathfinder Available
	3.	Management Presentations to Investors
	3.1	Gauge market reaction
	3.2	Assist pricing
	4.	Bookbuilding
	4.1	Find investors to suggest next stage of corporate growth
	5.	Shares Priced
	6.	Final Admission Document/Prospectus Published
	7.	Settlement (three days after pricing)
7.1	Shares Admitted to Trading	
8.	Stabilisation	
8.1	Manager stabilises share price for 30 days after closing	

Timetable



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