



LSE

(London Stock Exchange Main Board)

<http://www.londonstockexchange.com>

Comprises approximately 1,800 listed companies with a total market capitalization of more than USD 5,200 billion

Key requirements for an initial public offering of equity securities on the Main Market of The London Stock Exchange

Business requirements	<ul style="list-style-type: none"> ● The applicant must have an independent business supported by a historic revenue-earning record. ● The applicant must have exercised control over a majority of its assets for at least the track record period. ● The business can be carried out independently from its controlling shareholder(s), with whom any transactions must be conducted at arm's length.
Track record	<ul style="list-style-type: none"> ● At least a three-year track record of independent trading and revenue-earning is required (including the companies acquired under a number of significant acquisitions during the three-year period). ● A shorter track record period may be acceptable if the U.K. Listing Authority (UKLA) is satisfied that it is in the interests of the applicant or investors, and the necessary information for investment decisions is available.
Accountants' report	<ul style="list-style-type: none"> ● The latest accounts must not have ended more than six months from the date of the listing particulars. ● The report must be prepared either under generally accepted accounting principles in the United Kingdom (U.K.) or the United States of America (U.S.) or the International Financial Reporting Standards. ● The report must be in accordance with the auditing standards in the U.K., the U.S. or the International Standards on Auditing. ● The auditors' reports that cover the track record financials must not be qualified or refer to any matter of fundamental uncertainty which relates to a matter of significance for investors.
Securities distribution	
Market capitalization	<ul style="list-style-type: none"> ● At least £700,000 is required.
Public float	<ul style="list-style-type: none"> ● At least 25% is required. ● The shares must be sufficiently widely held that their marketability when listed can be assumed.
Corporate governance	
Combined code on corporate governance	<ul style="list-style-type: none"> ● It is not mandatory to comply but it is encouraged. ● Disclosure of areas of non-compliance is required.
Other considerations	
Relationship with officers or advisers	<ul style="list-style-type: none"> ● A fee or other remuneration or consideration payable to any director, officer or adviser of the applicant in connection with the listing of securities may only be made otherwise than in cash, except approved by the U.K. Listing Authority. ● No shares may be placed with connected clients, either of the sponsor, or of any securities house or other intermediary assisting with the offer, unless they are placed with a market maker or fund manager for the purposes of its business.
Others	<ul style="list-style-type: none"> ● The applicant is required to be admitted to the admission list of the U.K. Listing Authority. ● The size and volatility of the market as a whole. Continuing obligations after flotation. ● Additional and alternative requirements applied for property, mineral, scientific research based, and innovative high-growth companies, and investment vehicles.

IMPORTANT:

The requirements shown herein only constitute a highlight of the qualifications for listing as stated in the relevant rules as at 30 April 2006 and are not intended to be exhaustive or a supplement of the rules of the Exchange. Therefore they should not be relied upon in making any investment or listing decisions. If you are interested to acquire additional information in relation to this market, you are advised to talk to our partners or your professional advisers

The information contained herein is of a general nature and is not intended to address the circumstances of any particular individual or entity. Although we endeavor to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No one should act upon such information without appropriate professional advice after a thorough examination of the particular situation.