



CHARLTONS
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Raising Capital in London

Andrew Raca, Head of Corporate Finance, VSA Capital

Charltons Law Virtual Roundtable, 'Listing Asian Companies on Aquis'

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Overview of VSA Capital

International presence

VSA Capital is an investment banking and broking firm headquartered in London with an office in Shanghai

Senior industry specialists

Range of services including IPOs, secondary fund raisings, mergers and acquisitions advice and public company takeovers

AQSE Corporate Adviser

VSA is an Aquis Stock Exchange Corporate Adviser and has created the VSA Capital AQSE Apex Index

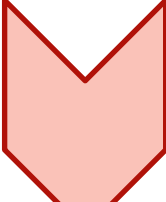
Independent advice

VSA is broker to companies on Aquis, AIM, and the LSE Main Market

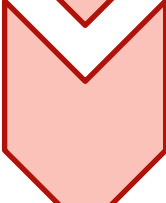
Breadth of experience

VSA can provide M&A, Corporate Broking, Sales and Research Services to assist Asian companies which require a local partner to help accelerate their growth potential.

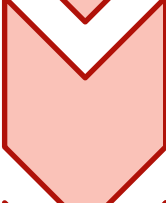
Overview of AIM



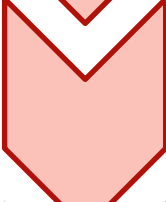
- Established in 1995, AIM is a market managed by the London Stock Exchange Group plc (LSE)



- Regulation and Compliance devolved by the LSE to the Nominated Adviser (or 'Nomad')



- Increasing regulatory burden on both AIM companies and Nomads



- Hurdle to join market by an IPO has become higher. AIM more careful about new entrants: Nomads not keen on Asian companies



- Free float and liquidity are increasingly important

Overview of LSE Main Market

Need for FCA-approved prospectus

- Increasingly challenging to list and considerable scrutiny
- Prospectus required for share issues of 20% in 12 month period

Minimum market capitalisation

- Currently £30m / HK\$270m

Standard listings under review by the FCA

(Source: Primary Markets Effectiveness Review, DP22/2, May 2022, para 3.10)

- **“In the absence of a requirement to have a listing venue that is based on EU mandatory minimum standards, it is no longer clear what purpose multiple listing segments serve for equity shares in companies”**

Why Aquis is a Strong Challenger Stock Exchange in the UK

- Regulatory regime more suited to growth companies: commercial mindset
- Relationship between the Aquis exchange and companies/advisers is much more collaborative
- Quicker and less expensive to list
- Full connectivity and support being established with institutional investors and retail platforms
- With superior technology, Aquis is competing with other exchanges and is attracting increasing trading volumes
- For investors, Aquis provides the same suite of tax incentives and benefits that you get on AIM. (No stamp duty and IHT relief)

Top Tips for Asian Companies Seeking Finance in London: The Business

A credible reason to be listed in the UK

Legal jurisdiction and corporate structure to be favourable

Strong Management that speaks English/UK-based director(s)

Strong track record of financial performance

Very clear investment case that is credible

Earnings visibility and cash generation, potential to accelerate growth through new funds and acquisitions

Convince investors that you will generate returns for shareholders as a priority

Top Tips for Asian Companies Seeking Finance in London: The Market

Strong team of advisers (Audit, Legal, Financial, Broking): Asian experience essential

Local advisers in Asia beneficial to support effective communications and fundraisings

Strong corporate governance (Board, reporting and disclosure), and adherence to a corporate governance code

Commitment to regular shareholder meetings, regular dialogue and research/forecasts

Free float, liquidity and controlling shareholders: clarify ownership and make it attractive

Clarity of Environmental, Social and Governance policies (ESG)

Key will be early consultation and quality of advisory team

Contact Details

Andrew Raca
Head of Corporate Finance
VSA Capital Ltd
16-18 Finsbury Circus
London EC2M 2EB

+44 (0) 20 3005 5004

+44 (0) 7748 933 896

araca@vsacapital.com

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