

**Baker
McKenzie.**

CROSS-BORDER LISTINGS

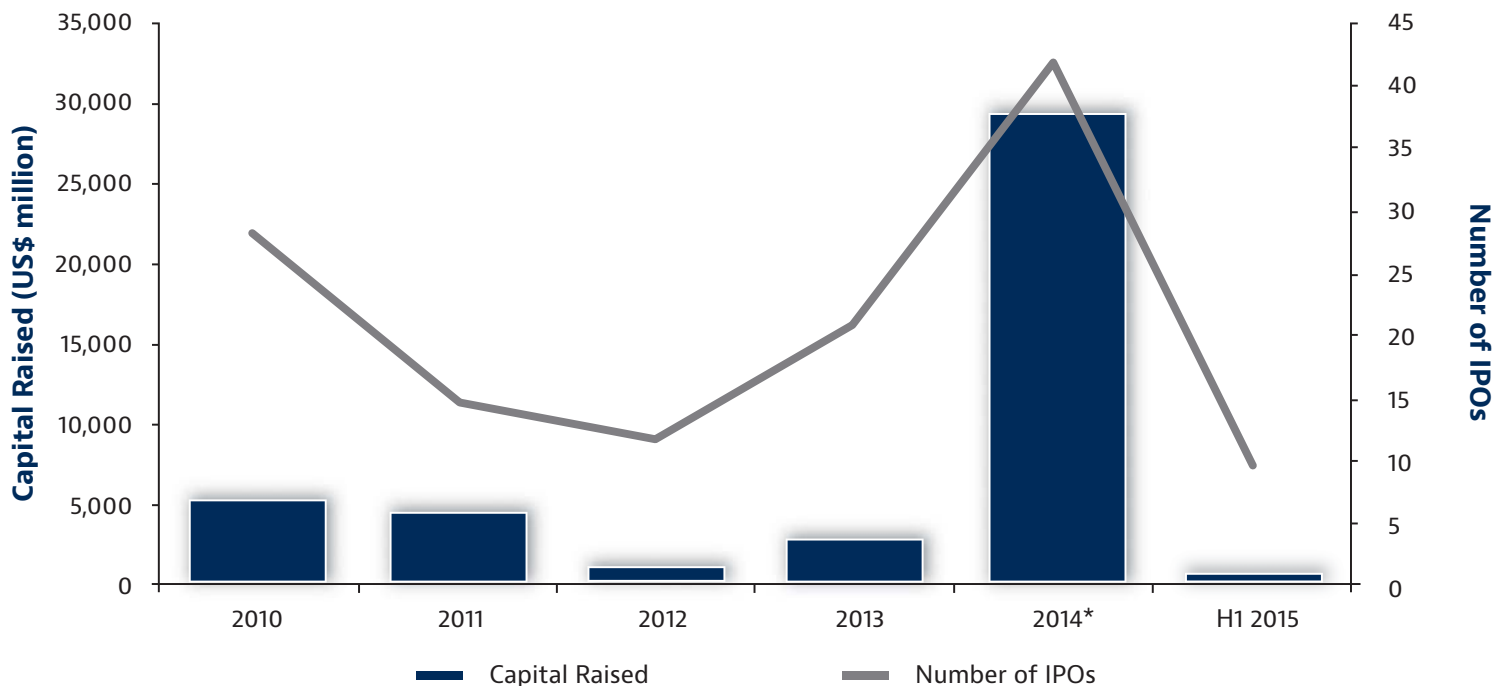
A GUIDE FOR TECHNOLOGY COMPANIES



Introduction

Technology companies undertaking capital raisings have a wide range of stock exchanges to choose from throughout the world. From major international finance hubs to other international markets that are particularly attractive to development-phase companies, more and more software, e-commerce, internet and other technology companies are considering cross-border capital raisings to address their corporate financing needs. This guide highlights stock exchanges in Australia, Hong Kong, London and New York—all of which have been especially active in cross-border capital raising for the technology industry.

Cross-Border IPOs in the Technology Industry



*The spike in 2014 was due to the Alibaba IPO, which accounted for 81% (US\$25.03 billion) of the total value of cross-border tech IPO that year. Excluding this transaction, the total value in 2014 was US\$6.05 billion, representing a 158% increase compared to 2013.

Includes technology company cross-border IPOs from 2010-H1 2015. Source: Thomson ONE.

The technology industry has an increasing choice in selecting among exchanges as companies consider factors such as the ability to meet listing criteria, regulatory environment for technology companies, location of industry peers, access to an investor base, and ongoing requirements and costs. In particular, technology companies should weigh the following characteristics about the exchanges they are considering.

Ability to satisfy listing requirements

Most exchanges have listing requirements dealing with financial track record or assets, minimum number of shareholders, public float, minimum share price and capitalization. A company's operational stage may make meeting the requirements of certain exchanges more feasible than others.

For example, an early-stage company developing a new software or product may be more likely to satisfy requirements on exchanges that offer asset test financial requirements rather than requiring a track record of profitability. In addition, prospectus disclosures covering matters such as financials, intellectual property, description of the business model, and key risks associated with the business and future profitability could require significant time and costs to satisfy.

Selecting the most suitable jurisdiction requires careful assessment of a technology company's ability to meet all relevant listing requirements.

Technology industry regulatory environment

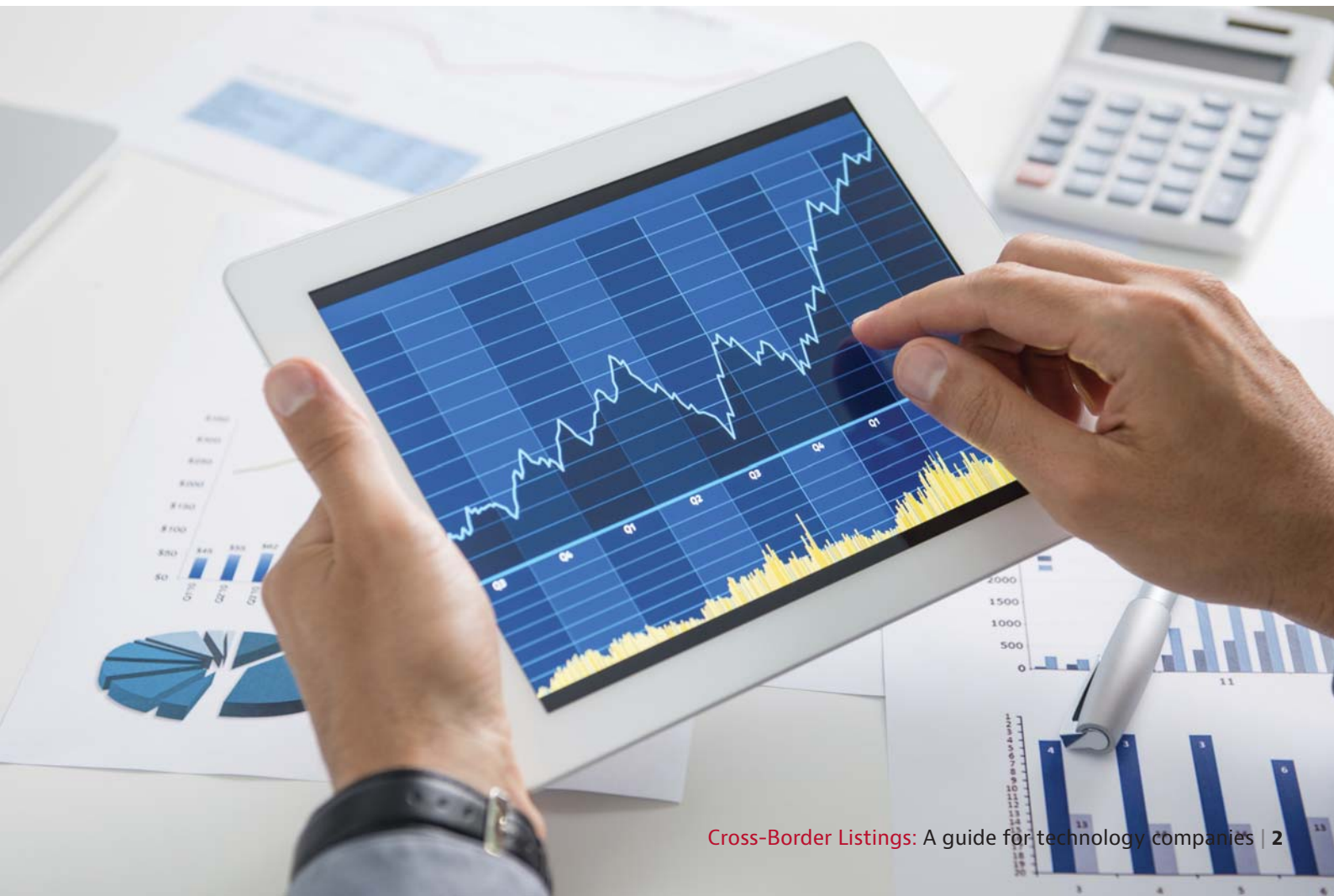
The regulatory environment to which a technology company is subject may be an important consideration when choosing among exchanges. For instance, investors active on certain exchanges may be more comfortable with, and place higher valuations on, companies that operate in certain countries, depending on the level of regulation applicable to technology businesses in that country, especially with regard to intellectual property rights.

Location of peer technology companies

Technology companies concentrating on particular services or products may be more prevalent on certain exchanges, which may assist investors and analysts experienced in those sectors to provide more favorable valuations. Similarly, an investor's appetite for the quality, stage of development and risks associated with a particular new high tech product or software application, may differ in each market. In addition, having a group of peer technology companies on an exchange can help serve as a benchmark for an issuer's share price in the after market.

Amount of capital required

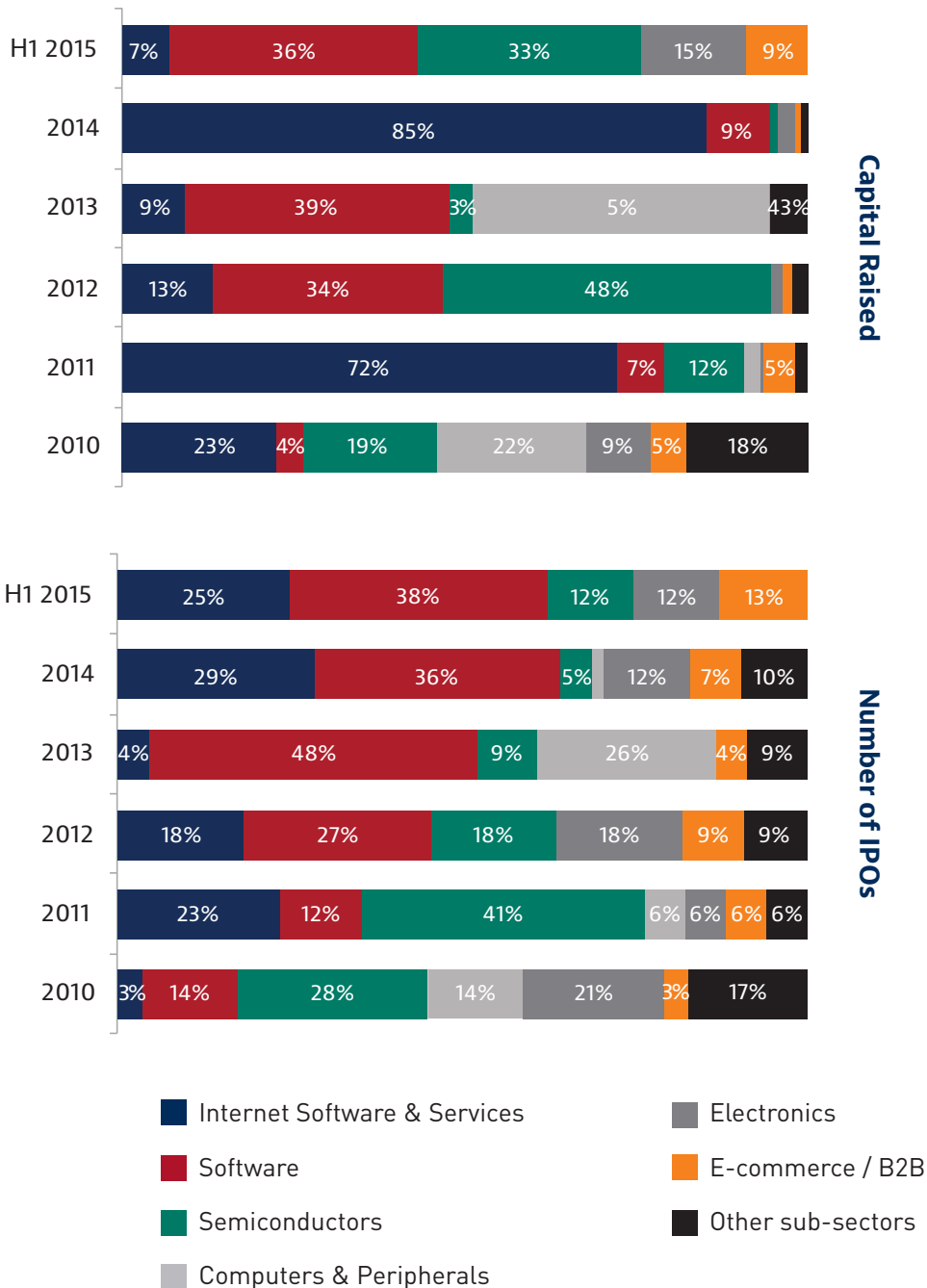
Some exchanges are better placed to deal with large capital raisings due to the size and level of liquidity in that market, while others may offer a more efficient means to raise smaller amounts of capital in a more timely manner. In addition, some exchanges offer more flexible requirements for already-listed companies to raise additional capital, including allowing flexibility in structuring and size of placements.



Continuing obligations after listing

Ongoing requirements of exchanges and securities regulators may be more stringent on certain exchanges or in certain jurisdictions than others, which can result in significant continuing compliance costs. For example, a listed company may be required to comply with specific financial reporting requirements, frequent material event notifications and disclosures related to significant stock ownership, depending on the exchange. It is important for a technology company to determine early on whether it will be able to meet all ongoing regulatory obligations for a chosen exchange.

Technology Industry Sub-Sectors



Includes technology company cross-border IPOs from 2010-H1 2015. Source: Thomson ONE.

About the exchanges

This guide summarizes key requirements and other considerations for listing securities on the following stock exchanges, each of which offers its own unique advantages for a technology company that is considering listing abroad.

Australian Securities Exchange

- Internationally recognized market for technology companies with well-informed investor base
- Particularly attractive to early-stage companies, offering an appealing platform to grow

London Stock Exchange

- One of the largest international markets worldwide
- Cost efficient access to large pool of international equity assets

Hong Kong Stock Exchange

- International finance center and gateway to Mainland China and Asia
- Sound regulatory framework and market standards

NASDAQ Stock Market

- Home to many companies with forward-looking technologies and an investor base that is well-versed in the technology industry
- Flexible initial listing standards

New York Stock Exchange

- One of the world's largest global stock exchanges
- Recent growth in listings by newer technology players, particularly among larger IPO issuers



Key issues for technology companies

Software, e-commerce, internet and other technology companies should be aware of the following key issues often encountered by industry peers undertaking the process of capital raising and listing on a stock exchange.

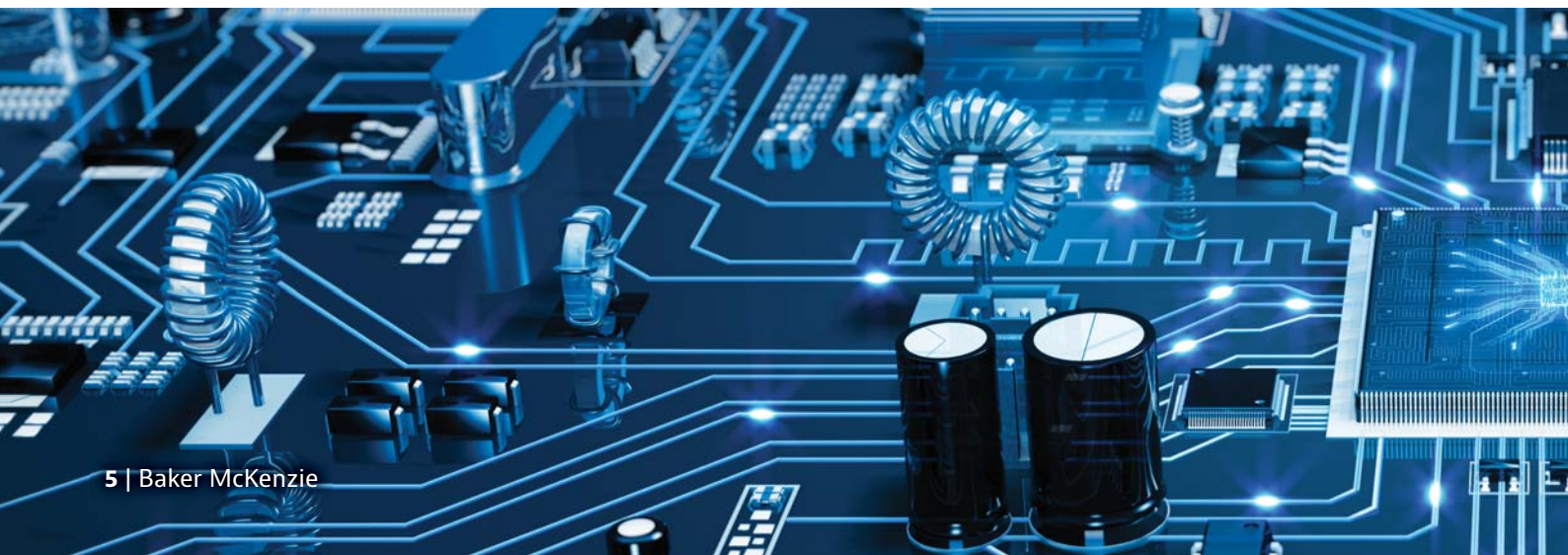
Prospectus disclosures

Determining how best to explain the company's business model or a particular application, service or product can be challenging for an early-stage technology company. The key prospectus drafting challenge is to provide explanations that are accurate and complete, while satisfying both investors and regulators in their desires for cogent, easily understood information.

Technology companies should also carefully consider the key risks associated with their business model or with a subset of products. A proper explanation of key business risks specific to the company, and how the company is managing and preparing for those risks, is an important aspect of prospectus disclosure.

Business risks of particular relevance to technology companies include:

- Ownership and control of intellectual property assets.
- Reliance on a set of core products or failure to develop new products.
- Liquidity for future operations and product development.
- Fast-paced changes in competition and consumer uses of technology.
- Redundancy of technology systems.
- Exposure to cyber-risks that could lead to disclosure or theft of proprietary information or customer data.
- Compliance with the regulatory regimes applicable to the business in existing markets, and potential regulatory hurdles in target markets.
- Use of open source software in any software products, and the risk of contamination of proprietary software.
- Resourcing and reliance on key employees.



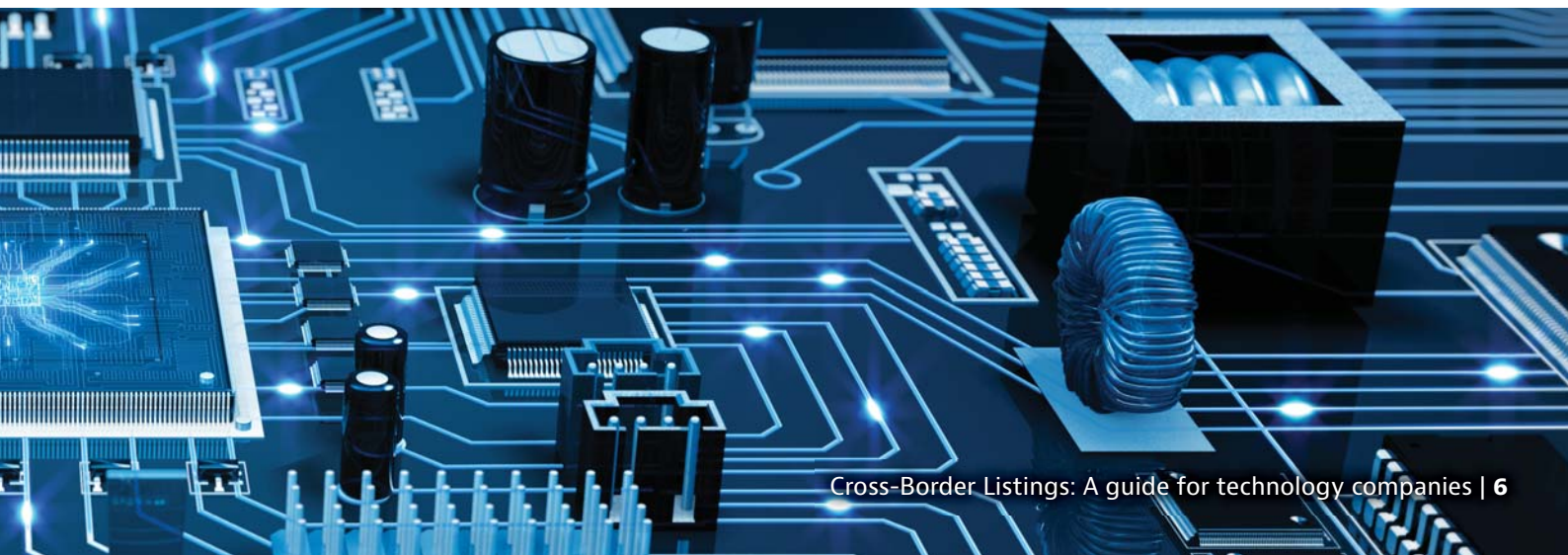
Due diligence

The due diligence investigation for technology companies is typically more specialized than for other companies, with a heavy focus on intellectual property rights, protections and controls. A company that relies on developing new technologies in an ever-changing industry landscape is often considered only as valuable as its next high tech product or software, which is driven by what rights the company has to use the product or software. If intellectual property rights in a product cannot be properly secured, there is risk that the company will be limited in its ability to exploit the business in the way it contemplates, and potentially its ability to prevent competitors from directly copying the product/service, or reproducing the product/service concept in a slightly altered form.

A technology company should identify how it has protected its technology, for example, through patents, trademarks, copyrights, confidentiality agreements or other contracts. If the technology is a type of intellectual property that is patentable, a company should consider securing registrations for its own technology and also conducting "freedom to operate" searches to identify existing patent registrations that could limit or prevent use of the technology in particular geographies. Finally, the company should determine whether its technology is the subject of any third party infringement claims and, if so, the status and prospect of success in any litigation or dispute resolution procedure.

It is essential to identify which intellectual property assets have been developed internally, developed as works for hire or are licensed from third parties. Ownership of technologies developed by employees, consultants or others commissioned by the company should be assigned to the company.

Technology companies that engage directly with individual customers—particularly social media companies—often hold significant amounts of personal data about their customers. That data, and the engagement with those customers, is often at the core of the company's value. Due diligence efforts must therefore also focus on identifying the locations where data is collected and/or held, and on ensuring that existing business processes are compliant with data protection and privacy laws. Consideration should also be given to identifying any barriers to compliance with privacy or data protection regimes in new target markets. Data protection and privacy regimes typically require the company to secure personal data from unauthorized loss or disclosure. As a result, IT security arrangements are another important element to be considered during due diligence.



In addition to these issues, due diligence investigations for technology companies often focus on other areas particularly relevant to the industry, such as:

- Having an established research and development pipeline, and timelines for new product or service offerings.
- Applicable export control restrictions, and whether import/ export licenses are already in place for core products and markets.
- Reliance on third party products or licenses.
- Licensing and distribution models for core products.
- Financial statement matters such as revenue recognition and impairment issues.
- Plans to retain and expand the company's customer base.

Key employees

Identifying key employees is important not only for obtaining assignments of intellectual property, as described above, but also for securing services that may be necessary for the ongoing success of the company. Employees who drive innovation and product development are essential to securing the R&D pipeline which can maintain the competitiveness of the company. Employees with knowledge of legacy systems can also be important, particularly if current systems and applications are built on a platform written in an older coding language that may be unfamiliar to newer employees.

Eight practical tips for a successful listing

Regardless of the particular stock exchanges considered for listing, a technology company can increase its chances of success by following these practical tips.

- ✓ **Prioritize** your goals for the listing. For example, are you seeking access to a broader investor base, greater visibility among technology industry peers or another goal?
- ✓ **Consider** the likelihood that a particular exchange can meet those goals.
- ✓ **Analyze** the trading price and volume of comparable technology stocks on the exchanges you are considering.
- ✓ **Critique** any timetable provided by an adviser, exchange or other third party to confirm that it is realistic.
- ✓ **Understand** the liability risks of listing on a particular exchange.
- ✓ **Quantify** all initial and ongoing costs associated with a particular exchange. These can include, for example, initial listing fees, annual fees, ongoing disclosure costs and other compliance-related costs.
- ✓ **Seek** an exchange where investors are familiar with other companies in the technology industry.
- ✓ **Choose** financial, legal and accounting advisers that have technology industry knowledge and on-the-ground experience with local and international aspects of listing on a particular exchange.



Australian Securities Exchange

ABOUT THE EXCHANGE

The Australian Securities Exchange (ASX) is an internationally recognized market for companies in the technology industry, ranging from major international players focused on IT services and software to smaller new companies focused on software and product development and e-commerce applications. The top 100 ASX-listed technology companies, including a number of foreign companies based in the US, UK, Hong Kong, Singapore and New Zealand, have a market capitalization totaling more than A\$180 billion (approximately US\$131.5 billion). The ASX is particularly attractive for early-stage companies as the ability to list under the assets test (described below) provides a viable avenue for product development and an inviting platform to access capital markets during an early-stage of operations. As a result, the ASX offers an appealing platform for companies to grow, with the potential to be included in ASX indices (including the specialized S&P/ASX 200 Information Technology Index) or to seek dual listings on other exchanges once they have established a track record and stronger financial and market position.

Recent Cross-Border Listings on the ASX

- Orion Health Group Limited
Software
- eCargo Holdings Limited
E-commerce / B2B
- Mitula Group Limited
Internet Software & Services
- Netccentric Limited
Internet Software & Services

Source: Thomson ONE

Notable ASX-Listed Companies

- Computershare Limited
Data Processing and Outsourced Services
- carsales.com Limited
Internet Software and Services
- Recall Holdings Limited
Diversified Support Services
- IRESS Limited
Data Processing and Outsourced Services

Source: Capital IQ

KEY LISTING REQUIREMENTS

	ASX
Financial requirements	<p>At least one of the following:</p> <ul style="list-style-type: none"> • Profits: (1) aggregated operating profit for the last 3 full financial years of at least A\$1 million (approx. US\$731,000); and (2) consolidated operating profit of more than A\$400,000 (approx. US\$290,000) for the 12 months preceding a date no more than 2 months before the date the company applies for listing. Also, directors must provide a statement regarding earning profit up to the date of the listing application; • Assets: (1) net tangible assets of at least A\$3 million (approx. US\$2.2 million), after deducting the costs of fund raising (A\$15 million (approx. US\$11 million) for an investment company), or a market capitalization of at least A\$10 million (approx. US\$7.3 million); (2) less than half of the company's total tangible assets, after deducting the costs of raising any funds, in cash or in a form readily convertible to cash, or commitments consistent with business objectives to spend at least half of its cash and assets that are in a form readily convertible to cash; and (3) working capital of at least A\$1.5 million (approx. US\$1.1 million), which may include budgeted revenue for the first full financial year after listing; or • Foreign exempt listing: (1) company is already listed on another stock exchange and its home exchange is a member of the World Federation of Stock Exchanges; and (2) either operating profit (before income tax and derived from its ordinary activities) for each of the last 3 full financial years of at least A\$200 million (approx. US\$146 million), or net tangible assets of at least A\$2 billion (approx. US\$1.46 billion).
Operating history	None under the assets test. Under the profits test, generally 3 years of profitable operations.
Public float & number of shareholders	<p>At least one of the following:</p> <ul style="list-style-type: none"> • At least 400 shareholders, each holding shares with a value of at least A\$2,000 (approx. US\$1,800) (excluding restricted securities); • At least 350 shareholders, each holding shares with a value of at least A\$2,000 (excluding restricted securities), if shareholders who are not related parties of the company (such as directors and controlling shareholders) hold at least 25% of the total number of shares (excluding restricted securities); or • At least 300 shareholders, each holding shares with a value of at least A\$2,000 (excluding restricted securities), if shareholders who are not related parties of the company (such as directors and controlling shareholders) hold at least 50% of the total number of shares (excluding restricted securities). <p>Although there are no specific requirements for a minimum number of Australian resident shareholders or a minimum free float, the ASX encourages companies to have a reasonable number of Australian shareholders and reasonable free float of at least 10%, to promote local interest and liquidity in its shares.</p>
Price per share	At least A\$0.20 (approx. US\$0.18) per share.
Management continuity requirements	None. However, all directors must satisfy requirements that they are of good fame and character.

KEY LISTING REQUIREMENTS (continued)

	ASX
Restricted jurisdictions	For foreign exempt listings, a company's home exchange must be a member of the World Federation of Exchanges. For general listings, there are no restricted jurisdictions. However, many foreign businesses wishing to list will establish a holding company in Australia or an English-speaking jurisdiction, such as England, Canada, USA or the British Virgin Islands.
Currency denomination restrictions	Trading price for foreign company securities will be in A\$ even though they may be denominated in other currencies. Foreign companies generally will be required to create CHESS Depository Interests over their shares of stock, (CDIs) which are then listed and traded on ASX.
Accounting standards	Australian Accounting Standards or other standards acceptable to ASX such as IFRS and GAAP applicable in Canada, Hong Kong, New Zealand, Singapore, South Africa, United Kingdom and USA.
Financial statements	The prospectus must generally include 3 years' audited financial statements and usually also includes pro forma historical information for the same period. Forecast financial information also may be included.
Lock-up & escrow requirements	None if admitted under profits test. If admitted under the assets test, certain shares may be classified as restricted securities so that they must be escrowed and cannot be dealt with for a period of up to 2 years after listing. The applicable escrow period depends on the nature of the relevant holder's relationship with the company (e.g., director, lead capitalist, promoter, vendor of assets) and the consideration provided for the shares.
Initial listing fees	Fee is based on market capitalization, with a minimum of A\$26,906 (approx. US\$23,600).
Annual fees	Fee is based on market capitalization, with a minimum of A\$12,500 (approx. US\$11,250).
Approximate timeframe for typical listing process	4 months.
Major regulators in addition to the exchange	Australian Securities and Investments Commission (ASIC).

Other regulatory considerations for technology companies

Once listed, technology companies may be subject to additional reporting requirements. In addition to annual and half yearly reporting applicable to all companies, any technology company listed under the assets tests must report quarterly on its cash flow and expenditures and commitments to implement its business objectives.

A technology company may consider seeking a backdoor listing or reverse takeover rather than undertaking an IPO and listing on ASX. This type of transaction involves an existing listed entity acquiring the relevant technology company or business and being used as the listing vehicle. Generally, the same ASX listing conditions for an IPO would need to be satisfied for a backdoor listing or reverse takeover, including the lodgment of a prospectus with ASIC. Typically, the listed company would also need to obtain shareholder approval. This approach increasingly has been used by a number of technology companies to list on ASX, including various US companies.

Hong Kong Stock Exchange

ABOUT THE EXCHANGE

The Stock Exchange of Hong Kong Limited (commonly referred to as SEHK or HKSE) is recognized worldwide as a premier securities exchange with access to abundant local and overseas funds and free flow of both capital and information. With its respected and well established legal system and sound regulatory framework and market standards, Hong Kong is an international financial center and acts as a gateway to Mainland China and Asia. With Hong Kong's close ties to Mainland China and other Asian economies, the HKSE is strategically placed to serve as an ideal platform for technology companies seeking exposure to rapidly growing markets in Mainland China and throughout Asia.

Recent Cross-Border Listings on the HKSE

- Yangtze Optical Fibre & Cable
Other High Technology
- Linekong
Internet Software & Services
- Feiyu Technology
Software
- Vital Mobile Holdings Limited
Electronics

Source: Thomson ONE

Notable HKSE-Listed Companies

- Hanergy Thin Film Power Group Limited
Semiconductor Equipment
- ASM Pacific Technology Ltd.
Semiconductor Equipment
- GCL-Poly Energy Holdings Limited
Semiconductor Equipment
- Vtech Holdings Limited
Communications Equipment

Source: Capital IQ

KEY LISTING REQUIREMENTS

	HKSE Main Board
Financial requirements	<p>At least one of the following:</p> <ul style="list-style-type: none"> • <u>Profit test</u>: (1) market capitalization of at least HK\$200 million (approx. US\$25.8 million); and (2) profits of at least HK\$50 million (approx. US\$6.5 million) in the last 3 financial years, with at least HK\$20 million (approx. US\$2.6 million) recorded in the most recent year and at least HK\$30 million (approx. US\$3.9 million) recorded in the 2 years before that; • <u>Market capitalization / revenue / cash flow test</u>: (1) market capitalization of at least HK\$2 billion (approx. US\$258 million); (2) revenue of at least HK\$500 million (approx. US\$64.5 million) for the most recent audited financial year; and (3) positive cash flow from operating activities of at least HK\$100 million (approx. US\$12.9 million) for the 3 preceding financial years; or • <u>Market capitalization / revenue test</u>: (1) market capitalization of at least HK\$4 billion (approx. US\$516 million); and (2) revenue of at least HK\$500 million (approx. US\$64.5 million) for the most recent audited financial year. <p>In addition, a company must have sufficient working capital for at least the next 12 months.</p>
Operating history	3 years.
Public float & number of shareholders	<p>All of the following:</p> <ul style="list-style-type: none"> • At least 300 shareholders (at the time of listing); • At least 25% (may be lower for certain large issues) of total issued share capital held by the public (at all times); and • Not more than 50% of shares held by the public can be beneficially owned by the 3 largest public shareholders (at the time of listing).
Price per share	The issue price must not be less than the nominal value.
Management continuity requirements	3 years.
Restricted jurisdictions	Suitability is assessed on a case-by-case basis if not incorporated in Hong Kong, Australia, Bermuda, Brazil, British Virgin Islands, Canada (Alberta, British Columbia or Ontario), Cayman Islands, Cyprus, England and Wales, France, Germany, Guernsey, Isle of Man, Italy, Japan, Jersey, Labuan, Luxembourg, PRC, Republic of Korea, Singapore or United States (California or Delaware).
Currency denomination restrictions	Eligible securities must be traded and settled in either Hong Kong dollars, Renminbi or US dollars, even though they may be denominated in other currencies.
Accounting standards	HKFRS, IFRS or, for a PRC issuer, CASBE.
Financial statements	The listing document must generally include 3 years' audited financial statements and, if the latest financial year ended more than 6 months before the date of the listing document, then in addition an audited interim (or stub) set of accounts for part of the current financial year.
Lock-up & escrow requirements	For 6 months from when dealings commence on HKSE, controlling shareholders (those holding 30% or more of the voting power) may not dispose of any interests in the issuer. For a further 6 months, a controlling shareholder may not dispose of any interests in the issuer that would cause it to cease to be a controlling shareholder.

KEY LISTING REQUIREMENTS (continued)

	HKSE Main Board
Initial listing fees	Fee ranges from HK\$150,000 (approx. US\$19,400) to HK\$650,000 (approx. US\$83,900), depending on the value of securities being listed.
Annual fees	At least HK\$145,000 (approx. US\$18,700) but increases depending on the nominal value of shares listed.
Approximate timeframe for typical listing process	6-9 months.
Major regulators in addition to the exchange	Securities and Futures Commission (SFC).

Other regulatory considerations for technology companies

Certain technology companies, especially those operating in the PRC, may adopt variable interest entity, or VIE, structures to control their PRC operations through structured contract arrangements. This is primarily due to foreign ownership restrictions applicable to certain restricted businesses, such as ICP license restrictions.

The HKSE generally permits the use of structured contracts to address foreign ownership restrictions, but requires compliance with all other applicable laws and rules. Where a listed issuer adopts a VIE structure in its business operations, PRC legal due diligence must be conducted to ensure that the structured contract arrangement is in compliance with applicable laws. Appropriate regulatory assurance should be obtained from the relevant regulatory authorities, and a PRC legal opinion would generally be required. In addition, specific disclosure requirements apply where a structured contract arrangement is adopted, which can include:

- Reasons for the use of structured contract arrangement;
- Analysis on potential difficulties in enforcing structured contracts;
- Measures taken to avoid conflicts of interest;
- Any interference or encumbrance from government authorities in business conducted through structured contracts;
- Analysis on how significant control and economic benefits can be enforced to ensure that they are vested with the listing applicant through the structured contracts; and
- Positive confirmation from PRC legal advisers that the structured contracts would not be deemed as "concealing illegal intentions with a lawful form" and void under PRC contract law.

Another consideration is the use of weighted voting rights or a dual-class share structure, which is a common corporate governance structure for many technology companies. The HKSE does not currently recognize weighted voting rights or dual-class shares, which gives certain shareholders more voting rights than others. A listing applicant with such a structure may not be accepted for listing on the HKSE. However, the HKSE is in the process of seeking market input as it considers whether to permit these types of structures.

London Stock Exchange

ABOUT THE EXCHANGE

The London Stock Exchange (LSE) is one of the largest international markets in the world. The Main Market is the LSE's flagship market for larger, more established companies and is home to some of the world's best known companies. AIM is known for its balanced approach to regulation and is well-suited to smaller, growing companies, including those with less than three years of audited financial statements. The LSE provides cost-efficient access to a large pool of international equity assets, with over 2,300 companies from nearly 70 countries listed and traded on its markets. Approximately 190 technology companies are listed in London, with a market value of approximately £135 billion (approximately US\$212 billion).

Recent Cross-Border Listings on the LSE

- Marimedia Ltd
Software
- Clearstar Inc.
IT Consulting & Services
- Nektan plc
E-commerce / B2B
- TechFinancials Inc
Software

Source: Thomson ONE

Notable LSE-Listed Companies

- ARM Holdings plc
Semiconductors
- Sage Group plc
Application Software
- Auto Trader Group plc
Internet Software and Services
- JUST EAT plc
Internet Software and Services

Source: Capital IQ

KEY LISTING REQUIREMENTS

	LSE Main Market	LSE AIM
Financial requirements	<p>Both of the following:</p> <ul style="list-style-type: none"> • Expected market value of all securities to be listed must be at least £700,000 (approx. US\$1.1 million); and • Sufficient working capital for at least the next 12 months. <p>In addition, a company seeking a premium listing generally must demonstrate that it carries on an independent business as its main activity.</p>	Sufficient working capital for at least the next 12 months. Generally no minimum size or market capitalization requirements.
Operating history	Generally 3 years.	None.
Public float & number of shareholders	At least 25% of the class of shares to be listed must generally be distributed to the public in one or more EEA member states.	None.
Price per share	None.	None.
Management continuity requirements	None.	None.
Restricted jurisdictions	None.	None.
Currency denomination restrictions	None.	None.
Accounting standards	IFRS if company is incorporated in a EEA member state; IFRS or US, Japanese, Chinese, Canadian, Indian (for financial periods ending on or before December 31, 2014) or South Korean GAAP for other companies.	IFRS if company is incorporated in a EEA member state; IFRS, US GAAP, Canadian GAAP, Australian IFRS or Japanese GAAP for other companies.
Financial statements	The prospectus must generally include audited historical financial information for the last 3 financial years, and any quarterly or half-yearly financial information published since the date of the last audited financial statements. In addition, the audit reports for all relevant periods must be included in full. Certain additional requirements apply to a company seeking a premium listing.	The admission document must generally include audited accounts for the last 3 financial years (or less if the company has been in existence for less than 3 years) and an audit report in respect of each year.
Lock-up & escrow requirements	None. However, underwriters typically require directors and major selling shareholders to agree to a lock-up arrangement.	For companies whose business has not been independent and earning revenue for at least 2 years, 1 year from admission for directors, significant shareholders (those holding 10% or more of a class of security or voting rights) and applicable employees (those holding 0.5% or more of a class of security). In addition, underwriters typically require directors and major selling shareholders to agree to a lock-up arrangement.

KEY LISTING REQUIREMENTS (continued)

	LSE Main Market	LSE AIM
Initial listing fees	Fees are payable to both the exchange and FCA. Fees payable to the exchange are based on market capitalization. The combined fees for a company with a market capitalization of £100 million (approx. US\$157 million) are approximately £85,000 (approx. US\$133,000).	Fee is based on market capitalization. Fee for a company with a market capitalization of £50 million (approx. US\$78.3 million) is approximately £27,700 (approx. US\$43,400).
Annual fees	Fees (which are payable to both the exchange and FCA) are based on market capitalization. The combined fees for a company with a market capitalization of £100 million (approx. US\$157 million) are approximately £10,700 (approx. US\$16,800). Overseas companies with a standard listing receive a 20% discount on some of these fees.	£6,050 (approx. US\$9,500).
Approximate timeframe for typical listing process	5 months.	4 months.
Major regulators in addition to the exchange	Financial Conduct Authority (FCA) in its capacity as the UK Listing Authority.	None. The Financial Conduct Authority (FCA) is not typically involved in an AIM admission.

Other regulatory considerations for technology companies

The LSE Main Market offers a specialist segment focusing on innovative technology companies, known as techMARK. The benefits of inclusion in the techMARK segment are:

- Clear identification as an innovative company operating in technology;
- Membership of a community committed to investing in research and development; and
- Increased investor and media awareness through inclusion in the FTSE techMARK Index Series and associated funds.

To be eligible to join the techMARK segment, a company generally must satisfy the following:

- Shares must be admitted to trading on the LSE Main Market;
- Shares must be eligible for electronic settlement; and
- The company's business must rely on innovation and research and development.

There is also a FTSE Index series for technology companies with shares listed on AIM, called the "FTSE AIM ALL share - Technology" series.

NASDAQ Stock Market

ABOUT THE EXCHANGE

Historically, NASDAQ developed as the first electronic exchange and was designed for over-the-counter trading of stocks that did not meet the listing requirements of other exchanges. It previously attracted smaller start-up companies which would eventually leave to list on higher-profile exchanges. NASDAQ is now a peer among the world's international stock exchanges and is one of the largest electronic stock markets. Many technology companies—particularly those developing new products or in early stages of operations—choose NASDAQ as their listing venue due to the exchange's flexible initial listing standards and reputation as a venue for companies with forward-looking technology. Approximately 450 technology companies are listed on NASDAQ.

Recent Cross-Border Listings on NASDAQ

- Momo Inc.
Software
- MOL Global, Inc.
Internet Software & Services
- SolarEdge Technologies Inc.
Semiconductors
- Wowo Limited
E-commerce / B2B

Source: Thomson ONE

Notable NASDAQ-Listed Companies

- Apple Inc.
Computer Manufacturing
- Google Inc.
Computer Software: Programming, Data Processing
- Microsoft Corporation
Computer Software: Prepackaged Software
- Facebook, Inc.
Computer Software: Programming, Data Processing

Source: NASDAQ Stock Market

KEY LISTING REQUIREMENTS

	NASDAQ Global Market
Financial requirements	<p>At least one of the following:</p> <ul style="list-style-type: none"> • <u>Income</u>: (1) pre-tax income of at least US\$1 million in the last fiscal year or 2 of the last 3 years; (2) stockholders' equity of at least US\$15 million; (3) publicly held shares with a market value of at least US\$8 million; and (4) at least three registered and active market makers; • <u>Equity</u>: (1) stockholders' equity of at least US\$30 million; (2) at least a 2-year operating history; (3) publicly held shares with a market value of at least US\$18 million; and (4) at least three registered and active market makers; • <u>Market value</u>: (1) listed securities with a market value of at least US\$75 million; (2) publicly held shares with market value of at least US\$20 million; and (3) at least four registered and active market makers; or • <u>Total assets/total revenue</u>: (1) total assets and total revenue of at least US\$75 million each (in the last fiscal year or 2 of the last 3 years); (2) publicly held shares with a market value of at least US\$20 million; and (3) at least four registered and active market makers.
Operating history	Generally none, but 2 years for companies listing under equity standard for financial requirements.
Public float & number of shareholders	<p>Both of the following:</p> <ul style="list-style-type: none"> • At least 400 holders of 100 shares or more; and • At least 1.1 million publicly held shares worldwide.
Price per share	At least US\$4 per share.
Management continuity requirements	None.
Restricted jurisdictions	None.
Currency denomination restrictions	None.
Accounting standards	US GAAP, IFRS (as issued by IASB) or local GAAP (including any non-IASB IFRS) if reconciled to US GAAP.
Financial statements	The registration statement must generally include 5 years' selected historical financial data, as well as 3 years' audited financial statements.
Lock-up & escrow requirements	None.
Initial listing fees	Fee ranges from US\$125,000 to US\$225,000, depending on the number of shares involved.
Annual fees	US\$35,000 to US\$99,500, depending on the number of shares outstanding. Beginning on January 1, 2015, NASDAQ's all-inclusive fee program applies to new issuers and will become mandatory for existing issuers in 2018. The annual all-inclusive fee will range from US\$45,000 to US\$155,000 for companies other than ADR issuers and from US\$45,000 to US\$75,000 for ADR issuers.
Approximate timeframe for typical listing process	5 months.
Major regulators in addition to the exchange	Securities and Exchange Commission (SEC) and Financial Industry Regulatory Authority (FINRA).

Other regulatory considerations for technology companies

By virtue of their asset and income mix, many early-stage technology companies focusing on product development fall within the definition of “investment company” under the Investment Company Act of 1940, which may subject them to an additional level of securities regulation in the United States. It is important for these companies to work with counsel to understand the appropriate exemptions that may be available.

New York Stock Exchange

ABOUT THE EXCHANGE

The New York Stock Exchange (NYSE) is one of the world's largest global stock exchanges and home to more than 2,000 companies, including many from the technology industry of varying sizes and geographies. NYSE offers access to one of the deepest pools of liquidity in the world and is home to some of the largest international companies. Although historically thought of as a venue for well-established companies with long track records, NYSE has seen dramatic growth in listings by newer technology industry players in recent years. The NYSE has recently increased its share of technology company IPOs, particularly among larger IPO issuers.

Recent Cross-Border Listings on the NYSE

- Alibaba Group Holding Limited
Internet Software & Services
- Mobileye N.V.
Software
- Shopify Inc.
Software
- Globant S.A.
Computers & Peripherals

Source: Thomson One

Notable NYSE-Listed Companies

- Oracle Corporation
Computer Software: Prepackaged Software
- International Business Machines Corporation
Computer Manufacturing
- Taiwan Semiconductor Manufacturing Company Ltd.
Semiconductors
- SAP SE
Computer Software: Prepackaged Software

Source: NASDAQ Stock Market

KEY LISTING REQUIREMENTS

The following summary describes NYSE key listing requirements that are generally applicable to a “foreign private issuer”, which is a term of art under US law. A foreign private issuer may choose to qualify under alternative standards applicable to domestic companies.

	NYSE
Financial requirements	<p>At least one of the following:</p> <ul style="list-style-type: none"> • <u>Earnings</u>: pre-tax income of at least US\$100 million for 3 years, with at least US\$25 million in each of the last 2 years; • <u>Pure valuation/revenue</u>: (1) 6 months’ average global market capitalization of at least US\$750 million; and (2) revenues of at least US\$75 million in the most recent year; or • <u>Valuation/revenue with cash flow</u>: (1) global market capitalization of at least US\$500 million; (2) revenues of at least US\$100 million in the most recent 12-month period; and (3) cash flow of at least US\$100 million for 3 years, with at least US\$25 million in each of the last 2 years. <p>An “emerging growth company” that avails itself of certain provisions under the US securities laws allowing the company to report only two years of audited financial statements may qualify under alternate tests.</p>
Operating history	3 years.
Public float & number of shareholders	<p>All of the following:</p> <ul style="list-style-type: none"> • At least 5,000 holders of 100 shares or more; • At least 2.5 million publicly held shares worldwide; and • At least US\$100 million worldwide market value of publicly held shares.
Price per share	At least US\$4 per share.
Management continuity requirements	None.
Restricted jurisdictions	None.
Currency denomination restrictions	None.
Accounting standards	US GAAP, IFRS (as issued by IASB) or local GAAP (including any non-IASB IFRS) if reconciled to US GAAP.
Financial statements	The registration statement must generally include 5 years’ selected historical financial data, as well as 3 years’ audited financial statements.
Lock-up & escrow requirements	None.
Initial listing fees	Fee for common stock typically ranges from US\$125,000 to US\$250,000.
Annual fees	At least US\$45,000 and increases depending on the number of shares listed.
Approximate timeframe for typical listing process	5 months.
Major regulators in addition to the exchange	Securities and Exchange Commission (SEC) and Financial Industry Regulatory Authority (FINRA).

Other considerations/requirements for technology companies

By virtue of their asset and income mix, many early-stage technology companies focusing on product development fall within the definition of “investment company” under the Investment Company Act of 1940, which may subject them to an additional level of securities regulation in the United States. It is important for these companies to work with counsel to understand the appropriate exemptions that may be available.

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