



High Growth Segment

The new High Growth Segment of London Stock Exchange's Main Market has been designed to attract UK and European high growth businesses with the drive and capability to expand globally.

The High Growth Segment (HGS) provides medium and large sized high growth companies with an additional route to the Main Market, to raise capital and to use the public market as a platform to build their business.

The segment is a launch pad for companies that may not meet the eligibility criteria to join the Premium segment of the Main Market at the time of admission, in particular the free float requirement. They are larger than a typical AIM company, and have longer term aspirations to join the Premium segment of the Main Market.

Routes to London Stock Exchange's Main Market

Premium	<ul style="list-style-type: none">• For equities of trading companies and closed and open-ended investment entities• EU Regulated Market and part of the Official List• Highest standards of regulation and corporate governance through EU directives and super-equivalent UK Listing Rules apply
Standard	<ul style="list-style-type: none">• For equities, debt securities, GDRs and securitised derivatives• EU Regulated Market and part of the Official List• Regulatory framework based on minimum EU standards
High Growth Segment	<ul style="list-style-type: none">• NEW segment for equities, designed specifically for high growth, revenue generating EEA incorporated businesses• EU Regulated Market• Subject to minimum EU standards and London Stock Exchange's HGS rulebook

Benefits of joining HGS

- Companies will enjoy the significant benefits of being on a London market - in particular access to capital on an ongoing basis through a diverse and deep investor pool; ability to use shares as acquisition currency; access to an expert advisory community to help gain profile; and a regulatory framework that provides investor confidence without proving burdensome.
- Free float requirement at admission enables founder shareholders, including venture and private equity investors, to float a smaller percentage of the company at an earlier stage of development, as the company transitions from being private to becoming a public company
- A dedicated segment that acts as a launch pad for growth businesses to increase their visibility with the analyst and investor community, as well as enhance their business profile with existing and potential customers and suppliers

Entry criteria tailored for fast growth businesses

To join HGS, a company must:

- be incorporated in the European Economic Area
- be a revenue generating, trading business
- demonstrate growth in revenues (on a CAGR basis) of at least 20% over three year period prior to admission
- have at least 10% of the number of securities admitted in public hands with a value of at least £30 million (the majority of which must be raised at admission)
- appoint a Key Adviser in relation to admission
- set out an intention to join the Listed segment of the Main Market over time

For more information on the High Growth Segment, please visit www.londonstockexchange.com/hgs or contact:

UK: +44 (0) 20 7797 3429

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The framework: an EU regulated market segment that does not form part of the UKLA's Official List

HGS has EU Regulated Market status but is not part of the UK Financial Conduct Authority's Official List, so the Listing Rules do not apply.

Companies on the segment are required to comply with London Stock Exchange's High Growth Segment Rules and existing Admission and Disclosure Standards. EU directive standards including the Prospectus Rules and the Disclosure and Transparency Rules also apply.

"We are delighted that London Stock Exchange is taking action to ensure that London's public markets are organised to help these companies fuel their growth. The UK has a world leading crop of high growth businesses, and the announcement of the High Growth Segment by LSE is an important step in creating the right environment for them to IPO in London."
Greg Clark MP, Financial Secretary to HM Treasury

The London Stock Exchange is launching a new niche technology market to encourage the next Twitter, Facebook or Google to float in the UK.
The Guardian, 14 February 2013

Routes to London Stock Exchange market segments for commercial companies

	Premium	Standard	HGS	AIM
Domicile	Any	Any	EEA incorporated	Any
Regulation	EU Regulated Market & Listed	EU Regulated Market & Listed	EU Regulated Market	MTF
Minimum free float	25%	25%	10% with a min value of £30m	Assessment of suitability
Revenue criteria	75% of business supported by revenue earning record of 3 years	n/a	20% CAGR in revenues over 3 year period	n/a
Admission	Prospectus & Eligibility letter to UKLA under Listing Rules	Prospectus	Eligibility letter to Exchange under HGS rules & Prospectus to UKLA	AIM Admission Document & Nomad declaration of suitability
Adviser	Listing Sponsor at admission & for transactions	n/a	Key Adviser at admission & to seek advice for certain events	Nominated Adviser at all times
Corporate governance	UK Corporate Governance Code	Corporate Governance statement	Corporate Governance statement	Expected market practice & guidance from Nomad
Ongoing obligations	Disclosure & Transparency Rules	Disclosure & Transparency Rules	Disclosure & Transparency Rules	AIM Rules
Significant transactions	Class tests as per Listing Rules	n/a	Class tests as per HGS rulebook	Class tests as per AIM rules
Cancellation	75% shareholder approval	No shareholder approval required	75% shareholder approval, unless cancelling to transfer to Premium	75% shareholder approval
Indices	FTSE UK Series, where eligible	n/a	n/a	FTSE AIM Series, where eligible