

The AIM Designated Market Route



Smaller and medium sized growth companies that already trade on other specific markets and are seeking to join AIM may be eligible for the AIM Designated Market Route.

This route, which allows for a more streamlined admission process, is available specifically to companies that have had their securities traded on a trading venue that has been deemed an AIM Designated Market by London Stock Exchange.

It is highly recommended for a company exploring this route to AIM to discuss the details with a nominated adviser at an early stage.

The current AIM Designated Markets are:

The top tier markets of:

Australian Securities Exchange
Johannesburg Stock Exchange
NASDAQ
NYSE
SIX Swiss Exchange
TMX Group
UKLA Official List

or any EU Regulated Market or SME Growth Market as defined by MiFID II and registered in accordance with that directive (1)

Requirements:

To be eligible an applicant must have had their securities traded on an AIM Designated Market for at least 18 months prior to the date of admission to AIM.

The 18-month requirement is in place to ensure that there has been a sufficient period of disclosure in the home market about the business in the form in which it is seeking admission to AIM. If a business has changed substantially (for example, if it has acquired a large business in that period) it is possible that the entity will not be able to take advantage of the route.

If an applicant is admitted to an EU Regulated Market or SME Growth Market only, an applicant must also:

- have a market capitalisation of at least £20m upon admission to AIM; and
- have its admission documentation on its home market and all disclosure required under the Market Abuse Regulation published in English.

(1) This category (i.e. those markets that are not a named top tier market) will not be considered an AIM Designated Market for the purposes of the guidance note to AIM Rule 41

An applicant must comply with the early notification and pre-admission announcement provisions in the AIM Rules for Companies.

The admission responsibilities at Schedule T AIM Rules for Nominated Advisers apply to any application by a quoted applicant from an AIM Designated Market in the same way as any other applicant.

Schedule One and its supplement:

Instead of an AIM admission document, companies are required to make a more detailed pre-admission announcement (Schedule One) which has to be made at least 20 clear business days prior to the date of admission. This announcement must include:

- The size of any capital raising in conjunction with the application for admission to AIM
- Confirmation that the company has adhered to the legal and regulatory requirements of the relevant AIM Designated Market
- Details of the business of the company and its intended strategy following admission
- A description of significant changes in the financial or trading position of the company since the date to which the last audited accounts were prepared
- A statement that the directors have no reason to believe that the company's working capital will be insufficient for at least 12 months from the date of its admission to AIM
- The rights attaching to, and the arrangements for settling transactions in, the shares being admitted
- Any other information which has not been made public which would otherwise be required of an AIM applicant
- The address of a website containing the company's latest published annual report and accounts (prepared in accordance with accounting standards currently acceptable under the AIM rules) which must have a financial year end not more than nine months prior to admission (otherwise interim accounts will be required)
- All other AIM rules continue to apply as for any AIM applicant (for example rule 7 for lock-ins) and the Notes accompanying the rules

For further information please contact:

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