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U.K. Equity Capital Markets

Comparison of the Eligibility Criteria and Continuing Obligations for Listing SPACs on the Main Market and AIM of the London Stock Exchange; and the AQSE Growth Market of the Aquis Stock Exchange



Different market option listing requirements

The options for listing a SPAC in the U.K. include AQSE, AIM and the LSE (but only the Standard segment of the LSE as SPACs are not eligible to be listed on the Premium segment of the LSE). While there are numerous considerations to be made, some of the key requirements for listing are set out below:

	AQSE Access Growth Market Listing	AIM Listing	Standard listing on LSE
Listing document	AQSE Admission Document	AIM admission document	FCA approved prospectus
Minimum capital raise for IPO	Must have raised no less than £2,000,000 prior to, or at admission by issue of shares for cash and must have an expected market capitalisation of no more than double its net tangible assets	£6,000,000	£100,000,000
Initial term for acquisition	Must execute strategy within two years of admission or face possible suspension by AQSE	Capital must be deployed within 18 months or further shareholder approval has to be sought at each annual general meeting until deployed	Capital must be deployed within two years of listing – this can be extendable by 12 months subject to shareholder approval (there is a further limited option for six-month extension without shareholder approval for certain limited circumstances)
Shareholder approval for acquisition	Yes, on the basis it will be a reverse takeover, it will be conditional upon shareholder approval	Yes, on the basis that it will be a reverse takeover for AIM Rules purposes	Yes – shareholder approval is now required to disapply the presumption of suspension introduced as a part of the recent changes for SPAC listings
Listing document required for re-admission of enlarged group following acquisition	Yes, AQSE Admission Document	Yes, AIM Admission Document	Yes, FCA approved prospectus
Financial adviser requirements	Applicant must appoint and retain an AQSE Corporate Adviser and on an ongoing basis thereafter	Applicant required to appoint a Nominated Adviser for the purposes of the IPO and on an ongoing basis thereafter	There is no requirement under Listing rules to do so, but in practice a financial advisor is often appointed

	AQSE Access Growth Market Listing	AIM Listing	Standard listing on LSE
Corporate governance	AQSE companies must have due regard for the principles laid down by a 'recognised corporate governance code'	AIM companies must confirm the corporate governance code they have chosen to apply and explain how they comply with that code, and the reason/s for any noncompliance must be explained	Requires an annual corporate governance statement, which must include confirmation of the corporate governance code applied and explanations of any potential non-compliance with its provisions
Free float	25% of the shares must be in public hands on admission to listing for enterprise companies (for entities other than SPACs, this is 10%)	AIM has no minimum percentage free float requirement, but will need to be comfortable there will be sufficient liquidity post-IPO	10% of the shares must be in public hands on admission to listing and at all times thereafter (amended on 3 December 2021 – down from 25%)
Shareholder approval required for de-listing	Yes	Yes	No



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